

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF NOLIN RURAL)
ELECTRIC COOPERATIVE CORPORATION) CASE NO. 8481
TO PROVIDE ADEQUATE REVENUES FOR)
ITS OPERATIONS)

O R D E R

IT IS ORDERED that Nolin Rural Electric Cooperative Corporation shall file an original and seven copies of the following information with this Commission, with a copy to the Attorney General's Division of Consumer Protection, by May 3, 1982.

Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), page 2 of 5. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

Information Request No. 1

1. In comparative form, an income statement, a statement of changes in financial position, and a balance sheet for the test year and the 12-month period immediately preceding the test year.

2. The detailed workpapers showing calculations supporting all revenue, expense, and tax adjustments in the rate application, together with a detailed explanation of each component used in each calculation. Index each calculation and related explanation to the adjustment it supports.

3. A schedule of salaries and wages for the test year and each of the 5 preceding calendar years as shown in Format 1, attached.

4. A detailed analysis of advertising expenditures during the test period. This analysis should include a breakdown of Account 913 - Advertising Expenses, as shown in Format 2, attached, and should also show any advertising expenditures included in other expense accounts. This analysis should be specific as to the purpose and expected benefit of each expenditure.

5. An analysis of Account 930 - Miscellaneous General Expenses for the test period. This should include a complete breakdown of this account as shown in attached Format 3, and also provide all detailed work papers supporting this analysis. At minimum, the work papers should show the date, vendor, reference (i.e., voucher number, etc.), dollar amount and brief description of the expenditure.

6. A detailed analysis of contributions for charitable and political purposes (in cash or services). This analysis should indicate the amount of the expenditure, the recipient of the contribution, and the specific account charged.

7. A copy of the auditor's report from the co-op's most recent audit.

8. Provide the utility's times interest and earned ratio and debt service coverage ratio, as calculated by the Rural Electrification Administration, for the test year and

the 5 preceding calendar years. Include the data used to calculate each ratio.

9. Provide the utility's rate of return on net investment rate base for the test year and the 5 preceding calendar years.

10. Provide a detailed analysis of expenses incurred during the test year for professional services as shown in attached Format 4, and all detailed work papers supporting the analysis. At minimum the work papers should show the payee, dollar amount, reference (i.e., voucher number, etc.), account charged, and a brief description of the service provided.

11. The date and time of the most recent annual members' meeting. Provide the number of members in attendance, the number of members voting for new board members, the number elected, and a general description of the meeting's activities.

12. A copy of the cooperative's by-laws.

13. Provide a copy of the board resolution approving the wage and salary increase effective January 1, 1982, also provide a copy of the board resolution approving any other wage increases during the test period.

14. Provide a breakdown of the investments which generated the Interest on Investments included in the Statement of Operations Summary.

Done at Frankfort, Kentucky, this 12th day of April, 1982.

PUBLIC SERVICE COMMISSION

ATTEST:


By the Commission

Secretary

Nolin Rural Electric Cooperative Corporation

Case No. 8481

ANALYSIS OF SALARIES AND WAGES

For the Calendar Years 1976 Through 1980
And the 12-Month Period Ending December 31, 1981

(000's)

Line No.	Item (a)	12 Months Ended										Test Year	
		Calendar Years Prior to Test Year					Test Year						
		5th	4th	3rd	2nd	1st	Amount	Amount	Amount	Amount	Amount		%
		Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	%	
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)

1. Wages charged to expense:
2. Power production expense
3. Transmission expenses
4. Distribution expenses
5. Customer accounts expense
6. Sales expenses
7. Administrative and general expenses:
 - (a) Administrative and general salaries
 - (b) Office supplies and expense
 - (c) Administrative expense transferred-cr.
 - (d) Outside services employed
 - (e) Property insurance
 - (f) Injuries and damages

12 Months Ended

Line No.	Item (a)	Calendar Years Prior to Test Year					Test Year					
		5th	4th	3rd	2nd	1st						
	Amount	%	Amount	%	Amount	%	Amount	%				
	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)

7. Administrative and general expenses (continued):

- (g) Employee pensions and benefits
- (h) Franchise requirements
- (i) Regulatory commission expenses
- (j) Duplicate charges-cr.
- (k) Miscellaneous general expense
- (l) Rents
- (m) Maintenance of general plant

8. Total administrative and general expenses L7(a) through L7(m)

9. Total salaries and wages charged expense (L2 through L6 + L8)

10. Wages capitalized

11. Total salaries and wages

12. Ratio of salaries and wages charged expense to total wages (L9 + L11)

13. Ratio of salaries and wages capitalized to total wages (L10 + L11)

Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

Nolin Rural Electric Cooperative Corporation

Case Number 8481

ACCOUNT 913 - ADVERTISING EXPENSE

For the 12 Months Ended December 31, 1981

(000's)

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Sales or</u> <u>Promotional</u> <u>Advertising</u> <u>(b)</u>	<u>Institutional</u> <u>Advertising</u> <u>(c)</u>	<u>Conservation</u> <u>Advertising</u> <u>(d)</u>	<u>Rate</u> <u>Case</u> <u>(e)</u>	<u>Other</u> <u>(f)</u>	<u>Total</u> <u>(g)</u>
1.	Newspaper						
2.	Magazines and Other						
3.	Television						
4.	Radio						
5.	Direct Mail						
6.	Sales Aids						
7.	Total						

Nolin Rural Electric Cooperative Corporation

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ACCOUNT 930.2 MISCELLANEOUS GENERAL EXPENSES

For the 12 Months Ended December 31, 1981

<u>Line No.</u>	<u>Item</u> (a)	<u>Amount</u> (b)
1.	Industry Association Dues	
2.	Institutional Advertising	
3.	Conservation Advertising	
4.	Rate Department Load Studies	
5.	Water, and Other Testing and Research	
6.	Directors' Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	

Nolin Rural Electric Cooperative Corporation
Professional Service Expenses

Case No. 8481

Professional Service Expenses

For the Twelve Months Ended December 31, 1981

<u>Line No.</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				