

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

O R D E R

IT IS ORDERED that Nolin Rural Electric Cooperative Corporation shall file an original and six copies of the following information with this Commission, with a copy to the Attorney General's Division of Consumer Protection by June 2, 1982. Include with each response the name of the witness who will be responsible for responding to questions related 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. 2

1. In connection with adjustment no. 7 of the retail rate study for franchise taxes, provide the following information:
 - a. When was a franchise tax first imposed on Nolin RECC by the cities of Radcliff and Vine Grove?
 - b. What was the amount of tax paid by Nolin RECC during the test year?

2. Explain the differences in the calculation of Times Interest Earned Ratio for the test year shown in Item No. 8 of the response to Information Request No. 1 with the calculations of TIER shown on page 11 of the retail rate study.

3. Provide an analysis of the \$206,780 in wages charged to Customer Accounts Expense and the \$64,460 in wages charged to Sales Expense for the test year as shown in Item No. 3 of the response to Information Request No. 1. This analysis should show the number of employees in these classifications, job titles of these employees, and explanations for any allocation of salaries.

4. In the annual audit report submitted as Item No. 7 of the response to Information Request No. 1, the statement of revenues and expenses on page 3 shows that Consumer Accounts increased by \$75,871, an increase of approximately 28 percent, from 1980 to 1981. In connection with this expense item, provide the following information:

- a. Comparisons for 1980 and 1981 of Account No. 903, Customer Records and Collection Expenses and Account No. 904, Uncollectible Accounts.
- b. For both 1980 and 1981, a breakdown of Account No. 903, Customer Records and Collection Expenses, separating labor-related expenses and non-labor expenses.

5. Provide examples of the radio and newspaper conservation ads used by Nolin RECC and indicate how frequently the radio ads are broadcast by each of the five stations to which monthly payments were made during the test year.

