

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

RATE ADJUSTMENT OF INTER)
COUNTY RURAL ELECTRIC) CASE NO. 8958
COOPERATIVE CORPORATION)

O R D E R

IT IS ORDERED that Inter County Rural Electric Cooperative Corporation ("Inter County") shall file an original and eight copies of the following information with the Commission, with a copy to all parties of record by March 20, 1984, or no later than 2 weeks after the date the of this Order, whichever comes later. Each copy of the data requested should be placed in a bound volume with each item tabbed and an index of the information included therein. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Careful attention should be given to copied material to insure that it is legible. Inter County shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each area of information requested. Where information requested herein has already been provided, reference may be made to the specific location of said information in responding to this information request. If

neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

Information Request No. 2

1. Provide the basis for the estimates of two-party and three-party CATV attachments shown in calculating Adjustment No. 3 from Exhibit J, page 6 of 64.

2. Explain why, in Adjustment No. 11, Exhibit J, page 62 of 64, the monthly amortization of \$81.09 has been calculated for 8 months when 8 months of expense (January - August) was included in the test year.

3. Provide the auditor's report for calendar year 1983 as soon as it becomes available.

4. Provide the following data applicable to Adjustment No. 6, interest expense:

a. The work order invoices listed on Exhibit J, pages 27-28 of 64.

b. A detailed explanation of how Inter County was able to defer the requisition of the REA and CFC loan funds until December 1983.

c. A comparison of the average number of customers during the test year for each customer classification with the number at the end of the test year for each classification.

5. List the name of the provider of the following benefit programs:

- a. Group Life Insurance.
- b. Disability Insurance.
- c. 24-Hour Accident and Business Travel Insurance.

6. Explain the omission of taxes as a deduction for the purpose of calculating the provision for working capital in Exhibit R.

7. Explain in detail the assumptions and judgements made in making the decision to reduce the value of the patronage capital assigned by United Utility Supply and KAEC to a value of zero as per Exhibit H, page 3 of 4.

8. a. Provide a detailed explanation for each of the expenditures listed in Exhibit 7, pages 1-4, for promotional items.

b. Identify and explain the monthly expenses shown in Exhibit 7 for Co-op Link.

c. Explain the Co-op's policies and practices concerning portraits of directors, attorneys, etc.

9. Explain the expected benefit to Inter County's consumers of the contributions in the amount of \$1,228 shown in Exhibit 8.

10. Provide an indication of whether there will be testimony filed by any other witnesses.

11. Does Inter County follow the depreciation rates and procedures as described in REA Bulletin 183-1?

12. Provide information for plotting the depreciation guideline curves in accordance with REA Bulletin 183-1. Furnish the data in the format shown on the attached Data Sheet No. 1.

13. Does Inter County propose any changes in depreciation rates as part of this application?

14. With reference to Exhibit 1, page 7, of the application provide the following information:

a. Was a depreciation study performed to show the justification for changing the composite depreciation rate for Distribution Plant from 3.25 percent to 3.35 percent? If so, furnish a copy of the study and the workpapers showing how the 3.35 percent was derived.

b. Furnish the additional information shown in the format on the attached Data Sheet No. 2 (include the information listed on page 7 of Exhibit 1, where appropriate).

15. The Commission's informational Order issued January 14, 1984, called for the identification of the witnesses who would respond to questions concerning the various data requested. Inter County's response did not include such identification; therefore, Inter County should provide a revised Exhibit T which lists the witness responsible for each item, numbers 1-22, of the January 14 Order.

Done at Frankfort, Kentucky, this 6th day of March, 1984.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary