

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BALLARD RURAL TELEPHONE COOPERATIVE)
CORPORATION'S PROPOSED TARIFF)
FILINGS TO ESTABLISH NON-RECURRING) CASE NO. 10138
AND RECURRING CHARGES)

O R D E R

IT IS ORDERED that Ballard Rural Telephone Cooperative Corporation ("Ballard") shall file an original and 10 copies of the following information with a copy to all parties of record. The information requested herein is due no later than March 9, 1988. If the information cannot be provided by this date, you should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such a motion will be considered by the Commission.

1. Provide an absorption test showing that the additional net income generated by the tariff filing will not result in an increase in the rate of return (or other applicable valuation methods) to a level greater than that which was allowed in the most recent rate case.

2. Provide a modified tariff which specifies the terms and conditions of the late payment charge.

3. Are bills for local service rendered in advance of the provision of service? If so:

a. Provide an explanation of how billing dates, due dates, and service provision are related.

b. Is it not inconsistent to assess a late payment charge when service has not been rendered?

4. The cost justification supplied to support the rotary line charge is based on the percentage of access lines in use multiplied by the lowest network access charge. Please explain how this method could provide a cost-based rate.

5. The cost justification supplied to support the rotary line charge indicates that there are 148 rotary lines in service.

a. How many of these lines are business lines?

b. If the majority are business lines, why does the cost support use residential rates?

Done at Frankfort, Kentucky, this 25th day of February, 1988.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director