

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY RURAL)
ELECTRIC COOPERATIVE CORPORATION FOR)
AN INCREASE IN RATES TO FLOW-THROUGH) CASE NO. 10266
WHOLESALE POWER COST INCREASE)

O R D E R

IT IS ORDERED that Meade County Rural Electric Cooperative Corporation ("Meade County") shall file an original and 12 copies of the following information with this Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately. The information requested herein is due no later than September 29, 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 motion will be considered by the Commission.

Information Request No. 2

1. With reference to Information Request No. 1, Item No. 1, provide the following information:

a. Indicate whether Meade County has performed an analysis of the 1987 revised for ratchet load factor of 46.87 percent in order to determine what variables caused it to be higher than the 5-year average. Include the results of this analysis, if available.

b. Explain if such variables like the weather, appliance usage, and residential/commercial customer mix would have an impact on the ratchet demand.

c. Indicate if the variables included in part (b) were included in Meade County's analysis of why the 1987 load factor was higher than normal. If not included, explain why these variables were excluded.

d. Explain why a corresponding adjustment to Meade County's revenues was not proposed with the adjustment to purchase power. Include an explanation of why an adjustment to the load factor would not result in an adjustment to sales and revenues.

2. With reference to Information Request No. 1, Item No. 5, provide the following information:

a. Explain why the regular hours of most of the listed employees total 2,160 hours. Please explain thoroughly the assumptions used in arriving at the total annual hours.

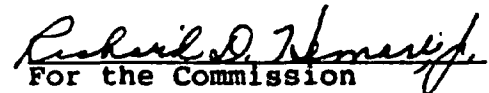
b. Explain why the total payroll subject to FICA, \$1,460,737.19, is larger than the payroll figure of \$1,455,243.90 used in the proposed payroll adjustment.

3. With reference to Information Request No. 1, Item No. 6, indicate if the \$1,254,247 of retirement wages reflects the regular salaries as of November 15, 1987 on an annualized basis.

4. With reference to Information Request No. 1, Item No. 7, reconcile the total payroll paid during 1987 of \$1,496,419.19 with the \$1,455,243.90 used to calculate the payroll adjustment. Include any supporting calculations.

Done at Frankfort, Kentucky, this 15th day of September, 1988.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director