

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH KENTUCKY)
RURAL ELECTRIC COOPERATIVE)
CORPORATION OF SOMERSET, KENTUCKY) CASE NO. 89-040
FOR AN ORDER AUTHORIZING AN INCREASE)
IN ITS RETAIL RATES, APPLICABLE TO)
ALL CONSUMERS)

O R D E R

On June 2, 1989, the Commission issued its Order in this case, directing South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") to respond to requests for information. After a review of South Kentucky's response, the Commission finds that South Kentucky has failed to completely and adequately respond to the request. Therefore, the Commission, on its own motion, HEREBY ORDERS AND COMPELS South Kentucky to respond to the following no later than June 23, 1989. The Commission further orders that South Kentucky shall respond to any supplemental data requests arising from the responses.

South Kentucky shall file the 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 ensure 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.

(Reference: Order dated June 2, 1989.)

3. With reference to Exhibit 20, pages 7 through 16, concerning South Kentucky's equity management plan, provide the following: . . .

b. If a computer model was used to generate the information on pages 8 through 16, identify the model and provide a copy of the model.

South Kentucky did not provide a copy of the model. One copy of the model would be responsive.

14. With reference to Exhibit 20, page 287, concerning the right-of-way clearing program, provide the following: . . .

c. A detailed explanation of why the test-year expense of \$1,056,160 represents a reasonable, ongoing level of expense for such maintenance.

South Kentucky's response did not explain why the test-year expense represented a reasonable, ongoing level of expense.

15. File a revised Exhibit K, Schedule #1, all four pages, incorporating the FAC rate base adjustments in Case No. 10463 [footnote omitted] to the present and proposed rates. Also state the effect on normalized revenue and normalized expenses.

South Kentucky provided the revised exhibit, but did not state the effect on normalized revenue and normalized expenses.

19. For each of the scenarios in number 18, provide the information included on page 13, sheet 7 of 10, based on the information contained in Exhibit B which reflects rate case adjustments.

The response on pages 102 through 104 did reflect the different capital credit rotation cycles, but used the equity level which reflected the exclusion of all generation and transmission capital credits ("GTCCs") and other capital credits. The scenarios in number 18 had included all GTCCs and other capital credits. Pages 105 through 107 were identical to the information filed in Exhibit 20, pages 14 through 16.

Done at Frankfort, Kentucky, this 15th day of June, 1989.

PUBLIC SERVICE COMMISSION


for the Commission

ATTEST:

Executive Director