

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	
REQUESTING COMMISSION APPROVAL OF A)	
CERTIFICATE OF CONVENIENCE AND NECESSITY)	CASE NO. 89-119
TO CONSTRUCT ADDITIONAL PLANT AND)	
EXTENSIONS AND APPROVAL TO ISSUE)	
SECURITIES FROM THE NATIONAL RURAL)	
UTILITIES COOPERATIVE FINANCE CORPORATION)	

O R D E R

IT IS ORDERED that Meade County Rural Electric Cooperative Corporation ("Meade County") shall file an original and six copies of the following information with this Commission, with a copy to all parties of record within 7 days from the date of this Order. 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.

1. Provide a copy of the board of directors' resolution authorizing Meade County to borrow the funds.
2. Provide a copy of REA Forms 740-C.
3. Provide a detailed description of any other financing options that were considered in securing the National Rural Utilities Cooperative Finance Corporation ("CFC") loan. This response should include the reason(s) that CFC financing was selected over other options as well as the results of any studies conducted which support the use of CFC financing.
4. Provide a copy of the loan agreement between Meade County and CFC.

5. Indicate what consideration Meade County has given to the various loan programs available through CFC. Describe the loan programs available to Meade County through CFC. Explain which option Meade County anticipates selecting at this time.

6. Provide the current interest rates on both CFC fixed rate and variable rate loans.

7. Provide the additional debt service requirements associated with the Rural Electric Administration ("REA") loan and the CFC loan.

8. Provide an amortization schedule of the proposed loan from CFC using the current interest rates for variable and fixed loans.

9. Provide an explanation of whether Meade County will be able to meet its increased debt service requirements with the revenues generated by its existing rates.

10. Provide documentation which indicates that the loans have been approved by the Rural Electric Administration ("REA") and CFC.

Done at Frankfort, Kentucky, this 6th day of June, 1989.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director