COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF PEOPLES RURAL TELEPHONE) COOPERATIVE, INC., FOR A CERTIFICATE OF) CONVENIENCE AND NECESSITY AUTHORIZING IT) CASE NO. 89-373 TO CONSTRUCT ADDITIONAL TELEPHONE LINES) AND OTHER FACILITIES)

ORDER

IT IS ORDERED that Peoples Rural Telephone Cooperative, Inc. shall file the original and 8 copies of the following information with the Commission. The information requested is due no later than February 16, 1990. If the information cannot be provided by this date, a motion for an extension of time must be submitted stating the reason for the delay and the date by which the information can be furnished. Such motion will be considered by the Commission.

1. The proposed construction will link Booneville with McKee, Annville, and Sand Gap, without having to route intrasystem toll traffic to Beattyville-Winchester-Richmond.

a. What are the expected difficulties in running fiber directly between Booneville and Annville and utilizing the existing pole line between McKee and Annville?

b. Will the existing route between McKee and Annville eventually be abandoned when the existing cable is retired?

c. For toll traffic leaving the system, in the event of a trunk failure between Booneville-Beattyville or Beattyville-Winchester, will the capability exist to route Booneville toll to Winchester via McKee and Richmond?

For toll traffic leaving the system, in the event d. of a trunk failure between McKee-Richmond or Richmond-Winchester, will the capability exist to route McKee, Sand Gap, and Annville toll to Winchester via Booneville and Beattyville?

If these capabilities are not planned, was the e. feasibility considered of providing alternative routing for toll traffic? Explain.

2. Reference Schedule 1 of the application, entitled "Telecommunications Plant in Service and Projections."

The depreciation reserve of Account 2112 exceeds a. gross plant. Does a portion of this reserve actually belong to Account 2114? If not, explain.

The depreciation reserve of Account 2116 exceeds Ъ. gross plant. Does a portion of this reserve actually belong to Account 2116.1? If not, explain.

Adjustment C appears to transfer \$597,610.42 from c. Account 2212 to Account 2215.1. Explain the nature of this adjustment.

Done at Frankfort, Kentucky, this 26th day of January, 1990.

PUBLIC SERVICE COMMISSION For the Commission

ATTEST: