

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE LESLIE COUNTY TELEPHONE)
COMPANY, INC. FOR A CERTIFICATE OF PUBLIC) CASE NO. 90-225
CONVENIENCE AND NECESSITY AUTHORIZING IT)
TO CONSTRUCT ADDITIONAL FACILITIES)

O R D E R

IT IS ORDERED that Leslie County Telephone Company, Inc. ("Leslie County Telephone") shall file the original and six copies of the following information with the Commission, with a copy to all parties of record. Include in each response the name of the witness who will be responsible for responding to questions relating to the information provided. The information requested herein is due no later than 20 days from the date of this Order.

1. Provide a detailed breakdown showing how the engineering costs of \$1,054,262 were determined. The breakdown should include an itemization of all labor charges, and an itemization of all material charges by price and quantity.

2. Provide documentation to demonstrate that the charges reflected above are consistent with charges for engineering services provided by American Communications Consultants, Inc. ("ACC") to unaffiliated telephone companies.

3. State and explain Leslie County Telephone's policies with respect to procuring engineering services.

4. Provide a copy of any contract(s) in effect between Leslie County Telephone and ACC.

5. Based upon an analysis of recent construction cases before the Commission, engineering costs to total investments have averaged 10.22%. Leslie County Telephone's filing reflects a ratio of 13.2%. Identify and explain any reasons why engineering costs are higher as a percentage of total investment for this project than has been experienced by other companies in similar recent projects.

Done at Frankfort, Kentucky, this 16th day of November, 1990.

PUBLIC SERVICE COMMISSION


Robert M. Davis
For the Commission

ATTEST:


Executive Director