

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SALT RIVER RURAL ELECTRIC)
COOPERATIVE CORPORATION THAT ON JULY)
6, 1992, IT WILL ADJUST NONRECURRING) CASE NO. 92-223
AND CATV ATTACHMENT RATES AND)
CHARGES)

O R D E R

IT IS ORDERED that Salt River Rural Electric Cooperative Corporation ("Salt River") shall file an original and six copies of the following information with this Commission, with a copy to all parties of record within 10 days from the date of this Order. If the information cannot be provided by this date, Salt River 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. In its Order in Administrative Case No. 251-46,¹ the Commission directed that the interest expense component be eliminated from the calculation of the annual carrying cost for pole attachments since interest is covered in the "cost of money" component. Provide a revised Exhibit 3, page 7, to eliminate the interest expense component.

¹ Administrative Case No. 251-46, The CATV Pole Attachment Tariff of Salt River Rural Electric Cooperative Corporation, Order dated May 9, 1983.

2. On Exhibit 3, page 1, explain the 7 hours to maintain "subsidiary records." Give an example or explanation of a subsidiary record.

3. Provide computations and workpapers that show how the \$.32 per mile rate for mileage was computed.

4. In Exhibit 2, page 1, the proposed meter field test rate is \$72.50, but on Exhibit 4, page 1 the proposed rate is \$73.00. File corrected exhibits as appropriate.

5. Reference Exhibit 3, page 6: Show the computation of the 30.07 percent used in Paragraph B.

6. Provide cost justification for the per hour amounts on Exhibit 3, pages 1 - 5. Include all workpapers and supporting calculations.

7. How were 8.95 percent and 13.63 percent determined to be the percentages for payroll taxes and insurance, pension, and hospital? Include all workpapers and supporting calculations.

8. In reference to Exhibit 3, page 7:

a. Explain what \$36,529,763 represents and how it was calculated.

b. What figure is being referenced on Line 2, page 1, as a divisor?

c. What does 14.95 percent represent? Include all workpapers and supporting calculations.

9. On page 2, paragraph 9 of the application, Salt River states: "Salt River is implementing a system wide meter-reading program."

a. Is Salt River currently reading all the meters on its system on a monthly basis? If yes, explain why Salt River is proposing a tariff that has a \$27.25 charge to the consumer when the cooperative reads the meter.

b. If the response to Item (a) is no, explain how often Salt River reads the meters. Also, indicate if any single-phase meters are read by Salt River every month and the reason for doing so.

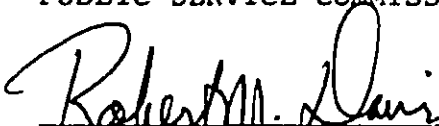
10. Refer to the paragraph entitled Meter Testing of the Tariff P.S.C. No. 10. It states that if the meter is more than 2 percent slow, the member may be billed for the difference based on the test, and the meter test fee will be retained by Salt River.

a. Explain what is meant by "the member may be billed for the difference."

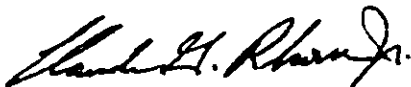
b. Explain why Salt River should retain the meter test fee when the meter is more than 2 percent slow, but the meter test fee will be returned to the consumer when the meter is more than 2 percent fast.

Done at Frankfort, Kentucky, this 26th day of June, 1992.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:



Executive Director, Acting