

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF SALT RIVER) CASE NO.
RURAL ELECTRIC COOPERATIVE CORPORATION) 92-560

O R D E R

On April 13, 1993, James E. Shannon, Jr. ("Intervenor") filed a letter, which the Commission will treat as a motion, requesting the Commission to compel Salt River Electric Cooperative Corporation ("Salt River") to respond to certain of his requests for information dated March 22, 1993 and to modify the procedural schedule in this case by granting him additional time to file a further data request.

Motion to Compel

Intervenor alleges that several of Salt River's responses to his information request are incomplete or totally absent. He additionally avers that each of these items has a direct bearing on the profit margin of Salt River and is directly related to the proposed rate increase. Each item cited by the Intervenor will be addressed separately.

1. Item 3, Page 1 of 2: Intervenor sought Salt River's annual reports for the last twelve years. Copying approximately 216 pages is not so voluminous as to unduly burden Salt River. Copies of the reports should be provided.

2. Item 3, Page 2 of 2: Intervenor sought and Salt River failed to provide monthly reports after December 1992. Salt River

files monthly reports with the Commission and should provide Intervenor with those which have been filed with the Commission.

3. Item 4, Page 1 of 1: Intervenor sought salaries and wages for all salaried employees for the years 1989 through 1992. The information is sought in duplicative of the analysis of payroll contained in page 7 of 48 of Exhibit 3 in Salt River's application and need not be provided.

4. Item 4, Page 1 of 1, Section (a): Intervenor sought name, title, and employment history for employees of Salt River. Names and job titles will not add any information of use to the Commission's determination of the reasonableness of the proposed rates which is not already provided by Salt River in its salary analysis. This additional information need not be provided.

5. Item 6, Page 1 of 1, (a) and (b): Intervenor sought various information concerning donations and employee Christmas gifts. As Salt River did not include these items in its application for rate-making purposes, this information is not relevant to the Commission's determination of the reasonableness of the proposed rates and need not be provided.

6. Item 9, Page 1 of 1: Intervenor sought changes to Salt River's by-laws for the year 1987 through 1992. Salt River furnished a complete copy of its Bylaws, which were in effect during the test period, in its response to the first request for information. This response was also sent to Intervenor. No further response is necessary.

7. Item 10, Page 1 of 1: Intervenor sought copies of Salt River's Accounts Payable Distribution Ledger and supporting documents. The requested report is over 700 pages. To provide this information would be overly burdensome on Salt River. However, Salt River should make this information and copying facilities available for Intervenor at Salt River's office upon reasonable notice from Intervenor to counsel for Salt River.

8. Item 11, Page 1 of 1 and (a): Intervenor sought detailed maps and construction information for all projects undertaken by Salt River from 1987 through 1992. Construction information in years prior to the test year is not relevant to the Commission's determination of the reasonableness of the proposed rates. Additionally, to provide the information would be overly burdensome to Salt River. In view of the foregoing, and the fact that Intervenor failed to state a clear purpose for requesting the information, the information sought need not be provided.

9. Item 12, Page 1 of 1 (a): Intervenor sought square footage and numbers of employees at Salt River's Bardstown headquarters. As this information relates to Salt River's test period expenses, this information is relevant to the Commission's determination of the reasonableness of the proposed rates and should therefore be provided.

10. Item 12, Page 1 of 1 (b) and (c): Intervenor sought information concerning Salt River's expansion of its Bardstown facility. Nothing concerning expansion of this facility occurred during the test period nor is it mentioned in the application.

Thus, this information is not relevant to the Commission's determination of the reasonableness of the proposed rates and need not be provided.

11. Item 12, Page 1 of 1 (d): Intervenor sought information concerning the number of employees in Salt River's district offices and the size of the offices. The number of employees at Salt River's district offices has been provided in Item 42 of March 24 information request. However, the Commission finds the square footage of the district offices relevant in its determination of the reasonableness of the proposed rates and this information should be provided.

Motion to Modify Procedural Schedule

Intervenor requested that the Commission grant him additional time to formulate his next information request equal to the amount of time between April 21, 1993 and whenever Salt River files any information requested by this Order. Since Salt River failed to answer several items which the Commission has deemed relevant, the procedural schedule should be modified to give Intervenor adequate opportunity to review the responses in relation to his second request for information.

IT IS THEREFORE ORDERED that:

1. Within 5 days of the date of this Order, Salt River shall furnish Intervenor with the following information:

(a) Salt River's annual report for the last twelve years.

(b) Salt River's monthly reports filed with the Commission since December 1992.

(c) The square footage and number of employees of Salt River's Bardstown facility.

(d) The square footage of all district offices.

2. Salt River is not required to file a copy of its response with the Commission.

3. Intervenor's motion to modify the procedural schedule is granted.

4. The amended procedural schedule listed in Appendix A, which is attached hereto and incorporated herein, shall be followed.

Done at Frankfort, Kentucky, this 20th day of April, 1993.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director

APPENDIX A

AMENDED APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-560 DATED April 20, 1993

All supplemental requests for information (to include only those matters within the scope of the initial requests) to Salt River shall be due no later than 05/04/93

Salt River shall mail or deliver responses to supplemental requests for information no later than 05/14/93

Intervenor testimony, if any, shall be filed in verified prepared form no later than 05/18/93

All requests for information to Intervenors shall be due no later than 05/27/93

Intervenors shall mail or deliver responses to requests for information no later than 06/08/93

Last day for Salt River to publish notice of hearing date 06/14/93

Public Hearing is to begin at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Salt River and witnesses of the Intervenors 06/22/93