

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JACKSON COUNTY RURAL)
ELECTRIC COOPERATIVE CORPORATION (1))
FOR AN ORDER PURSUANT TO KRS 278.300)
AND 807 KAR 5:001, SECTION 11 AND)
RELATED SECTIONS, AUTHORIZING THE)
CORPORATION TO BORROW AN AMOUNT NOT TO)
EXCEED \$5,162,500.00 FROM THE NATIONAL)
RURAL UTILITIES COOPERATIVE CORPORATION)
(CFC) AND (2) FOR A CERTIFICATE OF)
CONVENIENCE AND NECESSITY PURSUANT TO)
KRS 278.020(1) AND 807 KAR 5:001,)
SECTION 9 AND RELATED SECTIONS,)
AUTHORIZING CERTAIN PROPOSED)
CONSTRUCTION AND ASSOCIATED CAPITAL)
OUTLAY)

CASE NO. 93-336

O R D E R

IT IS ORDERED that Jackson County Rural Electric Cooperative Corporation ("Jackson County") shall file the original and eight copies of the following information with the 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, Jackson County should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which the information will be furnished. Such motion will be considered by the Commission.

1. Refer to Appendix B page B2 of the 1993-1994 Work Plan. Explain why the estimated cost for "Engineering Fees" was left blank. Also provide the engineering fees and explain how they were derived.

2. Provide a price list which shows the unit prices for all materials shown on page 109 and 110 of the 1993-1994 Work Plan. (Do not include Labor or other overheads.)

3. Provide a voltage drop study based on:

- a. 1991 loads using existing system circuitry
- b. 1994 loads using existing system circuitry
- c. 1994 loads using proposed system circuitry

4. Provide the additional debt service requirements associated with the Rural Electrification Administration ("REA") loan and the National Rural Utilities Cooperative Finance Corporation ("CFC") loan, using the REA interest rate of 5 percent and the current CFC variable and fixed interest rates.

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

6. Provide a thorough discussion of the various interest rate options currently available through CFC. Include copies of documents from CFC describing the interest rate options currently available.

7. If the advance of funds from this proposed loan were to be made by the date of the response to this Order, explain which loan program Jackson County would select and how Jackson County determined that this was the best option. Include with this explanation the results of any economic studies or analysis used by Jackson County in making the loan program selection.

8. Concerning the purchase of the CFC Capital Term Certificate ("Certificate"), provide the calculations which support the rate for and the amount of Certificate purchases for the proposed loan.

9. Provide documentation which indicates that the loans have been approved by REA and CFC.

10. Provide a copy of the mortgage agreement with CFC noting the differences between the current agreement and the previous mortgage agreement; or if the mortgage agreement has not changed, so indicate and reference the last case in which the current mortgage agreement was filed.

11. Concerning the actual work performed under the 1993-1994 Work Plan, provide the following information:

a. Indicate when Jackson County will begin construction under the 1993-1994 Work Plan.

b. Identify how much Jackson County has spent on the 1993-1994 Work Plan, as of the date of its response to this Order.

Done at Frankfort, Kentucky, this 19th day of October, 1993.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director