COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SALT RIVER ELECTRIC)COOPERATIVE CORPORATION (1) FOR AN ORDER)PURSUANT TO KRS 278.300 AND 808 KAR 5:001,)SECTION 11 AND RELATED SECTIONS, AUTHORIZING)THE CORPORATION TO BORROW AN AMOUNT NOT)TO EXCEED \$4,334,000.00 FROM THE NATIONAL)BANK FOR COOPERATIVES 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)

ORDER

IT IS ORDERED that Salt River Electric Cooperative Corporation ("Salt River") shall file the original and five copies of the following information with the Commission, with a copy to all parties of record within 15 days from the date of this Order. Salt River shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled. Each copy of the written data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately labeled, for example, Item 1(a), Sheet 2 of 6.

1. Salt River indicated that Milsoft Distribution Analysis was used to analyze its distribution circuits. Provide one copy on 3.5" diskettes of the following voltage drop studies based on:

a. Existing system with recent peak loading.

b. Existing system with projected peak loading.

c. Proposed system with projected peak loading.

The following files should be provided on the 3.5" diskettes: db.PRI, db.RUN, db.MAP, db.ABC, COND.dat, DEVICES.dat, DAINSTAL.dat, LDFILTER.dat, LDRULES.dat, and XERLOAD.dat.

2. Has Salt River compared actual measured voltage and the calculated voltage to determine the accuracy of the voltage drop studies?

a. If yes, provide the voltage readings and indicate the substation, line section, and date on which each reading was taken. If the actual reading differs from the calculated voltage by more than three volts, explain the reason for the difference.

b. If no, explain why a comparison is not necessary.

3. Explain whether Salt River will be able to meet its increased debt service requirements with the revenues generated by its existing rates.

4. Explain how Salt River's current revenues are sufficient to cover the additional operating expenses it expects to incur related to the work plan.

5. Provide documentation which indicates that the loans have been approved by Rural Utilities Service and National Bank for Cooperatives.

6. Concerning the actual work performed under the 1996-1999 Work Plan:

a. When did Salt River begin construction under the 1996-1999 Work Plan?

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b. How much has Salt River spent on the 1996-1999 Work Plan, as of the date of its response to this Order?

Done at Frankfort, Kentucky, this 18th day of October, 1996.

PUBLIC SERVICE COMMISSION

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ATTEST:

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Executive Director