

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF TAYLOR COUNTY RURAL)
ELECTRIC COOPERATIVE CORPORATION TO)
PASS-THROUGH AN INCREASE OF ITS) CASE NO.
WHOLESALE POWER SUPPLIER PURSUANT) 2008-00425
TO KRS 278.455(2))

INITIAL DATA REQUEST OF COMMISSION STAFF TO
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

Taylor County Rural Electric Cooperative Corporation ("Taylor County"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before January 12, 2009. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Taylor County shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests to which Taylor County fails or refuses to furnish all or part of the requested information, Taylor County shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Provide the workpapers, spreadsheets, etc. which show the calculation of the increase, by individual wholesale rate schedule, in Taylor County's cost of power from East Kentucky Power Cooperative, Inc. that Taylor County is proposing to flow through to its customers. Include a brief narrative description of the data being provided.

2. Refer to Exhibit 1 of the application, page 2 of 13. The energy charge for Schedule GP, General Purpose Service, is shown as \$.07515 per kWh. Did Taylor County intend to show this amount as \$.07518? If no, explain why this amount differs from the rate shown in Exhibit 3, page 2 of 5, and the public notice provided in Exhibit 5, page 1 of 2.

3. Refer to Item 3 of the application, page 1 of 5. The SL Street Lighting Service rates are increasing by only 5.02% while the other rate classes are increasing

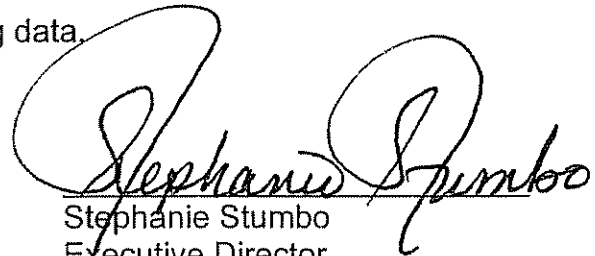
by approximately 7.9%. Explain how this difference in the allocation of the wholesale cost increase is in accordance with KRS 278.455(2).

4. Refer to Exhibit 3 of the application. The billing analysis shows various rate schedules with escalation percentages applied to the billing determinants. Explain the need for the escalation percentages and provide workpapers, spreadsheets, etc. for the calculation of the percentages, as well as a narrative explanation of how the percentages were determined.

5. Refer to Exhibit 3 of the application, page 4 of 5, the Special Contract – Tennessee Gas section at the bottom of the page.

a. The proposed energy charge is shown as .05628. As the billing analysis shows no change in revenue for this rate, should it have been shown as \$.07437? If no, explain.

b. The billing data for this section has been omitted. If Taylor County is proposing to change this rate, provide the billing data.



Stephanie Stumbo
Executive Director
Public Service Commission
P.O. Box 615
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DATED: DECEMBER 19, 2008

cc: All Parties

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