

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HIGHLAND TELEPHONE	)	
COOPERATIVE, INC. FOR A CERTIFICATE OF	)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY FOR	)	2010-00341
THE CONSTRUCTION OF FIBER-TO-THE-	)	
HOME IN MCCREARY COUNTY, KENTUCKY	)	

COMMISSION STAFF'S INFORMATION REQUEST  
TO HIGHLAND TELEPHONE COOPERATIVE, INC.

Highland Telephone Cooperative, Inc. ("Highland"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein shall be filed within 20 days of the date of this request. 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 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.

Highland 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 request to which Highland fails or refuses to furnish all or part of the requested information, Highland shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should 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. Fully describe any and all construction that has commenced to date pursuant to the Commission's approval granted by its Order dated April 10, 2009 in Case No. 2009-00048.<sup>1</sup>

a. Include the time frame of such construction and the service areas involved.

b. If no construction has occurred, explain why.

2. List each and every distribution of funds that has occurred in accordance with the Loan Agreement dated September 23, 2008 between Highland Telephone and the Rural Utilities Service ("RUS") in support of the construction approved in Case No. 2009-00048.

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<sup>1</sup> Case No. 2009-00048, Application of Highland Telephone Cooperative, Inc. for a Certificate of Public Convenience and Necessity and Authority to Issue Evidences of Indebtedness (Ky. PSC Apr. 10, 2009).

a. Provide the date of each distribution and amount received.

b. State the percentage of the distributed funds that have been used in furtherance of the construction project approved in Case No. 2009-00048.

c. Has Highland received all of the funds from the RUS that were to be distributed to support the construction project in Case No. 2009-00048? If Highland has not received all of the funds, explain why and include information as to when the remaining funds will be provided to Highland.

3. Explain the relationship, if any, between RUS Project Designation: Tennessee 554-V42 Highland which was the subject of Case No. 2009-00048 and RUS Project Designation: Tennessee 1104-B40 which is the subject of Case No. 2010-00341.

a. Supply the system diagram and network design documents supplied to RUS for each project.

b. Describe any differences in the affected service territories for each project.

c. Identify the specific cable routes and wire center locations proposed to be installed or upgraded in Kentucky for each project.

d. Describe any differences in the types of facilities proposed to be upgraded or installed for each project.

e. Identify the specific locations of fiber nodes and the type of equipment proposed to be installed or upgraded in Kentucky for each project.

4. Identify the individual serving as the Project Director of RUS Project Designation: Tennessee 554-V42 Highland and the individual serving as the Project

Director of RUS Project Designation: Tennessee 1104-B40. Provide the full name, business address, and business phone of each person, as well as any professional designations or licenses each person currently holds.

5. Highland has filed an application for an increase of local exchange service rates with the Commission in Case No. 2010-00227.<sup>2</sup>

a. Explain, in detail, the relationship between Highland's proposed rate increase and the approved construction project in Case No. 2009-00048 (i.e., Highland's intent to seek cost recovery for this project through the rate case, etc.).

b. Explain, in detail, the relationship between Highland's proposed rate increase and the proposed construction project in Case No. 2010-00341 (i.e., Highland's intent to seek cost recovery for this project through the rate case, etc.).



Jeff Dersuen  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, Kentucky 40602

DATED: **SEP 27 2010**

cc: Parties of Record

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<sup>2</sup> Case No. 2010-00227, Application of Highland Telephone Cooperative, Inc. for an Adjustment of Rates.

F.L. Terry  
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