

December 14, 2005

Hon. Elizabeth O'Donnell
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED

DEC 15 2005

PUBLIC SERVICE
COMMISSION

Re: Application of Blue Grass Energy Cooperative Corporation for An
Adjustment of Rates
Case No.: 2005-00330

Dear Ms. O'Donnell:

Enclosed please find the original and eleven (11) copies of the Kentucky Cable Telecommunications Association's Initial Request for Information to the Applicant in the above-referenced proceeding. Please file stamp one of the 11 copies and return it to me in the enclosed self-addressed stamped envelope.

Thank you for your attention to this matter and please let me know if there are any questions.

Very truly yours,

WYATT, TARRANT & COMBS, LLP


Frank F. Chuppe

FFC/pw
Enclosures
cc: Gardner Gillespie

20230717 1

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 15 2005

In the Matter of:

PUBLIC SERVICE
COMMISSION

APPLICATION OF BLUE GRASS ENERGY)
COOPERATIVE CORPORATION TO ADJUST)
ITS CATV ATTACHMENT RATES AND OTHER)
MISCELLANEOUS CHARGES)

CASE NO.
2005-00330

INITIAL REQUEST FOR INFORMATION

The Kentucky Cable Telecommunications Association ("KCTA") hereby submits the following Initial Request for Information to Blue Grass Energy Cooperative Corporation ("Blue Grass"). Please provide all information as of December 31, 2004:

1. Identify by name and business address each individual who assisted in preparing the pole attachment portions of the Exhibits to the application. For each exhibit, indicate the person and the specific assistance provided.
2. Provide Blue Grass's Annual Report (12/31/04).
3. Provide all calculations used by Blue Grass in deriving its proposed pole attachment, grounding attachment, and anchor rates under its latest filings, and provide back-up information for each investment, cost and expense number used in your calculations. Tie all such back-up information to Blue Grass's books and provide copies of all such records.
4. Identify each cost and investment number that Blue Grass has derived or selected in a different way than in Blue Grass's derivation of the rates set

by the Commission in Case No. 2000-414: \$4.77 and \$4.21. In each case where Blue Grass has derived or selected a number differently than in Case No. 2000-414, fully explain and justify Blue Grass's action in this case, and specify the effect of the different treatment on the rate.

5. Describe each calculation that Blue Grass has performed in a different way than performed in the derivation of the rates set by the Commission in Case No. 2000-414. For each calculation performed differently than in Case No. 2000-414, fully explain and justify Blue Grass's action in this case, and specify the effect of the different treatment on the rate.
6. Explain the basis for Blue Grass's use of "40' and larger poles" in the calculation of the three party pole attachment rate, rather than 40' and 45' poles.
7. Define what Blue Grass means by a "grounding attachment."
8. Explain the basis for Blue Grass's use of a per-ground investment of \$47.22, rather than the amount ordered by the Commission in Administrative Case No. 251.
9. How many of Blue Grass's "grounding attachments" are used by cable operators?
10. Provide all back-up information related to the answer provided to Data Request No. 9
11. Provide Blue Grass's gross embedded investment in 35-foot wood distribution poles.
12. Provide the number of Blue Grass's 35-foot wood distribution poles.

13. Provide the depreciation reserve associated with Blue Grass's 35-foot wood distribution poles.
14. Explain fully how the number in answer to Request No. 13 is derived or recorded.
15. Provide Blue Grass's gross embedded investment in 40-foot wood distribution poles.
16. Provide the number of Blue Grass's 40-foot wood distribution poles.
17. Provide the depreciation reserve associated with Blue Grass's 40-foot wood distribution poles
18. Provide Blue Grass's gross embedded investment in 45-foot wood distribution poles.
19. Provide the number of Blue Grass's 45-foot wood distribution poles.
20. Provide the depreciation reserve associated with Blue Grass's 45-foot wood distribution poles
21. Provide Blue Grass's gross embedded investment in anchors.
22. Explain fully how the answer to Request No. 21 is derived or determined. If Blue Grass has calculated its anchor investment by means of any derivation or calculation, explain fully and provide all back-up materials.
23. Provide the number of Blue Grass's anchors.
24. Provide the depreciation reserve associated with Blue Grass's investment in anchors.
25. Provide Blue Grass's embedded investment in Account 364 for each of the years 2000 through 2004.

26. Provide Blue Grass's accumulated depreciation reserve in Account 364 for each of the years 2000 through 2004.
27. Provide Blue Grass's embedded investment in Distribution Plant.
28. Provide Blue Grass's accumulated depreciation reserve for Distribution Plant.
29. Provide a complete copy of Blue Grass's continuing property records for Account 364 as of Dec. 31, 2004.
30. In calculating Blue Grass's pole attachment rates, did Blue Grass deduct 15% for appurtenances as called for in the Commission's decision in Administrative Case 251?
31. If the answer to Data Request No. 30 is "no", provide a full explanation and indicate who made that decision.
32. Does the amount shown as "TOTAL COST" for anchors in Exhibit 2, page 3 of Blue Grass's Sept. 14, 2005 filing include any investment in guys or other equipment or facilities other than anchors themselves? If so what is included and what percentage of the "TOTAL COST" shown for anchors consist of items other than anchors?
33. In the column headed "COSTS" and "TOTAL COSTS" in Exhibit 2, Page 3 of Blue Grass's Sept. 14, 2005 filing, are these figures net of depreciation?
34. If Blue Grass relied on any gross investment numbers in its calculations, please clearly identify which numbers are gross and explain fully why numbers net of depreciation were not used.

35. What is the rate of return that Blue Grass now requests this Commission to apply in this case?
36. Has that rate of return been determined on the basis of Net or Gross Plant?
37. Explain fully how the rate of return that Blue Grass proposes be used in this case is reasonable to be used, as specified by the Commission in *In re. Application of Jackson Purchase Energy Corp. for Adjustments in Existing Cable Television Attachment Tariff*, Case No. 2004-319 (Sept. 14, 2005).
38. Does Blue Grass intend that the Commission apply Blue Grass's proposed rate of return in this case to Blue Grass's gross investment? If so, please explain the justification for applying a rate of return to gross plant and fully explain the extent to which the rate of return has been adjusted for application to gross plant.
39. Provide Blue Grass's gross embedded investment in overall plant.
40. Provide Blue Grass's accumulated depreciation reserve for overall plant.
41. Identify by Data Response each individual who contributed to the response, and indicate the role of each such person.

Respectfully submitted,

KENTUCKY CABLE
TELECOMMUNICATIONS
ASSOCIATION

By: Gardner F. Gillespie, by FHC
Gardner F. Gillespie

HOGAN & HARTSON L.L.P.
555 13th Street, N.W.
Washington, DC 20004-1109
Tel: (202) 637-5600
Fax: (202) 637-5910

By: Frank F. Chuppe
Frank F. Chuppe

WYATT, TARRANT & COMBS, LLP
500 West Jefferson Street, Suite 2800
Louisville, KY 40202-2898
Tel: (502) 562-7336
Fax: (502) 589-0309

It's Counsel.

December 14, 2005

CERTIFICATE OF SERVICE

The undersigned hereby certifies that an original and ten photocopies of the foregoing were served by U.S. Mail, postage prepaid, upon Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, KY 40601; and a copy of the foregoing was served upon J. Donald Smothers, Vice-President, Blue Grass Energy Cooperative Corporation, P.O. Box 990, 1201 Lexington Road, Nicholasville, KY 40340, and Dennis G. Howard II and Elizabeth E. Blackford, Assistant Attorneys General, 1024 Capital Center Drive, Suite 200, Frankfort, KY 40601-8204 by U.S. Mail, postage prepaid, this 14~~th~~ day of December, 2005.


Frank F. Chuppe