

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)
ELECTRIC COOPERATIVE CORPORATION FOR)
A CERTIFICATE OF CONVENIENCE AND) CASE NO.
NECESSITY TO CONSTRUCT A DISTRICT) 2006-00402
OFFICE AND SERVICE FACILITY IN RUSSELL)
SPRINGS, KENTUCKY AND A DISTRICT OFFICE)
AND SERVICE FACILITY IN ALBANY, KENTUCKY)

SECOND DATA REQUEST OF COMMISSION STAFF
TO SOUTH KENTUCKY RECC

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 8 copies of the following information, with a copy to all parties of record. The information requested herein is due on January 12, 2007. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

1. Refer to South Kentucky's October 2002 Facilities Analysis, pages 58 and 59.
 - a. Explain the distinction between the columns titled "SF needed" and "Projected SF."
 - b. If "projected SF" includes the square footage needed for future growth, how far into the future is the need projected?

c. Explain why 16,000-square-foot structures are proposed for both Albany and Russell Springs when the "SF needed" is 10,000 for Albany and 9,800 for Russell Springs.

d. Explain why 16,000-square-foot buildings are proposed for both Albany and Russell Springs when the "Projected SF" is 14,000 for Albany and 22,400 for Russell Springs.

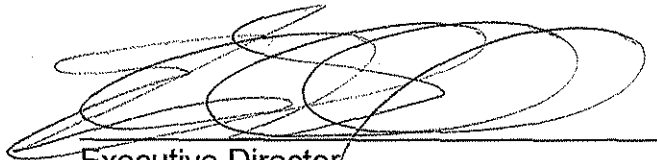
e. Explain the factors that influenced South Kentucky to deviate from the National Rural Electric Cooperative Association's "Facilities Analysis."

2. Considering the differences in service territories and the number of customers served from each office, explain why identical facilities are required for all of the district offices. Include in the explanation whether South Kentucky has considered building smaller facilities suitable for current and near-term requirements, but designed for ease of future expansion.

3. Explain whether South Kentucky has hired, or would consider hiring, a consultant that specializes in space planning and space utilization to advise South Kentucky in implementing its building program.

4. Explain when South Kentucky plans to construct offices for each of the remaining local offices to be replaced and when the general office in Somerset is to be replaced.

5. Refer to Exhibit 7, pages 8 through 18 of South Kentucky's September 7, 2006 application. Provide a Ten Year Financial Forecast that includes the effect of adding all buildings identified in South Kentucky's response to question 4 of this data request.

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and curves, positioned above a horizontal line.

Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

DATED: December 14, 2006

cc: All Parties