

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF NOLIN RURAL ELECTRIC)
COOPERATIVE CORPORATION FOR AN) CASE NO. 2006-00466
ADJUSTMENT OF RATES)

ATTORNEY GENERAL'S INITIAL REQUEST FOR INFORMATION

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Initial Request for Information to Nolin Rural Electric Cooperative Corporation ["NRECC"], to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness who will be prepared to answer questions concerning each request.
- (3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(7) If NRECC objects to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(10) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response.

Respectfully submitted,

GREGORY D. STUMBO
ATTORNEY GENERAL

A handwritten signature in black ink, appearing to read "Lawrence W. Cook", is written over a horizontal line.

LAWRENCE W. COOK
PAUL D. ADAMS
ASSISTANT ATTORNEYS GENERAL
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SUITE 200
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Certificate of Service and Filing

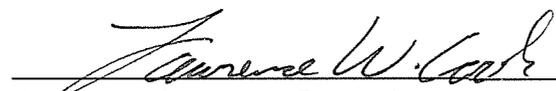
Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Michael L. Miller
President & CEO
Nolin R.E.C.C.
411 Ring Road
Elizabethtown, KY 42701-8701

Hon. Michael L. Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 E. 7th St.
Ste. 1510
Cincinnati, Ohio 45202

Hon. John J Scott
Attorney at Law
Whitlow & Scott
P. O. Box 389
Elizabethtown, KY 42702

this ^{20th} day of April, 2007



Assistant Attorney General

Attorney General's Initial Data Requests
Nolin RECC
Case No. 2006-00466

1. Please state whether any relative, by blood or marriage, of NRECC's board of directors or executive management team holds, or will hold any type or sort of position, whether as employee, officer, board member, contractor or consultant, with NRECC.
2. Does NRECC anticipate any changes in any existing contracts as a result of any potential rate increase (e.g., engineering, information technology, maintenance, etc.)?
3. Does NRECC maintain any contracts with vendors whose principals are in any manner related, by blood or marriage, to NRECC's officers, members of its Board, its employees, its independent contractors or consultants? If yes:
 - a) Please provide copies of any such contract, and a breakdown of how much money was spent per contract per year for the last ten (10) calendar years; and
 - b) Please state whether the contracts were awarded pursuant to a bid process, and if so, provide specifics of that bid process.
4. Does NRECC have any anti-nepotism policies in place? If so, provide copies of any and all such policies, and/or memoranda referring to such policies.
5. Does NRECC employ the relatives of:
 - a) any NRECC board member;
 - b) any NRECC officer;
 - c) any NRECC consultant;
 - d) any other NRECC employee?
6. Has any member of NRECC's Board ever served on the Board of any other business entity? If so, please state:
 - a) the name and address of each such entity; and
 - b) the length of time they served on the other entity's board.

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7. Is NRECC a summer or winter peaking utility?
8. Please provide a schedule listing all CWIP projects included in the rate base. For each project, provide the scheduled completion date, projected cost at completion, and identify any and all PSC orders allowing NRECC to include CWIP in the rate base.
9. Please state the test year customer deposit balance.
10. Is interest on customer deposits used as a cost of service (i.e., has customer deposit interest been used to reduce test year net income?).
11. Is it NRECC's intention to exclude all donations set forth in proposed adjustment no. 8, and as tabulated in account no. 426.00? If not, why not?
12. Please identify NRECC's designated delegates for KAEC annual meetings, and NRECA annual meetings.
13. Please reference proposed adjustment No. 9. Is NRECC aware of the long-standing PSC policy to disallow expenses associated with travel to, registration for, and attendance at legal seminars attended by utility company attorneys?
14. Please confirm that NRECC is seeking to include the following expenses incurred by its attorney:
 - a. \$227.40, KAEC legal seminar expenses;
 - b. \$1,240, Workplace law seminar;
 - c. \$1,770.69, NRECA legal seminar expenses;
 - d. 1,944.77, NRECA legal seminar expenses
\$5,182.86