

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	CASE NO.
FOR A CERTIFICATE OF CONVENIENCE AND)	2008-00371
NECESSITY TO CONSTRUCT A NEW)	
HEADQUARTERS FACILITY IN SOMERSET,)	
KENTUCKY)	

COMMISSION STAFF'S SUPPLEMENTAL DATA REQUEST
TO SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on or before February 22, 2010. 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.

South Kentucky 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 South Kentucky fails or refuses to furnish all or part of the requested information, it 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. Refer to "Issue 1" of the revised application, which states that "the total square footage designed for South Kentucky's future growth is 3,869 square feet representing 3.2% (3,869/122,312)."

a. Does the 3,869 sq. ft. also represent the space designed for future growth based on the original headquarters proposal of 134,112 sq. ft? If not, provide the total square footage designed for growth based on the original plans as well as an explanation of how this figure was derived.

b. Explain in detail how South Kentucky arrived at the 3,869 sq. ft. figure. Provide any and all supporting documentation.

c. What areas of the proposed headquarters complex, as revised, are designed to accommodate South Kentucky's growth? Provide a breakdown of the space designed for growth for each respective area identified, including a detailed

explanation of the specific reasons why such space is needed with supporting analysis, and the number of additional employees each area is designed to accommodate.

2. Refer to "Issue 2," Attachment A, Table A, of the revised application, which provides a comparison of the headquarters complex as originally proposed and as revised.

a. Table A shows the revised square footage of the proposed headquarters complex has been reduced from 134,112 sq. ft. to 122,312 sq. ft. Provide a full explanation of how South Kentucky arrived at this reduction of 11,800 sq. ft. Include in this explanation the rationale and any and all factors and alternative designs which South Kentucky considered in analyzing how to revise its proposed headquarters project.

b. Explain and justify in detail why the design of the proposed office building was not revised.

c. Explain and justify in detail why the design of the proposed warehouse was revised to be reduced by 1,800 sq. ft.

d. Provide the papers, worksheets, calculations, and any and all documentation supporting the decision to scale down the size of the fleet storage structure as opposed to other building areas.

e. Was 11,800 sq. ft. the maximum amount of space that South Kentucky was able to formulate in reducing the size of the originally proposed headquarters facility? Provide a thorough explanation for this response.

3. Refer to "Issue 2," Attachment A, Table B, of the revised application, which provides a cost comparison between a one-story office building and a two-story

office building based upon data provided by the “28th Annual Edition RSMMeans SQFT Cost.”

- a. Provide a copy of the cited material.
 - b. Is the 28th Annual Edition of the “RSMMeans SQFT Cost” the most recent edition? What year was the 28th Edition published?
 - c. Other than relying on the cost estimates provided in the R.S. Means publication, did South Kentucky perform any formal analysis with respect to a one-story office building design that would have achieved the same purpose as the proposed two-story office building design? If yes, provide any and all documentation relating to this analysis. If no, provide a thorough explanation.
4. Provide the general contractor’s profit margin in connection to the South Kentucky headquarters project.
 5. Refer to Exhibit 7 of the original application. Provide updated financial forecasts as provided therein, incorporating the current estimated project cost.
 6. Provide an analysis of the impact the construction of the headquarters facility will have on the average monthly bill of all customer classes.
 7. Provide an update of the current status of South Kentucky’s financing plan for the new headquarters facilities.
 8. Refer to “Issue 2” of the revised application.
 - a. Describe fully the reductions made in site improvements and the dollar impact of those reductions on the project cost.

b. Provide a description and location of the amphitheater and where it was included in the original project. What is the dollar impact on the project cost of eliminating any work on the amphitheater?

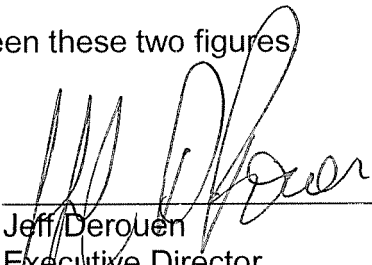
9. Refer to "Issue 3" of the revised application. Provide copies of any and all documentation supporting the process outlined in the response.

10. Refer to "Issue 5" of the revised application.

a. What is the source of the square footage amounts indicated for Inter-County and Owen Electric? Provide any and all documentation relating to this response.

b. Did representatives of South Kentucky tour the facilities of Inter-County and Owen Electric?

c. The total square feet under the column "South Kentucky/Square Footage" totals 16,676 sq. ft. South Kentucky's proposed office building is 46,060 sq. ft. Fully explain and reconcile the difference between these two figures.



Jeff Derouen
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED: FEB 10 2010

cc: Parties of Record

Allen Anderson
Manager
South Kentucky R.E.C.C.
925-929 N. Main Street
P. O. Box 910
Somerset, KY 42502-0910

Honorable Darrell L Saunders, P.S.C.
Attorney at Law
700 Master Street
P.O. Box 1324
Corbin, KY 40702