

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY RURAL) CASE NO.
ELECTRIC COOPERATIVE CORPORATION TO) 2010-00222
ADJUST ELECTRIC RATES)

SUPPLEMENT TO COMMISSION STAFF'S SECOND INFORMATION REQUEST
TO MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

Meade County Rural Electric Cooperative Corporation ("Meade"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than September 29, 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.

Meade 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

Meade 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.

1. Refer to Exhibit 19 of Meade's application, page 1 of 4, which shows the payment of capital credits to its members on an annual basis beginning with calendar year 2005. Provide a schedule of Meade's capital credit payments for the years 1994 through 2004 in the same format as used in the exhibit.

2. Refer to Exhibit 19, pages 2 through 4 of 4, which is Meade's Board Policy No. 201, with the subject of "Capital Management." The sub-heading identifies the original policy effective date as September 22, 1994, and that the exhibit contains the latest revision of the policy, which is dated July 20, 2005. Provide the original policy dated September 22, 1994, and any revisions in effect between that date and the July 20, 2005 date of the latest revision.

3. Refer to Exhibit K, page 6 of 7, which shows Meade's annual Times Interest Earned Ratio ("TIER") and Debt Service Coverage ("DSC") calculations starting with calendar year 2005. Provide a schedule of Meade's annual TIER and DSC levels for the years 1994 through 2004 in the same format as used in the exhibit.

4. Refer to Exhibit K, page 7 of 7.

a. The bottom third of the page is headed "Equity to Total Assets: with G&T patronage capital." However, the calculations on lines 38 to 43 show: (1) the sum of total margins and debt on line 38; (2) total assets on line 39; (3) the amounts on line 38 added to the amounts on line 39 to produce the totals shown on line 41; and (4) the percentage derived by dividing the amounts of line 38 by the amounts on line 41 shown on line 43. Explain what this percentage, which reflects the sum of margins and debt, divided by the sum of margins and debt, plus total assets, is intended to represent.

b. Refer to the top two-thirds of the page which shows Meade's equity capitalization ratios, with and without G&T capital credits, beginning with the year 2005. Provide a schedule of Meade's equity capitalization ratios, in the same format as used in the exhibit, for the years 1994 through 2004.



Jeff Devouen
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Public Service Commission
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DATED SEP 15 2010

cc: Parties of Record

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