COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MOUNTAIN RURAL TELEPHONE COOPERATIVE CORPORATION, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR CONSTRUCTION OF A NEW HEADQUARTERS BUILDING IN WEST LIBERTY, KENTUCKY

CASE NO. 2010-00224

COMMISSION STAFF'S FIRST INFORMATION REQUEST TO MOUNTAIN RURAL TELEPHONE COOPERATIVE CORPORATION, INC.

Mountain Rural Telephone Cooperative Corporation, Inc. ("Mountain"), pursuant to 807 KAR 5:001, is requested 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 ten days after the date of this request. 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.

Mountain 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 Mountain fails or refuses to furnish all or part of the requested information, Mountain 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. What is the total square footage of Mountain's current headquarters facility in West Liberty, Kentucky?

2. Provide a set of full-sized plans for the proposed new construction that fully, completely and clearly identify and describe all usable space on each occupied level of the proposed building.

3. Fully describe Mountain's plan for obtaining bids for the proposed construction. Include timeframes for bid submittals and identify the minimum number of bids to be considered.

4. Explain what protections are in place to insure that Rural Utilities Services ("RUS") loan funds and America Recovery and Reinvestment Act monies assigned to fund the construction of facilities approved in Case No. 2009-00538¹ are not utilized to support the construction of the proposed new headquarters building. Include any

¹ Case No. 2009-00538, Application of Mountain Rural Telephone Cooperative Corporation, Inc. for a Certificate of Public Convenience and Necessity for the Construction of an Internet Protocol and Ethernet Network (Ky. PSC Jan 6, 2010).

auditing and reporting requirements that will be instituted by RUS and the National Telecommunications and Information Administration.

5. For the following questions, refer to Application Exhibit A, Probable Construction Budget:

a. For Division 1 - General Requirements, describe in detail the types of products/materials that are to be used and fully explain the need for \$226,984 being assigned to this category.

b. For Division 2 - Site, describe in detail the types of products/materials that are to be used and fully explain the need for \$458,985 being assigned to this category.

c. For Division 6 - Wood & Plastics, describe in detail the types of products/materials that are to be used and fully explain the need for \$525,183 being assigned to this construction category.

d. For Division 9 - Finishes, describe in detail the types of products/materials that are to be used and fully explain the need for \$418,499 being assigned to this construction category.

e. For Division 10 - Specialties, describe in detail the types of products/materials that are to be used and fully explain the need for \$45,252 being assigned to this construction category.

f. For Division 12 - Furnishings, describe in detail the types of products/materials that are to be used and fully explain the need for \$15,950 being assigned to this construction category.

Case No. 2010-00224

-3-

6. If included in the Probable Construction Budget, identify the amount budgeted and the category assigned for Landscaping, Parking Lot, and other exterior work and fully explain the amount to be assigned to each category.

7. Describe what steps Mountain has undertaken to determine that the proposed budgeted construction costs are reasonable and reflective of the current construction market.

8. Provide a copy of the minutes from Mountain's Board of Directors' meeting at which the proposed construction project was approved.

Jeff

Executive Director Public Service Commission P.O. Box 615 Frankfort, Ky. 40602

DATED AUG - 6 2010

cc: Parties of Record

Honorable D. Joleen Frederick City Attorney, City of West Liberty P. O. Box 508 West Liberty, KY 41472