

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PETITION TO PERMIT EXECUTION OF )  
NEW NOTE TO NATIONAL RURAL )  
ELECTRIC COOPERATIVE FINANCE )  
CORPORATION BY BIG SANDY RURAL )  
ELECTRIC COOPERATIVE CORPORATION ) CASE NO. 9044  
IN THE AMOUNT OF \$420,000 AT )  
VARIABLE INTEREST RATE INSTEAD )  
OF A FIXED INTEREST RATE )

O R D E R

IT IS ORDERED that Big Sandy Rural Electric Cooperative Corporation ("Big Sandy") shall file an original and eight copies of the following information by May 31, 1984. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Provide complete details regarding the estimated amount of the variable interest rate as of May 1, 1984, including documentation of such rate from the National Rural Electric Cooperative Finance Corporation ("CFC").

2. Provide complete details regarding the anticipated amount of savings that will be realized as a result of the conversion to a variable interest rate, including supporting computations.

3. Provide complete details regarding the amount of conversion fee that will be charged to Big Sandy, including supporting computations.

4. Provide the following information concerning the proposed variable rate loan:

- a. the frequency with which the rate can change; and
- b. the circumstances and conditions regarding the possible future reconversion to a fixed rate of interest.

5. Provide details regarding the presentation of the proposed conversion to the Big Sandy Board of Directors ("Board") including the minutes from the applicable meeting of the Board, and the Board's resolution approving the proposed conversion.

6. In the application, Big Sandy states that the approval of the variable interest rate will be in the best interest of the cooperative, as it will result in savings to Big Sandy's members. Provide a detailed description of the factors that were considered in making this determination, as well as an explanation of how these factors were evaluated. This information should include any cost of money or present value studies, etc. that have been performed.

7. Provide complete details concerning the amount of funds that has been advanced from the \$420,000 CFC loan as of May 1, 1984, including the terms and conditions regarding the payment of principal and interest on these advanced funds.

Done at Frankfort, Kentucky, this 22nd day of May, 1984.

PUBLIC SERVICE COMMISSION

ATTEST:

\_\_\_\_\_  
Secretary

  
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For the Commission