

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF TAYLOR COUNTY RURAL)
ELECTRIC COOPERATIVE CORPORATION) CASE NO. 9536
FOR AN ADJUSTMENT OF RATES)

O R D E R

IT IS ORDERED that Taylor County Rural Electric Cooperative Corporation ("Taylor County") shall file an original and 12 copies of the following information with this Commission, with a copy to all parties of record, by August 22, 1986, or within 7 days after the date of this Order, whichever is later. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

Information Request No. 3

1. With regard to Temporary Cash Investments, Account No. 136, provide the following:
 - a. The current level of this account.
 - b. The monthly balance for each of the past 3 calendar years.
 - c. The income generated by these investments for the test year and each of the past 3 calendar years.

2. With reference to Adjustment No. 3, provide the following:

a. An explanation of the salary change for employee no. 101 from \$28,219 to \$39,520.

b. An explanation of the salary change for employee no. 102 from \$42,373 to \$33,280.

3. With reference to Adjustment No. 5, provide the following:

a. Calculations showing the adjustment to retirement costs using the 10 percent contribution rate and normalized base payroll.

b. The contribution rate of Taylor County's employees to retirement.

c. Has Taylor County made any study or is Taylor County aware of any studies prepared by other organizations regarding the level of employee benefits among Kentucky cooperatives? If so, provide copies.

d. The computations showing how the \$11,282 increased premium cost for hospitalization insurance was determined.

4. With reference to Adjustment No. 7, provide the following:

a. What options were available to Taylor County with regard to the Louisville Bank for Cooperatives ("LBC") loan funds on May 1, 1986?

b. What options are available now?

5. With reference to Adjustment No. 9, provide a concise, detailed schedule of insurance premiums for the test year and the

prior year. Show, by account, the amount expensed and capitalized.

6. With regard to Exhibit K, PSC No. 2, what fiscal period was the subject of the IRS audit?

7. Provide a brief explanation regarding the reasonableness of the \$7,947.84 board election expense shown in the response to the Commission's Information Request No. 2, Item No. 12b.

8. With reference to Taylor County's response to the Commission's Information Request No. 2, Item No. 13, when does Taylor County record revenue from electric sales?

9. Provide a schedule of the items comprising the Deferred Credits of \$150,444 shown in Exhibit A.

10. With reference to Exhibit K, Public Service Commission No. 11, provide the following:

a. An itemized schedule of the legal fees.

b. An explanation of why Taylor County chose not to amortize the \$15,438.98 paid for union negotiations.

11. With regard to Taylor County's response to the Commission's Information Request No. 2, Item No. 15, provide the following:

a. The reason for the increase of \$6,244 for fees for regular and special board meetings.

b. The reason for the increase of \$3,455 for fees for attendance at cooperative related meetings.

c. The reason for the increase of \$8,901 for expenses of attending meetings.

12. How many hours are needed for the Inspection Committee to perform its duties? In what manner do these duties differ from those of the board's treasurer?

Done at Frankfort, Kentucky, this 18th day of August, 1986.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director