

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LICKING VALLEY RURAL )  
ELECTRIC COOPERATIVE CORPORATION FOR A )  
CERTIFICATE OF PUBLIC CONVENIENCE AND )  
NECESSITY TO EXECUTE ITS NOTE TO THE )  
UNITED STATES OF AMERICA IN THE AMOUNT ) CASE NO. 9551  
OF \$1,087,000 AND TO EXECUTE ITS NOTE TO )  
NATIONAL RURAL UTILITIES COOPERATIVE )  
FINANCE CORPORATION IN THE AMOUNT OF )  
\$480,412 )

O R D E R

IT IS ORDERED that Licking Valley Rural Electric Cooperative Corporation ("Licking Valley") shall file an original and eight copies (unless otherwise specified) of the following information with the Commission within 2 weeks of the date of this Order, or by May 16, 1986, whichever is later.

1. Provide a detailed description of any other financing options that were considered in securing the National Rural Utilities Cooperative Finance Corporation ("CFC") loan. This response should include the reason(s) that CFC financing was selected over other options as well as the results of any studies conducted which support the use of CFC financing.

2. What consideration has Licking Valley given to the various loan programs available through CFC? Explain which option Licking Valley anticipates selecting at this time.

3. Provide the additional debt service requirements associated with the Rural Electric Administration ("REA") loan and the CFC loan.

4. Provide an amortization schedule of the proposed loan from CFC.

5. Provide the current interest rates on both CFC fixed rate and variable rate loans.

6. Licking Valley currently has a rate application filed with the Commission. Will Licking Valley be able to meet its increased debt service requirements with the revenues anticipated as a result of that application?

7. Provide the CFC loan terms.

Done at Frankfort, Kentucky, this 6th day of May, 1985.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

\_\_\_\_\_  
Secretary