

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE REASON-)
ABLENESS OF THE EARNINGS OF BRANDENBURG) CASE NO. 9859
TELEPHONE COMPANY, INC.)

O R D E R

On March 3, 1987, the Commission instituted an investigation into the reasonableness of the earnings of Brandenburg Telephone Company, Inc. ("BTC"). BTC was ordered to file a response showing the reasons why its rates should not be reduced to achieve a more reasonable return on its investment. BTC filed a response on June 3, 1987. The Commission subsequently issued four additional information requests to which BTC filed responses.

On January 15, 1988, a Staff Report was issued claiming that BTC's revenues should be reduced by \$1,375,000. BTC filed a written request for information from the Staff on February 15, 1988. The Staff replied on March 15, 1988, and an informal conference was scheduled for April 6, 1988. As a result of questions raised by BTC at the conference, another data request was propounded.

The Commission, being advised, is of the opinion that the attached schedule of events should be adopted as the procedure for this investigation. It is contemplated that the following will be discussed at the scheduled negotiation conference: a) BTC's Responses to Information Orders; b) the January 15, 1988, Staff

Report; c) Staff's Reply to Company's February 15, 1988, and April 20, 1988, Data Requests; d) Testimony; e) issues such as Rate of Return, Capital Structure and Rate Base; and f) the possibility of settlement of certain issues or stipulation of certain facts to the record.

BE IT SO ORDERED.

Done at Frankfort, Kentucky this 4th day of May, 1988.

PUBLIC SERVICE COMMISSION


for The Commission

ATTEST:

Executive Director

SCHEDULE OF EVENTS

Brandenburg Telephone Co., Inc. - Case No. 9859

**Staff Responses to Second Data Request Propounded
by BTC due5/11/88**

**BTC's Written Testimony and Response to Staff
Report due6/10/88**

Negotiation Conference, beginning6/28/88

Hearing, if necessary,7/6/88