COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CUMBERLAND VALLEY RURAL) ELECTRIC COOPERATIVE CORPORATION FOR A) CERTIFICATE OF CONVENIENCE AND NECESSITY TO) CONSTRUCT ADDITIONAL LINES AND FACILITIES) CAS AND TO EXECUTE ITS NOTE TO NATIONAL RURAL) UTILITIES COOPERATIVE FINANCE CORPORATION IN) THE AMOUNT OF \$2,015,000)

CASE NO. 96-221

<u>ORDER</u>

IT IS ORDERED that Cumberland Valley Rural Electric Cooperative Corporation ("Cumberland Valley") shall file the original and five copies of the following information with the Commission, with a copy to all parties of record within 21 days from the date of this Order. Cumberland Valley shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately labeled, for example, Item 1(a), Sheet 2 of 6.

1. Refer to page 38 of the 1996-1998 Work Plan entitled "Pine Mountain Substation No. 50."

a. Cumberland Valley is proposing to convert line section 545 from 3 phase, 4/0 ACSR to a double circuit. However, the voltage drop study for the existing system with 1995 peak loads shows the phase currents through this line section as zero.

(1) If the currents through line section 545 are zero, explain why the conversion is needed.

(2) If the currents are not zero, explain whether this voltage drop study is accurate and should be used as a basis for determining the construction needed over the next 3 years. Provide a revised copy which reflects the correction.

b. Cumberland Valley is proposing to convert line section 574 from 3phase 2 ACSR to 3-phase 336 ACSR for 2.2 miles and to 3-phase 266.8 ACSR for 2.55 miles. However, the voltage drop study for the existing system with 1995 peak loads shows this line section as 3-phase 336 ACSR and it is only 0.4 miles.

- (1) Is the existing line section a 3-phase 2 ACSR or 336 ACSR?
- (2) Is this line section 4.75 or 0.4 miles?

(3) Provide a revised copy that reflects the correction and explain whether the proposed conversions are needed.

2. Refer to Cumberland Valley's response to Item 16 of the Commission's Order dated July 26, 1996. Cumberland Valley stated, "The voltage readings are comparable to the field readings and reasonable for modeling." Was the voltage drop study for the existing system with 1995 peak loads based on January 1995 loads?

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If yes, were the calculated voltages from the voltage drop study a. compared to the minimum or the maximum voltage readings shown on page A35 of the Work Plan?

b. If no, explain how the calculated voltages from the voltage drop study were compared to the mini-max voltage readings on page A35 since no readings after January 1995 are shown on page A35.

3. Refer to Cumberland Valley's response to Item 9 of the Commission's Order dated July 26, 1996. Staff understands that no advance of funds has been made from the proposed loan. The question asks which loan program Cumberland Valley would have chosen if the advance of funds had been made by the date of Cumberland Valley's response. Review Item 9 and answer accordingly.

4. What is the status of Rural Utilities Service ("RUS") approval? Provide the loan approval from RUS within 10 days of receipt.

Done at Frankfort, Kentucky, this 13th day of September, 1996.

PUBLIC SERVICE COMMISSION

he Commission

ATTEST:

Executive Director