

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE LICKING VALLEY RURAL	)	
ELECTRIC COOPERATIVE CORPORATION FOR THE	)	
AUTHORIZATION TO BORROW TWO MILLION, NINE	)	
HUNDRED EIGHTY NINE THOUSAND DOLLARS	)	CASE NO.
(\$2,989,000.00), FROM THE NATIONAL RURAL	)	96-583
UTILITIES COOPERATIVE FINANCE CORPORATION,	)	
AND TO EXECUTE A SECURED PROMISSORY NOTE	)	
FOR SAID SUM	)	

ORDER

IT IS ORDERED that Licking Valley Rural Electric Cooperative Corporation ("Licking Valley") shall file the original and eight copies of the following information with the Commission with a copy to all parties of record within seven days from the date of this Order.

1. Refer to Item 7 of the Commission's Order dated January 21, 1997. In Case No. 96-153,<sup>1</sup> the Commission approved a Certificate of Public Convenience and Necessity for construction projects totalling \$9,186,500. If the Commission does not authorize any additional construction, what impact would this have on the pending application totalling \$9,962,000 before the Commission and the applications with the lenders?

2. Refer to Item 7 of the Commission's Order dated January 21, 1997. Licking Valley states that the total financing is \$2,962,000. The application states that the total loan is \$9,962,000. Explain the difference.

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<sup>1</sup> Case No. 96-153, The Application of Licking Valley Rural Electric Cooperative Corporation for a Certificate of Public Convenience and Necessity to Construct a Four (4) Year Work Plan, Interim Order dated December 6, 1996.

3. Refer to Item 6 of the Commission's Order dated January 21, 1997. Is Licking Valley required by RUS to revise its 740c? If yes, provide a copy.

4. In your response to Item 7 of the Commission's Order dated January 21, 1997, you indicated that the maximum impact of the Commission's decision to defer approval of projects 312-3 and 317-6 would be a \$41,500 reduction in construction expenditures. Will you agree that if a determination is made that a new substation is feasible, the substation will be constructed by East Kentucky Power Cooperative Corporation and Licking Valley will not incur the expenditure of \$755,500 for Projects 312-3 and 317-6?

Done at Frankfort, Kentucky, this 18th day of February, 1997.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director