

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JACKSON COUNTY RURAL)	
ELECTRIC COOPERATIVE CORPORATION FOR A)	CASE NO.
CHANGE IN DEPRECIATION RATES)	97-138

O R D E R

IT IS ORDERED that Jackson County Rural Electric Cooperative Corporation ("Jackson County") shall file an original and 5 copies of the following information with this Commission, with a copy to all parties of record. 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 indexed, for example, Item 1(a), Sheet 2 of 6. 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 ensure that it is legible. The information herein is due no later than 20 days from the date of this Order.

1. Refer to Item 1 of Jackson County's response dated May 2, 1997 to the Commission's April 23, 1997 Order. Provide the analysis requested in the April 23, 1997 Order regardless of how Jackson County intends to apply the proposed depreciation rates.

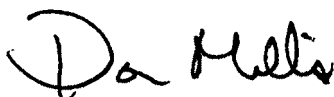
2. As noted in Jackson County's October 7, 1996 letter to the Rural Utilities Service, one of the reasons for revising its depreciation rates is based upon previous experience. Jackson County further notes that many items do not last as long as the current depreciation rates require. If the proposed depreciation rates are based upon better estimates of the expected service life for both existing and newly acquired plant, explain the rationale in applying the revised depreciation rates only to plant acquired after January 1, 1997 rather than applying these rates beginning January 1, 1997 to existing plant balances.

Done at Frankfort, Kentucky, this 10th day of June, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:



Executive Director

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 97-138 DATED 6/10/97

	A	B	C	D = A x B	E = A x C	F = D - E
Account Number and Description	Book Cost	Existing Rate	Proposed Rate	Depreciation Accruals Using Existing Rate	Depreciation Accruals Using Proposed Rates	Difference
364 Poles, Towers and Fixtures						
398 Miscellaneous Equipment						
	Column Total			Column Total	Column Total	Column Total