

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|---------------------------------|---|----------|
| THE APPLICATION OF MEADE COUNTY |) | |
| RURAL ELECTRIC COOPERATIVE |) | CASE NO. |
| CORPORATION FOR A DECREASE IN |) | 97-209 |
| EXISTING RATES |) | |

O R D E R

IT IS ORDERED that Meade County Rural Electric Cooperative Corporation ("Meade County RECC") shall file the original and 8 copies of the following information with the Commission by December 31, 1997 with a copy to all parties of record. Each copy of the information 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 its legibility. Where the requested information has been provided along with the original application, in the format requested herein, reference may be made to the specific location of that information in responding to this Order. When applicable, the requested information should be provided for total company operations and jurisdictional operations, separately.

1. Refer to Meade RECC's Response to the First Request of the Attorney General ("AG"), Item 33. What is included in the KTI Inventory from September 1996 through September 1997?

2. Refer to Meade RECC's Response to the AG's First Request, Item 39. Provide the following payroll information for each employee:

a. The actual regular hours worked during the test year.

b. The actual overtime hours worked during the test year.

c. The test-year-end wage rate and the January 1, 1997 wage rate for each employee and the date of the last increase.

d. A calculation of the percent of increase granted during the test year.

Meade County RECC shall identify all the employees as either salaried or hourly, and also as either full-time, part-time, or temporary. Employee numbers or other identifiers may be used instead of employee names. Include an explanation of how the overtime pay rate is determined. All employees terminated during the test year shall be identified (along with the month in which the termination occurred), as well as those employees who replaced terminated employees or were otherwise added to the payroll during the test year.

3. a. (1) Provide the base wages and salaries used to calculate payroll taxes.

(2) Explain how the base wages and salaries were determined.

b. Provide the payroll tax rates in effect at test-year-end.

4. Refer to Meade County RECC's Response to the AG's First Request, Item 51. Other than Account Number 417, Revenues from Nonutility Operations, and Account

Number 417.1, Expenses of Nonutility Operations, what other expenditures for subsidiaries or affiliates, if any, are reported in Meade County RECC's test year Income Statement?

5. Refer to Meade County RECC's Response to the AG's First Request, Item 62. Explain in detail the payment of \$7,518 to Green River Electric Corporation and the payment of \$36,590 to Big Rivers Electric Corporation.

6. Refer to Meade County RECC's Response to the AG's First Request, Item 64.

a. Are the amounts under the column labelled "Payroll" related to the use of in-house labor in preparing this case?


b. If yes,

(1) Does payroll reflect labor costs that are solely regular work hours of employees?

(2) Are any employee overtime hours included in these amounts?

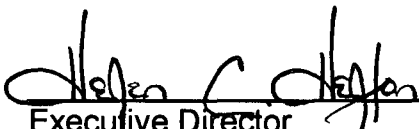
Done at Frankfort, Kentucky, this 10th day of December, 1997.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Executive Director