

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GREEN RIVER ELECTRIC)	
COOPERATIVE CORPORATION FOR A)	CASE NO. 97-219
DECREASE OF EXISTING RATES AND FOR)	
APPROVAL OF CONTRACTS)	

O R D E R

The Attorney General ("AG") has moved to compel Green River Electric Cooperative Corporation's ("Green River") response to his information request of September 22, 1997 and to amend the procedural schedule in this matter. Green River has submitted a response in opposition to the motion. Finding the AG's requests are designed to solicit relevant material and are not unduly burdensome, we grant the motion.

On September 22, 1997, the AG in accordance with the Commission's Order of September 8, 1997, served requests for information upon Green River. The AG sought, inter alia, information regarding Green River's actual expenses during the test period and prior periods. Arguing that the requested information was not relevant to the current proceeding because it sought only to pass any rate reductions which it received from its wholesale power supplier, Green River objected to most of these requests.

The AG then moved to compel production of the requested material. In support of his motion, the AG argues that his questions, including those regarding the appropriateness of Green River's current Times Interest Earnings Ratio, are relevant and

deal with cost allocation and general rate issues. In response, Green River contends that the AG's requests will unduly complicate this proceeding, will require considerable time and resources to prepare responses and that no reasonable basis exists to suggest that Green River's rates are unreasonable. Green River suggests that, at the conclusion of this proceeding, the AG may file a complaint pursuant to KRS 278.260 if he believes that Green River's rates are unreasonable.

Having reviewed the disputed requests for information, the Commission finds that none are unreasonable or irrelevant to the issues presented by Green River's application. The request addresses issues that are basic to the review of proposed rates. Contrary to Green River's assertion, the application before the Commission is an application for a general rate adjustment. The burden of demonstrating the reasonableness of the proposed rates falls on the applicant. KRS 278.190(3). The AG is within his rights to request information to test the reasonableness of those rates.

Accordingly, the Commission **HEREBY ORDERS** and **COMPELS** Green River to respond no later than November 14, 1997 to Request Nos. 1, 2, 5 through 14, 17 through 64, 66 through 68, 70 through 76, 78 through 85, and 87. The Commission **FURTHER ORDERS** that the procedural schedule set forth in the Commission's Order of September 19, 1997 is vacated and replaced with the procedural schedule set forth in the Appendix to this Order.

Done at Frankfort, Kentucky, this 5th day of November, 1997.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 97-219 DATED 11/5/97

Green River shall mail or deliver responses to the AG's requests for information no later than	11/14/97
All supplemental requests for information to Green River shall be due no later than	11/26/97
Green River shall mail or deliver responses to supplemental requests for information no later than	12/08/97
Intervenor testimony, if any, shall be filed in verified prepared form no later than	12/19/97
All requests for information to Intervenor shall be due no later than	12/31/97
Last day for Green River to publish notice of hearing date	01/07/98
Intervenors shall mail or deliver responses to requests for information no later than	01/12/98
Public Hearing is to begin at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of cross-examination of witnesses	01/14/98