

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TAYLOR COUNTY RURAL ELECTRIC)
COOPERATIVE CORPORATION)
_____)
ALLEGED FAILURE TO COMPLY) CASE NO. 98-119
WITH COMMISSION ORDER)

ORDER

On September 15, 1995, in Case No. 95-125,¹ the Commission issued an Order directing Taylor County Rural Electric Cooperative Corporation ("Taylor County") to install minimum/maximum voltmeters so comparisons could be made to calculated voltages in its Work Plan.

On March 5, 1998, Taylor County filed its Work Plan for Case No. 98-119. In response to the Commission's Order of April 30, 1998, Taylor County reported in its filing of May 26, 1998 that it did not install the voltmeters as ordered.

Taylor County did not file an explanation or any supporting calculations of how the present worth numbers listed under Column "EKPC" and "TCRECC" for PLAN A1 and PLAN A2 were derived.

¹ Case No. 95-125, Application of Taylor County Rural Electric Cooperative Corporation for Certificate of Public Convenience and Necessity.

The Commission, on its own motion, HEREBY ORDERS that:

1. Taylor County shall appear before the Commission on July 23, 1998 at 9:30 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violation of the Commission's Order of September 15, 1995, and to show cause why it should not be subject to the penalties prescribed in KRS 278.990(1). Neither opening statements or witnesses' summaries of prefiled direct testimony will be permitted.

2. An informal conference with Commission Staff and Taylor County shall be held on July 8, 1998 at 9:30 a.m., Eastern Daylight Time, in Hearing Room 2 of the Commission's offices at 677 Comanche Trail, Frankfort, Kentucky.

a. Taylor County shall be prepared to discuss the topics contained in Appendix A of this Order.

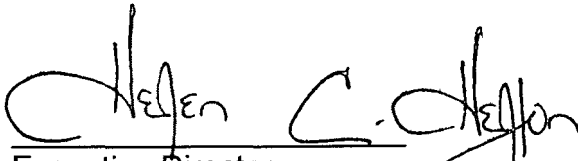
b. Taylor County shall be represented by some member of its organization with authority to make a binding agreement with the Commission.

3. Taylor County shall file, within five days from the date of this Order, the information requested in the Commission's Order dated April 30, 1998 for question 2.

Done at Frankfort, Kentucky, this 22nd day of June, 1998.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Director


For the Commission

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 98-119 DATED June 22, 1998

Topics to be discussed:

1. How the voltage drop studies are being verified for accuracy.
2. Alternatives and their costs considered instead of minimum/maximum voltmeters that Taylor County intends to install.

The above information was requested by the Commission's Order dated April 30, 1998. However, the responses raised some questions that can be better discussed and addressed at the Informal Conference.