

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR )  
AUTHORIZATION TO BORROW \$3,900,000 )  
FROM COBANK AND TO PREPAY \$3,900,000 ) CASE NO. 2001-191  
OF NATIONAL RURAL UTILITIES COOPERA- )  
TIVE FINANCE CORPORATION NOTES )

FIRST DATA REQUEST OF COMMISSION STAFF  
TO KENERGY CORP.

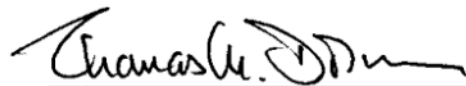
Kenergy Corp. ("Kenergy"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due on or before August 17, 2001. Each copy of the data requested should be placed 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 person 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. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Explain why the National Bank for Cooperatives ("CoBank") provided the projection of cash flows based on \$4,000,000 when the loan will be for \$3,900,000.
2. Provide the original principal amounts for each of the notes payable to National Rural Utilities Cooperative Finance Corporation that Kenergy plans to prepay.

3. On page 2, Item 7 of the application, Kenergy states "The CoBank loan will be for a 20-year period." Kenergy submitted a cash flow analysis as Exhibit 2, Attachment B of the application, which reflects an amortization period of 30 years for the requested CoBank financing. Exhibit 2, Attachment C, reflects an amortization period of 25 years for the requested financing.

a. Explain why the attachments were calculated using periods other than the 20-year period.

b. Resubmit Exhibit 2, Attachment B, and Exhibit 2, Attachment C, the cash flow analyses, using a 20-year period for the requested financing.



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Thomas M. Dorman  
Executive Director  
Public Service Commission  
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DATED 8/6/01

cc: All Parties