

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)	
ELECTRIC COOPERATIVE CORPORATION FOR A)	CASE NO.
CERTIFICATE OF CONVENIENCE AND NECESSITY)	2005-00261
TO CONSTRUCT A DISTRICT OFFICE AND SERVICE)	
FACILITY IN WHITLEY CITY, KENTUCKY)	
)	

FIRST DATA REQUEST OF COMMISSION STAFF
TO SOUTH KENTUCKY RURAL ELECTRIC
COOPERATIVE CORPORATION

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") is requested, pursuant to 807 KAR 5:001, 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 16, 2005. 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. Refer to Application Exhibit C. South Kentucky proposes to increase its office space from 1,651 square feet in the current facility to 6,550 square feet, to

increase its warehouse space from 2,293 square feet to 7,270 square feet and to add 2,180 square feet of covered storage.

- a. Explain why such a large increase in office space is required.
- b. State the number of employees accommodated by the current facility.
- c. State the total number of employees the proposed facility is designed to accommodate.

2. Refer to Application Exhibit D. South Kentucky states, "The existing building and property was used as partial payment for the land of which the proposed new facility will be located."

- a. State the value of the existing building, the existing property and the land for the proposed facility.
- b. Provide details of the disposition of the current facility and the breakdown of the use of the proceeds.

3. Refer to Application Exhibit A, Sheets 2, 3, and 5 of 6. South Kentucky states that it will need an increase in rates in 2009 for distribution revenue requirement purposes with or without the new buildings.

- a. Explain why South Kentucky will need a rate increase in 2009.
- b. Explain why South Kentucky will wait until 2009 to propose a rate increase given the forecasted decrease in its Times Interest Earned Ratio presented on Exhibit A, Sheets 3 and 5 of 6.

4. No mention was made of the location and spacing of South Kentucky's various district offices.

a. State the construction and service crew work area for each South Kentucky district office and their typical travel radii.

b. State whether the location of the proposed facility will provide South Kentucky with optimal service area coverage. Explain the response.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED August 9, 2005

cc: Parties of Record