COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF JACKSON PURCHASE ELECTRIC COOPERATIVE CORPORATION	)))	CASE NO. 8544

O R D E R

IT IS ORDERED that Jackson Purchase Electric Cooperative Corporation shall file an original and seven copies of the following information with this Commission, with a copy to the Attorney General's Division of Consumer Protection, by August 5, 1982. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), page 2 of 5. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

Information Request No. 1

1. In comparative form, an income statement, a statement of changes in financial position, and a balance sheet for the test year and the 12-month period immediately preceding the test year.

2. The detailed workpapers showing calculations supporting all revenue, expense, and tax adjustments in the rate application,

together with a detailed explanation of each component used in each calculation. Index each calculation and related explanation to the adjustment it supports.

3. A trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Show the balance in each control and all underlying subaccounts per company books.

4. For each item of electric property held for future use at the end of the test year provide the data as shown in Format 4.

5. Schedules in comparative form showing by months for the test year and the year preceding the test year the balance in each electric plant and reserve account or subaccount included in the applicant's chart of accounts as shown in Format 5.

6. A schedule showing a comparison of the balance in each operating expense account for each month of the test year to the same month of the preceding year for each account or subaccount included in the applicant's chart of accounts. See Format 5.

7. A schedule of salaries and wages for the test year and each of the 5 preceding calendar years as shown in Format 7, attached.

8. A detailed analysis of advertising expenditures during the test period. This analysis should include a breakdown of

Account 913 - Advertising Expenses, as shown in Format 8, attached, and should also show any advertising expenditures included in other expense accounts. This analysis should be specific as to the purpose and expected benefit of each expenditure.

9. An analysis of Account 930 - Miscellaneous General Expenses for the test period. This should include a complete breakdown of this account as shown in attached Format 9, and also provide all detailed work papers supporting this analysis. At minimum, the work papers should show the date, vendor, reference (i.e., voucher number, etc.), dollar amount and brief description of the expenditure.

10. A detailed analysis of contributions for charitable and political purposes (in cash or services). This analysis should indicate the amount of the expenditure, the recipient of the contribution, and the specific account charged.

11. A copy of the auditor's report from the co-op's most recent audit.

12. Provide the utility's times interest earned ratio and debt service coverage ratio, as calculated by the Rural Electrification Administration, for the test year and the 5 preceding calendar years. Include the data used to calculate each ratio.

13. Provide the utility's rate of return on net investment rate base for the test year and the 5 preceding calendar years.

14. Provide a detailed analysis of expenses incurred during the test year for professional services as shown in attached

Format 14, and all detailed work papers supporting the analysis. At minimum the work papers should show the payee, dollar amount, reference (i.e., voucher number, etc.), account charged, and a brief description of the service provided.

15. A copy of the most recent publication of the Borrower Statistical Profile for Licking Valley RECC as published by the Rural Electrification Administration.

16. A copy of the most recent publication of Kentucky's Electric Cooperatives Operating and Expense Statistical Comparisons.

17. The date and time of the most recent annual members' meeting. Provide the number of members in attendance, the number of members voting for new board members, the number elected, and a general description of the meeting's activities.

18. A copy of the cooperative's by-laws.

Done at Frankfort, Kentucky, this 14th day of July, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Volz

For the Commission

ATTEST:

Secretary

Format 4

Jackson Purchase Electric Cooperative Corporation

Case No. 8544

Schedule of Total Company Property Held for Future Use
For the Test Year Ended February 28, 1982

"000 Omitted"

escription of Property	Location	Date Purchased	Cost	Planned In-service Date	Description of Intended Use	Current Status

Format 5

Jackson Purchase Electric Cooperative Corporation

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COMPARISON OF TEST YEAR ACCOUNT BALANCES WITH THOSE OF THE PRECEDING YEAR

"000 Omitted"

ccount Title and Account Number	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Tota
Test Year													
Prior Year													
Increase (Decrease)													

Jackson Purchase Electric Cooperative Corporation

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ANALYSIS OF SALARIES AND WAGES

For the Calendar Years 1977 Through 1981
And the 12-Month Period Ending February 28, 1982

(000's)

		12 Months Ended											
		Calendar Years Prior to Test Year										Test Year	
		5th		4th		3rd		2nd		1st			
Line No.	Item	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1.	Wages charged to expense:												
2.	Power production expense												
3.	Transmission expenses												
4.	Distribution expenses												
5.	Customer accounts expense												
6.	Sales expenses												
7.	Administrative and general expenses:												
	(a) Administrative and general salaries												
	(b) Office supplies and expense												
	(c) Administrative expense transferred-cr.												
	(d) Outside services employed												
	(e) Property insurance												
	(f) Injuries and damages												

Jackson Purchase Electric Cooperative Corporation

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		12 Months Ended											
		Calendar Years Prior to Test Year										Test Year	
		5th		4th		3rd		2nd		1st			
Line No.	Item (a)	Amount (b)	% (c)	Amount (d)	% (e)	Amount (f)	% (g)	Amount (h)	% (i)	Amount (j)	% (k)	Amount (l)	% (m)
7.	Administrative and general expenses (continued):												
	(g) Employee pensions and benefits												
	(h) Franchise requirements												
	(i) Regulatory commission expenses												
	(j) Duplicate charges-cr.												
	(k) Miscellaneous general expense												
	(l) Rents												
	(m) Maintenance of general plant												
8.	Total administrative and general expenses L7(a) through L7(m)												
9.	Total salaries and wages charged expense (L2 through L6 + L8)												
10.	Wages capitalized												
11.	Total salaries and wages												
12.	Ratio of salaries and wages charged expense to total wages (L9 ÷ L11)												
13.	Ratio of salaries and wages capitalized to total wages (L10 ÷ L11)												

NOTE: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

Format

Jackson Purchase Electric Cooperative Corporation

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ACCOUNT 913 - ADVERTISING EXPENSE

For the 12 Months Ended February 28, 1982

Line No.	Item (a)	Sales or Promotional Advertising (b)	Institutional Advertising (c)	Conservation Advertising (d)	Rate Case (e)	Other (f)	Total (g)
1.	Newspaper						
2.	Magazines and Other						
3.	Television						
.	Radio						
	Direct Mail						
	Sales Aids						
	Total						

Format 9

Jackson Purchase Electric Cooperative Corporation

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ACCOUNT 930 - MISCELLANEOUS GENERAL EXPENSES

For the 12 Months Ended February 28, 1982

Line No.	Item (a)	Amount (b)
1.	Industry Association Dues	
2.	Institutional Advertising	
3.	Conservation Advertising	
4.	Rate Department Load Studies	
5.	Water, and Other Testing and Research	
6.	Directors' Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	

Format 14

Jackson Purchase Electric Cooperative Corporation

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Professional Service Expenses

For the Twelve Months Ended February 28, 1982

Line No.	Item	Rate Case	Annual Audit	Other	Total
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				