

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

The Petition of the Kentucky Cable)	
Telecommunications Association for a)	Case No. 2012-00544
Declaratory Order that the Commission)	
Has Jurisdiction to Regulate the Pole)	
Attachment Rates, Terms, and Conditions)	
of Cooperatives That Purchase Electricity)	
from the Tennessee Valley Authority)	

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION'S NOTICE OF
DEPOSITION UPON ORAL EXAMINATION TO PENNYRILE RURAL ELECTRIC
COOPERATIVE CORPORATION**

PLEASE TAKE NOTICE that pursuant to Kentucky Revised Statute 278.340, Kentucky Rule of Civil Procedure 30.02(6) and the Kentucky Public Service Commission's October 10, 2013 Procedural Order the Kentucky Cable Telecommunications Association ("KCTA") will take the deposition of Respondent Pennyrile Rural Electric Cooperative Corporation ("Pennyrile") upon oral examination before a certified court reporter duly authorized to administer oaths. The deposition will take place on February 26, 2014, 2014, at 2000 Harrison Street, Hopkinsville, KY 42240, beginning at 9:30 a.m., and shall continue until completed. The deposition will be recorded by stenographic means, may be offered into evidence in the above-captioned matter, and may be used for any purpose consistent with the Kentucky Rules of Civil Procedure and the Commission's Rules.

PLEASE TAKE FURTHER NOTICE that the topics for the deposition are set forth on Exhibit A, which is incorporated by reference. Pennyrile is required to designate one or more officers, directors, managing agents, or other persons who consent to testify on its behalf as to each of the matters or topics identified and described in Exhibit A. Please identify the person

who will testify regarding each matter or topic at least five (5) days before the date of the deposition.

Respectfully submitted,

/s/ Laurence J. Zielke
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**ATTORNEYS FOR THE KENTUCKY CABLE
TELECOMMUNICATIONS ASSOCIATION**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Kentucky Cable Telecommunications Association's Notice of Deposition Upon Oral Examination to Pennyrite Rural Electric Cooperative Corporation has been served on all parties of record via hand delivery, facsimile, or electronically this 15th day of January, 2014.

/s/ Laurence J. Zielke
Laurence J. Zielke

EXHIBIT A

The following definitions are applicable to terms employed in this Notice:

1. The term “person(s)” shall include any natural person, corporation, partnership, association, joint venture, sole proprietorship, firm, business enterprise, governmental or quasi-governmental body or agency, or legal entity of any type, and includes both the singular and plural.
2. The terms “you” and “your” refer to the Pennyrite Rural Electric Cooperative Corporation and any predecessors in interest, subsidiaries, and employees, agents, representatives, attorneys and/or investigators.
3. The term “Association,” “KCTA,” or Petitioner refers to the Kentucky Cable Telecommunications Association, as well as any employee, agent, representative, attorney and/or investigator.
4. The term “TVA” refers to the Tennessee Valley Authority, as well as any employee, agent, representative, attorney and/or investigator.
5. “TVPPA” refers to the Tennessee Valley Public Power Association, as well as any employee, agent, representative, attorney and/or investigator.
6. “Poles” and “distribution poles” mean utility poles in your electric distribution network in Kentucky that you own or control.
7. “Pole rates” mean the annual charges for use of your poles by any other entity, including any member of the Association and/or any telephone joint user.
8. “Commission” means the Kentucky Public Service Commission.
9. “ILEC” means incumbent local exchange carrier.

10. “Joint user” refers to any utility with which you have an agreement that provides the rates and terms of service whereby you can attach to each other’s poles.

TOPICS

1. The corporate designee’s position, duties, knowledge of and involvement in this matter.

2. Efforts made by the corporate designee(s) to learn as necessary the information requested in this list of topics.

3. All contracts between Pennyrile and the TVA relevant to poles and pole attachment rates.

4. All orders, directives, and communications from TVA regarding pole attachment rates.

5. All pole attachment agreements, joint use agreements, and pole license agreements between Pennyrile and any pole users.

6. The method, if any, by which TVA regulates, controls, and/or reviews Pennyrile’s pole attachment rates.

7. Any approval or consideration by TVA of any pole attachment agreements, joint use agreements, and pole license agreements between Pennyrile and all pole users, including but not limited to your March 2010 Joint Use Agreement with BellSouth Telecommunications, Inc.

8. Pennyrile’s communications with TVA regarding all pole attachment agreements, joint use agreements, and pole license agreements between Pennyrile and all pole users, including but not limited to communications regarding the March 2010 Joint Use Agreement with BellSouth Telecommunications, Inc.

9. Pennyrile's communications with TVPPA at any time during the past five years regarding poles and pole attachment rates, including but not limited to communications regarding the negotiation of the March 2010 Joint Use Agreement with BellSouth Telecommunications, Inc. and regarding KCTA's assertions of Commission jurisdiction over pole rates.

10. Pennyrile's annual reports to TVA for each of the years 2010, 2011, 2012, and 2013.

11. Pennyrile's communications with TVA regarding pole attachment rates and/or revenues since 2000.

12. Pennyrile's accounting of and use of its pole attachment revenues.

13. TVA's requirements, if any, regarding Pennyrile's reporting of its pole attachment revenues.

14. The method, if any, by which Pennyrile reports its pole attachment revenues to the TVA.

15. Pennyrile's pole-related costs for each of the years 2010, 2011, 2012 and 2013.

16. TVA's requirements, if any, regarding Pennyrile's reporting of its pole-related costs.

17. The method, if any, by which Pennyrile reports its pole-related costs to TVA.

18. Financial accounting for Pennyrile for each of the years 2000 to present, including margins, assets, revenues, and expenses.

19. The pole attachment rates Pennyrile charged ILECs and cable companies for each of the last ten years.

20. Any formulas and/or calculations used by, or considered by, Pennyrile in determining its pole attachment rates since 2000.

21. Pennyrile's analysis, if any, of its pole attachment rates under the Commission's cost-based pole attachment rate methodology as set forth in the September 17, 1982 order by the Commission in Administrative Case No. 251.

22. Pennyrile's analysis, if any, of its pole attachment rates under the Federal Communication Commission's pole attachment methodology used to determine the maximum just and reasonable rate under 47 U.S.C. § 224(d).

23. The method by which Pennyrile ensures that its pole attachment rates provide sufficient revenues to cover the costs of providing for the attachments.

24. Pennyrile's analysis of whether its pole attachment rates provide a subsidy to KCTA members.

25. Pole attachment revenue Pennyrile received from licensee attachers (i.e., non-joint users) for each of the years 2008 to present.

26. How Pennyrile's pole attachment revenues affect its electric rates as set by the TVA.

27. Any increase or decrease in Pennyrile's electric rates that has resulted from a change in pole attachment revenues within the last ten years.

28. The relationship between changes in Pennyrile's revenue requirement generally and revisions to Pennyrile's electric rates as regulated by the TVA.

29. The basis of Pennyrile's claim that the Commission's regulation of its pole attachment rates would conflict with the TVA's regulation of its electric rates.

30. Any non-privileged communications between Pennyrile and the TVA regarding this case.

31. Any non-privileged communications between Pennyrile and any other party, including but not limited to, the TVPPA regarding this case.

32. Pennyrile's responses to KCTA's First Request for Information.

33. Pennyrile's responses to KCTA's Supplemental Request for Information.

34. As of the end of each year 2010, 2011 and 2012:

- i. Gross investment in FERC Account 364;
- ii. The number of poles in FERC Account 364;
- iii. Gross investment in 35 foot poles in FERC Account 364;
- iv. The number of 35 foot poles in FERC Account 364;
- v. Gross investment in 40 foot poles in FERC Account 364;
- vi. The number of 40 foot poles in FERC Account 364;
- vii. Gross investment in 45 foot poles in FERC Account 364;
- viii. The number of 45 foot poles in FERC Account 364;
- ix. Accumulated depreciation reserve related to the total investment in FERC Account 364;
- x. Gross investment in any grounds included in FERC Account 364;
- xi. Gross investment in FERC Account 365;
- xii. Accumulated depreciation related to FERC Account 365;
- xiii. Gross investment in FERC Account 369;
- xiv. Accumulated depreciation related to FERC Account 369;
- xv. Gross investment in total utility plant;

- xvi. Accumulated depreciation related to total utility plant;
- xvii. Gross investment in Distribution Plant;
- xviii. Accumulated depreciation related to Distribution Plant;
- xix. Annual depreciation rate for FERC Account 364;
- xx. Expenses in FERC Account 593;
- xxi. Any tax expenses (please describe and detail);
- xxii. Expenses in FERC Accounts 920-931 (General and Admin.);
- xxiii. Cost of money;
- xxiv. The number of poles with attachments owned only by the pole owner and a cable company (two-party poles as described in Administrative Order 251); and
- xxv. The number of poles with attachments owned by the pole owner, a cable company, and another entity (three-party poles as described in Administrative Order 251).