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PUBLIC SERVICE  
COMMISSION

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

**In the Matter of:**

<b>GENERAL ADJUSTMENT OF ELECTRIC RATES</b>	)	<b>CASE NO.</b>
<b>OF EAST KENTUCKY POWER</b>	)	<b>2006-00472</b>
<b>COOPERATIVE, INC.</b>	)	

**RESPONSES TO COMMISSION STAFF'S THIRD DATA REQUEST**  
**TO EAST KENTUCKY POWER COOPERATIVE, INC.**  
**DATED MAY 1, 2007**



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 1**

**RESPONSIBLE PERSON:** William A. Bosta

**COMPANY:** East Kentucky Power Cooperative, Inc.

**Request 1.** Refer to the Application, Exhibit D. Explain why EKPC is proposing to eliminate the Economic Development Rider.

**Response 1.** The Economic Development Rider Section was applicable to the Inland Container Corporation Special Contract which was established in the early 1990's. The five-year provision of the rider was applied and is no longer applicable. As a result, it has been eliminated.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

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**REQUEST 2**

**RESPONSIBLE PERSON: William A. Bosta/Ann F. Wood/Frank J. Oliva**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 2.** Refer to the Application, Exhibit F. Provide all workpapers, calculations, assumptions, and other documentation that support the adjustments presented on Schedules 3 through 9, 11, 15, 19, and 23 through 25.

**Response 2.** The information is provided on the enclosed CD.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

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**REQUEST 3**

**RESPONSIBLE PERSON: William A. Bosta/Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 3.** Refer to the Application, Exhibit F, Schedule 1. Concerning the Fuel Adjustment Clause ("FAC"):

- a. Provide a schedule showing the monthly FAC revenues and FAC expenses for the 12 months of the test year, all proposed adjustments to the FAC revenues and FAC expenses, and the adjusted test-year-end balances for the FAC revenues and FAC expenses.
- b. If the adjusted test-year-end balance for the FAC revenues does not equal the adjusted test-year-end balance for the FAC expenses, explain why EKPC did not propose an additional adjustment that would match the FAC revenues with the FAC expenses.

**Response 3.** a,b. Please see the attached information. Note that the FAC expense information reflects the FAC factor for the expense month multiplied by the KWH sales subject to the FAC for that expense month (Column 2). The FAC revenue as booked is in Column 1.

**PSC Request 3(a)(b)**  
**Attachment**  
**Page 1 of 1**

Oct 05-Sept 06

(1)

(2)

October	\$	7,839,503	\$	7,163,973
November	\$	7,818,712	\$	6,508,103
December	\$	8,664,213	\$	16,898,378
January	\$	14,485,338	\$	8,380,808
February	\$	8,278,260	\$	7,636,891
March	\$	7,137,164	\$	6,450,265
April	\$	5,053,563	\$	6,011,365
May	\$	6,262,727	\$	6,891,061
June	\$	7,228,617	\$	4,539,278
July	\$	5,207,893	\$	6,556,752
August	\$	6,604,086	\$	8,748,397
September	\$	6,413,228	\$	5,823,914
	\$	90,993,304	\$	91,609,184



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**REQUEST 4**

**RESPONSIBLE PERSON: William A. Bosta**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 4.** Refer to the Application, Exhibit F, Schedule 1. Explain why EKPC has proposed a "synchronization" adjustment for its environmental surcharge.

**Response 4.** The synchronization adjustment was made in order to eliminate the timing difference between the environmental surcharge revenue billing to the environmental surcharge expenses incurred in the 12 expense months of the test year.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

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**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 5**

**RESPONSIBLE PERSON:** William A. Bosta/Ann F. Wood/Frank J. Oliva

**COMPANY:** East Kentucky Power Cooperative, Inc.

**Request 5.** In Case Nos. 1998-00426<sup>1</sup> and 1998-00474,<sup>2</sup> the Commission excluded the environmental surcharge-related assets, expenses, and revenues of Louisville Gas and Electric Company and Kentucky Utilities Company from the determination of earnings. In Case No. 2005-00341,<sup>3</sup> Kentucky Power Company ("Kentucky Power") proposed that its environmental surcharge should be "rolled in" to its base rates and this action should be reflected in the base period revenue requirement component of the surcharge mechanism. The settlement agreement approved in that case adopted Kentucky Power's proposal.

- a. Provide the following financial statements as of test-year end:
  - (1) A balance sheet with adjustments to exclude all test-year-end balances for environmental surcharge-related assets and accumulated depreciation.
  - (2) An income statement with adjustments to exclude all environmental surcharge-related revenues and expenses for the 12-month period.
- b. Assume that EKPC's environmental surcharge was going to be rolled into its base rates. Calculate the revised base period revenue requirement that would reflect this roll-in. Include all calculations and assumptions.
- c. Of the two approaches the Commission has previously utilized concerning the treatment of the environmental surcharge during a rate case, indicate

which approach EKPC would prefer and explain why it selected that approach, or explain why it believes a different approach is appropriate.

**Response 5.**

- a. (1) Please see the attached information.
- (2) Please see the attached information.
- b. If EKPC had elected to roll-in the surcharge into base rates, the base period revenue requirement would have been adjusted upward by about \$57.9 million. That is the amount of surcharge revenues associated with the expense months for the test year ended September 2006.
- c. EKPC is not proposing to roll-in the environmental surcharge to base rates in this case as it believes that the Environmental Surcharge Statute requires a two-year review and allows consideration of a roll-in in that proceeding. EKPC has only had one six-month review case at this point in time. Conversely, there is no requirement to roll-in environmental surcharge costs at the time of a base rate case. If the surcharge is to be excluded EKPC concurs with the approach followed in the aforementioned KU and LGE proceedings. The entries to make such an exclusion are believed to have been provided in 5a above. EKPC notes that the method proposed in its filing effectively neutralizes the effect of the surcharge at the 1.15 TIER approved for use in the surcharge. The 1.35 TIER proposed by EKPC or any approved TIER different than 1.15 in this proceeding may necessitate a further adjustment in either the base revenue requirement or surcharge.

East Kentucky Power Cooperative, Inc. and Subsidiary  
Interim Consolidated Balance Sheets  
(Dollars in Thousands) unaudited

	September 30 2006	Adjustment for ES Assets	Adjusted at Sept. 30, 2006
<b>ASSETS</b>			
Electric plant, at original cost			
In-service	\$ 2,052,639	\$ (221,507)	\$ 1,831,132
Construction in Progress	300,891		300,891
	2,353,530	(221,507)	2,132,023
Less accumulated depreciation	804,958	(32,079)	772,879
Electric plant, net	1,548,572	(189,428)	1,359,144
Long-term accounts receivable	8,811		8,811
Investment Securities			
Available for sale	44,396		44,396
Held to maturity	8,216		8,216
Current Assets			
Cash and cash equivalents	81,364	(880)	80,484
Accounts Receivable	51,685		51,685
Fuel	37,111		37,111
Materials and supplies	36,414	(210)	36,204
Emission allowances	50,282	(49,929)	353
Other	2,075		2,075
Total current assets	258,931	(51,019)	207,912
Deferred charges	4,623		4,623
Other	5,846		5,846
<b>Total assets</b>	<b>\$ 1,879,395</b>	<b>\$ (240,447)</b>	<b>\$ 1,638,948</b>
<b>LIABILITIES AND MEMBERS' EQUITIES</b>			
Members' equities	\$ 91,986	\$ (1,543)	\$ 90,443
Long-term debt	1,621,262	(238,904)	1,382,358
Current liabilities			
Accounts payable	32,623		32,623
Accrued expenses	26,721		26,721
Total current liabilities	59,344		59,344
Accrued postretirement benefit cost	48,854		48,854
Other	57,949		57,949
<b>Total liabilities and members' equities</b>	<b>\$ 1,879,395</b>	<b>\$ (240,447)</b>	<b>\$ 1,638,948</b>

East Kentucky Power Cooperative, Inc. and Subsidiary  
Interim Consolidated Statements of Revenue and Expenses  
(Dollars in Thousands) unaudited

	Twelve Months Ended Sept 30, 2006	ES Adj	OSS Adj	Adjusted 12 mo Ended Sept. 30, 2006
Operating Revenue	\$ 667,784	\$ (57,962)	\$ (635)	\$ 609,187
Operating Expenses:				
Fuel	272,236			272,236
Other Production	123,180	(38,605)		84,575
Purchased Power	103,501			103,501
Transmission and Distribution	25,196			25,196
Depreciation	55,135	(8,554)		46,581
General and Administrative	39,343			39,343
	<u>618,591</u>	<u>(47,159)</u>	<u>-</u>	<u>571,432</u>
Operating Margins	49,193	(10,803)	(635)	37,755
Interest expense	79,680	(9,895)		69,785
Net Operating Deficit	(30,487)	(908)	(635)	(32,030)
Nonoperating Margins				
Interest Income	7,542			7,542
Allowance for Funds Used During Construction	6,619			6,619
Assessments	(32,555)			(32,555)
Miscellaneous	909			909
	<u>(17,485)</u>	<u>-</u>	<u>-</u>	<u>(17,485)</u>
Capital Credits and Patronage Capital Allocations	316			316
Net Deficit	<u>\$ (47,656)</u>	<u>\$ (908)</u>	<u>\$ (635)</u>	<u>\$ (49,199)</u>





**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 6**

**RESPONSIBLE PERSON: Frank J. Oliva**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 6.**

Refer to the Application, Exhibit F, Schedule 2.

- a. Explain in detail how EKPC reached the conclusion that the proposed adjustment should be based on a 5-year average.
- b. Would a 3-year average accomplish the desired result of smoothing out the annual fluctuation in interest income? Explain the response.
- c. Explain why the interest income for calendar years 2003 and 2004 appear to be significantly below the income earned in other periods.
- d. EKPC has reported interest income for the test year of \$7,542,150 and for calendar year 2006 of \$8,432,882. Explain in detail why these levels are significantly higher than the annual interest incomes for calendar years 2001 through 2005.
- e. Provide a schedule showing the end-of-month interest income amounts and the corresponding balance of investments that generated the interest income for the months of January 2005 through and including March 2007.

**Response 6.**

- a. EKPC's level of interest income is primarily influenced by two factors: the level of investible funds available and the general interest rate environment for the year. EKPC's intent in requesting to average its interest income over 5-years was

to normalize this adjustment over a range of interest rate environments, as well as a variety of financial conditions for EKPC.

Interest rate volatility can be shown by the average Federal Funds Rate for each year:

2001 - 3.89%	2004 - 1.35%
2002 - 1.67%	2005 - 3.21%
2003 - 1.13%	2006 - 4.96%

b. Because interest rates can fluctuate so much from year-to-year, a longer (5-year) time horizon covers a wider spectrum of interest rate environments than does a 3-year average. This results in a better normalization.

c. As explained in the response to Item 6a, the general level of interest rates have an effect on EKPC's level of interest income. Interest rates in 2003 and 2004 were lower than the other years shown in response to Item 6a.

d. Please refer to the response to Item 6a. Interest rates were significantly higher during the test year period and for calendar year 2006 than for the other years shown, resulting in higher levels of interest income.

e. Please see attached information.

EAST KENTUCKY POWER COOPERATIVE

CASE NO. 2006-00472

Interest Income	Monthly Interest Income 01/31/2005	Monthly Interest Income 02/28/2005	Monthly Interest Income 03/31/2005	Monthly Interest Income 04/30/2005	Monthly Interest Income 05/31/2005	Monthly Interest Income 06/30/2005	Monthly Interest Income 07/31/2005	Monthly Interest Income 08/31/2005	Monthly Interest Income 09/30/2005	Monthly Interest Income 10/31/2005
12322 Invest in CFC Cap Subord Trm	83,541	75,456	83,541	81,724	83,541	80,846	83,541	83,541	32,233	34,023
12323 Oth Invest in Assoc Organizatn	28	-	-	35	-	-	43	-	-	47
12325 Low Int Loan Prtg for Memb Coop	394	404	390	376	362	348	334	320	306	292
12328 COOP Industrial Dev Loans	3,631	3,576	(6,509)	1,988	1,983	1,978	1,978	2,076	2,174	2,645
12329 Oth Invest COOP Propane Buyout	11,291	10,199	11,291	10,927	11,291	10,927	18,550	18,201	18,087	17,973
12451 Oth Invest Poll Cont Bond Spur2	18,242	23,592	28,942	28,942	28,942	28,942	28,942	14,471	60,326	40,217
12452 Oth Invest Poll Cntrl Bond Smith	7,700	9,958	12,217	12,217	12,217	12,217	12,217	6,108	25,461	16,974
12455 Oth Invest Cooper Poll Bond DSR	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938
12456 Oth Invest Coop Poll Bond Disc	6	6	6	6	6	6	6	6	6	6
12461 Oth Inv LT Rec Inlnd Cont	64,964	64,964	56,687	64,964	56,687	64,964	64,964	64,964	64,964	64,964
12805 Oth Spec Funs Esc Dep Ins Bond	52,182	48,846	52,326	51,166	50,682	53,313	58,035	58,521	64,037	69,781
13601 Temp Cash Invst	80,977	121,703	165,265	140,192	209,835	295,627	248,941	242,942	330,368	226,606
13602 Temp Cash Invst Cpr Poll Bond Fd	40	72	60	58	60	58	60	27	156	79
13606 Temp Cash Invst Spur Poll Bond Fd	-	122	291	282	291	282	291	291	282	150
13609 Temp Cash Invst Smith Poll Bond Fd	-	45	106	48	-	-	-	-	-	-
13611 Temp Cash Invst Pledged Escrow	-	-	-	-	-	-	-	-	-	-
22460 Cushion of Credit Account	-	-	-	-	36	18	-	6,849	96,297	118,729
<b>TOTAL BY MONTH</b>	<b>326,934</b>	<b>362,880</b>	<b>408,550</b>	<b>396,861</b>	<b>459,869</b>	<b>553,463</b>	<b>521,838</b>	<b>502,254</b>	<b>698,633</b>	<b>596,423</b>

EAST KENTUCKY POWER COOPERATIVE

CASE NO. 2006-00472

Interest Income	11/30/2005	12/31/2005	01/31/2006	02/28/2006	03/31/2006	04/30/2006	05/31/2006	06/30/2006	07/31/2006	08/31/2006	09/30/2006
12322 Invest in CFC Cap Subord Trm	33,774	34,023	33,939	30,655	33,939	32,844	33,939	32,844	33,939	33,939	32,844
12323 Oth Invest in Assoc Organizath	-	-	53	-	-	59	-	-	64	-	-
12325 Low Int Loan Prg for Memb Coop	278	264	254	245	284	274	264	254	244	234	223
12328 COOP Industrial Dev Loans	2,712	2,705	2,764	2,815	2,789	2,776	2,768	2,761	2,761	2,813	2,864
12329 Oth Invest COOP Propane Buyout	17,958	17,743	17,627	17,510	17,393	17,275	17,157	17,038	22,803	22,657	22,509
12451 Oth Invest Poll Cont Bond Spur2	40,217	40,217	40,217	45,522	50,828	50,828	50,828	50,828	50,828	53,929	57,030
12452 Oth Invest Poll Cntrl Bond Smith	16,974	16,974	16,974	19,212	21,451	21,451	21,451	21,451	21,451	22,759	24,067
12455 Oth Invest Cooper Poll Bond DSR	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938
12456 Oth Invest Coop Poll Bond Disc	6	6	7	7	7	6	6	6	6	6	6
12461 Oth Inv LT Rec Inlnd Cont	64,964	64,964	64,964	(31,431)	51,339	51,339	51,339	51,339	51,339	51,339	51,339
12805 Oth Spec Funs Esc Dep Ins Bond	69,552	70,361	70,420	70,443	42,705	14,872	54,448	94,977	94,849	95,129	95,101
13601 Temp Cash Invest	175,744	164,962	140,830	101,409	117,393	228,219	258,396	203,144	304,760	291,098	428,328
13602 Temp Cash Invest Cpr Poll Bond Fd	77	79	79	123	97	94	97	94	97	154	107
13606 Temp Cash Invest Spur Poll Bond Fd	-	-	-	-	-	-	-	-	-	-	-
13609 Temp Cash Invest Smith Poll Bond Fd	-	-	-	-	-	-	-	-	-	-	-
13611 Temp Cash Invest Pledged Escrow	-	787	889	-	-	-	-	-	-	-	-
22460 Cushion of Credit Account	116,053	111,267	25,116	54,850	115,246	46,518	138,389	249,924	327,843	326,687	314,406
TOTAL BY MONTH	542,145	528,289	418,114	315,298	457,408	470,493	633,020	728,597	914,922	904,681	1,032,763

EAST KENTUCKY POWER COOPERATIVE

CASE NO. 2006-00472

Interest Income	Monthly Interest Income	Monthly Interest Income	Monthly Interest Income	Monthly Interest Income	Monthly Interest Income	Monthly Interest Income
	10/31/2006	11/30/2006	12/31/2006	01/31/2007	02/28/2007	03/31/2007
12322 Invest in CFC Cap Subord Trm	33,939	32,844	33,939	33,896	30,579	33,855
12323 Oth Invest in Assoc Organizatn	69	-	-	67	-	-
12325 Low Int Loan Prtg for Memb Coop	213	203	193	185	231	223
12328 COOP Industrial Dev Loans	2,982	2,792	3,991	2,481	2,350	2,341
12329 Oth Invest COOP Propane Buyout	22,361	22,211	22,061	21,909	21,757	21,603
12451 Oth Invest Poll Cont Bond Spur2	57,030	57,030	57,030	57,030	58,012	58,993
12452 Oth Invest Poll Cntrl Bond Smth	24,067	24,067	24,067	24,067	24,482	24,896
12455 Oth Invest Cooper Poll Bond DSR	3,938	3,938	3,938	3,938	3,938	3,938
12456 Oth Invest Coop Poll Bond Disc	6	6	6	6	6	6
12461 Oth Inv LT Rec Inlnd Cont	51,339	51,339	37,714	44,922	44,922	44,922
12805 Oth Spec Funs Esc Dep Ins Bond	95,129	96,757	99,441	103,577	103,645	103,727
13601 Temp Cash Invest	308,063	256,926	273,111	322,027	296,663	410,935
13602 Temp Cash Invest Cpr Poll Bond Fd	110	107	110	110	146	107
13606 Temp Cash Invest Spur Poll Bond Fd	-	-	-	-	-	-
13609 Temp Cash Invest Smith Poll Bond Fd	-	-	-	-	-	-
13611 Temp Cash Invest Pledged Escrow	-	-	-	-	-	-
22460 Cushion of Credit Account	225,788	306,739	321,997	231,587	211,830	232,135
TOTAL BY MONTH	825,033	854,959	877,597	845,803	798,559	937,681

EAST KENTUCKY POWER COOPERATIVE

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Interest Income

6e (2)

	<u>A/C Balances</u> <u>01/31/2005</u>	<u>A/C Balances</u> <u>02/28/2005</u>	<u>A/C Balances</u> <u>03/31/2005</u>	<u>A/C Balances</u> <u>04/30/2005</u>	<u>A/C Balances</u> <u>05/31/2005</u>	<u>A/C Balances</u> <u>06/30/2005</u>	<u>A/C Balances</u> <u>07/31/2005</u>	<u>A/C Balances</u> <u>08/31/2005</u>	<u>A/C Balances</u> <u>09/30/2005</u>	<u>A/C Balances</u> <u>10/31/2005</u>
12322 Invest in CFC Cap Subord Trm	22,548,032	22,533,032	22,527,389	22,527,389	22,527,389	22,527,389	22,527,389	22,527,389	8,237,389	8,237,390
12323 Oth Invest in Assoc Organizatn	1,473,849	1,473,849	1,473,849	1,473,849	1,473,849	1,473,849	1,473,849	1,523,849	1,524,849	1,524,749
12325 Low Int Loan Prg for Memb Coop	113,891	110,261	106,618	102,961	99,290	95,605	91,906	88,193	84,466	80,723
12328 COOP Industrial Dev Loans	1,364,024	1,367,600	843,843	840,987	842,970	844,948	846,926	844,187	846,361	799,092
12329 Oth Invest COOP Propane Buyout	3,798,498	3,798,498	3,798,498	3,798,498	3,798,498	3,798,498	3,798,498	3,774,743	3,750,875	3,726,893
12451 Oth Invest Poll Cont Bond Spur2	12,826,000	12,890,000	12,890,000	12,890,000	12,890,000	12,890,000	12,890,000	12,890,000	13,131,000	13,131,000
12452 Oth Invest Poll Cntrl Bond Smith	5,414,000	5,441,000	5,441,000	5,441,000	5,441,000	5,441,000	5,441,000	5,441,000	5,542,000	5,542,000
12455 Oth Invest Cooper Poll Bond DSR	1,080,587	1,080,587	1,080,587	1,069,812	1,069,812	1,069,812	1,085,387	1,085,387	1,085,387	1,076,329
12456 Oth Invest Coop Poll Bond Disc	(1,225)	(1,219)	(1,213)	(1,208)	(1,202)	(1,196)	(1,190)	(1,184)	(1,178)	(1,173)
12461 Oth Inv LT Rec Inlnd Cont	5,929,723	5,870,733	5,803,466	5,744,476	5,677,209	5,618,219	5,559,229	5,500,239	5,441,249	5,382,259
12805 Oth Spec Funs Esc Dep Ins Bond	20,452,959	20,440,278	20,465,448	20,547,677	20,609,741	21,520,740	21,529,317	21,613,222	21,633,837	21,670,815
13601 Temp Cash Invest	27,314,000	79,549,000	60,612,000	67,617,000	88,898,000	99,550,000	82,702,000	114,627,000	81,000,000	62,130,000
13602 Temp Cash Invest Cpr Poll Bond Fd	23,625	23,625	23,625	23,625	23,625	23,625	23,625	-	23,625	23,625
13606 Temp Cash Invest Spur Poll Bond Fd	-	109,650	109,650	109,650	109,650	109,650	109,650	109,650	109,952	-
13611 Temp Cash Invest Pledged Escrow	-	-	-	-	-	-	-	-	-	-
22460 Cushion of Credit Account	-	-	-	-	4,337	4,319	-	25,006,849	27,967,559	27,816,734

EAST KENTUCKY POWER COOPERATIVE

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Interest Income

6e (2)

	<u>A/C Balances</u> <u>11/30/2005</u>	<u>A/C Balances</u> <u>12/31/2005</u>	<u>A/C Balances</u> <u>01/31/2006</u>	<u>A/C Balances</u> <u>02/28/2006</u>	<u>A/C Balances</u> <u>03/31/2006</u>	<u>A/C Balances</u> <u>04/30/2006</u>	<u>A/C Balances</u> <u>05/31/2006</u>	<u>A/C Balances</u> <u>06/30/2006</u>	<u>A/C Balances</u> <u>07/31/2006</u>	<u>A/C Balances</u> <u>08/31/2006</u>
12322 Invest in CFC Cap Subord Trm	8,237,390	8,237,390	8,222,390	8,222,390	8,216,493	8,216,493	8,216,493	8,216,493	8,216,493	8,216,493
12323 Oth Invest in Assoc Organizatin	1,524,749	1,748,157	1,748,157	1,748,157	1,748,157	1,748,157	1,748,157	1,748,157	1,748,157	1,748,157
12325 Low Int Loan Prg for Memb Coop	76,999	74,514	72,019	82,731	80,057	77,373	71,975	71,975	69,261	66,536
12328 COOP Industrial Dev Loans	796,401	799,106	796,512	799,327	792,541	795,317	792,774	795,535	798,295	795,842
12329 Oth Invest COOP Propane Buyout	3,702,796	3,678,583	3,654,254	3,629,809	3,605,246	3,580,566	3,555,768	3,530,850	3,508,143	3,485,289
12451 Oth Invest Poll Cont Bond Spur2	13,131,000	13,134,731	13,131,000	13,435,000	13,435,000	13,435,000	13,435,000	13,435,000	13,435,000	13,777,000
12452 Oth Invest Poll Cntrl Bond Smith	5,542,000	5,543,575	5,542,000	5,670,000	5,670,000	5,670,000	5,670,000	5,670,000	5,670,000	5,814,000
12455 Oth Invest Cooper Poll Bond DSR	1,076,329	1,077,304	1,077,304	1,077,304	1,077,304	1,066,970	1,066,970	1,066,970	1,046,425	1,046,425
12456 Oth Invest Coop Poll Bond Disc	(1,167)	(1,161)	(1,155)	(1,149)	(1,143)	(1,138)	(1,132)	(1,126)	(1,120)	(1,114)
12461 Oth Inv LT Rec Inlnd Cont	5,323,269	5,281,706	5,228,174	5,167,604	5,100,447	5,033,290	4,966,133	4,898,976	4,831,819	4,764,662
12805 Oth Spec Funs Esc Dep Ins Bond	21,741,884	21,799,298	21,863,767	21,915,287	3,212,179	3,217,218	22,685,390	22,771,263	22,883,308	22,989,572
13601 Temp Cash Invest	57,730,000	48,197,000	29,320,500	30,930,000	38,092,500	68,128,000	42,987,000	72,944,500	61,799,500	107,157,500
13602 Temp Cash Invest Cpr Poll Bond Fd	23,625	23,625	23,625	23,625	23,625	23,625	23,625	23,625	23,625	23,625
13606 Temp Cash Invest Spur Poll Bond Fd	-	-	-	96,704	-	-	-	-	-	182
13611 Temp Cash Invest Pledged Escrow	-	874,493	874,493	-	-	-	-	-	-	-
22460 Cushion of Credit Account	26,536,161	26,375,231	3,475,218	27,146,134	3,119,538	27,893,859	51,703,814	77,451,640	77,507,286	76,505,539

EAST KENTUCKY POWER COOPERATIVE

CASE NO. 2006-00472

Interest Income

6e (2)

	<u>09/30/2006</u>	<u>10/31/2006</u>	<u>11/30/2006</u>	<u>12/31/2006</u>	<u>01/31/2007</u>	<u>02/28/2007</u>	<u>03/31/2007</u>
12322 Invest in CFC Cap Subord Trm	8,216,493	8,216,493	8,216,493	8,216,493	8,201,493	8,201,493	8,195,369
12323 Oth Invest in Assoc Organizatn	1,748,157	1,748,157	1,748,157	1,891,612	1,891,612	1,891,612	1,891,612
12325 Low Int Loan Prg for Memb Coop	63,802	61,057	58,316	56,144	68,415	66,052	63,682
12328 COOP Industrial Dev Loans	798,707	701,777	1,023,992	947,678	912,217	914,567	916,908
12329 Oth Invest COOP Propane Buyout	3,462,287	3,439,137	3,415,837	3,392,387	3,368,785	3,345,031	3,321,123
12451 Oth Invst Poll Cont Bond Spur2	13,777,000	13,777,000	13,777,000	13,795,589	13,777,000	14,130,000	14,130,000
12452 Oth Invst Poll Cntrl Bond Smith	5,814,000	5,814,000	5,814,000	5,821,845	5,814,000	5,963,000	5,963,000
12455 Oth Invst Cooper Poll Bond DSR	1,046,425	1,080,879	1,080,879	1,073,066	1,073,066	1,073,066	1,073,066
12456 Oth Invst Coop Poll Bond Disc	(1,108)	(1,103)	(1,097)	(1,091)	(1,085)	(1,079)	(1,073)
12461 Oth Inv LT Rec Inlnd Cont	4,697,505	4,630,348	4,563,191	4,482,409	4,415,360	4,348,311	4,306,282
12805 Oth Spec Funs Esc Dep Ins Bond	23,090,298	23,181,813	23,282,402	23,364,283	23,451,573	23,549,915	23,660,759
13601 Temp Cash Invst	94,713,500	53,766,500	53,441,500	69,189,000	82,920,500	82,432,500	102,353,500
13602 Temp Cash Invst Cpr Poll Bond Fd	23,625	23,625	23,625	23,625	23,625	23,625	23,625
13606 Temp Cash Invst Spur Poll Bond Fd	182	-	-	-	-	960	-
13611 Temp Cash Invst Pledged Escrow	-	-	-	-	-	-	-
22460 Cushion of Credit Account	76,547,748	51,846,747	75,825,052	75,874,851	55,780,708	54,664,104	54,624,042



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 7**

**RESPONSIBLE PERSON: Frank J. Oliva**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 7.** Refer to the Application, Exhibit F, Schedule 3, page 2 of 3.  
Define the term "IDC" as it is used on the schedule.

**Response 7.** EKPC uses the term "IDC" (Interest During Construction) and the term "AFUDC" (Allowance for Funds Used During Construction) interchangeably. On the Schedule 3 of Exhibit F, EKPC was referring to AFUDC.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 8**

**RESPONSIBLE PERSON: Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 8.** Refer to the Application, Exhibit F, Schedule 4. Provide a breakdown by account number of the total test-year actual wages and salaries of \$40,826,816.

**Response 8.**

Expensed: Account	Test Period Amount
41710	\$ 21,232
41711	31,617
41712	13,048
42640	59,807
45100	(14,019)
50020	1,383,462
50030	1,352,791
50040	1,269,284
50041	126,636
50042	126,636
50044	241,501
50120	463,331
50130	504,575
50141	490,206
50142	957,948
50144	436,999
50220	981,722
50230	712,421

50240	414,969
50241	410,573
50242	410,392
50244	422,944
50520	638,420
50530	718,987
50540	30,128
50541	410,562
50542	410,756
50544	422,747
50620	66,941
50621	67,795
50630	471,592
50631	99,575
50640	317,685
506444	79,927
50645	50,307
50646	64,598
50647	168,266
51020	27,602
51030	194,734
51040	939,140
51120	90,954
51130	90,263
51140	417,803
51220	751,825
51230	1,150,299
51240	2,052,245
51241	516,674
51242	396,457
51243	666
51244	885,136
51320	216,088
51330	262,012
51340	116,735
51341	31,249
51342	82,459
51344	152,468
51420	169
51430	41,964
51440	3,881
54651	138,188
54661	80,321
54851	526,720
54861	169,239
54951	7,237
54961	204,464
54962	9,072
55151	106,511
55300	7,437
55351	14,752
55361	52,010

55600	1,472,864
55700	419,786
55701	190,057
56000	463,464
56100	1,228,549
56200	1,067,422
56300	571,891
56600	3,492
56800	1,338
57000	481,224
57100	528,318
57300	566
58100	33,505
58200	315,318
59200	303,753
90800	732,182
91000	75,386
91300	80,446
92000	7,449,413
92500	1,000
93010	61,132
93022	382,501
93025	213,184
93026	10,166
93500	166,733
	<hr/>
	\$ 40,826,816
	<hr/>



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 9**

**RESPONSIBLE PERSON:** Ann F. Wood

**COMPANY:** East Kentucky Power Cooperative, Inc.

**Request 9.** Refer to the response to the Commission Staff's Second Data Request dated February 20, 2007, Item 2(a). Provide an update of the response.

**Response 9.** An update to Commission Staff's Second Data Request dated February 20, 2007, Item 2(a), is included on pages 2 through 7.

Question 9

Position Title	Position Description	Dept/Division/Office	Reason why position must be filled	Filled as of 5/4/07?	Internal or External Fill
Hired Dale Lab Tech	Ensures the safe and proper collection, analysis and/or treatment of water and fuel associated with the generation of electricity.	Production/Power Production/Dale	Replacement - to ensure the efficient operations of the plant.	Yes	Internal
<b>Projected Additions by 12/31/06</b>					
Lan Support Specialist	Provides a wide variety of network & PC Support Activities to all areas of EKPC.	Information Technology/HR & Support Services/HQs	Replacement - To support the EKPC Computer Network and associated systems.	No	
Lan Support Specialist	Provides a wide variety of network & PC Support Activities to all areas of EKPC.	Information Technology/HR & Support Services/HQs	Replacement - To support the EKPC Computer Network and associated systems.	No	
Environmental Attorney	Directs all corporate environmental and regulatory activities associated with East Kentucky Power Cooperative's generation and transmission facilities. Oversees the environmental compliance associated with the construction and operation of generation and transmission facilities in accordance with license and regulatory agency requirements. Assures all environmental and regulatory activities meet the highest standards of compliance and integrity consistent with the values of EKPC and the Member Systems. Provides effective leadership, vision and direction and maintains overall authority and accountability for assigned business unit.	Legal/Legal/HQs	New - Needed to oversee environmental compliance for EKPC.	Yes- person hired initially for this position is now the General Counsel	External
Sr. Engineer-Production	To provide and perform engineering services to the Power Production Division in order to achieve and maintain a high degree of availability, reliability, and efficiency for existing and planned East Kentucky Power Cooperative generating facilities.	Engineering/Power Production/HQs	Replacement - to provide engineering services for the Power Production Business Unit	No	

Question 9

Position Title	Position Description	Dept/Division/Office	Reason why position must be filled	Filled as of 5/4/07?	Internal or External Fill
Operations Engineer--PD	To study real-time and scheduled transmission system outage conditions to ensure reliable operation of the EKPC transmission system. To enable the Transmission Control Area Operations Team to better manage transmission congestion, develop processes and procedures to ensure NERC compliance and support all transmission activities to ensure the operation of a safe and reliable power system required to maintain the continuity of transmission service to the Member Cooperatives.	Operations/Power Delivery/HQs	Replacement as a result of an internal transfer.	Yes	Internal
Const. Tech--PD	To provide assistance in a variety of duties related to the construction of substations and other EKPC facilities and equipment.	Expansion/Power Delivery/HQs	Replacement due to an internal transfer.	Yes	External
Landfill Operator	Maintain and repair landfill gas to electric plant related equipment, facility and grounds.	Laurel Ridge/Power Production/Laurel Ridge	Replacement due to a termination.	Yes	External
Plant Safety Coord.	To set up, develop, administer and coordinate Safety & Fire Protection Programs, EKPC's policies and procedures, insurance carriers requirements in accordance with state and federal regulations and other related agencies in order to ensure a safe work environment at Dale Power Station. To properly administer Dale Power Station's Skilled Based Pay System Training Program.	Production/Power Production/Dale	Replacement due to a retirement.	Yes	Internal
Maint Mat Specialist	To ensure that all incoming material or shipments are recorded, coded, labeled, and stored in a manner as to expedite inventorying, identification, and the issuing of all materials. To ensure that all material issued or returned is charged to the proper maintenance account, contract, or work order number and to ensure that correct quantities of said materials which are in stock are deducted from proper coded accounts, thus ensuring a timely and accurate perpetual inventory. Provide support in the staging of materials.	Production/Power Production/Spurlock	Replacement due to a retirement.	Yes	External

Question 9

Position Title	Position Description	Dept/Division/Office	Reason why position must be filled	Filled as of 5/4/07?	Internal or External Fill
Projected Additions by 3/07 COO	As assigned, oversees and directs the day-to-day operations of EKPC in order to provide reliable and competitive wholesale energy to the member systems, and support the member systems in providing retail energy and related services. Participates in the planning and implementation of business expansion opportunities consistent with EKPC and member system goals and objectives. Plans, directs, administers, and coordinates all assigned business unit activities in accordance with policies, goals and objectives established by the President & Chief Executive Officer and the EKPC Board of Directors.	Executive/Executive/HQs	Position will not be filled.	No	
Analyst--Mid Term Planning	Assist with the construction of EKPC's power supply resource plan.	Mid-Term Planning/Coordinated Planning/HQs	To support enhanced coordinated planning efforts.	No	
Sr. Eng. Trans Planning	To direct and coordinate the management of Transmission Planning projects in an economical and reliable manner as to meet the present and future electrical needs of our Member Cooperatives.	Transmission Planning/Coordinated Planning/HQs	To support enhanced coordinated planning efforts.	No	
PD Engineer - EMS	To functionally design, develop, and provide the technical and administrative assistance to implement all energy management system software necessary to control and operate the East Kentucky Cooperative generation and transmission system in safe, reliable, and cost effective manner.	Operations/Power Delivery/HQs	To ensure efficient operations of EKPC's EMS.	No	
Asst Environ Mgr	Ensures the compliance of the operation and construction of generation and transmission facilities in accordance with license and regulatory agency requirements.	Environmental/Power Production/HQs	Position will not be filled.	No	

Question 9

Position Title	Position Description	Dept/Division/Office	Reason why position must be filled	Filled as of 5/4/07?	Internal or External Fill
Fuel Analyst	Collects data and conducts complex analyses, draw inferences, creates reports and makes recommendations in the areas of fuel procurement, fuel forecasting, market conditions and competitive intelligence information. Conducts studies using various analytical tools and methods in order to make sound recommendations.	Production Services/Power Production/HQs	To handle the increased work load brought about by increased fuel usage, potential use of alternate fuels and addition of limestone.	No	
Fuel Contract Administrator	To develop and administer fuel, alternate fuels and limestone contracts and purchase orders.	Production Services/Power Production/HQs	To handle the increased work load brought about by increased fuel usage, potential use of alternate fuels and addition of limestone.	No	
Environ Compliance Officer	New Position - Yet to be determined	Production/Power Production/Spurlock	New Position - Yet to be determined.	No	
Coal Yard Operator	Ensures the proper and safe operation and maintenance of coal and ash handling equipment associated with the delivery, stockpiling and processing of coal and the retrieval, processing and disposal of ash.	Production/Power Production/Spurlock	Maintain efficient operations of Spurlock Power Station.	No; Recruitment and Selection is in process	
Coal Yard Operator	Ensures the proper and safe operation and maintenance of coal and ash handling equipment associated with the delivery, stockpiling and processing of coal and the retrieval, processing and disposal of ash.	Production/Power Production/Spurlock	Maintain efficient operations of Spurlock Power Station.	No; Recruitment and Selection is in process	
Maint Mechanic	Ensures the proper and safe inspection, troubleshooting, maintenance and repair of mechanical equipment and systems associated with the generation of electricity.	Production/Power Production/Spurlock	Maintain efficient operations of Spurlock Power Station.	No; Recruitment and Selection is in process	
Maint Mechanic	Ensures the proper and safe inspection, troubleshooting, maintenance and repair of mechanical equipment and systems associated with the generation of electricity.	Production/Power Production/Spurlock	Maintain efficient operations of Spurlock Power Station.	No; Recruitment and Selection is in process	
Maint Mechanic	Ensures the proper and safe inspection, troubleshooting, maintenance and repair of mechanical equipment and systems associated with the generation of electricity.	Production/Power Production/Spurlock	Maintain efficient operations of Spurlock Power Station.	No; Recruitment and Selection is in process	

Question 5

Position Title	Position Description	Dept/Division/Office	Reason why position must be filled	Filed as of 5/4/07?	Internal or External Fill
Admin. Asst	To maintain and compile accurate and orderly plant record systems and reports in order to make overall plant operating and maintenance cost and performance evaluation possible. To provide and maintain orderly control over the plant office to ensure the proper, efficient and timely completion of a variety of responsibilities and a wide range of duties.	Production/Power Production/Spurlock	To handle the increased work load brought about by SPUR #4 and the Scrubber.	No	
Contract Budget Admin	Administers contracts for the Power Production Business Unit's Major Projects by negotiating commercial terms; scheduling; monitoring; and developing, maintaining, and administering procedures to facilitate their proper and timely completion. Provides timely financial information regarding status of all contracts, any changes, payments and retainages as well as each major project in its entirety, as required or requested. Compiles an annual Production Long Range Work Plan (20 Year) and a Three-Year Construction Work Plan (RUS required), and assists in the development of a budget for all Production's Major Projects.	Production/Power Production/JK Smith	To handle the increased work load brought about by the new construction of Smith 1.	No	
CT Tech	To perform all duties necessary to ensure proper and efficient operation of all instrumentation, hydraulic systems, automatic control systems and mechanical equipment associated with combustion turbines.	Production/Power Production/JK Smith	Construction of new CTs.	No	
CT Tech	To perform all duties necessary to ensure proper and efficient operation of all instrumentation, hydraulic systems, automatic control systems and mechanical equipment associated with combustion turbines.	Production/Power Production/JK Smith	Construction of new CTs.	No	

Question 9

Position Title	Position Description	Dept/Division/Office	Reason why position must be filled	Filled as of 5/4/07?	Internal or External Fill
Maint Superintendent	To manage the Maintenance section so as to ensure the effective coordination and direction of mechanical, electrical, and instrument maintenance, and engineering in a cost efficient manner while maintaining a high degree of equipment availability and reliability of the plant.	Production/Power Production/Cooper	To manage the maintenance activities at Cooper.	No	
Whse Safety Coor	To set up, develop, administer and to coordinate Safety & Fire Protection Programs, EKPC's policies and procedures, insurance carriers requirements in accordance with state and federal regulations and other related agencies in order to ensure a safe work environment, and to oversee and coordinate all procurement and storage activities at Smith Station.	Production/Power Production/JK Smith	New - Needed to set up and coordinate warehouse activities at JK Smith.	Yes	Internal
Landfill Gas Oper	Maintain and repair landfill gas to electric plant related equipment, facility and grounds.	Production/Power Production/Projected New Site	To operate & maintain plant.	No	



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 10**

**RESPONSIBLE PERSON:** Ann F. Wood

**COMPANY:** East Kentucky Power Cooperative, Inc.

**Request 10.** During the March 22, 2007 public hearing, EKPC disclosed that it initiated an "early-out" retirement program for employees in the first quarter of 2007.

Provide the following information concerning the early-out retirement program:

- a. A description of the terms and conditions of the program, including a discussion of eligibility requirements.
- b. Indicate when EKPC's Board of Directors first considered offering the program and when the Board approved the program.
- c. Any cost/benefit analyses or studies performed by or for EKPC concerning the program. If there were no cost/benefit analyses or studies, explain in detail why such analyses or studies were not performed.
- d. Indicate how many employees were eligible for the program and how many actually retired under the program. Include a schedule listing the positions of those employees who actually retired under the program.
- e. A calculation of the savings to EKPC from the early-out retirement program. Include not only the savings in salaries but also in employee benefits and associated payroll taxes.
- f. A schedule showing the actual costs incurred in conjunction with the early-out retirement program. Indicate which costs reflect an immediate cash outlay and which costs reflect future cash outlays.

**Response 10.**

a. EKPC offered the “early-out” retirement program to employees at EKPC headquarters who were a minimum of 59 years of age. Eligible employees had from March 1 to March 31 to decide whether or not to take the “early-out.” The effective date of the “early-out” was April 1, 2007.

b. Richard K. Byrne, consultant for EKPC during a portion of 2006, was the first consultant to recommend considering an early retirement buyout. EKPC CEO Bob Marshall discussed the specific program described in (a) above at an Executive Session of the Board of Directors meeting in February 2007. The Board of Directors approved this early retirement buyout at this meeting.

c. There were no cost/benefit analyses performed by or for EKPC concerning the program.

d. Twenty-one employees were eligible for the program. Five employees actually retired under the program; their position descriptions are listed below.

- Accountant
- Marketing & Technical Services Program Manager
- Senior Administrative Assistant—Legal
- Photographer
- Vice President, External/Regulatory Affairs

e. Total annual savings in salaries, payroll taxes, and employee benefits total \$878,476.

f. The actual costs incurred in conjunction with the “early-out” retirement program, “ which reflects an immediate cash outlay, total \$601,450.60. The Agreement for Funding Past Service Liability is on pages 5 through 7.



COPY

*Personal and Confidential*

April 30, 2007

01-18059-001

Robin King  
Benefits Administrator  
East Kentucky Power Coop Inc  
Box 707  
Winchester, KY 40392

RE: Agreement for Funding Past Service Liability  
**Please do not send a payment with the Liability Agreement**

Dear Robin King:

Enclosed is the agreement we have prepared to address the past service liability based upon the change(s) to the Retirement Security Plan which were effective April 1, 2007, as follows:

SERP

We have indicated the total principal amount of **\$601,450.60** in section one of the enclosed "Agreement For Installment Payment Of Past Service Costs" (hereafter, the "Agreement"). Please enter the number of annual installments (up to 30) in paragraph three of the Agreement.

If you choose to amortize the cost over the maximum period possible of 30 years, the annual payment required will be **\$51,580.94**. If you choose a shorter installment period, the amount of your annual payment will increase, but the amount of interest ultimately repaid on the principal will be lower. The interest rate used is 8.5%.

Please have an authorized officer of your Board sign the Agreement on its third page and return it to my attention within 45 days. If you are not an officer of the Board, but have been given authority to sign, you may sign in lieu of an officer.

Please note that this Agreement covers only the past service funding that resulted from the amendment to your plan referred to in the first paragraph of this letter agreement.

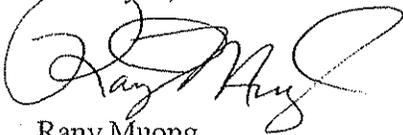
**Please do not send a payment with the Liability Agreement.** We will produce an invoice, at the appropriate time, once we have received the signed Agreement. An invoice will be produced, even if you elect one payment.

East Kentucky Power Coop Inc  
April 30, 2007  
Page 2

If we have failed to address some point or if any item needs further clarification, you are welcome to call us. Please direct your call(s) to the appropriate individual(s) on the following list, depending upon the nature of the question.

<i>INFORMATION ABOUT</i>	<i>SERVICE CONTACT</i>	<i>TELEPHONE NUMBER</i>
FINANCE	Ken McStine	703-907-5964
COMPLIANCE	Rany Muong	703-907-6457
ENROLLMENT AND BILLING	Nikki Vedder	402-483-9354
ACTUARIAL VALUATION OF LIABILITY	Lakeisha Massey	703-907-6423

Thank you,



Rany Muong  
Senior Compliance Operations Associate

Enclosure

**AGREEMENT FOR INSTALLMENT PAYMENT OF PAST SERVICE COSTS**

**WHEREAS**, East Kentucky Power Coop Inc, the ("Participating Employer") wishes to provide additional pension benefits to its employees, as indicated on its Adoption Agreement to the Retirement Security Plan (the "Program") and is willing to fund the cost for such benefits; and

**WHEREAS**, the Program is willing to undertake the obligation for such additional pension benefits to the employees of the Participating Employer;

**NOW, THEREFORE**, the Program and the Participating Employer agree as follows:

1. **Obligation of Participating Employer.** The Participating Employer unconditionally promises to pay to the Program the sum of **\$601,450.60** in installments, so long as no default occurs in payment of any installment provided in Section 3.
2. **Obligation of Program.** The Program unconditionally promises to pay pension benefits to employees of the Participating Employer according to its terms and conditions as provided by the Participating Employer in its Adoption Agreement.
3. **Installment Payments.** The payment of the obligation in Section 1 shall be made in \_\_\_\_\_ installment(s) due when billed for payment by the Program. Interest shall be charged at the rate of eight and a half (8.5%) percent per year. Billing will commence on or about January 1 of each year. The Program may bill only a portion of the installment payment due in a year, which shall not relieve the Participating Employer's obligation for the unpaid portion of the obligation.
4. **Late Payment.** In the event that any installment payment (or the out-standing balance of the obligation, if payment is accelerated as provided in Section 5) is not paid when due, interest shall be charged on such overdue payment at a rate being a total of the prime rate in effect on the due date of the delinquent payment plus two (2%) percent per year, charged from sixty (60) days after the due date and continuing until the date paid.

5. **Acceleration of Payment.** The Participating Employer may pay the outstanding balance of its obligation at any time without penalty. In the event that any installment is not paid within sixty (60) days from the date billed, the Program may elect to have the outstanding balance of the obligation become immediately due and payable. In the event that the Participating Employer's participation in the Program is terminated, the Program may elect to have the outstanding balance of the obligation become immediately due and payable within thirty (30) days of the date of such termination.
6. **Effect on Previous Agreements.** If the Participating Employer has any prior unsatisfied obligations for past service costs of pension benefits provided by the Program, the terms and conditions of this Agreement shall not affect such prior agreement(s).
7. **Unconditional Payment.** The obligation of the Participating Employer to make payments under this Agreement and the obligation of the Program to provide pension benefits under its terms and conditions are separate, independent and unconditional. Payment of benefits under the terms and conditions of the Program shall not be conditional upon the payment of this obligation for past service cost by the Participating Employer nor shall the payment of this obligation for past service cost be conditioned upon the amount of pension benefits paid to the employees of the Participating Employer.
8. **Miscellaneous.**
  - (a) The Program may extend the time for payment, or accept a renewal, of the Participating Employer's obligation. Any such extension or renewal shall not release the Participating Employer from any liability.
  - (b) The Participating Employer hereby waives presentment for payment, protest and diligence in the collection of this obligation.
  - (c) The Agreement contains the entire agreement between the parties with respect to its subject matter and shall not be changed or terminated except by written agreement, signed on behalf of both of the parties.
  - (d) The Agreement shall be interpreted under the laws of the Commonwealth of Virginia.

East Kentucky Power Coop Inc

9. **Effective Date.** This Agreement shall be effective, and the obligations of the Participating Employer shall commence, on April 1, 2007.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officials.

East Kentucky Power Coop Inc  
(Name of Participating Employer)

Box 707

Winchester, KY 40392  
(Address of Participating Employer)

By: \_\_\_\_\_  
(Signature of Authorized Officer or Manager)

\_\_\_\_\_  
(Title)

Date: \_\_\_\_\_

RETIREMENT SECURITY PLAN

By: \_\_\_\_\_  
(Signature of NRECA Plan Representative)

Date: \_\_\_\_\_

East Kentucky Power Co-op, Inc. 18059-001  
Request Type: Min Age 59  
Early Retirement Plan: Cost Summary  
Payout Date: 4/1/07  
21 Eligible Employees

Name	Cost of Benefit	Adjusted Cost of Benefit: QDROs
Abner, Billy D.	\$157,902.61	\$157,902.61 ✓
Bishop, Sue F.	\$18,560.99	\$18,560.99
Carruba, Georges	\$205,361.07	\$205,361.07
Caywood, Margaret A.	\$26,492.53	\$26,492.53
Damron, Della E.	\$82,776.24	\$82,776.24
Daugherty, Jerry Y.	\$68,727.59	\$68,727.59
Eames, David G.	\$164,455.82	\$164,455.82
<b>Ginter, John O.</b>	\$85,905.93	<b>\$82,919.03</b> ✓ QDRO
Haynes, Sharon	\$1,370.38	\$1,370.38
Hensley, Michael D.	\$7,492.59	\$7,492.59
Huffaker, Robert E.	\$32,026.10	\$32,026.10
<b>McDonald, Jerry R.</b>	\$53,372.84	<b>\$40,256.10</b> QDRO
Neavill, Linda	\$80,762.29	\$80,762.29 ✓
Oliver, Douglas	\$56,880.28	\$56,880.28
Palk, Roy	\$245,282.92	\$245,282.92 ✓
Segress, Mary J.	\$34,583.75	\$34,583.75 ✓
Sherman, Robert M.	\$136,368.73	\$136,368.73
Skinner, Roberta	\$15,400.69	\$15,400.69
Strode, Eugene T.	\$31,736.18	\$31,736.18
White, Dale S.	\$157,039.29	\$157,039.29
Zubair, Muhammad	24,705.10	24,705.10
<b>Total</b>	<b>\$1,687,203.92</b>	<b>\$1,671,100.28</b>

*601,450.60*



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 11**

**RESPONSIBLE PERSON: Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 11.**

Refer to the Application, Exhibit F, Schedule 6.

- a. Explain in detail why the increase in medical benefits was based on an escalation factor.
- b. Explain in detail how EKPC determined that a 15 percent increase in medical costs was a reasonable expectation.
- c. Explain why EKPC reduced the anticipated percentage increase in medical costs to match the average percentage of a family contribution and a single contribution rather than to a level that equaled the difference between the total anticipated percentage and the blended contribution level.
- d. In determining the proposed increase in the 401 k match, did EKPC include the expected 30 additional hires in the calculation? Explain the response.
- e. In determining the proposed adjustment for employee benefits, did EKPC reflect the effects of its cost containment program? Explain the response.

**Response 11.**

- a. Please see response to (b).
- b. The spreadsheet on page 3 was prepared by Brown & Brown, Inc., a life insurance firm that assists EKPC and other members of the cooperative medical plan in setting rates based on claims history. Their funding projections for 2007 were 15%.

c. EKPC reduced the 15% increase by an average of the contribution level (7.5% for family and 5% for single). This is the difference between the total anticipated percentage and the blended contribution level.

d. In determining the proposed increase in the 401k match, EKPC did not include the expected 30 additional hires in the calculation, as there is a one-year waiting period before an employee can participate in the 401k.

e. One of EKPC's cost containment suggestions was establishing employee contributions to the medical plan. Those contributions were considered in determining the proposed benefits adjustment.

## 2007 KREC Claims Projection

	Claims	Trend	
2005 Through September	\$ 630.54		
2006 Through September	\$ 732.81	16.22%	Annual Trend Discount for changes
Current Employees			Applied Annual Trend
Current Composite	\$ 2048		Monthly Trend
Applied Trend	15.40%		15 Months Applied
2007 Trended Composite	\$ 845.66	15.40%	from September CA report
2006 Expected Claims	\$ 18,220,280.81		2006 Expected Claims x 15.40%
2007 Expected Claims	\$ 21,026,204.05	15.40%	Funding for 2006 used for 2006 base rates
<b>2006 Funding (Base Rates)</b>	<b>\$ 16,500,000.00</b>		<b>Needed change in claims funding</b>
2006 to 2007 Funding Change	27%		
<b>Suggested Claims Funding for 2007</b>			
2007 Funding (Base Rates)	\$ 19,470,000.00	18.00%	
2007 Funding after Surcharge Change	\$ 18,997,276.21	15.14%	



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 12**

**RESPONSIBLE PERSON: Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 12.** Refer to the Application, Exhibit F, Schedule 8, page 3 of 3, and Schedule 9, page 2 of 2.

a. Are the property tax bills EKPC receives based upon its net book values or upon the assessed property values as determined by the appropriate taxing entity? Explain the response.

b. If EKPC's property taxes are based upon assessed property values, explain why the adjustments shown on Schedules 8 and 9 are necessary.

**Response 12.** a. EKPC calculates the net book value of most of its assets (excluding vehicles) and reports that information, by taxing district, to the Commonwealth of Kentucky Department of Revenue. They in turn supply the amounts to each of the individual taxing districts to use in the calculation of the bills that are sent to EKPC. Vehicles are taxed, by the counties, based on PVA Assessments.

b. Please see response to (a) above.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 13**

**RESPONSIBLE PERSON: Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 13.** Refer to the Application, Exhibit F, Schedule 9. Provide a schedule showing the initial property tax assessment, the property tax based on the initial assessment, the final property tax assessment, and the property tax based on the final assessment for the most recent 5 years. Also, provide the initial 2006 property tax assessment and the property tax based on the initial 2006 assessment.

**Response 13.** Please see response pages 2 through 42.

EKPC  
Property Tax Allocation

	DR	CR		
40810	007		2000 Property Tax Bills Received	2,812,207.00
40811	007		2000 Est Property Tax Bills Remaining	10,000.00
23610		246,996	Contingency	-
18422	007	561		-
50120	007	1,147		2,822,207.00
50130	007	1,088		141,110.35
50141	007	1,207		2,963,317.35
50142	007	1,600		12.00
50220	007	3,778		246,943.11
50230	007	2,383		
50240	007	11,037		
50241	007	441		
50242	007	13,245		
50243	007	19,426		
50520	007	1,259		
50530	007	794		
50540	007	1,017		
50541	007	10,677		
50542	007	5,254		
54851	007	29,680		
54900	007	317		
55600	007	441		
56100	007	441		
56200	007	46,941		
56300	007	27,478		
93023	007	66,784		
40810	007			
40811	007			
		231,967		
		15,029		
		493,992		
			Monthly Amount	

Justification for Monthly Amount:

2000 Property Tax Bills Received  
2000 Est Property Tax Bills Remaining  
Contingency

Add Est 5% Increase for 2001

Monthly Amount







DISTRICT	T-3	ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
INDEPENDENCE	3	65,561											0.2050	134.40
BOONE/WALTON FIRE	1	38,578												0.00
BOONE/WALTON FIRE	3													0.00
KENTON CB	3	400,271	0.1580	0.4810	0.0170	0.0942	0.0100			0.1000			0.0200	3,122.91
BOONE/WALTON CB	3	109,200												109.20
KNOX	1	84,562	0.1090	0.4640	0.0400	0.0270	0.0240	0.0090				0.0370		600.39
KNOX	3	258,639	0.1440	0.4640	0.0400	0.0435	0.0308	0.0090				0.0564		2,037.30
LARUE	1	2,220	0.1350	0.3640	0.0190	0.0360	0.0250		0.0590					14.16
LARUE	3	643,600	0.1427	0.3660	0.0190	0.0372	0.0300		0.0590					4,208.50
LAUREL	1	99,624	0.0780	0.3880	0.0250	0.0520	0.0148	0.0040						559.69
LAUREL	3	2,332,752	0.0780	0.3880	0.0250	0.0613	0.0148							13,229.04
LAWRENCE	1	9,220	0.1460	0.4230	0.0300	0.0500	0.0290	0.0120						63.62
LAWRENCE	3	404,725	0.1970	0.4230	0.0300	0.0699	0.0341						0.1730	3,051.63
LEBANON, KY	1	1,000											0.2280	1.73
LEBANON, KY	3	11,684												26.64
LEE	1	1,000	0.2260	0.3430	0.0360	0.0460	0.0320	0.0310						7.16
LEE	3	1,205,087	0.3310	0.3530	0.0380	0.0618	0.0371							9,892.56
LETCHE	1	30,155	0.1340	0.4480	0.0360	0.0540	0.0310	0.0120						215.31
LETCHE	3	221,674	0.1560	0.4520	0.0350	0.0595	0.0338							1,632.19
LEWIS	1	1,107	0.1280	0.4090	0.0980									7.03
LEWIS	3	723,442	0.1410	0.4100	0.1215									4,865.15
LINCOLN	1	45,205	0.0940	0.3730	0.0400	0.0260	0.0270		0.0460			0.0400		292.02
LINCOLN	3	496,900	0.1081	0.3770	0.0400	0.0313	0.0350		0.0730			0.0400		3,500.16
MADISON	1	99,412	0.0830	0.4880	0.0400	0.0320	0.0130					0.0540		705.83
MADISON	3	2,497,360	0.1000	0.5040	0.0400	0.0428	0.0183					0.0600		6,520.61
MADISON	3	2,488,921		0.6190										12,544.16
MADISON(BEREA)	3	8,439											0.0327	52.24
MADISON(CITY OF BEREA)	3	8,439												2.76
MAGOFFIN	1	4,725	0.2690	0.4570	0.0500	0.0450	0.0620	0.0150						42.43
MAGOFFIN	3	1,042,159	0.3850	0.4570	0.0500	0.0610	0.1058							11,034.38
MARION	1	31,637	0.0720	0.4140	0.0300	0.0240	0.0166						0.0100	179.26
MARION	3	1,645,594	0.1090	0.4700	0.0300	0.0354	0.0311						0.0120	11,313.46
MARTIN	1	26,149	0.1150	0.5000	0.0350	0.0690	0.0270							195.07
MARTIN	3	7,789	0.1280	0.5000	0.0350	0.0784	0.0354							60.50
MASON	1	22,052,252	0.1380	0.4450	0.0400	0.0450	0.0230							152,381.06
MASON	3	9,664,846	0.2022	0.4450	0.0400	0.0525	0.0322							74,602.95
MASON CB	1	8,795,507	0.1380	0.4450	0.0400	0.0450	0.0230							60,776.95
MASON CB	3	1,905,347	0.2022	0.4450	0.0400	0.0525	0.0322							14,707.37
MAYSVILLE, KY	1	7,912,228											0.1630	12,896.93
MAYSVILLE, KY	3	22,008,213											0.1630	35,873.39
MAYSVILLE, KY CB	1	820,979											0.1630	1,338.20
MAYSVILLE, KY CB	3	8,795,507											0.1630	14,336.68
MCCREARY	1	76,728	0.1230	0.3950	0.0400	0.0520		0.0160						480.32
MCCREARY	3	901,847	0.1230	0.3950	0.0400	0.0640								5,609.49
MENIFE	1	35,338	0.1110	0.3630	0.0400	0.0489	0.0390	0.0100						216.23
MENIFE	3	614,715	0.1400	0.3630	0.0400	0.0489	0.0390							3,878.24
MERCER	1	59,991	0.0800	0.4460	0.0400	0.0530	0.0210			0.0750				427.74
MERCER	3	538,172	0.0800	0.4460	0.0400	0.0749	0.0245			0.0750				3,973.86







2002 PROPERTY TAX BILLS

PRE-1	DISTRICT	SPECIAL													TOTAL TAX BILL
		ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER		
T-3	ADAIR	50,078	0.0840	0.4300	0.0250	0.0340	0.0260	0.0070			0.0490		328.01		
	ADAIR	1,109,720	0.1065	0.4410	0.0250	0.0446	0.0351				0.0490		7,781.36		
	ANDERSON	6,914	0.1090	0.4760	0.0250	0.0460			0.0360				47.84		
	ANDERSON	594,609	0.1520	0.4820	0.0250	0.0989			0.0400				4,726.55		
	BARREN	182,861	0.1220	0.4590		0.0290	0.0170						1,146.54		
	BARREN	2,234,363		0.4590									10,255.73		
	BARREN	2,291,706	0.1530			0.0254	0.0201						4,548.04		
	BARREN	57,343						0.5800					332.59		
	GLASGOW (BARREN)	57,343									0.1400		80.28		
	BATH	69,371	0.1130	0.3320	0.0400	0.0560	0.0332	0.0146	0.0800		0.0660		509.71		
	BATH	587,767	0.1130	0.3580	0.0400	0.0607	0.0343		0.0800		0.0660		4,420.01		
	BOONE	184,133	0.0950	0.4420	0.0200	0.0620	0.0170						1,171.09		
	BOONE	1,617,989	0.1560	0.4420	0.0200	0.1578	0.0270						12,989.22		
	HEBRON FIRE (BOONE)	3,193							0.0750				2.39		
	HEBRON FIRE (BOONE)	30,626							0.1000				30.63		
	PT PLEASANT FIRE (BOONE)	5,837							0.1000				5.84		
	FLORENCE FIRE (BOONE)	66,466							0.1000				66.47		
	BOONE FIRE CB	340,104	0.1560	0.4420	0.0200	0.1578	0.0270						2,730.35		
	BOONE/WALTON FIRE CB	297,637							0.1000				297.64		
	BOURBON	80,350	0.1110	0.4530	0.0270	0.0590	0.0170	0.0070					538.35		
	BOURBON	944,207	0.1110	0.4530	0.0270	0.0590	0.0184						6,311.08		
	BOYLE	9,463	0.0510	0.4560	0.0230	0.0390		0.0150	0.1000				64.73		
	BOYLE	543,131	0.0890	0.4560	0.0230	0.0516		0.0310	0.1000				3,968.12		
	BRACKEN	46,336	0.4162	0.3810									369.39		
	BRACKEN	235,889	0.6219	0.3810									2,365.73		
	BRACKEN CB	717,184	0.6219	0.3810									7,192.64		
	BREATHTT	1,200	0.1120	0.4200	0.0400	0.0680	0.0457	0.0170					8.43		
	BREATHTT	120,225	0.1120	0.4200	0.0400	0.0860	0.0681						872.95		
	BULLITT	6,870	0.0950	0.4110	0.0240	0.0310	0.0083						39.11		
	BULLITT	302,119	0.1550	0.4320	0.0240	0.0639	0.0173						2,091.27		
	MT WASHINGTON (BULLITT)	102,167	0.0950	0.4110	0.0240	0.0310	0.0083						647.02		
	MT WASHINGTON (BULLITT)	57,343	0.1550	0.4320	0.0240	0.0639	0.0173				0.0640		454.27		
	NICHOLS FIRE (BULLITT)	5,879	0.0950	0.4110	0.0240	0.0310	0.0083				0.1000		39.35		
	SE BULLITT FIRE (BULLITT)	126,268	0.0950	0.4110	0.0240	0.0310	0.0083				0.0950		838.80		
	SE BULLITT FIRE (BULLITT)	901,888	0.1550	0.4320	0.0240	0.0639	0.0173				0.1000		7,145.55		
	ZONETON (BULLITT)	10,500	0.0950	0.4110	0.0240	0.0310	0.0083				0.0900		69.23		
	ZONETON (BULLITT)	21,915	0.1550	0.4320	0.0240	0.0639	0.0173				0.1000		173.61		
	CAMPBELL	1,543	0.1040	0.5050	0.0250	0.0530	0.0197	0.0020					10.94		
	CAMPBELL	211,127	0.1080	0.5190	0.0250	0.0636	0.0214						1,556.01		
	CARROLL	5,885	0.0990	0.4410	0.0340	0.0470							36.55		
	CARROLL	825,285	0.1530	0.4420	0.0340	0.0584							5,673.01		
	GHEAT FIRE (CARROLL)	5,885									0.0560		3.24		
	GHEAT (CARROLL)	50,175									0.2500		125.44		
	CARTER	97,164	0.0720	0.3970	0.0300		0.0249				0.0770		583.86		
	CARTER	645,762	0.0790	0.3990	0.0300		0.0266				0.0770		3,949.48		
	CASEY	150,493	0.0680	0.3690	0.0200	0.0470	0.0140	0.0140			0.0230		937.57		
	CASEY	2,657,333	0.0680	0.3690	0.0200	0.0666	0.0153				0.0680		16,738.54		
	CLARK	37,389,107	0.0760	0.4180	0.0320	0.0490	0.0170						221,343.51		
	CLARK	18,414,488	0.1050	0.4190	0.0320	0.0576	0.0201						116,680.71		





DISTRICT	TAX	ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
MADISON	3	2,790,106	0.1000	0.5040	0.0400	0.0486	0.0202					0.0600		21,561.94
BEREA (MADISON)	3	8,471	0.1000	0.6370	0.0400	0.0486	0.0202					0.0600		76.73
MAGOFFIN	1	47,023	0.2920	0.4580	0.0500	0.0480	0.0710	0.0150						439.19
MAGOFFIN	3	1,046,187	0.4900	0.4620	0.0500	0.0627	0.0990						0.0100	12,174.48
MARION	1	31,637	0.0740	0.4230	0.0300	0.0280	0.0176						0.0120	183.68
MARION	3	1,651,134	0.1080	0.4520	0.0300	0.0360	0.0322							11,082.41
MARTIN	1	26,149	0.1150	0.5000	0.0350	0.0690	0.0270							195.07
MARTIN	3	7,820	0.1280	0.5000	0.0350	0.0784	0.0354							60.75
MASON	1	22,105,167	0.1510	0.4470	0.0400	0.0543	0.0250							156,946.69
MASON	3	9,808,606	0.1800	0.4470	0.0400	0.0543	0.0250							74,153.06
MASON CB	1	7,802,943	0.1510	0.4470	0.0400	0.0470	0.0250							55,400.90
MASON CB	3	1,854,004	0.1800	0.4470	0.0400	0.0543	0.0347							14,016.27
MAYSVILLE (MASON)	1	22,061,128											0.1630	35,959.64
MAYSVILLE (MASON)	3	8,049,214											0.1630	13,120.22
MAYSVILLE CB (MASON)	1	7,802,943											0.1630	12,718.80
MAYSVILLE CB (MASON)	3	820,979											0.1630	1,338.20
MCCREARY	1	76,575	0.1230	0.3950	0.0400	0.0520		0.0160						479.36
MCCREARY	3	1,007,589	0.1230	0.3950	0.0400	0.0640								6,267.20
MENIFEE	1	35,338	0.1090	0.3590	0.0400	0.0490	0.0380	0.0100						213.79
MENIFEE	3	617,090	0.1140	0.3590	0.0400	0.0490	0.0380							3,702.54
MERCER	1	59,991	0.0820	0.4570	0.0400	0.0580	0.0218	0.0070		0.0715				441.11
MERCER	3	539,118	0.0820	0.4570	0.0400	0.0841	0.0270			0.0715				4,105.92
METCALFE	1	41,187	0.0850	0.3720	0.0290	0.0420	0.0645	0.0150				0.0600		240.12
METCALFE	3	2,235,079	0.0810	0.3750	0.0427	0.0645						0.0600		13,929.01
MONTGOMERY	1	148,261	0.0720	0.4420	0.0400	0.0220	0.0170			0.0670				1,008.17
MONTGOMERY	3	828,429	0.0860	0.4420	0.0400	0.0322	0.0288			0.1000				6,188.36
MORGAN	1	51,476	0.0550	0.4060	0.0500	0.0440	0.0634	0.0170				0.0660		361.05
MORGAN	3	1,370,067	0.0550	0.4190	0.0500	0.0470	0.0980					0.0660		10,069.99
NELSON	1	621,580	0.1370		0.0390	0.0100		0.0050						1,187.22
NELSON	3	2,268,861	0.1660		0.0494	0.0100							0.2040	5,114.01
BARSTOWN (NELSON)	1	3,025											0.3220	6.17
BARSTOWN (NELSON)	3	5,865												18.89
BARSTOWN INDEPENDENT SCHOOLS (NELSON)	1	621,580							0.5300					3,294.37
BARSTOWN INDEPENDENT SCHOOLS (NELSON)	3	2,268,861							0.5330					12,093.03
NICHOLAS	1	37,420	0.1220	0.3600	0.0400	0.0310				0.0440				223.40
NICHOLAS	3	1,014,257	0.1520	0.3700	0.0400	0.0450				0.0440				6,602.81
OWEN	1	37,591	0.2700	0.5160										295.47
OWEN	3	1,068,388	0.3769	0.5920										10,351.61
OWSLEY	1	10,978	0.1680	0.4410	0.0400	0.0880	0.0675	0.0520						94.03
OWSLEY	3	738,945	0.1690	0.4700	0.0400	0.1147	0.0858							6,499.02
PENDLETON	1	2,590	0.2500	0.3900										16.58
PENDLETON	3	1,203,880	0.2906	0.3900										8,193.61
PENDLETON CB	1	0												0.00
PENDLETON CB	3	535,234	0.2906	0.3900										3,642.80
POWELL	1	149,293	0.0950	0.3460	0.0250	0.0370	0.0280							792.75
POWELL	3	1,590,610	0.1330	0.3600	0.0250	0.0474	0.0348							9,546.84
STANTON (POWELL)	1	97,570											0.0910	49.81
STANTON (POWELL)	3	54,737												5,884.32
PULASKI	1	1,191,158	0.0560	0.3760	0.0200	0.0300	0.0120							40,884.63
PULASKI	3	8,110,421	0.0660	0.3780	0.0200	0.0401	0.0120							56.96
SOMERSET (PULASKI)	1	27,122											0.2100	56.96



Response 13

EKPC  
Property Tax Allocation

CAM Property Tax Allocation		DR	CR	
40810	007	344,366		2,792,508.00
40811	007	22,312		47,136.00
23610			366,678	17,864.00
18422	007	833		969,273.00
50120	007	1,702		3,826,781.00
50130	007	1,614		574,017.15
50141	007	1,792		4,400,798.15
50142	007	2,376		12.00
50220	007	5,608		366,733.18
50230	007	3,537		
50240	007	16,385		
50241	007	655		
50242	007	19,662		
50243	007	28,838		
50520	007	1,869		
50530	007	1,179		
50540	007	1,510		
50541	007	15,851		
50542	007	7,800		
54851	007	44,061		
54900	007	470		
55600	007	655		
56100	007	655		
56200	007	69,686		
56300	007	40,793		
93023	007	99,144		
40810	007	0.9392	344,366	
40811	007	0.0608	22,312	
		0.0023	833	
		0.0046	1,702	
		0.0044	1,614	
		0.0049	1,792	
		0.0065	2,376	
		0.0153	5,608	
		0.0096	3,537	
		0.0447	16,385	
		0.0018	655	
		0.0536	19,662	
		0.0786	28,838	
		0.0051	1,869	
		0.0032	1,179	
		0.0041	1,510	
		0.0432	15,851	
		0.0213	7,800	
		0.1202	44,061	
		0.0013	470	
		0.0018	655	
		0.0018	655	
		0.1900	69,686	
		0.1112	40,793	
		0.2704	99,144	
		0.9392		344,366
		0.0608		22,312
				733,354
				733,355

Justification for Monthly Amount:  
 2002 Property Tax Bills Received  
 2002 Est Property Tax Bills Remaining  
 Contingency  
 2002 Coal ITC Received  
  
 Add Est 15% Increase for 2003  
  
 Monthly Amount





DISTRICT	T3	ASSES	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL *	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
GRANT	3	1,041,963		0.5100										5,314.01
WILLIAMSTOWN SCH (GRANT)	1	6,500		0.6840										44.46
WILLIAMSTOWN SCH (GRANT)	3	164,763		0.6840										1,126.98
WILLIAMSTOWN SCH (GRANT)	1	6,500								0.2910				18.92
WILLIAMSTOWN SCH (GRANT)	3	164,763								0.4850				799.10
GREEN	1	12,978					0.0322							4.18
GREEN	3	1,619,027					0.0357							577.99
GREENUP	1	40,748	0.0950	0.6070	0.0270	0.0540	0.0150							325.17
GREENUP	3	1,184,845	0.1232	0.6070	0.0270	0.0864	0.0156							10,180.19
LITTLE SANDY FIRE (GREENUP)	1	38,248								0.1000				38.25
LITTLE SANDY FIRE (GREENUP)	3	275,843								0.1000				275.84
LLOYD FIRE (GREENUP)	3	168,814								0.1000				168.81
MALONETON FIRE (GREENUP)	1	2,500								0.1000				2.50
MALONETON FIRE (GREENUP)	3	32,063								0.1000				32.06
LOAD FIRE (GREENUP)	3	118,170								0.0600				70.90
OLDTOWN FIRE (GREENUP)	3	219,796								0.1000				219.80
ELIZABETHTOWN (City tax bill) (HARDIN)	1	55,480	0.1270											70.46
HARDIN	1	268,447	0.1450	0.4440										1,581.15
ELIZABETHTOWN (HARDIN)	1	55,480	0.1450	0.4440										326.78
HARDIN	3	2,464,337	0.1496	0.4560										14,924.02
HARLAN	1	67,464	0.2670	0.4020	0.0350	0.0430	0.0550	0.0080						546.46
HARLAN	3	593,968	0.3694	0.4270	0.0350	0.0629	0.0783							5,765.05
HARRISON	1	59,774	0.0890	0.3730	0.0600	0.0420	0.0239	0.0070						361.57
HARRISON	3	2,093,001	0.1290	0.3940	0.0600	0.0655	0.0371							14,349.61
HARRISON CB	3	410,904	0.1290	0.3940	0.0600	0.0655	0.0371							2,817.16
HART	1	79,600	0.0880	0.4290		0.0330					0.0720			503.07
HART	3	826,293	0.1210	0.4290		0.0463					0.0900			5,670.85
HENRY	1	41,129	0.1170	0.4710	0.0400	0.0420	0.0291							287.53
HENRY	3	554,834	0.1590	0.4790	0.0400	0.0630	0.0407							4,337.14
HENRY	1	41,129						0.0070						2.88
JACKSON	1	292,578												0.00
JACKSON	3	1,864,018												0.00
MCKEE (JACKSON)	1	1,500												0.00
MCKEE (JACKSON)	3	60,436												0.00
JESSAMINE	1	217,298	0.0660	0.5910	0.0190	0.0470								1,571.06
JESSAMINE	3	581,713	0.1000	0.5920	0.0731	0.0230				0.0440				4,840.43
JESSAMINE FIRE	1	210,537								0.0450				94.74
NICHOLASVILLE (JESSAMINE)	1	6,761											0.1560	10.55
JOHNSON	1	21,390	0.1050	0.4450	0.0400	0.0540	0.0218	0.0070						143.91
JOHNSON	3	1,059,816	0.1290	0.4450	0.0400	0.0805	0.0218							7,591.46
KENTON	1	266,390	0.1310	0.5480	0.0170	0.0690	0.0090						0.0200	2,035.74
KENTON	3	98,588	0.1580	0.5480	0.0170	0.1162	0.0100			0.1000			0.0200	955.51
INDEPENDENCE (KENTON)	1	217,812								0.0990				215.63
INDEPENDENCE (KENTON)	3	366,327	0.1580	0.5480	0.0170	0.1162	0.0100			0.1000			0.0200	3,550.44
BOONE/WALTON FIRE (KENTON)	1	38,578								0.1000				38.58
BOONE/WALTON FIRE (KENTON)	3	84,070	0.1580	0.5480	0.0170	0.1162	0.0100			0.1000			0.0200	814.81
BOONE/WALTON FIRE (KENTON)	3	163,750	0.1580	0.5480	0.0170	0.1162	0.0100			0.1000			0.0200	1,587.07
PINER-FISKBURG (KENTON)	3	78,215								0.1000				78.22
BOONE/WALTON FIRE CB (KENTON)	3	286,697	0.1580	0.5480	0.0170	0.1162	0.0100			0.1000			0.0200	2,491.97
KENTON CB	1	179,730	0.1020	0.4390	0.0400	0.0260	0.0230						0.0350	1,195.20
KNOX	3	238,682	0.1767	0.4800	0.0400	0.0564	0.0328	0.0060						2,046.94
LARUE	1	2,220	0.1420	0.3880	0.0190	0.0380	0.0250							14.90
LARUE	3	669,518	0.1575	0.3880	0.0190	0.0419	0.0322			0.0590				4,670.56







Response 13

EKPC  
Property Tax Allocation

		CAM Property Tax Allocation		CR		Justification for Monthly Amount:	
		306,222	DR	CR			
40810	007	0.9392	287,589			2003 Property Tax Bills Received	2,407,036.17
40811	007	0.0608	18,633			2003 Property Tax Bills Remaining	87,381.87
23610				306,222		Contingency	12,618.13
18422	007	0.0023	695			2003 Coal ITC Received	555,180.48
50120	007	0.0046	1,421				3,062,216.65
50130	007	0.0044	1,348			Add Est 20% Increase for 2004	612,443.33
50141	007	0.0049	1,497				3,674,659.98
50142	007	0.0065	1,984				12.00
50220	007	0.0153	4,684			Monthly Amount	306,221.67
50230	007	0.0096	2,954				
50240	007	0.0447	13,684				
50241	007	0.0018	547				
50242	007	0.0536	16,421				
50243	007	0.0786	24,084				
50520	007	0.0051	1,561				
50530	007	0.0032	985				
50540	007	0.0041	1,261				
50541	007	0.0432	13,238				
50542	007	0.0213	6,514				
54851	007	0.1202	36,796				
54900	007	0.0013	393				
55600	007	0.0018	547				
56100	007	0.0018	547				
56200	007	0.1900	58,196				
56300	007	0.1112	34,067				
93023	007	0.2704	82,798				
40810	007	0.9392		287,589			
40811	007	0.0608		18,633			
				<u>612,443</u>			
				<u>612,443</u>			

2004 PROPERTY TAX BILLS

DISTRICT	RE-1	ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
ADAIR	1	50,078	0.0820	0.3940	0.0250	0.0330	0.0250	0.0070				0.0450		305.98
ADAIR	3	1,343,640	0.1200	0.4410	0.0250	0.0484	0.0378					0.0450		9,636.59
ANDERSON	1	6,914	0.1130	0.5400	0.0250	0.0600				0.0400				53.79
ANDERSON	3	721,007	0.1443	0.5400	0.0250	0.1384				0.0650				6,580.63
BARREN	1	183,545	0.1370	0.5210	0.0230	0.0190								1,295.83
BARREN	3	2,627,853	0.1530	0.5220	0.0254	0.0246								13,051.93
GLASGOW (BARREN) CITY TAXES	3	69,533	0.1530	0.6230	0.0254	0.0246							0.1400	574.34
BATH	1	69,371	0.1050	0.3330	0.0400	0.0560	0.0332	0.0156		0.0790		0.0630		97.35
BATH	3	712,711	0.1050	0.3390	0.0400	0.0679	0.0364			0.0790		0.0630		502.80
BURLINGTON FIRE (BOONE)	1	36,468	0.0950	0.4980	0.0200	0.0870	0.0170			0.1340				310.34
HEBRON FIRE (BOONE)	1	94,324	0.0950	0.4980	0.0200	0.0870	0.0170			0.0860				757.42
PT PLEASANT FIRE (BOONE)	1	5,637	0.0950	0.4980	0.0200	0.0870	0.0170			0.1550				50.30
FLORENCE FIRE (BOONE)	1	800	0.0950	0.4980	0.0200	0.0870	0.0170			0.1000				6.54
UNION FIRE (BOONE)	1	25,147	0.0950	0.4980	0.0200	0.0870	0.0170			0.0590		0.0520		205.22
WALTON FIRE (BOONE)	1	81,817	0.0950	0.9660	0.0200	0.0870	0.0170			0.1750				1,112.71
BURLINGTON FIRE (BOONE)	3	168,301	0.1540	0.4990	0.0200	0.1907	0.0267			0.1340				1,724.08
FLORENCE FIRE (BOONE)	3	143,806	0.1540	0.4990	0.0200	0.1907	0.0267			0.1000				1,424.25
HEBRON FIRE (BOONE)	3	37,137	0.1540	0.4990	0.0200	0.1907	0.0267			0.1000				367.80
PT PLEASANT FIRE (BOONE)	3	24,099	0.1540	0.4990	0.0200	0.1907	0.0267			0.1550				251.93
UNION FIRE (BOONE)	3	920,124	0.1540	0.4990	0.0200	0.1907	0.0267			0.0800		0.1000		9,849.01
VERONA FIRE (BOONE)	3	335,021	0.1540	0.4990	0.0200	0.1907	0.0267			0.1000				3,318.05
WALTON FIRE (BOONE)	3	333,441	0.1540	0.9660	0.0200	0.1907	0.0267			0.1750				5,109.65
CITY OF FLORENCE (BOONE)	1	800											0.2240	1.79
CITY OF FLORENCE (BOONE)	3	143,806											0.3850	553.65
BOONE (CB)	3	305,899	0.1540	0.4990	0.0200	0.1907	0.0267			0.0800		0.1000		2,723.72
UNION FIRE (CB-BOONE)	3	267,703								0.1000				39.20
VERONA FIRE (CB-BOONE)	3	38,196								0.1000				53.31
UNION (CITY-EKPC)	1	25,147											0.2120	1.79
UNION (CITY-EKPC)	3	920,124											0.2260	2,079.48
UNION (CITY-CB)	3	267,703											0.2260	605.01
WALTON (CITY-EKPC)	1	81,817											0.1330	108.82
WALTON (CITY-EKPC)	3	333,441											0.2310	770.25
BOURBON	1	80,350	0.1140	0.4630	0.0290	0.0580	0.0170	0.0070						552.81
BOURBON	3	1,144,920	0.1140	0.4630	0.0290	0.0795	0.0235							8,117.48
BOYLE	1	9,463	0.0520	0.4650	0.0230	0.0430	0.0190			0.1000				66.43
BOYLE	3	658,586	0.0690	0.4740	0.0230	0.0728	0.0503			0.1000				5,196.90
BRACKEN	1	46,338	0.4814	0.3740										396.36
BRACKEN	3	286,032	0.9320	0.3740										3,735.58
BRACKEN CB	3	645,056	0.9320	0.3740										8,424.43
BREATHITT	1	1,200	0.1040	0.4070	0.0400	0.0670	0.0510	0.0180						8.22
BREATHITT	3	145,782	0.1120	0.4070	0.0400	0.0847	0.0761							1,049.34
BULLITT	1	251,684	0.0930	0.5220	0.0240	0.0360	0.0083							1,718.76
BULLITT	3	1,173,282	0.1590	0.5500	0.0240	0.0778	0.0173							9,722.99
MIT WASHINGTON (BULLITT)	1	94,162								0.0740				69.68
MIT WASHINGTON (BULLITT)	3	73,879								0.1000				73.88
NICHOLS FIRE (BULLITT)	1	12,749								0.1000				12.75
SE BULLITT FIRE (BULLITT)	1	126,268								0.0950				119.95
SE BULLITT FIRE (BULLITT)	3	1,057,981								0.1000				1,087.98
ZONETON (BULLITT)	1	18,505								0.0940				17.39
ZONETON (BULLITT)	3	11,422								0.1000				11.42

DISTRICT	T3	ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
CAMPBELL	1	1,543	0.1050	0.5090	0.0240	0.0630	0.0207	0.0020						11.17
CAMPBELL	3	255,007	0.1403	0.5220	0.0240	0.0748	0.0297						0.0092	2,024.50
CAMPBELL	3	8,704								0.1000				0.80
CAMPBELL-FIRE DISTRICT #4	1	1,543								0.1000				1.54
CAMPBELL-FIRE DISTRICT #4	3	255,007								0.1000				255.01
CARROLL	1	5,885	0.0800	0.4370	0.0560	0.0560								37.02
CARROLL	3	939,877	0.1530	0.4440	0.0560	0.0824								6,911.86
GHEENT FIRE (CARROLL)	3	60,841	0.1530	0.4440	0.0560	0.0824				0.0990				507.66
CARTER	1	86,538	0.0720	0.3990	0.0300	0.0270	0.0270					0.0760		522.69
CARTER	3	783,033	0.0790	0.3990	0.0300	0.0321	0.0321					0.0760		4,824.27
CASEY	1	171,110	0.0680	0.3640	0.0200	0.0500	0.0140	0.0140			0.0650			1,055.75
CASEY	3	4,170,539	0.0680	0.3710	0.0200	0.0787	0.0153				0.0650			26,691.45
CLARK	1	32,094,484	0.0750	0.3970	0.0320	0.0460	0.0160				0.0650			181,654.78
CLARK	3	26,620,478	0.1050	0.4210	0.0320	0.0574	0.0202							169,199.76
CLAY	1	118,958	0.0750	0.4540	0.0400	0.0340	0.0300	0.0100						764.90
CLAY	3	1,134,685	0.0750	0.4540	0.0400	0.0427	0.0383							7,375.45
CLINTON	1	18,831	0.0570	0.4000	0.0200	0.0190	0.0238	0.0136						100.46
CLINTON	3	792,910	0.0780	0.4000	0.0200	0.0190	0.0312							4,346.73
ALBANY (CLINTON)	1	7,240												0.00
ALBANY (CLINTON)	3	77,039												0.00
CUMBERLAND	3	807,528	0.0550	0.2630	0.0200	0.0693	0.0729					0.0250		4,079.63
ELLIOTT	1	146,345	0.1420	0.3970	0.0250	0.0430	0.0430	0.0200				0.1000		1,063.93
ELLIOTT	3	1,449,916	0.1420	0.4660	0.0250	0.0448	0.0448					0.1000		11,277.45
ELLIOTT (.50 acre @ Garriss Ridge)	1	10,000												0.00
ESTILL	1	39,826	0.0840	0.4470	0.0800	0.0650	0.0370	0.0150				0.1000		329.76
ESTILL	3	750,242	0.1050	0.4520	0.0800	0.1088	0.0646					0.1000		6,830.20
FAYETTE	1	144,894	0.0800	0.5350	0.0280	0.0032	0.0004							936.88
FAYETTE	3	879,826	0.0990	0.5380	0.0280	0.0032	0.0032						0.2519	5,879.00
LEXINGTON (FAYETTE)	1*	72,447												182.49
FLEMING	1	6,536	0.1640	0.3510	0.0300	0.0500	0.0320	0.0070				0.0450		44.38
FLEMING	3	2,379,245	0.1640	0.3590	0.0300	0.0541	0.0347					0.0450		16,340.65
FLOYD	1	131,194	0.1400	0.5900	0.0400	0.0360	0.0135	0.0100						1,088.25
FLOYD	3	731,279	0.1500	0.5900	0.0400	0.0530	0.0171							6,216.60
AUXIER (FLOYD)	1	16,034								0.1000				16.03
AUXIER (FLOYD)	3	43,458								0.1000				43.46
GARRETT FIRE (FLOYD)	1	1,200								0.1000				1.20
MIDDLE CREEK FIRE (FLOYD)	3	181,338								0.1000				181.34
NORTH FLOYD (FLOYD)	1	113,960								0.1000				113.96
NORTH FLOYD (FLOYD)	3	344,898								0.1000				344.90
PRESTONSBURG (FLOYD)	3	161,585								0.1000				0.00
FRANKLIN	1	44,283	0.1270	0.5050	0.0400	0.0730	0.0114	0.0080						338.50
FRANKLIN	3	49,778	0.1760	0.5140	0.0400	0.1181	0.0157							429.99
GALLATIN	1	12,848	0.1080	0.5200	0.0550	0.0650	0.0350	0.0090						101.76
GALLATIN	3	945,408	0.1630	0.5200	0.0550	0.1133	0.0499							8,520.02
GARRARD	1	78,696	0.0790	0.5880	0.0400	0.0330	0.0259							602.73
GARRARD	3	1,310,531	0.1000	0.6150	0.0400	0.0702	0.0503							11,473.70
GARRARD FIRE #1	1	63,657								0.0830				52.84
GARRARD FIRE #1	3	589,128								0.0830				488.98
GARRARD FIRE #2	1	14,039								0.0650				9.13
GARRARD FIRE #2	3	232,698								0.0650				151.25
GARRARD FIRE #3	3	207,018								0.0600				124.21
GARRARD FIRE #4	3	41,483								0.0600				24.89
GARRARD FIRE #5	3	240,204								0.0600				144.12

DISTRICT	T-3	ASSES	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
GRANT	1	842,892	0.1530		0.0280	0.0450	0.0190	0.0160					0.0130	2,255.95
GRANT	3	1,472,082	0.1530		0.0280	0.0517	0.0282						0.0130	4,179.24
GRANT (COUNTY SCHOOL)	1	836,392		0.5060										4,232.14
GRANT (COUNTY SCHOOL)	3	1,279,287		0.5100										6,524.36
WILLIAMSTOWN SCH (GRANT)	1	6,500		0.6860										44.59
WILLIAMSTOWN SCH (GRANT)	3	192,795		0.6860										1,322.57
WILLIAMSTOWN SCH (GRANT)	1	6,500											0.2420	15.73
WILLIAMSTOWN SCH (GRANT)	3	192,795											0.4280	825.16
GREEN	1	12,978	0.1070	0.3690	0.0200	0.0320	0.0332				0.0110	0.0910		86.07
GREEN	3	1,894,356	0.1070	0.3840	0.0200	0.0449	0.0382				0.0110	0.1000		13,357.10
GREENUP	1	40,739	0.1000	0.6080	0.0270	0.0580	0.0150							329.17
GREENUP	3	1,345,074	0.1331	0.6080	0.0270	0.0952	0.0160							11,836.03
LITTLE SANDY FIRE (GREENUP)	1	35,239								0.1000				38.24
LITTLE SANDY FIRE (GREENUP)	3	322,774								0.1000				322.77
LLOYD FIRE (GREENUP)	3	187,536								0.1000				197.54
MALONETON FIRE (GREENUP)	1	2,500								0.1000				2.50
MALONETON FIRE (GREENUP)	3	36,941								0.1000				36.94
LOAD FIRE (GREENUP)	3	138,275								0.0600				82.97
OLDTOWN FIRE (GREENUP)	3	257,192								0.1000		0.1250		257.19
ELIZABETHTOWN (City tax bill) (HARDIN)	1	55,480												69.35
HARDIN	1	324,864	0.1440	0.4470										1,918.76
HARDIN	3	2,874,336	0.1496	0.4560										17,406.98
HARDIN (ELIZABETHTOWN SCHOOL)	1	55,480	0.1440	0.5400										379.48
HARLAN	1	72,870	0.2730	0.3890	0.0350	0.0460	0.0570	0.0080						587.17
HARLAN	3	614,733	0.3676	0.3810	0.0350	0.0655	0.0770							5,772.96
HARRISON	1	60,444	0.0980	0.3610	0.0600	0.0430	0.0249	0.0070						358.98
HARRISON	3	2,444,855	0.1290	0.3950	0.0600	0.0797	0.0460							17,351.85
HARRISON CB	3	491,283	0.1290	0.3950	0.0600	0.0797	0.0460							3,486.64
HART	1	79,600	0.1010	0.4450								0.0750		522.97
HART	3	963,428	0.1210	0.4450								0.0900		6,874.06
HENRY	1	41,129	0.1170	0.4730	0.0400	0.0430	0.0290	0.0070					0.1570	291.60
HENRY	3	632,855	0.1590	0.4810	0.0400	0.0680	0.0428						0.1570	5,004.62
JACKSON	1	292,595	0.0740	0.5060	0.0850	0.0740	0.0340	0.0180						2,313.95
JACKSON	3	2,180,993	0.0740	0.5060	0.0850	0.1364	0.0436							18,429.39
JACKSON	1	1,500	0.0740	0.5060	0.0850	0.0740	0.0340	0.0180						11.87
JACKSON	3	70,718	0.0740	0.5060	0.0850	0.1364	0.0436						0.1570	597.57
MCKEE (JACKSON)	1	1,500												2.36
MCKEE (JACKSON)	3	70,718												291.60
JESSAMINE	1	217,298	0.0650	0.5920	0.0190	0.0470								111.03
JESSAMINE	3	773,222	0.1050	0.5930	0.0230	0.0780				0.0450				1,571.06
JESSAMINE FIRE	1	210,537								0.0460				6,525.99
NICHOLASVILLE (JESSAMINE)	1	6,761											0.1560	96.85
JOHNSON	1	21,446	0.1050	0.4840	0.0400	0.0560	0.0218	0.0070						10.55
JOHNSON	3	1,240,132	0.1050	0.4950	0.0400	0.0856	0.0224							153.08
JOHNSON	1	21,446	0.1050	0.4220	0.0400	0.0560	0.0218	0.0070						9,276.19
JOHNSON	3	1,240,132	0.1050	0.4330	0.0400	0.0856	0.0224							139.79
KENTON	3	256,390	0.1350	0.5580	0.0200	0.0730	0.0090						0.0300	8,507.31
KENTON	3	833,998	0.1560	0.5560	0.0200	0.1325	0.0100						0.0300	2,115.22
INDEPENDENCE (KENTON)	1	217,812								0.1950				7,576.87
INDEPENDENCE (KENTON)	3	428,654								0.2000				424.73
BOONE/WALTON FIRE (KENTON)	1	38,579								0.1750				857.31
BOONE/WALTON FIRE (KENTON)	3	98,373								0.1750				67.51
PINER-FISKBURG (KENTON)	3	191,610								0.1000				172.15







Response 13

EKPC  
Property Tax Allocation

CAM Property Tax Allocation		DR	CR
456,000			456,000
23610			
18422	007	1,035	
50120	007	2,117	
50130	007	2,008	
50141	007	2,229	
50142	007	2,954	
50220	007	6,974	
50230	007	4,399	
50240	007	20,377	
50241	007	815	
50242	007	24,452	
50243	007	35,863	
50520	007	2,325	
50530	007	1,466	
50540	007	1,877	
50541	007	19,713	
50542	007	9,700	
54851	007	54,794	
54900	007	585	
55600	007	815	
56100	007	815	
56200	007	86,661	
56300	007	50,730	
93023	007	123,296	
		<u>456,000</u>	<u>456,000</u>

Justification for Monthly Amount:

2004 Property Tax Bills Received	3,626,667.13
2004 Property Tax Bills Remaining	161,968.04
Contingency	11,364.83
2004 Coal ITC Received	-
	<u>3,800,000.00</u>
	<u>1,672,000.00</u>
	<u>5,472,000.00</u>
	12.00
	<u>456,000.00</u>
Monthly Amount	

Add Est 44% Increase for 2005

2005 PROPERTY TAX BILLS

RE-1	DISTRICT	ASSESS	COUNTY	SPECIAL										TOTAL TAX BILL		
				SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER			
7-3	ADAIR	50,078	0.0860	0.3980	0.0250	0.0350	0.0280	0.0070					0.0430			310.48
3	ADAIR	1,495,949	0.1349	0.4430	0.0250	0.0550	0.0421						0.0430			11,114.90
1	ANDERSON	6,914	0.1110	0.5430	0.0250	0.0660					0.0400					54.41
3	ANDERSON	803,191	0.1443	0.5450	0.0250	0.1867					0.0888					7,949.98
1	BARREN	185,545	0.1370	0.5370	0.0250	0.0290	0.0190									1,325.19
3	BARREN	2,967,703	0.1530	0.5370		0.0254	0.0237									21,934.29
3	GLASGOW (BARREN) CITY TAXES	77,458												0.1520		117.74
1	BATH	69,371	0.1050	0.3370	0.0400	0.0560	0.0343	0.0156			0.0780		0.0620			504.95
3	BATH	793,949	0.1050	0.3390	0.0400	0.0679	0.0416				0.0780		0.0620			5,823.62
1	BOONE	1,279,580	0.0950		0.0200	0.0720	0.0180									2,623.14
1	BOONE	162,776		0.5150												838.30
1	BOONE	1,116,804		1.0060												11,235.05
1	BURLINGTON FIRE (BOONE)	36,468									0.1360					49.60
1	HEBRON FIRE (BOONE)	94,524									0.1050					99.25
1	PT PLEASANT FIRE (BOONE)	5,837									0.1580					9.22
1	FLORENCE FIRE (BOONE)	800									0.1000					0.80
1	UNION FIRE (BOONE)	25,147									0.0590		0.0520			27.91
1	WALTON FIRE (BOONE)	1,116,804									0.1810					2,021.42
3	BOONE	2,284,143	0.1440		0.0200	0.1812	0.0265									8,490.16
3	BOONE	1,912,685		0.5150												9,850.38
3	BOONE	371,448		1.0060												3,736.77
3	BURLINGTON FIRE (BOONE)	187,485									0.1360					254.98
3	FLORENCE FIRE (BOONE)	160,198									0.1000					160.20
3	HEBRON FIRE (BOONE)	41,370									0.1050					43.44
3	PT PLEASANT FIRE (BOONE)	26,846									0.1580					42.42
3	UNION FIRE (BOONE)	1,025,004									0.0800		0.1000			1,845.01
3	VERONA FIRE (BOONE)	412,640									0.1000					412.64
3	WALTON FIRE (BOONE)	371,448									0.1810					672.32
3	CITY OF FLORENCE (BOONE)	160,198										0.4830				773.76
3	BOONE (CB)	288,798	0.1440	0.5150	0.0200	0.1812	0.0265						0.1000			2,560.77
3	UNION FIRE (CB-BOONE)	252,737									0.0800					454.93
3	VERONA FIRE (CB-BOONE)	36,061									0.1000					36.06
1	UNION (CITY-EKPC)															0.00
3	UNION (CITY-EKPC)															0.00
3	UNION (CITY-CB)															0.00
1	WALTON (CITY-EKPC)	371,448												0.2310		855.04
3	WALTON (CITY-EKPC)	1,116,804												0.1270		1,418.34
1	BOURBON	80,350	0.1150	0.4700	0.0290	0.0651	0.0170	0.0070								581.01
3	BOURBON	1,275,423	0.1150	0.4700	0.0290	0.0851	0.0243									9,226.41
1	BOYLE	9,463	0.0520	0.4500	0.0230	0.0450	0.0220				0.1000					65.48
3	BOYLE	733,654	0.0639	0.4740	0.0230	0.0705	0.0539				0.1000					5,761.38
1	BRACKEN	87,978	0.5260	0.3670												784.75
3	BRACKEN	318,636	0.9629	0.3670												4,237.54
3	BRACKEN CB	608,993	0.9629	0.3670												8,099.00
1	BREATHITT	1,200	0.1040	0.4070	0.0400	0.0700	0.0560	0.0200								8.35
3	BREATHITT	162,399	0.1120	0.4070	0.0400	0.0932	0.0865									1,199.64
1	BULLITT	251,684	0.0930	0.5220	0.0240	0.0400	0.0083									1,729.82
3	BULLITT	1,715,618	0.1590	0.5500	0.0240	0.0898	0.0179									14,423.20
1	NICHOLS FIRE (BULLITT)	12,749									0.1000					12.75
1	SE BULLITT FIRE (BULLITT)	126,268									0.0950					119.95
3	SE BULLITT FIRE (BULLITT)	1,316,853									0.1000					1,316.85







DISTRICT	73	ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
MORGAN	1	51,133	0.0550	0.4380	0.0500	0.0470	0.0841	0.0170				0.0650		386.62
MORGAN	3	2,376,971	0.0550	0.4380	0.0500	0.0564	0.1484					0.0650		19,320.02
NELSON	1	543,380	0.1370	0.5700		0.0450	0.0100	0.0050						4,167.72
NELSON	3	4,745,959	0.1660	0.5870		0.0692	0.0100			0.0700				39,495.87
NELSON	1	3,379												2.37
NORTH EAST NELSON FIRE	1													0.00
BARDSTOWN INDEPENDENT SCHOOLS (NELSON)	1													0.00
BARDSTOWN INDEPENDENT SCHOOLS (NELSON)	3												0.1956	5.92
BARDSTOWN (NELSON)	1	3,025											0.2320	18.38
BARDSTOWN (NELSON)	3	7,922												223.40
NICHOLAS	1	37,420	0.1260	0.3490	0.0400	0.0380				0.0440				9,019.01
NICHOLAS	3	1,370,046	0.1520	0.3660	0.0400	0.0563				0.0440				785.82
OWEN	1	94,677	0.3090	0.5210										17,396.32
OWEN	3	1,681,129	0.4368	0.5980										87.62
OWSLEY	1	10,978	0.1560	0.4180	0.0400	0.1030	0.0811							9,290.85
OWSLEY	3	996,157	0.1680	0.4660	0.0400	0.1452	0.1116							20.80
PENDLETON	1	2,590	0.3021	0.5010										13,713.63
PENDLETON	3	1,626,187	0.3983	0.5050										3,832.72
PENDLETON CB	3	454,481	0.3383	0.5050										1,078.09
POWELL	1	208,932	0.0970	0.3230	0.0300	0.0380	0.0280							14,103.94
POWELL	3	2,588,847	0.0970	0.3230	0.0300	0.0540	0.0387			0.0840				441.06
POWELL (CITY OF STANTON)	3	525,074												7,635.27
PULASKI	1	1,395,479	0.0530	0.4030	0.0200	0.0590	0.0120							57,142.08
PULASKI	3	10,446,449	0.0530	0.4030	0.0200	0.0590	0.0120						0.1950	52.89
SOMERSET (PULASKI)	1	27,122												2,236.18
ROBERTSON CB	3	245,276	0.1340	0.4700	0.0400	0.1500	0.1177							2,331.23
ROBERTSON	3	255,701	0.1340	0.4700	0.0400	0.1500	0.1177							210.46
ROCKCASTLE	1	36,982	0.0740	0.3990	0.0350	0.0220	0.0301	0.0090						7,724.40
ROCKCASTLE	3	1,262,538	0.0820	0.4290	0.0350	0.0334	0.0373							785.01
ROWAN	1	139,931	0.0600	0.4210	0.0400	0.0400								9,463.50
ROWAN	3	1,558,035	0.0800	0.4210	0.0400	0.0864								1,060.71
RUSSELL	1	154,398	0.0690	0.4330	0.0300	0.0240	0.0170	0.0090			0.0670			0.0380
RUSSELL	3	2,813,892	0.0920	0.4420	0.0300	0.0447	0.0255				0.0920			0.0500
SCOTT	1	4,681	0.0620	0.3970	0.0400	0.0570	0.0135							26.56
SCOTT	3	517,563	0.1110	0.4180	0.0400	0.0983	0.0209							3,561.87
SHELBY	1	132,831	0.1120	0.6450	0.0375									1,055.34
SHELBY	3	1,374,231	0.1160	0.6570	0.0375									11,138.14
SHELBY	1	4,568								0.1000				4.57
SUBURBAN FIRE (SHELBY)	1									0.1000				830.04
SUBURBAN FIRE (SHELBY)	3	830,037								0.1000				80.95
PEEWEE VALLEY FIRE (SHELBY)	1	87,986								0.0920				11.52
PEEWEE VALLEY FIRE (SHELBY)	3	12,527								0.0920				30.59
PEEWEE VALLEY FIRE (SHELBY)	1	38,236								0.1000				525.51
SIMPSONVILLE FIRE (SHELBY)	3	525,506								0.0700				1.43
SIMPSONVILLE FIRE (SHELBY)	1	2,040								0.0700				4.31
MOUNT EDEN FIRE (SHELBY)	3	6,161								0.1000				362.70
MOUNT EDEN FIRE (SHELBY)	1	49,287								0.1000				3,030.28
SPENCER	1	49,287	0.0910	0.5350	0.0400	0.0290	0.0322	0.0090						362.70
SPENCER	3	337,560	0.1230	0.5350	0.0400	0.0960	0.1037							3,030.28
TAYLOR	1	105,502	0.0700	0.4300	0.0300	0.0320	0.0176				0.0720			690.62
TAYLOR	3	1,114,415	0.0930	0.4420	0.0300	0.0394	0.0226				0.0910			8,001.50
TRIMBLE	1	32,906	0.0710	0.5240	0.0400	0.0720	0.0370							244.82
TRIMBLE	3	657,956	0.0760	0.5240	0.0400	0.1329	0.0537							5,438.66
WASHINGTON	1	40,672	0.0720	0.4320	0.0220	0.0590	0.0503						0.0110	262.86
WASHINGTON	3	1,634,969	0.0720	0.4320	0.0280	0.0590	0.0503						0.0110	10,665.03
WAYNE	1	53,963	0.1000	0.3890	0.0300	0.0470	0.0447	0.0150						337.65



Response 13

EKPC  
Property Tax Allocation

CAM Property Tax Allocation		DR	CR
	430,000		430,000
23610			
18422	0.0023	976	
50120	0.0046	1,996	
50130	0.0044	1,893	
50141	0.0049	2,102	
50142	0.0065	2,786	
50220	0.0153	6,577	
50230	0.0096	4,148	
50240	0.0447	19,215	
50241	0.0018	769	
50242	0.0536	23,058	
50243	0.0786	33,818	
50520	0.0051	2,192	
50530	0.0032	1,383	
50540	0.0041	1,770	
50541	0.0432	18,589	
50542	0.0213	9,147	
54851	0.1202	51,670	
54900	0.0013	552	
55600	0.0018	769	
56100	0.0018	769	
56200	0.1900	81,720	
56300	0.1112	47,837	
93023	0.2704	116,266	
		<u>430,000</u>	<u>430,000</u>

Justification for Monthly Amount:

2005 Property Tax Bills Received	3,926,006.92
2005 Property Tax Bills Remaining	10,584.03
Contingency	19,415.97
2005 Coal ITC Received	-
	<u>3,956,006.92</u>
Add Est 20% Increase for 2006	791,201.38
	<u>4,747,208.30</u>
	11.00
Monthly Amount	<u>431,564.39</u>
	<u>430,000.00</u>







DISTRICT	ASSESS	COUNTY	SCHOOL	HEALTH	LIBRARY	EXT	SOIL	SCHOOL	FIRE	HOSPITAL	AMBULANCE	OTHER	TOTAL TAX BILL
CITY OF INDEPENDENCE (KENTON)	1 217,812											0.1770	385.53
CITY OF INDEPENDENCE (KENTON)	3 526,985											0.5780	3,045.97
KNOX	1 179,730	0.1090	0.4090	0.4000	0.0380								1,216.77
KNOX	3 725,221	0.2442	0.4090	0.4000	0.1086	0.0471	0.0140				0.0420		6,532.87
LARUE	1 2,220	0.1450	0.4010	0.0210	0.0400	0.0260		0.0580					15.34
LARUE	3 963,145	0.2258	0.4010	0.0210	0.0623	0.0475		0.0580					7,855.41
LAUREL	1 1,433,830	0.0650	0.4540	0.4000	0.0630	0.0160	0.0040						9,205.19
LAUREL	3 3,639,108	0.0650	0.4540	0.4000	0.1032	0.0222							24,906.06
LAWRENCE	1 9,220	0.1720	0.4200	0.0300	0.0800	0.0343	0.0120		15.00				68.99
LAWRENCE	3 605,689	0.1720	0.4200	0.0300	0.1215	0.0439	0.0280						4,784.04
LEE	1 1,000	0.3350	0.2990	0.0380	0.0610	0.0360					7.97		21,217.08
LEE	3 1,803,407	0.6700	0.2990	0.0380	0.1122	0.0573	0.0120						210.75
LETCHER	1 28,426	0.1300	0.4670	0.0350	0.0590	0.0384							2,647.24
LETCHER	3 331,734	0.1300	0.5050	0.0350	0.0777	0.0503							205.87
LEWIS	1 31,593	0.1280	0.4070	0.0340	0.0380	0.0460							7,925.91
LEWIS	3 1,082,627	0.1410	0.4070	0.0380	0.0634	0.0827			0.1000			0.0300	345.33
TOLLSBORO (LEWIS)	3 345,333								0.0660		0.0440		553.96
LINCOLN	1 81,465	0.0890	0.3760	0.0400	0.0330	0.0320			0.0660		0.0426		5,496.64
LINCOLN	3 746,522	0.0890	0.3820	0.0400	0.0569	0.0598			0.0660		0.0530		2,442.33
MADISON	1 315,546	0.0820	0.5350	0.0500	0.0390	0.0150					0.0600		38,985.23
MADISON	3 4,278,274	0.1000	0.5630	0.0500	0.0834	0.0325							379
BEREA (MADISON)	3 12,628												406.75
MAGOFFIN	1 47,023	0.2650	0.4100	0.0500	0.0520	0.0740	0.0140						17,139.22
MAGOFFIN	3 1,559,585	0.4718	0.4110	0.0500	0.0727	0.0935							205.26
MARION	1 31,637	0.0820	0.4720	0.0300	0.0320	0.0218						0.0110	18,613.67
MARION	3 2,606,227	0.1090	0.4720	0.0300	0.0466	0.0456						0.1815	1.82
LEBANON (MARION)	1 1,000											0.1950	34.10
LEBANON (MARION)	3 17,485												219.28
MARTIN	1 27,583	0.1130	0.5310	0.0350	0.0790	0.0370							101.00
MARTIN	3 11,657	0.1280	0.5310	0.0350	0.1097	0.0627							306,310.84
MASON	1 39,220,338	0.1710	0.4470	0.0800	0.0530	0.0300							159,976.17
MASON	3 18,638,308	0.2110	0.4470	0.0800	0.0726	0.0445						0.1500	58,764.45
MAYSVILLE (MASON)	1 39,176,299											0.1500	22,369.92
MAYSVILLE (MASON)	3 14,913,280												44,637.75
MASON CB	1 5,715,461	0.1710	0.4470	0.0800	0.0530	0.0300							14,097.44
MASON CB	3 1,648,631	0.2110	0.4470	0.0800	0.0725	0.0445						0.1500	8,573.19
MAYSVILLE CB (MASON)	1 5,715,461											0.1500	1,231.47
MAYSVILLE CB (MASON)	3 820,979						0.0150						454.93
MCCREARY	1 75,445	0.1000	0.3990	0.0400	0.0590								12,958.60
MCCREARY	3 1,719,768	0.2040	0.3990	0.0400	0.1115								0.20
CENTRAL FIRE (MCCREARY)	1 200								0.1000				746.04
CENTRAL FIRE (MCCREARY)	3 746,036								0.1000				75.25
SOUTH FIRE (MCCREARY)	1 75,245								0.1000				511.85
SOUTH FIRE (MCCREARY)	3 511,851								0.1000				170.48
NORTH FIRE (MCCREARY)	3 170,481								0.1000				249.49
MENIFEE	1 35,338	0.1050	0.3570	0.0450	0.0660	0.0400	0.0100		0.0690				5,924.22
MENIFEE	3 919,917	0.1290	0.3570	0.0450	0.0709	0.0508			0.1000				507.48
MERCER	1 59,991	0.0800	0.5600	0.0400	0.0700	0.0249	0.0070		0.0640				11,821.56
MERCER	3 1,218,592	0.0920	0.5780	0.0400	0.1515	0.0446			0.0640				262.36
METCALFE	1 41,187	0.0720	0.4040	0.0380	0.0380	0.0460	0.0150				0.0600		20,501.23
METCALFE	3 3,331,908	0.0100	0.4040	0.0380	0.0629	0.0784					0.0600		1,131.23
MONTGOMERY	1 146,261	0.0690	0.4880	0.0400	0.0290	0.0220			0.0880				11,361.68
MONTGOMERY	3 1,227,892	0.0860	0.4880	0.0400	0.0603	0.0510			0.1000		0.1000		







**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 14**

**RESPONSIBLE PERSON: Frank J. Oliva**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 14.** Refer to the Application, Exhibit F, Schedule 10.

a. Provide an updated version of pages 2 through 5 of 6, reflecting only changes in the interest rates. Interest rates should be as of March 31, 2007.

b. Provide a revised version of page 6 of 6 reflecting the actual financing activity between test-year end and March 31, 2007.

**Response 14.** a. Please see pages 2 through 6.

b. Please see page 7.

EAST KENTUCKY POWER COOPERATIVE

CASE NO. 2006-00472

INTEREST ON LONG-TERM DEBT

INDEBTEDNESS

Highlighted items reflect changes (in rates and additional advances) from the Application, Exhibit F, Schedule 10.

Type of Debt Issue	Date of Issue	Date of Maturity	Amount Outstanding 03/31/2007	Amount Issued	Interest Rate	Annualized Interest Expense
<b>A. Bonds</b>						
Spurlock Pollution Control Bonds Issuer: County of Mason	11/15/1984	10-15-2014	82,100,000.00	141,300,000.00	3.740%	3,070,540.00
Smith Pollution Control Bonds Issuer: County of Clark	11/15/1984	10-15-2014	18,260,000.00	59,650,000.00	3.550%	648,230.00
Cooper Solid Waste Disposal Bond Issuer: County of Pulaski	12/15/1993	08-15-2023	8,800,000.00	11,800,000.00	3.730%	328,240.00
Total Bonds			109,160,000.00			4,047,010.00

**A. Notes**

National Rural Utilities Cooperative Finance Corporation ("CFC")

CFC # 9001	08-20-1974	02-28-2014	5,176,315.95	13,150,000.00	3.800%	196,700.01
CFC # 9033	08-29-1984	05-31-2019	4,907,900.57	8,530,000.00	3.800%	186,500.22
CFC # 9034	06-12-1995	11-30-2024	5,596,654.30	6,734,000.00	3.800%	212,672.86
CFC # 9038	03-02-1998	02-28-2024	4,418,486.36	5,251,000.00	3.800%	167,902.48
CFC - Unsecured Credit Facility	02-16-2006	09-02-2010	50,000,000.00	50,000,000.00	6.263%	3,131,250.00
CFC - Unsecured Credit Facility	04-13-2006	09-02-2010	50,000,000.00	50,000,000.00	6.263%	3,131,250.00
CFC - Unsecured Credit Facility	10-11-2005	09-02-2010	40,000,000.00	40,000,000.00	6.263%	2,505,000.00
CFC - Unsecured Credit Facility	05-24-2006	09-02-2010	25,000,000.00	25,000,000.00	6.263%	1,565,625.00
CFC - Unsecured Credit Facility	10-11-2005	09-02-2010	40,000,000.00	40,000,000.00	6.138%	2,455,000.00
CFC - Unsecured Credit Facility	06-20-2006	09-02-2010	75,000,000.00	75,000,000.00	6.200%	4,650,000.00
CFC - Unsecured Credit Facility	06-29-2006	09-02-2010	25,000,000.00	25,000,000.00	6.200%	1,550,000.00
CFC - Unsecured Credit Facility	11-02-2006	09-02-2010	50,000,000.00	50,000,000.00	6.263%	3,131,250.00
CFC - Unsecured Credit Facility	12-12-2006	09-02-2010	50,000,000.00	50,000,000.00	6.200%	3,100,000.00
CFC - Unsecured Credit Facility	01-16-2007	09-02-2010	50,000,000.00	50,000,000.00	6.263%	3,131,250.00
National Cooperative Services Corporation	07-18-1995	09-29-2006	8,400,000.00	18,000,000.00	7.700%	646,800.00
Total CFC			483,499,357.18			29,761,200.57

Rural Utilities Service Notes

REA 4490	03-01-1973	03-01-2008	265,821.03	6,000,000.00	2.000%	5,316.42
REA 4520	06-20-1974	06-01-2009	524,898.05	5,368,000.00	2.000%	10,497.96
CB-4500	06-12-1973	06-12-2008	1,376,199.24	25,000,000.00	2.000%	27,523.98

Highlighted items reflect changes (in rates and additional advances) from the Application, Exhibit F, Schedule 10.

<u>Type of Debt Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Outstanding 03/31/2007</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Annualized Interest Expense</u>
CB-4510	03-01-1974	03-01-2009	1,090,630.26	12,500,000.00	2.000%	21,812.61
K4-14530	06-02-1975	06-02-2010	939,710.83	5,000,000.00	5.000%	46,985.54
K4-14540	06-01-1976	06-02-2011	1,437,809.06	6,000,000.00	5.000%	71,890.45
K4-14570	06-01-1977	07-01-2012	2,019,785.83	7,000,000.00	5.000%	100,989.29
K4-14580	03-01-1978	03-01-2013	2,336,884.55	7,200,000.00	5.000%	116,844.23
M9-14590	10-31-1979	10-31-2014	2,220,111.92	5,734,294.72	5.000%	111,005.60
M9-14591	10-31-1979	10-31-2014	624,886.69	1,536,705.28	5.000%	31,244.33
SRDA 14610	03-01-1977	03-01-2012	54,825.46	188,718.00	5.000%	2,741.27
P12-1-B620	08-29-1984	06-30-2019	3,619,808.33	6,401,000.00	5.000%	180,990.42
P12-1-B621	08-29-1984	06-30-2019	1,775,331.77	3,053,000.00	5.000%	88,766.59
P12-1-B624	08-20-1990	08-31-2021	5,035,613.47	7,598,272.97	5.000%	251,780.67
P12-1-B625	08-20-1990	08-31-2022	1,285,206.20	1,855,727.03	5.000%	64,260.31
R12-1-B642	03-31-1995	12-31-2024	6,577,393.04	7,856,000.00	5.000%	328,869.65
R12-1-B647	03-31-1995	12-31-2024	6,577,393.04	7,856,000.00	5.000%	328,869.65
T62-1-B650	03-02-1998	12-31-2024	5,227,895.86	6,125,500.00	5.125%	267,929.66
T62-1-B655	03-02-1998	12-31-2024	5,227,895.86	6,125,500.00	5.125%	267,929.66
		Total RUS	48,218,100.49			2,326,248.29
<u>Federal Financing Bank Notes</u>						
HO-010	03-04-1977	12-31-2011	7,613,677.35	23,603,000.00	5.452%	415,097.69
HO-015	04-08-1977	12-31-2011	806,742.33	2,494,000.00	5.452%	43,983.59
HO-020	04-25-1977	12-31-2011	940,033.75	2,908,000.00	5.452%	51,250.64
HO-025	05-25-1977	12-31-2011	1,099,691.17	3,400,000.00	5.452%	59,955.16
HO-030	06-22-1977	12-31-2011	2,796,128.11	8,665,000.00	5.452%	152,444.90
HO-035	07-25-1977	12-31-2011	2,402,195.30	7,422,000.00	5.452%	130,967.69
HO-040	08-31-1977	12-31-2011	1,934,374.96	5,984,000.00	5.452%	105,462.12
HO-045	09-30-1977	12-31-2011	1,932,676.93	5,950,000.00	5.452%	105,369.55
HO-050	11-28-1977	12-31-2011	1,640,375.13	5,037,000.00	5.452%	89,433.25
HO-055	12-01-1977	12-31-2011	1,577,551.55	4,843,000.00	5.452%	86,008.11
HO-060	12-27-1977	12-31-2011	1,319,997.79	4,038,000.00	5.452%	71,966.28
HO-065	03-01-1978	12-31-2012	1,004,086.77	2,649,000.00	5.484%	55,064.12
HO-070	04-25-1978	12-31-2012	1,558,075.20	4,092,000.00	5.484%	85,444.84
HO-075	05-25-1978	12-31-2012	2,249,574.69	5,897,000.00	5.484%	123,366.68
HO-080	08-24-1978	12-31-2015	3,592,008.23	5,782,000.00	10.372%	372,563.09
HO-086	10-30-1978	12-31-2012	8,165,971.38	19,184,000.00	7.444%	607,874.91
HO-091	11-22-1978	12-31-2012	3,068,914.39	7,243,000.00	7.444%	228,449.99
HO-096	12-27-1978	12-31-2012	2,139,230.16	5,040,000.00	7.444%	159,244.29
HO-111	03-16-1979	12-31-2013	3,007,244.89	6,344,000.00	7.470%	224,641.19
HO-116	04-19-1979	12-31-2013	3,293,866.93	6,949,000.00	7.470%	246,051.86
HO-121	05-21-1979	12-31-2013	4,647,985.36	9,777,000.00	7.470%	347,204.51
HO-150	11-15-1979	12-31-2015	4,246,210.59	6,790,000.00	10.144%	430,735.60
HO-156	12-06-1979	12-31-2013	4,488,934.47	9,480,000.00	7.470%	335,323.40
HO-160	12-26-1979	12-31-2015	3,686,677.81	6,237,000.00	9.352%	344,778.11
HO-165	01-15-1980	12-31-2015	4,728,009.95	8,746,000.00	7.690%	363,583.97
HO-210	04-29-1981	12-31-2015	2,010,150.20	3,676,542.00	6.248%	125,594.18
HO-215	05-15-1981	12-31-2015	3,719,309.07	6,805,000.00	6.248%	232,382.43
HO-220	05-15-1981	12-31-2015	2,701,076.49	4,942,000.00	6.248%	168,763.26
HO-235	06-16-1981	12-31-2015	4,105,273.73	7,484,000.00	6.248%	256,497.50
HO-245	07-20-1981	12-31-2015	759,468.59	1,193,000.00	10.572%	80,291.02
HO-255	09-15-1981	12-31-2015	3,003,012.80	4,700,000.00	10.657%	320,031.07

Highlighted items reflect changes (in rates and additional advances) from the Application, Exhibit F, Schedule 10.

<u>Type of Debt Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Outstanding 03/31/2007</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Annualized Interest Expense</u>
HO-265	10-15-1981	12-31-2015	2,046,943.16	3,700,000.00	6.248%	127,893.01
HO-275	10-19-1981	12-31-2015	553,012.20	1,000,000.00	6.248%	34,552.20
HO-285	11-17-1981	12-31-2015	1,567,600.54	2,500,000.00	10.204%	159,957.96
HO-295	01-18-1982	12-31-2016	2,327,608.89	3,732,000.00	7.991%	185,999.23
HO-300	01-20-1982	12-31-2015	162,177.41	300,000.00	7.690%	12,471.44
HO-305	01-22-1982	12-31-2016	224,659.58	360,000.00	7.991%	17,952.55
HO-310	02-17-1982	12-31-2016	298,779.53	506,000.00	6.591%	19,692.56
HO-315	02-18-1982	12-31-2016	3,648,310.03	6,181,000.00	6.591%	240,460.11
HO-320	02-19-1982	12-31-2015	270,295.10	500,000.00	7.690%	20,785.69
HO-325	03-15-1982	12-31-2016	5,430,433.99	9,307,000.00	6.591%	357,919.90
HO-330	03-22-1982	12-31-2016	309,403.09	530,000.00	6.591%	20,392.76
HO-335	04-19-1982	12-31-2016	350,004.33	560,000.00	7.991%	27,968.85
HO-340	05-17-1982	12-31-2016	187,502.67	300,000.00	7.991%	14,983.34
HO-345	05-24-1982	12-31-2016	2,512,902.43	4,000,000.00	7.991%	200,806.03
HO-350	06-14-1982	12-31-2016	4,396,602.74	7,000,000.00	7.991%	351,332.52
HO-355	06-15-1982	12-31-2016	988,279.42	1,570,000.00	7.991%	78,973.41
HO-360	07-14-1982	12-31-2016	3,866,137.73	6,131,000.00	7.991%	308,943.07
HO-365	07-16-1982	12-31-2016	567,529.71	900,000.00	7.991%	45,351.30
HO-370	08-16-1982	12-31-2016	271,658.31	430,000.00	7.991%	21,708.22
HO-375	08-16-1982	12-31-2016	2,570,641.15	4,069,000.00	7.991%	205,419.93
HO-380	09-15-1982	12-31-2015	300,350.45	500,000.00	10.381%	31,179.38
HO-385	09-13-1982	12-31-2016	5,133,701.35	8,126,000.00	7.991%	410,234.07
HO-390	09-14-1982	12-31-2016	379,057.69	600,000.00	7.991%	30,290.50
HO-395	10-14-1982	12-31-2016	1,266,989.17	2,000,000.00	7.991%	101,245.10
HO-400	10-14-1982	12-31-2016	760,193.68	1,200,000.00	7.991%	60,747.08
HO-405	10-14-1982	12-31-2016	2,837,422.78	4,479,000.00	7.991%	226,738.45
HO-410	11-10-1982	12-31-2016	569,284.52	900,000.00	7.991%	45,491.53
HO-415	11-10-1982	12-31-2016	379,522.72	600,000.00	7.991%	30,327.66
HO-420	11-10-1982	12-31-2016	3,478,958.30	5,500,000.00	7.991%	278,003.56
HO-425	12-13-1982	12-31-2016	886,733.17	1,400,000.00	7.991%	70,858.85
HO-430	12-13-1982	12-31-2016	4,370,326.25	6,900,000.00	7.991%	349,232.77
HO-435	01-17-1983	12-31-2017	747,390.17	1,200,000.00	5.913%	44,193.18
HO-440	02-14-1983	12-31-2017	3,000,447.11	4,800,000.00	5.913%	177,416.44
HO-445	03-16-1983	12-31-2017	311,766.79	500,000.00	5.913%	18,434.77
HO-450	03-16-1983	12-31-2017	4,052,970.23	6,500,000.00	5.913%	239,652.13
HO-455	04-14-1983	12-31-2017	1,560,400.21	2,500,000.00	5.913%	92,266.46
HO-460	04-14-1983	12-31-2017	2,933,552.57	4,700,000.00	5.913%	173,460.96
HO-465	05-16-1983	12-31-2017	592,514.88	950,000.00	5.913%	35,035.40
HO-470	06-15-1983	12-31-2017	438,417.50	700,000.00	5.913%	25,923.63
HO-475	06-15-1983	12-31-2017	4,384,172.62	7,000,000.00	5.913%	259,236.13
HO-480	07-14-1983	12-31-2017	2,813,206.93	4,500,000.00	5.913%	166,344.93
HO-485	08-16-1983	12-31-2017	626,013.69	1,000,000.00	5.913%	37,016.19
HO-490	09-27-1983	12-31-2017	500,370.79	800,000.00	5.913%	29,586.92
HO-495	09-27-1983	12-31-2017	1,250,926.26	2,000,000.00	5.913%	73,967.27
HO-500	10-24-1983	12-31-2017	630,817.36	1,000,000.00	5.913%	37,300.23
HO-505	10-24-1983	12-31-2017	630,817.36	1,000,000.00	5.913%	37,300.23
HO-510	05-09-1984	12-31-2018	11,104,352.01	16,500,000.00	6.665%	740,105.06
HO-515	01-17-1985	12-31-2019	4,130,026.25	5,900,000.00	5.991%	247,429.87
HO-520	04-16-1985	12-31-2015	372,937.63	600,000.00	10.377%	38,699.74
HO-525	05-20-1985	12-31-2019	792,364.20	1,130,000.00	5.991%	47,470.54
HO-530	06-24-1985	12-31-2019	505,818.85	720,000.00	5.991%	30,303.61

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HO-535	06-24-1985	12-31-2015	136,977.90	215,000.00	10.590%	14,505.96
HO-540	12-23-1985	12-31-2015	1,913,956.42	3,165,291.00	9.385%	179,624.81
HO-545	03-18-1986	12-31-2020	1,330,894.93	1,897,000.00	5.177%	68,900.43
HO-550	03-18-1986	12-31-2015	424,943.15	751,000.00	8.058%	34,241.92
HO-555	04-16-1986	12-31-2020	131,232.52	188,000.00	5.177%	6,793.91
HO-560	04-16-1986	12-31-2015	385,939.98	706,000.00	7.413%	28,609.73
HO-565	10-14-1986	12-31-2020	1,745,627.15	2,480,000.00	5.177%	90,371.12
HO-570	10-30-1986	12-31-2020	3,546,060.97	5,035,000.00	5.177%	183,579.58
HO-575	11-06-1995	12-31-2023	11,691,469.27	14,895,000.00	6.301%	736,679.48
HO-580	11-06-1995	12-31-2024	23,053,937.10	28,812,000.00	6.306%	1,453,781.27
HO-585	11-06-1995	12-31-2024	23,053,937.10	28,812,000.00	6.306%	1,453,781.27
HO-590	11-06-1995	12-31-2024	23,053,937.10	28,812,000.00	6.306%	1,453,781.27
HO-595	01-26-1996	12-31-2024	4,701,661.63	5,836,000.00	6.123%	287,882.74
HO-600	06-25-1997	12-31-2023	2,918,328.93	3,607,000.00	6.297%	183,767.17
HO-605	09-14-2000	12-31-2024	5,238,752.65	6,082,000.00	6.005%	314,587.10
HO-610	09-15-2000	12-31-2024	5,726,791.73	6,626,000.00	6.067%	347,444.45
HO-615	04-10-2001	12-31-2024	8,357,469.81	9,681,000.00	5.451%	455,565.68
HO-620	06-05-2001	12-31-2024	7,087,163.49	8,119,000.00	5.726%	405,810.98
HO-625	07-10-2001	12-31-2024	7,094,516.09	8,119,000.00	5.729%	406,444.83
HO-630	08-10-2001	12-31-2024	7,066,457.52	8,119,000.00	5.488%	387,807.19
HO-635	09-06-2001	12-31-2024	7,085,036.68	8,119,000.00	5.426%	384,434.09
HO-640	10-03-2001	12-31-2024	9,566,422.48	11,000,000.00	5.104%	488,270.20
HO-645	11-08-2001	12-31-2024	11,539,468.13	13,357,000.00	4.709%	543,393.55
HO-650	12-10-2001	12-31-2024	7,014,116.30	7,970,000.00	5.644%	395,876.72
HO-655	01-15-2002	12-31-2030	18,407,592.18	20,000,000.00	5.447%	1,002,661.55
HO-660	06-04-2002	12-31-2030	5,579,591.08	6,000,000.00	5.678%	316,809.18
HO-665	07-02-2002	12-31-2030	5,570,440.86	6,000,000.00	5.538%	308,491.01
HO-670	08-15-2002	12-31-2024	13,631,430.01	15,000,000.00	4.695%	639,995.64
HO-675	08-22-2002	12-31-2024	9,097,902.82	10,000,000.00	4.802%	436,881.29
HO-680	09-24-2002	12-31-2024	13,583,226.36	15,000,000.00	4.366%	593,043.66
HO-685	10-03-2002	12-31-2024	9,056,373.80	10,000,000.00	4.375%	396,216.35
HO-690	11-05-2002	12-31-2024	13,634,611.41	15,000,000.00	4.717%	643,144.62
HO-695	12-10-2002	12-31-2024	9,082,689.65	10,000,000.00	4.644%	421,800.11
HO-700	01-23-2003	12-31-2024	3,115,229.49	3,500,000.00	4.557%	141,961.01
HO-705	01-23-2003	12-31-2030	6,031,569.41	6,500,000.00	4.790%	288,912.17
HO-710	02-27-2003	12-31-2030	2,963,644.19	3,200,000.00	4.624%	137,038.91
HO-715	05-06-2003	12-31-2024	3,897,080.22	4,300,000.00	4.442%	173,108.30
HO-720	07-03-2003	12-31-2032	24,036,819.77	25,000,000.00	4.460%	1,072,042.16
HO-725	07-17-2003	12-31-2032	24,089,112.89	25,000,000.00	4.819%	1,160,854.35
HO-730	07-24-2003	12-31-2032	23,914,766.07	24,800,000.00	4.950%	1,183,780.92
HO-735	08-26-2003	12-31-2024	3,573,343.70	3,938,000.00	5.055%	180,632.52
HO-740	10-02-2003	12-31-2030	2,397,414.73	2,550,000.00	4.753%	113,949.12
HO-745	10-02-2003	12-31-2024	2,412,291.61	2,660,000.00	4.501%	108,577.25
HO-750	10-23-2003	12-31-2032	24,127,219.27	25,000,000.00	5.091%	1,228,316.73
HO-755	11-04-2003	12-31-2032	24,135,178.27	25,000,000.00	5.149%	1,242,720.33
HO-760	11-14-2003	12-31-2032	24,123,632.52	25,000,000.00	5.065%	1,221,861.99
HO-765	11-25-2003	12-31-2032	24,116,145.62	25,000,000.00	5.011%	1,208,460.06
HO-770	12-04-2003	12-31-2032	26,065,992.52	27,000,000.00	5.149%	1,342,137.95
HO-775	02-05-2004	12-31-2030	6,145,582.00	6,500,000.00	4.854%	298,306.55
HO-780	05-06-2004	12-31-2030	2,153,298.25	2,260,000.00	5.240%	112,832.83
HO-785	05-06-2004	12-31-2024	3,819,389.41	4,130,000.00	5.020%	191,733.35

Highlighted items reflect changes (in rates and additional advances) from the Application, Exhibit F, Schedule 10.

Type of Debt Issue	Date of Issue	Date of Maturity	Amount Outstanding 03/31/2007	Amount Issued	Interest Rate	Annualized Interest Expense
HO-790	08-26-2004	12-31-2030	16,138,533.90	16,900,000.00	4.921%	794,177.25
HO-795	11-01-2004	12-31-2030	6,416,135.34	6,700,000.00	4.672%	299,761.84
HO-800	11-16-2004	12-31-2030	3,105,111.58	3,240,000.00	4.795%	148,890.10
HO-805	11-16-2004	12-31-2024	5,276,448.54	5,644,000.00	4.577%	241,503.05
HO-810	12-16-2004	12-31-2038	49,332,356.05	50,000,000.00	4.744%	2,340,326.97
HO-815	12-22-2004	12-31-2038	49,342,783.55	50,000,000.00	4.825%	2,380,789.31
HO-820	12-29-2004	12-31-2038	49,358,106.38	50,000,000.00	4.946%	2,441,251.94
HO-825	02-02-2005	12-31-2038	24,660,567.18	25,000,000.00	4.658%	1,148,689.22
HO-830	02-08-2005	12-31-2038	24,649,852.57	25,000,000.00	4.497%	1,108,503.87
HO-835	05-10-2005	12-31-2038	24,663,643.20	25,000,000.00	4.705%	1,160,424.41
HO-840	06-02-2005	12-31-2038	24,638,583.50	25,000,000.00	4.332%	1,067,343.44
HO-845	06-07-2005	12-31-2038	18,724,902.51	19,000,000.00	4.324%	809,664.78
HO-850	06-09-2005	12-31-2030	12,689,976.71	13,192,000.00	4.353%	552,394.69
HO-855	08-26-2005	12-31-2038	29,577,471.85	30,000,000.00	4.468%	1,321,521.44
HO-860	08-30-2005	12-31-2038	29,577,634.34	30,000,000.00	4.470%	1,322,120.25
HO-865	08-19-2005	12-31-2030	3,573,273.76	3,675,000.00	4.485%	160,261.33
HO-870	10-14-2005	12-31-2038	29,601,353.44	30,000,000.00	4.769%	1,411,688.55
HO-875	11-09-2005	12-31-2030	2,030,163.80	2,075,000.00	4.858%	98,625.36
HO-880	11-09-2005	12-31-2024	546,925.90	566,000.00	4.789%	26,192.28
HO-885	03-27-2006	12-31-2032	6,413,861.29	500,000.00	4.890%	313,637.82
HO-890	05-03-2006	12-31-2038	14,917,834.82	15,000,000.00	5.345%	797,358.27
HO-895	05-09-2006	12-31-2038	9,945,067.41	10,000,000.00	5.333%	530,370.44
FO-900	08-23-2006	12-31-2034	15,000,000.00	15,000,000.00	5.070%	760,500.00
FO-905	08-25-2006	12-31-2034	15,000,000.00	15,000,000.00	5.061%	759,150.00
FO-910	08-29-2006	12-31-2034	23,000,000.00	23,000,000.00	5.053%	1,162,190.00
HO-915	03-14-2007	12-31-2038	23,000,000.00	23,000,000.00	4.776%	1,098,480.00
HO-920	03-16-2007	12-31-2038	23,251,000.00	23,251,000.00	4.812%	1,118,838.12
Total FFB			1,221,589,086.33			64,905,741.81
Total Long-Term Debt			1,862,466,544.00			101,040,200.67
RUS - Cushion of Credit 9J990			(54,624,042.27)		5.000%	
Sick Leave Reserve			1,907,211.18			
Total Indebtedness			\$ 1,809,749,712.91			\$ 101,040,200.67

## EAST KENTUCKY POWER COOPERATIVE

CASE NO. 06-00472

## ADJUSTMENT FOR INTEREST ON LONG-TERM DEBT

## Additional Debt incurred between 9/30/06 and 3/31/07

Type of <u>Debt Issue</u>	Date of <u>Issue</u>	Date of <u>Maturity</u>	Amount <u>Issued</u>	Interest <u>Rate</u>	Normalized Interest <u>Expense</u>
<u>National Rural Utilities Cooperative Finance Corporation ("CFC")</u>					
CFC - Unsecured Credit Facility	11/02/2006	09/02/2010	50,000,000.00	6.263%	3,131,250.00
CFC - Unsecured Credit Facility	12/12/2006	09/02/2010	50,000,000.00	6.200%	3,100,000.00
CFC - Unsecured Credit Facility	01/16/2007	09/02/2010	50,000,000.00	6.263%	3,131,250.00
<u>Federal Financing Bank Notes</u>					
Z-8 FFB (Gilbert Loan)	03-14-2007	12-31-2038	23,000,000.00	4.776%	1,098,480.00
Z-8 FFB (Gilbert Loan)	03-16-2007	12-31-2038	23,251,000.00	4.812%	1,118,838.12
<b>Additional Interest Expense \$</b>					<b><u>11,579,818.12</u></b>

## Debt paydown incurred between 9/30/06 and 4/02/07

Type of <u>Debt Issue</u>	Date of <u>Paydown</u>	Paydown <u>Issued</u>	Wt. Avg. Interest <u>Rate</u>	Normalized Interest <u>Expense</u>
<u>Bonds</u>				
Spurlock Pollution Control Bonds	10/15/2006	6,500,000.00	3.540%	230,100.00
Smith Pollution Control Bonds	10/15/2006	2,885,000.00	3.680%	106,168.00
<u>Notes</u>				
<u>National Rural Utilities Cooperative Finance Corporation ("CFC")</u>				
4-CFC Secured LT Loans	11/30/2006	337,024.39	3.800%	12,806.93
4-CFC Secured LT Loans	02/28/2007	340,226.12	3.800%	12,928.59
National Cooperative Services Corporation	12/15/2006	1,200,000.00	7.700%	92,400.00
<u>Federal Financing Bank Notes</u>				
Numerous FFB Notes	10/02/2006	8,660,449.19	5.338%	462,294.78
Numerous FFB Notes	01/02/2007	9,117,288.38	5.338%	486,680.85
Numerous FFB Notes	04/02/2007	9,574,997.78	5.338%	511,113.38
<u>Rural Utilities Service Notes</u>				
Numerous RUS Notes	11/30/2006	520,982.12	2.000%	10,419.64
Numerous RUS Notes	02/28/2007	523,787.12	2.000%	10,475.74
Numerous RUS Notes	10/31/2006	87,098.43	5.000%	4,354.92
Numerous RUS Notes	11/30/2006	474,992.95	5.000%	23,749.65
Numerous RUS Notes	12/29/2006	87,854.45	5.000%	4,392.72
Numerous RUS Notes	01/31/2007	88,227.57	5.000%	4,411.38
Numerous RUS Notes	02/28/2007	489,116.41	5.000%	24,455.82
Numerous RUS Notes	03/31/2007	89,022.21	5.000%	4,451.11
Numerous RUS Notes	10/31/2006	30,830.00	5.125%	1,580.04
Numerous RUS Notes	11/30/2006	32,455.08	5.125%	1,663.32
Numerous RUS Notes	12/29/2006	31,105.46	5.125%	1,594.15
Numerous RUS Notes	01/31/2007	31,240.84	5.125%	1,601.09
Numerous RUS Notes	02/28/2007	35,809.52	5.125%	1,835.24
Numerous RUS Notes	03/31/2007	31,532.72	5.125%	1,616.05
<b>41,169,040.74</b>				<b><u>\$ 2,011,093.40</u></b>



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 15**

**RESPONSIBLE PERSON: David G. Eames**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 15.** Refer to the Application, Exhibit F, Schedule 18.

a. Would EKPC agree that 3 months of the test year are included in the data shown for calendar year 2005?

b. Does the information for calendar year 2004 include the significant forced outage at Spurlock Unit 1, which began on or about July 1, 2004 and ended on or about October 27, 2004?

c. Does EKPC consider the Spurlock Unit 1 forced outage in 2004 to be an extraordinary occurrence? Explain the response.

d. Explain why EKPC believes an average of past forced outages is a reasonable means of determining an adjustment that reflects on-going operations.

e. If it is appropriate to include an adjustment for forced outages based upon an average of the history of forced outages, explain why it is reasonable to incorporate the effects of an extraordinary, 4-month long forced outage in the calculations.

f. Provide a revised version of page 2 of 2 excluding the effects of the Spurlock Unit 1 forced outage in 2004.

**Response 15.**

a. Yes.

d. Yes.

e. As indicated in the response to the Attorney General's First Data Request dated 2/20/07, Item 9, forced outages are not extraordinary occurrences and are recurring events. The description "extraordinary" is applicable only as it relates to the length of the outage.

f. The purpose of any adjustment in a rate case is to best reflect the expected level of costs for purposes of establishing new rates for the future. Consequently, use of an average of forced outage rates over a long period of time such as the last five years offers a long-term perspective of what will occur as new rates are placed in effect. Forced outages are recurring events and using a five-year average allows for use of an adjustment that truly reflects on-going operations.

g. Using a period of five years allows for events that may be either lower or higher than normal. While the Forced Outage Rate for 2004 was higher than the overall average, it is equally important to consider the extremely low levels experienced in 2001 (Year 1) of 1.19 and 2002 (Year 2) of 0.75. It is important to note that EKPC's overall forced outage rate in the adjustment, even with inclusion of a higher year like 2004, was well below the national average. EKPC strongly believes that its approach to this adjustment is reasonable.

h. Please see the attached information.

**EKPC Forced Outage Cost History  
Adjusted to Eliminate Spurlock 1 Outage in 2004**

<u>YEAR</u>	<u>MWH</u>	<u>Repl Cost</u>	<u>Assigned Cost of Unit</u>	<u>Net Difference</u>	<u>Dollar Difference</u>
2001	81,297	35.91	14	21.91	\$ 1,781,217
2002	61,248	28.21	14.46	13.75	\$ 842,160
2003	276,161	41.29	14.33	26.96	\$ 7,445,301
*2004	149,417	44.02	17.83	26.19	\$ 3,913,231
2005	223,691	61.96	16.09	45.87	\$ 10,260,706
12 months ended 9/30/06	174,286	52.08	17.96	34.12	\$ 5,946,638

Adjustment:

5-year Average MWH	158,363
\$/MWh Test Year	\$34.12
Going-Level Cost	\$5,403,339
Per Books Cost	\$5,946,638
Adjustment	(\$543,300)

\* The derivation of the effect of the elimination of the Spurlock 1 outage in 2004 is as follows:

	<u>MWH</u>	<u>Repl Cost</u>	<u>Assigned Cost of Unit</u>	<u>Net Difference</u>	<u>Dollar Difference</u>
As filed	906,963	43.18	16.28	26.90	\$24,397,305
Spurlock 1 Outage	757,546	42.95	15.87	27.08	\$20,514,346
As adjusted	149,417	44.02	17.83	26.19	\$3,913,231



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07  
REQUEST 16**

**RESPONSIBLE PERSON: Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 16.** Refer to the Application, Exhibit F, Schedule 19. File copies of the current version of EKPC's Cost Allocation Manual. Identify any changes made during the test year or subsequent to the test year.

**Response 16.** Referring to the Application, Exhibit F, Schedule 19, a copy of the current version of EKPC's Cost Allocation Manual is included on pages 2 through 16. Changes during the test year and subsequent to the test year are identified on page 2.

**Summary of Changes - EKPC Cost Allocation Manual (CAM)**

East Kentucky Power has not added any new non-regulated activities in the past year. EKPC has made some changes to the chart of accounts portion of the CAM as a result of its review of business and accounting practices.

All changes to the Cost Allocation Manual are listed below:

Page 8 - Adoption Statement with current date.

Beginning Page 9 - Chart of Accounts

The following account has been added:

403481 Depr Exp Hardin Co Landfill

The following accounts are no longer in use and have been deleted:

40871 Taxes Other-CB Spurlock 1  
40880 Taxes Prop Payroll CB Spur 1  
41160 Gain on Disposition of Utility Prop  
41700 Revenues Nonutility Operations  
41800 Nonoperating Rental Income  
41901 Interest and Dividend Income-CB  
44712 Sales Resale RUS Borr - OPC  
45608 Oth Elect Rev Facility Chg  
45635 Oth Rev Oth Tran Anc Svc 3\_3  
45636 Oth Rev Oth Tran Anc Svc 3\_4  
56502 MISO Schedule 1  
56503 MISO Schedule 2  
56504 MISO Schedule 7  
56505 MISO Schedule 8  
56506 MISO Schedule 9  
56507 MISO Schedule 10  
90701 Supervision - Environmental Education - Reg  
92401 Property Ins. Splk 1

**East Kentucky Power Cooperative, Inc.**  
**Cost Allocation Manual**  
**Effective Date January 1, 2002**  
*(Amended April 1, 2007)*

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**Introduction**

The Commonwealth of Kentucky General Assembly enacted KRS 278.2205 during the 2000 regular session. The Kentucky Public Service Commission (PSC) requires that all utilities providing nonregulated activities, either directly or through an affiliate keep separate accounts and allocate costs to ensure that regulated ratepayers do not subsidize the nonregulated activities. This law requires utilities that meet certain revenue levels to file a Cost Allocation Manual (CAM) to identify the method for segregating costs between regulated and nonregulated activities. This manual is an indexed compilation of East Kentucky Power Cooperative, Inc.'s cost allocation policies and procedures.

## Definitions

**Affiliate** - a person that controls or is controlled by, or is under common control with, a utility.

**Arm's Length** - the standard of conduct under which unrelated parties, each party acting in its own best interest, would negotiate and carry out a particular transaction.

**Control** - the power to direct the management or policies of a person through ownership, by contract, or otherwise.

**Cost Allocation Manual (CAM)** - an indexed compilation and documentation of a company's cost allocation policies and related procedures.

**Cost Allocations** - the methods or ratios used to apportion costs. A cost allocator can be based on the origin of costs, as in the case of cost drivers; cost-causative linkage of an indirect nature; or one or more overall factors (known as general allocators).

**Common Costs** - costs associated with services or products that are of joint benefit between regulated and non-regulated business units.

**Cost Driver** - a measurable event or quantity which influences the level of costs incurred and which can be directly traced to the origin of the costs themselves.

**Direct Costs** - costs which can be specifically identified with a particular service or product.

**Distribution Cooperative** - a utility formed under KRS Chapter 279 that provides retail service.

**Electric-Consuming Facilities** - everything that utilizes electric energy from a central station source.

**Facility** - includes all property, means, and instrumentalities owned, operated, leased, licensed, used, furnished, or supplied for, by, or in connection with the business of any utility.

**Fully Distributed Costs** - the sum of the direct costs plus an appropriate share of indirect costs.

**Generation and Transmission Cooperative (G&T)** - a utility formed under KRS Chapter 279 that provides electric generation and transmission service.

**Global Costs** - costs that do not have specific identifiable causal relationship with a particular activity but apply to all activities.

**Incidental Treatment** - a utility may report an incidental nonregulated activity if (a) the revenue from the aggregate of the total of the utility's nonregulated incidental activities does not exceed the lesser of two percent (2%) of the utility's total revenue or one million dollars (\$1,000,000) annually and (b) the nonregulated activity is reasonably related to the utility's regulated activity.

**Indirect Costs** - costs that cannot be identified with a particular service or product. This includes but is not limited to overhead costs, administrative and general, and taxes.

**Kentucky Public Service Commission (PSC) (Commission)** - state regulatory body governing the rates and practices of utilities.

**Net Book Value** - the book cost, as defined by the uniform system of accounts, reduced by related provisions for accumulated depreciation, depletion, or amortization and adjusted for any unamortized plant acquisition adjustment related to the asset.

**Nonregulated Activity** - the provision of competitive retail gas or electric services or other products or services over which the commission exerts no regulatory authority.

**Person** - includes natural persons, partnerships, corporations, and two (2) or more persons having a joint or common interest.

**Prevailing Market Pricing** - a generally accepted market value that can be substantiated by clearly comparable transactions, auction or appraisal.

**Rate** - any individual or joint fare, toll, charge, rental, or other compensation for service rendered by any utility, and any rule, regulation, practice, act, requirement, or privilege in any way relating to such fare, toll, charge, rental, or other compensation, and any schedule or tariff or part of a schedule or tariff thereof.

**Regulated Activity** - a service provided by a utility, the rates and charges of which are regulated by the Commission.

**Retail Electric Service** - electric service furnished to a consumer for ultimate consumption.

**Service** - any practice or requirement in any way relating to the service of any utility, including the voltage of electricity, the heat units and pressure of gas, the purity, pressure, and quantity of water, and in general the quality, quantity, and pressure of any commodity or product used for or in connection with the business of any utility.

**Shared Services** - those centrally-managed services that benefit both the utility and its affiliates/divisions.

**Solicit** - to engage in or offer for sale a good or service, either directly or indirectly and irrespective of place or audience.

**Subsidize** - the recovery of costs or the transfer of value from one class of customer, activity, or business unit that is attributable to another.

**USoA – Uniform System of Accounts** - a system of accounts for public utilities established by the Rural Utilities Service (RUS) of the United States Department of Agriculture and adopted by the Commission.

**Utility** - a natural person, partnership, or corporation (except a city) who owns, controls, operates or manages a facility in connection with the generation, production, transmission, or distribution of electricity to or for the public, for compensation, for lights, heat, power, or other uses.

**Utility Revenue** - operating electric revenue as reported on Page 1, line 4, of RUS Form 12a.

**Wholesale Electric Service** - electric service generated or purchased and furnished to a retail electric company or another wholesale electric company for further distribution.

## **Regulated and Nonregulated Divisions and Affiliates and Related Services & Products**

### **Regulated Division**

#### **East Kentucky Power Cooperative, Inc.**

East Kentucky Power Cooperative, Inc. is a regulated not-for-profit generation and transmission cooperative utility whose primary function is the delivery of wholesale electric service to its 16 member cooperatives. Additionally, EKPC provides other regulated support services such as research and development dealing with power generation and power delivery, load research, rate research, educational programs relating to efficient use of electricity, and economic development.

### **Nonregulated Affiliates**

#### **Alliance for Cooperative Energy Services Power Marketing (ACES Power Marketing)**

EKPC entered into a power marketing agreement with several other generation and transmission cooperatives. This group, ACES Power Marketing, is an organization formed primarily to purchase and sell power. In addition to purchasing and selling power, ACES Power Marketing provides services such as portfolio modeling, trading controls, credit analysis, scheduling, trading, load management, and contract management.

#### **Envision Energy Services, LLC (Envision)**

Envision is a partnership of electric cooperatives in central and eastern Kentucky. Envision offers services to commercial and industrial customers that go beyond services offered by regulated utilities. These services include: infra-red surveys, emergency power, installation of lighting upgrades and related maintenance, power factor correction, energy bill analysis, energy management systems, power quality solutions, performance contracting, and natural gas sales. EKPC shares employees, office space, fleet vehicles, telephone services, and office equipment with Envision. Envision's main office space is in Danville, KY.

#### **Propane Gas Program**

EKPC and four of its members have established partnerships in the business of providing propane gas to residential customers. EKPC is primarily an investing partner with limited operational involvement and expenses in each of these partnerships.

### Nature of Transactions

#### **From the Utility to the Affiliate/Division**

Goods, services and use of assets provided by the regulated utility to the nonregulated affiliate/division shall be at the tariffed rate. Non-tariffed items shall be priced at the fully distributed cost or prevailing market price, if available, whichever is greater.

The transfer or sale of assets by the utility to the nonregulated affiliate shall be priced at the greater of the utility's net book value or prevailing market price, if available.

Goods or services provided by a regulated utility to an affiliated regulated utility shall be priced at fully distributed cost.

#### **From the Affiliate/Division to the Utility**

Goods, services and use of assets provided by the nonregulated affiliate/division to the regulated utility shall be at the lower of the affiliate's fully distributed cost or prevailing market price, if available.

The transfer or sale of assets by the nonregulated affiliate to the regulated utility shall be priced at the lower of the affiliate's net book value or prevailing market price, if available.

The transfer or sale of assets between regulated affiliates shall be at the net book value.

### **Cost Allocation Methodologies**

Certain costs are shared by both regulated and nonregulated divisions and affiliates. The allocation methods of these shared costs are discussed below. Representative rates are developed to apply to a measurable unit and costs relating to nonregulated activities are transferred to nonregulated accounts. These rates are based on actual costs and reviewed at least annually.

#### **Direct Labor Hours**

Costs will be allocated proportionally based on the number of direct labor hours recorded for each activity.

#### **Direct Labor Dollars**

Costs will be allocated proportionally based on the amount of labor dollars recorded for each activity.

#### **Occupancy**

Costs will be allocated proportionally based on the size of the workspace devoted to a particular activity.

#### **Miles Driven**

Costs will be allocated proportionally based on miles driven.

#### **Hours Used**

Costs will be allocated proportionally based on hours recorded for the use of machinery and equipment.

#### **Number of Equipment Units**

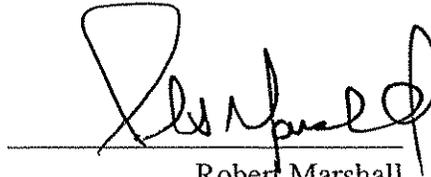
Costs will be allocated proportionally based on number of equipment units devoted to a particular activity.

#### **Global - Proportional on All Other Expenses**

Costs are allocated proportionally based on directly assigned expenses.

**ADOPTION STATEMENT**

East Kentucky Power Cooperative, Inc. certifies that a Cost Allocation Manual (CAM) has been developed, pursuant to KRS 278.2205 as required in House Bill 897. This "CAM", originally effective on January 1, 2002, has been revised as detailed in this filing, effective April 1, 2007.

A handwritten signature in black ink, appearing to read "Robert Marshall", is written over a horizontal line.

Robert Marshall  
President & CEO

Chart of Accounts

Revenue and Expense Accounts

All revenues and expenses will be directly assigned where appropriate, otherwise, they will be allocated according to the cost allocation method identified below.

Acct	Description	Regulated	Non-Regulated	Direct Labor Hrs	Direct Labor Dollars	Occupancy	Miles Driven	Hours Used	Number of Equip Units	Global Allocator	Comments
40100	Operation Expense	x									
40200	Maintenance Expense	x									
40300	Depr Exp Steam Trans Gen CB	x									
40310	Depr Exp Steam Prod Plnt Lab	x									
40311	Depr Exp Steam Prod Plnt Dale	x									
40312	Depr Exp Steam Prod Plnt Cooper	x									
40313	Depr Exp Steam Prod Plant CB	x									
40314	Depr Exp Steam Prod Plnt Spur 2	x									
403144	Depr Exp Steam Prod Plt Gilbert	x									
40315	Depr Exp Steam Prod Plnt SpurC	x									
40316	Depr Exp Diesel Generator	x									
40340	Depr Exp CT Common	x									
403406	Depr Exp CT Unit 6	x									
403407	Depr Exp CT Unit 7	x									
40341	Depr Exp CT Unit 1	x									
40342	Depr Exp CT Unit 2	x									
3	Depr Exp CT Unit 3	x									
40344	Depr Exp CT Unit 4	x									
40345	Depr Exp CT Unit 5	x									
40346	Depr Exp Green Valley Landfill	x									
40347	Depr Exp Laurel Ridge Landfill	x									
40348	Depr Exp Bavarian Landfill	x									
403481	Depr Exp Hardin Co Landfill	x									
40349	Depr Exp Diesel Generator	x									
40350	Depr Exp Transmission Plant	x									
40351	Depr Exp Transmission Plant CB	x									
40360	Depr Exp Distribution Plant	x									
40361	Depr Exp Distribution Plant CB	x									
40370	Depr Exp General Plant	x									
40371	Depr Exp General Plant-CB	x									
40372	Depr Exp General Plant-Nonreg.		x								
40500	Amortization Intangible Plant	x									
40810	Taxes Property-Regulated	x									
40811	Taxes Property CB Spurlock 1	x									
40812	Taxes Property--Nonregulated		x								
40820	Taxes Federal Unemployment	x	x			x					
40830	Taxes FICA	x	x			x					
40840	Taxes State Unemployment	x	x			x					
40870	Taxes Other	x									
40900	Income Taxes-Regulated	x									
40901	Income Taxes-Nonregulated		x								
2	Taxes - Indiana Dept of Revenue		x								
41180	Gain Disposition of Allowance	x									
41710	Expenses Nonutility Operations-Other/ACES		x	x	x	x	x				
41711	Expense from Nonutility Oper--Propane		x	x	x	x	x				
41712	Expense from Nonutility Oper--Envision		x	x	x	x	x				

Revenue and Expense Accounts

All revenues and expenses will be directly assigned where appropriate, otherwise, they will be allocated according to the cost allocation method identified below.

Acct	Description	Regulated	Non-Regulated	Direct Labor Hrs	Direct Labor Dollars	Occupancy	Miles Driven	Hours Used	Number of Equip Units	Global Allocator	Comments
41900	Interest and Dividend Income-Regulated	X									
41902	Interest and Dividend Income--Nonreg		X								
41910	Interest Inc Inland Container	X									
41911	Allowance Other Funds used Const	X									
42100	Misc Income Interest--Reg	X									
42101	Misc Income Interest--Nonreg		X								
42102	Misc Income Other Regulated	X									
42110	Gain Disposition of Property--Reg	X									
42111	Gain Disposition of Property--Nonreg		X								
42120	Loss Disposition of Property--Reg	X									
42121	Loss Disposition of Property--Nonreg		X								
42400	Oth Cap Cred Patr Cap Alloc	X									
42610	Donations	X									
42620	Life Insurance	X									
42630	Penalties	X									
42640	Civic and Political Activities	X									
42640	Other Deductions-Regulated	X									
42651	Discount Lost	X									
42652	Other Deductions Nonregulated		X								
42710	Interest RUS Construction Loan	X									
42711	Interest RUS Const Loan CB	X									
42712	Interest on FFB Const Loan	X									
42713	Int Oth LTD CFC Cr Facility	X									
427131	Int Oth LTD Sr Cr Facility	X									
42714	Int Oth LTD CFC ETC's	X									
42715	Int Oth LTD CFC-CT6-7 Bridge	X									
427151	Int Oth LTD CFC-CT8-12	X									
42716	Int Oth LTD CFC-CT6-7 Br CTC	X									
427161	Int Oth LTD CFC-CT8-12 CTCs	X									
42717	Int Oth LTD CFC T62	X									
42718	Int Oth LTD CFC R12	X									
42719	Int Oth LTD NCSC Inland	X									
42720	Int Oth LTD CFC P12 Loan	X									
42721	Interest-Oth Ltd-Exp-CFC CB	X									
42723	Int Oth LTD CFC CTC Invest	X									
42725	Int Oth LTD Smith Poll Control	X									
42727	Int Oth LTD Cooper PCB	X									
42729	Int Oth LTD Spur Poll Control	X									
42730	Int Chrg Const CR FFB RUS	X									
42731	Int Chrg Const CR CT	X									
42802	Amrt Dbt Disc Exp Spur PCB ISS	X									
42803	Amrt Dbt Disc Exp Smth PCB ISS	X									
42804	Amrt Dbt Exp Repricing Premium	X									
42805	Amrt Dbt Disc Exp Coop PCB ISS	X									
42806	Amrt Dbt Exp Sr Cr Fac	X									
43100	Other Interest Expenses-Reg	X									

Revenue and Expense Accounts

All revenues and expenses will be directly assigned where appropriate, otherwise, they will be allocated according to the cost allocation method identified below.

Acct	Description	Regulated	Non-Regulated	Direct Labor Hrs	Direct Labor Dollars	Occupancy	Miles Driven	Hours Used	Number of Equip Units	Global Allocator	Comments
43101	Other Interest Expenses-Nonreg		x								
44710	Sales Resale RUS Borr Mbr Coop	x									
44711	Sales Resale RUS Borr Off Sys	x									
44713	Sales-Resale-Mbr Co-op Green Power	x									
44720	Sales Resale NON RUS Off Sys	x									
45100	Miscellaneous Service Revenues-Reg	x									
45101	Miscellaneous Service Revenues-Nonreg		x								
45401	Rent From Electric Property--Reg	x									
45402	Rent From Electric Property--Nonreg		x								
45600	Oth Elect Rev Wheeling	x									
45601	Oth Elect Rev TVA Monticello	x									
45602	Oth Elect Rev Bedford Sub	x									
45603	Oth Elect Rev Sales Tax Compen	x									
45604	Oth Elect Rev Misc	x									
45605	Oth Elect Rev Zula Sub Rent	x									
45606	Oth Elect Rev Steam Inland Con	x									
45609	Oth Elect Rev Facility Chg Gal	x									
45610	Oth Elect Rev Wheeling Gallati	x									
45612	Oth Elect Rev Chg Tay	x									
45613	Oth Elect Rev Chg Fle	x									
45632	Oth Rev Oth Tran NonFirm Pt P	x									
45633	Oth Rev Oth Tran Anc Srv 3_1	x									
45634	Oth Rev Oth Tran Anc Svc 3_2	x									
50020	Operation Supr Engr Dale	x									
50030	Operation Supr Engr Cooper	x									
50040	Operation Supr Engr Spk	x									
50041	Operation Supr Engr Spk 1	x									
50042	Operation Supr Engr Spk 2	x									
50043	Operation Supr Engr Scrubber	x									
50044	Oper Supr Engr Gilbert	x									
50120	Fuel Coal Dale	x									
50121	Fuel Oil Dale	x									
50130	Fuel Coal Cooper	x									
50131	Fuel Oil Cooper	x									
50141	Fuel Coal Spk 1	x									
50142	Fuel Coal Spk 2	x									
50144	Fuel Coal Gilbert	x									
50145	Fuel TDF Gilbert	x									
50146	Fuel Oil Spk 1	x									
50147	Fuel Oil Spk 2	x									
50148	Fuel Oil Gilbert	x									
50200	Steam Expenses Dale	x									
50230	Steam Expenses Cooper	x									
50240	Steam Expenses Spurlock	x									
50241	Steam Expenses Spk 1	x									
50242	Steam Expenses Spurlock 2	x									

Chart of Accounts

Revenue and Expense Accounts

All revenues and expenses will be directly assigned where appropriate, otherwise, they will be allocated according to the cost allocation method identified below.

Acct	Description	Regulated	Non-Regulated	Direct Labor Hrs	Direct Labor Dollars	Occupancy	Miles Driven	Hours Used	Number of Equip Units	Global Allocator	Comments
50243	Steam Expenses Scrubbers	x									
50244	Steam Expenses Gilbert	x									
50520	Electric Expenses Dale	x									
50530	Electric Expenses Cooper	x									
50540	Electric Expenses Spurlock	x									
50541	Electric Expenses Spurlock 1	x									
50542	Electric Expenses Spurlock 2	x									
50544	Electric Expenses Gilbert	x									
50620	Misc Steam Power Exp Dale	x									
50621	Misc Steam Power Exp Env Dale	x									
50625	Misc Steam Power Expenses	x									
50630	Misc Steam Power Exp Cooper	x									
50631	Misc Steam Power Exp Env Cpr	x									
50640	Misc Steam Power Exp Spurlock	x									
50641	Misc Steam Power Exp Spurlock 1	x									
50642	Misc Steam Power Exp Spurlock 2	x									
50643	Misc Steam Power Exp Scrubbers	x									
50644	Misc Steam Power Exp Gilbert	x									
506444	Misc Steam Power Exp Env Gilbert	x									
50645	Misc Steam Power Exp Env Splk Com	x									
50646	Misc Steam Power Exp Env Splk 1	x									
50647	Misc Steam Power Exp Env Splk 2	x									
50648	Misc Steam Power Exp Env Scrubbers	x									
50920	Allowances Dale	x									
50930	Allowances Cooper	x									
50940	Allowances Spurlock	x									
50944	Allowances Gilbert	x									
50950	Allowances Smith	x									
51020	Main Superv Engr Dale	x									
51030	Maint Superv Engr Cooper	x									
51040	Maint Superv Engr Spurlock	x									
51041	Maint Superv Engr Spurlock 1	x									
51042	Maint Superv Engr Spurlock 2	x									
51043	Maint Superv Engr Scrubbers	x									
51044	Maint Superv Engr Gilbert	x									
51110	Maint Of Structures Centrl Lab	x									
51120	Maint Of Structures Dale	x									
51130	Maint Of Structures Cooper	x									
51140	Maint Of Structures Spurlock	x									
51141	Maint Of Structures Spurlock 1	x									
51142	Maint Of Structures Spurlock 2	x									
51143	Maint Of Structures Scrubbers	x									
51144	Maint Of Structures Gilbert	x									
51220	Maint of Boiler Plant Dale	x									
51230	Maint Of Boiler Plant Cooper	x									
51240	Maint of Boiler Plant Spurlock	x									

Revenue and Expense Accounts

All revenues and expenses will be directly assigned where appropriate, otherwise, they will be allocated according to the cost allocation method identified below.

Acct	Description	Regulated	Non-Regulated	Direct Labor Hrs	Direct Labor Dollars	Occupancy	Miles Driven	Hours Used	Number of Equip Units	Global Allocator	Comments
51241	Maint Of Boiler Plant Spurlock	X									
51242	Maint of Boiler Plant Spurlock	X									
51243	Maint of Boiler Plant Scrubber	X									
51244	Maint of Boiler Plant Gilbert	X									
51320	Maint Of Electric Plant Dale	X									
51330	Maint Of Electric Plant Cooper	X									
51340	Maint of Electric Plant Spurlock	X									
51341	Maint Of Electric Plant Spurlock	X									
51342	Maint Of Electric Plant Splk 2	X									
51343	Maint Of Electric Plant Scrubb	X									
51344	Maint Of Electric Plant Gilbert	X									
51410	Maint Of Misc Steam Plant Lab	X									
51420	Maint Of Misc Steam Plant Dale	X									
51430	Maint Of Misc Steam Plant Cpr	X									
51440	Maint Of Misc Steam Plant Spk	X									
51442	Maint Of Misc Steam Plant Spk	X									
3	Maint Of Misc Steam Plant Scru	X									
51444	Maint Of Misc Steam Plant Gilbert	X									
54651	Operation Superv Engr CT	X									
54661	Other Supv Engr - Landfill Gas	X									
54710	Fuel Diesel Generator	X									
54711	Fuel CT Oil	X									
54712	Fuel Diesel Generator Cooper	X									
54721	Fuel CT Gas	X									
54761	Fuel Landfill Gas / Meth Gas	X									
54851	Generation Expense CT	X									
54861	Generation Expense Landfill Gas	X									
54900	Misc Oth Pwr Generation Exp DG	X									
54951	Misc Oth Power Genr Exp CT	X									
54961	Environmental Expense CT	X									
54962	Environmental Expense Landfill	X									
54963	Misc Oth Pwr Gen Exp - Landfill	X									
55000	Rents Other Power Generation	X									
55151	Maint Super Engr CT	X									
55161	Maint Super Engr_Landfill Gas	X									
55251	Maintenance of Structures	X									
55261	Maintenance of Structures LG	X									
55300	Maint Gen Elect Equipment DG	X									
55351	Maint Gen Elect Eq CT	X									
55361	Maint Gen Elec Eq Landfill Gas	X									
55451	Maint Misc Oth Pwr Gen Plant	X									
55500	Purchased Power	X									
55600	System Control Load Dispatch	X									
55700	Long-Term Power Supply Expenses	X									
55701	Oth Exp Load Forecasting	X									
55702	Other Expense - Broker Fees	X									

Revenue and Expense Accounts

All revenues and expenses will be directly assigned where appropriate, otherwise, they will be allocated according to the cost allocation method identified below.

Acct	Description	Regulated	Non-Regulated	Direct Labor Hrs	Direct Labor Dollars	Occupancy	Miles Driven	Hours Used	Number of Equip Units	Global Allocator	Comments
56000	Oper Supv and Engineering	X									
56100	Load Dispatch Transmission	X									
56200	Station Expenses	X									
56300	Overhead Line Expenses	X									
56500	Trans Elect by Others	X									
56501	Trans Elect Oth KU Gallatin	X									
56600	Misc Trans Expenses	X									
56700	Rents	X									
56800	Maint Supv and Engineering	X									
57000	Maint Station Equipment	X									
57100	Maint OH Lines Line Maint	X									
57300	Maint Misc Transmission Plant	X									
58100	Load Dispatch Distribution	X									
58200	Distribution Station Expenses	X									
59200	Maint of Dist Station Eq	X									
90400	Uncollectible Accounts	X									
90500	Supervision-Regulated	X									
90500	Customer Assistance-Regulated	X									
90900	Info/Instruct Ad-Safety, Technology, Conservation	X									
91000	Info/Instruct Ad--Environmental Education - Reg	X									
91300	Advertising Expenses - Regulated	X									
92000	Administrative General Salaries	X		X	X	X	X				
92100	GA Office Supplies & Expenses	X		X	X	X	X				
92300	Outside Services - Regulated	X									
92301	Outside Services - Nonregulated		X								
92400	Property Insurance	X								X	
92500	Injuries and Damages	X			X						
92600	Employee Pensions Benefits	X		X	X						
92800	PSC Annual Assessment	X									
92900	Dupl Chgs Cr Elect HD WH	X									
92932	Oth Rev EKPC Tran NonFrm Pt Pt	X									
92933	Oth Rev EKPC Tran Anc Svc 3_1	X									
92934	Oth Rev EKPC Tran Anc Svc 3_2	X									
92940	Oth Rev Internal Trans Reserv	X									
93010	General Advertising Expenses	X									
93020	Misc Gen Exp Directors Fees	X		X	X						
93021	Misc General Exp Dues-Reg.	X									
93022	Misc Gen Exp Mbr Public Rel-Reg	X		X	X	X	X				
93023	Misc Gen Exp Tax Ins Alloc	X									
93025	Misc Gen Exp Labor Exp RD-Regulated	X									
93026	Misc Gen Exp RD-Wastewater Services - Reg	X									
93026	Maint General Plant Winchester	X				X					



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 17**

**RESPONSIBLE PERSON: Ann F. Wood**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 17.** Refer to the Application, Exhibit F, Schedule 25. Provide the in-service dates of the Powell Taylor transmission line and the four substations. If the actual final cost of the project is different than the amount shown on Schedule 25, include the actual final cost of the project.

**Response 17.** Referring to the Application, Exhibit F, Schedule 25, below are the in service dates and actual final costs of the Powell Taylor transmission line and the four substations.

	In Service Date	Cost at In Service Date
Powell-Taylor Line 138KV	1/16/07	\$995,557
Powell-Taylor Sub	1/16/07	\$812,070
Southpoint Sub	3/6/07	\$695,196
Bluegrass Parkway Sub	12/1/06	\$631,037
Cedar Grove Sub	1/3/07	\$1,255,173



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 18**

**RESPONSIBLE PERSON: William A. Bosta**

**COMPANY: East Kentucky Power Cooperative, Inc.**

**Request 18.**

Refer to the Application, Exhibit F, Schedule 26.

- a. Explain why EKPC did not propose to normalize its PSC Assessment to reflect the effects of its proposed adjustments to test-year revenues.
- b. Would EKPC agree that the normalization of the PSC Assessment should reflect the effects of all revenue normalizations and the final increase in revenues authorized in this case? Explain the response.
- c. Would EKPC agree that the normalization of the PSC Assessment should reflect the current PSC Assessment rate? Explain the response.

**Response 18.**

- a. The PSC Assessment adjustment was based on the application of the PSC assessment rate to the difference in going-level test year revenue and proposed revenue (including the proposed rate increase). That incremental increase in base rate revenue was then increased to reflect the effect of the PSC fee on the going-level increase in revenues. As a result, EKPC did take into account annualized revenues for both existing rates and proposed rates in deriving the adjustment.
- b. Yes. The final revenue increase should include a provision for the PSC Fee associated with the going-level increase in revenues.
- c. Yes. The rate used by EKPC was the rate in effect for 2006 that was based on 2005 information.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2006-00472**

**THIRD DATA REQUEST RESPONSES**

**COMMISSION STAFF'S THIRD DATA REQUEST DATED 05/01/07**

**REQUEST 19**

**RESPONSIBLE PERSON:** Frank J. Oliva

**COMPANY:** East Kentucky Power Cooperative, Inc.

**Request 19.** Refer to EKPC's proposed 2007 budget, which was filed in this record on March 20, 2007.

- a. Did EKPC's Board of Directors approve and adopt this proposed 2007 budget?
- b. If the filed proposed 2007 budget was not approved, identify all differences between the proposed and adopted 2007 budget.
- c. The proposed 2007 budget filed on March 20, 2007 reflects a significant increase in off-system power sales when compared to calendar year 2006 actual off-system power sales. Explain in detail why EKPC did not propose an adjustment in its rate application to reflect this increased level of off-system power sales.

**Response 19.**

- a. Yes, EKPC's Board of Directors approved and adopted this proposed 2007 budget on December 5, 2006.
- b. Not applicable.
- c. This application for a general adjustment of electric rates is based on the historical test year of 12-months ended September 30, 2006. EKPC did not propose an adjustment in its rate application to reflect the increased level of off-system power sales included in the proposed 2007 budget since sales are subject to power market conditions and generation availability. Even though the 2007 proposed budget projects

gross revenue from off-system power sales to be over \$32 million, it is assumed in the budget assumptions that many of these sales are made off of combustion turbine generation, resulting in a higher cost of sales and a low margin per MWh. Budget margins from off-system sales are budgeted to be only \$615,000 for 2007.