COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF	)	
THE FUEL ADJUSTMENT CLAUSE OF EAST	)	CASE NO.
KENTUCKY POWER COOPERATIVE, INC. FROM	)	2002-00432
NOVEMBER 1, 2000 TO OCTOBER 31, 2002	)	

COMMISSION STAFF S INTERROGATORIES AND REQUESTS
FOR PRODUCTION OF DOCUMENTS TO
EAST KENTUCKY POWER COOPERATIVE, INC.

Pursuant to 807 KAR 5:001, Commission Staff requests that East Kentucky Power Cooperative, Inc. (East Kentucky) file the original and 8 copies of the following information with the Commission no later than February 7, 2003, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Provide the following information for the 2-year review period ending October 31, 2002:

a. Describe the extent to which East Kentucky purchased synfuel products to burn as a fuel in its generating units. Include East Kentucky s assessment of its experience with burning synfuel in its generating units.

b. If applicable, provide a schedule of all East Kentucky synfuel purchases, on a monthly basis, in the same format as the analysis of fuel purchases included in East Kentucky s monthly FAC backup report filed with the Commission. The schedule should also identify the location / point of origin of the synfuel as reported on East Kentucky s Federal Energy Regulatory Commission (FERC) Form 423.

2. Provide the following information for the 2-year review period ending October 31, 2002:

a. Describe the extent to which East Kentucky purchased petroleum coke to burn as a fuel in its generating units. Include East Kentucky s assessment of its experience with burning petroleum coke in its generating units.

b. If applicable, provide a schedule of all East Kentucky petroleum coke purchases, on a monthly basis, in the same format as the analysis of fuel purchases included in East Kentucky s monthly FAC backup report filed with the Commission. The schedule should also identify the location / point of origin of the synfuel as reported on East Kentucky s FERC Form 423.

3. Refer to Item 5 of the response to the Commission s December 13, 2002 Order, which includes East Kentucky s projected fuel requirements for 2003 and 2004.

a. Describe the reasons for the projected increases in East Kentucky s fuel requirements.

b. Provide a comparison of East Kentucky s fuel requirements, in tons and dollars, for 2001 and 2002 and its projected fuel requirements for 2003 and 2004.

4. Refer to the response to Item 11 of the December 13, 2002 Order.

a. Including the purchases in the response, what is East Kentucky s total capacity available to meet its demand during the current winter heating season?

b. Provide East Kentucky s highest actual peak demand experienced to date in the 2002-2003 winter heating season.

5. Refer to the response to Item 13 of the December 13, 2002 Order. East Kentucky s calculation shows that its 12-month average line loss decreased by nearly 1 percent over the 2-year review period. Describe the contributing factors that East Kentucky believes are responsible for its line loss improvement.

6. Refer to the response to Item 15 of the December 13, 2002 Order.

a. Page 2 shows that the contract with Pine Branch Coal Sales is due to expire in the next few months. Explain whether East Kentucky has any specific plan to replace the tonnage it receives under this contract.

b. Page 5 shows that contracts with AEP Coal, Keystone Industries and Laurel Creek Co. expire during 2003. Explain whether East Kentucky has any specific plans to replace the tonnage it receives under these contracts.

c. Page 6 shows that the contract with Pritchard Mining is due to expire during 2003. Explain whether East Kentucky has any specific plan to replace the tonnage it receives under this contract.

7. Refer to Item 24, page 7, of the response to the December 13, 2002 Order.

a. According to its board agenda item, East Kentucky requested a reduction in coal shipments from Argus in order to maintain its committed contract tonnage at about 60 percent of its total burn. Explain the basis for 60 percent as the contract percentage of East Kentucky s total burn.

b. The former Pen Coal contract renegotiated with Argus provided for deliveries to begin January 1, 2003.

(1) Explain whether any deliveries have been received to date under the renegotiated contract.

(2) Identify any additional developments regarding the contract and projected delivery dates of coal thereunder.

8. Refer to pages 2-5 of the response to Item 26 of the December 13, 2002 Order. Provide an explanation for the differing mixes of spot and contract coal among East Kentucky generating plants.

9. Refer to the response to Item 32(b)(2) of the December 13, 2002 Order, which states that when the FAC was calculated in October a loss factor of 1.94 percent for EKPC line losses was also added to the fuel cost of the off-system sale. Provide the derivation of the loss factor of 1.94 percent, along with a narrative explanation of its derivation. If necessary, provide references to the pertinent monthly FAC reports or monthly backup reports filed with the Commission.

Thomas M. Dorman
Executive Director
Public Service Commission
P.O. Box 615
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DATED: January 27, 2003

cc: Parties of Record