

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC., FOR)
A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO) CASE NO. 2004-00320
CONSTRUCT A 161 KV SUBSTATION)
AND TRANSMISSION LINE IN SPENCER)
COUNTY, KENTUCKY)

COMMISSION STAFF'S SECOND DATA REQUEST 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 5 copies of the following information with the Commission on or before February 25, 2005, 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. Refer to the Testimony of Mary Jane Warner, Exhibit 1, page 6, the cost summary of the four reviewed alternatives. Alternative C requires nearly double the

capital investment by East Kentucky than is indicated under Alternative G. In light of East Kentucky's plans to undertake significant construction projects, including those at its Spurlock and Smith generating sites, does East Kentucky have sufficient funding sources and cash flow available to undertake Alternative C? Explain the response.

2. Refer to Warner Exhibit 1, pages 9-10. Explain in detail how the "Present Worth 2003 \$'s" for each of the two alternatives was derived and provide all supporting calculations.

3. Refer to Warner Testimony, page 3, Question 9. Given ICF's conclusion in its report that Alternatives C and G are very close, explain in more detail why East Kentucky chose Alternative C.

4. Provide a power flow simulation and a summary report to show line loadings and voltage conditions for the following:

- a. Existing conditions.
- b. Projected 2008 load conditions assuming no distribution upgrades.

5. Provide power flow analyses in support of all four proposed system reinforcement alternatives, and specifically for Alternatives A, B, C, and G as described in the application.

6. Provide all workpapers used to support the following assumptions for the alternative scenarios as described in the application:

- a. All the various fixed charge rates.
- b. Inflation.
- c. Present worth factor/discount rates.

7. Provide a single-line diagram of the existing distribution system to explain the various codes used in the power flow output files.

8. Provide a copy of the final environmental report.



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

DATED: February 16, 2005

cc: Parties of Record