

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENT OF ELECTRIC RATES OF) CASE NO.
EAST KENTUCKY POWER COOPERATIVE, INC.) 2008-00409

FIRST DATA REQUEST OF COMMISSION STAFF TO THE
ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

The Attorney General of the Commonwealth of Kentucky, by and through his Office of rate Intervention ("AG"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 9 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than March 19, 2009. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

The AG shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

the AG fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to Appendix B of the Direct Testimony of Michael J. Majoros, Jr. ("Majoros Testimony").

a. Identify the cases in Appendix B in which Mr. Majoros testified on the overall revenue requirement of a generation and transmission ("G & T") cooperative.

b. Identify the cases in Appendix B in which Mr. Majoros testified on the appropriate Times Interest Earned Ratio ("TIER") for a G & T cooperative.

c. Provide the testimony addressing the TIER issue submitted by Mr. Majoros in each of the cases identified in response to part b. of this request.

2. Refer to pages 6-7 of the Majoros Testimony, specifically, Adjustment No. 2 – Depreciation Expense for new combustion turbines ("CTs"). Explain whether the fact that Mr. Majoros proposes no related adjustment to reduce interest expense means he has determined that the forecasted test year of East Kentucky Power Cooperative, Inc. ("EKPC") includes no interest expense affected by the delay in the in-service date of the two new CTs.

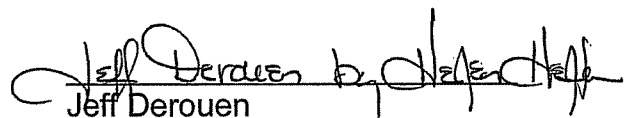
3. Refer to pages 10-11 of the Majoros Testimony, specifically, Adjustment No. 6 – 2004 Forced Outage Amortization.

a. Explain whether Mr. Majoros believes that EKPC has fully recovered the cost of the 2004 forced outage.

b. Mr. Majoros states that the amortization is included in EKPC's current rates. Unless Mr. Majoros believes that EKPC has fully recovered the cost of the 2004 forced outage, explain why the amortization of the remaining cost should not be included in the EKPC rates established in this case.

4. Refer to page 11 of the Majoros Testimony, specifically, Adjustment No. 7 – Financial Software User Training. Mr. Majoros recommends that the cost of the software training not be recovered through rates because it “[i]s a one-time expense.” Provide the pros and cons of eliminating the expense versus amortizing it and explain whether Mr. Majoros considered amortization of this expense item.

5. Refer to pages 11-12 of the Majoros Testimony, specifically, Adjustment No. 8 - Wind Farm Depreciation. Explain whether the fact that Mr. Majoros proposes no related adjustment to reduce interest expense means he has determined that EKPC's forecasted test year includes no interest expense related to construction of a wind farm.



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DATED MARCH 5, 2009

cc: All parties

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