COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MOTION OF EAST KENTUCKY POWER COOPERATIVE,)	
INC. FOR A SIX-MONTH EXTENSION OF TIME TO FILE)	CASE NO.
ITS 2009 INTEGRATED RESOURCE PLAN)	2009-00106

FIRST DATA REQUEST OF COMMISSION STAFF TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days from the date of this request. 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.

EKPC 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 EKPC 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 paragraph 1 of the Motion of East Kentucky Power Cooperative, Inc., for a Waiver of the Integrated Resource Plan Filing Schedule ("Motion"), which states that EKPC's 2009 integrated resource plan ("IRP") is to be filed by March 31, 2009. The filing schedule in 807 KAR 5:058(1) and (2) requires the major jurisdictional electric utilities to file their IRPs triennially, with each utility's filing date so many months from the effective date of the regulation. The effective date of the regulation, July 21, 1995, means that, absent a Commission-approved change in a given utility's schedule, the filing dates fall on either April 21 or October 21 in a given year. Explain how EKPC concluded that the due date for its IRP was March 31.
- 2. Refer to paragraph 2 of EKPC's Motion, which references its air permit requests for Smith Units 1 and 2 and states that they "should be ruled upon by the appropriate permitting agencies in the coming months."
- a. Identify the permitting agencies from which EKPC is awaiting rulings on its air permit requests.
- b. State when EKPC submitted the air permit requests for the two units?

- c. Explain whether the permitting agencies identified in response to part a. of this request are limited, by either statute or administrative regulation, as to the amount of time in which they must rule on EKPC's air permit requests.
- d. EKPC has requested a six-month extension of time to file its integrated resource plan ("IRP"). What assurance does EKPC have that its air permit requests will have been ruled upon within the next six months?
- e. Typically, an IRP is considered a "snap shot" of a utility's resource plan at a given point in time, which is recognized as being subject to change if the assumptions on which it is based change. With that background, explain in detail why EKPC does not believe it can develop an "accurate and reliable IRP" while its air permit requests are pending.
- f. In its 2006 IRP, EKPC included Smith 1 as a projected capacity addition. Explain what has occurred since then to lead EKPC to believe that its 2009 IRP should be delayed, pending a decision on the air permit, rather than file the IRP now with Smith 1 identified as a projected addition.
- g. If the air permit for Smith 1 is denied, describe the steps that will be required of EKPC to revise its IRP to reflect the elimination of that planned addition and the substitution of an alternative. Include an estimate of the time needed for each of the required steps.
- 3. Refer to Paragraph 3 of EKPC's Motion, which references the recent volatility in coal and natural gas prices. The last sentence of the paragraph appears to indicate that EKPC assumes the volatility is going to lessen such that predicting fuel

prices will be less difficult in six months. Explain why EKPC believes that it will be able to predict future fuel prices in six months with more certainty than at the present time.

- 4. Refer to paragraph 6 of the Motion, which refers to regulatory issues and proceedings that have resulted in EKPC staff being extremely busy. Explain whether its staff's involvement in these matters has prevented EKPC from having begun the work necessary to prepare an IRP.
- a. Identify when EKPC's most recent load forecast was prepared, what period of time it covers, and explain whether it is the load forecast upon which EKPC intends to base its IRP.
- b. Describe the extent to which EKPC has analyzed and developed demand-side management programs above and beyond those included in its 2006 IRP.
- c. EKPC is in the process of putting Spurlock 4 into commercial operation and, as stated in the Motion, has air permit requests pending on additional base load generating facilities, namely Smith Units 1 and 2. Identify and describe any current plans EKPC has for additional generation other than Smith 1 and 2.
- 5. Explain in detail how EKPC determined that it needs an extension of six months to prepare its IRP, as opposed to a shorter period of time. Identify the specific portions of the IRP that have been completed and the specific actions that must still be performed to complete the IRP and provide an estimate of the amount of time needed to complete the IRP.

Jeff Derouen

Executive Director
Public Service Commission

P. O. Box 615

Frankfort, Kentucky 40602

DATED MAR 2 7 2009

All Parties cc:

Mark David Goss Frost, Brown, Todd, LLC 250 West Main Street Suite 2700 Lexington, KY 40507

Ronnie Thomas Operations Superintendent East Kentucky Power Cooperative 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707