

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

OWEN ELECTRIC COOPERATIVE, INC. PASS-)
THROUGH OF EAST KENTUCKY POWER) CASE NO. 2010-00179
COOPERATIVE, INC. WHOLESALE RATE)
ADJUSTMENT)

COMMISSION STAFF'S SECOND INFORMATION REQUEST
TO OWEN ELECTRIC COOPERATIVE, INC.

Pursuant to 807 KAR 5:001, Owen Electric Cooperative, Inc. ("Owen") is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before August 26, 2010. 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 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.

Owen 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

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

Careful attention should 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.

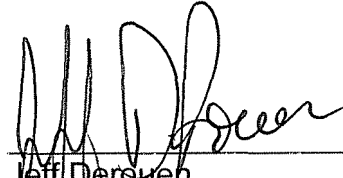
1. Refer to Exhibit 3 of the application, page 6 of 7, and East Kentucky Power Cooperative Corporation, Inc. ("EKPC") Case No. 2010-00167,¹ Volume 5 of the application, Tab 58, page 11 of 13.

a. The difference between the current rates for the Special Contract-Gallatin shown in Exhibit 3 and the current rates shown for the Large Special Contract in the EKPC case appears to be the demand and energy mark-up imposed by Owen to Gallatin. Explain why, in calculating the proposed rates, Owen increased the present rates by 4.58 percent rather than using the EKPC proposed rates and adding the mark-up.

b. The EKPC filing shows the proposed total increase for Gallatin Steel to be \$3,121,617 while Owen shows the increase to be \$2,579,821. State the correct amount of the increase for Gallatin.

¹ Case No. 2010-00167, Application of East Kentucky Power Cooperative, Inc. for General Adjustment of Electric Rates (filed June 8, 2010).

c. Refer to Exhibit 3, page 1 of 7. This page shows the increases to each of Owen's rate classes, including the increase of \$2,579,821 to Gallatin. If Gallatin is actually to receive a \$3,121,617 increase, explain why the increases to the other classes should not be reduced so as not to exceed the \$7,682,757 wholesale increase that EKPC is allocating to Owen.



Jeff Derouen
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Public Service Commission
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DATED: AUG 12 2010

cc: Parties of Record

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