



EAST KENTUCKY POWER COOPERATIVE

July 14, 2004

HAND DELIVERED

Ms. Elizabeth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602

**RECEIVED**

JUL 14 2004

PUBLIC SERVICE  
COMMISSION

Re: PSC Case No. 2004-00212

Dear Ms. O'Donnell:

Please find enclosed for filing with the Commission in the above-referenced case an original and four copies of the responses of East Kentucky Power Cooperative, Inc., to the information requests attached to the order in this case dated June 23, 2004. Also enclosed for filing are an original and six copies of an Affidavit of Notice from David G. Eames

Very truly yours,

Charles A. Lile  
Senior Corporate Counsel

Enclosures

Cc: Michael L. Kurtz, Esq.

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 14 2004

PUBLIC SERVICE  
COMMISSION

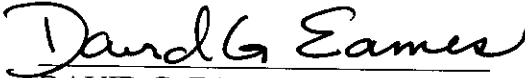
In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE )  
COMMISSION OF THE APPLICATION OF THE )  
FUEL ADJUSTMENT CLAUSE OF EAST ) CASE NO. 2004-00212  
KENTUCKY POWER COOPERATIVE, INC. FROM )  
NOVEMBER 1, 2003 THROUGH APRIL 30, 2004 )

**AFFIDAVIT**

I, David G. Eames, Vice President of Finance and Planning Services of East Kentucky Power Cooperative, Inc., after first being duly sworn, do hereby state that proper notice of the date, time, place and purpose of the hearing in Case No. 2004-00212 before the Public Service Commission was given to the customers of East Kentucky Power Cooperative, Inc. pursuant to the Commission's Order dated June 23, 2004, as evidenced by the attachments hereto which were mailed to such members on July 1, 2004.

FURTHER, THE AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
DAVID G. EAMES  
VICE PRESIDENT OF FINANCE  
AND PLANNING SERVICES

Subscribed and sworn before me this 14th day of July, 2004.

  
\_\_\_\_\_  
NOTARY PUBLIC, Ky. at Large

My Notarial commission expires: 1/27/05.



MEMORANDUM

**TO:** Managers of Member Systems

**FROM:** Roy M. Palk *Roy M. Palk*

**DATE:** July 1, 2004

**SUBJECT:** PSC Case No. 2004-00212, Examination of the Application of the Fuel Adjustment Clause of EKPC from 11/1/2003 to 4/30/2004

This is to provide you with official notice of a public hearing to be held September 16, 2004, at 9:00 a.m., EDT, at the office of the Public Service Commission, Frankfort, Kentucky, for the purpose of examining the application of the fuel adjustment clause from November 1, 2003, to April 30, 2004.

A copy of the Order is attached for your further information.

dge/dd

Attachment

c: Member Systems Office Managers

(FINDIVBENNETT\GENERAL\04-212-MEMO.DOC)

bc: Dave Eames	Bill Bosta
Dale Henley	Ann Wood
Charles Lile	Bennett Hastie
Paul Atchison	Barbara Bowman
George Carruba	Laura Wilson
Randy Dials	Charlene Carle
Jerry Bordes	
Barry Mayfield	

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 14 2004

PUBLIC SERVICE  
COMMISSION

In the Matter of:

AN EXAMINATION OF THE )  
APPLICATION OF THE FUEL )  
ADJUSTMENT CLAUSE OF EAST )  
KENTUCKY POWER COOPERATIVE, ) CASE NO. 2004-00212  
INC. FROM NOVEMBER 1, 2003 )  
THROUGH APRIL 30, 2004 )

O R D E R

Pursuant to 807 KAR 5:056, Section 1(11), IT IS HEREBY ORDERED that:

1. East Kentucky Power Cooperative, Inc. ("East Kentucky") shall appear at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, on September 16, 2004 at 9:00 a.m., Eastern Daylight Time, to submit itself to examination on the application of its fuel adjustment clause ("FAC") from November 1, 2003 through April 30, 2004. Neither opening statements nor witnesses' summaries of pre-filed testimony will be permitted.

2. East Kentucky shall notify its customers in writing of the date, time, place, and purpose of the hearing or shall publish such notice in accordance with 807 KAR 5:011, Section 8(5). East Kentucky shall file an Affidavit of Publication of Hearing Notice with the Commission on the day of the hearing.

3. East Kentucky shall, not later than 21 days from the date of this Order, file with the Commission an original and 4 copies of the information requested in the attached Appendix A. Each copy shall 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. East Kentucky shall furnish with each response the name of the witness who will be available at the public hearing to respond to questions concerning each area of information requested. Careful attention shall be given to copied material to ensure its legibility.

4. Any party who wishes to file testimony in this proceeding or to request information from East Kentucky may petition the Commission for a procedural schedule.

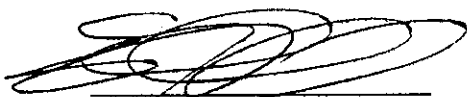
5. All documents that East Kentucky filed with the Commission pursuant to 807 KAR 5:056, Section 1(7) and 1(9), during the period under review are incorporated by reference into the record of this proceeding.

6. The official record of the proceeding shall be by video only, unless otherwise requested by a party to this proceeding.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of June, 2004.

By the Commission

ATTEST:



Executive Director

Case No. 2004-00212

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00212 DATED JUNE 23, 2004

1. For the period from November 1, 2003 through April 30, 2004, list each vendor from whom coal was purchased and the quantities and the nature of each purchase (e.g., spot or contract).

2. For each generating station or unit for which a separate coal pile is maintained, state for the period from November 1, 2003 through April 30, 2004 the actual amount of coal burned in tons, actual amount of coal deliveries in tons, total KWH generated, and actual capacity factor at which the plant operated.

3. List all firm power commitments for East Kentucky from November 1, 2003 through April 30, 2004 for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

4. Provide a monthly billing summary for sales to all electric utilities for the period November 1, 2003 through April 30, 2004.

5. List East Kentucky's scheduled, actual, and forced outages between November 1, 2003 and April 30, 2004.

6. List all existing fuel contracts categorized as long-term (i.e., more than 1 year in length). Provide the following information for each contract:

- a. Supplier's name and address.
- b. Name and location of production facility.
- c. Date when contract executed.
- d. Duration of contract.

- e. Date(s) of each contract revision, modification or amendment.
- f. Annual tonnage requirements.
- g. Actual annual tonnage received since the contract's inception.
- h. Percent of annual requirements received during the contract's term.
- i. Base price.
- j. Total amount of price escalations to date.
- k. Current price paid for coal under the contract (i + j).

7. a. Does East Kentucky regularly compare the price of its coal purchases with those paid by other electric utilities?

b. If yes, state:

(1) How East Kentucky's prices compare with those of other utilities for the review period.

(2) The utilities that are included in this comparison and their location.

8. What percentage of East Kentucky's coal, as of the date of this Order, is delivered by:

- a. rail?
- b. truck?
- c. barge?

9. a. State East Kentucky's coal inventory level in tons and in number of days' supply as of April 30, 2004.

b. Describe the criteria used to determine number of days' supply.

c. Compare East Kentucky's coal inventory as of April 30, 2004 to its inventory target for that date.

d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.

e. (1) Does East Kentucky expect any significant changes in its current coal inventory target within the next 12 months?

(2) If yes, state the expected change and the reasons for this change.

10. a. Has East Kentucky audited any of its coal contracts during the period from November 1, 2003 through April 30, 2004?

b. If yes, for each audited contract:

(1) Identify the contract.

(2) Identify the auditor.

(3) State the results of the audit.

(4) Describe the actions that East Kentucky took as a result of the audit.

11. a. Has East Kentucky received any customer complaints regarding its fuel adjustment clause during the period from November 1, 2003 through April 30, 2004?

b. If yes, for each complaint, state:

(1) The nature of the complaint.

(2) East Kentucky's response.



12. a. Is East Kentucky currently involved in any litigation with its current or former coal suppliers?

b. If yes, for each litigation:

(1) Identify the coal supplier.

(2) Identify the coal contract involved.

(3) State the potential liability or recovery to East Kentucky.

(4) List the issues presented.

(5) Provide a copy of the complaint or other legal pleading that initiated the litigation. If a copy has previously been filed with the Commission, provide the date on which it was filed.

c. State the current status of all litigation with coal suppliers.

13. a. During the period from November 1, 2003 through April 30, 2004, have there been any changes to East Kentucky's written policies and procedures regarding its fuel procurement?

b. If yes,

(1) What were these changes?

(2) Provide these written policies and procedures as changed.

(3) When were these changes made?

(4) Why were they made?

14. a. Is East Kentucky aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from November 1, 2003 through April 30, 2004?

b. If yes, for each violation:

(1) Describe the violation.

(2) Describe the action(s) that East Kentucky took upon discovering the violation.

(3) Identify the person(s) who committed the violation.

15. Identify all changes that occurred during the period from November 1, 2003 through April 30, 2004 in the organizational structure and personnel of the departments or divisions that are responsible for East Kentucky's fuel procurement activities.

16. a. Identify all changes that East Kentucky has made during the period under review to its maintenance and operation practices that also affect fuel usage at East Kentucky's generation facilities.

b. Describe the impact of these changes on East Kentucky's fuel usage.

17. List each written coal supply solicitation issued during the period from November 1, 2003 to April 30, 2004.

a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.

b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals.

(This document should identify all vendors who made offers.) State the reasons for each selection.

18. List each oral coal supply solicitation issued during the period from November 1, 2003 to April 30, 2004.

a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.

b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

19. a. List all intersystem sales during the period under review in which East Kentucky used a third party's transmission system.

b. For each sale listed above,

(1) Describe how East Kentucky addressed for fuel adjustment clause reporting purposes the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system.

(2) State the line loss factor used for each transaction and describe how such line loss factor was determined.

20. Describe each change that East Kentucky made during the period under review to its methodology for calculating intersystem sales line losses.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**INDEX OF MATERIAL PROVIDED IN RESPONSE  
TO PSC ORDER DATED JUNE 23, 2004**

**CASE NO. 2004-00212**

<b><u>ITEM NO.</u></b>	<b><u>ITEM DESCRIPTION</u></b>	<b><u>WITNESS</u></b>
1.	Coal Vendors .....	Jerry Bordes
2.	Coal Stockpile Data .....	Jerry Bordes
3.	Firm Power Commitments.....	Frank Oliva
4.	Sales to All Electric Utilities.....	Ann Wood
5.	Copy of East Kentucky Power's Outages .....	Jerry Bordes
6.	List of Existing Long-Term Fuel Contracts .....	Jerry Bordes
7.	Coal Price Comparison Information .....	Jerry Bordes
8.	Method of Coal Delivery Information .....	Jerry Bordes
9.	Coal Inventory Information.....	Jerry Bordes
10.	Audits of Coal Contracts.....	Jerry Bordes
11.	Customer Complaints Regarding FAC .....	Bill Bosta
12.	Litigation With Coal Suppliers .....	Jerry Bordes
13.	Changes to Fuel Procurement Policies.....	Jerry Bordes
14.	Fuel Procurement Policy Violations .....	Jerry Bordes
15.	Changes to Fuel Procurement Organizational Structure.....	Jerry Bordes
16.	Changes to Maintenance and Operation Practices .....	Jerry Bordes
17.	Written Coal Supply Solicitations .....	Jerry Bordes
18.	Oral Coal Supply Solicitations.....	Jerry Bordes
19.	Intersystem Sales Using Third Party Transmission .....	George Carruba
20.	Changes to Line Loss Methodology.....	George Carruba



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 1**

For the period from November 1, 2003, through April 30, 2004 list each vendor from whom coal was purchased and the quantities and the nature of each purchase (e.g., spot or contract).

**Answer 1**

See attached pages 2 through 5.

EAST KENTUCKY POWERS COOPERATIVE, INC.

November 1, 2003 thru April 30, 2004

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

DALE STATION

Vendor Name	NOV '03		DEC '03		JAN '04		FEB '04		MAR '04		APR '04		TOTAL	
	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Total
GATLIFF COAL CO		16,921	11,423	15,788		20,674		30,489					0	95,295
PEVLER COAL SALES	9,099		11,206										20,305	20,305
IKERD COAL CO LLC	5,034		2,726		3,533	1,129					3,228		15,650	15,650
TWYN ENERGIES INC	6,507		3,429										9,936	9,936
ARGUS ENERGY LLC				9,962		9,885		10,231				9,964	0	40,042
JAMES RIVER COAL SALES					8,886	943					27,857		9,829	37,686
B & W RESOURCES					6,321	9,776		18,049			10,671		44,817	44,817
<b>TOTAL</b>	<b>20,640</b>	<b>16,921</b>	<b>17,361</b>	<b>25,750</b>	<b>18,740</b>	<b>11,848</b>	<b>30,559</b>	<b>18,049</b>	<b>40,720</b>	<b>13,899</b>	<b>37,821</b>	<b>100,537</b>	<b>163,194</b>	<b>263,731</b>



EAST KENTUCKY POW ... COOPERATIVE, INC.

November 1, 2003 thru April 30, 2004

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212  
 RESPONSE TO PSC ORDER DATED JUNE 23, 2004

COOPER STATION

Vendor Name	NOV '03		DEC '03		JAN '04		FEB '04		MAR '04		APR '04		TOTAL		
	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Total	
GATLIFF COAL CO		1,350		5,237		7,190				15,396		12,118	0	41,291	41,291
BLUEGRASS SYN FUEL LLC	40,210		40,509		52,464		4,888						138,071	0	138,071
ROM BLEND	17,192		22,261		13,403		30,553		14,311		17,419		115,139	0	115,139
T & T COAL INC					2,080		223		440				2,743	0	2,743
HOOD COAL CORP					371				556		4,340		5,267	0	5,267
B & W RESOURCES INC					423		11,251		10,703		10,621		32,998	0	32,998
HORIZON NATL RES								26,597		24,218		5,938	0	56,753	56,753
JAMIESON CONST CO									11,805		18,527		30,332	0	30,332
<b>TOTAL</b>	<b>57,402</b>	<b>1,350</b>	<b>62,770</b>	<b>5,237</b>	<b>68,741</b>	<b>7,190</b>	<b>46,915</b>	<b>26,597</b>	<b>37,815</b>	<b>39,614</b>	<b>50,907</b>	<b>18,056</b>	<b>324,550</b>	<b>98,044</b>	<b>422,594</b>

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**November 1, 2003 thru April 30, 2004**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**SPURLOCK #1**

Vendor Name	NOV '03		DEC '03		JAN '04		FEB '04		MAR '04		APR '04		TOTAL	
	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.
ARGUS ENERGY		16,276		12,905		7,930		1,636		9,913		10,142	0	58,802
RIVEREAGLE BLEND	1,539		1,516		1,544								4,599	0
LAKEMAN FUEL CORP	3,114												3,114	0
PEVLER COAL SALES	1,660						10,940				16,528		29,128	0
RAG CUMBERLAND RES	20,170				4,629								24,799	0
PEVLER COAL SALES	1,588								5,036				6,624	0
INFINITY COAL SALES	13,051		14,641			23,533		15,910		47,675		4,828	27,692	91,946
SANDY RIVER SYN FUEL	11,075		19,975		9,351								12,716	0
APPALACHIAN FUELS	3,189		1,528		1,551		1,643		4,805				58,149	0
ASSET MGMT GROUP					7,803		25,202		14,149		10,995		0	4,601
LAUREL CREEK CO INC								1,530		1,557		1,514	0	10,153
AEP COAL INC								10,153					19,316	0
RESOURCE FUELS LLC									19,660				38,976	0
<b>TOTAL</b>	<b>55,386</b>	<b>16,276</b>	<b>37,660</b>	<b>12,905</b>	<b>24,878</b>	<b>31,463</b>	<b>37,785</b>	<b>29,229</b>	<b>43,650</b>	<b>59,145</b>	<b>46,839</b>	<b>16,484</b>	<b>246,198</b>	<b>165,502</b>

EAST KENTUCKY POWER COOPERATIVE, INC.

November 1, 2003 thru April 30, 2004

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212  
 RESPONSE TO PSC ORDER DATED JUNE 23, 2004

SPURLOCK #2

Vendor Name	NOV '03		DEC '03		JAN '04		FEB '04		MAR '04		APR '04		TOTAL		
	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Spot	Contr.	Total
LAUREL CREEK CO	9,371		12,380		9,435		10,852		7,822		4,723		0	54,583	54,583
ARCH COAL SALES	15,432		16,382		30,510	15,737	15,592	15,307	21,610	15,871	25,916		93,628	78,729	172,357
APPALACHIAN FUELS	1,604		11,172		12,445		12,462		10,947		17,187		0	65,817	65,817
KEYSTONE IND	11,476		6,392		3,187		1,623	3,183	1,565		4,659		1,623	24,238	25,861
RIVEREAGLE BLEND	1,548		1,555		10,922		6,159						26,408	0	26,408
PEVLER COAL SALES	3,196		1,605		1,641								6,442	0	6,442
INFINITY COAL SALES	17,871		3,216										21,087	0	21,087
PROGRESS FUELS CORP	9,354				6,457								18,998	0	18,998
KEYSTONE INDUSTRIES	1,583		7,939				4,747		6,348		3,187		20,617	0	20,617
AEP COAL INC			10,152		10,963	21,059	9,295	21,670		20,660	9,950		20,258	83,491	103,749
ARGUS ENERGY LLC					24,157		29,586		33,353		28,028		0	115,124	115,124
KIVA SYN FUEL SALES					3,080		4,667		3,116		6,339		17,202	0	17,202
SMI COAL INC							7,969		1,606		9,608		7,969	0	7,969
TWIN ENERGIES INC													11,214	0	11,214
CENTRAL APPALACH MIN											10,457		0	10,457	10,457
ASSET MANAGE GROUP											10,633		10,633	0	10,633
COMPASS COAL SERVICE											11,353		11,353	0	11,353
<b>TOTAL</b>	<b>33,552</b>	<b>37,883</b>	<b>14,315</b>	<b>56,478</b>	<b>63,573</b>	<b>86,020</b>	<b>50,052</b>	<b>93,060</b>	<b>34,245</b>	<b>88,653</b>	<b>71,695</b>	<b>70,345</b>	<b>267,432</b>	<b>432,439</b>	<b>699,871</b>



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 2**

For each generating station or unit for which a separate coal pile is maintained, state for the period from November 1, 2003, through April 30, 2004 the actual amount of coal burned in tons, actual amount of coal deliveries in tons, total KWH generated, and actual capacity factor at which the plant operated.

**Answer 2**

See attached page 2.

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

Station	November	December	January	February	March	April
<b><u>Dale</u></b>						
Tons Burned	45,983.70	54,576.90	53,074.50	49,032.30	46,600.80	47,311.10
Tons Delivered	37,561.12	28,783.25	44,489.99	42,407.57	58,769.40	51,720.92
Generation—Net kWh	99,037,000.00	118,216,000.00	114,729,000.00	107,363,000.00	101,976,000.00	102,579,000.00
Actual Capacity Factor (net)	70.18	81.07	78.68	78.70	69.93	72.69
<b><u>Cooper</u></b>						
Tons Burned	73,956.40	80,120.30	91,380.10	85,665.62	65,501.80	70,522.50
Tons Delivered	58,752.13	68,007.49	75,931.42	73,512.85	77,428.66	68,961.64
Generation—Net kWh	180,822,000.00	187,637,000.00	215,428,000.00	203,115,000.00	158,946,000.00	168,786,000.00
Actual Capacity Factor (net)	73.65	73.96	84.91	85.58	62.65	68.75
<b><u>Spurlock 1</u></b>						
Tons Burned (Inventory 1)	85,261.00	85,065.00	85,816.00	78,310.00	84,572.00	23,325.00
Tons Burned (Inventory 2)	0.00	0.00	0.00	0.00	0.00	0.00
Total Tons Burned	85,261.00	85,065.00	85,816.00	78,310.00	84,572.00	23,325.00
Tons Delivered	71,662.00	50,565.00	56,341.00	67,013.83	102,795.00	63,323.00
Generation—Net kWh	214,165,142.00	208,696,178.00	211,324,198.00	193,320,000.00	207,867,182.00	55,680,837.00
Actual Capacity Factor (net)	91.52	86.31	87.40	85.46	85.97	23.80
<b><u>Spurlock 2</u></b>						
Tons Burned (Inventory 1)	0.00	0.00	0.00	0.00	0.00	0.00
Tons Burned (Inventory 2)	21,230.00	145,460.00	144,600.00	137,567.00	116,569.00	140,919.00
Total Tons Burned	21,230.00	145,460.00	144,600.00	137,567.00	116,569.00	140,919.00
Tons Delivered	71,434.66	70,792.38	149,592.03	143,111.66	122,898.00	142,040.40
Generation—Net kWh	46,630,907.00	357,853,415.00	360,398,567.00	342,586,452.00	283,671,169.00	357,465,671.00
Actual Capacity Factor (net)	12.34	91.62	92.27	93.76	72.62	94.57



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Q.** List all firm power commitments for East Kentucky from November 1, 2003 through April 30, 2004 for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW and the purpose of the commitment (e.g., peaking, emergency).

**A. Purchases**

AEP	150 MW	Nov 2003 – Mar 2004	Peaking
AEP	75 MW	Apr 2004	Peaking
TVA	100 MW	Nov 2003 – Dec 2003	Peaking Energy
Cinergy	30 MW	Jan 2004	Peaking Energy
AEP	50 MW	Jan – Feb 2004	Peaking Energy
Cargill	50 MW	Jan – Feb 2004	Peaking Energy
Cargill	50 MW	Jan – Feb 2004	Peaking Energy
Cinergy	50 MW	Jan – Feb 2004	Peaking Option
Cinergy	50 MW	Jan – Feb 2004	Peaking Option
Cinergy	50 MW	Jan – Feb 2004	Peaking Option
Cinergy	50 MW	Jan – Feb 2004	Peaking Option
SEPA*	170 MW	Nov 2003 – Apr 2004	Peaking Option

**(b) Sales**

None.

\*Southeastern Power Administration





**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Q. Provide a monthly billing summary for sales to all electric utilities for the period November 1, 2003 through April 30, 2004.**
- A. Member Cooperative Sales - Pages 2 through 19.**  
**Other Sales - Pages 20 through 25.**

**EAST KENTUCKY POWER COOPERATIVE INC.**  
 Wholesale Power Accounting  
**CO-OP Totals Billing Summary - CP Tariff**

November 2003

CO-OP Name/EKPC	Month	KW	KWH	Fuel Charge	Mills/KWH	Revenue
BIG SANDY RECC	Month	53,660	21,806,393	14,174	40.47	882,507
	YTD	524,050	240,788,162	492,725	39.82	9,588,534
BLUE GRASS ENERGY	Month	208,969	86,435,642	56,184	39.81	3,440,716
	YTD	2,229,481	1,022,984,859	2,030,564	39.20	40,101,078
CLARK ENERGY COOP	Month	79,625	32,759,769	21,294	40.78	1,335,922
	YTD	827,313	373,574,929	748,415	40.41	15,095,020
CUMBERLAND VALLEY ELECTRIC	Month	94,980	37,741,094	24,533	40.90	1,543,749
	YTD	914,429	423,561,114	861,730	39.85	16,876,957
FARMERS RECC	Month	87,943	38,145,008	24,795	39.28	1,498,327
	YTD	950,006	453,025,815	902,040	38.85	17,601,363
FLEMING MASON RECC	Month	154,786	72,946,078	41,581	35.18	2,566,210
	YTD	1,615,221	834,600,240	1,445,482	35.81	29,889,139
GRAYSON RECC	Month	47,640	20,794,841	13,519	39.84	828,543
	YTD	496,518	223,947,174	444,839	40.29	9,023,307
INTER-COUNTY ECC	Month	88,838	33,044,081	21,479	41.07	1,357,028
	YTD	891,644	377,525,177	775,048	40.60	15,325,833
JACKSON ENERGY COOP	Month	193,654	74,238,222	48,154	41.00	3,044,038
	YTD	1,875,031	833,018,943	1,708,867	39.92	33,255,790
LICKING VALLEY RECC	Month	50,823	21,230,587	13,800	40.43	858,311
	YTD	511,668	233,056,910	473,037	40.21	9,371,238
NOLIN RECC	Month	123,485	54,768,093	35,599	37.87	2,074,233
	YTD	1,339,589	641,242,868	1,267,713	37.90	24,302,139
OWEN EC	Month	287,602	160,182,874	47,469	35.69	5,717,712
	YTD	3,267,474	1,776,838,536	1,669,081	36.64	65,107,364
SALT RIVER RECC	Month	149,157	64,108,744	41,669	39.70	2,545,300
	YTD	1,707,759	773,015,440	1,504,063	39.76	30,738,621
SHELBY ENERGY COOP	Month	71,164	33,397,131	21,668	37.67	1,258,157
	YTD	786,018	394,826,594	785,200	37.58	14,838,390
SOUTH KENTUCKY RECC	Month	231,589	85,675,512	55,686	41.42	3,549,068
	YTD	2,226,939	983,612,878	1,991,147	39.92	39,261,549
TAYLOR COUNTY RECC	Month	98,831	41,601,379	21,570	38.76	1,612,411
	YTD	1,019,940	457,179,417	767,335	39.91	18,247,755
<b>CO-OP Subtotals</b>	Month	2,020,746	876,875,448	503,174	38.81	34,112,232
	YTD	21,183,080	10,042,799,056	17,867,286	38.70	388,624,077

**EAST KENTUCKY POWER COOPERATIVE INC.**  
 Wholesale Power Accounting  
 CO-OP Totals Billing Summary - CP Tariff

November 2003

CO-OP Name/EKPC	KW	KWH	Fuel Charge	Mills/KWH	Revenue
Inland Steam	Month	21,785,721	13,509	26.99	587,944
	YTD	220,326,471	430,928	28.37	6,251,518
Totals	Month	900,661,169	516,663	38.53	34,700,176
	YTD	10,263,125,527	18,298,214	38.48	394,875,595
Burnside	Month	72	18	41.74	1,130
	YTD	529	632	39.02	9,407
East Ky Office	Month	1,046	360	36.40	20,171
	YTD	11,006	13,742	35.40	233,030
Smith Construction	Month	262	66	41.11	4,190
	YTD	2,607	3,354	37.04	51,076
EKPC Subtotals	Month	1,380	444	37.32	25,491
	YTD	14,142	17,728	35.78	293,513
Totals	Month	2,059,226	517,127	38.53	34,725,667
	YTD	21,589,621	18,315,942	38.47	395,169,108

**EAST KENTUCKY POWER COOPERATIVE INC.**  
 Wholesale Power Accounting  
 Green Power Billing Summary

November 2003

CO-OP Name/EKPC	KWH	KWH Charge	Revenue
BLUE GRASS ENERGY	Month	0.02375	304
	YTD		3,524
CLARK ENERGY COOP	Month	0.02375	24
	YTD		164
GRAYSON RECC	Month	0.02375	88
	YTD		316
INTER-COUNTY ECC	Month	0.02375	40
	YTD		383
JACKSON ENERGY COOP	Month	0.02375	74
	YTD		445
NOLIN RECC	Month	0.02375	176
	YTD		523
OWEN EC	Month	0.02375	3,615
	YTD		39,679
SALT RIVER RECC	Month	0.02375	0
	YTD		0
SHELBY ENERGY COOP	Month	0.02375	48
	YTD		196
SOUTH KENTUCKY RECC	Month	0.02375	143
	YTD		635
<b>EKPC Subtotals</b>	Month	0.02375	4,512
	YTD		45,865
<b>Totals</b>	Month	0.02375	4,512
	YTD		45,865

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

December 2003

CO-OP Name/EKPC	Month	KW	KWH	Fuel Charge	Mills/KWH	Revenue
BIG SANDY RECC	Month	62,803	30,831,942	116,854	39.34	1,213,000
	YTD	576,853	271,620,104	608,579	39.77	10,801,534
BLUE GRASS ENERGY	Month	219,181	115,827,751	438,987	40.00	4,633,078
	YTD	2,448,662	1,138,812,610	2,468,551	39.28	44,734,156
CLARK ENERGY COOP	Month	82,263	45,053,754	170,752	40.28	1,814,551
	YTD	808,576	418,628,663	919,167	40.39	16,909,571
CUMBERLAND VALLEY ELECTRIC	Month	93,552	53,097,803	201,242	39.69	2,107,390
	YTD	1,007,981	476,658,917	1,062,972	39.83	18,984,347
FARMERS RECC	Month	96,026	49,590,188	187,698	40.29	1,998,085
	YTD	1,046,032	502,616,003	1,089,738	38.99	19,599,448
FLEMING MASON RECC	Month	157,482	87,184,389	300,029	37.26	3,248,431
	YTD	1,772,703	921,784,629	1,745,511	35.95	33,137,570
GRAYSON RECC	Month	48,711	28,362,161	107,481	39.61	1,123,292
	YTD	545,229	252,308,335	552,330	40.21	10,148,599
INTER-COUNTY ECC	Month	93,092	48,084,421	182,240	40.28	1,936,823
	YTD	984,736	425,608,598	957,288	40.56	17,262,656
JACKSON ENERGY COOP	Month	190,674	106,724,278	404,237	39.54	4,219,618
	YTD	2,065,705	939,743,221	2,113,104	39.88	37,475,408
LICKING VALLEY RECC	Month	51,590	29,605,151	112,203	39.73	1,176,113
	YTD	563,258	262,662,081	585,240	40.16	10,547,351
NOLIN RECC	Month	130,179	70,265,650	266,307	38.99	2,739,500
	YTD	1,469,768	711,508,518	1,534,020	38.01	27,041,639
OWEN EC	Month	308,299	183,466,747	360,804	38.19	7,006,147
	YTD	3,575,773	1,960,305,283	2,029,885	36.79	72,113,511
SALT RIVER RECC	Month	162,838	86,853,226	329,171	40.15	3,487,162
	YTD	1,870,597	859,868,666	1,833,234	39.80	34,225,783
SHELBY ENERGY COOP	Month	75,693	41,280,128	155,970	39.33	1,623,379
	YTD	861,711	436,106,722	941,170	37.75	16,461,769
SOUTH KENTUCKY RECC	Month	229,567	122,397,337	463,887	39.94	4,888,938
	YTD	2,456,506	1,106,010,215	2,455,034	39.92	44,150,487
TAYLOR COUNTY RECC	Month	103,200	55,483,749	174,888	40.07	2,223,158
	YTD	1,123,140	512,663,166	942,223	39.93	20,470,913
<b>CO-OP Subtotals</b>						
Month	2,095,150	1,154,108,675	3,972,760	39.37	45,438,665	
YTD	23,278,230	11,196,907,731	21,840,046	38.77	434,062,742	

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

December 2003

CO-OP Name/EKPC	Month	YTD	KW	KWH	Fuel Charge	Mills/KWH	Revenue
Inland Steam	Month		37,666	23,200,430	83,797	29.67	688,245
	YTD		430,065	243,526,901	514,725	28.50	6,939,763
Burnside	Month		2,132,816	1,177,308,105	4,056,557	39.18	46,126,910
	YTD		23,708,285	11,440,434,632	22,354,771	38.55	441,002,505
East Ky Office	Month		94	54,445	206	38.41	2,091
	YTD		623	295,541	838	38.90	11,498
Smith Contruction	Month		1,138	698,185	2,646	37.75	26,358
	YTD		12,144	7,281,731	16,388	35.62	259,389
EKPC Subtotals	Month		248	166,137	630	36.79	6,113
	YTD		2,855	1,545,247	3,984	37.01	57,189
Totals	Month		1,480	918,767	3,452	37.62	34,563
	YTD		15,622	9,122,519	21,210	35.96	328,076
Totals	Month		2,134,296	1,178,227,872	4,060,039	39.18	46,161,473
	YTD		23,723,817	11,449,557,151	22,375,981	38.55	441,330,581

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Meter Accounting**  
**Green Power Billing Summary**

December 2003

CO-OP Name/EKPC	KWH	KWH Charge	Revenue
BLUE GRASS ENERGY	Month 12,800 YTD 161,100	0.02375	304 3,828
CLARK ENERGY COOP	Month 1,300 YTD 8,200	0.02375	31 195
GRAYSON RECC	Month 3,900 YTD 17,200	0.02375	93 409
INTER-COUNTY ECC	Month 1,900 YTD 18,000	0.02375	45 428
JACKSON ENERGY COOP	Month 3,100 YTD 21,800	0.02375	74 519
NOLIN RECC	Month 7,400 YTD 29,400	0.02375	176 699
OWEN EC	Month 152,300 YTD 1,822,900	0.02375	3,617 43,296
SALT RIVER RECC	Month 0 YTD 0	0.02375	0 0
SHELBY ENERGY COOP	Month 2,300 YTD 10,500	0.02375	55 251
SOUTH KENTUCKY RECC	Month 5,600 YTD 32,300	0.02375	133 768
<b>EKPC Subtotals</b>	Month 190,600 YTD 2,121,400	0.02375	4,528 50,393
<b>Totals</b>	Month 190,600 YTD 2,121,400	0.02375	4,528 50,393



EAST KENTUCKY PC & COOPERATIVE INC.  
Wholesale Power Accounting  
CO-OP Totals Billing Summary - CP Tariff

January 2004

CO-OP Name/EKPC	Month	YTD	KW	KWH	Fuel Charge	Mills/KWH	Revenue
BIG SANDY RECC	Month		71,873	32,950,816	114,668	41.42	1,364,701
	YTD		71,873	32,950,816	114,668	41.42	1,364,701
BLUE GRASS ENERGY	Month		284,757	130,901,056	455,534	41.06	5,374,739
	YTD		284,757	130,901,056	455,534	41.06	5,374,739
CLARK ENERGY COOP	Month		105,863	48,927,180	170,268	41.62	2,036,501
	YTD		105,863	48,927,180	170,268	41.62	2,036,501
CUMBERLAND VALLEY ELECTRIC	Month		113,036	55,042,351	191,548	40.86	2,249,240
	YTD		113,036	55,042,351	191,548	40.86	2,249,240
FARMERS RECC	Month		109,692	53,599,857	186,527	40.45	2,168,305
	YTD		109,692	53,599,857	186,527	40.45	2,168,305
FLEMING MASON RECC	Month		180,278	95,217,229	298,993	38.21	3,637,826
	YTD		180,278	95,217,229	298,993	38.21	3,637,826
GRAYSON RECC	Month		67,731	30,828,792	107,284	41.74	1,286,866
	YTD		67,731	30,828,792	107,284	41.74	1,286,866
INTER-COUNTY ECC	Month		124,859	52,746,411	183,559	42.13	2,222,273
	YTD		124,859	52,746,411	183,559	42.13	2,222,273
JACKSON ENERGY COOP	Month		248,094	112,962,437	393,060	41.33	4,669,100
	YTD		248,094	112,962,437	393,060	41.33	4,669,100
LICKING VALLEY RECC	Month		69,339	31,473,778	109,530	41.75	1,313,884
	YTD		69,339	31,473,778	109,530	41.75	1,313,884
NOLIN RECC	Month		170,184	76,807,121	267,287	40.56	3,115,656
	YTD		170,184	76,807,121	267,287	40.56	3,115,656
OWEN EC	Month		342,910	193,238,269	361,215	39.28	7,590,094
	YTD		342,910	193,238,269	361,215	39.28	7,590,094
SALT RIVER RECC	Month		205,447	95,011,245	330,640	41.24	3,918,027
	YTD		205,447	95,011,245	330,640	41.24	3,918,027
SHELBY ENERGY COOP	Month		93,795	45,871,648	158,338	39.87	1,828,729
	YTD		93,795	45,871,648	158,338	39.87	1,828,729
SOUTH KENTUCKY RECC	Month		302,086	132,815,533	462,202	41.66	5,532,518
	YTD		302,086	132,815,533	462,202	41.66	5,532,518
TAYLOR COUNTY RECC	Month		123,807	58,546,921	172,083	41.71	2,442,163
	YTD		123,807	58,546,921	172,083	41.71	2,442,163
<b>CO-OP Subtotals</b>	Month		2,613,551	1,246,940,644	3,962,736	40.70	50,750,622
	YTD		2,613,551	1,246,940,644	3,962,736	40.70	50,750,622

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

January 2004

CO-OP Name/EKPC	KW	KWH	Fuel Charge	Mills/KWH	Revenue
Inland Steam	Month	25,106,032	83,437	29.25	734,340
	YTD	25,106,032	83,437	29.25	734,340
<b>Totals</b>	Month	1,272,046,676	4,046,173	40.47	51,484,962
	YTD	1,272,046,676	4,046,173	40.47	51,484,962
Burnside	Month	56,484	197	40.99	2,315
	YTD	56,484	197	40.99	2,315
East Ky Office	Month	1,213	2,649	37.19	28,309
	YTD	1,213	2,649	37.19	28,309
Smith Construction	Month	334	683	37.93	7,446
	YTD	334	683	37.93	7,446
<b>EKPC Subtotals</b>	Month	1,688	3,529	37.55	38,070
	YTD	1,688	3,529	37.55	38,070
<b>Totals</b>	Month	2,654,286	4,049,702	40.47	51,523,032
	YTD	2,654,286	4,049,702	40.47	51,523,032

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Electrical Accounting**  
**Green Power Billing Summary**

CPRN331

January 2004

CO-OP Name/EKPC	KWH	KWH Charge	Revenue
BLUE GRASS ENERGY	Month	0.02375	304
	YTD		304
CLARK ENERGY COOP	Month	0.02375	31
	YTD		31
GRAYSON RECC	Month	0.02375	93
	YTD		93
INTER-COUNTY ECC	Month	0.02375	45
	YTD		45
JACKSON ENERGY COOP	Month	0.02375	71
	YTD		71
NOLIN RECC	Month	0.02375	176
	YTD		176
OWEN EC	Month	0.02375	3,617
	YTD		3,617
SALT RIVER RECC	Month	0.02375	0
	YTD		0
SHELBY ENERGY COOP	Month	0.02375	55
	YTD		55
SOUTH KENTUCKY RECC	Month	0.02375	128
	YTD		128
<b>EKPC Subtotals</b>	Month	0.02375	4,520
	YTD		4,520
<b>Totals</b>	Month	0.02375	4,520
	YTD		4,520

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

February 2004

CO-OP Name/EKPC	Month	YTD	KW	KWH	Fuel Charge	Mills/KWH	Revenue
BIG SANDY RECC	Month		59,653	27,828,232	182,274	44.40	1,235,451
	YTD		131,526	60,779,048	296,942	42.78	2,600,152
BLUE GRASS ENERGY	Month		237,904	111,788,249	732,214	43.85	4,901,712
	YTD		522,661	242,688,305	1,187,748	42.34	10,276,451
CLARK ENERGY COOP	Month		88,577	41,726,757	273,312	44.64	1,862,610
	YTD		194,440	90,653,937	443,560	43.01	3,899,111
CUMBERLAND VALLEY ELECTRIC	Month		96,423	47,802,682	313,108	43.84	2,095,806
	YTD		208,459	102,845,033	504,656	42.25	4,345,046
FARMERS RECC	Month		94,404	47,865,153	313,514	43.17	2,066,430
	YTD		204,096	101,465,010	500,041	41.74	4,234,735
FLEMING MASON RECC	Month		166,714	86,825,482	496,782	41.43	3,597,364
	YTD		346,992	182,042,711	795,775	39.74	7,235,190
GRAYSON RECC	Month		55,097	26,303,705	172,289	44.49	1,170,259
	YTD		122,828	57,132,487	279,573	43.01	2,457,125
INTER-COUNTY ECC	Month		98,992	44,496,537	291,452	44.66	1,987,130
	YTD		224,651	97,242,948	475,011	43.29	4,208,403
JACKSON ENERGY COOP	Month		207,565	95,936,214	628,044	44.31	4,251,286
	YTD		455,659	208,898,651	1,021,104	42.70	8,920,386
LICKING VALLEY RECC	Month		55,557	26,816,739	175,650	44.27	1,187,252
	YTD		124,896	58,290,517	285,180	42.91	2,501,136
NOLIN RECC	Month		132,168	67,273,488	440,641	42.29	2,844,873
	YTD		302,352	144,080,609	707,928	41.37	5,960,529
OWEN EC	Month		306,137	172,819,947	582,827	40.36	6,974,876
	YTD		649,047	366,058,216	944,042	39.79	14,564,970
SALT RIVER RECC	Month		168,294	82,439,813	539,981	43.77	3,608,654
	YTD		373,741	177,451,058	870,621	42.42	7,526,681
SHELBY ENERGY COOP	Month		78,915	39,592,175	261,378	43.12	1,707,315
	YTD		172,710	85,463,823	419,716	41.37	3,536,044
SOUTH KENTUCKY RECC	Month		253,558	113,290,960	742,056	44.60	5,053,337
	YTD		555,644	246,106,493	1,204,258	43.01	10,585,855
TAYLOR COUNTY RECC	Month		106,631	51,664,416	278,876	44.50	2,299,241
	YTD		230,438	110,211,337	450,959	43.02	4,741,404
<b>CO-OP Subtotals</b>	Month		2,207,589	1,084,470,549	6,424,398	43.19	46,843,596
	YTD		4,821,140	2,331,411,193	10,387,134	41.86	97,594,218

**EAST KENTUCKY POW. COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

February 2004

CO-OP Name/EKPC	KW	KWH	Fuel Charge	Mills/KWH	Revenue
Inland Steam	Month	36,772	140,855	32.83	738,470
	YTD	77,839	224,292	30.94	1,472,810
Totals	Month	2,246,361	6,565,253	42.98	47,582,066
	YTD	4,898,979	10,611,426	41.64	99,067,028
Burnside	Month	111	316	45.14	2,178
	YTD	232	513	42.90	4,493
East Ky Office	Month	1,297	4,577	42.08	29,403
	YTD	2,510	7,226	39.53	57,712
Smith Construction	Month	274	1,060	40.93	6,626
	YTD	608	1,743	39.29	14,072
EKPC Subtotals	Month	1,682	5,953	42.04	38,207
	YTD	3,350	9,482	39.67	76,277
Totals	Month	2,248,043	6,571,206	42.98	47,620,273
	YTD	4,902,329	10,620,908	41.64	99,143,305

**EAST KENTUCKY POWER COOPERATIVE INC.**  
 Wholesale Meter Accounting  
 Green Power Billing Summary

February 2004

CO-OP Name/EKPC	KWH	KWH Charge	Revenue
BLUE GRASS ENERGY	Month	0.02375	304
	YTD		608
CLARK ENERGY COOP	Month	0.02375	31
	YTD		62
FLEMING MASON RECC	Month	0.02375	2
	YTD		2
GRAYSON RECC	Month	0.02375	95
	YTD		188
INTER-COUNTY ECC	Month	0.02375	45
	YTD		90
JACKSON ENERGY COOP	Month	0.02375	71
	YTD		142
NOLIN RECC	Month	0.02375	176
	YTD		352
OWEN EC	Month	0.02375	3,907
	YTD		7,524
SALT RIVER RECC	Month	0.02375	0
	YTD		0
SHELBY ENERGY COOP	Month	0.02375	55
	YTD		110
SOUTH KENTUCKY RECC	Month	0.02375	128
	YTD		256
<b>EKPC Subtotals</b>	Month	0.02375	4,814
	YTD		9,334
<b>Totals</b>	Month	0.02375	4,814
	YTD		9,334

**EAST KENTUCKY CO-OPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

March 2004

CO-OP Name/EKPC	Month	KW	KWH	Fuel Charge	Mills/KWH	Revenue
BIG SANDY RECC	Month	58,609	23,041,554	92,396	44.14	1,017,043
	YTD	190,135	83,820,602	389,338	43.15	3,617,195
BLUE GRASS ENERGY	Month	209,646	95,613,159	383,410	41.67	3,984,040
	YTD	732,307	338,302,464	1,571,158	42.15	14,260,491
CLARK ENERGY COOP	Month	80,208	35,155,962	140,977	43.19	1,518,226
	YTD	274,648	125,808,888	584,557	43.06	5,417,337
CUMBERLAND VALLEY ELECTRIC	Month	98,308	40,318,570	161,677	43.71	1,762,136
	YTD	307,767	143,163,603	666,333	42.66	6,107,182
FARMERS RECC	Month	84,060	41,212,224	165,261	41.07	1,692,770
	YTD	288,156	142,677,234	665,302	41.54	5,927,505
FLEMING MASON RECC	Month	157,643	84,422,648	281,901	38.60	3,258,452
	YTD	504,635	266,465,359	1,077,676	39.38	10,493,642
GRAYSON RECC	Month	51,652	22,193,676	88,995	43.39	963,033
	YTD	174,480	79,326,173	368,568	43.12	3,420,158
INTER-COUNTY ECC	Month	84,662	36,006,105	144,385	42.82	1,541,614
	YTD	308,313	133,249,053	619,396	43.16	5,751,017
JACKSON ENERGY COOP	Month	197,195	78,843,895	315,967	43.72	3,446,767
	YTD	652,854	287,742,546	1,337,071	42.98	12,367,153
LICKING VALLEY RECC	Month	53,354	22,521,592	90,312	43.50	979,726
	YTD	178,250	80,812,109	375,492	43.07	3,480,862
NOLIN RECC	Month	118,719	57,746,689	231,566	40.04	2,312,320
	YTD	421,071	201,827,298	939,494	40.99	8,272,849
OWEN EC	Month	293,451	171,111,007	318,633	38.77	6,633,196
	YTD	942,498	537,169,223	1,262,675	38.46	21,198,166
SALT RIVER RECC	Month	144,292	69,976,932	280,607	41.48	2,902,943
	YTD	518,033	247,427,990	1,151,228	42.15	10,429,624
SHELBY ENERGY COOP	Month	70,574	36,260,537	145,364	40.03	1,451,225
	YTD	243,284	121,714,360	565,060	40.98	4,987,269
SOUTH KENTUCKY RECC	Month	225,334	92,115,754	369,384	43.31	3,988,494
	YTD	780,978	338,222,247	1,573,642	43.09	14,575,349
TAYLOR COUNTY RECC	Month	94,052	44,874,004	141,309	42.21	1,894,152
	YTD	324,490	155,085,341	592,268	42.79	6,635,556
<b>CO-OP Subtotals</b>	Month	2,021,759	951,404,308	3,352,144	41.36	39,347,137
	YTD	6,842,899	3,282,815,501	13,739,278	41.71	136,941,355

**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

March 2004

CO-OP Name/EKPC	Month	YTD	KW	KWH	Fuel Charge	Mills/KWH	Revenue
Inland Steam	Month		37,089	22,648,177	86,914	30.17	683,325
	YTD		114,938	70,248,587	311,206	30.69	2,156,135
<b>Totals</b>	Month		2,058,858	974,052,485	3,439,058	41.10	40,030,462
	YTD		6,957,837	3,353,064,098	14,050,484	41.48	138,087,480
Burnside	Month		102	33,202	133	47.92	1,591
	YTD		334	137,935	646	44.11	6,084
East Ky Office	Month		1,105	818,885	2,481	39.05	24,167
	YTD		3,615	2,078,811	9,707	39.39	81,878
Smith Construction	Month		305	164,778	661	39.50	6,508
	YTD		913	522,973	2,404	39.35	20,580
<b>EKPC Subtotals</b>	Month		1,512	816,865	3,275	39.50	32,266
	YTD		4,862	2,739,719	12,757	39.62	108,543
<b>Totals</b>	Month		2,080,370	974,869,350	3,442,333	41.10	40,062,728
	YTD		6,962,699	3,355,803,817	14,063,241	41.48	138,206,033



**EAST KENTUCKY POWER COOPERATIVE INC.**  
**Wholesale Meter Accounting**  
**Green Power Billing Summary**

March 2004

CO-OP Name/EKPC	KWH	KWH Charge	Revenue
BLUE GRASS ENERGY	Month	0.02375	304
	YTD		912
CLARK ENERGY COOP	Month	0.02375	31
	YTD		93
FLEMING MASON RECC	Month	0.02375	5
	YTD		7
GRAYSON RECC	Month	0.02375	95
	YTD		283
INTER-COUNTY ECC	Month	0.02375	45
	YTD		135
JACKSON ENERGY COOP	Month	0.02375	71
	YTD		213
NOLIN RECC	Month	0.02375	176
	YTD		528
OWEN EC	Month	0.02375	3,762
	YTD		11,286
SALT RIVER RECC	Month	0.02375	0
	YTD		0
SHELBY ENERGY COOP	Month	0.02375	57
	YTD		167
SOUTH KENTUCKY RECC	Month	0.02375	128
	YTD		384
<b>EKPC Subtotals</b>	Month	0.02375	4,674
	YTD		14,008
<b>Totals</b>	Month	0.02375	4,674
	YTD		14,008

**EAST KENTUCKY PC COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

CPRN330

April 2004

CO-OP Name/EKPC	KW	KWH	Fuel Charge	Mills/KWH	Revenue
	35,300	18,873,110	87,759	41.49	783,104
BIG SANDY RECC	Month				
	YTD	102,693,712	477,097	42.85	4,400,299
BLUE GRASS ENERGY	Month	167,524	377,697	42.97	3,490,468
	YTD	919,831	1,948,855	42.31	17,750,959
CLARK ENERGY COOP	Month	64,892	135,920	43.80	1,280,201
	YTD	339,540	720,477	43.20	6,697,538
CUMBERLAND VALLEY ELECTRIC	Month	75,573	161,271	43.18	1,497,602
	YTD	383,340	827,604	42.76	7,604,784
FARMERS RECC	Month	84,098	166,733	43.41	1,556,698
	YTD	372,254	832,035	41.92	7,484,203
FLEMING MASON RECC	Month	140,435	297,005	39.51	2,957,129
	YTD	645,070	1,374,681	39.41	13,450,771
GRAYSON RECC	Month	36,916	83,476	43.06	773,022
	YTD	211,396	452,044	43.11	4,193,180
INTER-COUNTY ECC	Month	77,012	135,106	45.21	1,313,444
	YTD	386,325	754,502	43.53	7,064,461
JACKSON ENERGY COOP	Month	149,250	307,548	43.23	2,863,438
	YTD	802,104	1,644,619	43.03	15,230,591
LICKING VALLEY RECC	Month	37,054	86,278	42.48	788,165
	YTD	215,304	461,770	42.96	4,268,027
NOLIN RECC	Month	116,093	233,341	42.10	2,112,767
	YTD	537,164	1,172,835	41.21	10,385,616
OWEN EC	Month	287,698	317,387	42.14	6,590,497
	YTD	1,230,196	1,580,062	40.07	27,789,663
SALT RIVER RECC	Month	142,090	278,960	43.79	2,631,659
	YTD	660,123	1,430,188	42.47	13,061,283
SHELBY ENERGY COOP	Month	67,232	148,029	41.46	1,322,012
	YTD	310,516	713,109	41.07	6,309,281
SOUTH KENTUCKY RECC	Month	190,837	369,538	43.99	3,464,970
	YTD	971,815	1,943,180	43.26	18,040,319
TAYLOR COUNTY RECC	Month	87,311	139,160	43.38	1,699,191
	YTD	411,801	731,428	42.91	8,334,747
<b>CO-OP Subtotals</b>	Month	1,779,315	3,325,208	42.68	35,124,367
	YTD	8,622,214	17,064,486	41.91	172,065,722

**EAST KENTUCKY POW COOPERATIVE INC.**  
**Wholesale Power Accounting**  
**CO-OP Totals Billing Summary - CP Tariff**

CPRN330

April 2004

CO-OP Name/EKPC	Month	YTD	KW	KWH	Fuel Charge	Mills/KWH	Revenue
Inland Steam	Month		35,217	21,522,952	95,878	30.82	663,403
	YTD		150,155	91,771,549	407,084	30.72	2,819,538
Totals	Month		1,814,532	844,517,142	3,421,086	42.38	35,787,770
	YTD		8,772,369	4,197,581,240	17,471,570	41.66	174,885,260
Burnside	Month		71	20,966	97	50.70	1,063
	YTD		405	158,901	743	44.98	7,147
East Ky Office	Month		906	518,833	2,412	39.42	20,463
	YTD		4,521	2,597,644	12,119	39.39	102,332
Smith Construction	Month		262	116,277	541	42.91	4,990
	YTD		1,175	639,250	2,845	40.00	25,570
EKPC Subtotals	Month		1,239	666,076	3,050	40.40	26,506
	YTD		6,101	3,396,795	15,807	39.77	135,049
Totals	Month		1,815,771	845,173,218	3,424,136	42.38	35,814,276
	YTD		8,778,470	4,200,977,035	17,487,377	41.66	175,020,309

**EAST KENTUCKY POWER COOPERATIVE INC.**  
 Wholesale Meter Accounting  
 Green Power Billing Summary

April 2004

CO-OP Name/EKPC	KWH	KWH Charge	Revenue
BLUE GRASS ENERGY	Month 12,800	0.02375	304
	YTD 51,200		1,216
CLARK ENERGY COOP	Month 1,300	0.02375	31
	YTD 5,200		124
FLEMING MASON RECC	Month 200	0.02375	5
	YTD 500		12
GRAYSON RECC	Month 4,000	0.02375	95
	YTD 15,900		378
INTER-COUNTY ECC	Month 1,900	0.02375	45
	YTD 7,600		180
JACKSON ENERGY COOP	Month 3,000	0.02375	71
	YTD 12,000		284
NOLIN RECC	Month 7,400	0.02375	176
	YTD 29,600		704
OWEN EC	Month 188,600	0.02375	4,479
	YTD 663,800		15,765
SALT RIVER RECC	Month 0	0.02375	0
	YTD 0		0
SHELBY ENERGY COOP	Month 2,400	0.02375	57
	YTD 9,400		224
SOUTH KENTUCKY RECC	Month 5,400	0.02375	128
	YTD 21,600		512
<b>EKPC Subtotals</b>	Month 227,000	0.02375	5,391
	YTD 816,800		19,399
<b>Totals</b>	Month 227,000	0.02375	5,391
	YTD 816,800		19,399

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**POWER TRANSACTION SCHEDULE**

Company

Month Ended **NOVEMBER 2003**



**Billing Components**

<u>Company Sales</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Demand (\$)</u>	<u>Fuel Charges (\$)</u>	<u>Margin(+) or Loss (-)</u>	<u>Total Charges (\$)</u>
AEP	Emergency	3,000		62	238	300
Cinergy	Emergency	5,000		104	396	500
LG&E	Emergency	20,000		938	1,062	2,000
Wabash	Non-Displacement			(914)		(914)
<b>TOTAL</b>		<b>28,000</b>	<b>0</b>	<b>190</b>	<b>1,696</b>	<b>1,886</b>



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**POWER TRANSACTION SCHEDULE**

Month Ended **DECEMBER 2003**

Billing Components

<u>Company Sales</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Demand (\$)</u>	<u>Fuel Charges (\$)</u>	<u>Margin(+) or Loss (-)</u>	<u>Total Charges (\$)</u>
AEP	Emergency	2,000		98	102	200
	Non-Displacement	150,000		7,317	(3,817)	3,500
Cinergy	Emergency	50,000		3,175	(1,975)	1,200
Duke	Non-Displacement	104,000		4,273	(1,985)	2,288
LG&E	Emergency	40,000		2,193	1,807	4,000
Tva	Non-Displacement	250,000		15,417	(9,867)	5,550
<b>TOTAL</b>		<b>596,000</b>	<b>0</b>	<b>32,473</b>	<b>(15,735)</b>	<b>16,738</b>

EAST KENTUCKY POWER COOPERATIVE, INC.  
POWER TRANSACTION SCHEDULE

Company

Month Ended JANUARY 2004



Billing Components

<u>Company Sales</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Demand (\$)</u>	<u>Fuel Charges (\$)</u>	<u>Margin(+) or Loss (-)</u>	<u>Total Charges (\$)</u>
AEP	Emergency	3,000	55	17,557	245	300
Big Rivers	Non-Displacement	365,000	8,000	8,000	(9,277)	8,280
Cargill	Non-Displacement	100,000	6,551	6,551	(1,000)	7,000
DTE	Non-Displacement	150,000	9,989	9,989	(2,801)	3,750
Duke Power	Non-Displacement	145,000	11,520	11,520	(4,399)	5,590
Dynegy	Non-Displacement	180,000	2,596	2,596	(900)	10,620
Hoosier	Non-Displacement	50,000	17,098	17,098	(721)	1,875
LG&E	Non-Displacement	628,000	1,558	1,558	(2,034)	15,064
Tva	Emergency	23,000	51,012	51,012	742	2,300
Wabash	Non-Displacement	785,000	30,805	30,805	(27,412)	23,600
		582,000			(10,673)	20,132
TOTAL		3,011,000	0	156,741	(58,230)	98,511



Company  
EAST KENTUCKY POWER COOPERATIVE, INC.  
POWER TRANSACTION SCHEDULE

Month Ended      FEBRUARY 2004

Billing Components

<u>Company Sales</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Demand (\$)</u>	<u>Fuel Charges (\$)</u>	<u>Margin(+) or Loss (-)</u>	<u>Total Charges (\$)</u>
AEP	Emergency	1,000	49	51	100	
	Non-Displacement	200,000	9,735	(2,585)	7,150	
Cargill	Non-Displacement	225,000	11,680	(6,230)	5,450	
Cinergy	Non-Displacement	2,896,000	146,674	(33,118)	113,556	
DP&L	Non-Displacement	50,000	2,234	(884)	1,350	
DTE Energy	Non-Displacement	425,000	21,382	(8,307)	13,075	
Duke Energy	Non-Displacement	84,000	4,077	(1,275)	2,802	
Exelon	Non-Displacement	559,000	29,695	(10,130)	19,565	
Hoosier	Non-Displacement	131,000	6,026	(655)	5,371	
LG&E	Emergency	16,000	889	711	1,600	
LG&E	Non-Displacement	100,000	5,559	(1,059)	4,500	
Southern Illinois	Non-Displacement	59,000	2,472	(638)	1,834	
Tva	Non-Displacement	810,000	44,819	(22,164)	22,655	
Wabash	Non-Displacement	639,000	31,991	(11,717)	20,274	
<b>TOTAL</b>		<b>\$ 195,000</b>	<b>317,282</b>	<b>(98,000)</b>	<b>219,282</b>	





Company      EAST KENTUCKY POWER COOPERATIVE, INC.  
POWER TRANSACTION SCHEDULE

Month Ended      MARCH 2004

Billing Components

<u>Company Sales</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Demand (\$)</u>	<u>Fuel Charges (\$)</u>	<u>Margin(+) or Loss (-)</u>	<u>Total Charges (\$)</u>
AEP	Emergency	21,000		702	1,398	2,100
	Non-Displacement	200,000		6,690	(1,240)	5,450
Associated	Non-Displacement	1,279,000		25,839	15,315	41,154
Cargill	Non-Displacement	936,000		18,845	11,315	30,160
Cinergy	Non-Displacement	570,000		26,814	(10,244)	16,570
Coral Power	Non-Displacement	52,000		924	480	1,404
DP&L	Non-Displacement	50,000		2,406	(806)	1,600
Duke Energy	Non-Displacement	618,000		12,534	4,770	17,304
Hoosier	Non-Displacement	100,000		3,583	(783)	2,800
LG&E	Emergency	35,000		759	2,741	3,500
	Non-Displacement	550,000		11,928	4,822	16,750
Siegco	Non-Displacement	50,000		1,064	936	2,000
TVA	Non-Displacement	275,000		7,141	1,634	8,775
Wabash	Non-Displacement	375,000		9,207	1,627	10,834
<b>TOTAL</b>		<b>5,111,000</b>	<b>0</b>	<b>128,436</b>	<b>31,965</b>	<b>160,401</b>



Company      EAST KENTUCKY POWER COOPERATIVE, INC.  
POWER TRANSACTION SCHEDULE

Month Ended      APRIL 2004

Company <u>Sales</u>	<u>Type of Transaction</u>	<u>KWH</u>	<u>Billing Components</u>			<u>Margin(+)</u> or <u>Loss (-)</u>	<u>Total Charges (\$)</u>
			<u>Demand (\$)</u>	<u>Fuel Charges (\$)</u>			
	Emergency	3,000		200	100	300	
	Emergency	16,000		952	648	1,600	
	Non-Displacement	475,000		16,093	557	16,650	
	Non-Displacement	60,000		1,277	943	2,220	
<b>TOTAL</b>		<u>554,000</u>	<u>0</u>	<u>18,522</u>	<u>2,248</u>	<u>20,770</u>	



**EAST KENTUCKY POWER COOPERATIVE, INC.  
PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212  
RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

Question 5 List East Kentucky's scheduled, actual, and forced outages between November 1, 2003, and April 30, 2004.

Answer See attached pages 2 through 27.

Please note that J.K. Smith Unit No. 2, Unit No. 4, and Unit No. 5 had no scheduled or forced maintenance outages. The landfill gas units information started January 2004.

Production Management Reporting System



East Kentucky Power

**Appendix B**

**From: 11/01/2003 thru 04/30/2004**

ITEM NO. 5  
PAGE 2 OF 27

**Dale Power Station**

**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/13/2003	1035	0.0	Forced	Maintenance	3	44	Loss of network communication.
11/14/2003	0142	0.0	Forced	Maintenance	10	44	Loss of network communication.
11/17/2003	1950	0.0	Forced	Maintenance	34	8	Generating tube leak.
01/31/2004	0720	0.0	Scheduled	Maintenance	3	15	Master fuel trip due to high drum level.
02/08/2004	0939		Forced	Maintenance	40	27	Generating tube leak.
03/05/2004	2218	0.0	Scheduled	Maintenance	342	32	Spring outage.
04/10/2004	0430	0.0	Forced	Maintenance	1	24	Boiler feed pump flow transmitter piping leak.

Production Management Reporting System



East Kentucky Power

**Appendix B**

**From: 11/01/2003 thru 04/30/2004**

ITEM NO. 5  
PAGE 3 OF 27

**Dale Power Station**

**Unit Two**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/13/2003	1033	0.0	Forced	Maintenance	6	15	Loss of network communication.
11/13/2003	2348	0.0	Forced	Maintenance	0	29	Loss of network communication.
11/14/2003	0142	0.0	Forced	Maintenance	6	51	Loss of network communication.
11/24/2003	1210	0.0	Scheduled	Maintenance	1	5	Generator detection, replaced power supply ES 2000.
12/28/2003	1752	0.0	Forced	Maintenance	33	12	Water wall tube leak.
03/13/2004	0229	0.0	Scheduled	Maintenance	318	12	Spring outage.
04/05/2004	2218	0.0	Forced	Maintenance	2	24	Lightning arrester blew in switchyard.

Production Management Reporting System



East Kentucky Power

Appendix B

From: 11/01/2003 thru 04/30/2004

ITEM NO. 5  
PAGE 4 OF 27

Dale Power Station

Unit Three

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/01/2003	0000	0.0	Forced	Maintenance	33	41	Waterwall tube leak.
11/07/2003	1250	0.0	Forced	Maintenance	42	23	Waterwall tube leak.
11/11/2003	0127	0.0	Forced	Maintenance	71	15	Waterwall tube leak.
02/29/2004	1411		Forced	Maintenance	9	49	Generating tube leak.
03/01/2004	0000	0.0	Forced	Maintenance	49	51	Generating tube leak.
04/23/2004	2253	0.0	Scheduled	Maintenance	145	7	Spring outage.
04/30/2004	0000	0.0	Scheduled	Maintenance	24	0	Spring outage.

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**Dale Power Station**

**Unit Four**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/13/2003	0035	0.0	Forced	Maintenance	36	32	Primary super heat tube leak.
04/05/2004	2218	0.0	Forced	Maintenance	1	40	Lightning arrester blew in substation.



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**Cooper Power Station**

**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/30/2003	2340	0.0	Scheduled	Maintenance	0	20	Routine fall maintenance outage.
12/01/2003	0000	0.0	Scheduled	Maintenance	240	20	Routine fall outage
03/05/2004	2357	0.0	Scheduled	Maintenance	277	11	Spring maintenance.
03/18/2004	1813	0.0	Forced	Maintenance	27	26	Tube leak.
03/19/2004	2152	0.0	Forced	Maintenance	3	40	Tube leak.

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**Cooper Power Station**

**Unit Two**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/22/2003	0013	0.0	Scheduled	Maintenance	23	47	Remove fine mesh screens from stop valve.
03/26/2004	2344	0.0	Scheduled	Maintenance	120	16	Spring maintenance.
04/01/2004	0000	0.0	Scheduled	Maintenance	196	11	Spring maintenance.

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**Spurlock Power Station**

**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
12/02/2003	1442	0.0	Forced	Maintenance	8	1	Off-line due to loss of both feedpumps.
01/19/2004	0130	0.0	Forced	Maintenance	1	10	Boiler tripped.
02/09/2004	1431	0.0	Forced	Maintenance	2	14	Boiler manually tripped when loss of feedpump caused low water level.
03/10/2004	1427	0.0	Forced	Maintenance	2	28	Boiler manual tripped, lost fires & water.
04/09/2004	1635	0.0	Forced	Maintenance	0	55	Boiler tripped on furnace pressure during testing.
04/09/2004	1730	0.0	Scheduled	Maintenance	499	43	Scheduled maintenance outage.
04/30/2004	1521	0.0	Forced	Maintenance	8	9	No main BFP available; 1A gear broke starting the feed pump.

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**Spurlock Power Station**

**Unit Two**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
11/01/2003	0017	0.0	Scheduled	Maintenance	483	51	Fall maintenance.
11/21/2003	1820	0.0	Forced	Maintenance	4	51	Loss of megawatt signal to control system.
11/25/2003	0920	0.0	Forced	Maintenance	102	37	Leak in the superheater section of the boiler.
12/01/2003	0849	0.0	Forced	Maintenance	2	17	Off-line due to loss of both feedpumps.
01/26/2004	0837	0.0	Forced	Maintenance	5	24	Off-line due to a boiler tripped.
03/01/2004	1359	0.0	Forced	Maintenance	216	0	Turbine tripped low vacuum-fault; loss of T-9 13.8 KV bus.
03/10/2004	1359	0.0	Forced	Maintenance	48	39	Turbine tripped low vacuum-fault; loss of T-9 13.8 KV bus.

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**J.K. Smith**

**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
12/17/2003	0800	0.0	Scheduled	Maintenance	8	45	Rebuilt fuel oil nozzle.

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**J.K. Smith**

**Unit Three**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
03/29/2004	0800		Scheduled	Maintenance	64	0	Maintenance outage; hot gas path inspection.
04/01/2004	0000		Scheduled	Maintenance	68	2	Maintenance outage; hot gas path inspection.

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**Green Valley Landfill**

**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/06/2004	1400		Forced	Maintenance	38	0	Plant tripped due to fuel comp. drive belt failure.
01/09/2004	2100		Scheduled	Maintenance	3	0	Unit off for routine service and fuel compressor drive belt adjustment.
01/19/2004	2019		Scheduled	Maintenance	2	0	Off-line for scheduled maintenance.
01/19/2004	2219		Forced	Maintenance	1	41	Unit tripped; cause undetermined.
01/25/2004	2315		Forced	Maintenance	18	50	Plant tripped due to high condenser transfer tank level due to pump frozen.
01/27/2004	1442		Forced	Maintenance	9	18	Plant off-line to pump transfer tank and for G.C. installation.
01/28/2004	0000		Scheduled	Maintenance	8	46	Plant off-line due to G.C. installation.
01/29/2004	0512		Forced	Maintenance	18	48	Plant off-line due to E-108/104 failure.
01/30/2004	2008		Scheduled	Maintenance	3	52	Plant off-line to replace E-108/104.
01/30/2004	2316		Forced	Maintenance	0	44	Plant off-line due to fire alarm tripped caused by air quality test.
02/06/2004	2336		Scheduled	Maintenance	0	24	Unit off-line to install balance line isolation valve.
02/12/2004	2325		Scheduled	Maintenance	0	35	Unit off-line to test E-108/104.
02/23/2004	1951		Scheduled	Maintenance	4	9	Unit off-line for service.
02/25/2004	2350		Scheduled	Maintenance	0	10	Unit off-line for warranty work.
02/29/2004	1152		Forced	Maintenance	12	8	Unit offline to make repairs to landfill cond. Pmp & clear out system
03/01/2004	0000		Forced	Maintenance	11	39	Unit off-line to clear out condensate from landfill system.
03/03/2004	1808		Forced	Maintenance	5	52	Unit placed on stand-by for air quality testing & due to poor gas quality.
03/07/2004	0307		Forced	Maintenance	23	30	Unit off-line due to condensate backup from landfill.
03/09/2004	2012		Forced	Maintenance	16	40	Plant tripped on high condensate level in fuel skid suction scrubber.
03/11/2004	1717		Forced	Maintenance	10	56	Plant off-line to install new floats in condensate tank.
03/13/2004	2149		Forced	Maintenance	14	17	Plant off-line due to condensate backup from landfill.
03/15/2004	1309		Forced	Maintenance	30	34	Plant off-line due to condensate backup from landfill.
03/17/2004	0000		Forced	Maintenance	52	52	Suspected line blockage, gas aligned through flare, can only run two units.

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**Green Valley Landfill**

**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
03/20/2004	1244		Forced	Maintenance	17	43	Plant off-line due to condensate backup from landfill.
03/23/2004	0908		Forced	Maintenance	37	39	Forced to shut down due to poor gas quality. Meth. as low as 36%.
03/25/2004	0000		Forced	Maintenance	97	42	Unit could not run due to poor gas quality.
03/30/2004	2156		Forced	Maintenance	2	4	Unit off due to loss of power at flare causing suction valve closure.
04/04/2004	2225		Forced	Maintenance	1	35	Plant tripped due to loss of power to flare.
04/07/2004	2207		Forced	Maintenance	1	53	Plant tripped due to loss of power to flare.
04/12/2004	2327		Forced	Maintenance	0	33	Plant tripped due to high condensate level.
04/14/2004	2207		Forced	Maintenance	2	59	Plant tripped due to high condensate condition.
04/16/2004	2242		Scheduled	Maintenance	1	18	Unit under service.
04/20/2004	2141		Forced	Maintenance	2	19	Methane below 50%, outage X 3, E108/104 tripped.
04/21/2004	2321		Scheduled	Maintenance	0	39	Methane below 50%.
04/24/2004	226		Forced	Maintenance	1	54	Plant tripped due to high condensate level at flare knock-out.
04/27/2004	2151		Forced	Maintenance	2	9	Plant tripped due to high condensate level at flare knock-out.
04/28/2004	2215		Scheduled	Maintenance	1	45	Unit under service for valve lash.
04/29/2004	1732		Forced	Maintenance	12	4	Plant tripped due to high condensate condition.



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### Green Valley Landfill

#### Unit Two

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/06/2004	1400		Forced	Maintenance	38	0	Plant tripped due to fuel comp. drive belt failure.
01/09/2004	2200		Scheduled	Maintenance	2	0	Units off for routine service and fuel comp. drive belt adjustment.
01/16/2004	2200		Scheduled	Maintenance	2	0	Off-line for plug service.
01/25/2004	2315		Forced	Maintenance	0	45	Plant tripped due to high condensate transfer tank and level-pump froze.
01/26/2004	0000		Scheduled	Maintenance	17	53	Plant off-line due to condensate transfer pump failure.
01/27/2004	1442		Forced	Maintenance	9	18	Plant off-line due to pump transfer tank and for G.C. installation.
01/28/2004	0000		Scheduled	Maintenance	8	46	Plant off-line due to G.C. installation.
01/29/2004	0804		Forced	Maintenance	15	56	Plant off-line due to E-108/104 failure.
01/30/2004	0000		Scheduled	Maintenance	1	15	Plant off-line to replace E-108/104.
02/04/2004	2316		Forced	Maintenance	0	44	Unit off-line due to fire alarm tripped caused by air quality test.
02/06/2004	2336		Scheduled	Maintenance	0	24	Unit off-line to installed balance line isolation valve.
02/12/2004	2354		Forced	Maintenance	0	6	Unit 2 tripped, no apparent cause.
02/24/2004	2144		Scheduled	Maintenance	2	16	Unit off-line for service.
02/25/2004	2347		Scheduled	Maintenance	0	13	Unit off-line for warranty work.
02/27/2004	2356		Forced	Maintenance	0	4	Unit off-line to replace bad spark plug.
02/29/2004	1152		Forced	Maintenance	12	8	Unit offline to make repairs to landfill cond. pump & clear out system.
03/01/2004	0000		Forced	Maintenance	11	39	Plant off-line to clear out condensate from landfill system.
03/03/2004	0605		Forced	Maintenance	41	55	Units placed on standby, air quality testing and due to poor gas quality
03/07/2004	0307		Forced	Maintenance	23	30	Plant off-line due to condensate backup from landfill.
03/09/2004	2012		Forced	Maintenance	16	40	Plant off-line due to condensate system full of plastic shavings.
03/11/2004	1724		Forced	Maintenance	10	49	Plant off-line to install new floats in condensate tank&clean out shavings.
03/13/2004	2149		Forced	Maintenance	14	17	Plant off-line due to condensate backup from landfill.
03/15/2004	1309		Forced	Maintenance	14	59	Plant off-line due to condensate backup from landfill.

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**Green Valley Landfill**

**Unit Two**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
03/17/2004	1745		Forced	Maintenance	6	15	Suspected line blockage, gas aligned through flare, can only run two units.
03/19/2004	2033		Forced	Maintenance	14	43	Plant off-line due to condensate backup from landfill.
03/21/2004	1754		Forced	Maintenance	6	6	Plant off-line due to condensate backup from landfill.
03/23/2004	0908		Forced	Maintenance	37	39	Forced to shut down due to poor gas quality. Meth. as low as 36%.
03/25/2004	0000		Forced	Maintenance	45	14	Could not run unit due to poor gas quality.
03/27/2004	0000		Forced	Maintenance	49	12	Could not run unit due to poor gas quality.
03/30/2004	2156		Forced	Maintenance	2	4	Unit off-line due to loss of power at flare causing suction valve closure.
04/04/2004	2225		Forced	Maintenance	1	35	Plant tripped due to loss of power to flare.
4/07/2004	2207		Forced	Maintenance	1	53	Plant tripped due to loss of power to flare.
04/08/2004	2251		Scheduled	Maintenance	1	9	Unit off-line for plug service.
04/12/2004	2327		Forced	Maintenance	0	33	Plant tripped due to high condensate level.
04/14/2004	2207		Forced	Maintenance	2	59	Plant tripped due to high condensate condition.
04/16/2004	2354		Forced	Maintenance	0	6	Plant tripped due to loss of power to flare.
04/20/2004	2141		Forced	Maintenance	2	19	Outage X 3, E108/104 trip.
04/21/2004	0000		Scheduled	Maintenance	0	20	Unit off-line for service.
04/24/2004	2206		Forced	Maintenance	1	54	Plant tripped due to high condensate level at flare knock out.
04/27/2004	2151		Forced	Maintenance	2	9	Plant tripped due to high condensate level at flare knock out.
04/29/2004	1732		Forced	Maintenance	12	4	Plant tripped due to high condensate.

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**Unit Three**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/06/2004	1400		Forced	Maintenance	39	0	Plant tripped due to fuel compressor drive belt failure.
01/09/2004	2200		Scheduled	Maintenance	2	0	Unit off-line for routine service & fuel compressor drive belt adjustment.
01/24/2004	1328		Forced	Maintenance	34	32	Tripped due to rad. fan high vibration, bad switch.
01/26/2004	0000		Scheduled	Maintenance	17	47	Plant off-line due to condensate transfer pump failure.
01/27/2004	1442		Forced	Maintenance	9	18	Plant off-line due to G.C. installation.
01/28/2004	0000		Scheduled	Maintenance	8	46	Plant off-line due to E-108 replacement.
01/29/2004	0512		Forced	Maintenance	18	48	Off-line due to E-108/104 failure.
01/30/2004	0000		Scheduled	Maintenance	3	52	Scheduled maintenance.
02/04/2004	2316		Forced	Maintenance	0	44	Unit off-line due to fire alarm tripped, caused by air quality test.
02/06/2004	2336		Scheduled	Maintenance	0	24	Unit off-line to install balance line isolation valve.
02/12/2004	2325		Scheduled	Maintenance	0	35	Unit off-line to test E-108/104.
02/25/2004	2126		Scheduled	Maintenance	2	34	Unit off-line for service.
02/26/2004	2328		Scheduled	Maintenance	0	32	Unit off-line to replace aftercooler gaskets.
02/29/2004	1152		Scheduled	Maintenance	12	8	Unit offline to make repairs to landfill cond. pump & clear out system.
03/01/2004	0000		Forced	Maintenance	11	39	Unit off-line to clear out condensate from landfill system.
03/03/2004	1808		Forced	Maintenance	5	52	Unit placed in standby for air quality testing.
03/07/2004	0307		Forced	Maintenance	23	30	Unit off-line due to condensate backup from landfill.
03/09/2004	2012		Forced	Maintenance	16	40	Unit off-line due to condensate system full of plastic shavings.
03/11/2004	1724		Forced	Maintenance	10	49	Unit off-line to install new floats in condensate tank.
03/13/2004	2149		Forced	Maintenance	14	17	Unit off-line due to condensate back up from landfill.
03/15/2004	1309		Forced	Maintenance	16	5	Unit off-line due to condensate back up from landfill.
3/17/2004	1745		Forced	Maintenance	6	15	Suspected line blockage, gas aligned through flare, can only run two units.
03/19/2004	2033		Forced	Maintenance	14	43	Unit off-line due to condensate backup from landfill.

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**Unit Three**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
03/21/2004	1756		Forced	Maintenance	6	4	Unit off-line due to condensate backup from landfill.
03/23/2004	0908		Forced	Maintenance	34	25	Forced to shut down due to poor gas quality.
03/25/2004	0000		Forced	Maintenance	97	15	Could not run due to poor gas quality.
03/30/2004	2156		Forced	Maintenance	2	4	Unit off-line due to loss of power, flare causing suction valve closure.
04/01/2004	0000		Scheduled	Maintenance	1	17	Unit off-line for service.
04/04/2004	2225		Forced	Maintenance	1	35	Unit tripped due to loss of power to flare.
04/07/2004	2207		Forced	Maintenance	1	53	Unit tripped due to loss of power to flare.
04/12/2004	2327		Forced	Maintenance	0	33	Unit tripped due to high condensate.
04/14/2004	2207		Forced	Maintenance	2	59	Unit tripped due to high condensate.
04/16/2004	2354		Forced	Maintenance	0	6	Unit tripped due to high condensate.
04/20/2004	2141		Forced	Maintenance	2	19	Outage X 3, E108/104 tripped.
04/21/2004	2342		Scheduled	Maintenance	0	18	Unit off-line for service.
04/24/2004	2206		Forced	Maintenance	1	54	Unit tripped due to high condensate, level at flare knock out.
04/26/2004	2058		Scheduled	Maintenance	3	2	Unit off-line for plugs, valve rec. valve lash.
04/27/2004	0000		Forced	Maintenance	2	9	Unit tripped due to high condensate level at flare knock out.
04/29/2004	1732		Forced	Maintenance	12	4	Unit tripped due to high condensate condition.

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### Laurel Ridge Landfill

#### Unit One

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	0000		Scheduled	Maintenance	24	0	52u tripped, did not call out.
01/02/2004	0000		Forced	Maintenance	117	0	Auto dialer program down, did not run eng. without working.
01/07/2004	0000		Forced	Maintenance	54	0	Relay tech's trouble shooting relays.
01/10/2004	1930		Forced	Maintenance	10	30	Fuel cooling unit froze up.
01/15/2004	1900		Forced	Maintenance	5	0	Repairs to be made to modify valve on flare skid by LFG Tech.
01/20/2004	2300			Maintenance	1	24	LFG working on flare.
01/30/2004	0600		Scheduled	Maintenance	42	0	Oil maintenance on the unit.
02/01/2004	0000		Scheduled	Maintenance	29	35	Scheduled maintenance.
02/15/2004	1108		Scheduled	Maintenance	108	26	Scheduled maintenance
02/20/2004	1626		Forced	Maintenance	7	34	Flare shut down.
02/21/2004	2120		Forced	Maintenance	2	40	Flare shut down.
02/22/2004	2120		Forced	Maintenance	2	40	Flare shut down.
02/23/2004	1800			Maintenance	6	0	Flare shut down.
02/26/2004	2315		Forced	Maintenance	0	45	Flare shut down and rotate eng. 3&2.
03/01/2004	0000		Forced	Maintenance	5	15	52t & t52u tripped.
03/03/2004	1500		Forced	Maintenance	14	0	Shut plant down for LFG to work on flare shut down problems.
03/05/2004	1800		Forced	Maintenance	26	0	LFG working on flare.
03/07/2004	0000		Forced	Maintenance	24	30	Auto dialer did not call from 3/6/04.
03/09/2004	2130		Forced	Maintenance	2	30	Flare shut down.
03/11/2004	2330		Forced	Maintenance	16	15	Flare shut down.
03/13/2004	1730		Forced	Maintenance	6	30	Condensate pump tripped out.
03/15/2004	2000		Forced	Maintenance	4	0	Flare shutdown numerous times, set unit on 600 KW.
03/18/2004	0230		Forced	Maintenance	194	0	LFG working on flare.
03/27/2004	2015		Forced	Maintenance	11	15	52u tripped.
03/29/2004	2030		Forced	Maintenance	35	0	52u tripped.
04/06/2004	2330		Forced	Maintenance	0	30	52u tripped.
04/07/2004	1100		Forced	Maintenance	31	0	52u tripped multiple times.
04/09/2004	0000		Forced	Maintenance	126	0	52u off, shut off plant to reset transformer tap changer.
04/15/2004	2330		Forced	Maintenance	0	30	Flare shutdown and maintenance.
04/17/2004	2200		Forced	Maintenance	3	0	Flare shutdown.

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**Unit One**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
04/19/2004	2200		Forced	Maintenance	2	0	Flare shutdown.
04/21/2004	1600		Forced	Maintenance	19	0	Flare shut down & auto dialer did not call out.
04/23/2004	1800		Forced	Maintenance	11	0	Flare shutdown.
04/25/2004	2145		Forced	Maintenance	2	15	Flare shutdown.
04/27/2004	2030		Forced	Maintenance	3	30	LFG working on flare.

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Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	1630		Forced	Maintenance	123	30	52U tripped, did not call out.
01/07/2004	0630		Forced	Maintenance	23	30	Ran unit for testing relays and lines.
01/09/2004	0500		Scheduled	Maintenance	259	0	Repaired Unit No. 1.
01/21/2004	0000		Scheduled	Maintenance	53	30	LFG working with flare.
02/15/2004	2132		Forced	Maintenance	2	28	Unscheduled maintenance.
02/19/2004	1600		Scheduled	Maintenance	27	48	LFG working on flare.
02/21/2004	0000		Scheduled	Maintenance	125	33	Flare shut down.
03/01/2004	0500		Scheduled	Maintenance	19	15	Scheduled maintenance.
03/03/2004	1500		Forced	Maintenance	13	45	Shut plant down for LFG to work on flare.
03/05/2004	1800		Forced	Maintenance	26	0	LFG working on flare.
03/07/2004	0000			Maintenance	24	30	Auto dialer did not call from 3/6/04.
03/09/2004	2130		Forced	Maintenance	2	30	Flare shut down.
3/11/2004	2330		Forced	Maintenance	16	15	Flare shut down.
03/13/2004	1730		Forced	Maintenance	6	30	Condensate pump tripped out 3/12/04.
03/15/2004	2000		Forced	Maintenance	4	0	Flare shut down numerous times.
03/18/2004	1515		Forced	Maintenance	8	45	LFG working on flare.
03/25/2004	2000		Forced	Maintenance	8	30	52u tripped.
03/27/2004	1700			Maintenance	87	0	52u tripped.
04/06/2004	2330		Scheduled	Maintenance	13	30	52u tripped.
04/08/2004	1100		Forced	Maintenance	16	30	52u tripped multiple times.
04/12/2004	2100		Forced	Maintenance	3	0	Flare shutdown.
04/14/2004	2230		Forced	Maintenance	2	0	Flare maintenance.
04/17/2004	1330		Scheduled	Maintenance	52	30	Flare shutdown.
04/20/2004	0000		Forced	Maintenance	264	0	Flare shutdown.

**Production Management Reporting System**



East Kentucky Power

**Appendix B**

**From: 11/01/2003 thru 04/30/2004**

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**Laurel Ridge Landfill**

**Unit Three**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	1630		Forced	Maintenance	123	30	52u trip, did not call out.
01/07/2004	0630		Scheduled	Maintenance	23	30	Ran unit for testing relays and lines.
01/10/2004	1930		Forced	Maintenance	10	30	Fuel cooling unit froze up.
01/15/2004	1900		Forced	Maintenance	5	0	Units off twice for repairs to be made to modify valve on flare skid.
01/20/2004	2300		Forced	Maintenance	1	24	LFG working on flare.
01/23/2004	0600		Forced	Maintenance	18	0	Took off-line for plug maintenance.
01/24/2004	0000		Scheduled	Maintenance	150	0	Took off-line for plug maintenance.
02/15/2004	2148		Forced	Maintenance	2	12	Unscheduled maintenance.
02/19/2004	1600		Scheduled	Maintenance	10	0	LFG working on flare.
02/21/2004	2120		Forced	Maintenance	2	40	Flare shut down.
02/22/2004	2120		Forced	Maintenance	9	8	Flare shut down.
02/26/2004	0430		Forced	Maintenance	19	30	Flare shut down and rotate eng. 3 & 2.
02/27/2004	0000		Scheduled	Maintenance	72	0	Scheduled maintenance.
03/01/2004	0000		Scheduled	Maintenance	5	0	Scheduled maintenance.
03/01/2004	0500		Forced	Maintenance	4	15	52t & 52u tripped.
03/03/2004	1500		Forced	Maintenance	14	0	Shut plant down for LFG to work on flare.
03/05/2004	1800		Forced	Maintenance	26	0	LFG working on flare.
03/07/2004	0000		Forced	Maintenance	24	30	Auto dialer did not call from 3/6/04.
03/09/2004	2130		Forced	Maintenance	2	30	Flare shut down.
03/11/2004	2330		Forced	Maintenance	16	15	Flare shut down.
03/13/2004	1730		Forced	Maintenance	6	30	Condensate pump tripped out.
03/15/2004	2000		Forced	Maintenance	4	0	Flare shut down numerous times.
03/18/2004	1515		Forced	Maintenance	8	45	LFG working on flare.
03/25/2004	2000		Forced	Maintenance	31	45	52u tripped.
03/28/2004	1630		Forced	Maintenance	11	0	52u tripped.
03/30/2004	0000		Forced	Maintenance	32	0	Plant out of service due to 52u tripping out.
04/06/2004	2330		Forced	Maintenance	13	30	52u tripped.
04/08/2004	0600		Forced	Maintenance	39	0	52u tripped multiple times.
04/10/2004	0000		Forced	Maintenance	65	0	Left two generators off to keep flare on.
04/14/2004	2230		Forced	Maintenance	4	0	Flare maintenance.
4/16/2004	1700		Forced	Maintenance	9	0	Tripped on loss of field.
04/18/2004	2300		Forced	Maintenance	3	0	Flare shutdown.
04/21/2004	1600		Forced	Maintenance	19	0	Flare shut down & auto dialer did not call out.



Production Management Reporting System



East Kentucky Power

**Appendix B**

**From: 11/01/2003 thru 04/30/2004**

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**Laurel Ridge Landfill**

**Unit Three**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
04/23/2004	1800		Forced	Maintenance	11	0	Flare shutdown.
04/25/2004	2145		Forced	Maintenance	2	15	Flare shutdown.
04/27/2004	2030		Forced	Maintenance	3	30	LFG working on flare.

Production Management Reporting System



East Kentucky Power

**Appendix B**

**From: 11/01/2003 thru 04/30/2004**

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**Laurel Ridge Landfill**

**Unit Four**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	1630		Forced	Maintenance	124	30	52u trip, did not call out.
01/07/2004	0630		Forced	Maintenance	23	30	Ran unit for testing relays and lines.
01/10/2004	1930		Forced	Maintenance	10	30	Fuel cooling unit froze up.
01/15/2004	1900		Forced	Maintenance	5	0	Unit off twice for repairs to be made to modify valve on flare skid.
01/20/2004	2300		Scheduled	Maintenance	1	24	LFG working on flare.
02/02/2004	0542		Scheduled	Maintenance	330	18	Scheduled maintenance.
02/19/2004	1600		Scheduled	Maintenance	10	0	LFG working on flare.
02/21/2004	2120		Forced	Maintenance	2	40	Flare shut down.
02/22/2004	2120			Maintenance	2	40	Flare shut down.
02/23/2004	1730		Forced	Maintenance	6	30	Flare shut down.
02/26/2004	2240		Forced	Maintenance	1	20	Flare shut down.
3/01/2004	1815		Forced	Maintenance	403	15	52t & 52u tripped.
03/25/2004	2000		Forced	Maintenance	10	0	52u tripped.
03/27/2004	0115		Forced	Maintenance	30	15	52u tripped.
03/29/2004	2030		Forced	Maintenance	51	30	52u tripped.
04/01/2004	0000		Forced	Maintenance	181	0	Forced maintenance on unit.
04/09/2004	2030		Forced	Maintenance	3	30	52u off, shut off plant to reset transformer tap changer.
04/12/2004	1400		Forced	Maintenance	57	0	Flare shutdown.
04/15/2004	0200		Forced	Maintenance	102	0	Flare shutdown and maintenance.
04/21/2004	1600		Forced	Maintenance	19	0	Flare shutdown & auto dialer did not call out.
04/23/2004	1800		Forced	Maintenance	11	0	Flare shutdown.
04/25/2004	2145		Forced	Maintenance	2	15	Flare shutdown.
04/27/2004	2030		Forced	Maintenance	3	30	LFG working on flare.

Production Management Reporting System



East Kentucky Power

Appendix B

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**Bavarian Landfill**

**Unit Two**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	0000	0.0	Forced	Maintenance	36	0	Fuel comp skid shutdown, auto dialer did not call out.
01/06/2004	0000	0.0	Forced	Maintenance	30	0	Gas aftercooler froze up.
01/08/2004	2300	0.0	Scheduled	Maintenance	1	0	Unit off-line for oil change.
01/26/2004	2300	0.0	Scheduled	Maintenance	1	0	Unit off-line for work being done at substation.
02/04/2004	2330	0.0	Scheduled	Maintenance	1	30	Unit off-line to install pressure diff. transmitters.
02/06/2004	2100	0.0	Scheduled	Maintenance	3	0	Plant had problems with Gen. Syncs.
02/12/2004	0130	0.0	Forced	Maintenance	262	30	Unit off-line due to engine overspeed.
02/23/2004	0000	0.0	Scheduled	Maintenance	100	0	Unit off-line to repair fuel skid.
03/01/2004	0000	0.0	Scheduled	Maintenance	2	0	Unit off-line to change plugs.
03/03/2004	2100	0.0	Scheduled	Maintenance	3	0	Installed test valve on unit.
03/25/2004	2200	0.0	Forced	Maintenance	2	0	Whayne set gov. setting on unit.
04/02/2004	2000	0.0	Forced	Maintenance	4	0	Unit maintenance.
04/21/2004	1930	0.0	Forced	Maintenance	4	30	Unit maintenance.

Production Management Reporting System



East Kentucky Power

**Appendix B**

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**Bavarian Landfill**

**Unit Two**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	0000		Forced	Maintenance	36	0	Fuel comp skid shutdown, auto dialer did not call out.
01/06/2004	0000		Forced	Maintenance	30	0	Gas aftercooler froze up.
01/08/2004	2300		Scheduled	Maintenance	1	0	Unit off-line for oil change.
01/26/2004	2300		Scheduled	Maintenance	1	0	Unit off-line for work being done at substation.
02/04/2004	2330		Scheduled	Maintenance	1	30	Unit off-line to install pressure diff. transmitters.
02/06/2004	2100		Scheduled	Maintenance	3	0	Plant had problems with Gen. Syncs.
02/12/2004	0130		Forced	Maintenance	262	30	Unit off-line due to engine overspeed.
02/23/2004	0000		Scheduled	Maintenance	100	0	Unit off-line to repair fuel skid.
03/01/2004	0000		Scheduled	Maintenance	2	0	Unit off-line to change plugs.
03/03/2004	2100		Scheduled	Maintenance	3	0	Installed test valve on unit.
03/25/2004	2200		Forced	Maintenance	2	0	Whayne set gov. setting on unit.
04/02/2004	2000		Forced	Maintenance	4	0	Unit maintenance.
04/21/2004	1930		Forced	Maintenance	4	30	Unit maintenance.

Production Management Reporting System



East Kentucky Power

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**Bavarian Landfill**

**Unit Three**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	0000		Forced	Maintenance	340	0	Fuel comp skid shutdown, auto dialer did not call out.
01/26/2004	2300		Scheduled	Maintenance	1	0	Off-line for work being done at substation.
02/04/2004	2330		Scheduled	Maintenance	1	30	Unit off-line to install pressure diff. transmitters.
02/06/2004	2100		Scheduled	Maintenance	3	0	Unit off-line due to problems on Gen. Syncs.
02/09/2004	2300		Scheduled	Maintenance	1	0	Unit off-line for services and oil leak repairs.
02/17/2004	1600		Scheduled	Maintenance	8	0	Unit off-line to reseal fuel skid.
02/23/2004	0000		Scheduled	Maintenance	100	0	Unit off-line to repair fuel skid.
03/01/2004	0000		Scheduled	Maintenance	2	0	Unit off-line to change plugs.
03/03/2004	2100		Scheduled	Maintenance	3	0	Installed test valves on the unit.
03/11/2004	2300		Scheduled	Maintenance	1	0	Unit off-line for service.
03/25/2004	2245		Forced	Maintenance	1	15	Wayne set gov. setting on unit.
03/30/2004	2230		Forced	Maintenance	1	30	Plug maintenance on unit.
04/02/2004	2100		Forced	Maintenance	3	0	Unit maintenance.
04/19/2004	2200		Forced	Maintenance	2	0	Unit head bad.
04/27/2004	0600		Forced	Maintenance	18	0	Unit put back on-line after each head on unit was replaced.

Production Management Reporting System



East Kentucky Power

**Appendix B**

From: 11/01/2003 thru 04/30/2004

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**Bavarian Landfill**

**Unit Four**

Date	Time Off/On	Available MW	Forced or Scheduled	Status	Actual		Cause or Reason
					Hours	Minutes	
01/01/2004	0000		Forced	Maintenance	36	0	Fuel comp skid shutdown, auto dialer did not call out.
01/06/2004	0000		Forced	Maintenance	30	0	Gas aftercooler froze up.
02/02/2004	2200		Scheduled	Maintenance	2	0	Unit off-line for service and repair oil leak.
02/04/2004	2330		Scheduled	Maintenance	1	30	Unit off-line to install pressure diff. transmitters.
02/06/2004	2100		Scheduled	Maintenance	3	0	Unit off-line with problems on Gen. Syncs.
02/10/2004	2200		Scheduled	Maintenance	2	0	Unit off-line for valve recession.
02/17/2004	1600		Scheduled	Maintenance	8	0	Unit off-line to reseal fuel skid.
02/20/2004	2300		Scheduled	Maintenance	1	0	Unit off-line to install shims in carbs.
02/23/2004	0000		Scheduled	Maintenance	100	0	Unit off-line to repair fuel skid.
03/01/2004	0000		Scheduled	Maintenance	2	0	Unit off-line to change plugs.
03/03/2004	0800		Scheduled	Maintenance	16	0	Installed test valve on the unit, left unit off-line to stabilize methane.
03/11/2004	2300		Scheduled	Maintenance	1	0	Unit off-line for service.
03/22/2004	1315		Forced	Maintenance	70	15	Unit off-line for coolant leak.
03/30/2004	2200		Forced	Maintenance	2	0	Unit off-line for plug maintenance.
04/02/2004	2230		Forced	Maintenance	1	30	Unit maintenance.
04/18/2004	2200		Forced	Maintenance	18	0	Unit maintenance.
04/20/2004	1000		Forced	Maintenance	15	0	Replace bad head on unit.



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Question 6 (a-k)** List all existing fuel contracts categorized as long-term (i.e., more than one year in length). Provide the following information for each contract:
- a. Supplier's name and address;
  - b. Name and location of production facility;
  - c. Date when contract executed;
  - d. Duration of contract;
  - e. Date(s) of each contract revision, modification or amendment;
  - f. Annual tonnage requirements;
  - g. Actual annual tonnage received since the contract's inception;
  - h. Percent of annual requirements received during the contract's term;
  - i. Base price;
  - j. Total amount of price escalations to date;
  - k. Current price paid for coal under the contract (i + j).

**Answer 6 (a-k)** See attached pages 2 through 7.



EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

(a) Supplier	(b) Production Facility	(c) Contract Date	(d) Duration of Contract	(e) Revisions or Amendments	(f) Annual Tonnage Required Through 5/04	(g) Actual Annual Tonnage Rec'd Since Inception of Contract Through 5/04	(h) % of Annual Requirements Received	(i) Base Price \$/MMBtu	(j) Total Amt. of Price Escalations to Date	(k) Current Price Paid for Coal (i&j)
Gatloff Coal Co. 200 Allison Blvd. Corbin, KY 40701	Gatloff Coal Co. Bell, KY	09/22/03	33 Mos.	Letter 09/25/03 Amendment 1 10/08/03 Letter 01/21/04 Amendment 2 03/22/04	80,000—2003— 100,000—2004—	47,070.36 116,562.76	59% 117%	\$1.55	---	\$1.55

Long Term:

Date Station

Gatloff Coal Co.  
200 Allison Blvd.  
Corbin, KY 40701

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

(a) Supplier	(b) Production Facility	(c) Contract Date	(d) Duration of Contract	(e) Revisions or Amendments	(f) Annual Tonnage Required Through 5/04	(g) Actual Annual Tonnage Rec'd Since Inception of Contract Through 5/04	(h) % of Annual Requirements Received	(i) Base Price \$/MMBtu	(j) Total Amt. of Price Escalations to Date	(k) Current Price Paid for Coal (i&j)
Cooper Station Horizon Natural Resources Sales Co. 2000 Ashland Drive Russell, KY 41169 (Formerly AEI Coal)	Ikerd-Bandy Co. Clay County, KY Leslie Resources Perry County, KY	06/29/99	8 ½ Yrs.	Letter 11/19/99	170,000—1999—174,417.72		103%	\$1.13	\$ .13/MMBtu	\$1.26/MMBtu
				Letter 02/28/00	229,500—2000—194,752.39		85%			
				Letter 06/16/00	158,000—2001—104,889.19		66%			
				Letter 09/28/00	4,000—2002— 4,000.00		100%			
				Letter 11/06/00	0—2003— 0.00		---			
				Amendment 1 07/01/01	56,754—2004—56,753.60		100%			
				Amendment 2 10/01/02						
				Terminated through Bankruptcy Court 03/25/04						
Gatliff Coal Co. 200 Allison Blvd. Corbin, KY 40701	Gatliff Coal Co. Bell, KY	09/22/03	33 Mos.	Letter 09/25/03	10,000—2003— 14,950.67		150%	\$1.395	---	\$1.395
				Amendment 1 10/08/03	29,000—2004—41,175.61		142%			
				Letter 01/21/04 Amendment 2 03/22/04						

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

(a) Supplier	(b) Production Facility	(c) Contract Date	(d) Duration of Contract	(e) Revisions or Amendments	(f) Annual Tonnage Required Through 5/04	(g) Actual Annual Tonnage Rec'd Since Inception of Contract Through 5/04	(h) % of Annual Requirements Received	(i) Base Price \$/MMBtu	(j) Total Amt. of Price Escalations to Date	(k) Current Price Paid for Coal (f&i)
Spurlock Station Argus Energy, LLC Route 292 Fast Lane Bldg. P. O. Box 190 Lovely, KY 41231 (Formerly Pen Coal)	Kiah Creek Wayne County, WV (Spurlock Station)  Beechfork Johnson County, KY (Dale Station)	07/12/94	13 1/2 Yrs.	Letter 04/14/95 Letter 04/03/96 Amendment 1 11/25/96 Letter 11/29/97 Letter 07/03/97 Amendment 2 11/15/97 Letter 01/19/98 Letter 08/31/98 Letter 06/23/99 Letter 02/28/00 Letter 10/11/00 Amendment 3 10/26/01 Letter 04/09/02 Letter 09/20/02 Letter 10/16/02 Letter 11/13/02 Letter 12/19/02 Letter 02/20/03 Letter 04/30/03 Letter 05/09/03 Letter 12/01/03 Letter 02/11/04 Letter 03/03/04	45,000—1994— 78,750—1995— 77,200—1996— 121,500—1997— 330,000—1998— 395,000—1999— 309,800—2000— 41,900—2001— 340,000—2002— 240,000—2003— 300,000—2004—	46,292.00 78,806.00 71,855.00 127,474.00 317,831.00 403,754.00 301,525.00 41,900.00 357,317.10 213,659.93 226,705.32	103% 100% 93% 105% 96% 102% 97% 100% 105% 89% 76%	\$1.246 (Spurlock 1)  \$1.354 (Spurlock 2)  \$1.396 (Dale)	\$ .025/MMBtu  ---  \$ .028/MMBtu	\$1.271/MMBtu (Spurlock 1)  \$1.354/MMBtu (Spurlock 2)  \$1.424/MMBtu (Dale)

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

(a) Supplier	(b) Production Facility	(c) Contract Date	(d) Duration of Contract	(e) Revisions or Amendments	(f) Annual Tonnage Required Through 5/04	(g) Actual Annual Tonnage Rec'd Since Inception of Contract Through 5/04	(h) % of Annual Requirements Received	(i) Base Price \$/MMBtu	(j) Total Amt. of Price Escalations to Date	(k) Current Price Paid for Coal (i&j)
Spurlock Station (Continued) Infinity Coal Sales, LLC Suite 106 3315 Springbank Lane Charlotte, NC 28226	Remington, Kanawha, WV	12/09/03	1 Yr.	Letter 03/03/04	112,500—2004—2004—106,316.00		95%	\$1.432	---	\$1.432/MMBtu

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

(a) Supplier	(b) Production Facility	(c) Contract Date	(d) Duration of Contract	(e) Revisions or Amendments	(f) Annual Tonnage Required Through 5/04	(g) Actual Annual Tonnage Rec'd Since Inception of Contract Through 5/04	(h) % of Annual Requirements Received	(i) Base Price \$/MMBtu	(j) Total Amt. of Price Escalations to Date	(k) Current Price Paid for Coal (i&j)
<b>Spurlock Station (Continued)</b> Central Appalachian Mining, LLC P. O. Box 1169 Pikeville, KY 41502	Quaker Coal Pike, KY	01/29/02	47 Mos.	Letter 02/25/02 Letter 03/11/02 Letter 11/19/02 Letter 05/09/03 Letter 06/11/03 Letter 05/09/03 Letter 06/11/03 Letter 07/24/03 Amendment 1 09/11/03 Assignment 03/29/04	76,000—2002— 110,000—2003— 100,000—2004—	67,423.60 111,817.43 94,513.48	89% 102% 95%	\$1.500	---	\$1.50/MMBtu
Appalachian Fuels, LLC 1500 N. Big Run Road Ashland, KY 41101	Appalachian Fuels Knott, KY	12/04/01	3 Yrs.	Letter 01/28/02 Amendment 1 03/01/02 Letter 01/06/03 Letter 01/22/03 Letter 02/03/03 Letter 03/11/03 Letter 05/09/03 Letter 06/03/03 Letter 02/26/04 Letter 03/29/04	256,900—2002— 516,000—2003— 250,000—2004—	256,877.00 198,895.70 76,738.00	100% 39% 31%	\$1.396	\$.057/MMBtu	\$1.453/MMBtu
Arch Coal Sales Cityplace One St. Louis, MO 63141	Catenary Coal Kanawha, WV	02/15/01	3 Yrs.	Letter 12/11/01 Letter 05/09/03	60,000—2001— 180,000—2002— 180,000—2003— 60,000—2004—	62,151.05 197,340.84 173,735.70 46,914.58	104% 110% 97% 78%	\$.9702	\$.002/MMBtu	\$.9722/MMBtu +\$.11/Ton

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

(a) Supplier	(b) Production Facility	(c) Contract Date	(d) Duration of Contract	(e) Revisions or Amendments	(f) Annual Tonnage Required Through 5/04	(g) Actual Annual Tonnage Rec'd Since Inception of Contract Through 5/04	(h) % of Annual Requirements Received	(i) Base Price \$/MMBtu	(j) Total Amt. of Price Escalations to Date	(k) Current Price Paid for Coal (i&j)
Spurlock Station (Continued) Keystone Industries, LLC Suite 401 1375 Jackson Street Fort Myers, FL 33901	Keystone Industries Kanawha, WV	10/16/01	2 Yrs. 3 Mos.	Amendment 1	99,000—2002—100,267.00	101%	\$1.415	\$ .0356/MMBtu	\$1.4506/MMBtu	(synfuel)
				Amendment 2	126,038—2003—119,120.00	95%	\$1.478	\$ .0372/MMBtu	\$1.5152/MMBtu	(coal)
				10/08/02 Letter 05/09/03 Letter 06/11/03 Letter 07/24/03 Letter 01/27/04 Letter 02/13/04	14,341—2004—14,341.00	100%	(coal)			
Laurel Creek Co. 1520 Kanawha Blvd. East Charleston, WV 25311	Laurel Creek Co. Mingo, WV	02/28/01	3 Yrs. & 5 Mos.	Letter 12/03/01	132,000—2001—96,094.00	73%	\$1.1658	\$ .0634/MMBtu	\$1.2292/MMBtu	+\$ .11/Ton
				Letter 05/09/03	180,000—2002—206,190.00	115%				
				Letter 08/06/03 Letter 03/01/04	175,000—2003—124,859.00 23,000—2004—42,067.00	71% 183%				



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 7 (a)** Does East Kentucky regularly compare the price of its coal purchases with those paid by other electric utilities?

**Answer 7 (a)** Each month East Kentucky compares the price of its coal purchases on an evaluated and delivered basis against the price that other utilities within our region are paying for coal.

**Question 7 (b) (1-2)** If yes, state: (1) How East Kentucky's prices compare with those of other utilities for the review period. (2) The utilities that are included in this comparison and their location.

**Answer 7 (b) (1-2)** The most recent data available for comparison is for December 2003. East Kentucky ranked fourth on an evaluated basis for December 2003.

	Evaluated Basis <u>¢/MMBtu</u>	Delivered Basis <u>¢/MMBtu</u>
Kentucky Power (AEP)	140.5	118.2
Tennessee Valley Authority	157.1	120.6
Cincinnati Gas & Electric	162.0	116.2
East Kentucky Power Cooperative	166.0	140.7
Louisville Gas & Electric	178.1	114.9
Kentucky Utilities Company	180.8	151.5





**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 8 (a-c)**      What percentage of East Kentucky's coal, as of the date of this Order, is delivered by: (a) rail (b) truck (c) barge.

**Answer 8 (a-c)**      (a) Rail = 17%; (b) Truck = 38%; (c) Barge = 45%



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 9 (a)** State East Kentucky's coal inventory level in tons and in number of days' supply as of April 30, 2004.

**Answer 9 (a)** East Kentucky's coal inventory level as of April 30, 2004, was 536,032 tons—52 days' supply.

**Question 9 (b)** Describe the criteria used to determine number of days' supply.

**Answer 9 (b)** Actual tons in inventory divided by the past 12 months' average daily burn.

**Question 9 (c)** Compare East Kentucky's coal inventory as of April 30, 2004, to its inventory target for that date.

**Answer 9 (c)** East Kentucky's coal inventory as of April 30, 2004, falls within its target range of 50-60 days' supply.

**Question 9 (d)** If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.

**Answer 9 (d)** Actual coal inventory does not exceed inventory target by 10 days' supply.

**Question 9 (e) (1-2)** (1) Does East Kentucky expect any significant changes in its current coal inventory target within the next 12 months?

(2) If yes, state the expected change and the reasons for this change.

**Answer 9 (e) (1-2)** East Kentucky does not expect significant changes in its current coal inventory target within the next 12 months



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 10 (a)**

Has East Kentucky audited any of its coal contracts during the period from November 1, 2003, through April 30, 2004?

**Answer 10 (a)**

East Kentucky has not audited any of its coal contracts during the period under review.



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Q. a. Has East Kentucky received any customer complaints regarding its fuel adjustment clause during the period from November 1, 2003 through April 30, 2004?
- b. If yes, for each complaint, state:  
(1) The nature of the complaint.  
(2) East Kentucky's response.
- A. No.





**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 12 (a)** Is East Kentucky currently involved in any litigation with its current or former coal suppliers?

**Answer 12 (a)** No, East Kentucky is not involved in any litigation with a current or former coal supplier. East Kentucky did, however, have a contract with Horizon Natural Resources for its Cooper Power Station terminated through the bankruptcy court in April 2004. East Kentucky is in the process of recovering the \$420,000 due under the performance bond for this contract and has filed a proof of claim with the bankruptcy court.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 13 (a-b)**

(a) During the period from November 1, 2003, through April 30, 2004, have there been any changes to East Kentucky's written policies and procedures regarding its fuel procurement?

(b) If yes, (1) What were these changes? (2) Provide these written policies and procedures as changed. (3) When were these changes made? (3) Why were they made?

**Answer 13 (a-b)**

No, East Kentucky has not made any changes to its written policies and procedures regarding fuel procurement.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 14 (a)** Is East Kentucky aware of any violations of its policies and procedures regarding fuel procurement which occurred prior to or during the period from November 1, 2003, through April 30, 2004?

**Answer 14 (a)** No, East Kentucky is not aware of any violations of its policies and procedures regarding fuel procurement.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

**Question 15** Identify all changes, which occurred during the period from November 1, 2003, through April 30, 2004, in the organizational structure and personnel of the departments or divisions that are responsible for East Kentucky's fuel procurement activities.

**Answer 15** No changes occurred in the organizational structure or personnel that are responsible for East Kentucky's fuel procurement activities during the period under review.





**EAST KENTUCKY POWER COOPERATIVE, INC.  
PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212  
RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Question 16 a. Identify all changes which East Kentucky has made during the period under review to its maintenance and operation practices and that affect fuel usage at East Kentucky's generation facilities.
- b. Describe the impact of these changes on East Kentucky's fuel usage.

Answer During the period under review, East Kentucky did not make any changes to its maintenance and operational practices, which affected fuel usage at East Kentucky's generation facilities.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Question 17 (a-b)** List each written coal supply solicitation issued during the period from November 1, 2003, to April 30, 2004.
- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
  - b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection.

**Answer 17 (a-b)** See attached pages 2 through 16.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

Unit	Date	Contract/Spot	Quantity (Tons)	Quality	Time Period	Number of Vendors Sent	Number of Vendors Respond	Tabulation Sheet
Date	01/09/04	Spot	20,000	1.8# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	04/01/04—06/30/04	75	3	Pages 3-4
Cooper	01/09/04	Spot	30,000	3.3# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	04/01/04—06/30/04	80	5	Pages 5-7
Spurlock #1	01/09/04	Spot	15,000	6# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	04/01/04—06/30/04	79	7	Pages 8-9
Spurlock #2	01/09/04	Spot	30,000	1.15# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	04/01/04—06/30/04	79	4	Pages 10-11
Gilbert	03/16/04	Spot	50,000	9.75# SO <sub>2</sub> /MMBtu <30% Ash >9,000 Btu	10/01/04—12/31/04	94	20	Pages 12-16

**FUEL EVALUATION FOR DALE POWER STATION  
SECOND QUARTER 2004**

DATE: 02/19/2004

COAL SUPPLIER	QUALITY BTU	%SULFUR	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
(R) B & W RESOURCES #1	12000			10000	3	2.448
LESLIE KY	1.00					
WEEKLY/NON-UNION/PRODUCER	12.00					
(R) B & W RESOURCES #2	12000			15000	21	2.448
LESLIE KY	1.00					
WEEKLY/NON-UNION/PRODUCER	12.00					
TWIN ENERGIES	12000			10000	6	2.473
PERRY KY	1.11					
WEEKLY/NON-UNION/PRODUCER	12.00					
JAMIESON CONSTRUCTION	11500			10000	3	2.823
LAUREL KY	1.06					
WEEKLY/NON-UNION/PRODUCER	12.00					

(R)=Recommended

# Board Agenda Item

Item No. 17

Page 4 of 16

MARCH

**TO:** Fuel and Power Supply Committee

**FROM:** Roy M. Palk

**DATE:** February 27, 2004

**SUBJECT:** Budgeted Spot Coal Purchases for Second Quarter 2004 Through March 2006—Dale, Cooper, and Spurlock Power Stations (Executive Summary)

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

Dale Power Station. The recommended purchase is described in detail below:

1. B & W Resources—240,000 tons at a delivered price of \$2.021/MMBtu or \$48.50/ton, based on 12,000 Btu/lb. B & W is a producer in Leslie County, Kentucky.

All coal deliveries will be made by truck.

**FUEL EVALUATION FOR COOPER POWER STATION  
SECOND QUARTER 2004**

DATE: 02/19/2004

COAL SUPPLIER	QUALITY BTU	%SULFUR	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
(R) TWIN ENERGIES CLAY KY WEEKLY/NON-UNION/PRODUCER	12500	2.00	10.00	12000	9	2.238
US COAL INC SCOTT TN NOT RECOMMENDED WEEKLY/NON-UNION/PRODUCER	12400	1.00	10.00	15000	24	2.279
(R) B & W RESOURCES #1 LESLIE KY WEEKLY/NON-UNION/PRODUCER	12000	2.03	12.00	10000	3	2.336
(R) B & W RESOURCES #2 LESLIE KY WEEKLY/NON-UNION/PRODUCER	12000	2.03	12.00	15000	21	2.336
SOUTHERN APPLACHIAN ANDERSON TN NOT RECOMMENDED MONTHLY/NON-UNION/BROKER	12500	1.20	10.00	10000	12	2.392
(R) JAMIESON CONST #1 LAUREL KY WEEKLY/NON-UNION/PRODUCER	11500	1.95	12.00	15000	9	2.412
JAMIESON CONST #2 LAUREL KY WEEKLY/NON-UNION/PRODUCER	11500	1.06	12.00	10000	7	2.528

(R)=Recommended



**TO:** Fuel and Power Supply Committee

**FROM:** Roy M. Palk

**DATE:** February 27, 2004

**SUBJECT:** Budgeted Spot Coal Purchases for Second Quarter 2004 Through March 2006—Dale, Cooper, and Spurlock Power Stations (Executive Summary)

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

Cooper Power Station. The recommended purchases are described in detail below:

1. Twin Energies—60,000 tons at a delivered price of \$1.72/MMBtu or \$43.00/ton, based on 12,500 Btu/lb. Twin is a producer in Clay County, Kentucky.
2. B & W Resources—240,000 tons at a delivered price of \$1.771/MMBtu or \$42.50/ton, based on 12,000 Btu/lb. B & W is a producer in Leslie County, Kentucky.

MARCH

3. Jamieson Const. #1—150,000 tons at a delivered price of \$1.837/MMBtu or \$42.25/ton, based on 11,500 Btu/lb. Jamieson is a producer in Laurel County, Kentucky.

All coal deliveries will be made by truck.

**FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1  
SECOND QUARTER 2004**

DATE: 02/19/2004

COAL SUPPLIER	QUALITY		TONS	TERM MONTHS	EVAL COST \$/MMBtu
	BTU	%SULFER			
INFINITY COAL	12200	1.00	19500	9	2.040
RALEIGH WV NOT AVAILABLE MONTHLY/NON-UNION/BROKER	1.00	14.00			
WATERLOO COAL	11300	3.00	15000	3	2.046
JACKSON OH NOT RECOMMENDED WEEKLY/NON-UNION/PRODUCER	3.00	11.00			
LAFAYETTE COAL #2	11500	2.20	22500	9	2.105
PIKE IN NOT RECOMMENDED MONTHLY/NON-UNION/PRODUCER	2.20	7.50			
BLACK GOLD	12700	1.20	10000	3	2.227
HARLAN KY NOT AVAILABLE MONTHLY/NON-UNION/BROKER	1.20	10.00			
VIRGINIA POWER	11900	1.00	10000	3	2.314
KANAWHA WV NOT RECOMMENDED WEEKLY/NON-UNION/BROKER	1.00	14.00			
LAFAYETTE COAL #1	11300	3.45	20000	9	2.354
KNOX IN NOT RECOMMENDED MONTHLY/NON-UNION/PRODUCER	3.45	10.00			
(R) PEYLER COAL SALES	12000	1.85	20000	9	2.423
MARTIN KY WEEKLY/NON-UNION/PRODUCER	1.85	12.00			
LOGAN & KANAWHA	12000	2.50	4500	9	2.613
MINGO WV MONTHLY/NON-UNION/PRODUCER	2.50	12.00			

(R)=Recommended

MARCH

Spurlock Power Station Unit No. 1. The recommended purchase is described in detail below:

1. Pevler Coal Sales—90,000 tons at a delivered price of \$1.912/MMBtu or \$45.89/ton, based on 12,000 Btu/lb. Pevler is a producer in Martin County, Kentucky.

All coal deliveries will be made by barge.

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 2

SECOND QUARTER 2004

DATE: 02/19/2004

COAL SUPPLIER	QUALITY BTU	%SULFUR	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
RESOURCE FUELS	12200			40000	60	
CABELL WV NOT RECOMMENDED	0.70					
MONTHLY/NON-UNION/PRODUCER	13.50					
(R) PEABODY COALS SALES	12500			10000	15	2.253
KANAWHA WV	0.74					
WEEKLY/NON-UNION/BROKER	13.50					
(R) TWIN ENERGIES	12000			12500	9	2.413
PIKE KY	0.72					
WEEKLY/NON-UNION/PRODUCER	14.50					
(R) ARCH COAL SALES	11800			20000	7	2.418
LOGAN WV	0.70					
MONTHLY/UNION/PRODUCER	14.00					

(R)=Recommended

Spurlock Power Station Unit No. 2. The recommended purchases are described in detail below:

1. Peabody Coalsales—150,000 tons at a delivered price of \$2.00/MMBtu or \$50.00/ton, based on 12,500 Btu/lb. Peabody is a broker representing mines in Kanawha County, West Virginia.
2. Twin Energies—135,000 tons at a delivered price of \$2.142/MMBtu or \$51.41/ton, based on 12,000 Btu/lb. Twin is a producer in Pike County, Kentucky.
3. Arch Coal Sales—110,000 tons at a delivered price of \$2.16/MMBtu or \$50.98/ton, based on 11,800 Btu/lb. Arch is a producer in Logan County, West Virginia.

Arch's deliveries will be made by rail. Peabody's and Twin's deliveries will be made by barge.

**FUEL EVALUATION FOR GILBERT UNIT NO. 3**

**FOURTH QUARTER 2004**

Date: 05/20/2004  
Event Nbr: 1  
Bid End Date: 04/09/2004

Coal Supplier	Number	Quantity (Ton)	% Sulfur	% Ash	Btu's	Heat	Estimated Cost
Camelot Coal Co Noble Weekly /Non-Union /Producer	26	11,500 5.50 17.50	20,000	6	26,052	1.133	<i>Recommended</i>
Oxford Mining Belmont Weekly /Non-Union /Producer	1	11,700 5.50 15.00	50,000	6	27,021	1.155	<i>Recommended</i>
Logan & Kanawha Logan Monthly/Non-Union /Producer	2	9,000 0.65 30.00	5,000	3	21,382	1.188	
American Coal Belmont Monthly/Union /Producer	4	12,500 4.70 10.50	25,000	3	32,669	1.307	
Resource Fuels Mingo Monthly/Non-Union /Producer	3	10,800 4.50 14.00	10,000	1	28,383	1.314	
Waterloo Coal Jackson Weekly /Non-Union /Producer	5	10,000 5.00 24.00	25,000	3	27,961	1.398	
Smoky Mountain Webster Monthly/Non-Union /Broker	6	10,200 4.18 23.50	50,000	3	28,794	1.411	

**Cost Factors used in Gilbert Model**  
 Weekly Pay Factor: \$0.005    Price of Limestone : \$6.70    SO2 Cost/Ton: \$292.00  
 Limestone Reactivity: 87.00 %    Ash Landfill Cost : \$2.12



**FUEL EVALUATION FOR GILBERT UNIT NO. 3**

**FOURTH QUARTER 2004**

Date: 05/20/2004  
Event Nbr: 1  
Bid End Date: 04/09/2004

Coal Supplier	Number	11,000	25,000	3	Exhibition Cost
Waterloo Coal Jackson Weekly / Non-Union / Producer	7	11,000 5.00 14.00	25,000	3	31.769 1.444
Consol Inc Marshall Monthly / Union	8	9,400 3.20 28.00	25,000	3	27.438 1.459
Black Gold Belmont Monthly / Non-Union / Broker	9	12,000 3.50 13.00	5,000	3	35.871 1.495
Peabody Coalsales Ohio Monthly / Non-Union / Producer	10	10,000 4.20 21.50	50,000	3	30.832 1.542
Arch Coal Sales Kanawha Monthly / Non-Union / Producer	12	8,500 0.90 38.00	30,000	3	26.437 1.555
Prairie Energy - Syn Montgomery Monthly / Non-Union / Broker	13	10,650 3.50 9.00	50,000	3	33.666 1.581
Edmonson Fuels Muhlenburg Weekly / Non-Union / Broker	11	10,000 4.49 28.00	75,000	36	31.971 1.599

**Cost Factors used in Gilbert Model**  
 Weekly Pay Factor: \$0.005  
 Limestone Reactivity: 87.00 %  
 Price of Limestone : \$6.70  
 Ash Landfill Cost : \$2.12  
 SO2 Cost/Ton: \$292.00





**FUEL EVALUATION FOR GILBERT UNIT NO. 3**

**FOURTH QUARTER 2004**

Date: 05/20/2004  
Event Nbr: 1  
Bid End Date: 04/09/2004

Coal Supplier	Quantity/Bid Number	% Sulfur	% Ash	Moisture	BTU/lb	Evaluated Cost (\$/MWh)
Lafayette Coal Knox Monthly/Non-Union /Producer	17	11,300 4.20 12.00	50,000	3	36.930	1.634
Future Industries Somerset Monthly/Non-Union /Producer	14	9,000 4.00 30.00	48,000	12	29.642	1.647
Alliance Coal Hopkins Monthly/Non-Union /Producer	15	9,500 4.50 25.00	66,000	3	31.406	1.653
Alliance Coal Hopkins Monthly/Non-Union /Producer	16	9,500 4.50 25.00	66,000	3	31.786	1.673
Lafayette Coal Pike Monthly/Non-Union /Producer	20	11,400 2.20 7.50	40,000	3	38.762	1.700
J & M Equipment Elliott Weekly /Non-Union /Producer	18	9,000 4.50 30.00	10,000	24	31.084	1.727
Resource Fuels Floyd Monthly/Non-Union /Producer	21	10,900 2.20 24.00	10,000	3	38.032	1.745



**Cost Factors used in Gilbert Model**  
 Weekly Pay Factor: \$0.005    Price of Limestone : \$6.70    SO2 Cost/Ton: \$292.00  
 Limestone Reactivity: 87.00 %    Ash Landfill Cost : \$2.12

# FUEL EVALUATION FOR GILBERT UNIT NO. 3

## FOURTH QUARTER 2004

Date: 05/20/2004  
 Event Nbr: 1  
 Bid End Date: 04/09/2004

Coal Supplier	Coal Supplier Number	Coal Supplier Name	Coal Supplier Address	Coal Supplier Phone	Coal Supplier Fax	Coal Supplier Email	Coal Supplier Website	Coal Supplier Type	Coal Supplier Status	Coal Supplier Rating	Coal Supplier Comments	Estimated Cost
Pine Branch Perry	22	Ky	10,300	9,000	3							36.490 1.771
Monthly/Non-Union /Producer			2.00									
			23.00									
Progress Fuels Knott	19	Ky	10,550	6,000	20							37.505 1.778
Monthly/Non-Union /Producer			5.00									
			23.50									
Massey Utility Martin	23	Ky	10,500	50,000	3							39.927 1.901
Weekly /Non-Union /Producer			1.58									
			25.00									
Arch Coal Sales Kanawha	24	WV	9,500	30,000	3							36.667 1.930
Monthly/Non-Union /Producer			0.90									
			30.00									
Smoky Mountain Webster	25	Ky	12,000	20,000	3							55.599 2.317
Monthly/Non-Union /Broker			1.50									
			14.00									

**Cost Factors used in Gilbert Model**  
 Weekly Pay Factor: \$0.005  
 Price of Limestone : \$6.70  
 SO2 Cost/Ton: \$292.00  
 Limestone Reactivity: 87.00 %  
 Ash Landfill Cost : \$2.12

**TO:** Fuel and Power Supply Committee

**FROM:** Roy M. Palk

**DATE:** May 28, 2004

**SUBJECT:** Budgeted Spot Gilbert Unit Coal Purchases for Fourth Quarter 2004 Through First Quarter 2005 (Executive Summary)

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

Gilbert Unit. The recommended purchase is described in detail below:

1. Camelot Coal Co.—120,000 tons at a delivered price of \$0.992/MMBtu or \$22.82/ton for fourth quarter 2004 and \$1.014/MMBtu or \$23.32/ton for first quarter 2005, based on 11,500 Btu/lb. Camelot is the sales company for B & N Coal Company in Noble, Ohio.
2. Oxford Mining—150,000 tons at a delivered price of \$1.019/MMBtu or \$23.84/ton for fourth quarter 2004 and first quarter 2005, based on 11,700 Btu/lb. Oxford is a producing company in Belmont, Ohio.

All coal deliveries will be made by barge.



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212**

**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Question 18 (a-b)** List each oral coal supply solicitation issued during the period from November 1, 2003, to April 30, 2004.
- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
  - b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

**Answer 18 (a-b)** See attached pages 2 through 38.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

Unit	Date	Reason	Quantity (Tons)	Quality	Time Period	Number of Vendors Contacted	Tabulation Sheet
Date	12/23/03	Immediate Response Required	160,000	1.8# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	01/01/04—04/30/05	6	Pages 5-7
Spurlock #2	01/05/04	Immediate Response Required	20,000	1.15# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	01/05/04—01/31/04	5	Pages 8-10
Date	01/08/04	Immediate Response Required	30,000	1.8# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	01/01/04—06/30/04	5	Pages 11-12
Date	01/16/04	Immediate Response Required	10,000	1.8# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	01/16/04—02/29/04	7	Pages 13-14
Cooper	01/23/04	Immediate Response Required	15,000	3.3# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	01/23/04—03/31/04	8	Pages 15-16

EAST KENTUCKY POWER COOPERATIVE, INC.  
PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212  
RESPONSE TO PSC ORDER DATED JUNE 23, 2004

Unit	Date	Reason	Quantity (Tons)	Quality	Time Period	Number of Vendors Contacted	Tabulation Sheet
Spurlock #2	02/13/04	Immediate Response Required	7,500	1.15# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	02/13/04—02/29/04	5	Pages 17-18
Spurlock #1	02/16/04	Immediate Response Required	18,000	6# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	03/01/04—03/31/04	8	Pages 19-22
Spurlock #1	02/16/04	Immediate Response Required	10,000	6# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	03/01/04—03/31/04	7	Pages 23-26
Spurlock #2	02/16/04	Immediate Response Required	20,000	1.15# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	03/01/04—03/31/04	4	Pages 27-29
Spurlock #1	02/27/04	Immediate Response Required	162,000	6# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	04/01/04—12/31/04	8	Pages 30-33
Date	03/16/04	Immediate Response Required	12,500	1.8# SO <sub>2</sub> /MMBtu <12% Ash >11,500 Btu	02/15/04—03/08/04	3	Pages 34-35

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2004-00212

RESPONSE TO PSC ORDER DATED JUNE 23, 2004

Unit	Date	Reason	Quantity (Tons)	Quality	Time Period	Number of Vendors Contacted	Tabulation Sheet
Spurlock #2	03/22/04	Immediate Response Required	11,000	1.15# SO <sub>2</sub> /MMBtu <14% Ash >11,000 Btu	03/22/04--03/31/04	6	Pages 36-38

**NOTE:** All coal purchased is based on the lowest evaluated cost. Any deviations from this practice such as quality concerns, delivery commitments, diversity of suppliers, etc., are detailed on approval attachments. A portion of spot coal requirements at Cooper and Spurlock Power Stations are purchased through a "run-of-mine" program that typically purchases coal from small operators that do not have processing facilities. Approximately 10,000 tons per month is purchased for Cooper Power Station and 20,000 to 30,000 tons per month for Spurlock Power Station at prices competitive with prices paid for coal at the respective power plants. These purchases are not reflected in the above quantities since the coal is purchased at varying quantities and qualities and blended to meet respective plant specifications.



FUEL EVALUATION FOR DALE AND COOPER POWER STATIONS  
VERBAL PRICING FOR COAL PURCHASED JANUARY 2004 THROUGH APRIL 2005

DATE: 12/22/2003

COAL SUPPLIER	QUALITY	BTU	%SULFER	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
(R) IKERD COAL CO #2 KNOX KY WEEKLY/NON-UNION/PRODUCER	12100	160000	1.12	11.00	16	1.888	
IKERD COAL CO #1 KNOX KY WEEKLY/NON-UNION/PRODUCER	12000	5000	1.11	12.00	12	2.108	
JAMES RIVER PERRY KY MONTHLY/NON-UNION/PRODUCER	12000	10000	1.00	12.00	1	2.185	

JAMIESON CONSTRUCTION  
BELL KY NO PRICE OR TONNAGE AVAILABLE

PEVLER COAL  
MARTIN KY NO PRICE OR TONNAGE AVAILABLE

TWIN ENERGIES  
PERRY KY NO PRICE OR TONNAGE AVAILABLE

(R)=Recommended

**TO:** Roy Palk

**FROM:** Randy Dials *RD*

**DATE:** December 23, 2003

**SUBJECT:** Cancellation of a Portion of Gatliff Coal Company's Coal Contract and Ikerd Coal Company, LLC, Coal Purchase— Dale and Cooper Power Stations

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc., ("EKPC") has a coal supply contract with Gatliff Coal Company ("Gatliff") dated September 22, 2003, for deliveries to Dale and/or Cooper Power Stations. The contract deliveries are for normal coal through June 30, 2006, and for 90,000 total tons of coal fines through June 30, 2004. Gatliff has incurred problems with the coal fines that have increased the moisture content far above the contract specification. Currently, Gatliff is 10,000 tons behind on their monthly deliveries of the coal fines. EKPC has been negotiating with Gatliff to determine if a solution to the problem can be achieved without any economical harm to EKPC. The coal fines price under the contract to Dale Power Station is \$1.41/MMBtu and to Cooper Power Station is \$1.29/MMBtu.

Gatliff, EKPC, and Ikerd Coal Company, LLC, ("Ikerd") have reached an agreement that is satisfactory to all parties and keeps EKPC intact on the price and quality of the coal fines. Ikerd will blend the Gatliff coal fines with their coal and deliver the blended coal to Dale or Cooper Power Station at EKPC's option. EKPC will amend its coal supply contract with Gatliff to cancel the supply of the remaining 80,000 tons of coal fines. The recommended purchase from Ikerd is 160,000 tons from January 1, 2004, through April 30, 2005, at a delivered price of \$1.529/MMBtu or \$37.00/ton, based on 12,100 Btu/lb., 11 percent ash, and 1.8 lbs SO<sub>2</sub>/MMBtu for Dale Power Station. The tonnage may be delivered to Cooper Power Station, at EKPC's option, for a delivered price of \$1.35/MMBtu or \$33.21/ton, based on 12,300 Btu/lb., 10 percent ash, and 1.31 percent sulfur. Ikerd is a producer in Knox County, Kentucky. Approval is required immediately to begin this supply of coal into Dale Power Station and will be submitted for Board of Director's ("Board") ratification at the February 2004 meeting.

## Justification and Strategic Analysis

The additional purchase of 80,000 tons of coal from Ikerd to arrange this agreement is at an evaluated price of \$2.028/MMBtu at Dale Power Station, which is

Mr. Roy Palk  
Page 2  
December 23, 2003

approximately \$4.00/ton less than the most recent spot purchase from James River Coal Sales, Inc., and is projected to be at or below the spot market for Dale Power Station during the coming year. Combining this purchase with the transfer of coal fines from Gatliff to Ikerd will enable EKPC to maintain the cost benefit of receiving coal fines at Dale Power Station. This purchase will enable EKPC to continue to generate power for the lowest cost possible for its member systems and provide an adequate fuel supply source during times of coal supply or transportation disruption. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

Your approval is requested, subject to Board ratification at the February 2004 meeting, to cancel 80,000 tons of coal fines from the Gatliff coal contract and to purchase a total of 160,000 tons of blended coal and coal fines from Ikerd for delivery to Dale or Cooper Power Stations, at EKPC's option, from January 1, 2004, through April 30, 2005, at a delivered price to Dale Power Station of \$1.529/MMBtu or \$37.00/ton, based on 12,100 Btu/lb., and a delivered price to Cooper Power Station of \$1.35/MMBtu or \$33.21/ton, based on 12,300 Btu/lb.

Approved by: Barry L. Mayfield

Date: 12-30-03

hr/gv

**FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 2  
 VERBAL PRICING FOR COAL PURCHASED JANUARY 2004**

DATE: 01/06/2004


COAL SUPPLIER	QUALITY BTU	%SULFUR	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
(R) AEF COAL INC PIKE KY MONTHLY/NON-UNION/PRODUCER	13000	0.80	10.00	20000	1	2.029
UNITED POWER #1 KANAWHA WV MONTHLY/NON-UNION/BROKER	12500	0.77	12.00	20000	1	2.049
UNITED POWER #2 KANAWHA WV MONTHLY/NON-UNION/BROKER	12500	0.77	12.00	15000	1	2.092
LOGAN & KANAWHA KANAWHA WV WEEKLY/NON-UNION/PRODUCER	13000	0.80	8.00	10000	1	2.185

CENTRAL APPALACHIAN  
PIKE KY  
NO COAL AVAILABLE

MASSEY ENERGY  
VARIOUS WV  
NO RESPONSE

(R)=Recommended

**TO:** Roy Palk

**FROM:** Randy Dials 

**DATE:** January 5, 2004

**SUBJECT:** Non-Budgeted Spot Coal Purchases—Spurlock Power Station Unit No. 2

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc.'s ("EKPC") stockpile level for Spurlock Power Station Unit No. 2 is currently slightly below our desired level for the winter months. Recent stockpile inventory reports by Mikon Corporation revealed the Spurlock Power Station Unit No. 2 stockpile at an even lower level, 27,300 tons less than the book inventory. Considering this reduction in actual tons along with the possible shortfalls in tons committed to EKPC during the first quarter of 2004, management deems it necessary to purchase additional compliance coal for Spurlock Power Station Unit No. 2 to be delivered during the first quarter of 2004. Fuel personnel have been offered 20,000 tons of coal for delivery in January by AEP Coal, Inc., ("AEP") through a recent verbal solicitation. Responses are attached. This coal will be 13,000 Btu/lb., 10 percent ash, and 1.2 lbs. SO<sub>2</sub>/MMBtu. This coal is mined in Kentucky and will be delivered by rail at a delivered price of \$1.838/MMBtu or \$47.78 per ton. The SO<sub>2</sub> guarantee for this coal is slightly above our normal 1.15 lbs. SO<sub>2</sub>/MMBtu requirement. This coal has historically ran under 1.15 lbs. SO<sub>2</sub>/MMBtu. Therefore, fuel personnel felt that with compliance coal being in such short supply, this coal should be purchased with a 1.2 lbs. SO<sub>2</sub>/MMBtu allowance.

## Justification and Strategic Analysis

This coal is the most economical coal offered from recent verbal solicitations. Other solicitation responses are attached. This purchase will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems and provide an adequate fuel supply source during times of coal supply or transportation disruptions. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

Mr. Roy Palk  
Page 2  
January 5, 2004

## Recommendation

Your approval is requested to issue a purchase order to AEP for 20,000 tons of coal to be delivered to Spurlock Power Station Unit No. 2 at a delivered price of \$1.838/MMBtu or \$47.78/ton. This coal will be delivered by rail.

Approved by: Roy M. Palk

Date: January 6, 2004

eh/gv  
Attachment

FUEL EVALUATION FOR DALE POWER STATION

VERBAL PRICING FOR COAL PURCHASED JANUARY THROUGH JUNE 2004

DATE: 01/08/2004

COAL SUPPLIER	QUALITY BTU %SULFER %ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
(R) IKERD COAL CO KNOX KY WEEKLY/NON-UNION/PRODUCER	12000 1.11 12.00	5000	6	2.100
TWIN ENERGIES PERRY KY WEEKLY/NON-UNION/PRODUCER	12000 1.11 12.00	6000	3	2.100
JAMES RIVER PERRY KY MONTHLY/NON-UNION/PRODUCER	12000 0.62 12.00	1000	1	2.119
B & W RESOURCES LESLIE KY WEEKLY/NON-UNION/PRODUCER	11500 0.59 12.00	5000	6	2.180
PEVLER COAL MARTIN KY MONTHLY/NON-UNION/BROKER	12000 1.11 12.00	10000	3	2.237

(R)=Recommended

**TO:** Roy Palk  
**FROM:** Randy Dials *RD*  
**DATE:** January 8, 2004  
**SUBJECT:** Non-Budgeted Spot Coal Purchase—Dale Power Station  
**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

Based on projected coal usage at Dale Power Station, there is a need to purchase an additional 30,000 tons of coal for January 1, 2004, through June 30, 2004. East Kentucky Power Cooperative, Inc., ("EKPC") will purchase 30,000 tons of coal from Ikerd Coal Company, LLC ("Ikerd"), for \$1.729/MMBtu or \$41.50 per ton based on 12,000 Btu/lb. The coal will be delivered at the rate of 5,000 tons per month. The purchase was evaluated and is the lowest price EKPC has obtained. The fuel evaluation is attached.

## Justification and Strategic Analysis

This purchase will enable EKPC to continue to generate power for the lowest cost possible for its member systems and provide an adequate fuel supply source during times of coal supply or transportation disruption. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

Your approval is requested to purchase 30,000 tons from Ikerd at a delivered price of \$1.729/MMBtu or \$41.50 per ton based on 12,000 Btu/lb.

Approved by: *Roy M. Palk*

Date: *Jan. 8, 2004*

hr/gv  
Attachment



**FUEL EVALUATION FOR DALE POWER STATION**  
**VERBAL PRICING FOR COAL PURCHASED JANUARY THROUGH FEBRUARY 2004**

DATE: 01/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFUR	TONS	TERM MONTHS	EVAL COST \$/MMBtu
JAMES RIVER #1	12000		10000	1	2.185
PERRY KY P. O. #51065	1.00				
MONTHLY/NON-UNION/PRODUCER	12.00				
(R) B & W RESOURCES	12000		10000	1	2.254
LESLIE KY	1.11				
WEEKLY/NON-UNION/PRODUCER	12.00				
JAMESON CONSTRUCTION	11500		5000	1	2.495
BELL KY	1.06				
WEEKLY/NON-UNION/PRODUCER	12.00				
JAMES RIVER #2	NO PRICE OR ADDITIONAL TONNAGE AVAILABLE				
PERRY KY					
KENTUCKY CUMBERLAND	NO PRICE OR TONNAGE AVAILABLE				
BELL KY					
MILLER BROTHERS	NO PRICE OR TONNAGE AVAILABLE				
KNOTT KY					
PEVLER COAL	NO PRICE OR TONNAGE AVAILABLE				
MARTIN KY					
TWIN ENERGIES	NO PRICE OR TONNAGE AVAILABLE				
PERRY KY					

(R)=Recommended

**TO:** Roy Palk  
**FROM:** Randy Dials *RD*  
**DATE:** January 16, 2004  
**SUBJECT:** Non-Budgeted Spot Coal Purchase--Dale Power Station  
**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

Based on coal suppliers' shortfalls in December 2003, current market conditions, inventory level, and projected coal usage at Dale Power Station, there is a need to purchase an additional 10,000 tons of coal for January 16, 2004, through February 29, 2004. East Kentucky Power Cooperative, Inc., ("EKPC") will purchase 10,000 tons of coal from B & W Resources, Inc. (B & W), Hazard, Kentucky, for \$1.875/MMBtu or \$45.00 per ton based on 12,000 Btu/lb. The purchase was evaluated, and based on market price, is the lowest price available for this time period. The fuel evaluation is attached.

## Justification and Strategic Analysis

This purchase will enable EKPC to continue to generate power for the lowest cost possible for its member systems and provide an adequate fuel supply source during times of coal supply or transportation disruption. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

Your approval is requested to purchase 10,000 tons from B& W at a delivered price of \$1.875/MMBtu or \$45.00 per ton based on 12,000 Btu/lb.

Approved by: *Roy M. Palk*

Date: *1-21-04*

hr/gv  
Attachment

FUEL EVALUATION FOR COOPER POWER STATION

VERBAL PRICING FOR COAL PURCHASED FEBRUARY AND MARCH 2004

DATE: 01/26/2004

COAL SUPPLIER	QUALITY BTU	%SULFER	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
COBRA COAL CO	13000			2000	2	1.988
CLAY KY NOT RECOMMENDED	1.30					
WEEKLY/NON-UNION/BROKER	8.00					
JAMIESON CONSTRUCTION	11500			4000	2	2.107
BELL KY NOT RECOMMENDED	1.00					
WEEKLY/NON-UNION/PRODUCER	12.00					
(R) B & W RESOURCES	12000			15000	2	2.162
LESLIE KY	2.03					
WEEKLY/NON-UNION/PRODUCER	12.00					
JAMES RIVER COAL	10700			10000	3	2.229
PERRY KY	0.85					
WEEKLY/NON-UNION/PRODUCER	20.00					
KY CUMBERLAND						
BELL KY						
MILLER BROTHERS						
KNOTT KY						
PEVLER COAL						
MARTIN KY						
TWIN ENERGIES						
PERRY KY						

(R)=Recommended

**TO:** Roy Palk  
**FROM:** Randy Dials *RD*  
**DATE:** January 23, 2003  
**SUBJECT:** Non-Budgeted Spot Coal Purchase-- Cooper Power Station  
**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

Based on contract No. 213 with Horizon Natural Resources Sales Company in Chapter 11 Bankruptcy terminating the contract by early March 2004 and Blue Grass SynFuel, LLC, moving their synfuel plant out, terminating their purchase order as of January 23, 2004, there is a need to purchase an additional 15,000 tons of coal for deliveries from January 23, 2004, through March 31, 2004. East Kentucky Power Cooperative, Inc., ("EKPC") will purchase 15,000 tons from B & W Resources, Inc., ("B & W") Hazard, Kentucky, for \$1.729/MMBtu or \$41.50 per ton based on 12,000 Btu/lb. The purchase was evaluated, and the fuel evaluation is attached.

## Justification and Strategic Analysis

This purchase will enable EKPC to continue to generate power for the lowest cost possible for its member systems and provide an adequate fuel supply source during times of coal supply or transportation disruption. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

Your approval is requested to purchase 15,000 tons from B & W for a price of \$1.729/MMBtu or \$41.50 per ton based on 12,000 Btu/lb. for delivery to Cooper Power Station.

Approved by: *Roy M. Palk*

Date: 1-29-04

hr/gv  
Attachment

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 2

ECONOMY PURCHASE FOR COAL DELIVERED FEBRUARY AND MARCH 2004

DATE: 02/13/2004

COAL SUPPLIER	QUALITY BTU	%SULFER	TONS	TERM MONTHS	EVAL COST \$/MMBtu
RESOURCE FUELS	12200		40000	60	2.200
CABELL WV NOT AVAILABLE	0.70				
MONTHLY/NON-UNION/PRODUCER	13.50				
(R) SMJ COAL INC	11500		7500	1	2.244
BOYD KY	0.68				
MONTHLY/NON-UNION/BROKER	15.00				
PEABODY COALS SALES	12500		10000	15	2.253
KANAWHA WV NOT AVAILABLE	0.74				
WEEKLY/NON-UNION/BROKER	13.50				
TWIN ENERGIES	12000		12500	9	2.413
PIKE KY NOT AVAILABLE	0.72				
WEEKLY/NON-UNION/PRODUCER	14.50				
ARCH COAL SALES	11800		20000	7	2.420
LOGAN WV	0.70				
MONTHLY/UNION/PRODUCER	14.00				

**TO:** Dave Eames  
**FROM:** Randy Dials *AD by BAK*  
**DATE:** February 13, 2004  
**SUBJECT:** Economy Coal Purchase—Spurlock Power Station Unit No. 2  
**KEY MEASURE(S):** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc., (“EKPC”) is currently experiencing shortfalls in coal deliveries to Spurlock Power Station. Deliveries continue to be hampered by problems with trucking, permitting, and production. Availability of coal is extremely limited, and prices are soaring.

SMJ Coal, Inc., (“SMJ”) has offered EKPC 7,500 tons of coal or synfuel for immediate delivery from the Big Sandy River at a delivered price of \$1.975/MMBtu or \$45.42/ton. The quality shall be 11,500 Btu/lb., 15 percent ash, and 1.15 lbs. SO<sub>2</sub>/MMBtu. This price is \$4 per ton less than any Unit No. 2 coal available from our recent quarterly solicitation.

## Justification and Strategic Analysis

This synfuel is more economical than anything currently available to EKPC. This purchase will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems and provide an adequate fuel supply source during times of coal supply or transportation disruptions. This recommendation supports EKPC’s key measures for reliable and competitive energy costs.

## Recommendation

As Vice President-in-charge in the absence of Roy Palk, your approval is requested for the economy purchase of 7,500 tons of coal or synfuel from SMJ at a delivered price of \$1.975/MMBtu or \$45.42 per ton based on 11,500 Btu/lb., 15 percent ash, and 1.15 lbs. SO<sub>2</sub>/MMBtu. The coal will be delivered by barge.

Approved by: *RMP by dge*

Date: *2/13/04*

eh/gv  
Attachment

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFER	TONS	TERM MONTHS	EVAL COST \$/MMBtu
INFINITY COAL	12200	1.00	19500	9	2.040
RALEIGH WV NOT AVAILABLE MONTHLY/NON-UNION/BROKER	14.00				
WATERLOO COAL	11300	3.00	15000	3	2.046
JACKSON OH NOT RECOMMENDED WEEKLY/NON-UNION/PRODUCER	11.00				
LAFAYETTE COAL #2	11500	2.20	22500	9	2.105
PIKE IN NOT RECOMMENDED MONTHLY/NON-UNION/PRODUCER	7.50				
BLACK GOLD	12700	1.20	10000	3	2.227
HARLAN KY NOT AVAILABLE MONTHLY/NON-UNION/BROKER	10.00				
(R) RESOURCE FUELS-SYN	12200	1.25	18000	10	2.268
CABELL WV MONTHLY/NON-UNION/PRODUCER	13.50				
VIRGINIA POWER	11900	1.00	10000	3	2.314
KANAWHA WV WEEKLY/NON-UNION/BROKER	14.00				
LAFAYETTE COAL #1	11300	3.45	20000	9	2.354
KNOX IN MONTHLY/NON-UNION/PRODUCER	10.00				

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFUR	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
PEVLER COAL SALES MARTIN KY WEEKLY/NON-UNION/PRODUCER	12000	1.85	12.00	20000	9	2.424
LOGAN & KANA WHA MINGO WV MONTHLY/NON-UNION/PRODUCER	12000	2.50	12.00	4500	9	2.613

(R)=Recommended



**TO:** Dave Eames

**FROM:** Randy Dials *RD by E. Hughes*

**DATE:** February 16, 2004

**SUBJECT:** Budgeted Coal Purchase for Spurlock Power Station Unit No. 1

**KEY MEASURE(S):** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc., ("EKPC") issued a solicitation to coal producers on January 9, 2004, asking for coal proposals for three- to nine-month deliveries. Proposals were received on February 6, 2004, and were reviewed and evaluated on February 9, 2004. EKPC received eight proposals for coal supply to Spurlock Power Station Unit No. 1 with three of the eight being coal that does not meet EKPC's plant specifications. The two most economical proposals were no longer available. The third most economical proposal was not chosen due to terms and conditions required by the supplier. Resource Fuels, Inc., ("Resource") has had some synfuel suitable for EKPC's Spurlock Power Station Unit No. 1 become available and has offered it to EKPC in a verbal proposal. This is currently the most economical product available to EKPC for Spurlock Power Station Unit No. 1.

Resource's proposal is for ten months beginning in March 2004 at a rate of 18,000 tons per month. The synfuel will be 12,200 Btu/lbs., 13.5 percent ash, and 1.25 percent sulfur content at a delivered price of \$1.901/MMBtu or \$46.38/ton. Delivery will be by barge.

## Justification and Strategic Analysis

The purchase of this coal will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems and provide an adequate fuel supply source during times of coal supply or transportation disruptions. Fuel personnel will present this same purchase to the Fuel and Power Supply Committee at the March 9, 2004, Board of Directors meeting to seek approval for extending this order for the remaining nine months as part of its budgeted fuel purchases. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

Mr. Dave Eames  
Page 2  
February 16, 2004

## Recommendation

As Vice President-in-charge in the absence of Roy Palk, your approval is requested to issue a purchase order to Resource for 18,000 tons of synfuel for the month of March 2004 at the price and quality referenced above.

Approved by:                     dgy                    

Date:                     2/17/04                    

eh/gv  
Attachment

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFER	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
INFINITY COAL	12200	1.00	14.00	19500	9	2.040
RALEIGH WV NOT AVAILABLE MONTHLY/NON-UNION/BROKER						
WATERLOO COAL	11300	3.00	11.00	15000	3	2.046
JACKSON OH NOT RECOMMENDED WEEKLY/NON-UNION/PRODUCER						
LAFAYETTE COAL #2	11500	2.20	7.50	22500	9	2.105
PIKE IN NOT RECOMMENDED MONTHLY/NON-UNION/PRODUCER						
BLACK GOLD	12700	1.20	10.00	10000	3	2.227
HARLAN KY NOT AVAILABLE MONTHLY/NON-UNION/BROKER						
VIRGINIA POWER	11900	1.00	14.00	10000	3	2.314
KANAWHA WV NOT RECOMMENDED WEEKLY/NON-UNION/BROKER						
LAFAYETTE COAL #1	11300	3.45	10.00	20000	9	2.354
KNOX IN NOT RECOMMENDED MONTHLY/NON-UNION/PRODUCER						
(R) PEVLER COAL SALES	12000	1.85	12.00	20000	9	2.424
MARTIN KY WEEKLY/NON-UNION/PRODUCER						

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFER	%ASH	TONS	TERM MONTHS
LOGAN & KANAWHA	12000			4500	9
MINGO WV	2.50				
MONTHLY/NON-UNION/PRODUCER	12.00				

(R)=Recommended

EVAL  
COST  
\$/MMBtu  
2.613

**TO:** Dave Eames

**FROM:** Randy Dials *By Bob Hughes*

**DATE:** February 16, 2004

**SUBJECT:** Budgeted Coal Purchases for Spurlock Power Station Unit Nos. 1 and 2

**KEY MEASURE(S):** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc., ("EKPC") issued a solicitation for coal proposals on January 9, 2004, for coal deliveries up to nine months beginning April 1, 2004. These proposals were received on February 6, 2004, and evaluated for quality, pricing, and availability. (See attached Fuel Evaluation Reports.) Coal suppliers were selected and contacted regarding EKPC's plans to purchase their coal pending Board of Directors ("Board") approval.

Coal deliveries from EKPC's current suppliers are running behind schedule due to weather-related production and shipping problems. Fuel personnel feel it necessary to begin purchases in March when possible from these proposals in order to keep stockpiles at a necessary level. Two of the three selected suppliers for Spurlock Power Station from the recent solicitation have agreed to begin their coal shipments in March of 2004. Arch Coal Sales Company, Inc., ("Arch") who proposed 20,000 tons of coal per month beginning in April, can begin shipping in March and Pevler Coal Sales Company, Inc., ("Pevler") who proposed 20,000 tons of coal per month beginning in April, can begin shipping in March—each of these being at EKPC's request. However, EKPC plans to purchase only 10,000 tons per month from Pevler's proposal. Infinity Coal's and Black Gold's Spurlock Power Station Unit No. 1 proposals are no longer available. The Waterloo Coal and Lafayette Coal Spurlock Power Station Unit No. 1 proposals are not recommended because they do not meet plant specifications. Virginia Power's Spurlock Power Station Unit No. 1 proposal and Resource Fuel's Spurlock Power Station Unit No. 2 proposal are not recommended because of their terms and conditions. The Peabody Coalsales Spurlock Power Station Unit No. 2 proposal is not available for March deliveries but will be recommended for their current proposals beginning in April 2004.

Arch's coal will be for Spurlock Power Station Unit No. 2, and the quality will be 11,800 Btu/lb., 14 percent ash, and 1.15 lbs. SO<sub>2</sub>/MMBtu at a delivered price of \$2.162/MMBtu or \$51.023 per ton. Pevler's coal shall be for Spurlock Power Station Unit No. 1 and has a quality of 12,000 Btu/lb., 12 percent ash, and

Mr. Dave Eames  
Page 2  
February 16, 2004

3 lbs. SO<sub>2</sub>/MMBtu with a delivered price of \$1.913/MMBtu. Arch's coal deliveries shall be by rail, and Pevler's shall be by barge.

## Justification and Strategic Analysis

The purchase of this coal will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems and provide an adequate fuel supply source during times of coal supply or transportation disruptions. Fuel personnel will present these same purchases to the Fuel and Power Supply Committee at the March 9, 2004, Board meeting to seek approval for extending these orders through the proposed times of six additional months for Arch and nine months for Pevler. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

As Vice President-in-charge in the absence of Roy Palk, your approval is requested to issue a purchase order to Arch for 20,000 tons per month and Pevler for 10,000 tons per month for March 2004 at the price and quality referenced above.

Approved by:                     dgc                    

Date:                     2/17/04                    

eh/gv  
Attachment

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 2

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFUR	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
RESOURCE FUELS	12200			40000	60	2.200
CABELL WV NOT RECOMMENDED	0.70					
MONTHLY/NON-UNION/PRODUCER	13.50					
PEABODY COALS SALES	12500			10000	15	2.253
KANAWHA WV NOT AVAILABLE	0.74					
WEEKLY/NON-UNION/BROKER	13.50					
(R) ARCH COAL SALES	11800			20000	22	2.304
LOGAN WV	0.70					
MONTHLY/UNION/PRODUCER	14.00					
TWIN ENERGIES	12000			12500	9	2.413
PIKE KY	0.72					
WEEKLY/NON-UNION/PRODUCER	14.50					

(R)=Recommended

**TO:** Dave Eames

**FROM:** Randy Dials *By Bob Weyler*

**DATE:** February 16, 2004

**SUBJECT:** Budgeted Coal Purchases for Spurlock Power Station Unit Nos. 1 and 2

**KEY MEASURE(S):** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc., ("EKPC") issued a solicitation for coal proposals on January 9, 2004, for coal deliveries up to nine months beginning April 1, 2004. These proposals were received on February 6, 2004, and evaluated for quality, pricing, and availability. (See attached Fuel Evaluation Reports.) Coal suppliers were selected and contacted regarding EKPC's plans to purchase their coal pending Board of Directors ("Board") approval.

Coal deliveries from EKPC's current suppliers are running behind schedule due to weather-related production and shipping problems. Fuel personnel feel it necessary to begin purchases in March when possible from these proposals in order to keep stockpiles at a necessary level. Two of the three selected suppliers for Spurlock Power Station from the recent solicitation have agreed to begin their coal shipments in March of 2004. Arch Coal Sales Company, Inc., ("Arch") who proposed 20,000 tons of coal per month beginning in April, can begin shipping in March and Pevler Coal Sales Company, Inc., ("Pevler") who proposed 20,000 tons of coal per month beginning in April, can begin shipping in March—each of these being at EKPC's request. However, EKPC plans to purchase only 10,000 tons per month from Pevler's proposal. Infinity Coal's and Black Gold's Spurlock Power Station Unit No. 1 proposals are no longer available. The Waterloo Coal and Lafayette Coal Spurlock Power Station Unit No. 1 proposals are not recommended because they do not meet plant specifications. Virginia Power's Spurlock Power Station Unit No. 1 proposal and Resource Fuel's Spurlock Power Station Unit No. 2 proposal are not recommended because of their terms and conditions. The Peabody Coalsales Spurlock Power Station Unit No. 2 proposal is not available for March deliveries but will be recommended for their current proposals beginning in April 2004.

Arch's coal will be for Spurlock Power Station Unit No. 2, and the quality will be 11,800 Btu/lb., 14 percent ash, and 1.15 lbs. SO<sub>2</sub>/MMBtu at a delivered price of \$2.162/MMBtu or \$51.023 per ton. Pevler's coal shall be for Spurlock Power Station Unit No. 1 and has a quality of 12,000 Btu/lb., 12 percent ash, and



Mr. Dave Eames  
Page 2  
February 16, 2004

3 lbs. SO<sub>2</sub>/MMBtu with a delivered price of \$1.913/MMBtu. Arch's coal deliveries shall be by rail, and Pevler's shall be by barge.

## Justification and Strategic Analysis

The purchase of this coal will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems and provide an adequate fuel supply source during times of coal supply or transportation disruptions. Fuel personnel will present these same purchases to the Fuel and Power Supply Committee at the March 9, 2004, Board meeting to seek approval for extending these orders through the proposed times of six additional months for Arch and nine months for Pevler. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

As Vice President-in-charge in the absence of Roy Palk, your approval is requested to issue a purchase order to Arch for 20,000 tons per month and Pevler for 10,000 tons per month for March 2004 at the price and quality referenced above.

Approved by:                     *de*                    

Date:                     2/17/04                    

eh/gv  
Attachment

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPLIER	QUALITY BTU	%SULFER	TONS	TERM MONTHS	EVAL COST \$/MMBtu
INFINITY COAL	12200	1.00	19500	9	2.040
RALEIGH WV NOT AVAILABLE MONTHLY/NON-UNION/BROKER	14.00				
WATERLOO COAL	11300	3.00	15000	3	2.046
JACKSON OH NOT RECOMMENDED WEEKLY/NON-UNION/PRODUCER	11.00				
LAFAYETTE COAL #2	11500	2.20	22500	9	2.105
PIKE IN NOT RECOMMENDED MONTHLY/NON-UNION/PRODUCER	7.50				
BLACK GOLD	12700	1.20	10000	3	2.227
HARLAN KY NOT AVAILABLE MONTHLY/NON-UNION/BROKER	10.00				
(R) RESOURCE FUELS-SYN	12200	1.25	18000	10	2.268
CABELL WV MONTHLY/NON-UNION/PRODUCER	13.50				
VIRGINIA POWER	11900	1.00	10000	3	2.314
KANAWHA WV WEEKLY/NON-UNION/BROKER	14.00				
LAFAYETTE COAL #1	11300	3.45	20000	9	2.354
KNOX IN MONTHLY/NON-UNION/PRODUCER	10.00				

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 1

SECOND QUARTER 2004

DATE: 02/16/2004

COAL SUPPLIER	QUALITY BTU	%SULFER	TONS	TERM MONTHS
PEVLER COAL SALES MARTIN KY	12000	1.85	20000	9
WEEKLY/NON-UNION/PRODUCER	12.00			
LOGAN & KANAWHA MINGO WV	12000	2.50	4500	9
MONTHLY/NON-UNION/PRODUCER	12.00			

EVAL  
COST  
\$/MMBtu  
2.424

2.613

(R)=Recommended

**TO:** Fuel and Power Supply Committee

**FROM:** Roy M. Palk

**DATE:** February 27, 2004

**SUBJECT:** Budgeted Spot Coal Purchase for Resource Fuels, Inc.—Spurlock Power Station Unit No. 1 (Executive Summary)

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## **Background**

East Kentucky Power Cooperative, Inc., (“EKPC”) issued a solicitation to coal producers on January 9, 2004, asking for coal proposals for three- to nine-month deliveries. Proposals were received on February 6, 2004, and were reviewed and evaluated on February 9, 2004. EKPC received eight proposals for coal supply to Spurlock Power Station Unit No. 1 with three of the eight being coal that does not meet EKPC’s plant specifications. Spurlock Power Station Unit No. 1’s projected needs for April 2004 through December 2004 is 252,000. The two most economical proposals were no longer available. The third most economical proposal was not chosen due to terms and conditions required by the supplier. Resource Fuels, Inc., (“Resource”) has had some synfuel suitable for EKPC’s Spurlock Power Station Unit No. 1 become available and has offered it to EKPC in a verbal proposal. This is currently the most economical product available to EKPC for Spurlock Power Station Unit No. 1. The remaining 90,000 tons needed for Spurlock Power Station Unit No. 1 has been recommended for purchase in this month’s agenda item for Budgeted Spot Coal Purchases for Second Quarter 2004 Through March 2006.

Resource’s proposal is for nine months at a rate of 18,000 tons per month. The synfuel will be 12,200 Btu/lbs., 13.5 percent ash, and 1.25 percent sulfur content at a delivered price of \$1.901/MMBtu or \$46.38/ton. Delivery will be by barge.

## **Justification and Strategic Analysis**

The purchase recommended by management will provide an adequate fuel supply source for EKPC’s generating units and will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems. This recommendation supports EKPC’s key measures for reliable and competitive energy costs.

**Recommendation**

Management recommends that the Fuel and Power Supply Committee authorize the purchase of budgeted spot coal for April 2004 through December 2004 in accordance with the schedule below and the attached Fuel Evaluation Report.

Resource—162,000 tons at a delivered price of \$1.901/MMBtu or \$46.383/ton, based on 12,200 Btu/lb. Resource is a producer in Cabell County, West Virginia.

eh/gv  
Attachment

**FUEL EVALUATION FOR DALE POWER STATION  
VERBAL PRICING FOR FEBRUARY AND MARCH 2004**

DATE: 03/16/2004

COAL SUPPLIER	QUALITY BTU %SULFER	%ASH	TONS	TERM MONTHS	EVAL COST \$/MMBtu
(R) B & W RESOURCES #3 LESLIE KY WEEKLY/NON-UNION/PRODUCER	12000	1.11	12500	1	2.327
B & W RESOURCES #1 LESLIE KY WEEKLY/NON-UNION/PRODUCER	12000	1.00	10000	3	2.448
B & W RESOURCES #2 LESLIE KY WEEKLY/NON-UNION/PRODUCER	12000	1.00	15000	21	2.448
TWIN ENERGIES PERRY KY WEEKLY/NON-UNION/PRODUCER	12000	1.11	10000	6	2.473
JAMIESON CONSTRUCTION LAUREL KY WEEKLY/NON-UNION/PRODUCER	11500	1.06	10000	3	2.823

(R)=Recommended

**TO:** Roy Palk  
**FROM:** Randy Dials *RJD*  
**DATE:** March 16, 2004  
**SUBJECT:** Non-Budgeted Spot Coal Purchase—Dale Power Station  
**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

Based on projected coal usage at Dale Power Station, there was a need to purchase an additional 12,500 tons of coal for February 15, 2004, through March 8, 2004. East Kentucky Power Cooperative, Inc., ("EKPC") purchased 12,500 tons of coal from B & W Resources, Inc., ("B & W") Hazard, Kentucky, on existing purchase order No. 51077 for \$1.875/MMBtu or \$45.00 per ton based on 12,000 Btu/lb. The purchase was evaluated and, based on the evaluation, was the lowest cost fuel for Dale Power Station. The Fuel Evaluation Report is attached.

## Justification and Strategic Analysis

This purchase will enable EKPC to continue to generate power for the lowest cost possible for its member systems and provide an adequate fuel supply source during times of coal supply or transportation disruption. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

## Recommendation

Your approval is requested to purchase 12,500 tons from B& W at a delivered price of \$1.875/MMBtu or \$45.00 per ton based on 12,000 Btu/lb.

Approved by: *RMP by [signature]*

Date: *3/12/04*

hr/gv  
Attachment

FUEL EVALUATION FOR SPURLOCK POWER STATION UNIT NO. 2

COAL PURCHASED FOR MARCH 2004

DATE: 03/23/2004

COAL SUPPLIER	QUALITY BTU		TONS	TERM MONTHS	EVAL COST \$/MMBtu
	%SULFER	%ASH			
(R) COMPASS COAL SERVICES RALEIGH WV MONTHLY/NON-UNION/BROKER	12000	0.71	11000	1	2.637
ARCH COAL SALES RALEIGH WV MONTHLY/UNION/PRODUCER	11800	0.70	30000	1	2.803
CENTRAL APPALACHIAN PIKE KY	NO COAL AVAILABLE				
JMAC LEASING KANAWHA WV	NO COAL AVAILABLE				
MASSEY COAL SALES VARIOUS WV	NO COAL AVAILABLE				
PROGRESS FUELS KANAWHA WV	NO COAL AVAILABLE				

(R)=Recommended



**TO:** Roy Palk

**FROM:** Randy Dials *RD*

**DATE:** March 22, 2004

**SUBJECT:** Non-Budgeted Spot Coal Purchase—Spurlock Power Station Unit No. 2

**KEY MEASURE(S)** This Supports Reliable and Competitive Energy Costs

## Background

East Kentucky Power Cooperative, Inc.'s ("EKPC") stockpile level for Spurlock Power Station Unit No. 2 is currently below our desired level due to shortfalls in tonnage from some of our current suppliers. Central Appalachian coal production continues to be down, and coal prices, especially compliance coal, are at near record highs.

Compass Coal Services, LLC, ("Compass Coal") has offered to EKPC 11,000 tons of coal for immediate delivery to Spurlock Power Station Unit No. 2 for a delivered price of \$2.339/MMBtu or \$56.13/ton. The quality of this coal is 12,000 Btu/lb., 14 percent ash, and 1.15 lbs. SO<sub>2</sub>/MMBtu. Compass Coal is a broker in Richmond, Virginia, who sells coal for Lightening, Inc., owned and operated by Perry and Hylton near Pax, West Virginia. This coal is more economical than the other current offer for compliance coal. This offer was from Arch Coal Sales Company, Inc., at a delivered price of \$2.50/MMBtu.

## Justification and Strategic Analysis

This coal is the most economical coal currently available to EKPC. Other solicitation responses are attached. This purchase will enable EKPC to continue to generate power for the lowest cost possible for its Member Systems and provide an adequate fuel supply source during times of coal supply or transportation disruptions. This recommendation supports EKPC's key measures for reliable and competitive energy costs.

Mr. Roy Palk  
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## Recommendation

Your approval is requested to purchase 11,000 tons of coal from Compass Coal at a delivered price of \$2.339/MMBtu based on 12,000 Btu/lb. The guaranteed ash content will be 14 percent, and the sulfur content will be 1.15 lbs. SO<sub>2</sub>/MMBtu.

Approved by:

Roy M. Palk

Date:

March 23, 2004

eh/gv  
Attachment



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

Q. a. List all intersystem sales during the period under review in which East Kentucky used a third party's transmission system.

A. Please see the attached information.

Q. b. For each sale listed above,

(1) Describe how East Kentucky addressed for fuel adjustment clause reporting purposes the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system.

A. For each transaction, the cost of fuel recognizes the line loss factor provided in each party's OATT and EKPC's transmission system losses.

(2) State the line loss factor used for each transaction and describe how such line loss factor was determined.

A. The OATT line loss factors for third party transactions are shown below:

TVA	2.7%-4.0%
MISO	4.0%

In addition, EKPC used a line loss factor of 2.38% in March.

East Kentucky Power Cooperative  
Intersystem Sales Transactions that  
Use a Third Party Transmission System  
November 2003-April 2004

**a.**

<b>Date</b>	<b>Power Sold To</b>	<b>MWh Sold</b>
3/4/04	AECI	50
3/4/04	AECI	650
3/4/04	AECI	100
3/4/04	AECI	150
3/4/04	AECI	150
3/4/04	AECI	79
3/5/04	AECI	100
3/18/04	Dayton Power & Light	50



**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC FUEL ADJUSTMENT CLAUSE NO. 2004-00212**  
**RESPONSE TO PSC ORDER DATED JUNE 23, 2004**

- Q. Describe each change that East Kentucky made during the period under review to its methodology for calculating intersystem sales line losses.
- A. No change.