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Commonwealth of Kentucky
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Mark David Goss
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Commissioner

July 14, 2005

Honorable Charles A. Lile
Senior Corporate Counsel
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P. O. Box 707
Winchester, KY 40392-0707

RE: Case No. 2005-00267

Dear Mr. Lile:

Please see the enclosed data request from Commission Staff in the above case.

If you have any questions, please contact Andrea Edwards at (502) 564-3940, extension 209.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/jc

Enclosure

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)
COOPERATIVE, INC. FOR APPROVAL OF AN) CASE NO.
UNSECURED REVOLVING CREDIT FACILITY IN AN) 2005-00267
AMOUNT UP TO \$700 MILLION FOR A TERM OF UP)
TO FIVE YEARS)

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

Pursuant to 807 KAR 5:001, Commission Staff requests that East Kentucky Power Cooperative, Inc. ("East Kentucky Power") file the original and 5 copies of the following information with the Commission by July 29, 2005, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to the Application, Petition for Confidential Treatment of Information, page 2. East Kentucky Power states that its proposed credit facility is the most favorable interim financing of this size available at this time.

a. Identify the types of interim financing considered by East Kentucky Power and explain why the proposed credit facility was chosen over the other types of

financing. Include all calculations and workpapers necessary to explain East Kentucky Power's choice of its proposed credit facility.

b. If no other interim financing options were considered, explain why East Kentucky Power did not consider any other interim financing options.

2. Refer to the Application, Exhibit 2, page 1 of 3. As part of its evaluation of financing options, did East Kentucky Power ask the National Rural Utilities Cooperative Finance Corporation ("CFC") about its involvement with other similar credit facility arrangements?

a. If yes, provide a list showing all current credit facility arrangements with which CFC is involved.

b. If no, explain why East Kentucky Power didn't inquire about CFC's experience with credit facility arrangements.

3. Refer to the Application, Exhibit 2, page 1 of 3. Under the Terms and Conditions section, the Lenders are defined as a syndicate of financial institutions including CFC and The Bank of Tokyo-Mitsubishi, Ltd. ("BTM").

a. Provide a list of any other financial institutions included in the syndicate.

b. Has East Kentucky Power found any proposed financial institutions not acceptable for inclusion in the syndicate? If yes, identify the financial institution and the reason it was not acceptable.

4. Refer to the Application, Exhibit 2, page 2 of 3.

a. Explain whether East Kentucky Power expects that an interest rate based on the London Interbank Offered Rate ("LIBOR") or an interest rate based on the alternate base rate would typically yield the most favorable rate to East Kentucky Power.

b. Assume that East Kentucky Power borrowed funds under its proposed facility on July 1, 2005. Provide a comparison of the interest rate that East Kentucky Power would have to pay under the LIBOR-based rate with the interest rate under the alternative base rate. For the purposes of this example, any variables other than the interest rate base should be held constant.

5. Refer to the Application, Exhibit 2, page 2 of 3, the section titled "Conditions Precedent to Closing."

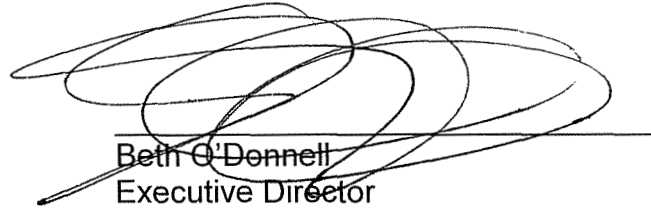
a. Identify the governmental and regulatory approvals required for the proposed transaction and the status of each approval as of the date of this data request.

b. Assume that the closing date for the proposed transaction occurs on September 30, 2005. Indicate when East Kentucky Power expects to satisfy the requirements of conditions 2 through 5.

6. Refer to the Application, Exhibit 2, page 3 of 3.

a. Explain what consequences or penalties East Kentucky Power could face if it fails to meet one or more of the required financial covenants during the five-year term of the proposed credit facility.

b. Explain whether East Kentucky Power meets all of the minimum requirements of the financial covenants set forth as of the date of this data request.



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

DATED July 14, 2005

cc: All Parties