

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the Matter of:

FEB 07 2007

THE 2006 INTEGRATED RESOURCE )  
PLAN OF EAST KENTUCKY POWER )  
COOPERATIVE, INC. )

Case No. 2006-00471

PUBLIC SERVICE  
COMMISSION

ATTORNEY GENERAL'S REQUESTS FOR INFORMATION

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Request for Information to East Kentucky Power Cooperative, Inc. ["EKPC"], to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(7) If EKPC objects to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(10) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response.

Respectfully submitted,

GREGORY D. STUMBO  
ATTORNEY GENERAL



DENNIS G. HOWARD, II  
ELIZABETH E. BLACKFORD  
LAWRENCE W. COOK  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DRIVE,  
SUITE 200  
FRANKFORT KY 40601-8204  
(502) 696-5453  
FAX: (502) 573-8315

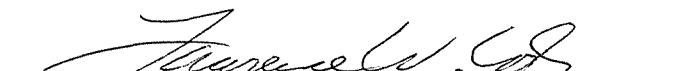
*Certificate of Service and Filing*

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

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

Hon. Michael L. Kurtz  
Attorney at Law  
Boehm, Kurtz & Lowry  
36 E. 7th St.  
Ste. 1510  
Cincinnati, OH 45202

this 7<sup>th</sup> day of February, 2007.

  
Assistant Attorney General

**Attorney General's Requests for Information**  
**Case No. 2006-00471**

1. Ref page 5-4: Please describe the 3,200 kW distributed generation unit in Clinton County.
2. Ref: page 5-7: Please reconcile the statement in Para. 1 that EKPC's member systems will add customers at the rate of 2.3 percent per year with the statement in Para. 2 that the regional population will increase by only 0.7 percent per year.
3. Ref: page 5-10: What is the basis for the apparent assumption that growth rates in load will moderate after 2011 and even more so after 2016?
4. Ref: page 5-11: EKPC's resource planning process evaluates the economics of available options to meet the needs of Member Systems at the lowest practical cost. Please define lowest practical cost? Is lowest practical cost the same as least cost? Does it minimize long run costs of providing adequate and reliable services to customers?
5. Ref: page 5-16: The 2006 IRP has not yet addressed the uncertainties of carbon dioxide regulation. How does EKPC plan to address these uncertainties?
6. Ref: pages 6-1, 6-2: Why were 300 MW to be added in 2006 and 2007 in the 2003 IRP and not in the 2006 IRP, when the downward revision in peak load between the two IRPs was only 65 MW?
7. Ref: page 6-2: This page shows Smith CTs being added in 2008, while page 5-13 shows them all added in 2009. Which is correct?
8. What assumptions, if any, has EKPC made with respect to the penetration of natural gas distribution service during the coming two decades?
9. Ref: page 7-8 and 7-10: Why are total residential sales for the years 2006, 2007 and 2008 in Table 7.(4)(c) different than the total residential sales for these years depicted in Table 7. (4)(a)-1 ?
10. Ref page 7-12: Does NOAA provide the normalized weather data, or is it developed by EKPC?

**Attorney General's Requests for Information**  
**Case No. 2006-00471**

11. Ref page 7-16: A regression approach is used to estimate total new large loads at the system level. What are the variables used in this regression analysis?
12. Ref page 7-17: What price elasticity factors does EKPC use?
13. Ref page 8-1: Does EKPC evaluate environmental compliance options along with supply-side and demand-side programs during the resource planning process? In other words does EKPC incorporate environmental compliance planning into the resource planning process?
14. Ref page 8-3: EKPC submitted a "Clean Air Act Compliance Study" that was submitted as an attachment to the 1993 IRP. Has EKPC performed any clean air compliance study or studies since 1993? If so, please provide a copy of those studies.
15. What is EKPC's relationship with surrounding Regional Transmission Organizations? Does it have plans to join/participate in any such organization?
16. Ref page 8-12: Please describe the process supporting the selection of the plants shown in Table 8.(2)(c). What was the basis for the selection of these particular units? Did EKPC solicit any bids for merchant power? How did the projected capital costs of the other power supply resources compare with the costs of the units selected?
17. Ref page 8-14: What specific non-utility generation has EKPC evaluated since the last IRP?
18. Ref: page 8-15: The 2006 IRP includes nine existing DSM programs. Has EKPC or its member systems performed evaluations of these programs? Do these include process and impact evaluations? If so please provide the results of these evaluations. Please identify the level of participation in each of the existing DSM programs since the last IRP.
19. Ref response to PSC Request 7 dated 12/20/07: Please explain what is meant by "market efficiencies have been improving relative to program target efficiencies."
20. Has EKPC implemented all of the DSM programs found cost-effective in previous IRPs? If not, which cost-effective programs were not implemented and why?

**Attorney General's Requests for Information**  
**Case No. 2006-00471**

21. Please describe the present status of the implementation of each of the 18 new cost-effective DSM programs.
22. What entities, EKPC or its members, are responsible for implementing the DSM programs? If members are responsible, what is their commitment to these programs?
23. Has EKPC determined the member interest in the 18 new DSM programs? If so, what is the level of interest for each?
24. What was the level of member participation in the selection and evaluation of DSM programs?
25. Ref: page 8-49 and 5-12: Why are the EKPC Projected Capacity Needs on page 5-12 somewhat different than the EKPC Projected Capacity Needs on page 8-49?
26. Ref: page 8-49: How would EKPC's Projected Capacity Needs change if the impact of New DSM programs is included into the load forecast?
27. Ref: page 8-52: EKPC used RT Sim's Resource Optimizer to determine the optimum resource plan. Did EKPC provide both demand side and supply side measures as inputs to Resource Optimizer or were only supply side measures provided as alternatives for the resource plan?
28. Ref: page 8-52 and 8-12: Did EKPC provide only the supply side options listed in Table 8.(2)(c) as resource alternatives to Resource Optimizer? If EKPC provided other resource alternatives as inputs please provide a listing and description of those inputs.
29. Ref: page 8-52: How were environmental impacts included in the selection of supply side resources?
30. Ref. page 8-60: DSM programs which pass the Quantitative Evaluation are passed on to the integrated analysis for inclusion in the IRP. Please explain how these DSM programs are included in the IRP. Were the programs treated as competing alternatives to the supply side additions that EKPC is proposing in the 2006 IRP?
31. Ref. page 8-66: What is the value of unserved energy based on the 2000 Christensen Associates study and 2004 EKPC report?

**Attorney General's Requests for Information**  
**Case No. 2006-00471**

32. Ref. page 8-67: Is EKPC's decision to remain at the 12% reserve margin level affected by Warren RECC declining to join EKPC?
33. Ref. page 8-70: EKPC is trying to determine the best strategy for reducing emissions from Dale Station and Cooper Station. Is this strategy a least-cost strategy? Has EKPC attempted to study the interactions between its compliance and capacity options to reach a least-cost solution?
34. Ref. page 8-70: EKPC is considering fuel switching, emission control equipment, repowering and retirement as environmental compliance options. Is EKC considering other options such as power purchases, clean coal technologies, DSM for compliance purposes?
35. Please describe the sampling procedure used in the biennial residential customer surveys.
36. Ref. page 77 Load Forecast: Why was the weather-adjusted winter peak in 2004 lower than the weather-adjusted winter peak in 2003?
37. Ref. response to PSC request 1b dated 12/20/07 and PSC request 3 dated 1/5/07: The generation construction plans and schedules without Warren show a shift in the addition of Smith CTs 10-12 to the 2012 to 2014 time period. Is there any other impact on the 2006 Integrated Resource Plan (IRP) without Warren? Are there any other delays or deletions of generation units in the updated 2006 IRP as a result of removing the Warren demand from the EKPC system?
38. Ref. first paragraph page DSM – 13 Technical Appendix to the 2006 IRP: EKPC has accounted for the impacts of New DSM programs in the integrated resource plan. How has EKPC accounted for the Load Impacts of the New DSM Programs in the 2006 integrated resource plan. Will these new programs impact any planned generation additions in the 2006 IRP?
39. Were the New DSM programs included as resource options in the 2006 integrated resource planning analysis such that they could replace in whole or part any of the projected capacity additions?
40. Was the 2006 Integrated Resource Plan tested for sensitivity to various input assumptions such as changes in the level of DSM, environmental and legislative conditions, capital costs of resource options. If so, please provide a description and results of these analyses.

**Attorney General's Requests for Information**  
**Case No. 2006-00471**

41. Please describe EKPC's capability to import power from surrounding grids. Identify the transmission constraints both within and outside of EKPC's own system.
42. Describe fully EKPC's access to commercial power markets. Describe these markets, their liquidity and the capacity that is available during EKPC's winter and summer peaks. Where, if at all, is this resource discussed in the IRP?
43. Please provide a schedule listing EKPC's imports and exports of power during the last three years.
44. Describe fully the basis for EKPC's decision not to join MISO.
45. What accounts for the double-digit large commercial load growth in the Inter-county and Salt River member cooperatives between 2006 and 2011?
46. Are the large commercial and industrial customers on EKPC's system able to purchase power from third party vendors other than EKPC? If so, how, if at all, does this capability affect EKPC's supply-side planning?
47. The IRP states that EKPC has, in the past, built to meet its summer load even though its highest peak is in the winter. The stated reason is that surrounding systems have summer peaks and therefore available capacity in the winter. Please explain fully the apparent decision now to build to meet the winter peak.
48. Please provide a schedule of imported winter peaking power during the last five years. Identify the capacity, the energy and the sources of the purchases.