

# Goss ■ Samford PLLC



August 10, 2012

RECEIVED

AUG 10 2012

PUBLIC SERVICE  
COMMISSION

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

Re: PSC Case No. 2012-00149  
In the Matter of: 2012 Integrated Resource Plan of East Kentucky Power  
Cooperative, Inc.

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, an original and ten redacted copies of the Response of East Kentucky Power Cooperative, Inc. ("EKPC") to Motion of Sonia McElroy and Sierra Club to Compel East Kentucky Power Cooperative to Respond to Intervenors Initial Requests for Information, and for Continuance of Case Schedule. One copy of the designated confidential portions of the responses, contained on CD, is enclosed in a sealed envelope.

Sincerely yours,

Mark David Goss

Cc: Parties of Record

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>2012 INTEGRATED RESOURCE PLAN OF EAST )</b>	<b>CASE NO.</b>
<b>EAST KENTUCKY POWER COOPERATIVE, INC. )</b>	<b>2012-00149</b>

**PETITION FOR CONFIDENTIAL  
TREATMENT OF INFORMATION**

Comes now the petitioner, East Kentucky Power Cooperative, Inc. (“EKPC”) and, as grounds for this Petition for Confidential Treatment of Information (the “Petition”), states as follows:

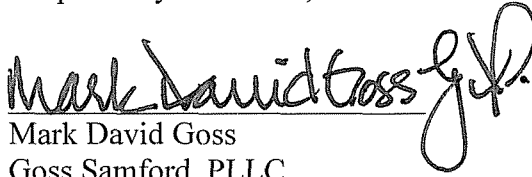
1. This Petition is filed in conjunction with the filing of responses to the Motion of Sonia McElroy and Sierra Club to Compel East Kentucky Power Cooperative to Respond to Intervenors Initial Requests for Information, and for Continuance of Case Schedule in this case, and relates to confidential information contained in that filing that is entitled to protection pursuant to 807 KAR 5:001 Section 7 and KRS §61.878 (1)(c) 1, and related sections.

2. The information designated as confidential on the CD attached to these responses includes projected rates for EKPC, projected residential rates at the EKPC member system level, and potential new industrial load and expansion or loss of existing industrial load. The open disclosure of this information could allow competitors an unfair commercial advantage over EKPC and its member systems. As such this information is confidential and not subject to public disclosure pursuant to KRS §61.878(1)(c)1.

3. Along with this Petition, EKPC has enclosed one copy of confidential sections of its response on CD, with the confidential information identified by highlighting or other designation, and 10 copies with the confidential information redacted. The identified confidential information is not known outside of EKPC and is distributed within EKPC only to persons with a need to use it for business purposes. It is entitled to confidential treatment pursuant to 807 KAR 5:001 Section 7 and KRS §61.878(1)(c) 1, for the reasons stated hereinabove, as information which would permit an unfair commercial advantage to competitors of EKPC if disclosed. The subject information is also entitled to protection pursuant to KRS §61.878(1)(c) 2 c, as records generally recognized as confidential or proprietary which are confidentially disclosed to an agency in conjunction with the regulation of a commercial enterprise.

WHEREFORE, EKPC respectfully requests the Public Service Commission to grant confidential treatment to the identified information and deny public disclosure of said information.

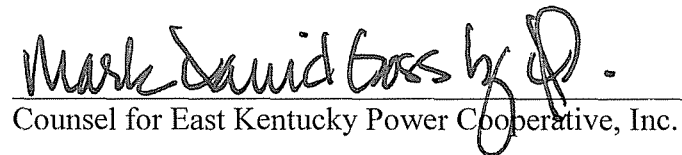
Respectfully submitted,



Mark David Goss  
Goss Samford, PLLC  
2365 Harrodsburg Road  
Suite B130  
Lexington, KY 40504  
*Counsel for East Kentucky Power Cooperative, Inc.*

**CERTIFICATE OF SERVICE**

This is to certify that an original and 10 copies of the foregoing Petition for Confidential Treatment of Information in the above-styled case were hand delivered to the office of the Public Service Commission, 211 Sower Boulevard, Frankfort, KY 40601 this 9th day of August, 2012. Further, this is to certify that copies of the foregoing Petition for Confidential Treatment of Information in the above-styled case were transmitted by first-class U.S. mail to: Hon. Jennifer B. Hans, Executive Director, Office of Rate Intervention, Office of the Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204; Hon. Michael L. Kurtz, Boehm, Kurtz and Lowry, 36 East Seventh Street, Suite 1510, Cincinnati, Ohio 45202; Sierra Club Cumberland Chapter, P.O. Box 1268, Lexington, Kentucky 40588; Joe Childers, Joe F. Childers & Associates, 300 Lexington Building, 201 West Short Street, Lexington, Kentucky 40507 and Sonia McElroy, 412 Lee Port Road, Milton, Kentucky 40045, pursuant to 807 KAR 5:001, Section 7(2)(c).



Counsel for East Kentucky Power Cooperative, Inc.

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>2012 INTEGRATED RESOURCE PLAN OF EAST</b>	)	<b>CASE NO.</b>
<b>KENTUCKY POWER COOPERATIVE, INC.</b>	)	<b>2012-00149</b>

**RESPONSE OF EAST KENTUCKY POWER COOPERATIVE, INC. TO  
MOTION OF SONIA MCELROY AND SIERRA CLUB TO COMPEL EAST  
KENTUCKY POWER COOPERATIVE TO RESPOND TO INTERVENORS  
INITIAL REQUESTS FOR INFORMATION, AND FOR CONTINUANCE OF  
CASE SCHEDULE**

Comes East Kentucky Power Cooperative, Inc. (“EKPC”), by counsel, and tenders its response to the Motion of Sonia McElroy and Sierra Club to Compel East Kentucky Power Cooperative to Respond to Intervenors Initial Requests for Information, and for Continuance of Case Schedule. In support of this response, EKPC states as follows:

1. Sonia McElroy and Sierra Club (collectively, “Intervenors”) have moved the Kentucky Public Service Commission to compel EKPC to fully respond to certain information requests by a date certain and to continue the deadline for Intervenors to file supplemental requests for information until 10 days after the date of such production. EKPC has provided additional comments and/or responses in the order as they appeared in Intervenors’ Motion.

2. EKPC’s comments and/or responses to requests outlined in Part II in Intervenors’ Motion are provided below.

- Iia, Request 17—EKPC has no additional information to provide.

- IIb, Request 24—EKPC has no additional information to provide.
- IIc, Request 25—EKPC has no additional information to provide.
- IId, Request 26
  - Request 26a—EKPC has no planned retirement dates for the units identified.
  - Request 26b—The book value of Dale Station as of December 31, 2011 is \$6,994,271. The book value of Cooper Station as of December 31, 2011 is \$38,715,182. The book value of the Spurlock units as of December 31, 2011 is \$1,485,968,311. EKPC cannot provide any forecasted financial information as it does not have a signed Confidentiality Agreement with the Sierra Club.
  - Request 26c—The current salvage value of all generating units is \$0.
  - Request 26d—The most recent depreciation study was filed with the Commission in Case No. 2006-00236. All documents provided in this proceeding can be obtained on the Commission’s website.
  - Request 26e—EKPC has not performed a condition or performance assessment.
  - Request 26f—The most recent retirement or continued unit operation analysis was provided in the Application in Case No. 2008-00472. The most recent life extension (depreciation) study was filed with the Commission in Case No. 2006-00236.
  - Requests 26g and 26j—EKPC has not performed an analysis or assessment of the economics of continued operation of such unit.

- Requests 26h and 26i—Transmission studies as described in the information request have not been performed.
- Iie, Request 27(a-n)—Refer to Page 6 of the IRP, Section 1.4. Until EKPC receives the results from its RFP, none of the requested analyses will be performed.
- IIf, Request 44—EKPC’s response to the previous Intervenor’s request is detailed and adequately explains that EKPC utilized the EPRI report as an overall reasonableness test because EKPC could not verify EPRI’s assumptions and underlying data. Thus, EKPC decided not to utilize the content of the report for evaluating individual programs.

3. EKPC’s comments and/or responses to requests outlined in Part III of Intervenor’s Motion are provided below.

- III, Request 3—A redacted , electronic version of the workpapers, source documents, input and output files associated with EKPC’s 2010 and 2011 load forecasts is provided on the attached CD. Workpapers used in the development of EKPC’s DSM analysis are included in Technical Appendix, Volume 2 of EKPC’s IRP.
- III, Request 4—Workpapers and source documents used for projecting the number of customers in EKPC’s service area are provided on the attached CD.
- III, Request 6—Details of the quantitative evaluations were provided in previous data request responses and individual program details were provided in the Technical Appendix, Volume 2, of EKPC’s IRP. Individual program information included detailed input assumptions and output summary results.

4. EKPC's comments and/or responses to requests outlined in Part IV of Intervenor's Motion are provided below.

- IV, Request 35—Please see Exhibit 1 to this Response.
- IV, Request 45(a-c)—Please see Exhibit 1 to this Response.
- IV, Request 19—While EKPC maintains its contention that the results of emissions testing are not relevant for purposes of the IRP, it should be noted that this data is available through the EPA Information Collection Request.
- IV, Request 21—While EKPC maintains its contention that the emissions rates are not relevant for purposes of the IRP, it should be noted that sulfur dioxide is available as public record for Dale and Cooper Station. Particulate matter and sulfur dioxide is available for all Spurlock Station units, and mercury is available for Spurlock Unit 4 through the EPA and the Kentucky Division of Air Quality.

5. EKPC's comments and/or responses to requests outlined in Part V of Intervenor's Motion are provided below.

- V, Request 2—EKPC has no additional information to provide. The Sierra Club has not signed a Confidentiality Agreement with EKPC; therefore, EKPC cannot provide the requested information.
- V, Request 5—EKPC has no additional information to provide. The information requested contains proprietary information or confidential information with a third party.

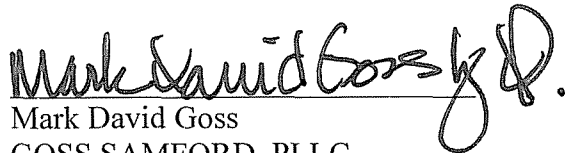


- V, Request 11—EKPC has no additional information to provide. The information requested contains proprietary information or confidential information with a third party.
- V, Request 12—EKPC has no additional information to provide. The information requested contains proprietary information or confidential information with a third party.
- V, Request 15—EKPC has no additional information to provide. The information requested contains proprietary information or confidential information with a third party.
- V, Request 16—EKPC has no additional information to provide. The information requested contains proprietary information or confidential information with a third party.
- V, Request 28—EKPC has no additional information to provide. The Sierra Club has not signed a Confidentiality Agreement with EKPC; therefore, EKPC cannot provide the requested information.
- V, Request 30—EKPC has no additional information to provide. The information requested contains proprietary information or confidential information with a third party.

WHEREFORE, EKPC has provided comments and/or responses to reply to the Intervenor's Motion.

This 10<sup>th</sup> day of August, 2012.

Respectfully submitted,



Mark David Goss  
GOSS SAMFORD, PLLC  
2365 Harrodsburg Road, Suite B130  
Lexington, KY 40504  
(859) 368-7740  
[mdgoss@gosssamfordlaw.com](mailto:mdgoss@gosssamfordlaw.com)

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the above and foregoing response to the Motion of Sonia McElroy and Sierra Club to Compel East Kentucky Power Cooperative to Respond to Intervenors Initial Requests for Information, and for Continuance of Case Schedule was served upon the following persons by United States first class mail, postage prepaid, on the 10th day of August, 2012:

Joe Childers  
Joe F. Childers & Associates  
300 Lexington Building  
201 West Short Street  
Lexington, KENTUCKY 40507

Sierra Club Cumberland Chapter  
P.O. Box 1268  
Lexington, KENTUCKY 40588

Michael L Kurtz  
Attorney at Law  
Boehm, Kurtz & Lowry  
36 East Seventh Street, Suite 1510  
Cincinnati, OHIO 45202

Sonia McElroy  
412 Lee Port Road  
Milton, KENTUCKY 40045

## Exhibit 1

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### Response to 35a.

EKPC declines to respond to as EKPC does not have a signed confidentiality agreement with the Sierra Club.

### Response to 35b.

Direct Load Control Program Costs Since EKPC's Last Filed IRP

	2009	2010	2011
\$	3,281,126	\$ 1,424,056	\$ 3,007,544

### Response to 45a.

EKPC declines to respond to as EKPC does not have a signed confidentiality agreement with the Sierra Club.

### Response to 45 b, c.

The table below reflects total actual spending on energy efficiency programs since EKPC's last IRP filing, along with the MW and MWh reductions.

	2009	2010	2011
Costs	\$ 850,195	\$ 1,100,366	\$ 991,330
MWh Savings	12,891	8,863	13,448
Winter MW	3.51	3.46	3.27
Summer MW	1.76	1.39	2.29