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July 11, 2012

RECEIVED

VIA HAND DELIVERY

Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601 JUL 1 1 2012

PUBLIC SERVICE COMMISSION

RE: <u>The Application of East Kentucky Power Cooperative, Inc. to Transfer Functional Control of Certain Transmission Facilities to PJM Interconnection, LLC</u>
Case No. 2012-00169

Dear Mr. DeRouen:

Enclosed please find and accept for filing the original and ten copies of the Supplemental Data Requests of Kentucky Utilities Company and Louisville Gas and Electric Company Propounded to East Kentucky Power Cooperative, Inc. in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me via our office courier.

Should you have any questions please contact me at your convenience.

Sincerely,

W. Duncan Crosby III

WDC:ec Enclosures

cc: Parties of Record

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

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) CASE NO. 2012-00169
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)

SUPPLEMENTAL DATA REQUESTS OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY PROPOUNDED TO EAST KENTUCKY POWER COOPERATIVE, INC.

Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (collectively, the "Companies" or "LG&E-KU"), respectfully submit the following supplemental data requests to the East Kentucky Power Cooperative, Inc. ("EKPC"), to be answered by the date specified in the procedural schedule established by the Kentucky Public Service Commission ("Commission") in this matter on June 7, 2012.

Instructions

- 1. As used herein, "Documents" include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of, or accessible to, EKPC, its witness, or its counsel.
- 2. Please identify by name, title, position, and responsibility the person or persons answering each of these data requests.

- 3. These requests shall be deemed continuing so as to require further and supplemental responses if EKPC receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.
- 4. To the extent that the specific document, work-paper, or information as requested does not exist, but a similar document, work-paper, or information does exist, provide the similar document, work-paper, or information.
- 5. To the extent that any request may be answered by a computer printout, spreadsheet, or other form of electronic media, please identify each variable contained in the document or file that would not be self-evident to a person not familiar with the document or file.
- 6. If EKPC objects to any request on the ground that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel as soon as possible.
- 7. For any document withheld on the ground 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.
- 8. In the event any document requested has been destroyed or transferred beyond the control of EKPC, its counsel, or its witness, 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 such a document was destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.
- 9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than a reference to the record where the document is located.

Supplemental Data Requests

- 1. Please provide updated responses to the Companies' first set of Data Requests to the extent new or revised data or analyses have become available, including any cost-benefit or system impact studies and related work-papers that were not available when EKPC provided its original responses.
- 2. EKPC's response to the Companies' Data Request No. 1a states, "EKPC expects its generation units to dispatch in the same order after the PJM integration..." and its response to 1b states, "EKPC does not expect its unit operations to change significantly." Please provide the peak hour unit dispatch by month used in the study both before and after integration into PJM.
- 3. Please see EKPC's responses to the Companies' Data Request Nos. 3, 5, and 6.
 - a. How will the ratio share of the RTEP costs be allocated and to whom?
 - b. Of the RTEP cost allocated to EKPC, how much would be allocated to OATT customers?
 - c. How will EKPC's RTEP costs affect the Companies' rates as Network Integration Transmission Service ("NITS") customers of EKPC?
 - d. If EKPC were not seeking full PJM membership, what transmission (OATT Attachment O) rate changes would EKPC expect to make in the next five years? How do those changes compare to the rate changes EKPC expects will occur in PJM?
- 4. EKPC's response to the Companies' Data Request No. 7 discusses changes to three particular EKPC transmission planning criteria. Please identify the additional construction, cost, and timing associated with these criteria changes.
- 5. EKPC's response to the Companies' Data Request No. 9 states, "The list of EKPC flowgates that will be monitored by PJM will be available near EKPC's integration date into PJM."
 - a. What are EKPC's existing monitored flowgates?
 - b. Which of these flowgates would remain after EKPC's full integration into PJM?
- 6. In the integration study mentioned in EKPC's response to the Companies' Data Request No. 10, will the Companies flows and voltages be monitored?
 - a. Which impact threshold to voltage and flows will be used in the integration study?
 - b. Which voltage and flow temperature-based limits will be used?

- 7. How will EKPC's full PJM membership impact the Companies' cost to provide service to their native load customers (i.e., the Companies' native load customers) served on EKPC's transmission system?
- 8. Please state the status of any and all studies and work-papers the Companies requested in their first set of Data Requests.
 - a. If EKPC does not plan to conduct any of the requested studies, please state which ones and why EKPC does not plant to conduct them.
 - b. For all studies and work-papers the Companies requested and that EKPC is planning to conduct or is currently conducting, please state when EKPC plans to provide them.
- 9. Page 34 of 52 of EKPC's response to the Commission Staff's Request No. 2 lists "[1]oss of dispatch control" as one of the "cons" of PJM membership. EKPC's response to the Companies' Data Request No. 1 states that PJM's dispatch of EKPC's generating units will result in "running the coal units as much or slightly more within PJM and running gas combustion turbines less."
 - a. Does EKPC agree that changing generating unit dispatch can affect flows on systems to which EKPC is interconnected? If EKPC does not agree, please explain why.
 - b. Does EKPC agree that such changing flows on interconnected systems could affect the cost of serving customers of the utilities whose systems are impacted? If EKPC does not agree, please explain why.
- 10. EKPC's response to the Companies' Data Request No. 15 states, "EKPC does not anticipate any substantial impact to LG&E-KU operations resulting from full membership of EKPC into PJM." How does EKPC define "substantial"?
- 11. EKPC's response to the Companies' Data Request No. 10a states, "At this time, no significant impacts on flows and voltages on the LG&E-KU system [resulting from EKPC's proposed membership in PJM] have been identified." How does EKPC define "significant"?
- 12. Please refer to the Companies' Data Request 5b. EKPC's response to that Data Request states, "EKPC is not aware of any drive-in or drive-out charges in PJM. LG&E-KU will work with PJM to determine what transmission services they choose to serve their load."
 - a. Has EKPC performed any analysis to determine what the cost impacts might be to the Companies or other neighboring utilities arising from EKPC's membership in PJM? If so, please provide it. If not, please explain why EKPC has not performed such analysis.

- b. Is it EKPC's position that the Commission should grant EKPC's request to become a full member of PJM without any information concerning the cost impacts of such membership on other Commission-jurisdictional utilities?
- 13. Please see EKPC's response to Commission Staff Request 25b and page 14 of 17 of EKPC's response to Commission Staff Request 4f. What cost impact, if any, does EKPC expect PJM's acting as EKPC's agent in the TVA-LG&E-KU-EKPC Contingency Reserve Sharing Group will have on the other members of the group, particularly LG&E and KU?
- 14. Please provide the information the Companies requested in Data Request 8a of their first set of Data Requests.
- 15. Please refer to page 17 of 52 of EKPC's response to the Commission Staff's Request No. 2. Is it EKPC's position that it has no operational alternative but to join MISO or PJM?

Dated: July 11, 2012

Respectfully submitted,

Kendrick R. Riggs

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Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing Supplemental Data Requests were served upon the following individuals by first class United States mail, postage prepaid, on the 11th day of July 2012:

Jennifer Black Hans
Dennis G. Howard, II
Lawrence W. Cook
Office of the Kentucky Attorney General
Office of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601-8204

Ann F. Wood East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, Kentucky 40392-0707

Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202 Mark David Goss David S. Samford Goss Samford, PLLC 112 Windridge Drive Nicholasville, Kentucky 40356

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