

Goss & Samford PLLC



David S. Samford
david@gosssamfordlaw.com
(859) 368-7740

October 28, 2013

Via Hand-Delivery

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

RECEIVED
OCT 28 2013
PUBLIC SERVICE
COMMISSION

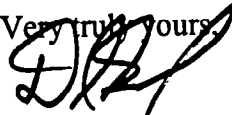
Re: In the Matter of: Petition and Complaint of Grayson RECC for an Order Authorizing Purchase of Electric Power at the Rate of Six Cents Per Kilowatts of Power vs. a Rate in Excess of Seven Cents Per Killowatt Hour Purchased From East Kentucky Power Cooperative Under a Wholesale Power Contract as Amended Between Grayson RECC and East Kentucky Power Cooperative, Inc., PSC Case No. 2012-00503

Dear Mr. Derouen:

Enclosed please find for filing with the Commission in the above-referenced case an original and ten (10) copies each of the following:

1. Farmers Rural Electric Cooperative Corporation's Responses to Grayson Rural Electric Cooperative Corporation's Document Requests to All Intervening Distribution Cooperative Respondents;
2. Farmers Rural Electric Cooperative Corporation's Answers to Grayson Rural Electric Cooperative Corporation's Interrogatories to All Intervening Distribution Cooperative Respondents; and,
3. East Kentucky Power Cooperative, Inc.'s Answers to Grayson Rural Electric Cooperative Corporation's Interrogatories to All Intervening Distribution Cooperative Respondents.

Please return file-stamped copies to me. Do not hesitate to contact me if you have any questions.

Very truly yours,

David S. Samford

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

OCT 28 2013

PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION AND COMPLAINT OF GRAYSON)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER)
AUTHORIZING PURCHASE OF ELECTRIC)
POWER AT THE RATE OF SIX CENTS PER)
KILOWATTS OF POWER VS A RATE IN)
EXCESS OF SEVEN CENTS PER KILOWATT)
HOUR PURCHASED FROM EAST KENTUCKY)
POWER COOPERATIVE UNDER A)
WHOLESALE POWER CONTRACT AS)
AMENDED BETWEEN GRAYSON RURAL)
ELECTRIC COOPERATIVE CORPORATION)
AND EAST KENTUCKY POWER COOPERATIVE INC.)

CASE NO. 2012-00503

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION'S
RESPONSES TO GRAYSON RURAL ELECTRIC COOPERATIVE
CORPORATION'S DOCUMENT REQUEST TO ALL
INTERVENING DISTRIBUTION COOPERATIVE RESPONDENTS

Comes now Farmers Rural Electric Cooperative Corporation ("Farmers RECC"), by
counsel, and hereby responds as follows to the Document Request propounded by the Petitioner,
Grayson Rural Electric Cooperative Corporation ("Grayson"), to All Intervening Distribution
Cooperative Respondents:

REQUEST NO. 1: Please set forth a copy of any and all documents or agreements
between any of the distribution cooperatives and East Kentucky Power Cooperative concerning
the use of common, legal representation in the within action.

RESPONSE: Farmers RECC objects to this request on the basis that it seeks documents
which are privileged. Moreover, the documents requested are not relevant to the Public Service

Commission's determination of the appropriate interpretation and implementation of Amendment 3 to the Wholesale Power Contract.

REQUEST NO. 2: Please provide copies of any and all documents evidencing notice sent to or received by East Kentucky Power Cooperative, regarding a distribution cooperative's purchase or use of power from a source other than East Kentucky Power Cooperative, Inc., by any of the distribution cooperatives as well as any other.

RESPONSE: See attached.

REQUEST NO. 3: Please set forth any other document concerning the purchase or use of power by any distribution cooperative from a source other than East Kentucky Power either in utilization at the present time or contemplated in the future, that has been authorized by a distributions co-op's Board as a result of any board action authorizing same.

RESPONSE: With the exception of the two generators owned by Farmers RECC and referenced in its responses to Grayson's interrogatories, Farmers RECC purchases all of its power from East Kentucky Power Cooperative, Inc. ("EKPC"), except for that which is self-generated power from a customer net-metering arrangement.

REQUEST NO. 4: Please provide copies of any and all documents evidencing the extent of the electric power purchase or use from a source other than East Kentucky Power by any distribution cooperative.

RESPONSE: See the response to the above request.

REQUEST NO. 5: Please provide a copy of any document which any distribution cooperative herein or East Kentucky Power Cooperative intends to use at the Final Hearing in the within action, as well as the name, address and title of the person intending to offer said document into evidence.

RESPONSE: Farmers RECC has not made a determination at this time and is unable to provide any documents in response to this request.

REQUEST NO. 6: With respect to East Kentucky Power Cooperative only, please provide copies of any and all documents evidencing any internal audit, investigation, analysis, study, or any other undertaking evidencing the effect of Grayson Rural Electric Cooperative Corporation upon East Kentucky Power Cooperative's financial status should Grayson Rural Electric Cooperative Corporation purchase 9.3 megawatts of power from a source other than East Kentucky Power Cooperative.

RESPONSE: Farmers RECC has no documents responsive to this request.

REQUEST NO. 7: Please set forth any and all documents evidencing the power purchased by East Kentucky Power from sources other than its own generating plants within the last eighteen months.

RESPONSE: Farmers RECC has no documents responsive to this request.

REQUEST NO. 8: Please provide copies of any and all documents evidencing East Kentucky Power's request for proposals for the sale of power to East Kentucky Power within the last eighteen months.

RESPONSE: Farmers RECC has no documents responsive to this request.

REQUEST NO. 9: With respect to East Kentucky Power Cooperative, please set forth any and all documents evidencing the agreement, if any there be, between East Kentucky Power Cooperative and any distribution cooperative concerning the sale of power to any distribution cooperative for an amount of money less than that which is charged or exacted from any other distribution cooperative.

RESPONSE: Farmers RECC has no documents responsive to this request.

VERIFICATION


By signing below, the individual answering these Requests for Production of Documents, on behalf of Farmers Rural Electric Cooperative Corporation, hereby certifies that the foregoing responses are true and correct to the best of his knowledge and belief.

FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION

By: 
Bill Prather, President and CEO

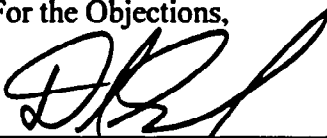
COMMONWEALTH OF KENTUCKY)
COUNTY OF BARREN)

Acknowledged, subscribed and sworn to before me by Bill Prather on behalf of Farmers Rural Electric Cooperative Corporation, this 28 day of October, 2013.


Notary Public, # 1446566

My Commission Expires: 07-30-2015

For the Objections,


Mark David Goss
David S. Samford
GOSS SAMFORD, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504
(859) 368-7740
mdgoss@gosssamfordlaw.com
david@gosssamfordlaw.com

*Counsel for Farmers Rural Electric
Cooperative Corporation*



Farmers Rural Electric Cooperative Corporation

504 South Broadway, Glasgow, KY 42141 • P.O. Box 1298, Glasgow, KY 42142-1298 • (270) 651-2191 • FAX (270) 651-7332

May 2, 2013

Mr. Paul Hawkins
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P. O. Box 707
Winchester, KY 40392-0707

RE: Approval of Farmers RECC's utilization of the Wholesale Power Contract Amendment 3 for the Proposed Glasgow Landfill Gas to Energy Project Generator

Dear Mr. Hawkins,

Pursuant to the Amendment 3 provisions of the East Kentucky Power Cooperative's ("EKPC") Wholesale Contract with Farmers Rural Electric Cooperative ("FRECC"), FRECC is requesting the EKPC Board of Directors approve utilization of the following generation facility:

- One 939 kW (gross) landfill gas engine generator interconnected on FRECC distribution system fed out of the West Glasgow Substation.
- This unit will be used to provide capacity and base load generation to serve FRECC members. During operation the unit will not generate in excess of load at the EKPC Point of Delivery and, therefore, is a "Behind the Meter Source".
- The proposed unit will be owned and operated by EKPC and is expected to be in operation June 2015.
- The unit will be contracted by FRECC for capacity and energy for a twenty year term.

Should you have any further questions or concerns, please contact me.

Sincerely,
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION

A handwritten signature in black ink that reads "William T. Prather".

William T. Prather
President/CEO

www.farmersrecc.com

A Touchstone Energy® Cooperative The logo for Touchstone Energy, which is a stylized 'T' inside a circle.



Farmers Rural Electric Cooperative Corporation

504 South Broadway, Glasgow, KY 42141 • P.O. Box 1298, Glasgow, KY 42142-1298 • (270) 651-2191 • FAX (270) 651-7332

May 2, 2013

Mr. Paul Hawkins
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P. O. Box 707
Winchester, KY 40392-0707

RE: Approval of Farmers RECC's utilization of the Wholesale Power Contract Amendment 3 for 2 - 1.8 MW Diesel Generators

Dear Mr. Hawkins,

Pursuant to the Amendment 3 provisions of the East Kentucky Power Cooperative's ("EKPC") Wholesale Contract with Farmers Rural Electric Cooperative ("FRECC"), FRECC is requesting the EKPC Board of Directors approve utilization of the following distributed generation facility:

- Two 1.8 MW (net) diesel generators interconnected on FRECC distribution system, being fed out of the Parkway Substation in Glasgow.
- These units are used to provide emergency backup service for an industrial member and for peak shaving conservation. During peak shaving operation the units do not generate in excess of load at the EKPC Point of Delivery and, therefore, are Behind the Meter Sources.
- The units are owned by FRECC, were installed in 2005, are currently in operation, and are expected to be in operation for the next twenty years.

Should you have any further questions or concerns, please contact me.

Sincerely,
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION

A handwritten signature in black ink that reads 'William T. Prather'.

William T. Prather
President/CEO

www.farmersrecc.com

A Touchstone Energy* Cooperative The logo for Touchstone Energy, which is a stylized sun or flower-like symbol.