

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY FOR)	
ALTERATION OF CERTAIN EQUIPMENT AT THE)	CASE NO.
COOPER STATION AND APPROVAL OF A)	2013-00259
COMPLIANCE PLAN AMENDMENT FOR)	
ENVIRONMENTAL SURCHARGE COST)	
RECOVERY)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due by November 12, 2013. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EKPC shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which EKPC fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the response to Item 7 of Commission Staff's First Request for Information ("Staff's First Request"), which was filed under seal.

a. EKPC provided the net present value ("NPV") per MW-year for six of the proposals on the Short List. Provide the NPV per MW-year for the seventh proposal included on the Short List.

b. The response to 7.a. states that the "[n]umbers have been revised in light of discussions with bidders." Provide the revised numbers for the seven proposals on the Short List.

2. Refer to response to Item 13.b. of Staff's First Request. The response states that "...EKPC would have just under 400 MW of excess capacity as compared to its PJM capacity obligation, assuming no existing capacity was retired."

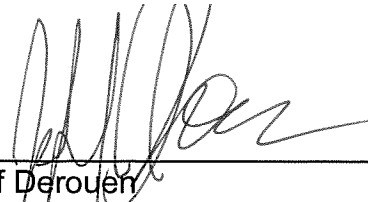
a. Confirm that the response indicates that a capacity gap is no longer anticipated.

b. State whether EKPC has plans to retire any of its units. If the answer is positive, state when and which units will be retired.

3. Refer to the response to Item 14.b. of Staff's First Request. Provide the results of the Request for Proposals negotiations when they are final.

4. Refer to the response to Item 15 of Staff's First Request. Confirm that EKPC is currently burning a low-sulfur, higher-cost coal in Cooper Unit 1, but after completion of the proposed project, EKPC would burn a high-sulfur, lower-cost coal in that unit. If this cannot be confirmed, explain.

5. Refer to page 3 of 4 of the response to Item 31 of Staff's First Request. The response shows that a total fixed-charge rate of 14.324 percent was used in Exhibit 4.b. of the application and 24.064 percent was used in Exhibit ISS-4 of the application. The response states that "...the fixed charge rate utilized when calculating the impacts in Exhibit 4.b. of the Application reflected a system-wide overall average variable operating and maintenance factor. The variable O&M component was changed to reflect the estimated variable operating and maintenance cost factor associated with the Project". Explain why the variable operation and maintenance component for the proposed project is estimated to be approximately 10 percentage points higher than the system-wide overall average.



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DATED **OCT 30 2013**

cc: Parties of Record

Case No. 2013-00259

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