

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)	
CONSTRUCTION OF AN ASH LANDFILL AT)	CASE NO.
J. K. SMITH STATION, THE REMOVAL OF)	2014-00252
IMPOUNDED ASH FROM WILLIAM C. DALE STATION)	
FOR TRANSPORT TO J. K. SMITH AND APPROVAL)	
OF A COMPLIANCE PLAN AMENDMENT FOR)	
ENVIRONMENTAL SURCHARGE RECOVERY)	

COMMISSION STAFF'S THIRD 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 no later than January 23, 2015. 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 the 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 filing a paper containing personal information, EKPC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Supplemental Direct Testimony of Don Mosier on Behalf of East Kentucky Power Cooperative, Inc. ("Mosier Supplemental Testimony"), page 3, lines 22-23. Provide copies of any and all correspondence, notes, or memoranda concerning the discussions EKPC had with PJM Interconnection, LLC ("PJM") regarding the one-year extension for Dale Units 3 and 4 to comply with the Mercury and Air Toxics Standards.

2. Refer to the Mosier Supplemental Testimony, page 4, lines 10-13.

- a. Provide in detail the amount of capacity revenues that EKPC anticipates receiving for the 2015/2016 Delivery Year from the continued operation of Dale Units 3 and 4, if those two units were to receive a one-year MATS compliance extension.

b. Given that EKPC's original intent was to place Dale Units 3 and 4 in indefinite storage beginning in April 2015, will EKPC receive any compensation from PJM, either in the form of a Reliability Must Run agreement or a similar type of arrangement, for EKPC's decision to now continue operation of Dale Units 3 and 4 through April 2016 as a result of the reliability concerns raised by PJM? If not, provide the reasons why EKPC will not receive any such compensation from PJM.

3. Refer to the Mosier Supplemental Testimony, page 4, lines 13-16. Provide the analysis that EKPC performed to conclude that the benefits outweighed the minimal risks associated with the continued operation of Dale Units 3 and 4.

4. Refer to the Mosier Supplemental Testimony, page 5, lines 5-8. Provide the analysis and supporting calculations performed by EKPC in arriving at the conclusion that capacity revenues received from PJM would entirely offset any incremental variable expense in keeping Dale Units 3 and 4 operational through the 2015/2016 Delivery Year.


5. Refer to the Mosier Supplemental Testimony, page 6, lines 5-9.

a. How often does EKPC project Dale Units 3 and 4 will be dispatched by PJM during the 2015/2016 Delivery Year? Provide the basis for this projection.

b. Based on the projection in 5.a., provide the amount of additional coal ash that will be produced and placed in Ash Pond 4.

6. Identify and quantify any additional incremental cost on the proposed Smith Landfill Project as a result of EKPC's decision to continue the operation of Dale Units 3 and 4 for an additional year through April 2016.

7. Explain whether EKPC has considered requesting reimbursement from PJM for any incremental costs, no matter how negligible, for the volume of new coal ash that may be produced and the continued operation of Dale Units 3 and 4 that may exceed any capacity revenues.



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Executive Director
Public Service Commission
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cc: Parties of Record

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