

**Goss  
Samford**

ATTORNEYS AT LAW | PLLC

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

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DEC 19 2018

PUBLIC SERVICE  
COMMISSION

VIA HAND DELIVERY

December 19, 2018

Ms. Gwen Pinson, Executive Director  
Kentucky Public Service Commission  
P.O. Box 615  
211 Sower Boulevard  
Frankfort, KY 40602

Re: *In the Matter of the Application of East Kentucky Power Cooperative, Inc. for Approval to Amend its Environmental Compliance Plan and Recover Costs Pursuant to its Environmental Surcharge, and for the Issuance of a Certificate and Public Convenience and Necessity; PSC Case No. 2018-00270*

Dear Ms. Pinson:

Please find enclosed for filing with the Commission in the above-referenced case an original and ten copies of the Responses of East Kentucky Power Cooperative, Inc. ("EKPC") to the Commission Staff's Second Set of Information Requests, dated December 4, 2018, and the Attorney General's Supplemental Data Requests, dated December 5, 2018.

Please return a file stamped copy of this filing to my office.

Sincerely,



David S. Samford

Enclosures

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

**RECEIVED**

**DEC 19 2018**

**PUBLIC SERVICE  
COMMISSION**

**IN THE MATTER OF:**

**THE APPLICATION OF EAST KENTUCKY )  
POWER COOPERATIVE, INC. FOR APPROVAL )  
TO AMEND ITS ENVIRONMENTAL )  
COMPLIANCE PLAN AND RECOVER COSTS )  
PURSUANT TO ITS ENVIRONMENTAL )  
SURCHARGE, AND FOR THE ISSUANCE OF )  
A CERTIFICATE OF PUBLIC CONVENIENCE )  
AND NECESSITY )**

**CASE NO. 2018-00270**

**RESPONSES TO ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR  
INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC.**

**DATED DECEMBER 5, 2018**

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

**IN THE MATTER OF:**


**THE APPLICATION OF EAST KENTUCKY        )  
POWER COOPERATIVE, INC. FOR APPROVAL   )  
TO AMEND ITS ENVIRONMENTAL                )  
COMPLIANCE PLAN AND RECOVER COSTS    )  
PURSUANT TO ITS ENVIRONMENTAL            )  
SURCHARGE, AND FOR THE ISSUANCE OF    )  
A CERTIFICATE OF PUBLIC CONVENIENCE    )  
AND NECESSITY                                )**

**CASE NO. 2018-00270**

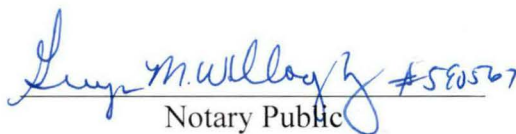
**CERTIFICATE**

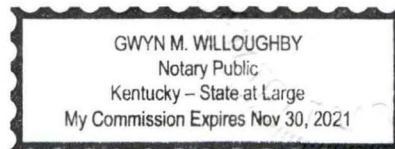
**STATE OF KENTUCKY    )  
                                  )  
COUNTY OF CLARK     )**

Craig A. Johnson, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Attorney General's Supplemental Request for Information in the above-referenced case dated December 5, 2018, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 19<sup>th</sup> day of December 2018.

  
Notary Public





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


**IN THE MATTER OF:**

THE APPLICATION OF EAST KENTUCKY )	
POWER COOPERATIVE, INC. FOR APPROVAL )	
TO AMEND ITS ENVIRONMENTAL )	
COMPLIANCE PLAN AND RECOVER COSTS )	CASE NO. 2018-00270
PURSUANT TO ITS ENVIRONMENTAL )	
SURCHARGE, AND FOR THE ISSUANCE OF )	
A CERTIFICATE OF PUBLIC CONVENIENCE )	
AND NECESSITY )	

**CERTIFICATE**

STATE OF Missouri )  
)  
COUNTY OF Jackson )

Sam Yoder, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Attorney General's Supplemental Request for Information in the above-referenced case dated December 5, 2018, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_

Subscribed and sworn before me on this 10 day of December 2018.

  
\_\_\_\_\_

Notary Public  
SARA BETH ACTON  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Jackson County  
My Commission Expires April 20, 2019  
Commission # 15634903

**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2018-00270**

**RESPONSE TO INFORMATION REQUEST**

**ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION DATED 12/05/18**

**12/05/18**

**REQUEST 1**

**RESPONSIBLE PARTY: Jerry Purvis**

**Request 1.** Reference the response to PSC 1-6 (b), wherein EKPC states, "However, this quantified risk is an assessment of only the environmental impact and does not reflect the negative impacts to financial costs, agency financial ratings, and increase to the cost of borrowing funds or qualifying for funds in the public capital markets. Exceedances to permit limitations also impact the qualitative risk." Explain what EKPC means by the "qualitative risk."

**Response 1.** EKPC considers qualitative risks to be the non-quantifiable, non-monetary risks associated with non-compliance with the Environmental Protection Agency regulations or the Kentucky Administrative Regulations and subsequent Notices of Violations, or enforcement penalties. Examples of qualitative risks include negative public opinion and press and the degradation of public and agency goodwill associated with perceived poor environmental performance.

**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2018-00270**

**RESPONSE TO INFORMATION REQUEST**

**ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION DATED 12/05/18  
REQUEST 2**

**RESPONSIBLE PARTY: Craig Johnson and Sam Yoder**

**Request 2.** Reference the Spurlock Station Stormwater Summary attached to the response to AG 1-2, p. 3. Under scenario 2, did EKPC or Burns & McDonnell prepare any cost estimates for this option? If so, provide a copy.

**Response 2.** The cost estimate for Scenario 2 can be found in the previously submitted attachment titled "Spurlock Station Stormwater Summary". Table 1 (page 9) of this document lists the estimated cost for scenario 2 as \$17,850,000.

**Request 2a.** Under the "Cons" for this option, explain what is meant by the statement, "The CPR Pond would not provide significant water quality benefits."

**Response 2a.** Under scenario 2, the existing pond would serve primarily as a retention basin and not as a sediment basin. Stormwater coming into the pond would quickly be pumped out. The majority of the sediment in the stormwater would not have adequate time to settle out in the coal pile pond.