

RECEIVED

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PUBLIC SERVICE COMMISSION

February 23, 2006

HAND DELIVERED

Ms. Elizabeth O'Donnell Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

Re: PSC Case No. 2005-00495

Dear Ms. O'Donnell:

Please find enclosed for filing with the Commission in the above-referenced case an original and five copies of the responses of East Kentucky Power Cooperative, Inc., to the information requests in this case dated February 13, 2006.

Very truly yours,

Charles A. Lile

Senior Corporate Counsel

Enclosures

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FEB 2 3 2006

PUBLIC SERVICE

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)
THE FUEL ADJUSTMENT CLAUSE OF EAST)
KENTUCKY POWER COOPERATIVE, INC. FROM) CASE NO. 2005-00495
MAY 1, 2005 THROUGH OCTOBER 31, 2005	ì

COMMISSION STAFF'S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO EAST KENTUCKY POWER COOPERATIVE, INC.

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that East Kentucky Power Cooperative, Inc. ("East Kentucky") file the original and 5 copies of the following information with the Commission within 10 days of the date of this request, with a copy to all parties of record. Each copy of the information requested shall be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention shall be given to copied material to ensure its legibility. 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.

Refer to Item 9 of the response to the Commission's December 27, 2005
 Order ("December 27 Order"). Provide the number of days supply in East Kentucky's

coal inventory as of October 31, 2005 and the new inventory target range, based on the

maximum burn method described in the response.

Refer to Item 17, pages 3-11 of the response to the December 27 Order. 2.

The evaluated cost, on a dollars per ton and a dollars per MMBtu basis, is shown for

each response to East Kentucky's written coal supply solicitations. For each of the 5

recommended responses, provide the actual cost on a dollars per ton and a dollars per

MMBtu basis.

Refer to Item 18, pages 4-12 of the response to the December 27 Order. 3.

The evaluated cost, on a dollars per ton and a dollars per MMBtu basis, is shown for

each response to East Kentucky's oral coal supply solicitations. For each of the 13

recommended responses, provide the actual cost on a dollars per ton and a dollars per

MMBtu basis.

Beth O'Donnell

Executive Director

Public Service Commission

P. O. Box 615

Frankfort, KY 40602

DATED: February 13, 2006

cc:

Parties of Record

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EAST KENTUCKY POWER COOPERATIVE, INC.

INDEX OF MATERIAL PROVIDED IN RESPONSE TO COMMISSION STAFF'S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS IN CONNECTION TO PSC ORDER DATED FEBRUARY 13, 2006

CASE NO. 2005-00495

ITEM NO.		WITNESS
1.	Coal Inventory InformationJe	rry Bordes
2.	Written Coal Supply Solicitations	erry Bordes
3	Oral Coal Supply SolicitationsJe	erry Bordes

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EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2005-00495

RESPONSE TO PSC ORDER DATED FEBRUARY 13, 2006

Question 1

Refer to Item 9 on the response to the Commission's December 27, 2005, Order ("December 27 Order"). Provide the number of days' supply in East Kentucky's coal inventory as of October 31, 2005, and the new inventory target range, based on the maximum burn method described in the response.

Answer 1

Although East Kentucky has not instituted the process of using maximum burn in its days' supply calculation, the days' supply would be approximately 44 days as of October 31, 2005, if this calculation was used. East Kentucky is evaluating the use of a new inventory target range of approximately 35—45 days using the maximum plant burn in its calculations.

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EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2005-00495

RESPONSE TO PSC ORDER DATED FEBRUARY 13, 2006

Question 2

Refer to Item 17, pages 3-11 of the response to the December 27, Order. The evaluated cost, on a dollars per ton and a dollars per MMBtu basis, is shown for each response to East Kentucky's written coal supply solicitations. For each of the 5 recommended responses, provide the actual cost on a dollars per ton and a dollars per MMBtu basis.

Answer 2

See attached pages 2 through 10.

FUEL EVALUATION FOR COOPER POWER STATION

3RD & 4TH QUARTER 2005

Date: 02/16/2006 Event Nbr: 41 Bid End Date: 06/22/2005

	Quality I % Sulfi	r		Delivery Cost \$ \$		S	
Coal Supplier Number	r % Ast	Tons	Term	Ton MMBtu	Ton MN	/IBtu	Reason for Recommendation
ICG LLC Perry Monthly/Non-Union /Producer	2 11,00 1.0 18.0	0	6	47.100 2.141	66.387 3 Recommend	.018 ded	This coal purchase was the lowest evaluated cost available to meet our tonnage requirement.
Gatliff Coal Co Bell Monthly/Non-Union /Producer	9 12,30 1.2 10.0	6	6		84.018 3	.415	
Century Coal LLC Bell KY Weekly / Non-Union / Producer	1 12,50 1 1.5 10.0	0	3		85.543 3	.422	
Little Elk Mining Perry KY Weekly / Non-Union / Producer	12,00 2.0 12.0	3	6		84.127 3	.505	
Jamieson Construction Laurel KY Weekly / Non-Union / Producer	5 12,00 1.7 12.0	5	6	3 : 5 : V	84.874 3	5.536	
Perry County Coal Perry KY Monthly/Non-Union /Producer	8 12,40 2.1 11.0	0	6		88.821 3	.581	
Peabody Coaltrade Whitley KY Weekly / Non-Union / Broker	3 12,00 2.0 12.0	3	5	·	87.243 3	.635	
Lewis Coal Sales Perry KY Weekly / Non-Union / Producer	6 12,30 2.0 12.0	8	6		89.981 3	.658	

Cost Factors used in Model Factor: 0.005 Unit Unit Boiler Weekly Pay Factor:

Maintenance Factor: 0.1938 SO2 Cost/Ton: \$782.00

EKPC Fuel Evaluation System

FUEL EVALUATION FOR COOPER POWER STATION

3RD & 4TH QUARTER 2005

Date: 02/16/2006 Event Nbr: 41 Bid End Date: 06/22/2005

			X **5V V	ŧ
Reason for Recommendation				EKPC Fuel Evaluation System
ed Cost S MMBru	3.804	4.630		
Evaluated Cost \$ \$ \$ \$ \$ Ton MMBt	89.780 3.804	77.778 4.630		f2
#1 E8				Page 2 of 2
Delivery Cost \$ S Fon MMBtu				
Term	5	9		
Tons	20,000	20,000		r 0.1938
Quality Btu %.Sulfur Number % Ash		8,400 2.70 17.00		in Model Unit Boiler Maintenance Factor: 0.1938
Or other	4	7		in Mode Un
Nun	k' Bro	Oxbow Carbon & Minerals Pike IN Weekly /Non-Union /Broker		Cost Factors used in Model actor: 0.005 Unit
L.	Peabody Coaltrade Whitley KN Weekly /Non-Union	bon &		Cost Fi
Coal Supplier	ody Co	w Car		eekly Pa
Coals	Peabo Whitle Weekl	Oxbo Pike Weekl		M

ARGUS CONTRACT REOPENER

Date: 02/16/2006 Event Nbr: Bid End Date: 08/31/2005

	ouality Bte % Sulfur	I sile		<u>Delivery</u> \$	<u>Cost</u> \$	<u>Evaluato</u> \$	ed Cost \$	
Coal Supplier Number	% Ash	Tons	Term	Ton M	1MBtu	Ton !	MMBtu	Reason for Recommendation
Trinity Coal Perry KY Weekly / Non-Union / Producer	12,000 1.11 12.00	10,000	60	57.750	2.406	82.150 Recomm	3.423 ended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
Sturgeon Mining Co. Breathitt KY Weekly / Non-Union / Producer	12,000 1.00 12.00	6,000	24		,	84.642	3.527	
Argus Energy Martin KY Weekly / Non-Union / Producer	12,000 1.11 12.00	10,000	24			86.823 Buver's 0	3.618 Option	
American Innovation Clay KY Monthly/Non-Union /Broker	12,200 1.13 9.00	10,000	36	-	· ,	89.636	3.674	·
C & H Development Knox KY Monthly/Non-Union /Broker	12,300 1.14 12.00	6,000	24	,		98.360	3.998	
Oxbow Carbon & Minerals Pike IN Monthly/Non-Union /Broker	8,400 2.70 17.00	10,000	24	-		74.608 Out of S	4.441 Spec.	

Page 1 of 1

Cost Factors used in Model
Weekly Pay Factor: 0.005 Unit Unit Boiler

Maintenance Factor: 0.3940 SO2 Cost/Ton: \$882.00

EKPC Fuel Evaluation System

FUEL EVALUATION FOR COOPER POWER STATION

CONTRACT

Date: 02/16/2006

Event Nbr:

Bid End Date: 08/31/2005

	uality Btt % Sultur % Ash		Term	Delivery Cost S S Ton MMBtu	Evaluated Cost S S Ton MMBtu	Reason for Recommendation
ICG LLC Perry Monthly/Non-Union /Producer	11,000 1.00 18.00	10,000	24	46.400 2.109	67.687 3.077 Recommended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
Little Elk Mining Perry KY Weekly / Non-Union / Producer	12,000 1.75 12.00	10,000	60		78.575 3.274	
C & H Development Knox Ky Monthly/Non-Union /Producer	10,200 1.00 12.00	4,000	24		66.992 3.284	
Miller Brothers Breathitt KY Weekly / Non-Union / Producer	11,500 1.20 13.00	10,000	24		76.952 3.346	
Century Coal LLC Bell KY Weekly / Non-Union / Producer	12,500 1.50 12.00	10,000	24		88.392 3.536	
C & H Development Knox KY Monthly/Non-Union /Broker	12,500 1.27 11.00	9,000	24		89.294 3.572	
Ikerd Coal Co Whitley KY Weekly / Non-Union / Producer	12,000 1.80 12.00	10,000	24		85.738 3.572	
National Coal Bell Monthly/Non-Union /Producer	12,000 1.60 12.00	10,000	36		90.453 3.769	

Cost Factors used in Model

Weekly Pay Factor: 0.005 Unit Boiler

Maintenance Factor: 0.1938 SO2 Cost/Ton: \$882.00



FUEL EVALUATION FOR COOPER POWER STATION

CONTRACT

Date: 02/16/2006

Event Nbr:

45

Bid End Date: 08/31/2005

	Quality Bt % Sulfur	u.		Delivery Cost \$ \$	Evaluated Cost \$ \$	
Coal Supplier Number	% Ash	Tons	Term	Ton MMBtu	Ton MMBtu	Reason for Recommendation
E & L Construction Knox KY Weekly / Non-Union / Producer	12,200 1.50 12.00	10,000	24		92.470 3.790	
Cumberland Elkhorn Harlan KY Monthly/Non-Union /Broker	12,000 2.03 12.00	31,000	72		94.538 3.939	
Jamieson Construction Laurel KY Weekly / Non-Union / Producer	11,500 1.95 12.00	10,000	24		92.752 4.033	
Oxbow Carbon & Minerals Pike IN Monthly/Non-Union /Broker	8,400 2.70 17.00	10,000	24	:	69.948 4.164 Out of Spec.	

Cost Factors used in Model

Weekly Pay Factor: 0.005 SO2 Cost/Ton: \$882.00

Unit Boiler

Maintenance Factor: 0,1938

Page 2 of 2

EKPC Fuel Evaluation System

EKPC Fuel Evaluation System

Date: 02/16/2006

Bid End Date: 08/31/2005

EUEL EVALUATION FOR SPURLOCK UNIT NO. 1

ARGUS CONTRACT REOPENER

	3,842	602.26			77	000'SI	12,000 2.03 12.00		Cumberland Elkhorn Harlan KY Monthly/Non-Union /B
	⊅£8.£	†89. <u>6</u> 6			⊅ 7	000'07	13,000 20,2 00,6	roducer	Foundation Coal Greene Aq Monthly/ Union \P
·	££4.£	417.18			12	10,000	006,11 18.1 00.81	roducer	Meekly / Non-Union / Perry KY ICG LLC
	£6£.£	78.032			12	000'\$7	12.1 00.21	10ксі.	Peabody Coaltrade Boyd KY Monthly/Non-Union /B
	90£.£	75£.97			77	10,000	12,000 1.30 00.21	roducer	Little Elk Mining Knott KY Weekly / Non-Union / P
	90£.£	28£.97			74	000'07	000,21 06.1 00.21	roducer	Little Elk Mining Knott KY Weekly / Non-Union / P
This coal purchase was the lowest evaluated cost available to meet our quality requirements.	977°E	шшоээ х 766`LL	024.2	\$08.8 <i>\$</i>	77	000'07	000,21 89.0 00.21	тодисет	Argus Energy Martin KY Monthly/Non-Union /P
This coal does not meet our current quality specification.	<i>рәриәш</i> 761°E	70.259 10028			12	000'\$	000,11 00.1 00.81	roducer	ICG LLC
Кеазоп Гот Весонинен Байон	d Cost \$ MMBtu	S Sucuesta	LVIStu \$ Eost	\$ Топ Ј	Lerm		կsV % Հույլոչ % ույց Հերբո		Coal Supplier

Page 1 of 3

Maintenance Factor: 0.1652

Unit Boiler

SO2 Cost/Ton: \$882.00

Meekly Pay Factor: 0.005 Unit

EKPC Fuel Evaluation System

Page 2 of 3

Cost Factors used in Model
Weekly Pay Factor: 0.005 Unit Boiler
SO2 Cost/Ton: \$882.00 Maintenance Factor: 0.1652

FUEL EVALUATION FOR SPURLOCK UNIT NO. 1

Date: 02/16/2006 Event Nbr: 46 Bid End Date: 08/31/2005

ARGUS CONTRACT REOPENER

	Quality Btu	.fu		very (Evaluated Gost	d Cost	
Coal Supplier Number	osunur rosash	Tons	Тегт	S S Ton MMBtu	Ton	MMBtu	Reason for Recommendation
Cincinnati Gas & Electric Saline IL Weekly / Non-Union / Broker	$\begin{array}{c c} & 11,800 \\ \hline & 2.60 \\ & 8.00 \end{array}$	0 20,000 0 0	12	·	91.950 3.896	3.896	
Onyx Coal Sales Floyd Weekly / Non-Union / Producer	15 11,500 1.50 14.00	0 7,500	24		90.030	3.914	
Cincinnati Gas & Electric Greene PA Weekly / Non-Union / Broker	2 3.00 9.00	0 20,000 0 0	12		101.800	3.915	
Cincinnati Gas & Electric Saline IL Weekly / Non-Union / Broker	3 12,100 2.90 9.00	0 20,000 0 0	12	·	96.734	3.997	
Providence Energy Williamson IL Monthly/Non-Union /Producer	17 11,300 2.61 10.00	0 20,000 1 0	18		90.822	4.019	
Providence Energy Williamson IL Monthly/Non-Union /Producer	18 11,300 2.61 10.00	0 20,000 1 0	18	: ,	92.192	4.079	
American Innovation Various Weekly / Non-Union / Broker	20 11,200 2.87 12.00	0 50,000 7 0	24	:	91.412 4.081	4.081	
ICG LLC Monongalia WV Monthly/Non-Union /Producer	1 2.80 17.50	0 4,500 0	12		93.430 4.171	4.171	

FUEL EVALUATION FOR SPURLOCK UNIT NO. 1

ARGUS CONTRACT REOPENER

Date: 02/16/2006 Event Nbr: 46

Bid End Date: 08/31/2005

	uality Btu % Sulfur			Delivery Cost \$ \$	Evaluate \$	S	
Coal Supplier Number	% Ash	Tons 4	lerm	Ton MMBtu	Ton 1	MMBtu	Reason for Recommendation
Etta-Mae Inc Lawrence OH Monthly/Non-Union /Producer	11,200 3.60 11.00	3,200	24		98.070	4.378	
Oxbow Carbon & Minerals Pike IN Monthly/Non-Union /Broker	8,400 2.70 17.00	10,000	24		73.833	4.395	
Peabody Coalsales Ohio Ky Monthly/Non-Union /Producer	10,700 3.29 13.00	20,000	24		97.454	4.554	
Consol Inc Marshall WV Monthly/Union /Producer	12,200 4.20 11.25	45,000	12		115.770	4.745	
Waterloo Coal Jackson OH Weekly / Non-Union / Producer	11,200 4.00 12.00	15,000	24		107.468	4.798	
		,			·		

Cost Factors used in Model

Weekly Pay Factor: 0.005 Unit Boiler

SO2 Cost/Ton: \$882.00 Maintenance Factor: 0.1652

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EKPC Fuel Evaluation System

Page 9 of 10

FUEL EVALUATION FOR SPURLOCK UNIT NO. 2

CONTRACT REOPENER

Scrubbers Off Model

Date: 02/16/2006 Event Nbr: 47 Bid End Date: 08/31/2005

Quality Btu.	Delivery Cost	Evaluated Cost	
Coal Supplier Number % Ash Tons Term	э Топ ММ	Ton MMBtu	Reason for Recommendation
Coaltrade LLC Campbell WY Monthly/Non-Union /Producer 5.50		40.888 2.323 Not Recommended	This coal does not meet our current quality specification.
Arch Coal Sales Campbell WY Monthly/ Non-Union / Producer 7.00 8,800 40,000 36		45.310 2.574 Not Recommended	This coal does not meet our current quality specification.
Foundation Energy Sales 6 8,550 56,000 24 Campbell WY 0.28 Monthly/ Non-Union / Producer 6.00	·	44.622 2.609 Not Recommended	This coal does not meet our current quality specification.
Argus Energy KY 8 12,000 30,000 24 Martin Monthly/ Non-Union / Producer 12.00 12	63.860 2.661	78.284 3.262 Recommended	This coal purchase was the lowest evaluated cost available to meet our quality requirements.
Progress Fuels 5 12,000 40,000 24 Various WV 0.71 13.50 13.50		80.452 3.352	
Coaltrade LLC 4 12,500 30,000 24 Boone WV 0.77 0.77 Monthly/ Non-Union / Producer 12.00 12.00		84.697 3.388	
Alliance Coal 7 12,500 10,000 12 Pike KY 0.76 Monthly/ Non-Union / Producer 10.00	·	85.216 3.409	
Central Appalachian 2 12,500 30,000 24 Pike KY 0.77 0.77 0.00 24 Monthly/ Non-Union / Producer 10.00 </td <td></td> <td>85.393 3.416</td> <td></td>		85.393 3.416	
Cost Factors used in Model Weekly Pay Factor: 0.005 Unit Boiler Oct. Construction of Maintenance Factor: 0.1652	Page 1 of 1	of 1	ZERPC Fuel Evaluation System

| Cost Factors used in Mode| | Weekly Pay Factor: 0.005 Unit Boiler | SO2 Cost/Ton: \$882.00 Maintenance Factor: 0.1652

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC FUEL ADJUSTMENT CLAUSE CASE NO. 2005-00495

RESPONSE TO PSC ORDER DATED FEBRUARY 13, 2006

Question 3

Refer to Item 18, pages 4-12 of the response to the December 27, Order. The evaluated cost, on a dollars per ton and a dollars per MMBtu basis, is shown for each response to East Kentucky's oral coal supply solicitations. For each of the 13 recommended responses, provide the actual cost on a dollars per ton and a dollars per MMBtu basis.

Answer 3

See attached pages 2 through 10.

VERBAL PRICING FOR MAY 2005

Date: 02/16/2006 Event Nbr: 38 Bid End Date: 05/02/2005

	Ouality Btt % Sulfur	I .		Delivery Cost \$ \$	Evaluated Cost \$ \$	
Coal Supplier Number	% Ash	Tons	Term	Ton MMBtu	Ton MMBtu	Reason for Recommendation
Lewis Coal Sales Perry KY Weekly / Non-Union / Producer	12,000 1.11 12.00	11,000	1	65.000 2.708	88.393 3.683 Recommended	This coal purchase was the lowest evaluated cost available to meet our quality requirements.
C & H Development 2 Whitley KY Weekly / Non-Union / Producer	12,000 1.11 12.00	4,000	1	65.000 2.708	88.393 3.683 Recommended	This coal purchase was the lowest evaluated cost available to meet our quality requirements.
James River Coal Perry KY Weekly / Non-Union / Producer	12,500 1.15 12.00	5,000	1		92.900 3.716	
Jamieson Construction Rockcastle KY Weekly / Non-Union / Producer	11,800 1.09 12.00	10,000			89.895 3.809	
Argus Energy Martin KY Weekly / Non-Union / Producer					No Coal Available	
Perry County Coal Perry KY Weekly / Non-Union / Producer					No Coal Available	

Cost Factors used in Model
Weekly Pay Factor: 0.005 Unit Boiler

SO2 Cost/Ton: \$835.00 Maintenance Factor: 0.3940



VERBAL PRICING FOR MAY/JUNE 20

Date: 02/16/2006 Event Nbr:

39

Bid End Date: 05/13/2005

	Ouality Bto % Sulfur % Ash	ı Tons	Term	Delivery Cost \$ \$ Ton MMBtu	Evaluated Cost S S Ton MMBtu	Reason for Recommendation
ICG LLC Perry KY Weekly / Non-Union / Producer	11,000 1.02 18.00	10,000	3		73.693 3.350 Not Recommended	This coal does not meet our current quality specifications.
C & H Development Knox KY Weekly / Non-Union / Producer	12,000 1.11 12.00	4,000	1		88.393 3.683 P.O. #51160	
Lewis Coal Sales Perry KY Weekly / Non-Union / Broker	12,000 1.11 12.00	10,000	2	68.000 2.833	91.408 3.809 Recommended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
Jamieson Construction Laurel KY Weekly / Non-Union / Producer	11,500 1.06 12.00	10,000	1	67.250 2.924	90.016 3.914 Recommended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
Oak Hill Coal Magoffin KY Weekly / Non-Union / Producer	12,000 1.11 12.00	10,000	1	71.000 2.958	94.423 3.934 Recommended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
C & T Coal Sales Clay KY Weekly / Non-Union / Broker	11,700 1.08 12.00	2,000	1		95.043 4.062	
Central Appalachian Pike KY Weekly / Non-Union / Producer					No Coal Available	
Gatliff Coal Co Bell KY Weekly / Non-Union / Producer					No Coal Available	

Cost Factors used in Model

Weekly Pay Factor: 0.005 Unit Boiler

Maintenance Factor: 0.3940 SO2 Cost/Ton: \$835.00

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VERBAL PRICING FOR MAY/JUNE 20

Date: 02/16/2006 Event Nbr: 39 Bid End Date: 05/13/2005

	Quality Bto % Sulfur		Delivery Cost \$ \$	Evaluated Cost \$ \$	
Coal Supplier Numb	er % Ash	Tons Term	Ton MMBtu	Ton MMBtu	Reason for Recommendation
Argus Energy Martin KY Weekly / Non-Union / Producer	7			No Coal Available	
James River Coal Perry KY Weekly / Non-Union / Producer	9			No Coal Available	
Perry County Coal Perry KY Weekly / Non-Union / Producer	5			No Coal Available	
Trinity Coal Perry KY Weekly / Non-Union / Producer	10			No Coal Available	
	Amman or a fair fair fair fair fair fair fair f		-		

Cost Factors used in Model
Weekly Pay Factor: 0.005 Unit Boiler

Maintenance Factor: 0.3940 SO2 Cost/Ton: \$835.00

EKPC Fuel Evaluation System

VERBAL PRICEING FOR JUNE/JULY 2

Date: 02/16/2006 Event Nbr:

Bid End Date: 06/14/2005

Quality Btu % Sulfur Coal Supplier Number % Ash Tons Term			Delivery Cost \$ \$ Ton MMBtu	Evaluated Cost \$ \$ Ton MMBtu	Reason for Recommendation	
Trinity Coal Perry KY Weekly / Non-Union / Producer	12,000 1.11 12.00	1,000	1	63.000 2.625	85.206 3.550 Recommended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
Lewis Coal Sales Perry KY Weekly / Non-Union / Broker	12,000 1.11 12.00	10,000	2	68.000 2.833	90.231 3.760 Recommended	This coal purchased was the lowest evaluated cost available to meet our tonnage requirements.
Jamieson Construction Laurel KY Weekly / Non-Union / Producer	11,500 1.06 12.00	10,000	1		88.893 3.865	
Oak Hill Coal Magoffin KY Weekly / Non-Union / Producer	12,000 1.11 12.00	10,000	1		93.246 3.885	
C & T Coal Sales Clay KY Weekly / Non-Union / Broker	11,700 1.08 12.00	2,000	1		93.898 4.013	
Central Appalachian Pike KY Weekly / Non-Union / Producer					No Coal Available	
Gatliff Coal Co Bell KY Weekly / Non-Union / Producer					No Coal Available	
Argus Energy 7 Martin KY Weekly / Non-Union / Producer					No Coal Available	

Cost Factors used in Model

Unit Boiler Weekly Pay Factor: 0.005 SO2 Cost/Ton: \$782.00

Maintenance Factor: 0.3940

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VERBAL PRICEING FOR JUNE/JULY 2

Date: 02/16/2006 Event Nbr: 40 Bid End Date: 06/14/2005

	Quality Btu % Sulfur		Delivery Cost S S	Evaluated Cost \$ \$	
Coal Supplier Number		Tons Tern	Ton MMBtu	Ton MMBtu	Reason for Recommendation
James River Coal Perry KY Weekly / Non-Union / Producer				No Coal Available	
Perry County Coal Perry KY Weekly / Non-Union / Producer				No Coal Available	
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		Annual designation of the second seco			

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Cost Factors used in Model

Weekly Pay Factor: 0.005

Unit Boiler

SO2 Cost/Ton: \$782.00

Maintenance Factor: 0.3940

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Item No. 3
Page 6 of 10

VERBAL PRICING FOR JULY 2005

Date: 02/16/2006 Event Nbr: 42 Bid End Date: 06/24/2005

Reason for Recommendation		This coal purchase was the lowest evaluated cost available to meet our tonnage requirement.						
Evaluated Cost \$ S Ton MMBtu	85.206 3.550 P.O. #51174	86.211 3.592 Recommended	88.893 3.865	93.246 3.885	No Coal Available	No Coal Available	No Coal Available	No Coal Available
Delivery Cost S S Ton MMBtu		64.000 2.667						-
Term	w-(,1					
Tons	1,000	10,000	10,000	10,000				
Onality Btu % Sulfur % Ash	12,000 1.11 12.00	12,000 1.11 12.00	11,500	12,000 1.11 12.00				
- Quality Btr % Sulfur Coal Supplier Number % Ash	Trinity Coal RY Weekly / Non-Union / Producer	Lewis Coal Sales Perry Weekly / Non-Union / Producer	Jamieson Construction Lawel Weekly / Non-Union / Producer	Oak Hill Coal Magoffin Weekly / Non-Union / Producer	Central Appalachian Pike KY Weekly / Non-Union / Producer	Gatliff Coal Co Bell Weekly / Non-Union / Producer	Argus Energy KY 7 Martin Weekly / Non-Union / Producer	James River Coal Perry Weekly / Non-Union / Producer

EKPC Fuel Evaluation System

Page 1 of 2

Weekly Pay Factor: 0.005 Unit Boiler SO2 CostTon: \$782.00 Maintenance Factor: 0.3940

Date: 02/16/2006 Event Nbr: 42 Bid End Date: 06/24/2005

VERBAL PRICING FOR JULY 2005

Reason for Recommendation		EKPC Fuel Evaluation System
Evaluated Cost S s tu	No Coal Available	Page 2 of 2
Delivery Cost S S Term		
Quality Btu % Sultur Coal Supplier Number % Ash Tons To	y Coal KY Union /Pro	Cost Factors used in Model Weekly Pay Factor: 0.005 Unit Boiler SO2 Cost/Ton: \$782.00 Maintenance Factor: 0.3940

VERBAL PRICING FOR SEPT. 2005

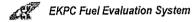
Date: 02/16/2006 Event Nbr: 48 Bid End Date: 09/14/2005

Quality Btu % Sulfur					Cost \$	<u>Evaluat</u> S	ed Cost S	
Coal Supplier Number	% Ash	Tons	Term	Ton A	IMBtu	Ton	MMBtu	Reason for Recommendation
Jamieson Construction Rockcastle Weekly / Non-Union / Producer	11,500 1.06 12.00	10,000	1	59.750	2.598	83.475 Recomm	3.629 sended	This coal purchase was the lowest evaluated cost available to meet our tonnage requirements.
Little Elk Mining Perry KY Weekly / Non-Union / Producer	12,000 1.11 12.00	10,000	1			87.426	3.643	
Twin Energies, Inc Perry Weekly / Non-Union / Broker	12,000 1.11 12.00	5,000	1	•		93.456	3.894	
Oak Hill Coal Magoffin KY Weekly / Non-Union / Producer	12,000 1.11 12.00	10,000	1			96.974	4.041	
Gatliff Coal Co Bell KY Weekly / Non-Union / Producer						No Coal A	tvailable	
Ikerd Coal Co Knox KY Monthly/Non-Union /Producer						No Price A	1vailable	
RAL Recovery Systems Clay KY Monthly/Non-Union /Producer						No Price A	1vailable	
America Energy LLC Lee KY Weekly / Non-Union / Producer						No Price A	1vailable	

Cost Factors used in Model

Weekly Pay Factor: 0.005 Unit Boiler

SO2 Cost/Ton: \$882.00 Maintenance Factor: 0.3940





VERBAL PRICING FOR OCT.-DEC.

Date: 02/16/2006 Event Nbr: 49 Bid End Date: 10/10/2005

)uality Bti % Sulfur			Delivery Cost \$ \$		Evaluated Cost \$ \$		
Coal Supplier Number	% Ash	Tons	Term	Ton M	IMBtu	Ton M	MBtu	Reason for Recommendation
Jamieson Construction Rockcastle Weekly / Non-Union / Producer	11,500 1.06 12.00	10,000	1-1	59.750	2.598	83.475 Recommen	3.629 nded	This coal purchase was the lowest evaluated cost available to meet our tonnage requirements.
Lewis Coal Sales Perry KY Weekly / Non-Union / Producer	11,500 1.06 12.00	15,000	3	60.750	2.641	84.480 Recommen	3.673 nded	This coal purchase was the lowest evaluated cost available to meet our tonnage requirements.
Jamieson Construction Rockcastle KY Weekly / Non-Union / Producer	11,500 1.06 12.00	15,000	1	60.750	2.641	84.480 Recommen	3.673 nded	This coal purchase was the lowest evaluated cost available to meet our tonnage requirements.
Jamieson Construction Rockcastle KY Weekly / Non-Union / Producer	11,500 1.06 12.00	11,000	1	64.000	2.783	87.746 Recommen	3.815 nded	This coal purchase was the lowest evaluated cost available to meet our tonnage requirements.
Gatliff Coal Co Bell KY Weekly / Non-Union / Producer						No Coal Ava	uilable	
James River Coal Perry KY Weekly / Non-Union / Producer						No Coal Ava	rilable	
Oak Hill Coal Magoffin KY Weekly / Non-Union / Producer						No Coal Available		
Trinity Coal Perry KY Weekly / Non-Union / Producer						No Coal Ava	ulable	

Cost Factors used in Model
Factor: 0.005 Unit Boiler Weekly Pay Factor:

SO2 Cost/Ton: \$882.00

Maintenance Factor: 0.3940

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