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PUBLIC SERVICE
COMMISSION

November 1, 2006

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

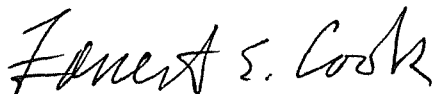
Re: In the Matter of Cumberland Valley Electric, Inc. versus Kentucky Utilities Company, Case No. 2006-00148

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and eight (8) copies of the Response of Black Mountain Resources LLC and Stillhouse Mining LLC to the Commission Staff's First Data Request.

This filing is made on behalf of Black Mountain Resources LLC and Stillhouse Mining LLC (granted full intervention status by September 13, 2006, Order of the Commission).

Sincerely,



Forrest E. Cook

FEC/fc

Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

CUMBERLAND VALLEY ELECTRIC, INC.)

COMPLAINANT)

v.)

KENTUCKY UTILITIES COMPANY)

DEFENDANT)

CASE NO. 2006-00148

RESPONSE OF
BLACK MOUNTAIN RESOURCES LLC AND
STILLHOUSE MINING LLC
TO THE COMMISSION STAFF'S
FIRST DATA REQUEST
DATED OCTOBER 18, 2006

Filed: November 1, 2006

**BLACK MOUNTAIN RESOURCES LLC
AND STILLHOUSE MINING LLC
CASE NO. 2006-00148**

**Response to Commission Staff's
First Data Request
Dated 10/18/06**

Question No. 1

Witness: Richard Matda

Q-1. Refer to page 4 of the Direct Testimony of Richard Matda (“Matda Testimony”).

a. State the date in 2005 that Stillhouse LLC (“Stillhouse”) began its operations at Stillhouse #2.

b. Have all mining activities to date been conducted in the reserves located in Cumberland Valley Electric, Inc.’s (“Cumberland Valley”) service territory?

A-1. a. June 17, 2005, was the first date that first cut coal removal operations began.

b. Yes.

**BLACK MOUNTAIN RESOURCES LLC
ANDSTILLHOUSE MINING LLC
CASE NO. 2006-00148**

**Response to Commission Staff's
First Data Request
Dated 10/18/06**

Question No. 2

Witness: Richard Matda

Q2. Refer to Matda Exhibit 3. Is it correct that no mining activity is expected to occur in the reserves located in Kentucky Utilities Company's service territory until late 2007?

A-2. Yes.

**BLACK MOUNTAIN RESOURCES LLC
AND STILLHOUSE MINING LLC
CASE NO. 2006-00148**

**Response to Commission Staff's
First Data Request
Dated 10/18/06**

Question No. 3

Witness: Richard Matda

Q-3. State whether or not the mining permit for Stillhouse #2 is in the name of BMR or Stillhouse and state the date the permit was issued.

A-3. The Mine Safety and Health Administration (MSHA) I.D. No. 15-18869 was issued to Stillhouse Mining LLC as the Operator of Stillhouse #2 Mine. The Kentucky Mine Safety and Licensing (OMSL) No. 18631 was issued to Stillhouse Mining LLC, Operator, for Stillhouse #2. Kentucky Surface Coal Mining and Reclamation Operations Permit No. 848-5387, Revision #17, was issued April 18, 2005, to Resource Land Company LLC, with Stillhouse being the approved Operator.

**BLACK MOUNTAIN RESOURCES LLC
AND STILLHOUSE MINING LLC
CASE NO. 2006-00148**

**Response to Commission Staff's
First Data Request
Dated 10/18/06**

Question No. 4

Witness: Richard Matda

Q-4. Refer to page 5 of the Matda Testimony.

a. Prior to beginning the mining operations at Stillhouse #2, was BMR or Stillhouse aware that the reserves were located in two adjacent electric service territories? Explain the response.

b. Prior to extending its distribution system an additional 500 feet to connect to the Stillhouse #2 portal, did BMR or Stillhouse contact Cumberland Valley regarding service?

A-4. a. No. BMR and Stillhouse were not aware of the dividing line between electric service territories.

b. No. Being unaware of the electric service territory dividing lines, neither K.U. nor Cumberland Valley were contacted. The reference to 500 feet was an estimate. Subsequent measurements establish the distance is 1048.2 feet.

CERTIFICATE OF SERVICE

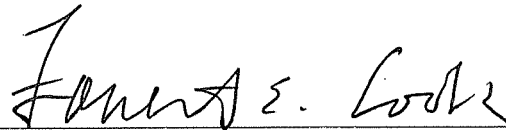
I hereby certify that a copy of the foregoing Response was served by first-class mail, postage pre-paid, upon the following, November 1, 2006:

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