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John J. Finnigan, Jr.  
Associate General Counsel

5A

**VIA OVERNIGHT MAIL**

September 6, 2007

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

RECEIVED  
SEP 07 2007  
PUBLIC SERVICE  
COMMISSION

Re: In the Matter of the Application of the Fuel Adjustment Clause of Duke Energy  
Kentucky from January 1, 2007 through April 30, 2007  
Case No. 2007-00280

Dear Ms. O'Donnell:

Enclosed is the Supplemental Response to No. 6 in the Staff's First Set of Data Requests  
in the above-referenced case.

If you have any questions, please do not hesitate to contact me at (513)287-3601.

Thank you.

Sincerely,

John J. Finnigan, Jr.  
Associate General Counsel

JJF/bjl

Enclosures

**KyPSC Staff First Set Data Requests**  
**Duke Energy Kentucky Case No. 2007-00280**  
**Date Received: August 3, 2007**  
**Response Due Date: August 24, 2007**

**KyPSC-DR-01-006-Supplemental**

**REQUEST:**

6. List all existing fuel contracts categorized as long-term (i.e., more than 1 year in length). Provide the following information for each contract:

Supplemental information relating to Miami Fort 6:

- a. Supplier's name and address.

**Oxford Mining Company, Inc.**  
c/o Eagle Fuels, Inc.  
POB 291  
Cadiz, OH 43907

- b. Name and location of production facility.

Not specified.

- c. Date when contract was executed.

March 1, 2004.

- d. Duration of contract.

January 2005 – December 2006.

- e. Date(s) of each contract revision, modification or amendment.

N/A.

- f. Annual tonnage requirements.

250,000 tons.

- g. Actual annual tonnage received since the contract's inception.

See Attachment KyPSC-DR-01-006-Supplemental.

h. Percent of annual requirements received during the contract's term.

2005	-	107.5%
2006	-	90.5%

i. Base price.

2005	\$31.50/ton
2006	\$32.50/ton

j. Total amount of price escalations to date.

Fixed Pricing.

k. Current price paid for coal under the contract ( $i \div j$ ).

See response to (i), above.

- a. Supplier's name and address.

**Arch Coal Sales Company, Inc.**  
CityPlace One, Suite 300  
St. Louis, MO 63141

- b. Name and location of production facility.

Not specified.

- c. Date when contract was executed.

February 16, 2004.

- d. Duration of contract.

January 2005 – March 2008.

- e. Date(s) of each contract revision, modification or amendment.

March 4, 2005  
March 29, 2005  
March 26, 2006

- f. Annual tonnage requirements.

700,000 tons.

- g. Actual annual tonnage received since the contract's inception.

See Attachment – KyPSC-DR-01-006-Supplemental.

- h. Percent of annual requirements received during the contract's term.

2005	-	94.6.5%
2006	-	106.8%

- i. Base price.

2005	\$37.00/ton
2006	\$38.25/ton
2007	Product A \$34.50/ton
	Product B \$30.50/ton

- j. Total amount of price escalations to date.

Fixed Pricing.

k. Current price paid for coal under the contract ( $i \div j$ ).

See response to (i), above.

a. Supplier's name and address.

**Peabody COALSALES Company**

701 Market St.  
St. Louis, MO 63101-1826

b. Name and location of production facility.

Wildcat Hills-Cottage Grove Pit / Willow Lake Mine  
Saline County, IL

c. Date when contract was executed.

February 28, 2005.

d. Duration of contract.

January 2005 – December 2007.

e. Date(s) of each contract revision, modification or amendment.

April 6, 2005  
January 13, 2006

f. Annual tonnage requirements.

1,000,000 tons in 2005  
500,000 tons 2006-2007

g. Actual annual tonnage received since the contract's inception.

See Attachment – KyPSC-DR-01-006-Supplemental.

h. Percent of annual requirements received during the contract's term.

2005 - 99.5%  
2006 - 99.8%

i. Base price.

2005 \$32.75/ton  
2006 \$33.25/ton  
2007 \$33.75/ton

j. Total amount of price escalations to date.

Fixed Pricing.

k. Current price paid for coal under the contract (i ÷ j).

See response to (i), above.

a. Supplier's name and address.

**The American Coal Company**  
101 Prosperous Place, Suite 125  
Lexington, KY 40509

b. Name and location of production facility.

Galatia Millennium Mine  
Saline County, IL

c. Date when contract was executed.

June 27, 2005.

d. Duration of contract.

September 1, 2005 – August 31, 2015.

e. Date(s) of each contract revision, modification or amendment.

July 14, 2006.

f. Annual tonnage requirements.

300,000 tons.

g. Actual annual tonnage received since the contract's inception.

See Attachment – KyPSC-DR-01-006-Supplemental.

h. Percent of annual requirements received during the contract's term.

2005	-	92.8%
2006	-	97.3%

i. Base price.

2005 \$37.05/ton



j. Total amount of price escalations to date.

9/1/2005 – 1/31/2006	\$37.96/ton
2/1/2006 – 7/31/2006	\$38.78/ton
8/1/2006 – 11/12/2006	\$40.87/ton
11/13/2006 – 12/31/2006	\$39.56/ton
1/1/2007 – 1/31/2007	\$40.01/ton
2/1/2007 – 7/31/2007	\$40.44/ton

k. Current price paid for coal under the contract (i ÷ j).

See response to (j), above.

a. Supplier's name and address.

**Cumberland Coal Resources, LP**  
C/O Foundation Energy Sales, Inc.  
999 Corporate Blvd., Suite 300  
Linthicum Heights, MD 21090

b. Name and location of production facility.

Cumberland Mine  
Greene County, PA

c. Date when contract was executed.

March 1, 2005.

d. Duration of contract.

January 1, 2006 – December 31, 2008.

e. Date(s) of each contract revision, modification or amendment.

January 19, 2006  
January 26, 2006  
May 1, 2007

f. Annual tonnage requirements.

600,000 tons in 2006  
1,200,000 tons in 2007 and 2008

g. Actual annual tonnage received since the contract's inception.

See Attachment KyPSC-DR-01-006-Supplemental.

h. Percent of annual requirements received during the contract's term.

2006 - 100.0%

i. Base price.

2006-2008 \$40.00/ton

- j. Total amount of price escalations to date.  
\$0.26/ton government imposition imposed 1/1/2007
- k. Current price paid for coal under the contract (i ÷ j).  
\$40.26/ton





Peabody Arclar  
 MC01495 (Synthetic American)  
 NR10168 NR10169  
 R:\Contracts\Summaries\Peabody Arclar.doc

Month	Total Tons	Ordered Tons	Shipped Tons	Unloaded Tons	Delta	Specifications
Jan-05	83,333.33	83,333.33	31,976.52	31,942.60	-51,356.81	
Feb-05	83,333.33	83,333.33	92,930.57	93,448.87	9,597.24	
Mar-05	83,333.33	83,333.33	95,308.51	95,277.02	11,975.18	
Apr-05	83,333.33	83,333.33	65,607.75	65,624.78	-17,725.58	
May-05	83,333.33	83,333.33	60,395.51	60,050.71	-22,937.82	
Jun-05	83,333.33	83,333.33	105,468.40	104,421.30	22,135.07	
Jul-05	83,333.33	83,333.33	78,890.39	77,361.93	-4,442.94	
Aug-05	83,333.33	83,333.33	96,184.92	96,544.87	12,851.59	
Sep-05	83,333.33	83,333.33	72,349.98	72,344.30	-10,983.35	
Oct-05	83,333.33	83,333.33	106,127.29	106,471.40	22,793.96	
Nov-05	83,333.33	83,333.33	94,324.45	94,407.70	10,991.12	
Dec-05	83,333.33	83,333.33	95,193.67	95,901.33	11,860.34	
Jan-06	41,666.67	41,666.67	34,870.40	35,413.10	-6,796.27	
Feb-06	41,666.67	41,666.67	37,934.40	38,127.50	-3,732.27	
Mar-06	41,666.67	41,666.67	34,446.40	34,509.10	-7,220.27	
Apr-06	41,666.67	41,666.67	40,253.90	39,483.30	-1,412.77	
May-06	41,666.67	41,666.67	46,622.00	45,835.40	4,955.33	
Jun-06	41,666.67	41,666.67	43,981.20	43,317.40	2,314.53	
Jul-06	41,666.67	41,666.67	31,381.00	30,916.80	-10,285.67	
Aug-06	41,666.67	41,666.67	42,062.76	41,226.20	-396.09	
Sep-06	41,666.67	41,666.67	29,844.90	29,583.60	-11,821.77	
Oct-06	41,666.67	41,666.67	39,537.30	39,389.20	-2,109.37	
Nov-06	41,666.67	41,666.67	49,757.20	49,467.30	8,090.53	
Dec-06	41,666.67	41,666.67	61,375.30	61,423.20	19,708.63	
Jan-07	500,000.00	500,000.00	492,086.76	488,692.10	-7,913.24	
Grand Total	1,500,000.00	1,500,000.00	1,493,641.74	1,489,286.03	-6,358.26	

Unloaded Tons	Btu	Ash	Ash(AR)	Sul	Lbs SO2	Mois	\$/Ton	\$/MMBtu
34,870.40	12,696	9.55%	8.88%	2.51%	3.95	7.03%	\$46,700	1.839
37,934.40	12,681	9.42%	8.74%	2.45%	3.86	7.28%	\$46,022	1.815
34,446.40	12,633	9.53%	8.82%	2.42%	3.83	7.48%	\$44,101	1.745
40,253.90	12,707	9.15%	8.49%	2.48%	3.92	7.26%	\$42,207	1.651
46,622.00	12,674	9.32%	8.64%	2.48%	3.91	7.27%	\$41,549	1.639
43,981.20	12,731	9.69%	8.33%	2.45%	3.85	7.04%	\$42,926	1.686
31,381.00	12,661	9.20%	8.33%	2.47%	3.90	7.40%	\$42,661	1.685
42,062.76	12,681	9.21%	8.48%	2.51%	4.02	7.90%	\$40,793	1.634
29,844.90	12,551	9.89%	9.16%	2.46%	3.92	7.23%	\$40,613	1.618
39,537.30	12,542	9.84%	9.10%	2.43%	3.87	7.53%	\$40,342	1.608
49,757.20	12,663	9.52%	8.85%	2.43%	3.84	7.07%	\$40,597	1.603
49,757.20	12,663	9.52%	8.85%	2.43%	3.84	7.07%	\$40,597	1.603
61,375.30	12,635	9.72%	9.04%	2.40%	3.80	7.05%	\$40,216	1.591
481,348.67	12,640	9.44%	8.75%	2.46%	3.89	7.23%	\$42,249	1.671

Galatia		MC-10350		Payment		Tons		Delta	
	Nonnal Tons	Ordered Tons	Shipped Tons	Unloaded Tons					
Jan-05	0.00	0.00	0.00	0.00	0.00				
Feb-05	0.00	0.00	0.00	0.00	0.00				
Mar-05	0.00	0.00	0.00	0.00	0.00				
Apr-05	0.00	0.00	0.00	0.00	0.00				
May-05	0.00	0.00	0.00	0.00	0.00				
Jun-05	0.00	0.00	0.00	0.00	0.00				
Jul-05	0.00	0.00	0.00	0.00	0.00				
Aug-05	0.00	0.00	0.00	0.00	0.00				
Sep-05	25,000.00	25,000.00	12,141.00	12,087.50	-12,859.00				
Oct-05	25,000.00	25,000.00	11,977.00	11,948.30	-13,023.00				
Nov-05	25,000.00	25,000.00	36,011.00	35,656.30	11,011.00				
Dec-05	25,000.00	25,000.00	32,687.00	32,358.00	7,687.00				
	100,000.00	100,000.00	92,816.00	92,050.10	-7,184.00				
Jan-06	25,000.00	25,000.00	23,998.00	23,920.40	-1,002.00				
Feb-06	25,000.00	25,000.00	37,775.40	37,621.80	12,775.40				
Mar-06	25,000.00	25,000.00	27,078.40	27,099.20	2,078.40				
Apr-06	25,000.00	25,000.00	48,856.50	48,148.00	23,856.50				
May-06	25,000.00	25,000.00	26,577.60	26,607.80	1,577.60				
Jun-06	25,000.00	25,000.00	13,720.90	13,629.80	-1,129.10				
Jul-06	25,000.00	25,000.00	17,994.50	18,202.30	-7,005.50				
Aug-06	25,000.00	25,000.00	16,656.30	16,391.90	-8,343.70				
Sep-06	25,000.00	25,000.00	3,575.90	3,638.40	-21,424.10				
Oct-06	25,000.00	25,000.00	13,611.80	13,505.40	-11,388.20				
Nov-06	25,000.00	25,000.00	29,747.50	29,929.10	4,747.50				
Dec-06	25,000.00	25,000.00	32,411.50	32,699.20	7,411.50				
	300,000.00	300,000.00	292,004.30	291,353.30	-7,995.70				
Jan-07	25,000.00	25,000.00	29,486.20	29,947.80	4,486.20				
Feb-07	25,000.00	25,000.00	34,766.30	34,748.70	9,766.30				
Mar-07	25,000.00	25,000.00	31,356.30	30,924.80	6,356.30				
Apr-07	25,000.00	25,000.00	32,779.55	32,608.60	7,779.55				
May-07	25,000.00	25,000.00	12,000.00	11,990.40	-13,000.00				
Jun-07	25,000.00	25,000.00	25,688.90	25,473.40	688.90				
Jul-07	25,000.00	25,000.00			-25,000.00				
Aug-07	25,000.00	25,000.00			-25,000.00				
Sep-07	25,000.00	25,000.00			-25,000.00				
Oct-07	25,000.00	25,000.00			-25,000.00				
Nov-07	25,000.00	25,000.00			-25,000.00				
Dec-07	25,000.00	25,000.00			-25,000.00				
	300,000.00	300,000.00	166,077.25	165,694.70	-133,922.75				

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 \_Contracts\Summaries\Galatia 6 Seam.doc

Specifications	Tons Unloaded	Btu	Ash	Ash(AR)	Sul	Lbs SO2	Mois	\$/Ton	\$/MMBtu
Jan	10,308.00	11,982	8.40%	7.50%	2.46%	4.11	10.68%	\$42,343	1.767
Feb	39,670.40	11,946	8.61%	7.64%	2.32%	3.88	11.20%	\$43,713	1.830
Mar	38,873.40	11,952	8.97%	7.99%	2.38%	3.98	10.86%	\$43,191	1.807
Apr	16,781.50	12,035	8.70%	7.81%	2.57%	4.27	10.20%	\$40,500	1.683
Apr-scrub	6,757.79	12,152	8.75%	7.93%	2.58%	4.21	9.38%	\$39,937	1.643
May	21,038.40	12,051	8.33%	7.45%	2.46%	4.08	10.60%	\$41,863	1.737
May-scrub	4,581.30	12,099	8.27%	7.41%	2.55%	4.22	10.34%	\$39,763	1.643
Jun	15,693.40	12,074	8.61%	7.6%	2.34%	3.88	9.92%	\$42,647	1.786
Jun-scrub	20,756.00	11,982	8.42%	7.59%	2.55%	4.21	9.84%	\$39,825	1.643
Jul	16,318.40	11,982	9.11%	8.19%	2.48%	4.14	10.06%	\$41,347	1.725
Aug	5,103.60	11,982	9.08%	8.12%	2.50%	4.18	10.61%	\$42,276	1.769
Sep	14,857.60	12,037	9.77%	8.90%	2.73%	4.54	8.90%	\$40,207	1.670
Oct	12,487.50	12,004	8.98%	8.05%	2.38%	3.93	10.97%	\$44,176	1.840
Nov	20,893.50	11,905	8.82%	7.85%	2.47%	4.15	10.97%	\$42,218	1.773
Dec	37,681.40	11,909	9.23%	8.24%	2.41%	4.05	10.65%	\$41,733	1.753
	281,792.10	11,987	8.81%	7.88%	2.44%	4.07	10.54%	\$42,133	1.758
Jan-07	24,288.60	11,836	9.16%	8.12%	2.38%	4.02	11.28%	\$41,979	1.773
Feb-07	40,200.60	11,870	8.85%	7.86%	2.43%	4.09	11.22%	\$42,254	1.780
Mar-07	29,248.80	11,897	9.02%	8.04%	2.41%	4.05	10.91%	\$42,521	1.787
Apr-07	23,995.50	11,925	8.99%	8.02%	2.35%	3.94	10.75%	\$43,281	1.815
May-07	23,869.05	12,030	8.21%	7.32%	1.84%	3.06	10.86%	\$43,767	1.819
Jun-07	21,680.90	12,024	8.37%	7.47%	1.92%	3.19	10.80%	\$44,090	1.833
Jul-07									
Aug-07									
Sep-07									
Oct-07									
Nov-07									
Dec-07									
	163,283.45	11,922	8.79%	7.82%	2.25%	3.78	11.00%	\$42,877	1.798

Cumberland	Nominal Tons	Total Ordered	Payment Tons Shipped	Tons Unloaded	Delta	Specifications	R:\Contracts\Summaries\Cumberland 2006-2008.pdf									
							MC10367									
							Tons Unloaded	Blu	Ash	Ash(AR)	Sul	Lbs SO2	Mois	\$/Ton	\$/MMBtu	
Jan-06	39,048.52	39,048.52	34,746.03	34,622.68	-4,302.49	MF-WCB	22,381.85	13,084	8.79%	8.27%	1.93%	2.95	5.95%	\$62.315	2.381	
Feb-06	16,666.67	16,666.67	20,949.23	20,949.23	4,282.56	3rd party	12,364.18	13,127	8.53%	8.02%	2.08%	3.17	5.92%	\$40.391	1.538	
Mar-06	16,666.67	16,666.67	20,686.60	20,686.60	4,019.93		20,949.23	13,037	8.91%	8.35%	2.33%	3.57	6.26%	\$40.114	1.538	
Apr-06	16,666.67	16,666.67	29,960.28	29,960.28	13,293.61		20,686.60	13,088	8.69%	8.16%	2.54%	3.88	6.07%	\$40.271	1.538	
May-06	16,666.67	16,666.67	0.00	0.00	-16,666.67		29,960.28	13,048	8.73%	8.19%	2.57%	3.94	6.19%	\$40.148	1.538	
Jun-06	16,666.67	16,666.67	20,570.27	20,570.27	3,993.60		0.00	13,038	8.80%	8.25%	2.41%	3.70	6.20%	\$40.117	1.538	
Jul-06	16,666.67	16,666.67	20,307.67	20,307.67	3,641.00		20,307.67	13,102	9.00%	8.50%	2.36%	3.60	5.55%	\$40.314	1.538	
Aug-06	16,666.67	16,666.67	10,126.26	10,126.26	-6,540.41		13,088	13,088	8.75%	8.23%	2.29%	3.50	5.94%	\$40.271	1.538	
Sep-06	16,666.67	16,666.67	10,115.00	10,115.00	-6,551.67		10,126.26	13,088	8.95%	8.41%	2.04%	3.13	6.03%	\$40.117	1.538	
Oct-06	16,666.67	16,666.67	29,320.31	29,320.31	12,653.64		10,115.00	13,093	8.61%	8.09%	2.65%	4.05	6.01%	\$40.286	1.538	
Nov-06	16,666.67	16,666.67	19,605.06	19,605.06	-2,938.39		29,320.31	13,095	8.99%	8.48%	2.10%	3.21	5.61%	\$40.292	1.538	
Dec-06	16,666.67	16,666.67	6,018.37	6,018.37	-10,648.30		19,605.06	13,109	8.83%	8.33%	2.49%	3.80	5.63%	\$40.335	1.538	
	222,381.84	222,381.84	222,405.08	222,281.73	23.24		200,023.23	13,075	8.79%	8.25%	2.40%	3.67	5.98%	\$40.230	1.538	
Jan-07	100,000.00	100,000.00	92,167.67	93,132.60	-7,832.33	Unscrub	19,127.73	13,119	8.85%	8.36%	2.33%	3.55	5.61%	\$46.511	1.773	
Feb-07	100,000.00	100,000.00	79,954.15	78,922.90	-20,045.85	Unscrub	73,039.94	13,124	8.70%	8.21%	2.37%	3.61	5.65%	\$40.644	1.548	
Mar-07	100,000.00	100,000.00	109,167.48	108,458.80	9,167.48	Unscrub	24,615.25	13,135	8.67%	8.18%	2.53%	3.85	5.69%	\$44.694	1.701	
Apr-07	100,000.00	100,000.00	52,014.99	51,564.80	-47,985.01	Unscrub	55,338.90	13,122	8.74%	8.24%	2.58%	3.90	5.72%	\$40.638	1.548	
May-07	100,000.00	100,000.00	41,925.51	42,086.40	-8,074.49	Unscrub	109,167.48	13,109	8.74%	8.23%	2.40%	3.66	5.81%	\$40.598	1.548	
Jun-07	100,000.00	100,000.00	53,904.53	53,066.20	3,904.53	Unscrub	52,014.99	13,141	8.71%	8.22%	2.49%	3.79	5.64%	\$40.697	1.548	
Jul-07	100,000.00	100,000.00	0.00	0.00	0.00	Unscrub	0.00	13,077	9.02%	8.50%	2.51%	3.84	5.76%	\$40.498	1.548	
Aug-07	100,000.00	100,000.00	0.00	0.00	0.00	Unscrub	37,076.81	13,093	8.80%	8.28%	2.47%	3.77	5.92%	\$40.548	1.548	
Sep-07	100,000.00	100,000.00	0.00	0.00	0.00	Unscrub	33,966.33	13,093	8.80%	8.28%	2.47%	3.77	5.92%	\$40.548	1.548	
Oct-07	100,000.00	100,000.00	0.00	0.00	0.00	Unscrub	0.00	13,093	8.80%	8.28%	2.47%	3.77	5.92%	\$40.548	1.548	
Nov-07	100,000.00	100,000.00	0.00	0.00	0.00	Unscrub	0.00	13,093	8.80%	8.28%	2.47%	3.77	5.92%	\$40.548	1.548	
Dec-07	100,000.00	100,000.00	0.00	0.00	0.00	Unscrub	0.00	13,093	8.80%	8.28%	2.47%	3.77	5.92%	\$40.548	1.548	
	1,200,000.00	500,000.00	429,134.33	427,231.70	-70,865.67		404,347.43	13,115	8.76%	8.26%	2.45%	3.73	5.74%	\$41.140	1.588	

33,000 ton Force Majeure April 2007  
 Sold back 50,000 tons/month May and June, 2007