

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE	)	
COMMISSION OF THE ENVIRONMENTAL	)	
SURCHARGE MECHANISM OF EAST KENTUCKY	)	
POWER COOPERATIVE, INC. FOR THE SIX-	)	CASE NO.
MONTH BILLING PERIOD ENDING DECEMBER	)	2011-00032
31, 2010; AND THE PASS-THROUGH	)	
MECHANISM FOR ITS SIXTEEN MEMBER	)	
DISTRIBUTION COOPERATIVES	)	

SUPPLEMENTAL INFORMATION REQUEST OF COMMISSION STAFF TO  
EAST KENTUCKY POWER COOPERATIVE, INC.

Pursuant to 807 KAR 5:001, East Kentucky Power Cooperative, Inc. ("EKPC") is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on or before May 19, 2011. 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 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, EKPC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the response to Staff's First Information Request, specifically, page 7, lines 8-9 of Ann Wood's Testimony. The testimony indicates that EKPC is requesting to increase its Times Interest Earned Ratio ("TIER") to 1.5, as the TIER authorized by the Commission's Order approving the settlement reached in Case No. 2010-00167,<sup>1</sup> for its rate of return calculation on compliance-related capital expenditures. In previous settlements, EKPC had specified the TIER to be used for environmental compliance-related capital expenditures, specifically in Case Nos. 2008-00115<sup>2</sup> and 2008-00409.<sup>3</sup> Explain why EKPC did not include a similar provision in the

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<sup>1</sup> Case No. 2010-00167, Application of East Kentucky Power Cooperative, Inc. for General Adjustment of Electric Rates (Ky. PSC Jan. 14, 2011).

<sup>2</sup> Case No. 2008-00115, Application of East Kentucky Power Cooperative, Inc. for Approval of an Amendment to Its Environmental Compliance Plan and Environmental Surcharge (Ky. PSC Sept. 29, 2008).

<sup>3</sup> Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc. (Ky. PSC Mar. 31, 2009).

settlement in Case No. 2010-00167, stating that the approved 1.5 TIER would be used for its rate of return on environmental compliance-related capital expenditures.

2. Provide the dollar impact on the average residential customer's monthly bill if the TIER is increased to 1.5.



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Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED: MAY 04 2011

cc: Parties of Record

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