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June 15, 2012

VIA HAND DELIVERY

Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601 JUN 1 5 2012

RECEIVED

PUBLIC SERVICE COMMISSION

RE: <u>The Application of East Kentucky Power Cooperative, Inc. to Transfer Functional</u> <u>Control of Certain Transmission Facilities to PJM Interconnection, LLC</u> Case No. 2012-00169

Dear Mr. DeRouen:

Enclosed please find and accept for filing the original and ten copies of the Data Requests of Kentucky Utilities Company and Louisville Gas and Electric Company Propounded to East Kentucky Power Cooperative, Inc. in the above-referenced matter.

Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me via our office courier.

Should you have any questions please contact me at your convenience.

Sincerely,

W. Duncan Crosby III

WDC:ec Enclosures cc: Parties of Record

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. TO TRANSFER FUNCTIONAL CONTROL OF CERTAIN TRANSMISSION FACILITIES TO PJM INTERCONNECTION, LLC

CASE NO. 2012-00169

DATA REQUESTS OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY <u>PROPOUNDED TO EAST KENTUCKY POWER COOPERATIVE, INC.</u>

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Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (collectively, the "Companies" or "LG&E-KU"), respectfully submit the following data requests to the East Kentucky Power Cooperative, Inc. ("EKPC"), to be answered by the date specified in the procedural schedule established by the Kentucky Public Service Commission ("Commission") in this matter on June 7, 2012.

Instructions

1. As used herein, "Documents" include all correspondence, memoranda, notes, email, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of, or accessible to, EKPC, its witness, or its counsel.

2. Please identify by name, title, position, and responsibility the person or persons answering each of these data requests.

3. These requests shall be deemed continuing so as to require further and supplemental responses if EKPC receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.

4. To the extent that the specific document, work-paper, or information as requested does not exist, but a similar document, work-paper, or information does exist, provide the similar document, work-paper, or information.

5. To the extent that any request may be answered by a computer printout, spreadsheet, or other form of electronic media, please identify each variable contained in the document or file that would not be self-evident to a person not familiar with the document or file.

6. If EKPC objects to any request on the ground that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel as soon as possible.

7. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; and the nature and legal basis for the privilege asserted.

8. In the event any document requested has been destroyed or transferred beyond the control of EKPC, its counsel, or its witness, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer. If such a document was destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than a reference to the record where the document is located.

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Data Requests

- 1. How will full PJM membership affect EKPC's generation dispatch?
 - a. Provide detail of the dispatch costs used for EKPC and PJM membership analysis.
 - b. Provide a detailed, unit-by-unit comparison by output for the 2013 summer and 2014 winter peaks compared to 2012 summer and winter peaks.
 - c. What are the savings due to decreasing production cost (estimated at \$52.7 million) when the forward power price curve used in the study is adjusted 10 % higher? 10% lower?
- 2. What are EKPC's plans for its existing generating units?
 - a. If EKPC plans to retire and not replace any of its current generating units, please explain in detail how EKPC plans to serve its load and maintain adequate operating and planning reserves.
 - b. What are the savings due to participating in the Reliability Pricing Model (estimated at \$147.8 million) if the forward capacity price curve used in the study is adjusted 10% higher? 10% lower?
 - c. Have system impact or stability studies been completed?
 - (i) If so, what were the analysis inputs and assumptions used?
 - (ii) What are the results and impacts indicated by the studies?
 - (iii) Please provide any such studies and related work-papers.
 - d. Please state how any such unit retirements could affect the Companies, if known, for example, impacts on the utilization on EKPC's and LG&E-KU's transmission relative to LG&E-KU serving its native load.
- 3. How will PJM's transmission expansion plans impact EKPC financially and operationally?
- 4. Does EKPC anticipate that its full membership in PJM will affect in any way the current interconnection arrangements between the Companies and EKPC?
 - a. If so, describe the effects.
 - b. Have system impact or stability studies been completed to evaluate the effect of EKPC's full membership in PJM on current interconnections between EKPC and LG&E-KU?

- (i) If so, what were the analysis inputs and assumptions used?
- (ii) What are the results and impacts indicated by the studies?
- (iii) Please provide any such studies and related work-papers.
- 5. Does EKPC anticipate that its full membership in PJM will affect in any way the manner in which EKPC will serve some of its customers using the Companies' facilities and vice versa?
 - a. How will EKPC's full membership in PJM impact EKPC's present use of LG&E-KU's transmission system to serve EKPC load and vice versa?
 - b. Will there be any drive-in or drive-out charges or any other increases in costs or additional charges not being paid today by LG&E-KU associated with serving some of their load using EKPC's transmission system and vice versa? If so, what are the additional charges or increased costs (and the amounts thereof, if known)?
- 6. How will full PJM membership affect EKPC's transmission rates?
 - a. Will EKPC, like other PJM members, have a zonal rate?
 - b. Does EKPC know what the new zonal rate will be? If so, what will it be?
- 7. How will full PJM membership affect EKPC's transmission planning criteria?
- 8. EKPC's application states that full PJM membership will help alleviate certain transmission constraints.
 - a. Please list the existing constraints and state how they have negatively affected EKPC's operations.
 - b. How will EKPC's full membership in PJM alleviate those constraints?
 - c. Please provide any and all analysis concerning the identification of these constraints and the plans to alleviate them.
- 9. Please provide a list of EKPC flowgates that PJM will monitor in the Available Transfer Capacity ("ATC") process.
 - a. Have any been identified as constraints? If so, please state which ones and the nature of each constraint.
- 10. Will EKPC's full membership in PJM impact flows and voltages on the LG&E-KU transmission system?
 - a. What specific flow and voltage impacts have been identified?

- b. How were these impacts determined?
- c. Please provide the analysis of determining these impacts, including any system impact studies and similar or related documents.
- 11. Please provide the complete Charles River Associates analysis and results, including all work-papers.
- 12. Please provide any other studies and related work-papers concerning EKPC's decision to become a full member of PJM.
- 13. How does EKPC plan to comply with Federal Energy Regulatory Commission Order 1000,¹ both before and after becoming a full member of PJM?
- 14. How will EKPC's full PJM membership impact its participation in the TVA-LG&E-KU-EKPC Contingency Reserve Sharing Group from Transmission Reliability Margin and energy-cost perspectives?
- 15. How will EKPC's full PJM membership impact the operations of LG&E-KU?
 - a. Please provide any analysis and work-papers supporting your response. If no such analysis or work-papers exists, please so state.
- 16. How will EKPC's full PJM membership impact LG&E-KU's cost of providing service to their native load customers?
 - a. Please provide any analysis and work-papers supporting your response. If no such analysis or work-papers exists, please so state.

¹ Docket No. RM10-23-000, Order No. 1000, 136 FERC ¶ 61,051 (July 21, 2011), available at http://www.ferc.gov/whats-new/comm-meet/2011/072111/E-6.pdf

Dated: June 15, 2012

Respectfully submitted,

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Kendrick R. Riggs W. Duncan Crosby III Stoll Keenon Ogden PLLC 2000 PNC Plaza 500 West Jefferson Street Louisville, Kentucky 40202-2828 Telephone: (502) 333-6000

Allyson K. Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, Kentucky 40202 Telephone: (502) 627-2088

Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing Data Requests were served upon the following individuals by first class United States mail, postage prepaid, on the 15th day of June 2012:

Mark David Goss David S. Samford Frost, Brown, Todd LLC 250 West Main Street, Suite 2800 Lexington, Kentucky 40507

Roger R. Cowden Corporate Counsel East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, Kentucky 40392-0707

Jason R Bentley McBrayer, McGinnis, Leslie & Kirkland PLLC 305 Ann Street, Suite 308 Frankfort, Kentucky 40601 Ann F Wood East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, Kentucky 40392-0707

Jennifer B. Hans Dennis G. Howard, II Lawrence W. Cook Office of the Kentucky Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204

Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202

Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company