

David S. Samford david@gosssamfordlaw.com (859) 368-7740

January 21, 2014

RECEIVED

JAN 22 2014

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

PUBLIC SERVICE COMMISSION

Re:

In the Matter of: Petition and Complaint of Grayson RECC for an Order Authorizing Purchase of Electric Power at the Rate of Six Cents Per Kilowatts of Power vs. a Rate in Excess of Seven Cents Per Kilowatt Hour Purchased From East Kentucky Power Cooperative Under a Wholesale Power Contract as Amended Between Grayson RECC and East Kentucky Power Cooperative, Inc.

PSC Case No. 2012-00503

Dear Mr. Derouen:

Enclosed please find for filing with the Commission in the above-referenced case an original and ten (10) copies of the Second Request for Information of East Kentucky Power Cooperative, Inc., South Kentucky Rural Electric Cooperative Corporation, Cumberland Valley Electric, Inc., Farmers Rural Electric Cooperative Corporation, Blue Grass Energy Corporation, Big Sandy Rural Electric Cooperative Corporation, Licking Valley Rural Electric Cooperative Corporation, Inter-County Energy Cooperative Corporation, Nolin Rural Electric Cooperative Corporation and Clark Energy Cooperative, Inc. to Grayson Rural Electric Cooperative Corporation. Please return a file-stamped copy to me in the enclosed self-addressed, stamped envelope.

Do not hesitate to contact me if you have any questions.

Sincere

David S. Samford

Enclosures

M.\Chents\4000 - East Kentucky Power\1800 - Grayson Litigation\
Correspondence\Ltr. to Jeff Derouen (2012-00503) - 140121

# RECEIVED

#### COMMONWEALTH OF KENTUCKY

JAN 22 2014

# BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION AND COMPLAINT OF GRAYSON	)
RURAL ELECTRIC COOPERATIVE	)
CORPORATION FOR AN ORDER	)
AUTHORIZING PURCHASE OF ELECTRIC	)
POWER AT THE RATE OF SIX CENTS PER	)
KILOWATTS OF POWER VS A RATE IN	) CASE NO. 2012-00503
EXCESS OF SEVEN CENTS PER KILOWATT	)
HOUR PURCHASED FROM EAST KENTUCKY	)
POWER COOPERATIVE UNDER A	<u>.</u>
WHOLESALE POWER CONTRACT AS	)
AMENDED BETWEEN GRAYSON RURAL	)
ELECTRIC COOPERATIVE CORPORATION	)
AND EAST KENTUCKY POWER COOPERATIVE INC.	

SECOND REQUEST FOR INFORMATION OF EAST KENTUCKY POWER COOPERATIVE, INC., SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION, CUMBERLAND VALLEY ELECTRIC, INC., FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION, BLUE GRASS ENERGY CORPORATION, BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION, LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION, NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION AND CLARK ENERGY COOPERATIVE, INC. TO GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION

Grayson Rural Electric Cooperative Corporation ("Grayson"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten (10) copies of the following information, with a copy to all parties of record. The information requested herein is due by February 7, 2014. 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 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 the 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.

Grayson 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 Grayson fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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.

REQUEST NO. 1: Refer to Grayson's Response to Request No. 11(d) of the First Request for Information propounded by East Kentucky Power Cooperative, Inc., et al. Please provide a detailed description of the timing, nature and substance of contacts Grayson has had with PJM Interconnection, LLC ("PJM"), regarding the proposed purchase of power from Duke Commercial Asset Management, Inc. ("Duke Commercial"). Please further provide all documents evidencing or related to said contacts.

#### **RESPONSE:**

**REQUEST NO. 2**: Please admit that Grayson has not yet entered into a written power purchase agreement with Duke Commercial.

## **RESPONSE:**

REQUEST NO. 3: Please describe in detail the nature and substance of any communication(s) occurring prior to November 19, 2012 between Grayson counsel Jeff Scott and the PSC or PSC Staff regarding the PSC's jurisdiction over Amendment 3 to the Wholesale Power Contract between Plaintiff, EKPC and Rural Utilities Service. Please also identify all individuals involved in the subject communication(s).

### RESPONSE:

REQUEST NO. 4: Please provide copies of any and all documents, recordings, and/or other materials that relate to the presentation prepared by Carol Fraley that was to be given to the EKPC Strategic Issues Committee concerning the Magnum Drilling project, the same having been referenced in the minutes of Plaintiff's Board meeting held July 20, 2012.

## RESPONSE:

REQUEST NO. 5: Please provide copies of any and all notes and/or other materials that relate to Carol Fraley's meeting with the PSC or PSC Staff on August 30, 2012, regarding the Magnum Drilling project.

### RESPONSE:

# This **ala** day of January, 2014.

Respectfully submitted,

Mark David Goss
David S. Samford
GOSS SAMFORD, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504
(859) 368-7740
mdgoss@gosssamfordlaw.com
david@gosssamfordlaw.com

Counsel for East Kentucky Power Cooperative, Inc.,
South Kentucky Rural Electric Cooperative Corporation,
Cumberland Valley Electric, Inc., Farmers Rural Electric
Cooperative Corporation, Blue Grass Energy Corporation,
Big Sandy Rural Electric Cooperative Corporation, Licking
Valley Rural Electric Cooperative Corporation,
Inter-County Energy Cooperative Corporation,
Nolin Rural Electric Cooperative Corporation, and
Clark Energy Cooperative, Inc.

#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via depositing same in the custody and care of the U.S. Mail, postage prepaid, this 2114 day of January, 2014:

W. Jeffrey Scott, Esq. W. Jeffrey Scott, P.S.C. P. O. Box 608 Grayson, Kentucky 41143

Clayton O. Oswald
Taylor, Keller & Oswald, PLLC
P.O. Box 3440
1306 West Fifth Street, Suite 100
London, KY 40743-003440

James M. Crawford Crawford & Baxter, PSC 523 Highland Avenue P. O. Box 353 Carrollton, KY 41008

Salt River Electric Cooperative Corp.
111 West Brashear Avenue
P. O. Box 609
Bardstown, KY 40004-0609

Don Prather Mathis, Riggs & Prather, P.S.C. 500 Main Street, Suite 5 Shelbyville, KY 40065 Taylor County RECC 625 West Main Street P. O. Box 100 Campbellsville, KY 42719

Counsel for East Kenticky Power Cooperative, Inc.,
South Kentucky Rural Electric Cooperative Corporation,
Cumberland Valley Electric, Inc., Farmers Rural Electric
Cooperative Corporation, Blue Grass Energy Corporation,
Big Sandy Rural Electric Cooperative Corporation, Licking
Valley Rural Electric Cooperative Corporation,
Inter-County Energy Cooperative Corporation,
Nolin Rural Electric Cooperative Corporation, and
Clark Energy Cooperative, Inc.

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