

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC. FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY, AND A CERTIFICATE OF)
ENVIRONMENTAL COMPATIBILITY FOR) CASE NO. 92-112
THE CONSTRUCTION OF 300 MW)
(NOMINAL) OF COMBUSTION TURBINE)
PEAKING CAPACITY AND RELATED)
TRANSMISSION FACILITIES IN CLARK)
AND MADISON COUNTIES IN KENTUCKY)

O R D E R

IT IS ORDERED that the office of the Attorney General's Utility and Rate Intervention Division shall file an original and 15 copies of the following information with this Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. The information requested herein is due no later than July 10, 1992. If the information cannot be provided by this date, you should submit a motion for an extension of time stating the reason a delay is necessary and

include a date by which it will be furnished. Such motion will be considered by the Commission.

1. On page 5 of his testimony, Mr. Kinloch states that demand-side management ("DSM") is the lowest cost way for East Kentucky to meet its peak demand. Explain how Mr. Kinloch determined that DSM is the least cost option.

2. On page 8 of his testimony, Mr. Kinloch states that, "[i]t is likely that without the biases, the MA-2 site would have had a higher rating." Explain specifically to which biases Mr. Kinloch is referring and how he determined that the rating of the MA-2 site would have been higher in the absence of such biases.

3. Provide the actual annual natural gas use projections referred to by Mr. Kinloch on page 9, lines 21-22 of his testimony.

4. Provide the projected annual increases in gas cost referred to by Mr. Kinloch on page 9, line 24 of his testimony.

5. Describe the process Mr. Kinloch used to select a 10 percent gas cost savings resulting from pipeline competitive bidding at the MA-2 site as discussed on page 11, lines 18-19 of his testimony.

6. Explain how a lower cost gas price bid would result in lower capital costs at the MA-2 site as discussed on page 14, lines 5-6 of Mr. Kinloch's testimony.

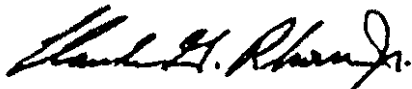
7. Explain how gas cost savings, transmission loss savings, annual escalation rates, and total escalation rates as shown in Exhibits DHK-1, DHK-3, and DHK-5, were calculated.

Done at Frankfort, Kentucky, this 26th day of June, 1992.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:



Executive Director, Acting