

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE 2003 INTEGRATED RESOURCE PLAN OF)	CASE NO.
EAST KENTUCKY POWER COOPERATIVE, INC.)	2003-00051

INITIAL DATA REQUEST OF COMMISSION STAFF
TO EAST KENTUCKY POWER COOPERATIVE, INC

East Kentucky Power Cooperative, Inc. (East Kentucky), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due June 13, 2003. 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 person 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. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to East Kentucky's Integrated Resource Plan (IRP), page 4, Section 1.2. Provide a narrative discussion of the accuracy of the demographics used by East Kentucky in past economic models. When possible, refer to comparisons of past forecast results versus actual results.

2. Refer to page 22 of the IRP, which describes the input assumptions for the load forecast, and pages 180-181, which show the differences between the 2000 and

2002 load forecast results. Identify any changes in input assumptions between the two forecasts and describe how changes in assumptions impacted the 2002 forecast results compared to the 2000 forecast results.

3. Refer to page 23, Section 3.2.3 of the IRP. In 2001 a residential customer on the East Kentucky system averaged 1,143 kWh usage per month. Provide a schedule that shows the annual average usage for a residential customer on East Kentucky's system for the years 1982-2002.

4. Refer to pages 45-46 of the IRP and the discussion of the Kentucky Pioneer Energy (KPE) project. East Kentucky has not included the KPE project in its IRP, citing the fact that KPE has not yet obtained financing and that the siting aspects of the project are under review by the Kentucky State Siting Board on Electric Generation and Transmission Siting (Siting Board). The Siting Board recently ruled that its April 16, 2003 Order denying KPE's proposal was not a final order for purposes of appeal.

a. In the event KPE receives Siting Board approval at some later date and obtains financing for its project, what are East Kentucky's contingency plans regarding its contract to purchase the full output of KPE's generating facility?

b. If the KPE project receives all needed approvals, provide East Kentucky's estimate as to the length of time needed to complete the project.

5. Refer to East Kentucky's IRP, page 84, Table 6-9. Provide a revised version of the table including the results from the four traditional cost/benefit tests: the Participant Test, the Utility Cost Test, the Ratepayer Impact Measure, and the Total Resource Cost Test.

6. Concerning the DSM option screening:

a. Were the DSM programs tested by individual distribution cooperative and program or were the programs tested with all distribution cooperatives combined?

b. If the DSM options were tested for each distribution cooperative separately, provide the results of the four traditional cost/benefit tests by individual distribution cooperative.

c. If the DSM options were tested by combining the distribution cooperatives, explain in detail why the programs were analyzed in total.

7. Refer to page 90, Section 7.4 of the IRP. Explain whether the Midwest Independent System Operator has proposed any changes or upgrades to East Kentucky's transmission system. Describe any proposals in detail.

8. On page 108 of the IRP, East Kentucky refers to potential reactivation of the Spurlock 2 flue gas desulfurization unit. Provide East Kentucky's current position on reactivating the unit. Explain how current or projected coal markets, as well as proposed environmental compliance changes, may affect East Kentucky's position.

9. Refer to page 124 of the IRP, specifically Section 9.6.1 and the December 2002 Request for Proposals (RFP) for peaking power. The second paragraph reflects that East Kentucky planned to complete its evaluation of the proposals received in response to this RFP in March of 2003.

a. If completed, provide the results of the evaluation and identify any decisions that have been made related to meeting East Kentucky's peaking requirements based on those results.

b. If the evaluation of the proposals has not been completed, when does East Kentucky expect to complete the evaluation?

10. Refer to page 134, Section 9.6.9 of the IRP. Explain whether East Kentucky has performed any forecasts of growth in the number of customers or kWh usage of participants in its Enviro Watts program.

a. If EKPC has performed forecasts on Enviro Watts participation, provide the forecast and all supporting calculations and workpapers.

b. If a forecast is not available, provide a narrative discussion of East Kentucky's expectations for Enviro Watts, including the expected growth in the program.

11. Refer to pages 168-175 of the IRP, Section 11.0, Financial Planning. East Kentucky projects the need to approximately double its generating capacity over the forecast period.

a. What projections, if any, have been made regarding possible increases in wholesale electric rates related to these projected capacity additions?

b. For the complete forecast period, provide the estimated amount and approximate time of any projected increases in East Kentucky's wholesale rates.

12. Refer to the IRP, page 175, Table 11-4. Describe all of the assumptions used in calculating the discount rate used for the Revenue Requirements and Average System Rates. Provide all supporting documents and calculations.

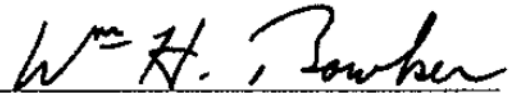
13. In the Commission's Administrative Case No. 387¹ Paul Atchison of East Kentucky testified that three transmission facilities, the LG&E Blue Lick 345/161 kV transformer, the LG&E Blue Lick - East Kentucky Bullitt County 161 kV line, and the KU

¹ Administrative Case No. 387, A Review of the Adequacy of Kentucky's Generation Capacity and Transmission System, final Order dated December 20, 2001.

Ghent - KU West Lexington 345 kV line, are frequently congested, and that congestion of the Ghent-West Lexington line can reduce import capability at times.

a. Provide information concerning the current levels of congestion on these facilities and steps that will be taken to reduce congestion.

b. Explain whether the reduced import capability has an impact on East Kentucky's target reserve margin.



William H. Bowker
Deputy Executive Director
Public Service Commission
Post Office Box 615
Frankfort, Kentucky 40602

DATED: May 23, 2003

cc: All parties