

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MATRIX ENERGY, LLC)	
FOR DETERMINATION OF)	CASE NO. 2003-00228
RETAIL ELECTRIC SUPPLIER)	

COMMISSION STAFF S FIRST DATA REQUEST
TO MATRIX ENERGY, LLC

Pursuant to 807 KAR 5:001, Commission Staff requests that Matrix Energy, LLC (Matrix) file the original and 5 copies of the following information with the Commission within 10 days of the date of this request, with a copy to all parties of record. Each copy of the information 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 its legibility.

1. Refer to pages 5 and 6 and Exhibit C of the Testimony of Paul Horn (Horn Testimony). Matrix states that Big Sandy Rural Electric Cooperative Corporation (Big Sandy) agreed to allow Kentucky Power Company d/b/a American Electric Power (Kentucky Power) to temporarily supply power during construction performed by Matrix in Big Sandy s service territory. Is the time period for temporary service unlimited? If no, when does the agreement for temporary service expire?

2. Matrix states that the letter attached as Exhibit C, which refers to a new 2,000 KVA substation for Beech Fork Mining located at the Sycamore Fork of Daniel s Creek, is believed to be Big Sandy s authorization for Beech Fork Mining to obtain power from Kentucky Power to build the entrance to the Matrix mine.

a. Provide the location of the substation in reference to the mine entrance referred to in the complaint.

b. Are there any other 2,000 KVA substations for Beech Fork Mining located in Big Sandy s territory? If yes, provide the number and location.

3. Refer to pages 9 and 12 of the Horn Testimony. Matrix states that Big Sandy never provided Matrix with its rates.

a. Provide the source of information used to determine the cost differential on pages 9 and 10.

b. Did Big Sandy and Matrix ever discuss developing a special rate that would be comparable to the rate available from Kentucky Power?

c. Has Beech Fork Mining or any of its affiliates been offered a 15-year contract for electric service to the Matrix project? If no, explain the basis and validity of the 15-year present worth electric rate comparison.

d. Has Matrix evaluated the interruptible electric rates that might be offered by either electric service provider?

e. Has Matrix evaluated the possible reductions in rates from either electric service provider if Matrix owns its own substation and distribution facilities?

4. Explain the extent to which Matrix has considered building or requesting a 138/35.4 kV or 138/12.47 kV substation adjacent to the Kentucky Power 138 kV transmission line due to the close proximity to the mine mouth.

5. Explain any objections that Matrix would have to one retail electric supplier owning a substation with distribution circuits sub-metered to another retail electric supplier feeding its defined load.

6. In reference to the Horn Testimony:

a. What is the boundary of the property known as the Czar mining site as noted in Question 12?

b. Provide the source for the answer to Question 12.

c. Provide all engineering calculations and support data used to determine the estimated 10 percent loss in power over the 1.6 miles of distribution line as noted in the answer to Question 18.

d. Is the 10 percent loss noted in the answer to Question 18 a loss (drop) of voltage level or a loss of energy?

e. Has the installation of regulators and/or capacitors been considered to reduce the loss of energy as well as the drop in voltage over the distribution line?

7. Provide the reasoning used to determine the distribution voltage requested, either 12.47 kV or 35.4 kV.

8. Provide a copy of all contracts for either firm power or temporary power between Beech Fork Mining, its affiliates, and any retail electric supplier.

9. Provide the supply voltage tolerances for all major items of equipment and the source of said information.

10. Provide all calculations and data pertinent to the sizing of the substation requested by Matrix.

a. Was the electric load of Matrix ever estimated to a retail electric supplier as being greater than 3,000 kW?

b. If yes, what was the load estimated to be, when was the estimate made, and to which retail electric supplier was it presented?

11. Does Matrix have a contract for temporary service with Kentucky Power? If yes, provide a copy of the contract.

12. What consideration, if any, was given by Matrix to tap Kentucky Power's 138 kV line crossing the Matrix/Czar property, rather than the 69 kV line? Provide any cost estimates for this alternative.

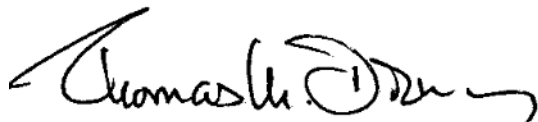
13. Where are the proposed metering points (i.e., points of delivery) in the following scenarios:

a. A new substation is built by either Kentucky Power or East Kentucky Power Cooperative, Inc.

b. A customer-owned line is built and/or extended.

c. Big Sandy/Kentucky Power lines are built and/or extended.

14. For each existing or former mine operated by Matrix or Czar along the boundary between Martin County and Johnson County, provide the name of the mining operation and its retail electric supplier.



Thomas M. Dorman
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

DATED: October 1, 2003

cc: Parties of Record