

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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|---------------------------------------|---|---------------------|
| AN EXAMINATION OF THE APPLICATION OF |) | |
| THE FUEL ADJUSTMENT CLAUSE OF EAST |) | |
| KENTUCKY POWER COOPERATIVE, INC. FROM |) | CASE NO. 2004-00212 |
| NOVEMBER 1, 2003 TO APRIL 30, 2004 |) | |

COMMISSION STAFF'S INTERROGATORIES AND REQUESTS
FOR PRODUCTION OF DOCUMENTS TO
EAST KENTUCKY POWER COOPERATIVE, INC.

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that East Kentucky Power Cooperative, Inc. ("East Kentucky") file the original and 5 copies of the following information with the Commission within 14 days of the date of this request, with a copy to all parties of record. Each copy of the information requested shall 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 shall be given to copied material to ensure its legibility. 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.

1. Refer to Item 6 of the response to the Commission's June 23, 2004 Order. Provide a narrative explanation, calculations, and workpapers of the derivation of the evaluated costs for East Kentucky (166.0 cents), Tennessee Valley Authroity (157.1 cents), and Cincinnati Gas & Electric (162.0 cents).

2. In April 2004, total spot coal purchases were nearly double total contract coal purchases. In April 2003, total spot coal purchases were less than total contract coal purchases. Explain in detail whether East Kentucky is intentionally increasing its reliance upon spot purchases for its coal supply.

3. Refer to Item 12 of the response to the June 23, 2004 Order. Explain whether, under a performance bond, East Kentucky is assured of recovery of the entire amount of \$420,000.

4. Refer to Item 17 of the response to the June 23, 2004 Order.

a. Explain whether East Kentucky purchased the coal from Pevler that is the subject of the Board agenda item.

b. If purchased, explain whether any deliveries have been received.

c. If purchased, explain whether East Kentucky has reason to suspect any problems with delivery.

5. Refer to Item 18 of the response to the June 23, 2004 Order. The number of oral coal solicitations in this review period, as well as in the prior six-month review period, was significantly greater than in the November 1, 2002 through April 30, 2003 review period. Provide the reasons for the increase in oral solicitations and identify the advantages and disadvantages of oral solicitations as compared to written solicitations.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED: August 6, 2004

cc: Parties of Record