

COMMONWEALTH OF KENTUCKY  
BEFORE THE KENTUCKY STATE BOARD ON  
ELECTRIC GENERATION AND TRANSMISSION SITING

In the Matter of:

THE APPLICATION OF KENTUCKY	)	
MOUNTAIN POWER, LLC /	)	
ENVIROPOWER, LLC FOR A	)	CASE NO. 2002-00149
MERCHANT POWER PLANT	)	
CONSTRUCTION CERTIFICATE IN	)	
KNOTT COUNTY, KENTUCKY	)	
NEAR TALCUM	)	

BOARD STAFF'S FIRST DATA REQUEST  
TO KENTUCKY MOUNTAIN POWER, LLC

Board Staff requests that Kentucky Mountain Power, LLC ("KMP") file with the Board the original and six copies of the following information, with a copy to all parties of record. If a requested document consists of 20 or more pages, KMP may file 2 copies. The information requested herein is due no later than July 3, 2002. 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 requested 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. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately.

1. Provide a land use map and aerial photograph depicting current land uses within a five-mile radius of the proposed site.
2. Provide a description of the nearest property not permitted for mining purposes. Provide information about the current ownership and use of that property.
3. Provide the name, location, size, and population of the residential development closest to the proposed facility.
4. What is the rationale for the proposed methods of controlling access to the site? Include in your response any security assessment the company may have conducted and any standard corporate security policies.
5. What are the design standards for the access road from Route 80 and for the internal access roads?
6. What are the estimated peak and average daily traffic volumes on the access and internal roads during construction and operation of the proposed facility? Classify your response by type of vehicle.
7. Provide information regarding the frequency and duration of any anticipated road closures along Route 80 or KY 1087 due to oversize load movements during the construction of the proposed facility.
8. Provide documentation of any utility service agreements with US Filter and Equitable Energy, LLC.
9. Provide any additional information on the manner in which wastewater disposal will be handled. Include in your response a copy of the NPDES permit dated October 17, 2001 and a copy of the coal combustion waste disposal permit dated June 29, 2001.

10. Provide information on background noise levels at the site at the edge of the property, and at the nearest residence before and after construction and operation of the power plant.

11. Provide any information gathered or developed by KMP regarding the potential changes in property values for property owners within a five-mile radius resulting from siting, construction, and operation of the power plant.

12. What is the current land use of the properties adjacent to the KMP leasehold boundary? Use the Land-Based Classification Standards Level 4 approved by the American Planning Association to answer the question.

13. Provide a copy of the option to purchase 1,993 acres from Appalachian Realty, and a map of the property.

14. Provide a copy of the option to purchase 62 acres from Vera Salyer, and a map of the property.

15. Is construction of the reservoir to accommodate 1.4 billion gallons of water dependent upon the option to purchase the 62 acres from Vera Salyer?

16. Are there any legal impediments to the enlargement of the site boundary to include additional areas within the leased boundary?

17. Provide any documents or correspondence related to the proposed industrial park that will be transferred to Knott County Development Authority.

18. Provide any documents or correspondence related to the proposed golf course that will be transferred to the Commonwealth of Kentucky.

19. Provide a map of the proposed tracts and describe what their ownership or lease status will be when the plant becomes operational. Include all areas within the current lease boundary.

20. The land within the current lease boundary and the land adjacent to the leased area are part of the Addington Enterprises Wildlife Management Area.

a. Provide copies of any agreements with the Kentucky Fish & Wildlife Department concerning the proposed site, leasehold area, and areas adjacent to the current lease boundary.

b. How will the construction and operation of the proposed power plant affect existing agreements with the Kentucky Fish & Wildlife Department?

21. What water systems will be in place when the power plant becomes operational? Include in your response map(s) at 1:24,000 or better showing water lines, intake structures, the water treatment plant, pumping stations, pumps, water tanks/towers, and meter stations.

22. Does the operation of the plant require the use of water that meets drinking water standards?

23. What company or companies will be responsible for financing and constructing the water supply system for the plant?

24. Provide documentation of any negotiations for a long-term water facilities agreement or any current contractual agreement with US Filter and Equitable Energy, LLC for water and wastewater facilities.

25. Will KMP use public financing in the construction of the water and wastewater plant? If so, describe the agencies involved and supply any supporting documentation.

26. Provide documentation of any meetings (minutes, letters) with the Kentucky Infrastructure Authority or the local Water Management Council or the

Kentucky River Area Development District, concerning water and/or wastewater services.

27. Describe how the water and wastewater utilities will be organized when the power plant is operational.

28. Will the utility be a Public Service Commission (“PSC”) regulated entity? If yes, when will KMP apply for a Certificate of Public Convenience and Necessity for construction and finance?

29. What state and local agencies outside of those listed in Section 10 of the application will need to approve the location and construction of water and wastewater utility facilities?

30. With regard to the water storage reservoir with storage capacity of 1.4 billion gallons, how long can the plant remain operational during a dry spell if KMP could not obtain water from North Fork?

31. Will KMP need additional permits for construction or enlargement of the reservoir? Will the reservoir be filled to capacity when the plant opens? If not, why not?

32. Provide copies of permits related to the water and wastewater utilities. Include any NPDES permits, water withdrawal permits, or USACE permits. Include with the NPDES permit a map of the location of the wastewater pipe and its discharge point into surface waters.

33. When will KMP make an application for the Wastewater Facility Construction Permit?

34. There are a number of Equitable companies that operate in Kentucky dealing with natural gas, including Equitable Energy LLC, Equitable Production, and

Equitable Gas Company. Distinguish these companies in answering the following questions:

a. What company is going to build the 6-inch line that will be constructed from a major gas transmission line to the plant? Who will own the line once it is built?

b. What will be the operating pressure of the 6-inch gas line?

c. Is any public financing involved in the construction of the gas transmission line to the plant? If so, name the public agency, and supply supporting documentation.

d. Will this pipeline be regulated by the PSC? Will KMP need to apply for a Certificate of Public Convenience and Necessity for construction?

e. What company will be responsible for working with the United States Department of Transportation Office of Pipeline Safety or the PSC on the safety aspects of the construction and operation of the 6-inch gas line?

f. What company will be responsible for regulatory, construction, and financial issues related to the installation of the 6-inch gas line?

35. Provide map(s) at 1:24,000 or better showing the location of the 6-inch gas line from its point of origin at the major gas transmission line to the KMP site and any compressors or other gas facilities located along the line. Locate the intersection with the major gas transmission pipeline, name the owner of the major gas transmission pipeline, and the diameter of the major gas transmission line at the point of intersection.

36. Where will natural gas be used in the production of electricity and how much will be used annually?

37. Provide evidence that the site of the proposed plant is the site of a former coal processing plant to justify the application of Senate Bill No. 257, Section 3(5), to the setback requirements.

38. Evaluate the scenic compatibility of the power plant with the area of the proposed industrial park that will be transferred to Knott County Development Authority.

39. Evaluate the scenic compatibility of the power plant with the area of the proposed golf course that will be transferred to the Commonwealth of Kentucky.

40. Refer to Section 8.5.0 of the Site Assessment Report in the application. Does the property appraisal of the Spruce Pine Tract take into account the location of an operating power plant in the immediate vicinity? More specifically, does it take into account the effect of truck traffic, noise, and scenic compatibility with the proposed Business Park and golf course? If it does not, how does this affect the appraisal of the Spruce Pine Tract?

41. Provide information regarding the electrical output for each proposed generating unit.

42. Provide information regarding the location and voltage of each proposed transmission interconnection.

43. Identify the location and magnitude of the load that the applicant intends to serve, and provide copies of any contracts for the output of the proposed generating unit.

44. Provide a transmission study that consists of short circuit/fault duty, steady state (thermal and voltage), and stability analyses. Include in your response:

a. All data files for the electric analysis flow model used to create the transmission study and data files used to prepare applications for transmission

interconnection, in a format acceptable for Federal Energy Regulatory Commission (“FERC”) Form 715 filing requirements.

b. A statement regarding conditions and assumptions made in the transmission study, such as load balancing assumptions, and explain why these are reasonable assumptions.

c. Any other information necessary to reproduce the results of the transmission study.

45. Provide a copy of all transmission studies conducted by the transmission owner(s) and/or regional transmission organization(s) for interconnection for this project that have not already been provided. Include in your response:

a. All data files for the electric analysis flow model used to create the transmission study and any data files used to prepare applications for transmission interconnection, in a format acceptable for FERC Form 715 filing requirements.

b. A statement of conditions and assumptions made in the transmission study, such as load balancing assumptions.

c. KMP’s evaluation of the reasonableness of the conditions and assumptions in 45(b).

d. Any other information necessary to reproduce the results of the transmission study.

46. Provide a copy of all applications for transmission interconnection for the proposed generating facility and any transmission service requests made for the proposed generator.

47. Provide a statement certifying that all transmission studies filed with the Board have been sent to each transmission owner and regional transmission

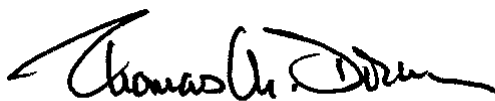


organization operating in Kentucky. It is not necessary to provide studies to a transmission owner or a regional transmission organization if it was the original source of the study.

48. The facilities study for the new generators on the American Electric Power transmission network indicates a total estimated cost of \$33,030,000 for transmission upgrades. However, page 56 of Appendix E of the interconnection and operation agreement indicates a total estimated cost of \$17,373,400. Explain this discrepancy.

49. How many of the 400-600 workers employed during the construction phase of the project will remain employed when the plant becomes operational?

50. Has KMP measured the impact the proposed plant will have on current levels of airborne mercury? If yes, provide supporting documentation.



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Thomas M. Dorman  
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Public Service Commission  
*on behalf of* The Kentucky State Board on  
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DATED: June 26, 2002

cc: Parties of Record