Frost Brown Todd LLC
ATTORNEYS

KENTUCKY · OHIO · INDIANA · TENNESSEE · WEST VIRGINIA

May 14, 2010

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Re: Case No. 2010-00083

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, an original and seven copies of the responses of East Kentucky Power Cooperative, Inc., to the First Data Request of Commission Staff dated April 29, 2010.

If you have any questions or require additional information, please contact me.

Very truly yours,

Roger R. Cowden

Roger R. Cowden

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR APPROVAL OF AN AMENDMENT TO ITS ENVIRONMENTAL COMPLIANCE PLAN AND ENVIRONMENTAL SURCHARGE	)))))	CASE NO. 2010-00083

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST TO EAST KENTUCKY POWER COOPERATIVE, INC. DATED APRIL 29, 2010

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR APPROVAL OF AN AMENDMENT TO ITS ENVIRONMENTAL COMPLIANCE PLAN AND ENVIRONMENTAL SURCHARGE	)))))	**CASE NO. 2010-00083**

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Craig A. Johnson, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's First Data Requests in the above-referenced case dated April 29, 2010, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

Craig A. Johnson

Subscribed and sworn before me on this 11th day of May, 2010.

Notary Public

MY COMMISSION EXPIRES NOVEMBER 30, 2013
NOTARY ID #409352

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR APPROVAL OF AN AMENDMENT TO ITS ENVIRONMENTAL COMPLIANCE PLAN AND ENVIRONMENTAL SURCHARGE	)))))	**CASE NO. 2010-00083**

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Mary Jane Warner, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's First Data Requests in the above-referenced case dated April 29, 2010, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Subscribed and sworn before me on this 11th day of May, 2010.

Notary Public

MY COMMISSION EXPIRES NOVEMBER 30, 2013
NOTARY ID #409352

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR APPROVAL OF AN AMENDMENT TO ITS ENVIRONMENTAL COMPLIANCE PLAN AND ENVIRONMENTAL SURCHARGE	)))))	**CASE NO. 2010-00083**

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Ann F. Wood, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's First Data Requests in the above-referenced case dated April 29, 2010, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Ann F. Wood

Subscribed and sworn before me on this 14th day of May, 2010.

Notary Public

MY COMMISSION EXPIRES NOVEMBER 30, 2013
NOTARY ID #409352

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 1
RESPONSIBLE PERSON: **Craig A. Johnson**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 1. Refer to Exhibit 1, Ann F. Wood Testimony ("Wood Testimony"), page 5, and Exhibit 2, Craig A. Johnson Testimony ("Johnson Testimony"), pages 3 and 5.

a. Explain whether it is EKPC's position that, absent the switchyard upgrades in Projects 7 and 8, the scrubbers at Spurlock Units 2 and 1, respectively, would be unable to operate.

b. With regard to the switchyard upgrades, can the described general transformers and auxiliary transformers be used to provide electrical service to any other equipment associated with the units' power production? If yes, provide a general description of that equipment.

c. Provide a general description of the timing and reasons for other switchyard upgrades for the calendar years ending December 31, 2008 and December 31, 2009.

Response 1a. Yes, the scrubbers would be unable to operate absent the switchyard upgrades. The electrical loads added by the scrubber would overload the old system.

Response 1b. Yes, the general service transformers and auxiliary transformers provide electrical service to other equipment associated with the units' power production. They provide power to all loads within the operating units (auxiliary loads).

The general service transformers provide power, during unit startup, to all loads within the operating units (auxiliary loads). The size was increased because the auxiliary loads were increased by the scrubber loads.

The auxiliary transformers provide power, during normal operation, to all loads within the operating units (auxiliary loads). The size was increased because the auxiliary loads were increased by the scrubber loads.

Response 1c. These upgrades were required to be completed prior to unit startup to be able to handle the additional auxiliary loads added with the scrubber. The Unit 2 and Unit 1 scrubbers became commercially operational on January 1, 2009 and August 1, 2009, respectively.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 2
RESPONSIBLE PERSON: **Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 2. Refer to Wood Exhibit AFW-1, page 1 of 2.

a. Explain why nothing is shown in the "Environmental Regulation" column for the switchyard improvements in Projects 7 and 8.

b. In the absence of an applicable environmental regulation, explain why the costs of the switchyard improvements in Projects 7 and 8 should be eligible for recovery pursuant to KRS 278.183, "Surcharge to recover costs of compliance with environmental requirements for coal combustion wastes and by-products."

c. The cost of the Project 7 switchyard upgrades is approximately $8.4 million, while the cost of the Project 8 switchyard upgrades is approximately $1.3 million. Explain why the costs are so dissimilar for what appear to be similar projects.

Response 2a. Please see page 3 of this response for the addition of the environmental regulation.

Response 2b. Please see the response to Request 2a.

Response 2c. Costs relating to the Spurlock 2 scrubber were moved from account 10600, Completed Construction Not Classified, to the 300 accounts (plant in service) in late 2009. At that time, EKPC created specific retirement units and allocated overhead (i.e. EKPC labor and benefits) to each retirement unit. The equipment cost of the Spurlock 2 switchyard equipment was $2.0 million; after allocating overhead, the cost increased to $8.4 million.

At the time EKPC filed this Application, costs associated with the Spurlock 1 scrubber remained in account 10600. The cost of the switchyard improvements known at that time (equipment costs only; no overhead allocation) was $1.3 million. Recently, EKPC has created retirement units for the switchyard improvements associated with the Spurlock 1 scrubber. These retirement units now reflect equipment costs of $1.7 million and a total cost (with overhead allocation) of $9.8 million.

(Revised)

EAST KENTUCKY POWER COOPERATIVE, INC
ENVIRONMENTAL COMPLIANCE PLAN
PURSUANT TO ENVIRONMENTAL SURCHARGE LAW

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Project	Pollutant or Waste/By-Product To be Controlled	Control Facility	Generating Station	Environmental Regulation	Environmental Permit	Actual or Scheduled Completion	Actual (A) or Estimated (E) Project Cost
1.	Fly Ash/Particulate NOx & SO2	Boiler SNCR Baghouse Flash Dry Absorber	Gilbert	401 KAR Ch. 45 CAAA Sec.404 40 CFR Part 72 401 KAR 50:035 CAAA Sec.407 40 CFR Part 76	081-0005 V-97-050 Rev. 1	2005	$69.6 M (A)
2.	Particulate	Precipitator	Spurlock 1	401 KAR 61:015	V-95-050 (Revision 1)	2003	$24.3 (A)
3.	NOx	SCR	Spurlock 1	CAAA Sec. 407 40 CFR Part 76	V-97-050	2003	$84.4 M (A)
4.	NOx	SCR	Spurlock 2	CAAA Sec. 407 40 CFR Part 76	V-97-050	2002 Fall 2007 & Spring 2008	$47.2 (A)
5.	NOx	Low NOx Burner	Dale	CAN:06-cv-00211 40 CFR Part 76.7 *Title IV-A*, 42 USC 7651-7651o, Sect 502, 401KAR51:160	V-04-038	Fall 2007	$2.0 M (A)
6.	NOx	NOx Reduction Equipment	Spurlock 1	40 CFR Part 76.7 CAN 04-34-KSF	V-06-007	Spring 2009	$3.09 M (A)
7.	SO2	Scrubber	Spurlock 2	CAN 04-34-KSF CAAA Sec 405	V-97-050 Rev. 1	Oct. 2008	$194.1 M (A)
		Switchyard Improvements		CAN 04-34-KSF CAAA Sec 405	V-97-050 Rev. 1	In Svce	$8.396 M (A)
		Isolation Valve	Spurlock 2 Scrubber	40CFR Part 76.7 CAN 04-34-KSF CAAA Sec 405 CAAA Sec 404	V-06-007, Rev 2	Fall 2010	$634,000 (E)
8.	SO2	Scrubber	Spurlock 1	CAN 04-34-KSF CAAA Sec 404	V-97-050 Rev. 1	Spring 2009	$145.8 M (A)
		Switchyard Improvements		CAN 04-34-KSF CAAA Sec 404	V-97-050 Rev. 1	In Svce	$1.26 M (A)
		Isolation Valve	Spurlock 1 Scrubber	40CFR Part 76.7 CAN 04-34-KSF CAAA Sec 405 CAAA Sec 404	V-06-007, Rev 2	Spring 2011	$507,000 (E)
9.	Fly Ash/Particulate NOx & SO2	Boiler SNCR Baghouse Flash Dry Absorber	Spurlock 4	401 KAR Ch. 45 CAAA Sec.404 40 CFR Part 72 401 KAR 50:035 CAAA Sec.407 40 CFR Part 76	V-06-007	April 2009	$84.8 M (A)
		Ash Silos	Spurlock 4	401 KAR 63:010	V-06-007	Summer 2010	$12.0 M (E)

EAST KENTUCKY POWER COOPERATIVE, INC
ENVIRONMENTAL COMPLIANCE PLAN
PURSUANT TO ENVIRONMENTAL SURCHARGE LAW

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Project	Pollutant or Waste/By-Product To be Controlled	Control Facility	Generating Station	Environmental Regulation	Environmental Permit	Actual or Scheduled Completion	Actual (A) or Estimated (E) Project Cost
10.	PM & Mercury CEMS	Stack Emissions Monitoring	Spurlock Dale Cooper	40 CFR Part 60 App. B, PS 11, & App. F Proced. 2. CD para 97-102. 40 CFR 75	CAN 04-34-KSF	Spring 2010	$3.7 M (E)
11	NOx and SO2, Particulate Matter	Air Quality Control System	Cooper 2	Consent Decree CAN 04-34-KSF KY BART SIP	V-05-082 R1	Summer 2012	$324 M (E)
12	Coal Combustion by-products (CCB)	Landfill Area C Expansion and Sediment Pond Construction	Spurlock 1, 2, 4, Gilbert; Spur 1, 2 Scrubbers	Clean Water Act (CWA) Section 404	KPDES No. KY0022250	Fall 2010	$6.5 M (E)
13	SOx, H2SO4, Mercury	Replacement of Retired Ductwork	Spurlock Unit #2	CFR Title 40, Part 51 CFR Title 40, Part 52 (New Source Review)	V-06-007	Spring 2010	$2,100,500 (E)

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 3
RESPONSIBLE PERSON: **Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 3. Refer to Wood Exhibit AFW-3, page 1 of 3, and Bosta Exhibit 3, page 2 of 7, provided in Case No. 2004-00321. Explain why Wood Exhibit AFW-3 does not include columns for "Retirements" and "Depreciation in Base Rates" as were included in Bosta Exhibit 3.

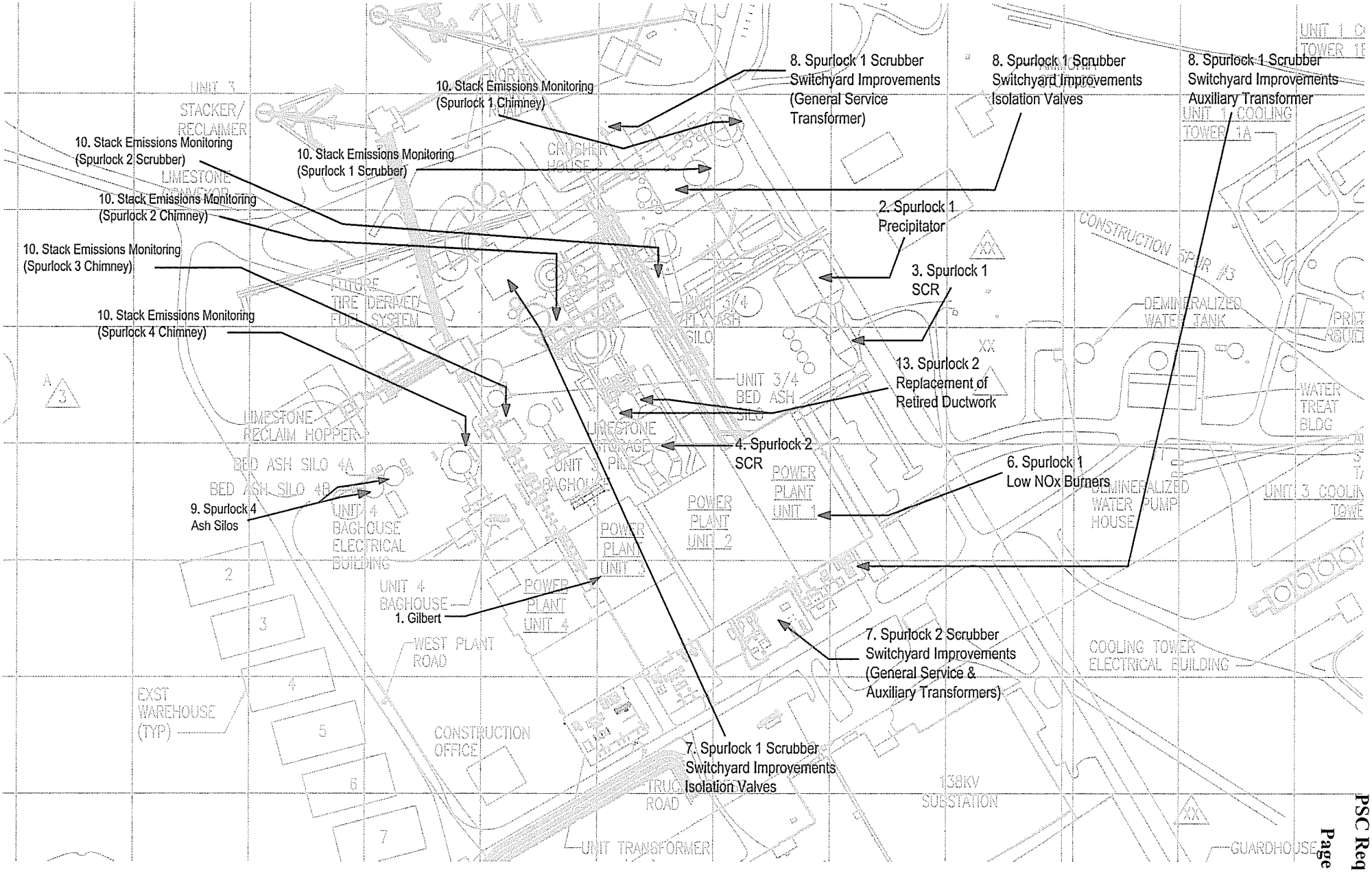
Response 3. The format of Wood Exhibit AFW-3, page 1 of 3 mirrors the format filed in Commission Staff's First Data Request (PSC Request 4, Attachment, Page 2 of 4) in Case No. 2008-00115. There are no assets being retired in the current proceeding (Case No. 2010-00083) that are currently in base rates.

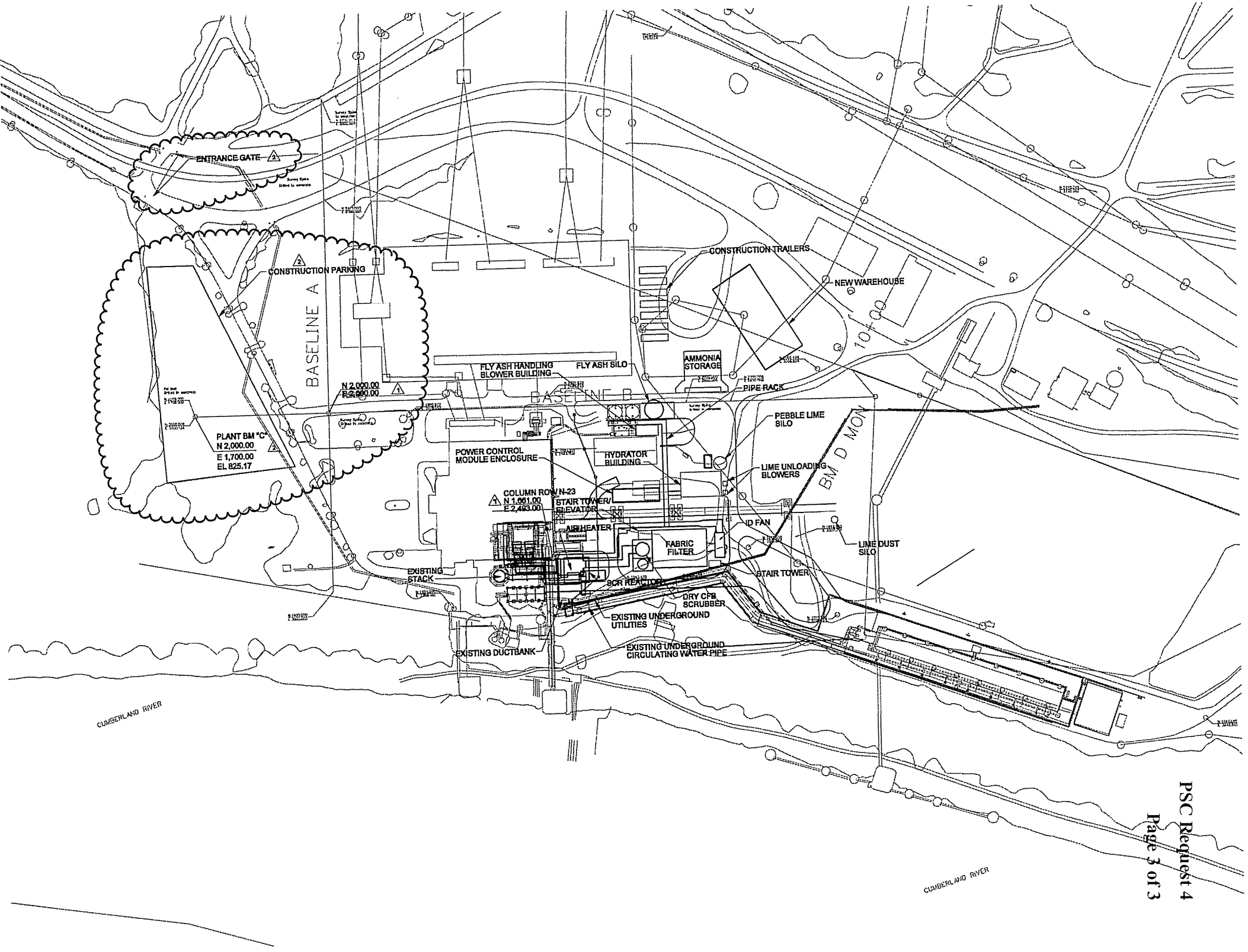
EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 4
RESPONSIBLE PERSON: **Craig A. Johnson**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 4. Refer to the Wood Testimony, page 3, and Wood Exhibit AFW-3, page 1 of 3. Provide any schematic or cross-section drawing showing the location of the improvements or new project work relative to the other major components of the respective units listed.

Response 4. The diagram for Spurlock Station is provided on page 2 of this response. The diagram for Cooper Station is provided on page 3 of this response.


8. Spurlock 1 Scrubber Switchyard Improvements (General Service Transformer)
8. Spurlock 1 Scrubber Switchyard Improvements Isolation Valves
8. Spurlock 1 Scrubber Switchyard Improvements Auxiliary Transformer
10. Stack Emissions Monitoring (Spurlock 1 Chimney)
10. Stack Emissions Monitoring (Spurlock 1 Scrubber)
10. Stack Emissions Monitoring (Spurlock 2 Scrubber)
10. Stack Emissions Monitoring (Spurlock 2 Chimney)
10. Stack Emissions Monitoring (Spurlock 3 Chimney)
10. Stack Emissions Monitoring (Spurlock 4 Chimney)
2. Spurlock 1 Precipitator
3. Spurlock 1 SCR
13. Spurlock 2 Replacement of Retired Ductwork
4. Spurlock 2 SCR
6. Spurlock 1 Low NOx Burners
9. Spurlock 4 Ash Silos
1. Gilbert
7. Spurlock 2 Scrubber Switchyard Improvements (General Service & Auxiliary Transformers)
7. Spurlock 1 Scrubber Switchyard Improvements Isolation Valves
UNIT 3 STACKER/ RECLAIMER
LIMESTONE CONVEYOR
CRUSHER HOUSE
FUTURE TIRE DERIVED FUEL SYSTEM
UNIT 3/4 FLY ASH SILO
UNIT 3/4 BED ASH SILO
LIMESTONE RECLAIM HOPPER
LIMESTONE STORAGE PILE
BED ASH SILO 4A
BED ASH SILO 4B
UNIT 4 BAGHOUSE ELECTRICAL BUILDING
UNIT 3 BAGHOUSE
POWER PLANT UNIT 1
POWER PLANT UNIT 2
POWER PLANT UNIT 3
POWER PLANT UNIT 4
UNIT 4 BAGHOUSE
WEST PLANT ROAD
EXST WAREHOUSE (TYP)
CONSTRUCTION OFFICE
TRUCK ROAD
UNIT TRANSFORMER
138KV SUBSTATION
CONSTRUCTION SPUR #3
DEMINERALIZED WATER TANK
DEMINERALIZED WATER PUMP HOUSE
WATER TREAT BLDG
COOLING TOWER ELECTRICAL BUILDING
UNIT 1 COOLING TOWER 1A
GUARDHOUSE



PSC Request 4
Page 3 of 3

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 5
RESPONSIBLE PERSONS: **Craig A. Johnson and Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 5. Refer to Wood Exhibit AFW-4, pages 1 and 2, and the Johnson Testimony, pages 2 through 8.

a. Provide a detailed listing of the projects and amounts that make up the amount in Column (1) Capital Costs of $355.4 million. For example, this detail for Project 7 Amended might list each transformer and isolation valve separately.

b. For each project listed in the response to part a. of this request, provide the following information: vendor names; capital costs; and projected annual operating costs (if any).

c. Provide the details supporting the Derivation of Fixed Charge Rates shown for Interest, TIER, Depreciation, Taxes & Insurance, Fixed O&M, and Variable O&M shown on page 2.

Response 5a. Please see the table on page 2 of this response for a listing of the projects and amounts that make up the $355.4 million. Please also note that these amounts can be found on Exhibit AFW-1, Page 1 of 2, Column (8).

Project	Generating Location	Description	Amount ($ in millions)
7	Spurlock 2 Scrubber	Switchyard Improvements	$ 8.4
7	Spurlock 2 Scrubber	Isolation Valve	0.6
8	Spurlock 1 Scrubber	Switchyard Improvements	1.3
8	Spurlock 1 Scrubber	Isolation Valve	0.5
9	Spurlock 4	Ash Silos	12.0
11	Cooper 2	Air Quality Control System	324.0
12	Spurlock	Landfill Area C Expansion and Sediment Pond Construction	6.5
13	Spurlock 2	Replacement of Retired Ductwork	2.1
			$ 355.4

Response 5b. The estimated capital costs of the projects are reflected in the response to Request 5a. The O & M assumptions are reflected in the response to Request 5c. The table below provides the vendor information.

Project	Generating Location	Description	Primary Vendor
7	Spurlock 2 Scrubber	Switchyard Improvements	Virginia Transformer
7	Spurlock 2 Scrubber	Isolation Valve	Trivaco
8	Spurlock 1 Scrubber	Switchyard Improvements	Virginia Transformer
8	Spurlock 1 Scrubber	Isolation Valve	Trivaco
9	Spurlock 4	Ash Silos	Tank Connection
11	Cooper 2	Air Quality Control System	*
12	Spurlock	Landfill Area C Expansion and Sediment Pond Construction	**
13	Spurlock 2	Replacement of Retired Ductwork	Enerfab

* EKPC is in the process of selecting contractors for this project.

** EKPC has not yet solicited bids for this project.

Response 5c. Please see the details supporting the fixed charge rate on page 3 of this response.

EAST KENTUCKY POWER COOPERATIVE
ENVIRONMENTAL SURCHARGE

FIXED CHARGE RATE DETAIL

	Spurlock 1 Scrubber (1)			Spurlock 2 Scrubber (2)			Spurlock 4 (3)			Gilbert (4)			Cooper Scrubber & SCR (5)			Transmission (6)			Based on Total Cost of Projects		
	Cost of Project ($000)	FCR	($000)	Cost of Project ($000)	FCR	($000)	Cost of Project ($000)	FCR	($000)	Cost of Project ($000)	FCR	($000)	Cost of Project ($000)	FCR	($000)	Cost of Project ($000)	FCR	($000)	Cost of Project ($000)	($000)	Avg FCR
Interest	2,132,000	4.48	96	4,359,500	4.48	195	13,625,000	4.48	611	1,625,000	4.48	73	324,000,000	4.48	14,522	9,656,000	4.48	433	355,397,500	15,929	4.48
Depreciation	2,132,000	3.45	74	4,359,500	3.15	137	13,625,000	2.59	352	1,625,000	2.99	49	324,000,000	5.53	17,917	9,656,000	1.79	173	355,397,500	18,702	5.26
Taxes & Insurance	2,132,000	0.20	4	4,359,500	0.20	9	13,625,000	0.20	27	1,625,000	0.20	3	324,000,000	0.20	632	9,656,000	0.18	18	355,397,500	692	0.19
Sub-Total		8.13	173		7.83	341		7.26	990		7.67	125		10.21	33,072		6.45	623		35,323	9.94
TIER (Based on 1.35)	2,132,000	1.57	33	4,359,500	1.57	68	13,625,000	1.57	214	1,625,000	1.57	25	324,000,000	1.57	5,084	9,656,000	1.57	152	355,397,500	5,576	1.57
Sub-Total		9.69	207		9.40	410		8.83	1,203		9.24	150		11.78	38,155		8.02	775		40,900	11.51
Fixed O & M	2,132,000	0.00	0	4,359,500	0.00	0	13,625,000	2.20	300	1,625,000	0.00	0	324,000,000	0.46	1,495	9,656,000	0.00	0	355,397,500	1,795	0.51
Sub-Total		9.69	207		9.40	410		11.03	1,503		9.24	150		12.24	39,650		8.02	775		42,695	12.01
Variable O & M	2,132,000	0.00	0	4,359,500	0.00	0	13,625,000	0.00	0	1,625,000	0.00	0	324,000,000	5.95	19,283	9,656,000	0.00	0	355,397,500	19,283	5.43
Total		9.69	207		9.40	410		11.03	1,503		9.24	150		18.19	58,933		8.02	775		61,977	17.44

Total Cost of Project	Avrg FCR	Total ($000)
355,397,500	17.44	61,977

	Includes:		Sub-Totals
(1)	1/4 of Landfill Area C Expansion & Sediment Pond Construction	$ 1.6	
	Isolation Valve	0.5	$ 2.1
(2)	1/4 of Landfill Area C Expansion & Sediment Pond Construction	1.6	
	Isolation Valve	0.6	
	Replacement of Retired Ductwork	2.1	4.4
(3)	1/4 of Landfill Area C Expansion & Sediment Pond Construction	1.6	
	Ash Silos	12.0	13.6
(4)	1/4 of Landfill Area C Expansion & Sediment Pond Construction	1.6	1.6
(5)	Air Quality Control System	324.0	324.0
(6)	Spurlock 1 Scrubber Switchward Improvements	1.3	
	Spurlock 2 Scrubber Switchward Improvements	8.4	9.7
	Total		$ 355.4

PSC Request 5
Page 3 of 3

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 6
RESPONSIBLE PERSON: **Craig A. Johnson**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 6. Refer to the Johnson Testimony, pages 2 through 4.

a. Confirm that the justification for installing the scrubber isolation valves is to permit maintenance on the recycle pumps in a safe manner while simultaneously avoiding unit derates or outages.

b. Provide the minimum number of pumps which must be operating in order for each unit to operate.

Response 6a. Yes, the scrubber isolation valves permit maintenance on the recycle pumps in a safe manner while simultaneously avoiding unit derates or outages.

Flue gas from the boiler is present in a stopped pump, both on the suction and discharge sides. Flue gas would enter the scrubber building if a pump was opened for maintenance during plant operation.

Response 6b. Three to four pumps are the minimum number of pumps needed to operate Unit 2; two to three pumps are the minimum needed for Unit 1.

The number of pumps needed varies depending on MW load and quantity of sulfur in the coal being burned. An increased quantity of sulfur increases the quantity of pumps required.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 7
RESPONSIBLE PERSON: **Craig A. Johnson**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 7. Refer to the Johnson Testimony, page 6 and 7.

a. Are any quantities of the additional scrubber waste material from Spurlock 4 eligible for by-product sales? If yes, identify the amounts that have been estimated for these by-product sales and explain if they have been considered in Exhibit AFW-4, page 2.

b. Explain in detail how EKPC determined that the sediment pond project does not require a Certificate of Public Convenience and Necessity from the Commission.

Response 7a. No. EKPC has not sold any scrubber waste by-products. Please note that the scrubbers are part of Spurlock Units 1 and 2, not Unit 4. Additionally, scrubber waste disposal costs are recovered in EKPC's base rates versus through the environmental surcharge mechanism.

Response 7b. EKPC considers this project to be an ordinary extension in the normal course of business; therefore, no CPCN is required. Sediment ponds at the Spurlock Landfill facility were designed as part of the site's solid waste disposal permitting activities. The ponds are required by the Kentucky Division of Waste Management through permit 401 KAR 45:110 for landfill operations to control surface water/sediment runoff. The ponds are required to control sediment migration from landfill construction and operations activities. The ponds retain sediment and control storm water runoff with discharge quality regulated through the Kentucky Division of Water's Kentucky Pollutant Discharge Elimination program permit. Please note that the cost of the sediment pond portion of the project is approximately $250,000.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

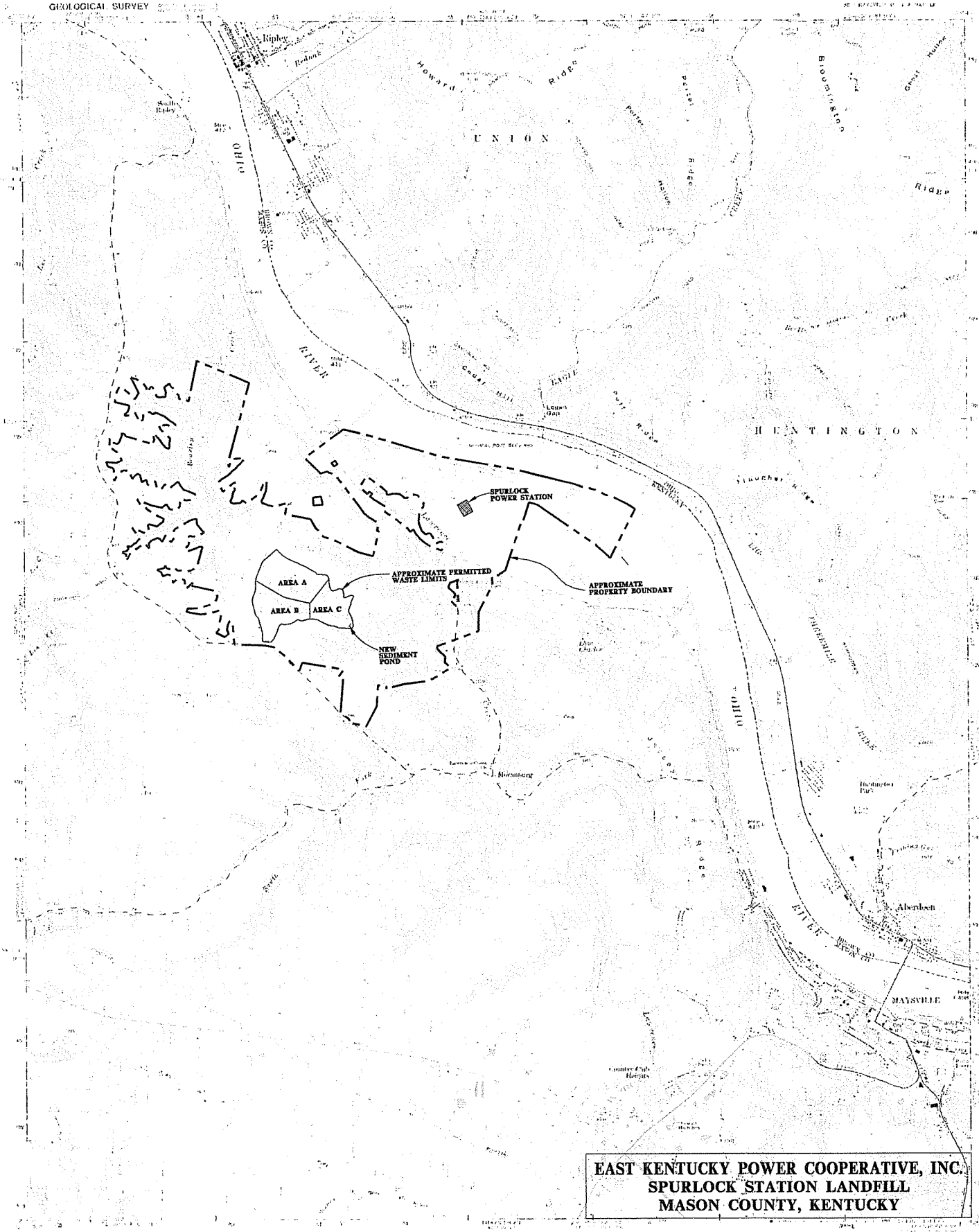
COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 8
RESPONSIBLE PERSON: **Craig A. Johnson**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 8. Regarding Project 12 - Spurlock Landfill Area C Expansion and Sediment Pond Construction, provide a map showing the location of the landfill and sediment pond and their relationship to the generating plant and surrounding area.

Response 8. Please see the diagram on page 2 of this response.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MAYSVILLE WEST QUADRANGLE
KENTUCKY-OHIO
7.5 MINUTE SERIES (TOPOGRAPHIC)



EAST KENTUCKY POWER COOPERATIVE, INC.
SPURLOCK STATION LANDFILL
MASON COUNTY, KENTUCKY

Produced by the United States Geological Survey
in cooperation with State of Kentucky Geological Survey
and State of Ohio agencies

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KENTUCKY GEOLOGICAL SURVEY, LEXINGTON, KENTUCKY 40506
AND KENTUCKY DEPARTMENT OF COMMERCE, FRANKFORT, KENTUCKY 40601

MAYSVILLE WEST, KY.-OHIO

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00083
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 04/29/10
REQUEST 9
RESPONSIBLE PERSON: **Mary Jane Warner and Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 9. Refer to Exhibit 3, Testimony of Mary Jane Warner, page 3.

a. Provide the costs of the new transformer and circuit breaker additions to the switchyard equipment being added as part of the Air Quality Control System ("AQCS") project at the Cooper Generating Station.

b. Provide the detailed components of the $58.9 million in estimated annual operating costs for the Cooper AQCS.

Response 9a . The equipment costs of the new transformers and circuit breaker are expected to be $1.3 M and $0.7M, respectively. These amounts exclude the cost of installation, which is unknown at this time.

Response 9b. The table below provides the detailed components of the $58.9 million in estimated annual operating costs.

Interest Expense	$	14.5
TIER (@ 1.35)		5.1
Depreciation		17.9
Taxes and Insurance		0.6
O&M		20.8
Total	$	58.9