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September 23, 2010

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PUBLIC SERVICE
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Jeff R. Derouen
Executive Director
Public Service Commission
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Frankfort, KY 40602-0615

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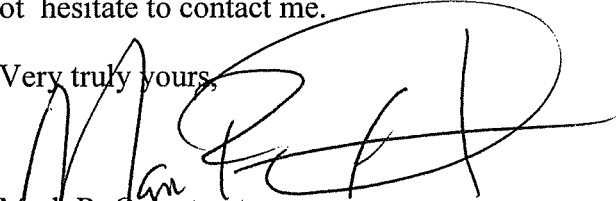
RE: P.S.C. Case No. 2010-00264 - Amended Answer to Item No. 8

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of Kentucky Power Company's amended answer to Item No. 8 of the Commission Staff's First Set of Data Requests. The answer was amended to modify the information concerning the two Trinity Coal Marketing, LLC contracts.

If you have any questions please do not hesitate to contact me.

Very truly yours,


Mark R. Overstreet

MRO

cc: Dennis G. Howard, II
Michael L. Kurtz

Kentucky Power Company

REQUEST

List all existing fuel contracts categorized as long-term (i.e., one year or more in length): Provide the following information for each contract:

- a. Supplier's name and address;
- b. Name and location of production facility;
- c. Date when contract was executed;
- d. Duration of contract;
- e. Date(s) of each contract revision, modification or amendment;
- f. Annual tonnage requirements;
- g. Actual annual tonnage received since the contract's inception;
- h. Percentage of annual requirements received during the contract's term;
- i. Base price in dollars per ton;
- j. Total amount of price escalations to date in dollars per ton; and
- k. Current price paid for coal under the contract in dollars per ton (i + j)

RESPONSE

Attached is a list of all existing fuel contracts categorized as long-term. Items a. through k. above are included in the attachment.

Please see the attached pages.

WITNESS: Kimberly K Chilcote

This response is provided for the time period of November 1, 2009 through April 20, 2010, and lists all pertinent fuel contract information requested. Please note that all contracts are fixed price and do not escalate based on price indices. The response to 'i' reflects the original price of the contract when first executed. The response to 'k' is the price of the contract at the end of the review period.

ARGUS ENERGY, LLC (Contract No. 07-903)

- a. Argus Energy LLC, P.O. Box 416, Kenova, WV 25530
- b. Bear Branch Mine in Lawrence County, KY and Kiah Creek Mine in Wayne County, WV
- c. January 1, 2007
- d. January 1, 2007 - December 31, 2011
- e. N o n e
- f. 240,000 tons in 2007 through 2008; 203,200 tons in 2009; 120,000 tons in 2010 and 2011

g&h.	<u>Year</u>	<u>Tons Received</u>	<u>Percent of Annual Requirements</u>
	2007	237,748*	99%
	2008	179,240	75%
	2009	210,426	104%
	2010	92,430	231%**

- i. \$51.75 FOB Plant.
- j. N o n e
- k. \$56.00 FOB Plant.

* Includes deliveries to synfuel processing.

**Based on requirements through April 2010

BEECH FORK PROCESSING (Contract No. 07-904)

- a. Beech Fork Processing, Inc., P.O. Box 190, Lovely, KY 41231
- b. Bear Branch Mine in Lawrence County, KY and Kiah Creek Mine in Wayne County, WV
- c. June 13, 2008
- d. January 1, 2008 - December 31, 2010
- e. N o n e
- f. 120,000 tons in 2008; 240,000 tons in 2009 and 2010

g&h.	<u>Year</u>	<u>Tons Received</u>	<u>Percent of Annual Requirements</u>
	2008	56,488	47%
	2009	306,533	128%
	2010	86,321	108%**

- i. \$49.00 FOB Plant; \$51.00 FOB Barge
- j. N o n e
- k. \$52.50 FOB Plant; \$53.25 FOB Barge

**Based on requirements through April 2010

BEECH FORK PROCESSING (Contract No. 08-901)

- a. Beech Fork Processing, Inc., P.O. Box 190, Lovely, KY 41231
- b. Bear Branch Mine in Lawrence County, KY
- c. June 13, 2008
- d. October 1, 2008 – March 31, 2012
- e. N o n e
- f. 180,000 tons in 2008; 450,000 tons in 2009; 360,000 tons in 2010 and 2011; 90,000 tons in 2012

<u>g&h.</u>	<u>Year</u>	<u>Tons Received</u>	<u>Percent of Annual Requirements</u>
	2008	0	0%
	2009	630,502	140%
	2010	122,415	102%**

- i. \$82.00 FOB Plant.
- j. N o n e
- k. \$74.00 FOB Plant. **Based on requirements through April 2010

ICG, LLC (Contract No. 07-901)

- a. ICG LLC, 300 Corporate Centre Drive Scott Depot, WV 25560
- b. Supreme Energy, Raven Mine, and Hazard Mine in Knott County, KY
- c. January 2, 2007
- d. January 2, 2007 - December 31, 2011
- e. N o n e
- f. 120,000 tons in 2007; 240,000 per year in 2008 through 2011

<u>g&h.</u>	<u>Year</u>	<u>Tons Received</u>	<u>Percent of Annual Requirements</u>
	2007	117,544	98%
	2008	196,336	82%
	2009	278,479	116%
	2010	81,873	102%**

- i. \$48.00 FOB Railcar.
- j. N o n e
- k. \$52.75 FOB Railcar.

**Based on requirements through April 2010

INR - WV (Contract No. 08-900)

- a. INR – WV Operating, LLC, 1700 Bayberry Court, Suite 201, Richmond, VA 23226
- b. Toney's Fork Mine in Logan county, WV and other mines operated by the seller or its affiliates in Logan, Boone, or Wyoming County, WV
- c. February 27, 2008
- d. May 1, 2008 – December 31, 2012
- e. N o n e
- f. 240,000 tons from May 1, 2008 through December 31,2008; 465,000 tons in 2009 and 360,000 tons per year in 2010 through 2012.

<u>g&h. Year</u>	<u>Tons Received</u>	<u>Percent of Annual Requirements</u>
2008	135,564	56%
2009	426,069	92%
2010	176,621	147%**

- i. \$70.00 FOB Railcar
- j. N o n e
- k. \$72.00 FOB Railcar

**Based on requirements through April 2010

MC MINING, LLC (Contract No. 07-908)

- a. MC Mining, LLC, 1717 South Boulder Ave, Suite 400, Tulsa, Oklahoma 74119
- b. MC Mining Mine in Pike County, KY
- c. December 28, 2007
- d. January 1, 2008 - December 31, 2009
- e. N o n e
- f. 120,000 tons in 2008; 240,000 per year in 2009

<u>g&h. Year</u>	<u>Tons Received</u>	<u>Percent of Annual Requirements</u>
2008	120,685	101%
2009	231,867	97%

- i. \$50.00 FOB Railcar.
- j. N o n e
- k. N/A- Contract Expired

RHINO ENERGY, LLC (Contract No. 07-909)

- a. Rhino Energy LLC, 3120 Wall Street, Suite 310, Lexington, KY 40513
 - b. Mine 25, 25A, 28, 30, Dorton E3, Damco #2, Mine 23A, Rob Fork Contour, 3 Mile, Marion Branch, Bevins Branch, and Island Creek in Pike County and Floyd County, KY
 - c. January 7, 2008
 - d. January 1, 2008 - December 31, 2009
 - e. N o n e
 - f. 120,000 tons per year in 2008 through 2009
- | g&h. Year | Tons Received | Percent of Annual Requirements |
|-----------|---------------|--------------------------------|
| 2008 | 101,973 | 85% |
| 2009 | 134,759 | 112% |
- i. \$47.50 FOB Railcar.
 - j. N o n e
 - k. N/A- Contract Expired

TRINITY COAL MARKETING, LLC (Contract No. 07-900)

- a. Trinity Coal Marketing LLC , 4978 Teays Valley Road, Scott Depot, WV 25560
 - b. Levisa Fork Mine in Floyd County, KY; Bear Fork Mine in Pike County, KY; Little Elk Mine in Breathitt, Knott, and Perry Counties, KY; Falcon Resources Mine in Boone County, WV
 - c. February 27, 2007
 - d. January 1, 2007 – December 31, 2010
 - e. Amendment 2010-1, dated April 27, 2010
 - f. 120,000 tons in 2007; 240,000 per year in 2008; 200,000 per year in 2009; 290,000 per year in 2010
- | g&h. Year | Tons Received | Percent of Annual Requirements |
|-----------|---------------|--------------------------------|
| 2007 | 119,819 | 100% |
| 2008 | 184,793 | 77% |
| 2009 | 193,924 | 97% |
| 2010 | 133,405 | 121%** |
- i. \$45.95 FOB Railcar; \$52.00 FOB Truck; \$55.50 Barge
 - j. N o n e
 - k. \$47.95 FOB Railcar; \$54.00 FOB Truck; \$57.50 Barge

**Based on requirements through April 2010

TRINITY COAL MARKETING, LLC (Contract No. 07-905)

- a. Trinity Coal Marketing LLC , 4978 Teays Valley Road, Scott Depot, WV 25560
- b. Prater Branch Mine in Floyd County, KY and Boone County WV; Falcon Resources Mine in Boone County, WV
- c. November 6, 2007
- d. January 1, 2008 – December 31, 2012
- e. Amendment 2010-1, dated April 27, 2010
- f. 120,000 per year in 2008; 200,000 per year in 2009; 290,000 per year in 2010; 240,000 in 2011; 240,000 in 2012

g&h. Year	Tons Received	Percent of Annual Requirements
2008	71,253	59%
2009	191,900	96%
2010	122,237	102%**

- i. \$47.00 FOB Railcar; \$53.00 FOB Truck; \$56.00 Barge
- j. N o n e
- k. \$50.50 FOB Railcar; \$56.50 FOB Plant (Truck); \$60.00 Barge

**Based on requirements through April 2010