COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY STATE BOARD ON
ELECTRIC GENERATION AND TRANSMISSION SITING

In the Matter of:

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| APPLICATION OF ECOPOWER GENERATION, LLC FOR A CERTIFICATE TO CONSTRUCT AND OPERATE A MERCHANT ELECTRIC GENERATING FACILITY AND A 69 KV TRANSMISSION LINE IN PERRY COUNTY, KENTUCKY | ) ) ) ) ) | CASE NO. 2009-00530 |

SITING BOARD STAFF'S FIRST DATA REQUEST
TO ECOPOWER GENERATION, LLC

Board Staff requests that ecoPower Generation, LLC ("ecoPower") file with the Board the original and six copies of the following information, pursuant to 807 KAR 5:001. If a requested document consists of 20 or more pages, ecoPower may file two copies. The information requested is due no later than April 5, 2010.

Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EcoPower shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which ecoPower fails or refuses to furnish all or part of the requested information, ecoPower shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. The organization Sourcewatch reports on its website[1] that the Schiller Unit 5 facility has had issues with adverse noise emissions:

> After the wood-burning boiler began operating, neighbors in Eliot, Maine (across the Picatagua River) began complaining about noise from the plant disrupting their daily lives. A private study conducted to measure noise levels found that noise from the plant exceeded Portsmouth limits. In October 2008, PSNH installed silencers in fans located in the boiler's air ducts, but removed the one in the 'induced draft' fan because of its negative impact on operations and emissions measuring. When PSNH representatives met with seventeen Eliot, ME residents in June 2009, the residents informed PSNH that they are woken up by the plant at night and have trouble holding conversations outside. The representatives told the residents that the company would replace the 'induced draft' fan's silencer and look into other options, but neglected to commit to any dates.

[1] http://www.sourcewatch.org/index.php?title=Schiller_Station. Last visited March 23, 2010.

a. Are there similarities between the generating facility proposed by ecoPower and the Public Service of New Hampshire Schiller Unit 5 facility that could result in similar noise emissions from the ecoPower facility once it is built and put into operation?

b. If there are such similarities between the Schiller Unit 5 and the ecoPower facilities, what mitigation measures does ecoPower propose to eliminate or reduce the noise emissions from its facility?

2. Refer to Section C, page 6 of the Review and Evaluation of ecoPower Generation, LLC Site Assessment Report, filed by BBC Research & Consulting ("BBC") in this matter on March 22, 2010. According to the BBC report, ecoPower has contracted with the city of Hazard to purchase up to a monthly average of 100,000 gallons of water per day. At Section C, page 14 of its report, BBC recommends that ecoPower "continue to evaluate water supply alternatives" to supply its process water requirements.

a. State whether ecoPower agrees with BBC's recommendation to continue to evaluate water supply alternatives. Explain.

b. Describe all actions that ecoPower is currently taking or plans to undertake to ensure an adequate water supply prior to the start of operations.

c. State the capacity of the city of Hazard's existing water treatment facilities.

d. State the average-day demand and maximum-day demand of the city of Hazard's water treatment facilities. State when the maximum-day demand occurred.

e. (1) State whether the city of Hazard must increase its water treatment plant capacity to meet ecoPower's water supply requirements.

(2) If the city of Hazard must increase its water treatment plant capacity:

(a) Describe the city of Hazard's present plans for adding capacity;

(b) Describe how the city of Hazard intends to fund such capacity additions; and

(c) Describe all agreements and arrangements between the city of Hazard and ecoPower regarding the funding of such capacity additons.

f. Provide a copy of the water supply agreement between the city of Hazard and ecoPower.

3. Refer to Exhibit J, Site Assessment Report ("SAR"). Have ecoPower or any of its principals, engineers, or management been involved in the development of similar biomass-fired power plants in other locations? If not, explain whether there are any other plants that are of similar scale and use similar technology and fuel sources.

4. Refer to Exhibit J. Have all technical reports and analyses supporting the SAR been included as sections, exhibits, or figures in your application? If not, provide that information.

5. Refer to Exhibit J, Figure J2 – Line of Sight Profile and Location Map. Provide labels for additional features on Figure J2 showing the site boundary, Highway 15, and existing development (homes or businesses).

6. Refer to Exhibit J, Figure J2 -- Line of Sight Profile and Location Map. Figure J2 shows approximate line of site in an east-northeasterly direction. Explain whether a similar evaluation was conducted in the south direction (or any other direction from the site).

7. Refer to Exhibit J, Section 1.2 – Surrounding Land Uses. The section indicates that the nearest resident's property is 3,000 feet from the project. Explain whether this represents the distance from the location of the stack, from the site boundary, or from some other reference point.

8. Explain whether ecoPower held any discussions with the management or owners of the Wendell H. Ford Airport and whether airport officials indicated any concerns regarding the proposed project.

9. Refer to Exhibit J, Section 1.4 – Proposed Access Control. Please describe planned access control and security at the site during construction to handle the large volume of temporary workers and materials shipments.

10. Refer to Exhibit J, Section 1.4 -- Proposed Access Control. Provide a clarification of the basis or rationale for the proposed methods for controlling access to the site. For example, do these reflect ecoPower's standard corporate policy or a security assessment that the company may have conducted?

11. Refer to Exhibit J, Section 1.7 – Existing or Proposed Utilities to Service the Project. Supplement the description of utility service to the site by indicating whether ecoPower has reached an agreement (or a preliminary agreement) with American Electric Power to provide power to the site and purchase generation from the facility.

12. Refer to Exhibit J, Section 1.7 – Existing or Proposed Utilities to Service the Project. Please describe plans for utility services during construction, including water, sewer, and electricity.

13. Refer to Exhibit J, Sections 1.9 – Evaluation of Noise Levels, and 4.0 – Anticipated Noise Levels at Property Boundary. Provide an explanation of the rationale behind the locations selected for noise measurement and the propagated noise level locations.

14. Refer to Exhibit J, Section 1.9 – Evaluation of Noise Levels, and 4.0 – Anticipated Noise Levels at Property Boundary. Provide an explanation of whether steam blows during the startup of the plant or other noises may arise outside of normal operations.

15. Provide a schedule indicating the projected construction workforce, by month, during project construction.

16. Refer to Exhibit J, Section 3.0 – Potential Changes in Adjacent Property Values. Provide an explanation of whether residential properties were reviewed as part of the Property Value Assessment.

17. Refer to Exhibit J, Section 5.0 – Road, Rail and Fugitive Dust. Clarify the following statement: "Access to the project will be by highway, predominantly Highway 15 and to a lesser extent, Highway 28." Provide an explanation of how or why Highway 28 would be used to access the site.

18. Refer to Figure 2. The conceptual site plan appears to show a number of facilities that are not identified in the list provided in Section 1.0 of the SAR (Description

of Proposed Facility), such as a baghouse, ash silos, etc. Explain whether Figure 2 provides the most comprehensive list of anticipated facilities and components.

19. Refer to Figure 4. Based on the "Graphic Scale" in Figure 4, the yellow circle in that figure appears to be two miles in diameter, or a one-mile radius from the stack. Provide an explanation of whether Figure 4 is correct or whether the circle actually depicts a one-mile radius rather than a two-mile radius.

20. Refer to Figures 3 and 4. Produce a figure, starting from the aerial photograph used in Figures 3 and 4, showing the following attributes only:

a. All existing and proposed site access and internal roads.

b. The labeled Industrial Park access from Ky. 15 and all existing road names.

c. The Industrial Park boundary and proposed ecoPower site boundary.

d. The location of the proposed stack.

e. The labeled properties occupied by: Sykes communication, AOD Transport, Weyerhaeuser, M.B. Lumber Company, American Woodwork, and Pine Branch Coal Sales.

21. Refer to Figure 5. Produce a figure, starting from the aerial photograph used in Figure 5, showing the following attributes only:

a. All existing and proposed site access and internal roads. Include the intersection of State Route 28 with State Route 15 and local roads between those state routes and the Industrial Park, using the same area as Figure 5.

b. The labeled Industrial Park access from Ky. 15 and all existing road names.

c. The Industrial Park boundary and proposed ecoPower site boundary.

d. The location of the proposed stack.

e. The labeled properties occupied by: Sykes communication, AOD Transport, Weyerhaeuser, M.B. Lumber Company, American Woodwork, and Pine Branch Coal Sales.

22. The Commission has encouraged its jurisdictional utilities that have "green power" programs to prioritize Kentucky-generated renewable energy credits when economically feasible. Provide the names of all utilities in Kentucky that have discussed the possible purchase of power generated or energy credits created using renewable energy resources.

23. Explain how the proposed plant is to be financed and whether firm financial commitments for financing have been received.

24. Refer to page 25 of the Application, Section 10, "Local Economic Impact," which contains a discussion of the economic impact of the proposed facility to property tax receipts.

a. Does ecoPower's discussion take into account approval from the Kentucky Economic Development Finance Authority ("KEFDA") for up to $15 million in tax incentives for ecoPower Generation?

b. If the discussion does not take into account the KEFDA tax incentives, describe any changes that should be made to pages 25-26 of the Application

under the subheading "Economic Impact to Property Tax Receipts" to more accurately reflect the impact of the KEFDA tax incentives on the project and its impact on the local economy.

25. The possibility of competition for wood waste by-products due to use as a biofuel, use in compressed wood raw materials, and for other reasons, has recently been the subject of discussion in the news. Explain whether the possibility of competition for the wood waste was considered in the siting decision for the proposed facility.

26. If, in the long term, ecoPower cannot obtain enough wood fuel or other biomass fuel, such as switchgrass, to effectively power the generating facility, will ecoPower seek to revise its air quality permit to allow the facility to burn traditional fossil fuels such as coal, oil, natural gas, or a combination of biomass and fossil fuel? Explain the answer in detail.

27. Exhibit G2, S&L Transmission Feasibility Study for Engle Substation, prepared by Sargent & Lundy, LLC, reviews the feasibility of injecting 50 MW of electricity at American Electric Power's Engle 69 kV substation. Page 1 describes some of the basic assumptions made in running the model. Explain the reasoning behind running the model utilizing a 2012 summer base case.

28. Kentucky Power is a winter-peaking utility. Would you expect significantly different outcomes to the transmission feasibility study if a winter base case was used?

29. An assumption on page 1 of the transmission feasibility study states that the 50 MW block is transferred evenly in four directions to the neighboring control areas.

If the block is transferred wholly to one control area, how would that affect Kentucky Power's system?

30. Provide a copy of the initial phase of PJM's January 31, 2010 feasibility study.

31. When does ecoPower estimate the final two stages of the PJM Feasibility Study will be completed?

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DATED: MAR 2 6 2010

cc: Parties of Record

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