

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER)	2022-00264
COOPERATIVE, INC. FROM NOVEMBER 1, 2021)	
THROUGH APRIL 30, 2022)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. (EKPC), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on October 28, 2022. The Commission directs EKPC to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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 the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

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

Careful attention shall 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. When filing a paper containing personal information, EKPC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Direct Testimony of Mark Horn (Horn Testimony), page 5, lines 8–15. Explain the differences between Traditional Spot purchases, Emergency Spot Purchases, and Test Spot Purchases. Include in the response the circumstances dictating each type of purchase and the differences, if any, in how EKPC executes a contract.

2. Refer to the Direct Testimony of Julia J. Tucker (Tucker Testimony), page 2, lines 18–21.

a. Provide examples of the changes made by PJM Interconnection, Inc. (PJM) to its business rules and the stakeholder concerns that helped to commence these changes.

b. Explain when these changes were made and whether they occurred during the period under review.

3. Refer to the Tucker Testimony, page 2, lines 21–24, and page 3, lines 1–8.

a. Explain in greater detail the term “implied heat rate” and how that has prompted EKPC to begin purchasing forward physical gas. Include in the response how this new practice has proven more economical than purchasing forward energy products.

b. If markets are efficient, explain whether EKPC would expect market arbitrage to narrow or eliminate the economic benefit and thus make this a short-term practice.

4. Refer to the Tucker Testimony, page 3, lines 17–18. Explain why Bluegrass 3 can be offered into the PJM energy market daily at EKPC’s discretion unlike EKPC’s other generating units.

5. Refer to the Tucker Testimony, page 3, line 22. When a unit is in reserve stand-by and ready for dispatch, explain how the unit is actually operating during that time. For example, whether the unit is generating energy and would have to be started prior to being dispatched.

6. Refer to EKPC’s response to Commission Staff’s First Request for Information (Staff’s First Request), Item 3. Explain whether at any point during the period under review, the coal inventory level for Cooper and Spurlock fell below the units’ target

range. If so, provide the coal inventory level for the Cooper and Spurlock units when they fell below the target inventory.

7. Explain whether EKPC was subjected to any performance penalties by PJM during the period under review.

8. For each month of the review period, provide the total amount of fuel related cost that occurred during a forced outage that was disallowed pursuant to 807 KAR 5:056, or EKPC was unable to collect via any other means.



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Public Service Commission
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DATED OCT 14 2022

cc: Parties of Record

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