

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF LOUISVILLE GAS & ELECTRIC	)	2016-00233
COMPANY FROM NOVEMBER 1, 2015 THROUGH	)	
APRIL 30, 2016	)	

NOTICE OF FILING

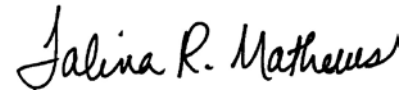
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on November 9, 2016 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on November 9, 2016 in this proceeding;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on November 9, 2016.

A copy of this Notice, the certification of the digital video record, hearing log, and exhibits have been electronically served upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at [http://psc.ky.gov/av\\_broadcast/2016-00230-thru-00254/2016-00230-thru-00254\\_09Nov16\\_Inter.asx](http://psc.ky.gov/av_broadcast/2016-00230-thru-00254/2016-00230-thru-00254_09Nov16_Inter.asx).

. Parties wishing an annotated digital video recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 17<sup>th</sup> day of November 2016.



---

Talina R. Mathews  
Executive Director  
Public Service Commission of Kentucky

Honorable Allyson K Sturgeon  
Senior Corporate Attorney  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

Rick E Lovekamp  
Manager - Regulatory Affairs  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

Robert Conroy  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

Louisville Gas and Electric Company  
220 W. Main Street  
P. O. Box 32010  
Louisville, KY 40232-2010

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	
CLAUSE OF LOUISVILLE GAS & ELECTRIC	)	CASE NO.
COMPANY FROM NOVEMBER 1, 2015	)	2016-00233
THROUGH APRIL 30, 2016	)	

CERTIFICATE

I, Pamela Hughes, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on November 9, 2016. Hearing Log and Witness List are included with the recording on November 9, 2016.

2. I am responsible for the preparation of the digital recording.

3. The digital recording accurately and correctly depicts the Hearing of November 9, 2016.

5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the Hearing of November 9, 2016, and the time at which each occurred.

Signed this 15<sup>th</sup> day of November, 2016.



\_\_\_\_\_  
Pamela Hughes, Notary Public  
State at Large

My Commission Expires: April 22, 2019



# Session Report - Detail

2016-00230 thru 2016-00235  
09NOV2016

Kentucky Power; EKPC;KU;LG&E;  
Duke;Big Rivers

Date:	Type:	Location:	Department:
11/9/2016	Fuel Adjustment Clause	Hearing Room 1	Hearing Room 1 (HR 1)

Judge: Bob Cicero; Dan Logsdon; Michael Schmitt  
 Witness: Tim Abbott; Lawrence Baronowsky; Scott Burnside; Michelle Carpenter; Nicholas Castlen; Theodore Czupik;  
 Mike Dotson; Mark Horn; Craig Johnson; Mark McAdams; David Mell; Daniel Moyer; Wayne O'Bryan; Brett Phipps; Derek  
 Rahn; John Rogness; Eileen Saunders; Charles Schram; John Swez; Julia Tucker; John Verderame; Don Wathen; Charles  
 West; Stuart Wilson; Patrick Woods  
 Clerk: Pam Hughes

Event Time	Log Event
8:29:26 AM	Session Started
8:29:29 AM	Session Paused
9:00:29 AM	Session Resumed
9:00:33 AM	Chairman Michael Schmitt Note: Hughes, Pam Introductions of Commissioners Dan Logsdon and Robert Cicero
9:01:08 AM	Chairman Schmitt Note: Hughes, Pam Explains the reason for the FAC hearings
9:01:23 AM	Case No. 2016-00231 EKPC Note: Hughes, Pam Witnesses and Counsel called forward
9:02:07 AM	Atty. David Samford for EKPC
9:02:20 AM	Atty's Molly Katen and John Park for PSC Staff Note: Hughes, Pam Introduces Financial Analysis Staff Matthew Bear and Chris Whelan.
9:02:34 AM	Chairman Michael Schmitt Note: Hughes, Pam Explains that outstanding confidentiality motions will be addressed at a later date.
9:03:02 AM	Notice was filed and there are no outstanding motions.
9:03:20 AM	No Public present for comment
9:03:59 AM	Atty David Samford introduces EKPC's witnesses Note: Hughes, Pam Mark Horn, Patrick Woods, Craig Johnson, Julia Tucker, Michelle Carpenter.
9:04:14 AM	Chairman Michael Schmitt swears in EKPC's witnesses
9:04:35 AM	Atty Samford direct exam of EKPC's witnesses. Note: Hughes, Pam No changes to any responses or direct testimony.
9:06:43 AM	PSC atty Katen cross exam and response by Witness Mark Horn Note: Hughes, Pam Response Staff's Aug. 12, 2016 Request for Info Item 4, coal units. Note: Hughes, Pam Post data hearing requests.
9:07:29 AM	PSC atty Katen cross exam and response by Witness Julia Tucker Note: Hughes, Pam Item 5 of Staff's Aug. 12, 2016 data request.
9:08:35 AM	PSC atty Katen cross exam and response by Witness Michelle Carpenrter Note: Hughes, Pam Info request item 36-41 of response, Note: Hughes, Pam Will provide answer in a Post Hearing Data Request.
9:09:25 AM	PSC atty Katen cross exam and response by Witness Craig Johnson Note: Hughes, Pam Item 7 of Data Request, pages 2 & 3 of 55.
9:10:39 AM	PSC atty Katen cross exam and Response by Witness Craig Johnson Note: Hughes, Pam Page 7 of response to Staff's Data Request. Maintenance outages, Spurlock unit 4
9:11:36 AM	PSC atty Katen cross exam and response of Witness Craig Johnson Note: Hughes, Pam Referencing pages 11 & 12 of response. Smith units 4 and 5 upgrades.

9:12:57 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Pages 13 & 14 of response - Smith units 6 & 7.

9:14:03 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Referencing pages 18 & 19 of responses- BG units 2 & 3 outages

9:15:15 AM PSC atty Katen cross exam and response by Witness Julia Tucker  
Note: Hughes, Pam Referencing BG units purchased for winter loads.

9:15:28 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Referencing problems with units in cold conditions.

9:15:48 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Referring to pages 20-55 of responses. Outages for landfill gas units.

9:16:38 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Post hearing data request of analysis showing if it is economic to continue to operate these units.  
Note: Hughes, Pam Question if it is still economic to operate these units.

9:17:20 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Glasgow landfill unit pages 51-55

9:18:00 AM PSC atty Katen cross exam and response by Witness Mark Horn  
Note: Hughes, Pam EKPC's item 8, page 2 of 7- shortfalls and will they be made up.

9:19:02 AM PSC atty Katen cross exam and response by Witness Mark Horn  
Note: Hughes, Pam Provide in a Post Hearing Data Request.  
Note: Hughes, Pam Item 9 response. Ventrax coal pricing-data for April 2016.

9:19:44 AM PSC atty Katen cross exam and response by Witness Craig Johnson  
Note: Hughes, Pam Item 11-c of Data Request. Dale stations-all units are closed

9:20:27 AM PSC atty Katen cross exam and response by Witness Mark Horn  
Note: Hughes, Pam Referencing as to why EKPC keeps supply of coal at Dale stations

9:20:53 AM PSC atty Katen cross exam and response by Witness Mark Horn  
Note: Hughes, Pam Response item 19 of Staff's request, page 2. Provide in post data request

9:21:36 AM PSC atty Katen cross exam of Mark Horn  
Note: Hughes, Pam Staff's 3rd request for info, item 1. Why not filing monthly reports

9:22:43 AM PSC atty Katen cross exam and response by Witness Julia Tucker  
Note: Hughes, Pam EKPC's responses to Item 2 of staff's 3rd request.

9:23:58 AM PSC atty Katen cross exam and response by Witness Julia Tucker  
Note: Hughes, Pam Referring to fuel costs of bringing units online at time of outage.

9:24:33 AM Chairman Schmitt gives EKPC to Nov 16, 2016 to provide PHDR  
Note: Hughes, Pam Post Hearing Data Request - Request 4; Request 6; Request on report; Request 9 ventix coal cost; bid selection item 19.

9:26:24 AM Chairman Schmitt  
Note: Hughes, Pam Excuses EKPC from the stand and adjourns that hearing.

9:26:56 AM Case No.'s 2016-00232 and 2016-00233  
Note: Hughes, Pam KU/LG&E

9:27:41 AM Attys. Allyson Sturgeon and Sara Veeneman for KU & LG&E

9:28:08 AM PSC Attys Katen and Park introduce themselves.

9:28:17 AM Public Notice has been given

9:28:24 AM Chairman Schmitt  
Note: Hughes, Pam motions for confidentiality will be ruled at later time

9:28:52 AM Chairman Schmitt asks for outstanding motions  
Note: Hughes, Pam No outstanding motions

9:29:00 AM No Public Comments

9:29:30 AM Atty Veeneman introduces witnesses  
Note: Hughes, Pam Charles Schram, Stuart Wilson, Eileen Saunders, Mike Dotson, Derek Rahn.

9:29:43 AM Chairman Schmitt swears in KU/LG&E's witnesses

9:30:00 AM Atty. Veeneman-Direct exam of KU/LG&E witnesses  
Note: Hughes, Pam Mike Dotson makes one correction to KU's response to initial Data Request, item 1.  
Note: Hughes, Pam Eileen Saunders- swears her responses - 1 correction under KU question 7. page 3 of 4. Enters into the record KU/LGE exhibit 1

9:34:34 AM Chairman Schmitt notes that KU/LG&E exhibit 1 has been admitted into the record.

9:34:47 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam LG&E's response to item 4 of Staff's Aug. 12, 2016 request for info. This will be provided in a Post Hearing Data Request.

9:35:20 AM Atty Katen cross exam and response by Witness Stewart Wilson  
Note: Hughes, Pam LG&E's response to item 5 of same request.  
Note: Hughes, Pam Will provide in a Post Hearing Data Request

9:36:18 AM Atty Katen cross exam and response by Witness Eileen Saunders  
Note: Hughes, Pam Companies response to item 7, page 3. Patty's Run.

9:37:35 AM Atty Katen cross exam and response by Witness Eileen Saunders  
Note: Hughes, Pam LGE response pages 2-3 item 7  
Note: Hughes, Pam Will provide in Post Hearing Data Request.

9:38:34 AM Atty Katen cross exam and response by Witness Eileen Saunders.  
Note: Hughes, Pam Provide in Post Hearing Data Request.  
Note: Hughes, Pam KU page 4 and LG&E page 3-4, item 7. Trimble unit 7 & 8.

9:39:41 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam page 8 for KU, item 8

9:41:57 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referring to pages 20 - 21 KU and 17-18 for LGE. Sections i, j, k responses

9:43:01 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referring to pages 23, 29, 30 for KU and 19, 25, 26 for LGE

9:43:52 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referring to pages 26 and 32 for KU and 22 & 28 for LGE

9:45:27 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referring to either Company's response to item 11 e.1 of Data Request. Minor adjustments to inventory targets

9:46:34 AM Atty Katen cross exam and response by Witness Charles Schram  
Note: Hughes, Pam Staff's 3rd request, item 2 for both companies. Automatic generation control.

9:48:54 AM Atty Katen cross exam and response by Witness Charles Schram  
Note: Hughes, Pam Referring to calculations for substitute practice,

9:49:32 AM Atty Katen cross exam and response by Witness Stuart Wilson  
Note: Hughes, Pam KU response to item 4 of Staff's August 2016 Data Request

9:50:42 AM Atty Katen cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam PRB coal high sulfur coal

9:51:14 AM Atty Katen cross exam and response by Witness Eileen Saunders  
Note: Hughes, Pam Response to item 4. EW Brown plant, KU item 7, pg 1

9:52:20 AM Atty Katen cross exam and response by Witness Charles Schram  
Note: Hughes, Pam referring to outages from March to April

9:53:10 AM Atty Katen cross exam and response by Witness Charles Schram  
Note: Hughes, Pam Page 1 of item 7- Brown unit 3 and Ghent unit 3 outages. Post Hearing DR will be provided.

9:54:16 AM Atty Katen cross exam and response by Witness Charles Schram  
Note: Hughes, Pam Ghent unit 1 forced outages and how long it takes the unit to ramp up.

9:54:53 AM Atty Katen cross exam and response by Witness Charles Schram  
Note: Hughes, Pam KU response item 27 to DR - section b.2



9:56:04 AM Vice Chair Cicero cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referring to Dat Request 1, response item 8, 26 - 32. Contracts and pricing

9:59:43 AM Vice Chair Cicero cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referring to what % are fixed contracts

10:01:45 AM Vice Chair Cicero cross exam and response by Witness Mike Dotson  
Note: Hughes, Pam Referencing as to why enter contract with guaranteed price increases.

10:03:31 AM Vice Chair Cicero asks for Post Hearing Data Request  
Note: Hughes, Pam For what the fixed % increase represent

10:04:04 AM Commissioner Logsdon and response by Witness Eileen Saunders.  
Note: Hughes, Pam Texas gas contracts.

10:04:52 AM Commissioner Logsdon cross exam and response by Witness Charles Schram  
Note: Hughes, Pam Brown station, provide power purchases by the month

10:05:33 AM Atty. Veeneman redirect to Witness Mike Dotson  
Note: Hughes, Pam From Vice Chairman- we do file coal contracts to the Commission.

10:06:41 AM Chairman Schmitt gives to Nov 23rd to provide PHDR.  
Note: Hughes, Pam PHDR\_ - Quantity burn and capacity, how was LGE KU shared, Patty's Run unit 11, Trimble co unit 8 generation protection upgrade, why LG&E getting tonage, Item 7, page 1 outages at Brown and Ghent purchased power, Cicero % total purchase have fixed increase.

10:09:15 AM Chairman Schmitt adjourns KU & LG&E

10:10:22 AM Case No. 2016-00234 Duke Energy  
Note: Hughes, Pam Chairman calls counsel and witnesses forward.

10:11:40 AM Atty Rocco D'Ascenzo for Duke Energy

10:12:03 AM Public notice has been given

10:12:14 AM Chairman Schmitt  
Note: Hughes, Pam Referring to rulings on outstanding confidential motions.

10:12:49 AM No outstanding motions

10:12:56 AM No Public comments

10:13:12 AM Atty. D'Ascenzo introduces witnesses for Duke Energy.  
Note: Hughes, Pam John Swez, Brett Phipps, Scott Burnside, Ted Czupik, Jr., John Verderame, Tim Abbott and Don Wathan.

10:13:31 AM Chairman Schmitt swears in Duke Energy's witnesses  
Note: Hughes, Pam Duke Witnesses stand to be sworn

10:13:48 AM Atty Rocco D'Ascenzo direct exam of witnesses  
Note: Hughes, Pam Brett Phipps, managing director- makes changes. Initial Request, question 8, page 2. H- stated it was 74.4% , it is now 113.7 % pro rata amounts thru April.

10:15:54 AM Atty Rocco D'Ascenzo direct exam of Witness Ted Czupik  
Note: Hughes, Pam Ted Czupik swears his responses to be true with changes. Staff initial DR item 4-changed capacity factor, Staff DR6 revisions and have been filed into the record.

10:19:36 AM Atty Park cross exam and response by Witness Brett Phipps  
Note: Hughes, Pam Referencing response to item 4 of Aug. 12, 2016 Staff's request.

10:20:30 AM Atty Park cross exam and response by Witness John Swez  
Note: Hughes, Pam Referencing outages scheduled versus non-scheduled.

10:21:32 AM Atty Park cross exam and response by Witness John Swez  
Note: Hughes, Pam Referring to response to outage SFC failure and what that stands for.

10:22:09 AM Atty Park cross exam and response by Witness Brett Phipps  
Note: Hughes, Pam Duke's response to Staff's request in August, item 8, page 1 & 2.

10:22:58 AM Atty Park cross exam and response by Witness Brett Phipps  
Note: Hughes, Pam Referring to responses on pages 3 & 4, item 8.



10:23:26 AM Atty Park cross exam and response by Witness Brett Phipps  
Note: Hughes, Pam Status as of October 31st is 97.6% recieved.  
Note: Hughes, Pam 2017 requirements 1 million tons of coal. Finalizing before year end

10:24:59 AM Atty Park cross exam and response by Witness Brett Phipps.  
Note: Hughes, Pam 100% coal delivered is by barge, are there issues that could deliver to east bend unit. There have been delays but no disruptions

10:25:54 AM Atty Park cross exam and response by Witness Tim Abbott  
Note: Hughes, Pam Staff's 2nd request item 4. Load miscalculation PJM

10:26:58 AM Atty Park cross exam and response by Witness Czupik and Witness Abbott  
Note: Hughes, Pam Referring to the rate impact on Duke rate payers. Can provide in post hearing DR  
Note: Hughes, Pam When did Duke become aware of this error. Tim Abbott responded

10:28:14 AM Atty Park cross exam and response by Witness Ted Czupik  
Note: Hughes, Pam Referring to Duke's intention of refunding the PJM settlement error to the rate payers

10:29:09 AM Atty Park cross exam and response by Witness Don Wathan  
Note: Hughes, Pam Response to Staff's 3rd request item 2---refunds to ratepayers

10:30:48 AM Atty Park cross exam and response by Witness Scott Burnside  
Note: Hughes, Pam Staff's 3rd request, item 4. 4.1 million dollar net rate payer impact

10:33:54 AM Vice Chairman Cicero cross exam and response by Witness Ted Czupik  
Note: Hughes, Pam With regard to 4.1 million- Dec 2015 FAC case load miscalculation and refunding.  
Note: Hughes, Pam Ted Czupik responded- 2015 lost opportunity costs to PJM included on invoice. Were then told about 2 year window for review.

10:42:34 AM Vice Chairman Cicero request Post Hearing Data Request  
Note: Hughes, Pam regarding the refund of 4.1 million, minus order of commission to do so.

10:43:07 AM Chairman Schmitt cross exam and response by Witness Don Wathan  
Note: Hughes, Pam Referring to how Duke personell made the errors of 4.1 million, the customers made no mistake in this and Duke recieved this money due to errors on their own part.

10:45:16 AM Atty D'Ascenzo re-direct to Witness Abbott  
Note: Hughes, Pam When did Duke Energy reach out to PJM to notify of error of the 4.1 million dollars?

10:46:10 AM Atty D'Ascenzo redirect to Witness Tim Abbott  
Note: Hughes, Pam Process required by PJM for refund and resettlement

10:47:15 AM Atty D'Ascenzo re-direct to Witness Ted Czupik  
Note: Hughes, Pam Referring to Calculating monthly FAC

10:48:12 AM Atty D'Ascenzo redirect to Ted Czupik  
Note: Hughes, Pam Referring to when did Duke reached out to the Commission concerning error. Dec 2015, had Duke attempted to make adjustment. Commission staff did not allow Duke to make this adjustment.

10:50:46 AM Atty D'Ascenzo redirect to Witness Ted Czupik  
Note: Hughes, Pam Result of conversation with Staff about credits thru the PSM,  
Note: Hughes, Pam June 2013 to December 2014, credits in PSM

10:52:21 AM Atty D'Ascenzo redirect Witness Don Wathan  
Note: Hughes, Pam Referencing the financial impacts of PSM not permitted to be resettled

10:53:25 AM Atty Park redirect to Witness Ted Czupik  
Note: Hughes, Pam Requests Post Hearing Data Request of net of all charges and credits in regards to the 4.1 million error.

10:54:39 AM Vice Chairman redirect to Atty D'Ascenzo and response by Witness Don Wathan  
Note: Hughes, Pam Referring to it being a Fair and resonable thing to do because an error had made inadvertently on Duke's end. PJM proceeded after the Commission had entered their Order.

10:59:35 AM Vice Chairman statement to Duke  
Note: Hughes, Pam Request wanted, statement from Duke as far as prior period being reopened and full refund or half.

11:00:36 AM Commissioner Logsdon cross exam and response by Witness Ted Czapik  
Note: Hughes, Pam Referring as to why didn't the Commission get notified before talking to PJM about this error concerning the 4.1 million.

11:01:37 AM Atty D'Ascenzo redirect to Witness Abbott  
Note: Hughes, Pam Dates discussions with PJM were immediately after the error was found after March 2015.

11:07:12 AM Chairman Schmitt gives Duke to Nov 23 for Post Hearing Data Request  
Note: Hughes, Pam PHDR\_ DR 1st 4 gas units, provide FAC impacts of resettlement, What Duke's intention given absence Order from Commission what is Dukes intention of refunding the 41 millin, net bottom line of refund, timeline when 4.1 million became known to Duke and when they notified the Commission. When knew from PJM that they would get the money back from PJM, date learned its application for refund had been approved.

11:10:57 AM Chairman Schmitt adjourns Duke Energy

11:11:02 AM Chairman Schmitt calls for a 10 minute break.

11:11:22 AM Session Paused

11:23:37 AM Session Resumed

11:23:40 AM Case No. 2016-00235 - Big Rivers

11:24:06 AM Atty, Tyson Kamuf for Big Rivers  
Note: Hughes, Pam Public Comment has been given

11:24:16 AM Atty. John Park - PSC

11:24:43 AM Chairman Schmitt  
Note: Hughes, Pam Motions for Confid.

11:25:00 AM No Public Comments

11:25:26 AM Atty. Kamuf introduces witnesses for Big Rivers  
Note: Hughes, Pam Lawrence Baronowsky, Nicholas Castlen, Mark McAdams, Wayne O'Bryan

11:25:45 AM Chairman Schmitt  
Note: Hughes, Pam Witnesses are sworn

11:25:59 AM Atty Tyson Kamuf direct exam of witness, no changes to testimony or responses

11:27:32 AM Atty Park cross exam and response by Witness Wayne O'Bryan  
Note: Hughes, Pam Refer to Staff's Aug. 12, 2016 request for information, item 5, pg 1 of 5 of Staff's DR-Dam safety issues of Wolfe Creek repairs

11:29:23 AM Atty Park cross exam and response by Witness Wayne O'Bryan  
Note: Hughes, Pam Referring to response to item 5, pages 4 and 5. Why confidential treatment of some material but not to others.

11:30:14 AM Atty John Park cross exam and response by Witness Nicholas Castlen  
Note: Hughes, Pam Responses to August 2016, item 6 - 1st 18 pages. Atty Kamuf responds to question also.

11:31:45 AM Atty John Park cross exam and response by Witness Lawrence Baronowsky  
Note: Hughes, Pam Referring to Big Rivers response item 7 of Aug 2016 request. Item 1 of 14 of attachment. Age of coal unit

11:32:49 AM Atty John Park cross exam and response by Witness Lawrence Baronowsky  
Note: Hughes, Pam Referring to page 8 of 14, Green unit 1, forced outage.

11:33:23 AM Atty John Park cross exam and response by Witness Lawrence Baronowsky  
Note: Hughes, Pam Referring to response on page 9 of 14, outage of Green due to operator. How long does this unit take to re amp

11:34:26 AM Atty Park cross exam and response by Witnessf Mark McAdams  
Note: Hughes, Pam Referring item 8 of Staff's request. pages 3 thru 6 of 15.  
Note: Hughes, Pam Post hdr

11:35:44 AM Atty Park cross examand response by Witness Mark McAdams  
Note: Hughes, Pam Referring to page 8 of 15, section j. Contract of escalation and de-escalation in regards to diesel fuel

11:36:52 AM Atty Park cross exam and response by Witness Mark McAdams  
Note: Hughes, Pam Referring to response to item 11.d of Staff's request of Aug 2016.

11:37:38 AM Atty Park cross exam and response by Witness Mark McAdams  
Note: Hughes, Pam Referring to Big Rivers excess inventory plan

11:38:28 AM Atty Park cross exam and response by Witness Nicholas Castlen  
Note: Hughes, Pam Referring to staff's 3rd request item1. Details on calculations on forced outages.

11:39:23 AM Chairman Schmitt gives to Nov 16 for Post Hearing Data Request  
Note: Hughes, Pam 2011 Pricing information

11:39:57 AM Chairman Schmitt adjourns Big Rivers

11:40:37 AM Case No. 2016-00230 Kentucky Power Company

11:41:05 AM Chairman Schmitt calls for introductions  
Note: Hughes, Pam Mark Overstreet for KY Power and John Park and Molly Katen for PSC

11:41:35 AM Public notice has been given

11:41:47 AM Chairman Schmitt  
Note: Hughes, Pam Pending confidentiality motions will be looked at.

11:42:21 AM No outstanding motions

11:42:31 AM No Public comment

11:42:49 AM Atty. Overstreet intrudes witnesses for Kentucky Power Co.  
Note: Hughes, Pam David Mell, Daniel Moyer, John ROgness, Charles West

11:43:17 AM Chairman Schmitt swears in witnesses

11:43:29 AM Atty Overstreet direct exam of Witnesses  
Note: Hughes, Pam Charles West- manager for American Power,has one correction to Item 1-8, long term coal contracts. 1st 6 contracts should be FOB barge.

11:45:07 AM Atty Overstreet to Witness Rogeness  
Note: Hughes, Pam John Rogness swears to his responses and makes 2 changes. Staff's 1st data request 2nd para. Insert and firm transportation service into the sentence. 2nd correction in 3rd dr in heading 2nd line typo. Commission Staff 3rd set of DR's.

11:47:53 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Referring to item 3 of Staff's Aug. 12, 2016 Data Request.

11:49:29 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Referring to KY Power set % of wanting to have coal in place.

11:50:04 AM Atty Park cross exam and response by Witness Daniel Moyer  
Note: Hughes, Pam KY Powers' response to item 4 of Staff's Aug 12th Data Request.

11:50:37 AM Atty Park cross exam and response by Witness John Rogness  
Note: Hughes, Pam Referring to item 5 of Staff's Aug DR. Purchases and sales commitments

11:51:15 AM Atty Park cross exam and response by Witness John Rogness  
Note: Hughes, Pam Referring to responses item 6 to Aug DR, excel spreadsheet tab Nov 2015.  
Note: Hughes, Pam Staff requests Post Hearing Data Request- reconsilliation request

11:52:45 AM Atty Park cross exam and response by Witness David Mell  
Note: Hughes, Pam Referring to Staff's request item 7, 1 of 3.

11:53:20 AM Atty Park cross exam and response by Witness Daniel Moyer  
Note: Hughes, Pam Referring to Staff's request, page 2 of 3, Mitchell forced outage unknown.

11:54:26 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Referring to attachment to Data Request item 8, pages 1 & 2 of 4. Post Hearing Data Request needed on this issue

11:55:58 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Referring to item 10 of Aug 12, 2016 Data Request.  
Note: Hughes, Pam PHDR about conveyor belt

11:57:34 AM Atty Park cross exam and response by Witness Daniel Moyer  
Note: Hughes, Pam Referring to owner of conveyor belt

11:57:55 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Least cost bid on contracts.

11:59:01 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Referring to term of contract entered in 2015. Goes thru 2021

11:59:30 AM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam Post Hearing DR to confirm this information.  
Note: Hughes, Pam Is the conveyor belt on KY Power's side shared?

12:00:34 PM PSC exhibit 1  
Note: Hughes, Pam Analysis of Coal purchases

12:01:02 PM Atty Park cross exam and response by Witness Chuck West  
Note: Hughes, Pam PSC exhibit 1- Is 90-93 an error? Post Hearing Data Request needed

12:02:22 PM Atty Park cross exam and response by Witness John Rogness  
Note: Hughes, Pam KY Powers response to Staff's DR on Aug 17. Item 1 b.2

12:05:40 PM Atty Park cross exam and response by Witness Rogness  
Note: Hughes, Pam Peaking methodology highest cost calculation

12:06:03 PM Atty Park cross exam and response by Witness Rogness  
Note: Hughes, Pam Referring to item 3.a in Staff's 1st(?) request. Provide Post Hearing Data Request

12:09:09 PM Atty Park cross exam and response by Witness Rogness  
Note: Hughes, Pam Does KY Power always use purchased power in a forced outage situation?

12:11:28 PM Atty Park cross exam and response by Witness Rogness  
Note: Hughes, Pam If unit is forced out of power can KY Power use another unit?

12:14:36 PM Atty Park cross exam and response by Witness Rogness  
Note: Hughes, Pam Referring to response to Staff's 3rd request, item 3.

12:15:12 PM Atty Park cross exam and response by Witness Rogness  
Note: Hughes, Pam Referring to response to Staff's 2nd request, item 2, b.3 PHDR for calculations by month from Nov 2015 thru June 2015

12:16:32 PM Vice Chairman cross exam and response by Witness West  
Note: Hughes, Pam Referring to long term coal contract to Mitchell unit.

12:20:20 PM Vice Chairman cross exam and response by Witness Rogness  
Note: Hughes, Pam PHDR between staff and KY Power of understanding of how calculations are made in an Informal Conference.  
Note: Hughes, Pam Calculations concerning forced outages and substitute power.

12:24:09 PM Atty Overstreet redirect to Witness Rogness  
Note: Hughes, Pam Concerning CO's response to staff 1-5. Firm power sales

12:25:47 PM Chairman Schmitt gives to Nov 23, 2016 for PHDR  
Note: Hughes, Pam PHDR- response to 1-6 Nov amount reconcile or explain; item 8 2nd and 3rd alpha contracts tons shipped in 2015 but didn't take place until Jan 2016; item 1-10 conveyor belt from mine to Mitchell belt when built and ownership; PSC exhibit 1 delivered cost per ton March 2016 compared to Feb and April and if it affected the calculation of the FAC; Staff 3-3 when the company started using peaking method for forced outages; Nov 2014 to June 2015 calculations of additional outages; Understanding impact April and October Orders about forced outages.

12:30:55 PM	Chairman Schmitt adjourns Kentucky Power hearing	
12:31:23 PM	Session Paused	
12:31:39 PM	Session Resumed	
12:32:26 PM	2016-00234 Duke Energy KY	
	Note: Hughes, Pam	Atty A'Cenzo to advise on the record
12:33:01 PM	Atty D'Ascenzo to Witness Wathan	
	Note: Hughes, Pam	Impact of the 4.1 million on the customers
	Note: Hughes, Pam	Resonse to 3rd set of DR's. Willingness to voluntarily to offer PJM's re-settlement. Duke agrees to voluntarily refund the 4.1 million without asking to visit the 2 year window.
12:35:12 PM	Atty Park to Atty D'Ascenzo	
	Note: Hughes, Pam	clarification that all Post Hearing Data Requests concerning the 4.1 million are still due.
12:35:43 PM	Atty Park redirect to Witness Wathan	
	Note: Hughes, Pam	Referncing is it the 4.1 million or the variables?
12:36:10 PM	Vice Chairman to Witness Wathan	
	Note: Hughes, Pam	Commends Duke for doing the most fair solution concerning the rate payers refund.
12:36:57 PM	Chairman Schmitt	
	Note: Hughes, Pam	Adjourns the hearing
12:37:19 PM	Session Paused	
2:35:36 PM	Session Ended	



**Exhibit List Report**

**2016-00230 thru 2016-00235**

**09NOV2016**

**Kentucky Power; EKPC;KU;LG&E;  
Duke;Big Rivers**

---

<b>Name:</b>	<b>Description:</b>
KU - LG&E Exhibit 01	Revised attachment to Response to Question No. 7 page 3 of 4. Eileen Saunders.
PSC Exhibit 01	Kentucky Power COmpany -Analysis of Coal Purchases March 2016



\*Honorable Allyson K Sturgeon  
Senior Corporate Attorney  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Rick E Lovekamp  
Manager - Regulatory Affairs  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Robert Conroy  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Louisville Gas and Electric Company  
220 W. Main Street  
P. O. Box 32010  
Louisville, KY 40232-2010