COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER) COOPERATIVE, INC. FOR APPROVAL TO) AMEND ITS ENVIRONMENTAL COMPLIANCE) PLAN AND RECOVER COSTS PURSUANT TO) ITS ENVIRONMENTAL SURCHARGE, AND FOR) THE ISSUANCE OF A CERTIFICATE OF PUBLIC) CONVENIENCE AND NECESSITY)

CASE NO. 2018-00270

COMMISSION STAFF'S FIRST 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 the original and six copies of the following information, with a copy to all parties of record. The information requested herein is due on or before November 19, 2018. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable and shall be appropriately bookmarked. 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. EKPC 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 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 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 filing a document containing personal information, EKPC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the document so that personal information cannot be read.

1. Refer to the application, paragraphs 12 and 15. Provide the capacity factor for each unit of the Cooper and Spurlock Generating Stations for the last five calendar years and year-to-date.

2. Refer to the application, paragraph 30. Provide the status of the requests to the Rural Utilities Service and the revised Kentucky Pollutant Discharge Elimination System (KPDES) permit application with the Division of Water.

3. Refer to the application, paragraph 34.

a. For projects with completion dates before September 15, 2017, explain why these projects were not included in EKPC's proposed amended environmental compliance plan as filed in Case No. 2017-00376.¹

¹ Case No. 2017-00376, Application of East Kentucky Power Cooperative, Inc. for Approval to Amend Its Environmental Compliance Plan and Recovery Costs Pursuant to Its Environmental Surcharge, Settlement of Certain Asset Retirement Obligations and Issuance of a Certificate of Public Convenience and Necessity and Other Relief (Ky. PSC May 21, 2018).

b. Provide the status of projects with estimated completion dates of "Fall 2018."

4. Refer to the Direct Testimony of Don Mosier (Mosier Testimony) at page 8 regarding the projects contained in the 2018 Environmental Compliance Plan. Provide an update on the status of those projects.

Refer to the Mosier Testimony at pages 8–9 and the application, paragraph
regarding the amendment to Project No. 12 – Spurlock Landfill Area C Expansion.

a. Provide the original scope of Project No. 12.

Provide a detailed description of the changes that are being made to
Project No. 12.

c. Explain the need to construct phases three and four of the Spurlock Landfill Area C at the same time.

6. Refer to the Mosier Testimony at page 16 regarding the need for the proposed Coal Pile Runoff (CPR) Project, and refer also to the Direct Testimony of Jerry B. Purvis (Purvis Testimony) at pages 25–26 as well as the Direct Testimony of Craig A. Johnson (Johnson Testimony) at pages 7–8.

a. Explain in detail the need for this proposed project in light of the Effluent Limitations Guideline and the revised KPDES permit. In particular, provide an explanation as to the risk of non-compliance with the Spurlock Station's KPDES permit and the likelihood of the current configuration of the Spurlock existing CPR Pond not being able to accept and control four to five inches of rainfall to meet the limitations for Total Suspended Solids of 50 mg/l as a daily maximum as well as maintain concentrations

Case No. 2018-00270

-3-

of pH from a minimum of 6 and a maximum of 9. Include in this explanation whether EKPC has quantified this risk exposure.

b. Explain whether EKPC has quantified the mitigation of risk against non-compliance with the Spurlock Station's KPDES permit that the proposed CPR Project will achieve.

7. Refer to the Mosier Testimony at page 17, lines 8–9. Confirm that all completed projects included in EKPC's proposed amendment are currently in service and necessary to comply with state and federal rules and regulations impacting coal-fired generation facilities.

8. Refer to the Johnson Testimony at page 9, lines 5–7. Fully explain why EKPC chose to retain Burns & McDonnell Engineering Company, Inc., and whether EKPC considered other consulting firms.

9. Refer to the Purvis Testimony at pages 26–28 regarding the water qualitybased effluent limitations (WQBEL). State when EKPC expects the Division of Water to complete its reasonable potential analysis and the likelihood, based upon information and data known to EKPC, that new WQBELs will be placed in the revised KPDES permit for the Spurlock Station.

10. Refer to the application, paragraph 28.c; the Mosier Testimony at page 14; the Purvis Testimony at page 26; the Johnson Testimony at page 11; and the Spurlock Station CPR Pond Supplemental Storage – Scoping Report (Scoping Report), page 1-1. Confirm that the references to a "100-year, 24-hour" storm event should refer to a "10-year, 24-hour" storm event as mentioned at paragraph 26 of the application; page 9 of the Johnson Testimony; pages 1-1 and 2-1 of the Scoping Report. If this cannot be

Case No. 2018-00270

-4-

confirmed, explain why the design criteria for the proposed CPR Pond can be both a "100year, 24-hour" storm event and a "10-year, 24-hour" storm event.

11. Refer to the Direct Testimony of Isaac S. Scott (Scott Testimony), page 10, lines 2–9. Explain why the Cooper and Spurlock landfill closures and asset retirement obligation (ARO) settlements were not included in prior EKPC compliance plan amendments for concurrent recovery as expenses were incurred.

12. Refer to the Scott Testimony, Attachment ISS-2, page 3 of 8. In the format of Form 2.1, page 2 of 2, provide the listed information for the September 2018 expense month.

13. Refer to the Scoping Report at page 3-1 regarding the amount of rainfall associated with a 10-year, 24-hour storm event.

a. Provide the amount of rainfall associated with a 5-year, 24-hour storm event for the area of Maysville, Kentucky.

b. Provide the amount of rainfall associated with a 100-year, 24-hour storm event for the area of Maysville, Kentucky.

c. Explain whether EKPC considered a 5-year, 24-hour storm event as a design basis for the CPR Project.

Gwen R. Pinson Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED NOV 0 2 2018

cc: Parties of Record

*David S Samford Goss Samford, PLLC 2365 Harrodsburg Road, Suite B325 Lexington, KENTUCKY 40504 *Rebecca W Goodman Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*M. Evan Buckley Goss Samford, PLLC 2365 Harrodsburg Road, Suite B325 Lexington, KENTUCKY 40504

*Justin M. McNeil Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Kent Chandler Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Patrick Woods East Kentucky Power Cooperative, Inc. P. O. Box 707 Winchester, KY 40392-0707

*East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707