

**Goss
Samford**

ATTORNEYS AT LAW | PLLC

David S. Samford
david@gosssamfordlaw.com
(859) 368-7740

November 26, 2018

Via Hand Delivery

Ms. Gwen Pinson
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

RECEIVED

NOV 26 2018

PUBLIC SERVICE
COMMISSION

Re: *In the Matter of: The Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for the Construction of Backup Fuel Facilities at Its Bluegrass Generating Station, Case No. 2018-00292*

Dear Ms. Pinson:

Enclosed, please find an original and six copies of the Responses to Commission Staff's and Second Set of Information Requests, to be filed on behalf of East Kentucky Power Cooperative, Inc. in the above-styled docket. Please return a file-stamped copy of this filing to my office.

Should you have any questions or require additional information, please let me know.

Sincerely,



David S. Samford

Enc.

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NOV 26 2018

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC. FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE) CASE NO. 2018-00292
AND NECESSITY FOR THE CONSTRUCTION)
OF BACKUP FUEL FACILITIES AT ITS)
BLUEGRASS GENERATING STATION)

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

David Crews, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's Second Request for Information in the above-referenced case dated November 7, 2018, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 26th day of November 2018.

 #5905207
Notary Public

GWYN M. WILLOUGHBY
Notary Public
Kentucky - State at Large
My Commission Expires Nov 30, 2021

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC. FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE) CASE NO. 2018-00292
AND NECESSITY FOR THE CONSTRUCTION)
OF BACKUP FUEL FACILITIES AT ITS)
BLUEGRASS GENERATING STATION)

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Craig Johnson, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's Second Request for Information in the above-referenced case dated November 7, 2018, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

Craig Johnson

Subscribed and sworn before me on this 26th day of November 2018.

Gwyn M. Willoughby #590567
Notary Public

GWYN M. WILLOUGHBY
Notary Public
Kentucky - State at Large
My Commission Expires Nov 30, 2021



COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

| | | |
|-------------------------------------------|---|-------------------|
| THE APPLICATION OF EAST KENTUCKY |) | |
| POWER COOPERATIVE, INC. FOR A |) | |
| CERTIFICATE OF PUBLIC CONVENIENCE |) | CASE NO. |
| AND NECESSITY FOR THE CONSTRUCTION |) | 2018-00292 |
| OF BACKUP FUEL FACILITIES AT ITS |) | |
| BLUEGRASS GENERATING STATION |) | |

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

DATED NOVEMBER 7, 2018

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2018-00292

RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION DATED 11/07/18
REQUEST 1

RESPONSIBLE PARTY: Craig A. Johnson

Request 1. Refer to EKPC's response to Staff's First Request for Information (Staff's First Request), Items 2 and 9.

Request 1a. Does EKPC have any natural gas-fired units with black-start capability? If so, identify such units.

Response 1a. Yes, East Kentucky Power Cooperative, Inc. ("EKPC") currently has two (2) natural gas-fired units, Smith Station units 4 and 5, that have black-start capability.

Request 1b. Was any consideration given to upgrade any of the units at Bluegrass Generating Station to have black-start capability?

Response 1b. Yes, consideration was given. For a unit to be considered for black-start compensation in the PJM Interconnection, L.L.C, ("PJM"), it must show a direct path for providing

black-start support for the PJM system. The Bluegrass Generating Station (“Bluegrass Station”) is directly connected to the Louisville Gas and Electric Company (“LG&E”) transmission system which is not within the PJM transmission system.

Request 1c. If the response to Item b. above is negative, explain the reason(s) black-start capability was not considered.

Response 1c. N/A.

Request 1d. Did EKPC consider the environmental impacts of dual-fuel capability in the 2020-21 delivery year in the May 2017 Reliability Pricing Model auction?

Response 1d. The environmental impacts of dual-fuel capability will only impact the Reliability Pricing Model results to the extent it impacts the equivalent forced outage (“eFORd”) of the units. The final eFORd will be set for the Bluegrass Station units in October 2019 for the 2020 – 2021 delivery year. No impact will be seen by October 2019 for dual-fuel operations at Bluegrass Station.

Request 1e. What impact will existing environmental standards have on the total unforced capacity in delivery years after the proposed project is completed?

Response 1e. EKPC would not expect to see material impacts to the eFORd of dual-fuel units going forward based on meeting environmental standards, as long as sound testing and maintenance practices continue to be followed.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2018-00292

RESPONSE TO INFORMATION REQUEST

**COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION DATED 11/07/18
REQUEST 2**

RESPONSIBLE PARTY: David Crews

Request 2. Refer to EKPC's response to Staff's First Request, Item 8. Explain why the annual capacity factor for Bluegrass Unit 3 is greater than that of Bluegrass Units 1 and 2.

Response 2. Bluegrass Station units 1 and 2 are committed to PJM as part of the EKPC generation fleet. PJM operates the Balancing Authority ("BA") that directs the dispatch of those two units.

Bluegrass Station unit 3 is scheduled based on a Capacity Purchase and Tolling Agreement between LG&E and Kentucky Utilities Company ("KU") and EKPC dated August 27, 2014. LG&E and KU operate the BA that directs the dispatch of Bluegrass Station unit 3.

The two separate BAs have distinct load, supply and pricing parameters that result in differing economic and reliability dispatches of the Bluegrass Station units, which result in different capacity factors for the units.