

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR APPROVAL OF AN)	CASE NO.
AMENDED ENVIRONMENTAL COMPLIANCE)	2019-00389
PLAN AND A REVISED ENVIRONMENTAL)	
SURCHARGE)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO KENTUCKY POWER COMPANY

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, is to file with the Commission the original and an electronic version of the following information. The information requested herein is due on January 31, 2020. Responses to requests for information in paper medium 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 the 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.

Kentucky Power 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 Kentucky Power fails or refuses to furnish all or part of the requested information, Kentucky Power 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, Kentucky Power 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 Debra L. Osborne (Osborne Testimony), pages 3–4. State whether Rockport Unit 2 is equipped with low NO_x burners and an over air fire system similar to Rockport Unit 1.
2. Refer to the Osborne Testimony, page 4. State the number of reactor modules and catalyst layers per reactor module.
3. Refer to the Osborne Testimony, page 5. Explain whether any existing plant equipment will need upgrades in association with the Rockport Unit 2 selective catalytic reduction (SCR) project.
4. Refer to the Osborne Testimony, page 6. Explain the effect of the Rockport Unit 2 SCR project on the Rockport Plant ammonia inventory and allowance plan.

5. Refer to the Osborne Testimony, pages 8–9, regarding the installation of the SCR system at Rockport Unit 2 being the reasonable least-cost alternative to meeting Indiana Michigan Power Company’s (I&M) capacity and energy obligations. Explain whether an economic analysis was conducted to determine whether the Rockport Unit 2 SCR was the reasonable least-cost alternative associated with Kentucky Power’s 15 percent share of the Rockport Unit’s capacity and energy. If an economic analysis was performed, provide a copy of that analysis. If none was performed, explain why not.

6. Refer to the Osborne Testimony, pages 8–9. Explain whether Kentucky Power will continue to incur any costs related to the Rockport Unit 2 SCR project after December 7, 2022, in the event that the Unit Power Agreement with the Rockport Plant (UPA) is not extended past December 7, 2022. Provide the current status of the UPA renewal.

7. Refer to the Direct Testimony of Lerah M. Scott (Scott Testimony), page 5. Identify the other partial owners of the Rockport Plant and explain whether these entities must also receive regulatory approval of the Rockport Unit 2 SCR project.

8. Refer to the Scott Testimony, page 5, the Indiana Utility Regulatory Commission’s March 26, 2018 final Order in Cause No. 44871,¹ and the Federal Energy

¹ Cause No. 44871, *Verified Petition Of Indiana Michigan Power Company (I&M), an Indiana Corporation, for Approval of a Clean Energy Project and Qualified Pollution Control Property and for Issuance of Certificate of Public Convenience and Necessity for Use of Clean Coal Technology; for Ongoing Review; for Approval of Accounting and Ratemaking, Including the Timely Recovery of Costs Incurred During Construction and Operation of Such Project through I&M’s Clean Coal Technology Rider; for Approval of Depreciation Proposal for Such Project; and for Authority to Defer Costs Incurred During Construction and Operation, Including Carrying Costs, Depreciation, Taxes, Operation and Maintenance and Allocated Costs, Until Such Costs are Reflected in the Clean Coal Technology Rider or Otherwise Reflected in I&M’s Basic Rates and Charges* (IURC Mar. 26, 2018), Final Order at 3.

Regulatory Commission (FERC) Docket No. ER19-717-000.² For “Option 1B,” explain whether I&M’s economic analysis accounted for the revised depreciation rates sought by AEP Generating Company in FERC Docket No. ER19-717-000.

9. Refer to the Scott Testimony, page 6. Explain whether the Rockport Unit 2 SCR project will have any impact on the dispatching of Rockport Unit 2.

10. Refer to the Scott Testimony, page 6. Explain how often catalyst layers must be replaced and provide the estimated cost.

11. Refer to the Scott Testimony, pages 8–9. Explain how the revised depreciation rates of 2.95 percent for Rockport Unit 1 and 28.48 percent for Rockport Unit 2 will result in the units being fully depreciated.

12. Refer to the Direct Testimony of Gary O. Spitznogle (Spitznogle Testimony), Exhibit GOS-3, page 12 of 38, regarding the implementation of an enhanced dry sorbent injection. Provide the status of the enhanced dry sorbent injection technology that is required to be operational by June 1, 2020, for Rockport Unit 2 and December 31, 2020, for Rockport Unit 1.

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² FERC Docket No. ER19-717-000, AEP Generating Company Revisions to Power Service Agreements.



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DATED **JAN 17 2020**

cc: Parties of Record

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