

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF KENTUCKY)	
UTILITIES COMPANY FOR APPROVAL OF AN)	Case No.
ECONOMIC DEVELOPMENT RIDER SPECIAL)	2022-00371
CONTRACT WITH BITIKI-KY, LLC)	

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 May 31, 2023 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on May 31, 2023 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 May 31, 2023.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at <https://youtu.be/CQ3vs4tHEUE>.

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

Done at Frankfort, Kentucky, this 20th day of July 2023.



Linda C. Bridwell

Executive Director

Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

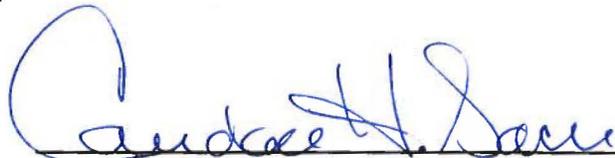
ELECTRONIC TARIFF FILING OF KENTUCKY)	
UTILITIES COMPANY FOR APPROVAL OF AN)	CASE NO.
ECONOMIC DEVELOPMENT RIDER SPECIAL)	2022-00371
CONTRACT WITH BITIKI-KY, LLC)	

CERTIFICATION

I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on May 31, 2023. The Formal Hearing Log, Exhibits, and Exhibit List are included with the recording on May 31, 2023;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of May 31, 2023; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of May 31, 2023, and the time at which each occurred.

Signed this 19th day of June, 2023.



Candace H. Sacre
Administrative Specialist III



Stephanie Schweighardt
Kentucky State at Large ID# KYNP 64180
Commission Expires: January 14, 2027



Session Report - Detail

2022-00371 31May2023

Kentucky Utilities Company (KU)

Date:	Type:	Location:	Department:
5/31/2023	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: John Bevington; Michael Hornung; Chelsea Hotaling; Stacy Sherwood; Stuart Wilson
 Judge: Kent Chandler; Angie Hatton; Mary Pat Regan
 Clerk: Candace Sacre

Event Time	Log Event
9:07:44 AM	Session Started
9:07:50 AM	Chairman Chandler Note: Sacre, Candace
9:08:07 AM	Chairman Chandler Note: Sacre, Candace
9:08:57 AM	Chairman Chandler Note: Sacre, Candace
9:10:00 AM	Chairman Chandler Note: Sacre, Candace
9:13:34 AM	Chairman Chandler Note: Sacre, Candace
9:13:46 AM	Atty Riggs Kentucky Utilities Note: Sacre, Candace
9:14:36 AM	Atty Riggs Kentucky Utilities Note: Sacre, Candace
9:14:51 AM	Chairman Chandler - witness Hornung Note: Sacre, Candace
9:15:06 AM	Atty Riggs Kentucky Utilities - witness Hornung Note: Sacre, Candace
9:15:12 AM	Atty Riggs Kentucky Utilities - witness Hornung Note: Sacre, Candace
9:15:20 AM	Atty Riggs Kentucky Utilities - witness Hornung Note: Sacre, Candace
9:15:29 AM	Atty Riggs Kentucky Utilities - witness Hornung Note: Sacre, Candace
9:15:35 AM	Atty Riggs Kentucky Utilities - witness Hornung Note: Sacre, Candace
9:15:42 AM	Chairman Chandler Note: Sacre, Candace
9:15:51 AM	Atty Cmar Joint Intervenors - witness Hornung Note: Sacre, Candace
9:16:18 AM	Atty Cmar Joint Intervenors - witness Hornung Note: Sacre, Candace
9:16:26 AM	Atty Cmar Joint Intervenors - witness Hornung Note: Sacre, Candace
9:16:36 AM	Atty Cmar Joint Intervenors - witness Hornung Note: Sacre, Candace
9:16:47 AM	Atty Cmar Joint Intervenors - witness Hornung Note: Sacre, Candace

9:16:57 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Agree free riding something must be avoided?

9:17:10 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Agree question determining free riding whether customer chosen to locate facility KU territory in absence of EDR agreement?

9:17:26 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace What are others?

9:17:34 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Said one of criteria?

9:17:38 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Were other criteria had?

9:17:47 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace If facility operates under general rate but utility offers discounted EDR rate, create free ridership cost passed on?

9:18:28 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace If company choose operate KU territory without EDR agreement but utility offers EDR, not create free ridership cost?

9:18:51 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Why not?

9:19:42 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace If KU offers discount, even if operate without discount, not create free ridership cost?

9:19:56 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace What mean by that?

9:20:32 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Aware Bitiki constructed and operating?

9:20:41 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Investments already made?

9:20:47 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Jobs might been created already created?

9:20:58 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Talks about cryptocurrency facility?

9:21:05 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Just buildings with computers?

9:21:21 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Agree computers set up little additional need investment or job creation?

9:21:37 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Creation some jobs and investment cited as major objective of EDR contracts?

9:22:03 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Admin Case 327 says creation new jobs/investment major objective of EDR contracts?

9:22:25 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Said Bitiki committed doing that, explain?

9:22:53 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Application to state plan create five new jobs?

9:23:08 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Process KU follows up verify plans carried out?

9:23:26 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Referenced Kentucky Econ Dev Finance Authority?

9:23:40 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Planning ask Bevington process, direct to Bevington?

9:24:02 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace KU taken tour of Bitiki facility?

9:24:15 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Bevington on tour?

9:24:22 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace You not personally on tour?

9:24:35 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace KU verify additional jobs created if EDR contract approved?

9:25:07 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace KU not verify if additional investments if contract approved?

9:25:59 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Agree utilities required document new jobs/investment?

9:26:17 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace What information annual report include?

9:27:01 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace What process KU go through collect information?

9:27:28 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace KU done that yet for Bitiki?

9:27:43 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Estimates about five planned jobs and capital investment estimate all come from application?

9:27:58 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Certification to state, Kentucky Econ Dev Finance Authority?

9:28:07 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Application made KEDFA have to come back submit documentation to get tax incentives?

9:28:24 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Submit application to Revenue what done and incentives seeking?

9:28:41 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace KU not seen that documentation, not have?

9:28:52 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace Have what included with application?

9:28:59 AM Atty Cmar Joint Intervenors - witness Hornung
Note: Sacre, Candace But not follow-up documentation?

9:29:18 AM Chairman Chandler
Note: Sacre, Candace Questions?

9:29:19 AM Staff Atty Colyer PSC - witness Hornung
Note: Sacre, Candace Cross Examination. KU response to Staff Request 2, attachment 4, Excel spreadsheet 10-year annual base rate revenue comparison to marginal cost, energy charges and marginal energy costs, include or exclude amounts recovered fuel adjustment clause?

9:30:21 AM Staff Atty Colyer PSC - witness Hornung
Note: Sacre, Candace Explain why marginal energy cost would include that?

9:31:24 AM Chairman Chandler
Note: Sacre, Candace Questions?

9:31:34 AM Chairman Chandler - witness Hornung
Note: Sacre, Candace Examination. Aware of KU Response to Joint Intervenors 1-13?

9:32:25 AM Chairman Chandler - witness Hornung
Note: Sacre, Candace Have access to Excel attachment?

9:32:36 AM Chairman Chandler - witness Hornung
Note: Sacre, Candace Create this or someone under direction?

9:32:47 AM Chairman Chandler - witness Hornung
Note: Sacre, Candace When looking at spreadsheet, looked like Wilson, gave narrative response?

9:33:18 AM	Chairman Chandler - witness Hornung Note: Sacre, Candace	Same thing with rebuttal?
9:33:26 AM	Chairman Chandler - witness Hornung Note: Sacre, Candace	Response to (c), reading (click on link for further comments), see that?
9:34:04 AM	Chairman Chandler - witness Hornung Note: Sacre, Candace	See your response?
9:34:12 AM	Chairman Chandler - witness Hornung Note: Sacre, Candace	Response says, reading (click on link for further comments), right?
9:34:38 AM	Chairman Chandler - witness Hornung Note: Sacre, Candace	Go on to say, reading (click on link for further comments), know where 17 percent comes from?
9:35:00 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
9:35:11 AM	Chairman Chandler Note: Sacre, Candace	Procedural discussions. (Click on link for further comments.)
9:35:43 AM	Atty Riggs Kentucky Utilities Note: Sacre, Candace	Stuart Wilson.
9:35:43 AM	Chairman Chandler Note: Sacre, Candace	Next witness?
9:35:57 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
9:36:01 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Examination. Name and address?
9:36:16 AM	Atty Crosby Kentucky Utilities - witness Wilson Note: Sacre, Candace	Direct Examination. Title?
9:36:24 AM	Atty Crosby Kentucky Utilities - witness Wilson Note: Sacre, Candace	Cause prepared and filed rebuttal, exhibits, errata filing?
9:36:36 AM	Atty Crosby Kentucky Utilities - witness Wilson Note: Sacre, Candace	Sponsor of data requests?
9:36:42 AM	Atty Crosby Kentucky Utilities - witness Wilson Note: Sacre, Candace	Corrections or updates?
9:36:49 AM	Atty Crosby Kentucky Utilities - witness Wilson Note: Sacre, Candace	Adopt as testimony today?
9:37:01 AM	Chairman Chandler Note: Sacre, Candace	Mr. Kurtz?
9:37:05 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Cross Examination. Witness Hotaling identified shortcomings marginal cost of service studies?
9:37:19 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Which agree with?
9:37:58 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Incorporate suggestions?
9:38:08 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	First marginal cost study concluded on page 12 over term of contract other ratepayers would benefit \$14.36 million?
9:38:31 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Page 13, second marginal COS study conclude other ratepayers benefit \$13.1 million?
9:38:44 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Next study, \$13.8 million ratepayer benefit?
9:38:50 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Final study, \$10.9 million?

9:38:57 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	If seven jobs created instead of five, change marginal COS study?
9:39:10 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Two jobs, not affect COS and benefit to ratepayers?
9:39:21 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Dollars other ratepayers not pay contract approved?
9:39:45 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Numbers might be bigger and full demand charge pay contribution of fixed costs?
9:40:15 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	If case, contribution Bitiki make KU fixed costs \$28.5 million?
9:40:33 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	Pay more in demand revenue because not include demand component environmental surcharge?
9:40:52 AM	Atty Kurtz Bitiki - witness Wilson Note: Sacre, Candace	If retired asset recovery rider populated with retired coal plants, pay that and greater contribution?
9:41:13 AM	Chairman Chandler Note: Sacre, Candace	Questions?
9:41:20 AM	Staff Atty Colyer PSC - witness Wilson Note: Sacre, Candace	Cross Examination. Excel spreadsheet, familiar with document?
9:41:40 AM	Staff Atty Colyer PSC - witness Wilson Note: Sacre, Candace	Response to Staff Data Request 2, attachment 4?
9:42:03 AM	Staff Atty Colyer PSC - witness Wilson Note: Sacre, Candace	Provide post-hearing data request same form as spreadsheet monthly billing comparison discount period and break-even energy price discount period?
9:42:04 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY COLYER PSC - WITNESS WILSON SPREADSHEET OF MONTHLY BILLING COMPARISON AND BREAK-EVEN ENERGY PRICE FOR DISCOUNT PERIOD
9:42:44 AM	Atty Crosby Kentucky Utilities Note: Sacre, Candace	Clarify. (Click on link for further comments.)
9:43:24 AM	Staff Atty Colyer PSC - witness Wilson Note: Sacre, Candace	Provide post-hearing data request forecasted reserve margins for discount period assuming plants not retired?
9:44:03 AM	Chairman Chandler Note: Sacre, Candace	Clarify, provide reserve margin, instead packaging together, break out by unit, (click on link for further comments)?
9:44:04 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY COLYER PSC - WITNESS WILSON FORECASTED RESERVE MARGINS FOR DISCOUNT PERIOD ASSUMING NO PLANTS RETIRED BROKEN OUT BY UNIT
9:47:29 AM	Vice Chairman Hatton - witness Wilson Note: Sacre, Candace	Examination. Intervenors argued type of business risky, analysis take that into account?
9:48:04 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Examination. Heard questions to Hornung?
9:48:07 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Response Joint Intervenors 1-13, paper copy sufficient for looking at it?
9:48:36 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Two pages, one winter and summer and unit ratings, ask change those year by year?

9:49:19 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Summer reserve margin on absolute and percentage bases?
9:49:26 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Same for winter?
9:49:30 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Base load and high load and low load?
9:49:40 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	High load and low load referring sensitivity analyses regarding high load forecast and low load forecast?
9:50:07 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Know what represent, high load deviation from base load, low load deviation for base load, separate analyses?
9:50:37 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	387 different than 327, reliability assessment admin case annual filing?
9:50:45 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Post-hearing data request what high load and low load scenarios relation to base load scenario represent?
9:50:46 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS WILSON WHAT HIGH LOAD AND LOW LOAD SCENARIOS IN RELATION TO BASE LOAD SCENARIO REPRESENT
9:51:11 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	What data in chart represent?
9:52:10 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Load forecast used in August marginal cost study?
9:52:43 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Reflect changed environmental rules, assumptions federal approval state implementation plan, reflect changed retirement dates from those in Bellars attachments 2020 rate cases?
9:53:22 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Retirements in line with what being proposed in 2022-00402 case?
9:54:07 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	During discount period discussing here?
9:54:20 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Not necessarily?
9:54:22 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	None of the retirements change within five-year discount period?
9:55:18 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Retirement in 2027 proposed not reflected in analysis?
9:55:32 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	After August study and October submittal?
9:55:45 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Change analysis?
9:55:48 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Not change analysis at all or not change directionally outcome of analysis?
9:56:24 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Moving retirement from 2028 to 2027, 21.1 percent reserve margin?
9:56:45 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Moving retirement 2027 reduce below 17 percent?
9:57:21 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Also have appreciation for EDR requirements?

9:57:29 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Having to add generation, how being proposed at time no excess capacity?
9:57:44 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Asked if move of retirement to 2027 reduces to 17 percent, response not represent additions in capacity?
9:58:04 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	How comply with EDR requirement during times excess capacity?
9:58:58 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	But not have excess capacity?
9:59:25 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Even not comply with EDR, still propose as special contract?
9:59:55 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Absent generation additions, will retirement in 2027 cause summer reserve margin below 17 percent?
10:00:49 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Be close because drop 700 MW following year and reduced by 11 percent?
10:01:10 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Seventeen percent not NERC requirement?
10:01:27 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	NERC minimum, then set 17 percent reflective internal studies?
10:02:04 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Seventeen percent calculation is based off loss of load calculation?
10:02:11 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Loss of load probability?
10:03:10 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Based on value of lost load?
10:03:27 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	What place in determination does LLE or LLP play?
10:03:50 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Loss of load expectation?
10:03:53 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	What is that amount?
10:04:07 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	What equate to in terms of reserve margin?
10:04:28 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Calculation of reserve margin to have one in ten loss of load expectation?
10:04:39 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Input into determination appropriate reserve margin?
10:05:14 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Have high determination loss of load expectation, what LOLE equivalent of 17 percent reserve margin?
10:05:49 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If three or four, and will ask as post-hearing data request, under current resource portfolio?
10:05:50 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS WILSON EQUIVALENT LOSS OF LOAD EXPECTATION FOR MINIMUM TARGET RESERVE UNDER CURRENT RESOURCE PORTFOLIO
10:06:11 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Means at 17 percent planning three LOLEs in ten years?

10:06:42 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	How many loss of load events experienced in history?
10:06:52 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Reserve margin now more than 17 percent?
10:07:02 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Reserve margin 2023 summer under table 23.4 percent and winter 37.9 percent?
10:07:22 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	17 percent summer, winter, or absolute target reserve margin?
10:07:40 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Say summer because planning to now or because summer expected peak?
10:08:08 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	When do LOLEs, take into account normal weather or variations?
10:08:41 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Only observed conditions?
10:08:54 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Loss of load event look at frequency or take into account duration?
10:09:08 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Measurements that take into account duration or magnitude?
10:09:25 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Expected unserved energy?
10:09:45 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If not know magnitude, two different solutions to solve same problem, for LOLE looks like same problem?
10:10:26 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Event that lasts one hour shows up same as event last 12 hours?
10:11:03 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Loss of load probability increase probability?
10:11:39 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Run scenario ten years, ten-year look or single year look?
10:12:13 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Looking at point-one on year basis?
10:12:25 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Current unit availability, next year or five years?
10:12:42 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Provided 2028 analysis in this record?
10:12:57 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	2022-00402?
10:13:07 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Talk about that study, would have reserve margin one in ten loss of load expectation?
10:13:44 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Confused, asked what role output loss of load expectation play in determining minimum reserve margin, how high-end reserve margin informs minimum reserve margin target?
10:15:37 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Of targeted portfolio in 2028, what is reserve margin for loss of load expectation of one?
10:17:01 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If using effective load carrying capability, not necessarily change?
10:18:33 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	When determining reserve margin, contribute differently serving peak load?

10:19:01 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	After the fact?
10:19:44 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If determining reserve margin, is a reserve margin as useful today or expected in future as has been over last 20-30 years?
10:21:00 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Not what it used to be in terms of dependability?
10:21:12 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Could be battery storage, chemical battery, pumped hydro (click on link for further comments)?
10:21:42 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If rule came out combined cycles had to invest in CCUS but CTs have capacity factor less than 60 percent, appropriate model CTs define limited amount run as limited duration?
10:23:32 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Same thing with environmental controls, what be determining factors as to whether model as have in past?
10:25:02 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Limited duration resources have defined time period operate?
10:25:12 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Constraint that exists somewhere between those two?
10:25:42 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	LOLE runs Monte Carlo simulation of unit availability?
10:26:10 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Unavailability of generation not based on dispatchability?
10:26:50 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Certain generators have correlated outages?
10:27:11 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If substation at Ghent, something happens there, not equally affect all four units at Ghent?
10:27:32 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If four units together, all use same pond and that breaks, agree as long as all four depend on it affect all four equally?
10:28:06 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	When running availability scenarios, looking at weather, things have happened or possible happen?
10:29:25 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Sounds like 300 scenarios random, other areas increases likelihood of fuel/pressure availability?
10:30:14 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Combined cycles or CTs and combined cycles?
10:31:32 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Things delivery system delivering to different than in past?
10:32:07 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	More and more, depending on gas system for gas generation?
10:32:25 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Society, America, not specifically Kentucky, Texas Gas line not just run in Kentucky?
10:32:39 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Running from Gulf all the way to Northeast?
10:32:43 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	This area of country jointly uses facilities?
10:32:58 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Pressure correlated outage in Dec, transportation contracts less of issue, lack of supply cause correlated outages?

10:33:33 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	The commodity?
10:33:35 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Aware correlation outages lack of availability of commodity?
10:33:53 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	This region, Commonwealth or broader geographic region?
10:34:05 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	How account for random unavailability scenarios and correlated outages those scenarios?
10:35:08 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Talking in context of loss of load expectation in 20-30 percent for reserve margin?
10:35:36 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Proposing add generation increase reserve margin without increase in reliability?
10:36:06 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Every megawatt of generation proposed have same reliability contribution on nameplate basis as generation proposed be retired?
10:37:10 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	On nameplate basis, megawatts of proposed additions greater, equal to, or less than proposed retirements?
10:37:50 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Retire 700 MW portfolio and replace with 1000, reserve margin go up in summer but on megawatt to megawatt basis not the same?
10:38:31 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Why ELCC important, looking individual generation contribution to reliability when needed most?
10:39:19 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Looking at when energy required and when limited duration resource providing energy?
10:40:26 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If calculating reserve margin on single day in winter, nameplate on solar show up in calculation but not necessarily providing energy?
10:41:23 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Not megawatt to megawatt comparison, way to plan not ignore not other hours provide reliability contributions?
10:42:08 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Taking that and moving to here, working on 17 percent, one in ten on current calculation in 20s or 30s, 17 percent reserve margin higher than one in ten loss of load expectation?
10:42:51 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	In 2028, what is minimum target reserve margin?
10:43:21 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	In 2027, moving retirement, said reduces reserve margin below 17 percent, is 17 percent minimum target reserve margin?
10:44:17 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Dispatchable resources meaning other than wind and solar?
10:44:34 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Assuming operate at full nameplate capacity?
10:44:46 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Assuming no changes in available output?
10:45:05 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Changes in 2027, another retirement in 2027, not change minimum reserve margin?

10:45:55 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace In 2028, 17 percent should change?

10:46:29 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace How many megawatts of CSR have?

10:46:37 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Approximately a tenth?

10:46:46 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Just to show magnitude?

10:46:48 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Thirteen percent plus 17 percent reserve margin on 13 percent close to 10 or 15 percent of CSR program?

10:47:07 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace 13 percent demand number, need carry 13 megawatts plus 17 percent reserve for every megawatt, also need 17 percent reserve?

10:47:35 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace 17 percent reserve margin, add 100 MW of load, no longer have 17 percent reserve margin?

10:47:42 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace But if added 117 megawatts generation, maintain with 100 megawatt addition of load 17 percent reserve margin?

10:47:52 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Grossing up all new load by minimum reserve margin?

10:48:10 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace After discount period, just normal customer?

10:48:26 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace If tariff rates change in meantime, come in for rate cases and change RTS rate, contract applies to current RTS demand charges or RTS rate in effect?

10:49:28 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Those margins should not necessarily change?

10:49:45 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Special contracts and EDRs, reserve margins, expect next ten years same amount of trust in reserve margin percentage as have in past?

10:51:28 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Expect reserve margins to go higher, lower, or stay the same?

10:52:01 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Reserve margin resulted in one in ten loss of load expectation also increase?

10:52:18 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace When do target reserve margin calculation, forward-looking, current, or backwards-looking analysis?

10:52:28 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Over what time horizon?

10:52:52 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Updated how often?

10:53:12 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace If had gone two years since last one, is not benefit in also kicking tires on minimum reserve margin when doing cost analysis?

10:54:34 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace Not much change in resource outlook next five years?

10:54:48 AM Chairman Chandler - witness Wilson
Note: Sacre, Candace What changes target reserve margin not low, what relative nature of resource portfolio looks like?

10:55:05 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If retirements and additions 2028 all in 2026, minimum reserve target have changed?
10:55:41 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	If doing minimum target reserve margin and it becomes still because changes in load and still using as basis discounted rates, run risk provide discounted rates in excess of what should?
10:56:55 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Think marginal production/transmission expense is zero, but if something more than zero, not think cost but insofar as cost it covers it?
10:57:52 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Still a positive amount if unit use is combined cycle unit provided in IRP?
10:58:34 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Know what overnight kW still equal to \$18 kVA amount, combined cycle along \$6 MW?
10:58:53 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	At below \$18.30 per kVa, know whether cost of combined cycle with carbon capture more or less or equal to \$18.30?
10:59:48 AM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Asked as post-hearing data request for dollar per MW equivalent of combined cycle with carbon capture amount, able provide that?
10:59:49 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS WILSON DOLLAR PER MEGAWATT EQUIVALENT OF COMBINED CYCLE WITH CARBON CAPTURE AMOUNT
11:00:46 AM	Chairman Chandler Note: Sacre, Candace	Recess until 11:15.
11:01:03 AM	Session Paused	
11:23:48 AM	Session Resumed	
11:23:55 AM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2022-00371.
11:24:02 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
11:24:12 AM	Chairman Chandler Note: Sacre, Candace	Witness out of order. (Click on link for further comments.)
11:24:41 AM	Chairman Chandler Note: Sacre, Candace	Next witness?
11:24:44 AM	Atty Riggs Kentucky Utilities Note: Sacre, Candace	John Bevington.
11:24:56 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:25:04 AM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Examination. Name and address?
11:25:18 AM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Direct Examination. Title?
11:25:22 AM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Cause be prepared and filed rebuttal?
11:25:30 AM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Also cause be prepared and filed responses?
11:25:36 AM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Ask same questions, answers be same?
11:25:45 AM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Confirm answers as testimony?

11:25:53 AM Chairman Chandler
Note: Sacre, Candace Mr. Kurtz?

11:25:58 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Cross Examination. EDR special contract signed Sep 28 2022?

11:26:07 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Understand KU base rate freeze until July 1 2025?

11:26:20 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace What motivation KU have give customer discount rate freeze and never recover discount?

11:26:51 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace If thought do that, why give discount?

11:27:02 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Not recover discount from ratepayers, money company gives up?

11:27:15 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Not give discount if thought customer locate there?

11:27:22 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace No new transmission/distribution investment serve this load?

11:27:32 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Located at site retired coal mine?

11:27:53 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Only cryptomining

11:28:00 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace One reason first and only EDR cryptocurrency proposal no investment needed serve load?

11:28:24 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace EDR period ten years?

11:28:35 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Marked as Bitiki Exhibit 1.

11:28:36 AM MARKED - BITIKI HEARING EXHIBIT 1
Note: Sacre, Candace ATTY KURTZ BITIKI - WITNESS BEVINGTON
Note: Sacre, Candace TEN-YEAR EDR DISCOUNT

11:29:38 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Demand charge \$2.854 million?

11:29:53 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace First year discount half that \$1.427 million?

11:30:01 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Next year 40 percent or \$1.14 million?

11:30:11 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace If customer terminates contract, give back 90 percent?

11:30:23 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Over next three years terminates, give back 75 percent?

11:30:33 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Terminates between years 6 and 10, give back 50 percent?

11:30:44 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace If contract runs ten years, receive \$4.282 million discount?

11:30:54 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Fifteen percent full demand charge?

11:31:08 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace If customer on standard RTS rate, one-year termination provision?

11:31:18 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Instead of ten years discount, KU under RTS rate get one year demand charge?

11:31:37 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace If customer on standard RTS rate, one-year termination provision?

11:31:48 AM Atty Kurtz Bitiki - witness Bevington
Note: Sacre, Candace Under standard RTS rate, customer may be around for minimum one year paying demand charges?

11:32:15 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Cross Examination. Involvement with KU review and negotiation of contract?

11:32:52 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Someone reports to you?

11:33:00 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Personally involved in discussions with Bitiki?

11:33:09 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Discuss Ky Economic Development Finance Authority?

11:33:18 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Shorthand way to refer to that?

11:33:29 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KEDFA awarded certain tax incentives to Bitiki?

11:33:37 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Know what incentives were?

11:33:58 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace My read \$150,000 for construction materials and building fixtures?

11:34:22 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace In agreement submitted with application?

11:34:30 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Application KU submitted to Commission with contract had agreement as one of components?

11:34:48 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Bitiki facility has been constructed?

11:34:57 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace What mean by at least partially?

11:35:31 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Say customer has stated, when communications took place?

11:35:58 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Know if communications post-date discovery in this case?

11:36:13 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Able respond to post-hearing data request additional communication post-dates discovery?

11:36:14 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace ATTY CMAR JOINT INTERVENORS - WITNESS BEVINGTON
Note: Sacre, Candace COMMUNICATIONS WHICH POST-DATE DISCOVERY

11:36:27 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Facility currently operating?

11:36:35 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Fair say tax incentives contributed to facility constructed and operating?

11:37:00 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Facility constructed and operating without EDR in place?

11:37:32 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Reasonable assume Commission approve contract before contract approved?

11:37:45 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Reasonable assume Commission approve contract before contract approved?

11:38:03 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Understood moved forward on assumption contract approved?

11:38:11 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Think reasonable assumption?

11:39:08 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Agree Commission has role to play ensure not affect KU customers?

11:39:22 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace If Bitiki needed discounted rate, waited until after contract approved?

11:39:44 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KEDFA review, not involved in process?

11:39:54 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Knowledge what reviewed and findings were?

11:40:25 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Based on experience, what process look like?

11:41:44 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Beyond what filed with application for contract, neither Bitiki nor KEDFA provided to KU?

11:42:55 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Did KEDFA provide to KU documentation what reviewed?

11:43:17 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace As part of process, Bitiki still has to submit application to Revenue to claim tax incentives?

11:43:52 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Know if done that?

11:44:00 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace If facility built and operating, satisfy requirement by KEDFA qualify tax incentives?

11:44:36 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Know if approval EDR agreements, create additional investment/jobs beyond already created?

11:45:10 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Hornung said earlier currently operating ten megawatts?

11:45:24 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Original plan to go to 13?

11:45:31 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace If EDR approved, make expenditures to go from 10 to 13?

11:46:24 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Any paperwork filed in record of this case?

11:46:35 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Communications go from 10 to 13 if EDR approved, none of that filed in this case?

11:47:12 AM Atty Cmar Joint Intervenors
Note: Sacre, Candace Note for record request information in post-hearing data request.

11:47:18 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace ATTY CMAR JOINT INTERVENORS - WITNESS BEVINGTON
Note: Sacre, Candace PROVIDE ALL COMMUNICATIONS OCCURRED AFTER DISCOVERY WHICH LED TO CONTRACT MODIFICATION REFERENCED

11:47:54 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Turn to page 7 of rebuttal, line 1, economic development projects in KU territory certified by KEDFA but KU not offer EDR agreement?

11:48:41 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Examples of projects that meet KEDFA criteria but EDR agreement not needed?

11:48:56 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Bitiki represented planned create five jobs?

11:49:06 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Jobs already created since operating?

11:49:43 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Anyone more information on those jobs specifically?

11:49:53 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Knowledge of approval EDR agreement result in additional jobs?

11:50:16 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Created at least some of those jobs?

11:50:25 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Built and operating, not know if already created jobs?

11:50:55 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KU not done anything verify actual number of jobs created?

11:51:05 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Going on estimates at time of application?

11:51:14 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KU requested commitments jobs from local community?

11:51:28 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Requested jobs not be part time?

11:51:49 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KU request commitments jobs related solely Bitiki?

11:52:47 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Not say whether full time?

11:52:58 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KU any process making sure companies not double counting employees other sites?

11:53:14 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KU taken tour of Bitiki?

11:53:18 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Were you on tour?

11:53:21 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Who was?

11:53:25 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Who is that?

11:53:31 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Pictures taken during tour filed into record?

11:53:43 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Those photos show rooms with computers?

11:54:03 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Not show offices or other facilities?

11:54:23 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace KU do anything to verify EDR discount necessary to Bitiki decision?

11:55:31 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Where is that specific necessity determination documented?

11:56:31 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Point to anywhere record where documented?

11:57:13 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Not specifically say necessary?

11:57:29 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Customer rather have discount than not have discount?

11:57:59 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Customer had history with facility's location, clear customer had a vested interest in site?

11:58:30 AM Atty Cmar Joint Intervenors - witness Bevington
Note: Sacre, Candace Evidence considered sites outside KU territory?

11:58:39 AM	Atty Cmar Joint Intervenors - witness Bevington Note: Sacre, Candace	Without Commission approving EDR agreement, built facility and operating at ten megawatts?
11:59:20 AM	Atty Cmar Joint Intervenors - witness Bevington Note: Sacre, Candace	Reason to believe if EDR agreement not approved would not continue to operate at 10 megawatts?
11:59:35 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:59:45 AM	Vice Chairman Hatton - witness Bevington Note: Sacre, Candace	Examination. Tell about analysis?
12:01:45 PM	Vice Chairman Hatton - witness Bevington Note: Sacre, Candace	Know what amount of deposit two-twelfths amounted to?
12:01:53 PM	Vice Chairman Hatton - witness Bevington Note: Sacre, Candace	Not returned if not fulfil requirements?
12:02:08 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Examination. PSC Staff 1-1, third question references response just gave, \$1.275 million?
12:02:57 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Asked question in (a), reading (click on link for further comments), institute know-your-customer standards?
12:03:27 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	LG&E/KU institute know-your-customer standards?
12:03:55 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Have appreciation what customers going through, aware of concept?
12:04:57 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Response to (a) volatility and credit risks, reading (click on link for further comments), not the case, for EDRs apply different credit criteria?
12:05:44 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Second part of response, reading (click on link for further comments), saying require additional credit requirements only if additional investments necessary or generally require things different than in EDRs?
12:07:50 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	If worried that get up and leave, have flexibility to require different requirements for payback?
12:08:54 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Say treat everybody same except EDR customers have alternatives, look at risk determining alternatives?
12:10:32 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Activities require appreciation what going on with customer, know-your-customer standards?
12:11:04 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	How often redo deposits increases or decreases in demand, recalculate?
12:11:24 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Out three/twelfths of money and only deposit two/twelfths?
12:11:47 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Not great for customers, goes unrecovered?
12:12:10 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Looking at question 1 and only responding witness Bevington?
12:12:19 PM	Atty Crosby Kentucky Utilities Note: Sacre, Candace	Confusion PSC 2-1. (Click on link for further comments.)
12:12:39 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Have 2-1 in front of you?

12:13:06 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Respondent to all this?

12:13:10 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace One all through (a) how not evaluate market risk or credit required?

12:13:26 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Is Bitiki-KY LLC current customer?

12:13:36 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Customer prior to EDR?

12:13:44 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Email addresses referred to transfer one to another, affiliates?

12:14:19 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Entity that has EDR has affiliates that are customers?

12:14:34 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Lots of current customers, common ownership, lots of meters by different LLCs but under common ownership?

12:14:56 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Not unique, consider Toyota be customer?

12:15:07 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Lots of meters across the state?

12:15:20 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Ford customer?

12:15:25 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Multiple meters both utilities?

12:15:34 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Customer take service in Hardin different than Jefferson?

12:15:42 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Ford customer treat as Ford?

12:15:51 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Talking to only employees of Bitiki about contract?

12:16:10 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Who discussing contract with?

12:16:21 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Who own multiple subsidiaries multiple meters under different names?

12:16:29 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Dealing with same people across suite of different companies?

12:16:43 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace When have entities multiple meters, refer earlier key account manager?

12:17:07 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Key account manager Bitiki-KY same as affiliates in area?

12:17:20 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Key account manager referenced earlier UC Processing LLC?

12:18:18 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Like Riverview?

12:18:22 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace For entities like this, ever in lieu of or in addition to had special contractor EDRs allowing cross collateralization other agreements/deposits?

12:18:51 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Ever been discussion?

12:18:57 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace In any case?

12:20:09 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Have had discussions, aware discussions guaranty sharing, has come up or has not?

12:20:26 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Related to this account?

12:20:33 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace In what context come up?

12:21:11 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Get \$1.275 million cash or surety?

12:21:22 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Different in your eyes?

12:21:40 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Whose determination is this?

12:22:59 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Who surety is through, have people look at that?

12:23:16 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Your folks talking with those folks?

12:23:36 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Two-twelfths in regulations, in terms risk customer represents plays no part in determination of deposit or surety?

12:24:06 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Individual customer, constantly paying late, not type of business, a new customer's individual credit risk, not take into account

12:24:46 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Issue not treat people differently, evidence look at?

12:25:18 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Data Request 2-1, second paragraph, response to (a), evaluations performed by KEDFA, what evaluations KEFDA do?

12:26:26 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace See evaluations or just see KEDFA approved?

12:26:48 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Depend on KEDFA ultimate determination, not evaluations performed?

12:27:21 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace What role playing, copy of Data Request 2-1, footnote 1, PSC No. 20, reading (click on link for further comments), right?

12:28:07 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Accurate if just said KU relies on KEDFA?

12:28:21 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Not evaluations performed by KEDFA, depending on the thumbs up or thumbs down of KEDFA review?

12:28:45 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Evaluating market risk of customer?

12:29:47 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Distinction between what KEDFA does and utility does, KEDFA using tax money, what you doing using ratepayer money?

12:30:13 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace Not see evaluations, evaluations not public?

12:30:41 PM Chairman Chandler - witness Bevington
Note: Sacre, Candace For public information, depending on KEDFA, over years, know whether KU and LG&E reviewing attached documentation or just looking at thumbs up from KEDFA?

12:31:58 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	If have other evidence on customer, if take into account, is a credit risk but not market risk, are risks for EDR customers are taking into account separate from what KEDFA doing?
12:32:59 PM	Chairman Chandler - witness Bevington Note: Sacre, Candace	Commission long history with aluminum smelters, public, lots of history here, since not customer in past, not consider guys subject to volatility, how coming about evidence of risk?
12:34:24 PM	Chairman Chandler Note: Sacre, Candace	Plan on moving this? (Click on link for further comments.)
12:34:34 PM	Chairman Chandler Note: Sacre, Candace	Objection to exhibit?
12:34:40 PM	Chairman Chandler Note: Sacre, Candace	Entered as Bitiki-KY Exhibit 1.
12:34:41 PM	BITIKI-KY HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY KURTZ BITIKI - WITNESS BEVINGTON TEN-YEAR EDR DISCOUNT
12:34:45 PM	Chairman Chandler Note: Sacre, Candace	Redirect?
12:34:52 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Redirect Examination. Mention made amendment to contract KU and Bitiki, recall discussion?
12:35:05 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Amendment made to EDR contract?
12:35:10 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Amendment relate just to electric service contract under RTS?
12:35:21 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Asked concerning communications with Bitiki, recall those and whether specific written communications?
12:35:46 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Does rebuttal at page 6 reference email with Bitiki?
12:36:07 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Restate what communication expressing?
12:37:03 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Full email produced response cited footnote 13?
12:37:14 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Asked questions about know-your-customer standards, recall?
12:37:29 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Does KU have key account managers?
12:37:34 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	What do?
12:37:56 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Routinely meet key account customers?
12:38:01 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Include Bitiki?
12:38:05 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Learn how business is doing, what is purpose?
12:38:30 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Meetings regular and continuous?
12:38:46 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	Recent business process?
12:38:59 PM	Atty Riggs Kentucky Utilities - witness Bevington Note: Sacre, Candace	KU believe understands key account customers?

12:39:22 PM	Chairman Chandler Note: Sacre, Candace	Procedural discussion. (Click on link for further comments.)
12:40:05 PM	Chairman Chandler Note: Sacre, Candace	Recess until 12:50.
12:40:15 PM	Session Paused	
1:01:43 PM	Session Resumed	
1:01:57 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2022-00371.
1:02:01 PM	Chairman Chandler Note: Sacre, Candace	Additional witnesses?
1:02:05 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
1:02:10 PM	Chairman Chandler Note: Sacre, Candace	First witness?
1:02:16 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
1:02:31 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Examination. Name and address?
1:03:03 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Direct Examination. State what documents have with you?
1:03:32 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Not have any other documents?
1:03:39 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Cause testimony be filed?
1:03:46 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Cause answers to data requests be filed?
1:03:55 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	If were to ask same questions today, testimony same?
1:04:06 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	If were to pose same questions in data responses, responses be same?
1:04:18 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Corrections?
1:04:36 PM	Chairman Chandler Note: Sacre, Candace	Mr. Kurtz?
1:04:42 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	Cross Examination. One of concerns Bitiki might be free rider?
1:05:04 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	Aware KU in middle of base rate freeze?
1:05:14 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	To extent correct KU left money on table, who harmed?
1:05:45 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	What motivation KU have agreeing to contract felt unnecessary?
1:06:14 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	KU ratepayers?
1:06:26 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	What motivation KU have give discount unnecessary?
1:07:15 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	Are not KU shareholders penalized until July 25 and not ratepayers?
1:07:40 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	Penalized left money on table because gave discount to free rider?
1:08:05 PM	Atty Kurtz Bitiki - witness Sherwood Note: Sacre, Candace	Contract to benefit of ratepayers because Bitiki make contribution to fixed costs?

1:08:35 PM Atty Kurtz Bitiki - witness Sherwood
Note: Sacre, Candace Aware marginal cost studies of Wilson indicate minimum benefit over 10 years of \$10.9 million and up to \$28.5 million, how all ratepayers not benefit?

1:09:15 PM Atty Kurtz Bitiki - witness Sherwood
Note: Sacre, Candace Other concerns about jobs?

1:09:23 PM Atty Kurtz Bitiki - witness Sherwood
Note: Sacre, Candace Driver behind deal not jobs, is demand charge revenue?

1:09:51 PM Atty Kurtz Bitiki - witness Sherwood
Note: Sacre, Candace No minimum amount of jobs in EDR order or tariff?

1:10:00 PM Atty Kurtz Bitiki - witness Sherwood
Note: Sacre, Candace Will not benefit economy and promote economic development?

1:10:30 PM Chairman Chandler
Note: Sacre, Candace Mr. Riggs?

1:10:38 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Cross Examination. First time before Ky PSC?

1:10:45 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Prior to this case admitted no experience in economic development in Kentucky?

1:10:59 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Limited to working on environmental justice and economic development in Maryland?

1:11:31 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Prior to this case and 2022-00387, no experience related cryptocurrency mining?

1:11:50 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Professional experience not include marginal costs studies?

1:12:00 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Familiar with Commission Order in UMINI LLC, Case No. 2022-00355?

1:12:16 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Commission approved crypto mining EDR contract East Kentucky Power Oct 31 2022 three months before filed your testimony?

1:12:37 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Assist in preparation of comments?

1:12:57 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Familiar with what mentioned by Bevington KRS 139.516/HB 2021-00230 concerned Kentucky cryptocurrency sales and tax use exemption?

1:13:34 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Reviewed that statute?

1:13:50 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Since then become aware of it?

1:14:00 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Aware of statute?

1:14:05 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Aware at time prepared testimony?

1:14:13 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Review preamble to statute?

1:14:26 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Statute not cited or reference made in testimony?

1:14:35 PM Atty Riggs Kentucky Utilities - witness Sherwood
Note: Sacre, Candace Chose not include it?

1:14:47 PM	Atty Riggs Kentucky Utilities Note: Sacre, Candace	Way could share on screen? (Click on link for further comments.)
1:15:36 PM	Chairman Chandler Note: Sacre, Candace	Will be in recess.
1:15:43 PM	Session Paused	
1:22:04 PM	Session Resumed	
1:22:18 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2022-00371.
1:22:26 PM	Chairman Chandler Note: Sacre, Candace	Try to bring up document.
1:22:50 PM	Chairman Chandler Note: Sacre, Candace	Mr. Riggs?
1:22:54 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Sharing now HB 230.
1:23:34 PM	Chairman Chandler Note: Sacre, Candace	Mark as KU Exhibit 1.
1:23:35 PM	MARKED - KU HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY RIGGS KENTUCKY UTILITIES - WITNESS SHERWOOD HOUSE BILL 230 CHAPTER 122 AN ACT RELATING TO THE TAXATION OF THE COMMERCIAL MINING OF CRYPTOCURRENCY
1:23:46 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Cross Examination (cont'd). See third, fourth paragraph of preamble, that begins, reading (click on link for further comments)?
1:24:16 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Fourth WHEREAS paragraph, see, reading (click on link for further comments), see that language?
1:24:37 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	In last WHEREAS clause, reading (click on link for further comments), see language?
1:25:02 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Agree preamble reflects policy promote cryptocurrency
1:25:25 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Were you aware preamble at time prepared testimony?
1:25:58 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Turn to page 6 of your testimony, lines 7 - 11, reading (click on link for further comments), correct?
1:26:20 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Testimony does not quote Commission conclusion?
1:26:36 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Accept at page 15 Order Admin Case 327 states, reading (click on link for further comments)?
1:27:29 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Turn to page 8, line 4 through 7, reading (click on link for further comments), see that?
1:27:54 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Not include conclusion?
1:28:11 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Accept page 12 Commission Order states, reading (click on link for further comments)?
1:29:40 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Turn to page 19, lines 5 and 6, state, reading (click on link for further comments), correct?
1:30:05 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Page 14 not concerned about increased costs for customers if Bitiki approved?

1:30:25 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Page 15, reading (click on link for further comments)?
1:30:47 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Safeguards no investment serve Bitiki and requiring surety bond?
1:31:14 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Bitiki using KU existing infrastructure to bring load on to line?
1:31:26 PM	Atty Riggs Kentucky Utilities - witness Sherwood Note: Sacre, Candace	Presents no analysis KU need additional capacity purchases?
1:31:47 PM	Chairman Chandler Note: Sacre, Candace	Questions?
1:32:00 PM	Vice Chairman Hatton - witness Sherwood Note: Sacre, Candace	Examination. What evidence would support absent EDR discount Bitiki not expand?
1:33:12 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Examination. How KU have documentation as to customer seeking and other utilities related whether utility locate in another territory?
1:34:28 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Response indicate affidavit would have been sufficient?
1:34:56 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Seen that in other locations that affidavit is necessary indicate that but for that offer of reduced rates customer gone somewhere else?
1:35:34 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Just an obligation to serve an industrial customer demanding service under tariff rate?
1:35:56 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Your experience is when somebody already committed and then after fact seeking reduced rate?
1:36:16 PM	Commission Regan - witness Sherwood Note: Sacre, Candace	Examination. Saying would not be an economic development rate?
1:36:40 PM	Chairman Chandler Note: Sacre, Candace	Redirect?
1:37:00 PM	Chairman Chandler Note: Sacre, Candace	Additional documents?
1:37:06 PM	Chairman Chandler Note: Sacre, Candace	Move to introduce?
1:37:12 PM	Atty Riggs Kentucky Utilities Note: Sacre, Candace	Move to introduce KU Exhibit 1.
1:37:18 PM	KU HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY RIGGS KENTUCKY UTILITIES - WITNESS SHERWOOD HOUSE BILL 230 CHAPTER 122 AN ACT RELATING TO THE TAXATION OF THE COMMERCIAL MINING OF CRYPTOCURRENCY
1:38:04 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
1:38:07 PM	Atty Cmar Joint Intervenors Note: Sacre, Candace	Chelsea Hotaling.
1:38:10 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
1:38:27 PM	Chairman Chandler - witness Hotaling Note: Sacre, Candace	Examination. Name and address?
1:38:57 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Direct Examination. State what documents have with you?
1:39:11 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Any other documents?

1:39:19 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Cause testimony be filed into record?
1:39:26 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Also cause answers to data requests filed?
1:39:35 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Ask same questions, testimony same?
1:39:44 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Ask same questions in data requests, responses same?
1:39:54 PM	Atty Cmar Joint Intervenors - witness Hotaling Note: Sacre, Candace	Corrections?
1:40:06 PM	Chairman Chandler Note: Sacre, Candace	Questions?
1:40:43 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
1:40:49 PM	Chairman Chandler Note: Sacre, Candace	Anything in terms of evidence?
1:41:04 PM	Chairman Chandler Note: Sacre, Candace	Statutory deadline. (Click on link for further comments.)
1:42:24 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests and briefs. (Click on link for further comments.)
1:50:44 PM	Chairman Chandler Note: Sacre, Candace	Motions. (Click on link for further comments.)
1:51:14 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
1:51:30 PM	Session Ended	



Exhibit List Report

2022-00371 31May2023

Kentucky Utilities Company (KU)

Name:

Description:

BITIKI-KY HEARING EXHIBIT 1 TEN-YEAR EDR DISCOUNT

KU HEARING EXHIBIT 1

HOUSE BILL 230 CHAPTER 122 AN ACT RELATING TO THE TAXATION OF THE
COMMERCIAL MINING OF CRYPTOCURRENCY

BITIKI HEARING EXHIBIT 1

	Full Bitiki Demand Charge Revenue ¹	EDR Discount level	Bitiki Demand Revenue (not including ECR or RARR)	EDR Discount	
Year 1	\$ 2,854,800	50%	\$ 1,427,400	\$ 1,427,400	90% EDR Claw-back if Customer Termination Event occurs Years 1-2
Year 2	\$ 2,854,800	40%	\$ 1,712,880	\$ 1,141,920	
Year 3	\$ 2,854,800	30%	\$ 1,998,360	\$ 856,440	75% EDR Claw-back if Customer Termination Event occurs Years 3-5
Year 4	\$ 2,854,800	20%	\$ 2,283,840	\$ 570,960	
Year 5	\$ 2,854,800	10%	\$ 2,569,320	\$ 285,480	
Year 6	\$ 2,854,800	0%	\$ 2,854,800	\$ 0	50% EDR Claw-back if Customer Termination Event occurs Years 6-10
Year 7	\$ 2,854,800	0%	\$ 2,854,800	\$ 0	
Year 8	\$ 2,854,800	0%	\$ 2,854,800	\$ 0	
Year 9	\$ 2,854,800	0%	\$ 2,854,800	\$ 0	
Year 10	\$ 2,854,800	0%	\$ 2,854,800	\$ 0	
TOTAL	\$ 28,548,000		\$ 24,265,800	\$ 4,282,200	

¹ Peak Demand Charge \$8.95 x 13,000 KVA x 12 = \$1,396,200
Intermediate Demand Charge \$7.19 x 13,000 KVA x 12 = \$1,121,640
Base Demand Charge \$2.16 x 13,000 KVA x 12 = \$336,960
\$2,854,800

Does not include fixed cost recovery in Environmental Surcharge or Retired Asset Recovery Rider.

CHAPTER 122

(HB 230)

AN ACT relating to the taxation of the commercial mining of cryptocurrency.

WHEREAS, the increased use of blockchain technology in a variety of applications and processes has led to significant innovation, developments, and modernization in multiple industries throughout the world; and

WHEREAS, access to cost-effective energy is critical to the development and growth of blockchain technology, particularly in the commercial mining of cryptocurrency which requires a substantial and constant supply of energy; and

WHEREAS, the General Assembly has actively encouraged the use and growth of blockchain technology in the Commonwealth as evidenced by 2019 House Resolution 171 authorizing a comprehensive study on the growing use of blockchain technology and its economic development potential for a variety of businesses and industries, as well as the passage of 2020 Senate Bill 55 which enacted KRS 42.747 and created a Blockchain Technology Working Group to study the use of blockchain in various sectors; and

WHEREAS, the Commonwealth has an opportunity to become a national leader in the emerging industry of the commercial mining of cryptocurrency given its abundant supply of electricity that can be provided at lower rates than most states, and its established infrastructure to provide such energy through the Tennessee Valley Authority and other electricity providers; and

WHEREAS, it is necessary to clarify the General Assembly's original intention that Kentucky's tax code must and does recognize that the continuing development of new and advanced manufacturing and industrial processing technologies has led to new industrial processes, such as blockchain used for commercial mining of cryptocurrency, which should and must be taxed in a manner similar to historical forms of manufacturing or industrial processing, in order to continue to encourage the location and expansion of such operations in the Commonwealth, rather than in other states likewise competing for such businesses;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ AS FOLLOWS:

(1) *As used in this section:*

- (a) *"Blockchain technology" means shared or distributed data structures or digital ledgers governed by consensus protocols and maintained by peer-to-peer networks that:*
 - 1. *Store digital transactions; and*
 - 2. *Verify and secure transactions cryptographically;*
- (b) *"Colocation facility" means a facility which houses tangible personal property that functions as a computing system node or nodes, or hosts such node or nodes, in the commercial mining of cryptocurrency and which the computing system node or nodes of the facility consume no less than two hundred thousand (200,000) kilowatt hours of electricity per month;*
- (c) *"Commercial mining of cryptocurrency" means the process through which blockchain technology is used to mine cryptocurrency at a colocation facility;*
- (d) *"Consensus protocol" means a set of rules and procedures that control how and when blockchain transactions are verified, validated, recorded, and recognized;*
- (e) *"Cryptocurrency" means a type of virtual currency that utilizes blockchain technology and that:*
 - 1. *Can be digitally traded between users; or*
 - 2. *Can be converted or exchanged for legal tender;*
- (f) *"Mine" means the process through which blockchain transactions are verified and accepted by adding the transactions to a blockchain ledger, which involves solving complex mathematical cryptographic problems associated with a block containing transaction data; and*

- (g) *"Peer-to-peer networks" has the same meaning as in KRS 42.747.*
- (2) (a) *The tax imposed by KRS 139.200 or 139.310 shall not apply to the sale or purchase of electricity that is used or consumed in the commercial mining of cryptocurrency.*
- (b) *Applications for the exemption shall be made on or after July 1, 2021, and on or before June 30, 2025.*
- (b) *The exemption shall apply to electricity sold or purchased on or after the effective date of application and before July 1, 2030.*
- (3) (a) *To qualify for the exemption provided in subsection (2) of this section, each person seeking the exemption shall file an application for each location when the commercial mining of cryptocurrency takes place in this state.*
- (b) *The application shall be in the form prescribed by the department and shall include:*
1. *The name and mailing address of the person seeking the exemption;*
 2. *A description of the person's business activities;*
 3. *The business location where the operations will be located, including the street address, city, and county; and*
 4. *Any other information the department may require.*
- (4) *If the application is approved by the department:*
- (a) *The department shall issue a certificate which shall be effective as of the date of the application. The effective date of the application shall be:*
1. *The postmark date, if a paper application is filed;*
 2. *The date received at the department's office, if an application is delivered in person; or*
 3. *The electronic time stamp, if the application is filed electronically; and*
- (b) *The approved applicant shall report the amounts of the tax exemption claimed in subsection (2) of this section from the date of application to September 1, 2021, on or before November 1, 2021, and for each fiscal year thereafter on or before each November 1, as long as the exemption applies.*
- (5) *On or before January 1, 2022, and on or before each January 1 thereafter as long as the exemption applies, the department shall report to the Interim Joint Committee on Appropriations and Revenue:*
- (a) *The total amount of tax exemption that has been claimed for the immediately preceding fiscal year; and*
- (b) *The total cumulative amount of the exemption claimed.*

→Section 2. KRS 160.613 is amended to read as follows:

- (1) There is hereby authorized a utility gross receipts license tax for schools not to exceed three percent (3%) of the gross receipts derived from the furnishing, within the district, of utility services, except that "gross receipts" shall not include **amounts received for furnishing**:
- (a) ~~[Amounts received for furnishing]~~Energy or energy-producing fuels to a person engaged in manufacturing or industrial processing *as provided in subsection (3) or (4) of this section*, if that person provides the utility services provider with a copy of its utility gross receipts license tax energy direct pay authorization, as provided in subsection (3) of this section, and the utility service provider retains a copy of the authorization in its records; ~~[or]~~
- (b) ~~[Amounts received for furnishing]~~Utility services which are to be resold; *or*
- (c) *Notwithstanding subsection (2) of this section, electricity used or consumed at a colocation facility in commercial mining of cryptocurrency:*
1. *If the facility operator provides the utility services provider with a copy of its utility gross receipts license tax exemption certificate, as authorized by subsection (6) of this section, and the utility service provider retains a copy of the exemption certificate in its records; or*

2. *If the utility service provider is a governmental agency, the facility operator shall retain the exemption certificate in its records.*

- (2) If any user of utility services purchases the utility services directly from any supplier who is exempt either by state or federal law from the utility gross receipts license tax, then the user of the utility services, if the tax has been levied in the user's school district, shall be liable for the tax and shall register with and pay directly to the department, in accordance with the provisions of KRS 160.615, a utility gross receipts license tax for schools computed by multiplying the gross cost of all utility services received by the tax rate levied under the provisions of this section.
- (3) A person engaged in manufacturing or industrial processing whose cost of energy or energy-producing fuels used in the course of manufacturing or industrial processing exceeds an amount equal to three percent (3%) of the cost of production may apply to the department for a utility gross receipts license tax energy direct pay authorization. Cost of production shall be computed on the basis of a plant facility, which shall include all operations within the continuous, unbroken, integrated manufacturing or processing production process that ends with a product packaged and ready for sale. If the person receives confirmation of eligibility from the department, the person shall:
- (a) Provide the utility services provider with a copy of the utility gross receipts license tax energy direct pay authorization issued by the department for all purchases of energy and energy-producing fuels; and
 - (b) Report and pay directly to the department, in accordance with the provisions of KRS 160.615, the utility gross receipts license tax due.
- (4) A person who performs a manufacturing or industrial processing activity for a fee and does not take ownership of the tangible personal property that is incorporated into, or becomes the product of, the manufacturing or industrial processing activity is a toller. For periods on or after July 1, 2018, the costs of the tangible personal property shall be excluded from the toller's cost of production at a plant facility with tolling operations in place as of July 1, 2018.
- (5) For plant facilities that begin tolling operations after July 1, 2018, the costs of tangible personal property shall be excluded from the toller's cost of production if the toller:
- (a) Maintains a binding contract for periods after July 1, 2018, that governs the terms, conditions, and responsibilities with a separate legal entity, which holds title to the tangible personal property that is incorporated into, or becomes the product of, the manufacturing or industrial processing activity;
 - (b) Maintains accounting records that show the expenses it incurs to fulfill the binding contract that include but are not limited to energy or energy-producing fuels, materials, labor, procurement, depreciation, maintenance, taxes, administration, and office expenses;
 - (c) Maintains separate payroll, bank accounts, tax returns, and other records that demonstrate its independent operations in the performance of its tolling responsibilities;
 - (d) Demonstrates one (1) or more substantial business purposes for the tolling operations germane to the overall manufacturing, industrial processing activities, or corporate structure at the plant facility. A business purpose is a purpose other than the reduction of utility gross receipts license tax liability for the purchases of energy and energy-producing fuels; and
 - (e) Provides information to the department upon request that documents fulfillment of the requirements in paragraphs (a) to (d) of this subsection and gives an overview of its tolling operations with an explanation of how the tolling operations relate and connect with all other manufacturing or industrial processing activities occurring at the plant facility.
- (6) (a) ***The operator of a colocation facility primarily engaged in the commercial mining of cryptocurrency may apply to the department for a utility gross receipts license tax exemption certificate. If the operator receives confirmation of eligibility from the department, it:***
- 1. Shall provide the utility services provider with a copy of the utility gross receipts license tax exemption certificate issued by the department for all purchases of electricity; or***
 - 2. Keep the certificate on file if the utility service provider is a governmental agency.***
- (b) ***The utility gross receipts license tax exemption shall be effective from the date of confirmation of eligibility until June 30, 2030.***

→Section 3. KRS 160.6131 is amended to read as follows:

As used in KRS 160.613 to 160.617:

- (1) "Department" means the Department of Revenue;
- (2) "Communications service" means the provision, transmission, conveyance, or routing, for consideration, of voice, data, video, or any other information signals of the purchaser's choosing to a point or between or among points specified by the purchaser, by or through any electronic, radio, light, fiber optic, or similar medium or method now in existence or later devised.
 - (a) "Communications service" includes but is not limited to:
 1. Local and long-distance telephone services;
 2. Telegraph and teletypewriter services;
 3. Postpaid calling services;
 4. Private communications services involving a direct channel specifically dedicated to a customer's use between specific points;
 5. Channel services involving a path of communications between two (2) or more points;
 6. Data transport services involving the movement of encoded information between points by means of any electronic, radio, or other medium or method;
 7. Caller ID services, ring tones, voice mail, and other electronic messaging services;
 8. Mobile wireless telecommunications service and fixed wireless service as defined in KRS 139.195; and
 9. Voice over Internet Protocol (VOIP).
 - (b) "Communications service" does not include any of the following if the charges are separately itemized on the bill provided to the purchaser:
 1. Information services;
 2. Internet access as defined in 47 U.S.C. sec. 151;
 3. Installation, reinstallation, or maintenance of wiring or equipment on a customer's premises. This exclusion does not apply to any charge attributable to the connection, movement, change, or termination of a communications service;
 4. The sale of directory and other advertising and listing services;
 5. Billing and collection services provided to another communications service provider;
 6. Cable service, satellite broadcast, satellite master antenna television, wireless cable service, including direct-to-home satellite service as defined in Section 602 of the federal Telecommunications Act of 1996, and Internet protocol television provided through wireline facilities without regard to delivery technology;
 7. The sale of communications service to a communications provider that is buying the communications service for sale or incorporation into a communications service for sale, including:
 - a. Carrier access charges, excluding user access fees;
 - b. Right of access charges;
 - c. Interconnection charges paid by the provider of mobile telecommunications services or other communications providers;
 - d. Charges for the sale of unbundled network elements as defined in 47 U.S.C. sec. 153(29) on January 1, 2001, to which access is provided on an unbundled basis in accordance with 47 U.S.C. sec. 251(c)(3); and
 - e. Charges for use of facilities for providing or receiving communications service;
 8. The sale of communications services provided to the public by means of a pay phone;

9. Prepaid calling services and prepaid wireless calling service;
 10. Interstate telephone service, if the interstate charge is separately itemized for each call; and
 11. If the interstate calls are not itemized, the portion of telephone charges identified and set out on the customer's bill as interstate as supported by the provider's books and records;
- (3) "Gross cost" means the total cost of utility services including the cost of the tangible personal property and any services associated with obtaining the utility services regardless from whom purchased;
 - (4) "Gross receipts" means all amounts received in money, credits, property, or other money's worth in any form, as consideration for the furnishing of utility services;
 - (5) "Utility services" means the furnishing of communications services, electric power, water, and natural, artificial, and mixed gas;
 - (6) "Cable service" has the same meaning as in KRS 136.602;
 - (7) "Satellite broadcast and wireless cable service" has the same meaning as in KRS 136.602;
 - (8) "Ring tones" has the same meaning as in KRS 136.602;
 - (9) "Multichannel video programming service" has the same meaning as in KRS 136.602;
 - (10) "Industrial processing" has the same meaning as in KRS 139.010;
 - (11) "Manufacturing" has the same meaning as in KRS 139.010; ~~and~~
 - (12) "Plant facility" has the same meaning as in KRS 139.010;
 - (13) "Commercial mining of cryptocurrency" has the same meaning as in Section 1 of this Act; and**
 - (14) "Colocation facility" has the same meaning as in Section 1 of this Act.**

➔Section 4. KRS 131.190 is amended to read as follows:

- (1) No present or former commissioner or employee of the department, present or former member of a county board of assessment appeals, present or former property valuation administrator or employee, present or former secretary or employee of the Finance and Administration Cabinet, former secretary or employee of the Revenue Cabinet, or any other person, shall intentionally and without authorization inspect or divulge any information acquired by him of the affairs of any person, or information regarding the tax schedules, returns, or reports required to be filed with the department or other proper officer, or any information produced by a hearing or investigation, insofar as the information may have to do with the affairs of the person's business.
- (2) The prohibition established by subsection (1) of this section shall not extend to:
 - (a) Information required in prosecutions for making false reports or returns of property for taxation, or any other infraction of the tax laws;
 - (b) Any matter properly entered upon any assessment record, or in any way made a matter of public record;
 - (c) Furnishing any taxpayer or his properly authorized agent with information respecting his own return;
 - (d) Testimony provided by the commissioner or any employee of the department in any court, or the introduction as evidence of returns or reports filed with the department, in an action for violation of state or federal tax laws or in any action challenging state or federal tax laws;
 - (e) Providing an owner of unmined coal, oil or gas reserves, and other mineral or energy resources assessed under KRS 132.820, or owners of surface land under which the unmined minerals lie, factual information about the owner's property derived from third-party returns filed for that owner's property, under the provisions of KRS 132.820, that is used to determine the owner's assessment. This information shall be provided to the owner on a confidential basis, and the owner shall be subject to the penalties provided in KRS 131.990(2). The third-party filer shall be given prior notice of any disclosure of information to the owner that was provided by the third-party filer;
 - (f) Providing to a third-party purchaser pursuant to an order entered in a foreclosure action filed in a court of competent jurisdiction, factual information related to the owner or lessee of coal, oil, gas reserves, or any other mineral resources assessed under KRS 132.820. The department may promulgate an administrative regulation establishing a fee schedule for the provision of the information described in

this paragraph. Any fee imposed shall not exceed the greater of the actual cost of providing the information or ten dollars (\$10);

- (g) Providing information to a licensing agency, the Transportation Cabinet, or the Kentucky Supreme Court under KRS 131.1817;
 - (h) Statistics of gasoline and special fuels gallonage reported to the department under KRS 138.210 to 138.448;
 - (i) Providing any utility gross receipts license tax return information that is necessary to administer the provisions of KRS 160.613 to 160.617 to applicable school districts on a confidential basis;
 - (j) Providing documents, data, or other information to a third party pursuant to an order issued by a court of competent jurisdiction; or
 - (k) Providing information to the Legislative Research Commission under:
 - 1. *Section 1 of this Act for the purposes of the sales and use tax exemption on the commercial mining of cryptocurrency;*
 - 2.~~{1-}~~ KRS 139.519 for purposes of the sales and use tax refund on building materials used for disaster recovery;
 - 3.~~{2-}~~ KRS 141.436 for purposes of the energy efficiency products credits;
 - 4.~~{3-}~~ KRS 141.437 for purposes of the ENERGY STAR home and the ENERGY STAR manufactured home credits;
 - 5.~~{4-}~~ KRS 148.544 for purposes of the film industry incentives;
 - 6.~~{5-}~~ KRS 154.26-095 for purposes of the Kentucky industrial revitalization tax credits and the job assessment fees;
 - 7.~~{6-}~~ KRS 141.068 for purposes of the Kentucky investment fund;
 - 8.~~{7-}~~ KRS 141.396 for purposes of the angel investor tax credit;
 - 9.~~{8-}~~ KRS 141.389 for purposes of the distilled spirits credit;
 - 10.~~{9-}~~ KRS 141.408 for purposes of the inventory credit;
 - 11.~~{10-}~~ KRS 141.390 for purposes of the recycling and composting credit;
 - 12.~~{11-}~~ KRS 141.3841 for purposes of the selling farmer tax credit; and
 - 13.~~{12-}~~ KRS 141.4231 for purposes of the renewable chemical production tax credit.
- (3) The commissioner shall make available any information for official use only and on a confidential basis to the proper officer, agency, board or commission of this state, any Kentucky county, any Kentucky city, any other state, or the federal government, under reciprocal agreements whereby the department shall receive similar or useful information in return.
 - (4) Access to and inspection of information received from the Internal Revenue Service is for department use only, and is restricted to tax administration purposes. Information received from the Internal Revenue Service shall not be made available to any other agency of state government, or any county, city, or other state, and shall not be inspected intentionally and without authorization by any present secretary or employee of the Finance and Administration Cabinet, commissioner or employee of the department, or any other person.
 - (5) Statistics of crude oil as reported to the Department of Revenue under the crude oil excise tax requirements of KRS Chapter 137 and statistics of natural gas production as reported to the Department of Revenue under the natural resources severance tax requirements of KRS Chapter 143A may be made public by the department by release to the Energy and Environment Cabinet, Department for Natural Resources.
 - (6) Notwithstanding any provision of law to the contrary, beginning with mine-map submissions for the 1989 tax year, the department may make public or divulge only those portions of mine maps submitted by taxpayers to the department pursuant to KRS Chapter 132 for ad valorem tax purposes that depict the boundaries of mined-out parcel areas. These electronic maps shall not be relied upon to determine actual boundaries of mined-out parcel areas. Property boundaries contained in mine maps required under KRS Chapters 350 and 352 shall not be construed to constitute land surveying or boundary surveys as defined by KRS 322.010 and any administrative regulations promulgated thereto.

➔Section 5. This Act takes effect July 1, 2021.

Signed by Governor March 25, 2021.

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