COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. AND)	
ITS MEMBER DISTRIBUTION COOPERATIVES)	CASE NO.
FOR APPROVAL OF PROPOSED CHANGES TO)	2023-00153
THEIR QUALIFIED COGENERATION AND)	
SMALL POWER PRODUCTION FACILITIES)	
TARIFFS)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. (EKPC), pursuant to 807 KAR 5:001E, shall file with the Commission an electronic version of the following information. The information requested is due on June 26, 2023. The Commission directs EKPC to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID- 19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EKPC shall make timely amendment to any prior response whether EKPC obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which EKPC fails or refuses to furnish all or part of the requested information, EKPC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, EKPC shall, in accordance with 807 KAR 5:001E, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Commission Staff's Report (IRP Staff Report) on the 2022 Integrated Resource Plan (IRP) of EKPC,² pages 28 and 31.

² Case No. 2022-00098, *Electronic 2022 Integrated Resource Plan of East Kentucky Power Cooperative, Inc.* (Ky. PSC Mar. 9, 2023).

- a. Provide an update to the table, EKPC Projected Capacity Needs (MW), on page 28. Include in the response any known large commercial and industrial additions that would increase load, any known large commercial and industrial loss of load, or changes in EKPC's forecasting methodology that was used in the IRP.
- b. Provide an update to the table, EKPC Final Plan Additions and Reserves (MW), on page 31. Include in the response whether 100 MW 2022 Seasonal Power Purchase Agreement (PPA) was executed. If the PPA was executed, explain whether EKPC considers this an energy or capacity purchase.
- 2. Confirm that EKPC considers all capacity from qualifying facilities (QFs) on its system to be non-dispatchable and does not consider that capacity towards satisfying its winter or summer capacity needs in resource planning.
- 3. Provide any contracts or PPAs that EKPC has entered into that were part of EKPC's preferred plan in Case No. 2022-00098.
- 4. Refer to the IRP Staff Report, pages 29–31.³ Explain why the Seasonal PPA for 2022 should not be considered wasteful duplication given that EKPC has 125 MW of excess capacity.
- 5. Refer to the March 31, 2023 letter submitted with the revised tariff sheets in this matter, page 3, paragraph 2, stating that "EKPC neither projects a need or has a plan to add capacity or retire capacity in the next five (5) years." Confirm that EKPC's plan described therein, which does not include adding capacity in the next five years, was determined based on the assumption that EKPC would only need sufficient capacity to

³ Case No. 2022-00098, *Electronic 2022 Integrated Resource Plan of East Kentucky Power Cooperative, Inc.* (Ky. PSC Mar. 9, 2023).

meet the summer capacity requirement imposed on EKPC by PJM Interconnection LLC (PJM). If the plan was determined based on some other capacity evaluation, need, or requirement, explain the capacity needs or requirements that formed the basis for the plan and how they were determined.

- 6. Refer to the March 31, 2023 letter submitted with the revised tariff sheets in this matter, pages 2-4.
- a. Explain how EKPC defined the terms "dispatchable" and "non-dispatchable". Include in the response a basis for the distinction.
- b. Explain whether ownership of the asset determines asset dispatchability.
- c. Explain whether, ownership of the asset determines asset dispatchability for a renewable resource.
- 7. Refer to the March 31, 2023 letter submitted with the revised tariff sheets in this matter, page 3, paragraph 3. Explain whether EKPC is referencing the PJM annual base residual auction market clearing price. If not, explain which market clearing price is referenced.
- 8. Refer to the March 31, 2023 letter submitted with the revised tariff sheets in this matter, page 3, in which EKPC stated it has no control over non-dispatchable generators, and therefore, bears the risk of non-performance penalties during PJM system emergencies.
- a. Provide the days, and number of hours per event, over the past three years when PJM called a system emergency during which EKPC's generators were obligated to perform.

- b. Explain whether the QFs on EKPC's system were performing during the time periods identified in 8(a).
- c. Explain whether the performance of the QFs on EKPC's system is dependent on EKPC's provision of energy to the customer. For example, if EKPC were to interrupt the customer, explain whether the customer would have to cease operations even though its qualifying facility was able to generate energy.
- 9. Refer to the March 31, 2023 letter submitted with the revised tariff sheets in this matter, page 3, paragraph 5. Explain all the reasons for considering QFs as non-dispatchable. Include in the response if the ownership and control of the generation resource is a primary factor.
- 10. Explain whether EKPC has considered committing the QFs into the PJM capacity market and the implications of that action. Also explain whether EKPC has communicated this option with the QF customers.
- 11. For all future periods available, provide the PJM calculation for the Effective Load Carrying Capability and any other calculations used to determine the capacity contribution of non-dispatchable resources, as defined by EKPC.
- 12. Provide the 2021 and 2022 National Renewable Energy Laboratories' Annual Technology Baseline costs or like-kind calculation for a physical proxy unit to calculate avoided capacity costs.

Linda C. Bridwell, PE

Linda C. Bridwell, PE Executive Director

Public Service Commission

P.O. Box 615

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DATED <u>JUN 08 2023</u>

cc: Parties of Record

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