

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC. FOR	)	
AN ORDER APPROVING THE ESTABLISHMENT	)	
OF A REGULATORY ASSET FOR THE	)	CASE NO.
EXPENSES ASSOCIATED WITH THE REGIONAL	)	2025-00193
TRANSMISSION EXPANSION PROCESS AND	)	
EXPENSES ASSOCIATED WITH COAL	)	
COMBUSTION RESIDUALS	)	

ORDER

On June 27, 2025, East Kentucky Power Cooperative, Inc. (EKPC) filed an application, pursuant to KRS 278.030(1), KRS 278.040(2), KRS 278.220, and 807 KAR 5:001, requesting authority to establish a regulatory asset for the expenses associated with the Regional Transmission Expansion Process (RTEP) and expenses associated with compliance related to the Disposal of Coal Combustion Residuals from Electric Utilities Rule (CCR Rule), the federal Clean Water Act, and other environmental requirements and obligations.

The Commission, on its own motion, finds that a procedural schedule should be established for the orderly processing of this case. The procedural schedule is attached as Appendix A to this Order. The Commission further finds that, on or before July 30, 2025, EKPC shall file responses to the Commission Staff's request for information attached as Appendix B to this Order.

Additionally, any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant

to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the hearing may be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing. Hearings are held in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky. Witnesses who sponsor schedules, testimony, or responses to requests for information are expected to participate in person at a hearing.

IT IS THEREFORE ORDERED that:

1. The procedural schedule set forth in Appendix A to this Order shall be followed.
2. EKPC shall respond to the requests for information set forth in Appendix B to this Order on or before July 30, 2025.
3. EKPC shall respond to all requests for information propounded by Commission Staff, whether identified on the procedural schedule or otherwise, as provided in those requests.
4. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission.

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<sup>1</sup> 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).

5. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

6. Any motion to intervene filed after the date established in the procedural schedule shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

7. EKPC shall give notice of any scheduled hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, [psc.ky.gov](http://psc.ky.gov)" and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listing on the PSC website, [psc.ky.gov](http://psc.ky.gov)." At the time publication is requested, EKPC shall forward a duplicate of the notice and request to the Commission.

8. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

9. Any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the hearing shall be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing.

10. Witnesses who sponsor schedules, testimony, or responses to requests for information shall participate in person at any hearing scheduled in this matter.

11. EKPC shall file a witness list at least seven days prior to the hearing date.


12. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video recording shall be made of the hearing.

13. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

14. The Commission does not look favorably upon motions to substitute witnesses or excuse witnesses from testifying at Commission hearings. Accordingly, motions to substitute witnesses or excuse a witness from testifying at a Commission hearing or from testifying in person at a Commission hearing shall be made in writing at least 14 days prior to the hearing and will be granted only upon a showing of good cause.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Commissioner

  
Commissioner

ATTEST:

  
Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2025-00193 DATED JUL 21 2025

Last day for intervention requests to be accepted..... 07/28/2025

EKPC shall file responses to the request for  
information attached as Appendix B to this Order no later than ..... 07/30/2025

All supplemental requests for information to EKPC  
shall be filed no later than ..... 08/08/2025

EKPC shall file responses to supplemental requests  
for information no later than ..... 08/20/2025

Last day for parties to request a public hearing or submit a  
request for the matter be decided based upon the written record ..... 08/25/2025

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00193 DATED JUL 21 2025

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

East Kentucky Power Cooperative, Inc. (EKPC), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on July 30, 2025. The Commission directs EKPC to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>2</sup> 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 person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EKPC shall make timely amendment to any prior response if EKPC obtains information that indicates the response was incorrect or incomplete when made or,

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<sup>2</sup> 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).

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 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, Exhibit\_2\_-\_CCR\_and\_RTEP\_Support.xlsx, tab labeled "RTEP basis." Provide an update to the table labeled "PJM Settlement Analysis System Invoice Monthly Comparison Summary 2025" to include the invoices for May 2025 and June 2025.

2. Refer to the Application, page 5, paragraph 10.

- a. Provide the expected impact on EKPC's Times Interest Earned Ratio (TIER) if the Commission were to deny regulatory asset treatment for the Legacy Coal Combustion Residuals (CCR) Asset Retirement Obligations (AROs).



b. Provide the expected impact on EKPC's TIER if the Commission were to deny regulatory asset treatment for the Regional Transmission Expansion Process (RTEP) expenses.

c. Provide the TIER required to satisfy EKPC's debt covenants.

3. Refer to the Application, page 5, paragraph 10. EKPC stated that its "SBDFAX for this RTEP project increased from 6.65 percent in 2024 to 52.21 percent in 2025." Provide the support for this increase in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

4. Refer to the Application, page 5, paragraph 10. Provide the support and calculations for the projected \$18.1 million increase for RTEP expenses for 2025 associated with the Mt. Storm-Valley 500 kV line (b2759) project in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

5. Refer to the Application, page 5, paragraph 10. Provide the monthly actual RTEP charges as of the date of this request for 2025 and the estimated amounts for the remaining months of 2025.

6. Refer to the Application, page 5, paragraphs 10 and 11. Explain whether EKPC is requesting a one-time deferral or ongoing deferral for RTEP expenses above base rates.

7. Refer to the Application, page 5, paragraph 10. Explain whether rebuilding the Mt. Storm-Valley 500 kV line (b2759) in the Dominion Energy zone is a baseline or supplemental project.

8. Refer to the Application, page 7, paragraph 19 which stated EKPC believes the ARO settlement costs will be recoverable through the Environmental Surcharge

mechanism when the costs to complete the projects are incurred. Explain how recovery of the Legacy CCR AROs complies with 278.183(1) which states, in part, that:

Notwithstanding any other provision of this chapter, effective January 1, 1993, a utility shall be entitled to the current recovery of its costs of complying with the Federal Clean Air Act as amended and those federal, state, or local environmental requirements which apply to coal combustion wastes and by-products from facilities utilized for production of energy from coal in accordance with the utility's compliance plan as designated in subsection (2) of this section.

9. Refer to the Application, Exhibit\_2\_-\_CCR\_and\_RTEP\_Support.xlsx.
  - a. Explain whether the cost shown on Line 3 for each Legacy CCRs is the actual cost, original cost or an estimated cost.
  - b. Provide EKPC's calculations for the original costs listed for all Legacy CCRs.
  - c. Provide EKPC's calculations for the estimated costs listed for all Legacy CCRs.
10. Refer to the Application, page 10, paragraph 27. EKPC requested a decision no later than September 30, 2025. Confirm whether EKPC will start incurring these expenses on September 30, 2025, or if it will start incurring these expenses at an earlier or later date.
11. If deferral accounting is approved for the AROs, provide the journal entries EKPC will record to defer the ARO expenses and settle the AROs.

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