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From: Zachary Tackett [redacted]
Sent: Thursday, July 9, 2026 9:40 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: Request for Commission Clarification Regarding Ratepayer Protections for Infrastructure Planned to Serve Anticipated Large-Load Customers

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Investigation into the Management and Operation of Kentucky Power Company
Case No. 2026-00159

To the Honorable Commissioners:

I respectfully submit this Request for Clarification in **Case No. 2026-00159**, the Commission's investigation into the management and operation of Kentucky Power Company.

This request is prompted by sworn testimony presented during the evidentiary hearing in **Case No. 2026-00001**, *Application of Kentucky Power Company for a Certificate of Public Convenience and Necessity to Construct a Mechanical Draft Cooling Tower at the Mitchell Plant*, which I believe raises important questions directly relevant to the Commission's ongoing management audit.

During that hearing, Kentucky Power was asked why the Company proposed beginning recovery of certain costs from existing customers before the anticipated TeraWulf data center is expected to begin taking electric service. In response, Kentucky Power testified that although it expects the project to move forward, the Company has experienced situations in which anticipated economic development projects did not ultimately materialize. Kentucky Power further explained that this uncertainty was one reason it sought to match those costs to the current customer base rather than rely on future customers.

At the same time, Kentucky Power has publicly represented that large-load customers such as data centers will pay their own way and that existing ratepayers are protected from bearing the costs associated with serving those customers.

The sworn testimony raises important questions regarding how those public assurances are implemented in practice and what protections exist should anticipated large-load projects be delayed, reduced in scope, or fail to materialize.

Accordingly, I respectfully request that the Commission consider the following questions as part of its ongoing investigation:

1. What specific regulatory, contractual, tariff, or other safeguards protect existing Kentucky Power customers from bearing the costs of infrastructure constructed in anticipation of future large-load customers if those projects do not ultimately proceed as expected?
2. How will the Commission evaluate whether those safeguards are sufficient to protect existing ratepayers from stranded or speculative investments?
3. To what extent will this management audit examine Kentucky Power's planning assumptions, risk allocation, and decision-making process regarding infrastructure proposed to serve anticipated economic development projects?
4. What evidence will the Commission require before determining that existing ratepayers are adequately protected when infrastructure investments are based on projected rather than existing customer demand?

This request is not intended to challenge the merits of any individual project or to prejudge the outcome of any pending proceeding. Rather, it is submitted in the interest of transparency, accountability, and ensuring that existing Kentucky Power customers fully understand the protections available to them when significant infrastructure investments are planned based upon anticipated future load growth.

I appreciate the Commission's continued commitment to protecting the public interest and respectfully request that these questions be considered as part of the Commission's investigation in **Case No. 2026-00159**.

Respectfully submitted,

Zachary Tackett