

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RIVERSIDE GENERATING COMPANY, L.L.C.)	
)	
v.)	Case No. 2017-00472
)	
KENTUCKY POWER COMPANY)	

**RIVERSIDE GENERATING COMPANY, L.L.C.'S RESPONSE TO
COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION**

Filed: October 5, 2018

Riverside Generating Company, L.L.C.
Case No. 2017-00472
Commission Staff's Post-Hearing Request for Information

1. Provide a copy of the Rappahannock Electric Cooperative tariff schedule under which the generating station owned by Doswell Partnership Limited is served and that allows that generating station to self-supply station power.

Response:

The generation facilities owned by Doswell Limited Partnership ("Doswell") in Ashland, Virginia, consist of two (2) 325 MW combined cycle gas turbines and three (3) 170 MW simple cycle peaking units. Doswell's facilities are technically served by Rappahannock Electric Cooperative ("Rappahannock") under its Schedule B-3, Small General Service. A copy of this schedule is attached hereto as Exhibit A.

Importantly, while Doswell is considered a Rappahannock customer taking service under the cooperative's Schedule B-3, Doswell has rarely (if ever) actually purchased energy from Rappahannock for its station power. This fact is evidenced by recent monthly bills from Rappahannock for June, July and August, copies of which are attached hereto as Exhibit B. These bills show that Doswell regularly pays a flat monthly "Access Charge" (consistent with multi-phase service under Schedule B-3), an "Excess Facilities" charge of approximately \$118, and taxes. A chart on each bill reveals Doswell's historical monthly kWh usage as consistently zero (0). Doswell's usual bill is under \$200.

Doswell has not historically purchased energy from Rappahannock because Rappahannock recognizes and permits Doswell's practice of self-supplying station power consistent with PJM's Open Access Transmission Tariff. Essentially, Doswell's consumption is treated as negative generation that is appropriately netted against production at the wholesale (PJM) level on a monthly basis—if production exceeds consumption for a given month (*i.e.*, if net generation is positive), Doswell makes no retail purchases from Rappahannock but, rather, sells at wholesale the amount of energy it produced less the amount of energy it consumed; conversely, if Doswell's negative generation (*i.e.*, consumption) was to exceed its production over a given month, Doswell will have ostensibly purchased the excess energy necessary to operate its facilities from Rappahannock under its retail rate Schedule B-3. In the case of Doswell, like in the case of Riverside, production almost invariably exceeds consumption each month.

Upon information and belief, a preceding owner of the Doswell facilities, namely FPL Energy, sought and obtained the agreement of Rappahannock (and, apparently, the blessings of Old Dominion Electric Cooperative (Rappahannock's energy supplier) and the Virginia State Corporation Commission) to permit the self-supply of station service in 2005. A copy of a letter reflecting this arrangement is attached hereto as Exhibit C.

RAPPAHANNOCK ELECTRIC COOPERATIVE
Fredericksburg, VA

SMALL GENERAL SERVICE
SCHEDULE B-3

I. AVAILABILITY

Available in all territory served by the Cooperative, subject to the Terms and Conditions of the Cooperative on file with the Virginia State Corporation Commission.

II. APPLICABILITY

Applicable to multi-phase Customers, and any single-phase Customer whose actual demand exceeds 25 kW in at least three months out of the preceding 12-months, for all uses unless another rate schedule is specifically applicable. The maximum demand to be provided under Schedule B-3 shall be 200 kW.

III. TYPE OF SERVICE

60 hertz, single-phase or multi-phase where available, at available secondary voltages.

IV. MONTHLY RATE

A. Distribution Delivery Charges:

Access Charge:

Single-Phase Service @ \$37.00 per month
Multi-Phase Service @ \$62.75 per month

Demand Delivery Charge:

First 100 kW of billing demand per month @ \$1.50 per kW
Over 100 kW of billing demand per month @ \$9.00 per kW

Energy Delivery Charges:

First 100 kWh per kW @ \$0.02500 per kWh
Next 100 kWh per kW @ \$0.02200 per kWh
Next 200 kWh per kW @ \$0.01400 per kWh
Over 400 kWh per kW @ \$0.01237 per kWh

B. Electricity Supply Service Charges:

Demand Charge:

All kW of ESS Billing Demand:
June – September @ \$1.50 per kW
October – May @ \$0.50 per kW



Energy Charges:

First 100 kWh per kW	@ \$0.06795 per kWh
Next 100 kWh per kW	@ \$0.06650 per kWh
Next 200 kWh per kW	@ \$0.05969 per kWh
Over 400 kWh per kW	@ \$0.04650 per kWh

Note: The above Delivery Service and Energy Supply Service charges apply to those Customers who have the Cooperative as their energy service provider. Only the Distribution Delivery Service charges apply to those Customers who have an Electricity Supplier other than the Cooperative as their energy provider.

V. MINIMUM MONTHLY DELIVERY CHARGE

The minimum monthly delivery charge shall be the Access Charge under Part IV.A. of the Monthly Rate above. For Customers requiring more than 45 kVA of transformer capacity, the minimum monthly distribution delivery charge shall be increased at the rate of \$1.00 for each additional kVA or fraction thereof required. The foregoing will apply unless otherwise provided for under special contract.

VI. APPLICABLE RIDERS

The amounts of charges calculated at the above rates are subject to increase or decrease pursuant to the provisions of applicable riders included on the Exhibit of Applicable Riders.

VII. DETERMINATION OF BILLING DEMAND

The billing demand shall be the highest average kilowatt load measured over any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

VIII. CONDITIONS OF SERVICE

The rated capacity of motors in excess of ten horsepower (10 h.p.) shall be subject to the approval of the Cooperative as to type and starting characteristics, to prevent disturbance of service to other Customers.

IX. TERMS OF CONTRACT

Open order, unless the Customer or the Cooperative requests a contract specifying a mutually agreed upon term. In no case, however, shall the term of any contract be less than one (1) year.



Member Name: **Doswell Limited Partnership**
 Billing Cycle: **07/06/2018**

SERVICE FROM 06/01/2018 TO 07/01/2018

For 24-hour service emergencies and power outages please call **1-800-552-3904**

Account # : [REDACTED]	
Bill Summary	
Previous Balance	-\$11,570.46
No Payments Received	\$0.00
Balance Forward	-\$11,570.46
Current Charges	\$183.29
Total Amount Due 07/31/18	-\$11,387.17

JUL 10 2018

Credit

ACCOUNT NUMBER [REDACTED]
 Service Address: 10098 Old Ridge Rd
 Service Description: DIAMOND ENERGY Sec: 5 Lot: UNI
 Meter Number: DOSWELL
 Rate Schedule: B-3
 Days: 30
 Multiplier: 1

Previous Reading: 0
 Present Reading: 0
 Multiplier: 1
 kWh: 0
 Kva Transformer: 0.0
 Service Phase: 3
 KW: 0.0

History Mo. & Yr.	July 2017	Aug 2017	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	June 2018	July 2018
KW	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
kWh	0	0	0	0	0	0	0	0	0	0	0	0	0

CURRENT CHARGE DETAILS

DISTRIBUTION COSTS (The cost of delivering the electricity to you)

Access Charge	Rate	\$62.75
Total Distribution Delivery		\$62.75

GENERATION/TRANSMISSION COSTS (The cost of purchasing the electricity you use)

	Rate	\$0.00
Total Electric Supply		\$0.00

TAXES & OTHER CHARGES

County Tax	\$2.29	
Excess Facilities	\$118.25	
Total Taxes & Fees		\$120.54
Current Charges Total:		\$183.29

If total account balance is not received by the due date, a 1.5% late payment charge will be added. When you provide a check as payment, you authorize REC either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

Only return this portion with your check made payable to REC. Please write your account number on your check.



PO BOX 7388
 Fredericksburg, VA 22404

Credit Balance - Do Not Pay

0.00

DO NOT PAY
 Account #: 164831001



Scan Here For Kiosk Payment

Pay your bill online at www.myrec.coop or by phone.
 See reverse side for other payment options.

3870 1 AV 0.375 5 3870
 DOSWELL LIMITED PARTNERSHIP C-14 P-19
 10098 OLD RIDGE RD
 ASHLAND VA 23005-7312

Rappahannock Electric Cooperative
 PO Box 34757
 Alexandria, VA 22334-0757



EXHIBIT

B

04905401648310010000



A Touchstone Energy[®] Cooperative

Member Name: **Doswell Limited Partnership**
Billing Cycle: **08/07/2018**

For 24-hour service emergencies and power outages please call **1-800-552-3904**

SERVICE FROM 07/01/2018 TO 08/01/2018

Account # : [REDACTED]

Bill Summary

Previous Balance	-\$11,387.17
No Payments Received	\$0.00
Balance Forward	-\$11,387.17
Current Charges	\$183.29
Total Amount Due 09/04/18	-\$11,203.88

ACCOUNT NUMBER [REDACTED]

AUG 13 2018

Service Address: 10098 Old Ridge Rd
Service Description: DIAMOND ENERGY Sec: 5 Lot: UNI

Meter Number	DOSWELL	Previous Reading	0	Kva Transformer	0.0
Rate Schedule	B-3	Present Reading	0	Service Phase	3
Days	31	Multiplier	1	KW	0.0
Multiplier	1	KWH	0		

History Mo. & Yr.	Aug 2017	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	June 2018	July 2018	Aug 2018
KWH	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
KWH	0	0	0	0	0	0	0	0	0	0	0	0	0

CURRENT CHARGE DETAILS

DISTRIBUTION COSTS (The cost of delivering the electricity to you)

Access Charge

Rate

\$62.75

Total Distribution Delivery

\$62.75

GENERATION/TRANSMISSION COSTS (The cost of purchasing the electricity you use)

Rate

Total Electric Supply

\$0.00

TAXES & OTHER CHARGES

County Tax

\$2.29

Excess Facilities

\$118.25

Total Taxes & Fees

\$120.54

Current Charges Total:

\$183.29

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Only return this portion with your check made payable to REC. Please write your account number on your check.



PO BOX 7388
Fredericksburg, VA 22404

Credit Balance - Do Not Pay

0.00

DO NOT PAY

Account # : 164831001



Scan Here For Kiosk Payment

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See reverse side for other payment options.

4080 1 AV 0.375 5 4080
DOSWELL LIMITED PARTNERSHIP C-15 P-23
10098 OLD RIDGE RD
ASHLAND VA 23005-7312

Rappahannock Electric Cooperative
PO Box 34757
Alexandria, VA 22334-0757





Rappahannock Electric Cooperative

A Touchstone Energy Cooperative

Member Name: **Doswell Limited Partnership**
 Billing Date: **09/07/2018**

SERVICE FROM 08/01/2018 TO 09/01/2018

For 24-hour service emergencies and power outages please call **1-800-552-3904**

Account #:	[REDACTED]
Bill Summary	
Previous Balance	-\$11,203.88
No Payments Received	\$0.00
Balance Forward	-\$11,203.88
Current Charges	\$183.29
Total Amount Due 10/02/18	-\$11,020.59

ACCOUNT NUMBER [REDACTED]

SEP 11 2018

Service Address: 10098 Old Ridge Rd
 Service Description: DIAMOND ENERGY Sec: 5 Lot: UNI

Motor Number	DOSWELL	Previous Reading	0	Kva Transformer	0.0
Rate Schedule	B-3	Present Reading	0	Service Phase	3
Days	31	Multiplier	1	KW	0.0
Multiplier	1	KWH	0		

History Mo. & Yr.	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	June 2018	July 2018	Aug 2018	Sept 2018
KWH	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
KVAh	0	0	0	0	0	0	0	0	0	0	0	0	0

CURRENT CHARGE DETAILS

DISTRIBUTION COSTS (The cost of delivering the electricity to you)

Access Charge	<u>\$62.75</u>
Total Distribution Delivery	\$62.75

GENERATION/TRANSMISSION COSTS (The cost of purchasing the electricity you use)

Total Electric Supply	<u>\$0.00</u>
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TAXES & OTHER CHARGES

County Tax	\$2.29
Excess Facilities	<u>\$118.25</u>
Total Taxes & Fees	\$120.54

Current Charges Total: **\$183.29**

If total account balance is not received by the due date, a 1.5% late payment charge will be added. When you provide a check as payment, you authorize REC either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

Only return this portion with your check made payable to REC. Please write your account number on your check.



PO BOX 7388
 Fredericksburg, VA 22404

Credit Balance - Do Not Pay

0.00

DO NOT PAY

Account #: 164831001



Scan Here For Kiosk Payment

Pay your bill online at www.myrec.coop or by phone.

See reverse side for other payment options.

Rappahannock Electric Cooperative
PO Box 34757
Alexandria, VA 22334-0757



3983 1 AV 0.375 5 3983
 DOSWELL LIMITED PARTNERSHIP C-16 P-16
 10098 OLD RIDGE RD
 ASHLAND VA 23005-7312



049054016483100100000000000000000000





Rappahannock Electric Cooperative

A Touchstone Energy® Cooperative 

December 6, 2005

David B. Applebaum
FPL Energy
Post Office Box 14000
Juno Beach, Florida 33408-0420

David:

FPL has requested that Doswell Limited Partnership self-supply its station service effective December 1, 2005. Based on review with both Old Dominion Electric Cooperative (our energy supplier) and the Virginia State Corporation Commission (our regulator), Rappahannock will make this change effective December 1, 2005.

The monthly charges from Rappahannock will be in accordance with our LP-1 tariff, under which Doswell Limited Partnership (DLP) has been served. DLP must remain on this tariff for a minimum of 11 more months due to the "ratchet" that is built into the rate. The ratchet is how minimum billing demand is calculated based on 40% of the highest billing demand of the preceding 11 months. The Demand Delivery Charge is \$9.00 for each KW of Billing Demand.

In the case of Doswell Limited Partnership, the October Billing Demand was 4,032.00 and is the highest for the preceding 12 months. Assuming DLP self-supplies the station every month, the bill will be consistent from December 2005 thru September 2006. The monthly minimum bill will be:

Billing Demand	40% x 4,032.00	=	1,612.80
Demand Charge	\$9.00 x 1,612.80	=	\$14,515.20
Consumer Charge			\$75.00
Excess Facilities			\$126.33
County Tax			\$2.29
Total			<u>\$14,718.82</u>

In October 2006 the billing demand will change since the billing demand for November 2005 was 3,917.60 kW.

Billing Demand	40% x 3,917.60	=	1,567.04
Demand Charge	\$9.00 x 1,567.04	=	\$14,103.36
Consumer Charge			\$75.00
Excess Facilities			\$126.33
County Tax			\$2.29
Total			<u>\$14,306.98</u>

P.O. Box 7388 / Fredericksburg, Virginia / 22404 / 540.898.8500

Bowling Green / 804.633.5011

www.myrec.coop

Culpeper / 540.825.8373

EXHIBIT

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David B. Applebaum
Page Two
December 6, 2005

Beginning November 2006, DLP will have completed the ratchet period and the resulting bill will change. Again, assuming the station has self-supplied for the entire period, the monthly billing demand drops to 100 kW. The resulting bill, under the LP-1 tariff, will be:

Demand Charge	\$9.00 x 100 =	\$900.00
Consumer Charge		\$75.00
Excess Facilities		\$126.33
County Tax		\$2.29
Total		<u>\$1,103.62</u>

It will be possible to change to a different rate class effective November 1, 2006. Another rate class that would be applicable is our Small General Service Schedule B. This would give a monthly bill of only \$144.62. DLP must remain on any new rate a minimum of 12 months. The risk with this rate is if DLP does not qualify for self-supply in any given month. For the same usage, the General Service rate would be approximately \$35,000 higher than the LP-1 rate. If you want to be on that rate, please let me know before October 15, 2006.

The bill you will receive for December will total \$14,718.82.

If you have any questions, please call me at 540-891-5886.

Sincerely,



J. Bruce Barnett
Vice President of Corporate Services

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

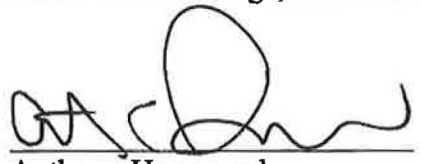
In the Matter of:

RIVERSIDE GENERATING COMPANY, L.L.C.)
)
v.) Case No. 2017-00472
)
KENTUCKY POWER COMPANY)

VERIFICATION OF ANTHONY HAMMOND


STATE OF New York)
)
COUNTY OF New York)

Anthony Hammond, Vice President of Riverside Generating Company, L.L.C., being duly sworn, states that he has supervised the preparation of Riverside's Response to Commission Staff's Post-Hearing Request for Information in the above-styled matter and that the matters and things set for in the Response are true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry.



Anthony Hammond

The foregoing Verification was signed, acknowledged and sworn to before me this 3rd day of October, 2018, by Anthony Hammond.



NOTARY PUBLIC, Notary # 01LL6314810
Commission expiration: 11/17/18

KATHERINE LLUBERES
Notary Public, State of New York
No. 01LL6314810
Qualified in Queens County
Commission Expires November 17, 2018