

## **DATA REQUEST**

**KPSC 3-01** On August 31, 2020, the U.S. Environmental Protection Agency (EPA) issued the prepublication final Steam Electric Power Generating Effluent Guidelines and Standards (40 CFR Part 423) (Steam Electric Reconsideration Rule).<sup>2</sup> In 2015, the EPA promulgated a regulation that established effluent limitations guidelines and pretreatment standards (ELG) for wastewater discharges into surface waters and wastewater treatment plants for steam electric power plants. The Steam Electric Reconsideration Rule revises ELG limits for existing facilities and establishes new compliance dates, among other things.

- a. Explain whether the Steam Electric Reconsideration Rule will materially change or impact the analyses, forecasts, or conclusions in Kentucky Power's 2019 Integrated Resource Plan (IRP).
- b. If there is a material change or impact to the analyses, forecasts, or conclusions in Kentucky Power's 2019 IRP, explain what decisions must be made regarding the material change to the IRP and when decisions underlying the changes will be made, including but not limited to, filing compliance plans related to the material changes.

## **RESPONSE**

The Company would note that along with the issuance of the Final ELG Rule issued on August 31, 2020, the Final Coal Combustion Residuals (CCR) Rule was published by EPA on July 29, 2020. Both of these rules are closely linked, and compliance with both must be planned together.

- a. The Company included estimated compliance costs for both the CCR and ELG Rules for the Mitchell Plant in its 2019 Integrated Resource Plan (IRP). The Final Rules that were promulgated were largely consistent with the assumptions related to these rules contained in the Company's IRP, with the exception of some relatively minor changes to compliance dates.
- b. The estimated compliance costs for the Mitchell Plant have increased since the Company filed its IRP in December 2019 due to a more detailed understanding of the work required for compliance and the timing of that work. The impact of those cost increases on the assumptions that were included in the IRP is currently being studied by the Company. These new studies must be completed before it is known whether the

Kentucky Power Company  
KPSC Case No. 2019-00443  
Commission Staff's 3rd Set of Data Requests  
Dated September 24, 2020  
Page 2 of 2

impacts are material with regard to the assumptions made in the Company's IRP. The Company will make any decisions regarding material changes to the IRP due to the requirements of the CCR and ELG rules, if any, within twelve months after the date the final ELG rule is published in the Federal Register.

Witness: Gary O. Spitznogle

