KyPSC Case No. 2020-00008
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Duke Energy Kentucky
Case No. 2020-00008
STAFF Second Set of Data Requests
Date Received: April 2, 2020

STAFF-DR-02-001

REQUEST:

Refer to Duke Kentucky's response to Staff's First Request, Item 6. Explain the difference between the amounts listed under the "Qty" column and the amounts listed under the "Ext Amount" column, and explain why the amounts in the "ExtAmount" column are always greater than those in the "Qty" column.

RESPONSE:

The "Qty" column represents the Quantity in MMBtus (Unit of Measure or "UOM") DEK purchased on a specific Trade Date. The quantity of MMBtus purchased is multiplied by the price in the Fixed Price column to determine the total dollars of each trade in the "Ext Amount" column.

The following is the calculation to determine the Extended Amount.

Quantity * Fixed Price = Ext Amount

PERSON RESPONSIBLE: Brett Phipps

Duke Energy Kentucky
Case No. 2020-00008
STAFF Second Set of Data Requests
Date Received: April 2, 2020

STAFF-DR-02-002

REQUEST:

Refer to Duke Kentucky's response to Staff's First Request, Item 15, Attachment, Event Type Legend.

a. Explain how each of the categories are defined.

b. Explain whether PJM has any role to play regarding scheduled or maintenance outages.

RESPONSE:

a. The Company follows the North American Electric Reliability Corporation (NERC) Generating Availability Data System (GADS) data reporting instructions for reporting of outages and derates. A full set of these instructions can be found at the link below. The instructions that detail how the categories are defined is explained in Section III: Event Reporting, starting on Page III-1 (page 14), with the section that explains the different types of outages on page III-6 (page 19) through page III-8 (page 21).
https://www.nerc.com/pa/RAPA/gads/DataReportingInstructions/GADS_DRI_2020.pdf

b. PJM does have a role regarding scheduled or maintenance outages. PJM is responsible for coordinating and approving requests for outages of generation, as necessary, for the reliable operation of the PJM RTO. The general procedure begins with the PJM Members requesting outages via the eDART tool. PJM may either accept or reject a specific outage request. It is important to emphasize that PJM

does not “schedule” when generation outages should take place. PJM only accepts/rejects the requests for outages. Furthermore, PJM only rejects outage requests when they affect the reliability of the PJM RTO. It is the responsibility of each PJM Member to determine its own best schedule of outages. Forecasted Planned, Planned, and Maintenance generation outage requests are generally prioritized by PJM based on the order in which they were submitted via eDART, with the earlier submissions having a higher priority.

PERSON RESPONSIBLE: John Swez

Duke Energy Kentucky
Case No. 2020-00008
STAFF Second Set of Data Requests
Date Received: April 2, 2020

STAFF-DR-02-003

REQUEST:

Refer to Duke Kentucky's response to Commission Staff's First Request for Information (Staff's First Request), Item 17, regarding the backup fuel oil system for the Woodsdale units.

a. Provide the amount of backup fuel oil Duke Kentucky maintains on site for the Woodsdale units.

b. State how long the Woodsdale units could last on the backup fuel oil should it be the only source of fuel for the Woodsdale unit generation.

c. Explain the average price Duke Kentucky has paid for the backup fuel oil.

d. Since the July 1, 2019 backup fuel oil installation, explain whether Duke Kentucky has run the Woodsdale units using the fuel oil.

e. Explain how Duke Kentucky purchases the backup fuel oil. Be sure to include whether the fuel is purchased through a contracted supplier or off the market when necessary.

RESPONSE:

a. Duke Energy Kentucky currently has 3,995,948 gallons in inventory of which 3,576,405 gallons are burnable during normal operations.

b. At current inventory levels Woodsdale could run all 6 units and full load for 75 hours.

c. Duke Energy Kentucky has paid an average of $2.15 per gallon for the fuel oil in inventory. The price paid is made up of the Oil Price Information Service (OPIS)

average price for red dyed ultra low sulfur diesel fuel oil for the Dayton, OH hub on the date of truck loading plus $.052/gallon transportation and $.01586/gallon state and federal taxes.

d. Note that Duke Energy Kentucky completed installation of the backup fuel oil system for each of the six Woodsdale combustion turbine units by June 1, 2019. Duke has run the units on fuel oil for testing purposes to get the units initially released for commercial operation on fuel oil. Since June 1, 2019, a total of 921,499 gallons of fuel oil has been burned at Woodsdale station.

e. Duke Energy Kentucky purchases the backup fuel oil through a contracted supplier. Ongoing purchases will only be made when the level of inventory gets below 72 full load urn hours. Duke Energy Kentucky buys delivered supply which means title to the fuel oil does not pass to Duke until the fuel oil is delivered into the tanks at the plant site. Hightower Petroleum Co., the primary supplier, contracts with the transporter who picks up the fuel oil from the Dayton, OH terminal and transports the fuel oil via truck to the plant site where the trucks are unloaded into the tanks.

PERSON RESPONSIBLE: John Swez