

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC 2020 INTEGRATED)	CASE NO.
RESOURCE PLAN OF BIG RIVERS)	2020-00299
ELECTRIC CORPORATION)	

**SIERRA CLUB’S POST-HEARING COMMENTS ON BIG RIVERS’
2020 INTEGRATED RESOURCE PLAN AND THE STAFF REPORT**

Sierra Club submits these Post-Hearing Comments on the 2020 Integrated Resource Plan (“IRP”) of Big Rivers Electric Corporation (“Big Rivers” or the “Company”) and the Staff Report in this matter. At the outset, Sierra Club appreciates the work performed by Big Rivers, as well as the respective efforts and input of the Commissioners, Staff, and other parties during the course of this case, which Sierra Club believes has been collectively productive to date.

Sierra Club first incorporates and reiterates its Initial Comments, as distilled herein. To begin, Sierra Club underscores that, in light of interceding developments since the 2020 IRP was finalized (*e.g.*, the Commission’s approval in Case No. 2021-00079 of the conversion of the R.D. Green Station from coal- to gas-fired, *inter alia*), the record that once purportedly supported Big Rivers’ intention to form a partnership to build a new gas combined cycle unit at the Sebree or Coleman site by 2024 is now stale and superseded. Accordingly, Big Rivers would need to prepare and present to the Commission fresh analysis to justify such a project, in the Big Rivers sought to pursue it, whether for energy and/or capacity needs. Next, Sierra Club urges Big Rivers to conduct, and submit for review no later than its 2023 IRP, a fresh evaluation of when its D.B. Wilson Station can be most economically replaced by another resource, or combination of resources, including (though not necessarily limited to) a clean energy portfolio (“CEP”) consisting of renewable generation, storage, and demand-side management. The 2020 IRP

identifies the year 2045 as the projected retirement date for Wilson. Respectfully, Sierra Club submits that Wilson’s energy and capacity could be replaced by a CEP this decade, let alone prior to 2045—even before factoring in forthcoming environmental regulations and other trends that will disproportionately hamper coal-fired generation. A timely, robust transparent review of pre-2045 retirement scenarios for Wilson is needed to serve ratepayers’ interests. Sierra Club and its members who are customers of Big Rivers thank the Company in advance for all future efforts to that end.

As additional matters not discussed in its Initial Comments, Sierra Club first exhorts Big Rivers to consider, and present for scrutiny in an upcoming DSM proceeding as well as its 2023 IRP, the analysis and results of alternative methodologies for valuing DSM—in particular, along the lines raised by Commissioner Chandler during the public hearing in this case. It would be worthwhile at the least to see what different results are rendered when using alternative assumptions about, or inputs for, avoided capacity value, not only what Big Rivers exclusively used with its TRC analysis presented in the 2020 IRP. Further in this vein, while Sierra Club understands certain of the reasons and constraints outlined in Big Rivers’ response to Sierra Club’s post-hearing RFI #4—having to do with why Big Rivers does not pursue various DSM programs with TRC values greater than 1, despite that indicating a program is cost-effective, at least formally speaking—Sierra Club implores Big Rivers to be proactive (or continue to be so, where applicable) about facilitating, and pushing its members to adopt, programs that are in fact cost-effective, yet that are not currently pursued due to various logistical and practical barriers that do not seem inevitable or insurmountable. Without limitation, Sierra Club does not understand why “Big Rivers would not pursue a very low-cost measure which is easily and safely installed by a residential or a commercial occupant,” such as “water heater pipe wrap or a water heater blanket [which] can be easily installed by a residential or commercial occupant”

(quoting Big Rivers’ response to SC Post-Hearing RFI 4(b)(ii)). Sometimes it is the relatively simple, quick, and cheap—yet indisputably high value, well worth it—fixes that are the ones for which individuals need a nudge and a little assistance, and then will do. Sierra Club thanks Big Rivers for its thoughtful responses and discussion, and appreciates its efforts on DSM.

Lastly, implicating future planning although, to be sure, not explicitly featured in the 2020 IRP, Sierra Club urges skepticism by Big Rivers as well as the Commission on future contracts to support cryptocurrency “mining.” Sierra Club is aware of the Commission’s approval of the contract and rates approved in Case No. 2021-00282. Sierra Club respectfully submits that such approval should be limited to the specific facts and issues presented in that case, and that future crypto proposals be rigorously scrutinized. The general social utility (considering local pollution and public health, local employment, climate change, etc.) as well as the rate impacts of industrial-scale crypto mining operations are is dubious at best. This is particularly the case when crypto mining is fueled by dirty fossil power and/or when the utility service contract works to prop up otherwise uneconomical generation that otherwise would have been retired for the benefit of customers at large.

Sierra Club again sincerely thanks Big Rivers, the Commission, Staff, and other parties for their consideration, collegiality, input, and efforts in service of ratepayer interests.

Dated: January 31, 2022

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that the foregoing copy of the SIERRA CLUB'S POST-HEARING COMMENTS ON BIG RIVERS' 2020 INTEGRATED RESOURCE PLAN AND THE STAFF REPORT in this action is being electronically transmitted to the Commission on January 31, 2022; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.



JOE F. CHILDERS