

Kentucky Power Company
KPSC Case No. 2020-00422
Commission Staff's First Set of Data Requests
Dated January 14, 2021

DATA REQUEST

- 1-1** Refer to the Cogeneration/Small Power Production Agreement (Agreement) with Inez Power, LLC (Inez Power). Provide a revised Exhibit C that reflects the Tariff COGEN/SPP II rates approved in Case No. 2020-00174.

RESPONSE

Please see KPCO_R_KPSC_1_1_Attachment1 which provides a revised Exhibit C to reflect the Tariff/COGEN SPP II rates approved in Case No. 2020-00174.

Witness: Brian K. West

Cogeneration and/or Small Power Production Application

Customer's Name: Inez Power LLC

Service Address: 900 Middle Fork Wolfe Creek Road

City: Debord State: KY Zip Code: 41224

Account Number: 037-764-323-08

Telephone Number: (606) 298-5007 E-mail Address: mayblock@bellsouth.net

Contact Person (if different than Customer): Lee Bazzle

Address: 450 Sedgewick Road

City: Summerville State: SC Zip Code: 29483

Telephone Number: (843) 817-8383 E-mail Address: leebazzle@gmail.com

This application is for electric service under the Kentucky Power Company ("Company") Tariff COGEN/SPP II (Cogeneration and/or Small Power Production – Over 100 KW) for the above customer ("Customer"). Under Section 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), the Customer qualifies for Tariff COGEN/SPP II. The generating facility is located on the Customer's premises (located at the same address as Customer's account) and will operate in parallel with the Company's transmission and distribution systems. The Customer must complete an interconnection application and receive approval to interconnect in order to qualify for Tariff COGEN/SPP II. An Interconnection Agreement must be secured and the Customer's equipment must be inspected before the generator may deliver energy to the Company and take electric service under Tariff COGEN/SPP II.

The Customer-generator facility qualifies for Tariff COGEN/SPP II as it is a Waste type generator, which is one of those qualifying facilities identified in PURPA. The Customer has provided the Company with a copy of its Federal Energy Regulatory Commission certification as a Qualifying Cogeneration Facility or Qualifying Small Power Production Facility under Section 210 of PURPA. The total rated generating capacity of the Customer-generator to be used and billed under Tariff COGEN/SPP II is 7,500 kW.

The Customer has selected Option 2 under this schedule:

- Option 1 - The Customer does not sell any energy to the Company, and purchases from the Company its net load requirements, as determined by appropriate meters located at one delivery point.
- Option 2 - The Customer sells to the Company the energy and average on-peak capacity produced by the Customer's qualifying COGEN/SPP facilities in excess of the Customer's total load, and purchases from the Company its net load requirements, as determined by appropriate meters located at one delivery point.
- Option 3 - The Customer sells to the Company the total energy and average on-peak capacity produced by the Customer's qualifying COGEN/SPP facilities, while simultaneously purchasing from the Company its total load requirements, as determined by appropriate meters located at one delivery point.

Cogeneration and/or Small Power Production Application

The Customer shall receive the following Metering and Compensation under this schedule:

Energy Credit per kWh:	Variable LMP at time of delivery
Capacity Credit per kW per month:	Area 3 Combustion Turbine Cone
2020/2021	\$ 6.74
2021/2022	\$ 8.09
2022/2023	\$ 7.89

The Customer acknowledges that it has read the Company's Tariff COGEN/SPP II and agrees to all terms and conditions contained therein. Specifically, the Customer understands and agrees that a meter, which is capable of registering the flow of electricity in each direction, must be in service at the facility. If a meter is not in service with this capability, the Customer must submit a written request for the Company at the Customer's cost to acquire, install, maintain, and read an approved meter. All costs related to this meter shall be borne by the Customer. The Customer further accepts responsibility for interconnection costs and the Local Facilities Charge. The Customer agrees that the Customer and the Company will execute a separate agreement detailing the charges and terms and conditions of payment of any such interconnection costs or Local Facilities Charge required for the Customer to take service from the Company under the terms of Tariff COGEN/SPP II.

Requested By:
Inez Power LLC
 Customer Name (Print)
E. L. Borders
 Authorized Signature
1/21/21
 Date

Approved By:
Ken Borders
 Name (Print)
Kenneth L Borders
 Company Signature
1/22/2021
 Date

Rejected By:

 Name (Print)

 Company Signature

 Reason for Rejection

 Date

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- 1-2 Refer to the Agreement, page 1, which states that the generator size is 6,800 kW. Also, refer to Exhibit C, Cogeneration and/or Small Power Production Application, page 1, which states that "[t]he total rated generating capacity of the Customer-generator to be used and billed under Tariff COGEN/SPP II is 500 kW." Explain the discrepancy between the two statements. If necessary, provide a correction.

RESPONSE

Exhibit C to Kentucky Power Company's December 16, 2020 special contract filing is the "Cogeneration and/or Small Power Production Application." It was completed and dated by a representative of Inez Power, LLC on August 23, 2019. Among the information to be supplied by the customer applicant on page one is "[t]he total rated generating capacity of the Customer-generator to be used and billed under Tariff COGEN/SPPP II..." The Company confirmed through discussions with the customer that the customer inadvertently provided the amount "500 kW" instead of the intended "7,500 kW" in the blank on page one.

The "Interconnection Agreement" is dated February 25, 2020 and executed by Inez Power, LLC and Kentucky Power Company subsequent to the completion of the "Cogeneration and/or Small Power Production Application" by Inez Power. The "6,800 kW" shown on page one of the Agreement represents reductions in the generator's nameplate capacity to reflect the effect of customer parasitic load and the reduction in the generator's operation to avoid the necessity, and consequent cost paid for by the customer, for upgrades to Kentucky Power's system to accommodate operation of the generator at a level above 6,800 kW.

Please see KPCO_R_KPSC_1_1_Attachment1 for the corrected "Cogeneration and/or Small Power Production Application" revising "[t]he total rated generating capacity of the Customer-generator to be used and billed under Tariff COGEN/SPPP II..." to 7,500 kW.

Witness: Brian K. West

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- 1-3** Confirm the rates in Exhibit C will always mirror those of Kentucky Power's Tariff COGEN/SPP II. If confirmed, explain how updates or revisions to Kentucky Power's Tariff COGEN/SPP II will be reflected in Exhibit C.

RESPONSE

Confirmed. KPCO_R_KPSC_1_1_Attachment1 provides a revised Exhibit C to reflect the Tariff/COGEN SPP II rates approved in Case No. 2020-00174. Thereafter, Exhibit C and its rates will be updated or revised to reflect tariff rates in accordance with Paragraph 6(a) of the Interconnection Agreement. It provides "Customer shall take electric service from Company at the rates set forth in and pursuant to the terms and conditions of Company's COGEN/SPP II (Cogeneration and/or Small Power Production – Over 100 kW) and Exhibit C as they may be amended from time to time."

Witness: Brian K. West

VERIFICATION

The undersigned, Brian K. West, being duly sworn, deposes and says he is Vice President, Regulatory & Finance for Kentucky Power Company that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief after reasonable inquiry.



Brian K. West

State of Indiana)
) ss Case No. 2020-00422
County of Allen)

Subscribed and sworn to before me, a Notary Public, in and for said County and State, Brian K. West this 25th day of January, 2021.

Regiana M.
Sistevaris

Digitally signed by Regiana M.
Sistevaris
Date: 2021.01.25 13:48:36
-05'00'

Regiana M. Sistevaris, Notary Public

My Commission Expires: January 7, 2023