COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)	
KENTUCKY POWER COOPERATIVE, INC.)	
FOR A GENERAL ADJUSTMENT OF RATES,)	CASE NO.
APPROVAL OF DEPRECIATION STUDY,)	2021-00103
AMORTIZATION OF CERTAIN REGULATORY)	
ASSETS, AND OTHER GENERAL RELIEF)	

APPHARVEST MOREHEAD FARM LLC'S SUPPLEMENTAL REQUEST FOR INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC. DATED JUNE 16, 2021

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)	
KENTUCKY POWER COOPERATIVE, INC.)	
FOR A GENERAL ADJUSTMENT OF RATES,)	CASE NO.
APPROVAL OF DEPRECIATION STUDY,)	2021-00103
AMORTIZATION OF CERTAIN REGULATORY)	
ASSETS, AND OTHER GENERAL RELIEF)	

CERTIFICATE

COMMONWEALTH OF KENTUCKY)) COUNTY OF CLARK)

Isaac S. Scott, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to AppHarvest Morehead Farm LLC's Supplemental Request for Information in the above-referenced case dated June 16, 2021, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

June S. J

Subscribed and sworn before me on this 28^{4} day of June 2021.

M.W.

Notary Public - #590567 Commission expires - 11/30/2021

GWYN M. WILLOUGHBY Notary Public Kentucky – State at Large My Commission Expires Nov 30, 2021

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 1RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

<u>Request 1.</u> Please see EKPC's response to initial data request 9a. Does this mean that EKPC receives no incremental/revenue from the new solar projects in EKPC's territory that interconnect with and use EKPC's transmission systems?

<u>Response 1.</u> EKPC objects to this request as the potential development and deployment of numerous merchant solar facilities and the impacts on EKPC are not relevant to the issues raised in this rate proceeding. EKPC filed a rate application utilizing a historic test year and the possible future addition of merchant solar facilities does not constitute known or measurable adjustments to EKPC's operations. In addition, none of the solar projects have been completed or are operational. Consistent with the Commission's May 24, 2021 Order on rehearing, this issue is not relevant to issues raised in this rate proceeding. EKPC states as follows:

EKPC does not receive any benefits with regards to the new proposed solar facilities, including any incremental revenues.

EAST KENTUCKY POWER COOPERATIVE, INC. SUPPLEMENTAL REQUEST FOR INFORMATION

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 2RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

<u>Request 2.</u> Please refer to Mr. Mackie's testimony on page 19, his answers to data requests 20 and 22, and EKPC's response to the Commission Staff's Second Request for information Request. Mr. Mackie refers to a 2:1 ratio increase between demand increase and energy increase. Please confirm that for Rate B that 2:1 increase does not apply, because the increase is approximately 1:1.

Response 2. Please see EKPC's response to the Commission Staff's Second Request for Information, Request 26, where Mr. Macke explains why the 2:1 ratio approach was not used for Rate B.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21 REQUEST 3 RESPONSIBLE PERSON: Isaac S. Scott COMPANY: East Kentucky Power Cooperative, Inc.

<u>Request 3.</u> Because AppHarvest Morehead Farm is taking power that Fleming-Mason is supplied under rate B, isn't EKPC over earning since AppHarvest was not a customer during the test year? Please explain why or why not.

<u>Response 3.</u> EKPC will not be over earning since AppHarvest was not a customer during the test year. The premise of this question assumes that the addition of AppHarvest after test year end will only generate additional revenues for EKPC. While service to AppHarvest will generate revenues, EKPC will also incur costs to service the AppHarvest load and energy requirements. The rates that EKPC will charge for the service to AppHarvest are designed to recover EKPC's costs of service. Thus, the addition of AppHarvest, or any other customer after test year end, does not result in an over-earning situation.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 4RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

Request 4.Please see RJM-3 page 1 of 5 for Rate B. Shouldn't the increase of3.8% apply to all of Fleming-Mason's retail customers who take indirectly from thisEKPC Rate B? If not, please state why not?

Response 4. As this request deals with Fleming-Mason's allocation of the revenue increase it receives from EKPC as a result of this rate proceeding, please see Fleming-Mason's response to AppHarvest's Supplemental Request for Information dated June 16, 2021, Request 1. EKPC would note that the flow-through proceedings for its owner-members are governed by the provisions of KRS 278.455.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21 REQUEST 5 RESPONSIBLE PERSON: Isaac S. Scott COMPANY: East Kentucky Power Cooperative, Inc.

<u>Request 5.</u> Refer to page 38 of EKPC's response to AppHarvest's First Request. EKPC describes the operation of its Residential Efficient Lighting Program.

EKPC assumes this request refers to EKPC's response to AppHarvest's First Request for Information, Request 1, which contained questions relating to EKPC's load forecast. Page 38 of 51 of that response is from EKPC's latest load forecast. Consistent with the Commission's May 24, 2021 Order on rehearing, this request is not relevant to issues raised in the rate case. EKPC prepared its rate application utilizing a historic test year with adjustments reflecting known and measurable changes or events. A load forecast was not utilized in conjunction with the application. Consequently, all questions concerning EKPC's latest load forecast are not germane to this rate case. Without waiving said objection, EKPC states as follows:

Request 5a. Please state the number each of compact fluorescent light bulbs and LEDs that EKPC distributed to customers by year from 2015-2020.

Response 5a. EKPC did not distribute any compact fluorescent light bulbs or LED bulbs to retail customers during the period 2015 through 2020. Light bulb distributions are performed by EKPC's owner-members.

<u>Request 5b.</u> EKPC's response does not provide any energy efficiency incentives for commercial lighting. Explain whether such a program would be desirable and/or cost effective, and your rationale.

Response 5b. As noted in EKPC's response to AppHarvest's First Request for Information, Request 6, EKPC did previously have a Commercial and Industrial Advanced Lighting Program. However, based on an analysis of the program, it was discontinued effective March 1, 2019, pursuant to the Commission's February 27, 2019 Order in Case No. 2019-00059.¹ In discontinuing the program, the Commission apparently agreed with EKPC that customers should not be subsidized by other customers for taking actions that they would already take in the normal course of business.

¹ See In the Matter of Demand-Side Management Filing of East Kentucky Power Cooperative, Inc., Case No. 2019-00059, Orders (Ky. P.S.C. Feb. 27, 2019 and Nov. 26, 2019).

AppHarvest Request 6 Page 1 of 2

EAST KENTUCKY POWER COOPERATIVE, INC. PSC CASE NO. 2021-00103 SUPPLEMENTAL REQUEST FOR INFORMATION

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 6RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

Request 6. For the periods 2015 to 2020 and 2021 to 2030, please provide:

<u>Request 6a.</u> The estimated annual peak coincident load reduction attributable specifically to energy efficiency, including broken down by source (e.g., commercial lighting, residential lighting, heat pump retrofit, etc.)

Request 6b. Estimated monthly and annual energy reductions attributable to lighting, broken down by residential and non-residential customers.

<u>Request 6c.</u> Monthly cost savings attributable specifically to energy efficiency, including broken down by source (e.g., commercial lighting, residential lighting, heat pump retrofit, etc.).

Response 6a-c. Consistent with the Commission's discussion in its May 24, 2021 Order on rehearing, this request is not relevant to issues raised in the rate case. EKPC prepared its rate application utilizing a historic test year with adjustments reflecting known and measurable changes or events. Concerning the request for information for the 2015 through 2020 period, no adjustments were proposed in the rate application related to this information. Concerning the request for information for the 2021 through 2030 period, budgeted or forecasted information was not used in the preparation of the rate application. Consequently, the questions contained in this request are not germane to this rate case. In addition, the information requested would normally be addressed in a review of EKPC's integrated resource plan, which is not part of this rate case.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 7RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

Request 7. Refer to Exhibit D of EKPC's January 30, 2019 Demand-Side Management filing in Docket No. 2019-00059. On the "DSM Program Changes Explanation" sheet for the Commercial and Industrial Advanced Lighting Program, EKPC states: "Even though the refined TRC is cost-effective, due to LEDs already becoming the baseline light of choice, EKPC and the owner-members request to discontinue the C&I Lighting program." Please provide all justification and data underlying your statement that "LEDs already be[came] the baseline light of choice."

<u>Response 7.</u> Consistent with the Commission's discussion in its May 24, 2021 Order on rehearing, this request is not relevant to issues raised in the rate case. As the Commission accepted EKPC's analysis and approved the termination of the Commercial and Industrial Advanced Lighting Program in the February 27, 2019 Order, the justification and data support for any portion of the analysis is not germane to the rate case.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21 REQUEST 8 RESPONSIBLE PERSON: Isaac S. Scott COMPANY: East Kentucky Power Cooperative, Inc.

<u>Request 8.</u> Confirm the Installed Capacity and Unforced Capacity ratings of the Cooper Power Station.

<u>Response 8.</u> Consistent with the Commission's discussion in its May 24, 2021 Order on rehearing, this request is not relevant to issues raised in the rate case. EKPC prepared its rate application utilizing a historic test year with adjustments reflecting known and measurable changes or events. The capacity ratings for EKPC's generating facilities were not incorporated in any proposed adjustments in the rate application. Consequently, the requested information is not germane to this rate application.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 9RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

<u>Request 9.</u> Provide Cooper Power Station's monthly electricity output during each month for the past five years.

<u>Response 9.</u> EKPC objects to the overly broad request for 60 months of the Cooper generating facilities' monthly electricity output. EKPC proposed no adjustments in its rate application based on the electricity output of any of its generating facilities. Consistent with the Commission's May 24, 2021 Order on rehearing, the requested information is not relevant to issues raised in this rate proceeding. Without waiving said objections, EKPC states as follows:

Please see EKPC's response to the AG Nucor Initial Request for Information, Request 40 (separate filing), which contains EKPC's RUS Form 12s for the months of January 2019 through March 2021. These monthly reports include a section detailing the operations of the steam plant, by group. Electricity output is included in this section, which is alternately identified as RUS Form 12d or Part D, beginning on page 9 of 568.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 10RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

<u>Request 10.</u> For each month from 2015 to 2020, and 2021 to 2030, provide Cooper Power Station's actual or estimated:

Consistent with the Commission's discussion in its May 24, 2021 Order on rehearing, the request for information for the period 2021 through 2030 is not relevant to issues raised in the rate case. EKPC prepared its rate application utilizing a historic test year with adjustments reflecting known and measurable changes or events. Estimated information was not utilized in conjunction with the application. Concerning the request for monthly information from 2015 through 2020, EKPC objects to the overly broad request for 72 months of revenue and cost information for the Cooper generating facilities. Without waiving said objections, EKPC states as follows:

<u>Request 10a.</u> Monthly revenue, broken down by source (e.g., capacity, energy, ancillary services).

<u>Response 10a.</u> EKPC does not record its revenue by generating facility. Consequently the requested revenue information for the Cooper generating facility is not readily available.

<u>Request 10b.</u> Monthly costs, broken down by source (maintenance, fuel cost, etc.).

Response 10b.Please see the response to Request 9 above concerning EKPC'sRUS Form 12s.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 11RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

<u>Request 11.</u> For each day of 2020 and 2021 for which you have such data, please provide the following data concerning AppHarvest Morehead Farm ("AppHarvest"):

- a. Off-peak energy use;
- b. On-peak energy use;

c. A summary, for each month of 2020 and 2021 for which you have such data, comprised of:

- i. AppHarvest's total energy consumption;
- ii. AppHarvest's maximum demand;

iii. The date and time at which AppHarvest's maximum demand occurred; and

iv. AppHarvest's load factor.

<u>Response 11a-c.</u> Consistent with the Commission's discussion in its May 24, 2021 Order on rehearing, this request is not relevant to issues raised in the rate case. EKPC prepared its rate application utilizing a historic test year with adjustments reflecting known and measurable changes or events. Consistent with previous Commission practice, EKPC considered known and measurable changes occurring up to six months beyond the end of the test year. EKPC began billing Fleming-Mason for service to AppHarvest in October 2020, which is ten months beyond the end of the test year. Without waiving said objection, EKPC states as follows:

EKPC has been voluntarily providing the information sought in this request to AppHarvest since operations went on-line. EKPC has been providing this information so AppHarvest could develop a better understanding of its demand and energy usage. If AppHarvest wishes to place any of its operating information in the record of this proceeding, it can do so as part of any intervenor testimony it files.

APPHARVEST'S REQUEST FOR INFORMATION DATED 06/16/21REQUEST 12RESPONSIBLE PERSON:Isaac S. ScottCOMPANY:East Kentucky Power Cooperative, Inc.

Request 12.Please provide an hourly load profile by month for each monthduring 2020-2021.

Response 12. Consistent with the Commission's discussion in its May 24, 2021 Order on rehearing, the request for an EKPC consolidated system load profile is not relevant to issues raised in the rate case. EKPC prepared its rate application utilizing a historic test year with adjustments reflecting known and measurable changes or events. None of the adjustments proposed by EKPC was based on a consolidated system load profile reflecting the first six months of 2020 and certainly not for any period of time beyond June 2020. Without waiving said objections, EKPC states as follows:

Please see the Excel spreadsheet *AppHarvest DR2 Response 12 Hourly Load Data CONFIDENTIAL.xlsx*, which is subject to a motion for confidential treatment. This spreadsheet contains the EKPC consolidated system hourly load data for the months of January 2020 through May 2021.