### **COMMONWEALTH OF KENTUCKY**

### **BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

Electronic Investigation Of The Service, Rates And ) Facilities Of Kentucky Power Company ) Case No. 2021-00370

Kentucky Power Company's Update Of West Virginia Proceedings For The Period July 12, 2022-July 20, 2022

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Kentucky Power Company provides the following update regarding proceedings before

the Public Service Commission of West Virginia:

On July 14, 2022 the Public Service Commission of West Virginia issued an Order

denying two petitions to reopen in Case No. 20-1040-E-CN. A copy of this order is attached as

Exhibit 1.

There were no documents filed by either Wheeling Power Company or the Public

Service Commission of West Virginia in Case No. 21-0810-E-PC.

Subsequent updates will be filed at ten-day intervals or more frequently as circumstances require.

Respectfully submitted,

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COUNSEL FOR KENTUCKY POWER COMPANY <u>Exhibit 1</u>

# PUBLIC SERVICE COMMISSION OF WEST VIRGINIA CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 14<sup>th</sup> day of July 2022.

### CASE NO. 20-1040-E-CN

# APPALACHIAN POWER COMPANY and WHEELING POWER COMPANY, Application for a certificate of public convenience and necessity for the internal modifications at coal fired generating plants necessary to comply with federal environmental regulations.

#### **COMMISSION ORDER**

The Commission, on two petitions to reopen, affirms its earlier order granting a certificate of convenience and necessity for modifications at coal-fired generating plants necessary to comply with federal environmental regulations.

#### BACKGROUND

On December 23, 2020, Appalachian Power Company (APCo) and Wheeling Power Company (WPCo) (collectively Companies) filed an application for a certificate of convenience and necessity to obtain authorization to make internal modifications necessary to comply with federal environmental regulations at the Amos, Mountaineer, and Mitchell coal-fired generating plants (Plants). The Companies presented two alternative modification programs: (Alternative 1) keeping all three Plants operating at least through 2040; and (Alternative 2) keeping Amos and Mountaineer operating at least through 2040 but closing Mitchell by 2028.

On March 10, 2021, the Commission granted intervention to the Consumer Advocate Division (CAD), West Virginia Energy Users Group (WVEUG), The Sierra Club, West Virginia Citizens Action Group, Solar United Neighbors, and Energy Efficient West Virginia (CAG/SUN/EEWV), and the West Virginia Coal Association. Additionally, the Commission granted the Attorney General of West Virginia intervenor status.

The Commission held the evidentiary hearing on June 3 and 4, 2021.

The Commission issued a final Order on August 4, 2021, granting the requested Certificates of Convenience and Necessity for Coal Combustion Residue (CCR) control projects and Effluent Limitation Guideline (ELG) control projects for all three Plants and authorizing a phase-in cost recovery mechanism and initial rate.

On August 16, 2021, CAG/SUN/EEWV filed an Application for Modification of the Commission's August 4, 2021 Order. CAG/SUN/EEWV requested that the Commission correct certain clerical errors in the Commission Order including: (i) the intervenor's position on ELG retrofits at the Companies' Plants; (ii) misidentification of intervenor's witness; and (iii) alleged inaccurate description of positions taken by intervenor's witness.

The Companies filed a Petition to Reopen and Take Further Action in the case. With the Petition, the Companies filed the supplemental direct testimonies of Randall R. Short and Gary O. Spitznogle. Petition, September 8, 2021.

The Commission held an evidentiary hearing on September 24, 2021, regarding the Companies' Petition to Reopen and CAG/SUN/EEWV's Application for Modification.

On October 12, 2021, the Commission issued an order (October 12<sup>th</sup> Order) clarifying its previous Commission Order. The Commission granted a certificate of convenience and necessity to make all necessary compliance modifications including ELG modifications. Additionally, the Commission required the Companies to take all necessary steps to operate the Plants until at least 2040 and charge all operational costs to West Virginia customers only as long as Virginia and Kentucky customers do not share in the capacity and energy from the Plants. The Commission also ordered that the Companies will be given an opportunity to recover the costs associated with the order if those costs are found to be reasonably and prudently incurred. The Commission also ordered that the changes in the Operating Agreement for the Mitchell Plant or changes in ownership of the Mitchell Plant necessary to accommodate the continued operation of the plant without the involvement of Kentucky Power Company or Kentucky jurisdictional customers shall be filed for approval by this Commission. October 12<sup>th</sup> Order at 16.<sup>1</sup>

On October 22, 2021, CAG/SUN/EEWV filed a petition to reconsider the October 12th Order. On the same date, CAD filed a Petition for Reconsideration and/or Request for Further Clarification. On November 1, 2021, WVEUG and Sierra Club each filed a reply to both petitions.

<sup>&</sup>lt;sup>1</sup> Some parties have represented that the Commission ordered Wheeling to change its Operating Agreement and enter into an Ownership Agreement. Contrary to those representations, our October 12<sup>th</sup> Order merely directed that any changes or new agreements related to the Mitchell Plant "necessary to accommodate the continued operation of the plant without involvement of Kentucky Power Company or Kentucky jurisdictional customers" be filed for our approval.

## **DISCUSSION**

The Commission addresses each of these concerns below. Because CAD and CAG/SUN/EEWV presented numerous issues, some overlapping, we will list those in summary form in the indented text below, and then respond to each item.<sup>2</sup>

## I. CAD Petition for Reconsideration and/or Request for Further Clarification

In its petition, CAD posed several questions concerning the October 12<sup>th</sup> Order.

A. Will APCo's Virginia customers bear their Amos and Mountaineer allocated costs if those customers continue to utilize the capacity and energy of those plants?

### Commission Decision:

The Commission does not have jurisdiction over Virginia customers of the Companies and, therefore, cannot order those customers to bear their allocated costs of upgrading, operating, and maintaining the Amos and Mountaineer plants. However, the Commission has made it clear that only customers paying for the upgrading, operating, and maintaining of equipment that is necessary to allow the Plants to operate after 2028 should receive credit for the capacity and energy output of those Plants. The October 12<sup>th</sup> Order contemplates that if Virginia customers are not sharing in the expense, then those customers cannot share in the capacity or energy. Commission Order, Oct. 12, 2021, at 7-8.

- B. If Kentucky Power Company's (KPCo) customers continue to utilize capacity and energy from Mitchell, will those customers be required to bear their allocated costs of upgrading, operating, and maintaining Mitchell?
- C. If KPCO's interest is transferred to a new entity will that new co-owner be expected to fully bear its allocated costs of ELG upgrade?
- D. If KPCO or its successor in interest to Mitchell begins using other sources of energy, will its customers be responsible for stranded costs associated with Mitchell?

### Commission Decision:

In response to items B through D, the Commission also does not have jurisdiction over Kentucky customers and, therefore, cannot order those customers to bear their

 $<sup>^{2}</sup>$  A failure to repeat every word in the panoply of questions and issues raised by the CAD and CAG/SUN/EEWV does not indicate that we did not consider every word in the questions and arguments made in the Petitions for Reconsideration.

allocated costs of upgrading, operating, and maintaining the Mitchell Plant. However, the Commission has made it clear that only customers paying for the upgrading, operating, and maintaining of equipment that is necessary to allow the Plants to operate after 2028 should receive credit for the capacity and energy output of those Plants. The October 12<sup>th</sup> Order contemplates that if Kentucky customers are not sharing in the expense, then those customers should not share in the capacity or energy produced at Mitchell. <u>Id.</u>

E. If APCo begins using other sources of energy and capacity for its Virginia customers, instead of Amos and Mountaineer, will those customers be responsible for stranded costs associated with those plants?

## Commission Decision:

Again, the Commission does not have jurisdiction over Virginia customers of the Companies and, therefore, cannot order those customers to pay APCO for the Virginia share of the stranded historical investment in the Amos and Mountaineer Plants that would have continued to be used and useful for Virginia customers but for Virginia policy and regulatory decisions. We have made it clear, however, that West Virginia customers will not be responsible for historical investment rendered unused and not useful to customers in other states due to policy or regulatory decisions in those states. We have also made it clear that the Plants must be upgraded and maintained to allow them to operate until 2040, or later, and we will allocate, for ratemaking purposes, reasonable and prudent new investment costs and operating costs necessary for the continued operations of the Plants to West Virginia customers.

F. Will West Virginia ratepayers receive credit for sale of excess available generating capacity and excess energy capacity from the coal-fired West Virginia plants?

### Commission Decision:

We have addressed this issue so many times and in so many ways in prior orders in this case that it should not be necessary to respond to this question again. In the October 12<sup>th</sup> Order, the Commission stated:

Virginia and Kentucky jurisdictional customers should receive no capacity or energy from the plants after 2028. Nor should they receive incremental capacity and energy that is available solely because of pre-2028 costs funded by only West Virginia and FERC jurisdictional customers.

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Furthermore, as discussed in this Order, the costs that would not have been incurred under the decisions of VSCC and KPSC should not be the responsibility of Virginia or Kentucky as long as those states receive no credit for capacity or energy produced at the Plants after the date they would have been retired but for the decisions of this Commission.

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IT IS FURTHER ORDERED that additional prudent investments and continuing operations costs at the Plants that would not be incurred but for this Commission's order to operate the Plants beyond 2028 should not be the responsibility of Virginia and Kentucky jurisdictional customers as long as the KYPSC and VSCC continue to prohibit their jurisdictional customers from sharing in the costs and as long as they do not share in the capacity and energy available from the Plants.

October 12 Order at 8, 10, and 15 respectively.

G. Is there a repricing mechanism that can be used to compel the Companies to market their available excess capacity and energy?

## Commission Decision:

Since the Commission moved system transactions with other electric utilities from base rates into the ENEC proceedings in 1981, it cautioned electric utilities that failure to prudently sell excess capacity and energy and maximize profits from those transactions which are credited to the benefit of West Virginia customers in ENEC proceedings could result in repricing and disallowance of a portion of ENEC net costs.

The Commission expects an electric utility to be prudent, reasonable and vigilant in acquiring fuel for generation and managing its purchased power expenses as well as in maximizing energy and demand revenues from interconnected utilities to help offset those costs, and to explain those efforts to the Commission in ENEC cases. . . . If, on the other hand, the Commission determines that a utility could or should have managed its fuel and purchased power costs, revenues and credits in a more prudent or reasonable manner, the Commission may prevent a utility from passing through imprudently incurred costs to its customers.

Monongahela Power Co. and The Potomac Edison Co., Case No. 11-1274-E-P. Commission Order, December 30, 2011 at 8.

H. Will the Commission refuse to allocate or share or participate in higher cost energy and capacity secured by APCo to satisfy capacity and energy requirements in Virginia?

## Commission Decision:

We can only assume that CAD asks a rhetorical question to demonstrate its zeal to represent the interests of West Virginia customers, because the answer is clear and has been stated by the Commission in many cases, in many ways. The answer is clearly, yes if there is evidence to disallow the costs as being unreasonable, imprudent and unnecessary. If there is evidence that the Companies are required by policy and regulatory requirements of another state or by their own policy decisions to acquire higher cost energy and capacity not needed to serve West Virginia customers, such costs would be unreasonable and imprudent for ratemaking purposes in West Virginia.

I. Are APCo and WPCo mandated to continue to run the Plants even if they cannot be operated as financially viable plants? Or, can a future Commission revisit the issue?

## Commission Decision:

The Commission is not bound by stare decisis. Furthermore, the doctrine of stare decisis does not normally apply to administrative decisions.

When the purpose is one of regulatory action, as distinguished from merely applying law or policy to past facts, an agency must at all times be free to take such steps as may be proper in the circumstances, irrespective of the past decisions...Even when conditions remain the same, the administrative understanding of those conditions may change, and the agency must be free to act.

The Chesapeake and Potomac Telephone Co. of WV v. Pub. Serv. Comm., 300 S.E.2d 607 (W. Va. 1982). The Companies will be mandated to run the Plants as long as the final orders in this case are in effect. Future Commissions, or this Commission in a future case, may review the facts before it and determine that another solution is best for the Companies, the customers, and the State.

# II. <u>CAG/SUN/EEWV Petition for Reconsideration</u>

CAG/SUN/EEWV raised the following issues in its Petition for Reconsideration:

A. Did the Commission Provide Adequate Public Notice of the Increased Revenue Requirement?

CAG/SUN/EEWV argued that although customers received notice of the initial total annual revenue request of \$23.5 million for West Virginia customers, those customers did not receive proper notice of increased revenue request of \$48 million and then an unspecified amount larger than that because of the October 12<sup>th</sup> Order.

Additionally, CAG/SUN/EEWV argued that the notice did not instruct customers how to protest the rate increase or make a statement at a public hearing. And, the Commission never provided public notice of the public hearing on September 24, 2021. They also argued that the Commission did not require the Companies to mail notices to customers. CAG/SUN/EEWV argued that the due process rights of customers were violated.

### Commission Decision:

Adequate notice of an increase in Project costs was provided. The Commission required the Companies to publish notice of their amended Project costs in newspapers in their service territory. Affidavits of Publication filed October 1, 2021. Additionally, the Commission provided public notice by press release and notice on its own website.

In the original public notice in this case, the Commission instructed the public how to file public comments by mail or on the Commission website. The second notice also provided instruction on mailing comments. The Commission is not required to hold public comment hearings.

Although the October 12<sup>th</sup> Order increased the amount of money that would be spent on the Project, given the October 13, 2021 United States Environmental Protection Agency deadline regarding ELG improvements and the considerable increased costs for West Virginia customers if the Plants in question were forced to retire prematurely, the Commission provided notice of the new amounts in the most prudent way possible.

B. Did the October 12th Order Violate Customers' Constitutional Right to Reasonable Rates?

The October 12th Order authorized rates for West Virginia customers that include return on and of investments in plant equipment owned and operated by a nonjurisdictional utility and not shown to be used and useful for WPCo customers.

CAG/SUN/EEWV argued that West Virginia customers have a constitutionally protected property interest in reasonable rates from monopoly utilities and protection from unreasonable rates. <u>State ex rel. Knight v. Pub. Serv. Comm'n</u>, 161 W. Va. 447, 456, 245 S.E.2d 144, 148 (W. Va. 1978)(recognizing common law entitlement to reasonable rates). CAG/SUN/EEWV argued that the October 12th Order violated substantive due process rights by directing WPCo to make capital improvements to plant

equipment owned and operated by a non-jurisdictional utility with costs to be paid by West Virginia customers and by practically authorizing WPCo's acquisition of KPCo property without sufficient evidence of need for additional capacity or energy and that the acquisition would be the lowest cost or risk for the WPCo customers. CAG/SUN/EEWV argued that, on reconsideration, the Commission should order ELG retrofit for only the fifty percent of the Mitchell plant owned by WPCo or provide authority for its October 12<sup>th</sup> Order.

### Commission Decision:

WPCo owns an undivided fifty percent interest in the entire Mitchell Plant; therefore, it may retrofit the entire plant. The Commission discussed in the October 12<sup>th</sup> Order its determination that costs to West Virginia customers would be higher if the Plants closed and replacement capacity was required. The cost of replacement would be additive to the recovery of unrecovered embedded cost of the Plants if the Commission had directed the premature retirement of the Plants long before the end of their useful lives. The Commission determined, and explained, that we believed it was prudent and necessary to bring the Plants into compliance so that premature and uneconomic retirement would not be required.

C. Did the Commission exceed Its Statutory Authority by Making it Necessary for the Companies to Acquire the Second Half of the Mitchell Plant and to Assume They Want to do so?

CAG/SUN/EEWV argued that the Commission does not have the statutory authority to require West Virginia customers to retrofit equipment that the Companies do not own. "Customers should not be required to pay for assets before the assets are used and useful." <u>Union Williams Pub. Serv. Dist.</u>; Case No. 14-1033-PWD-CN (Nov. 18, 2014).

### Commission Decision:

The Commission required the Companies to retrofit equipment of the plant that they have a right to operate and dispatch. Because WPCo owns an undivided fifty percent interest in the Mitchell Plant, it is not retrofitting equipment that it does not own and we determined, to use an analogy, that replacing two of four flat tires on a jointly owned vehicle that we had a right to use if our partner could not use it because of policy or regulatory restrictions would be an unreasonable and imprudent outcome.

D. Did the Commission's October 12<sup>th</sup> Order Render Its Prior Rejection of the Combined Capacity Analysis Arbitrary, Capricious, and Not Supported by Adequate Evidence?

Citing Companies' witness Randall Short's testimony during the September 24, 2021 evidentiary hearing, CAG/SUN/EEWV argued that with 100 percent of the Amos and Mountaineer capacity reallocated to West Virginia customers, the Companies would have more than enough capacity to cover a shortfall from a Mitchell retirement. Tr. at 187. CAG/SUN/EEWV argued that this change in circumstances negated the Commission's prior reasoning for rejecting the \$23.8 million in savings. Further, they argued, the October 12<sup>th</sup> Order was silent on the fact that Mitchell could be retired without needing any replacement capacity.

#### Commission Decision:

Mr. Short actually testified that if the Companies retired the Mitchell Plant and if Wheeling customers' capacity needs do not change substantially, the Amos and Mountaineer Plants would produce adequate capacity for West Virginia customers. <u>Id.</u> If APCo or WPCo's service territory grows to require more capacity in the future, the capacity from those two plants may not be enough. Additionally, the Companies could monetize excess capacity.

E. Did the Commission have evidence regarding the need for or the cost of 3,280 MW of additional capacity to serve the Companies' West Virginia customers?

CAG/SUN/EEWV argued that the October 12<sup>th</sup> Order requires the Companies to acquire an additional 3,280 MW of capacity to serve their West Virginia customers without support from the record. Additionally, CAG/SUN/EEWV argued that the record is silent on the impact to West Virginia customer rates as a result of requiring them to foot the bill for almost 100 percent of the costs of 3,280 MW and the impact of jobs and the economy of forcing West Virginia customers to pay for excessive levels of capacity. In addition to being an abuse of Commission authority, the CAG/SUN/EEWV argued that it violates <u>W.Va. Code</u> § 24-2-11(h), because that statute requires the utility to bear the burden of proof in a certificate of convenience and necessity application.

#### Commission Decision:

In the October 12<sup>th</sup> Order, the Commission clearly stated a preference for keeping all three Plants open to reduce energy costs for West Virginia customers. If the capacity at all three Plants is used solely by West Virginia customers, then capacity not needed may be sold through the PJM market.

F. Did the Commission Exceed Its Statutory Authority in Its October 12<sup>th</sup> Order by Making and Directing the Companies' Business Decisions, Rather Than Merely Reviewing and Authorizing Decisions Made by the Companies?

According to CAG/SUN/EEWV, the Commission overstepped its bounds by ordering, rather than authorizing, the Companies to complete the ELG retrofits. Secondly, CAG/SUN/EEWV takes issue with the Commission ordering 100 percent of the costs to go to West Virginia ratepayers without the Companies requesting that or recommending it. CAG/SUN/EEWV also argued that the Commission overstepped its authority by ordering the Companies to take all necessary steps to operate the Plants beyond 2028 and extend their operations until at least 2040.

### **Commission Decision:**

The CAG/SUN/EEWV argument that the Commission has no choice other than to choose among recommendations made by parties in a proceeding is totally without merit. "The commission may investigate all rates, methods, and practices of public utilities subject to the provisions of this chapter; to require them to conform to the laws of this state and to all rules, regulations and orders of the commission not contrary to law." W.Va. Code § 24-2-2(a). Moreover, a decision by a utility to provide service in a particular manner is clearly a practice and act of the utility. The statutory jurisdiction of the Commission clearly authorizes the Commission to order a utility to follow an alternative course other than one proposed by a utility when the Commission determines that the course of action proposed by the utility is unreasonable. Otherwise, the Commission would just be a referee at best and a potted plant at worst. Such limited authority is so far afield of the statutory duties and authority of the Commission that the argument merits little analysis.

Whenever . . . the Commission shall find any acts . . . to be unjust, unreasonable, insufficient or unjustly discriminatory . . . the commission shall determine and declare and by order fix reasonable measurement, regulations, acts, practices or services, to be furnished, imposed, observed and followed in the state in lieu of those found to be unjust, unreasonable, insufficient, or unjustly discriminatory . . . and shall make such other order respecting the same as shall be just and reasonable.

<u>W.Va. Code</u> § 24-2-7(a). Through its October 12<sup>th</sup> Order, the Commission stated its preference for measures that would eliminate the need for premature retirement of West Virginia power plants which would lead to billions of dollars in replacement costs added to the continuing recovery of unrecovered costs already expended on those power plants. The Commission reasonably determined and explained that its decision to maintain operations of West Virginia power plants that had close to twenty years or more of remaining life was in the best interest of the West Virginia customers and the economy of the State and was not detrimental to the best interests of the Companies.

G. Did the Commission Arbitrarily Analyze the Prudence of ELG Retrofits at All Three Plants as a Group Without Ever Considering the Mitchell Plant Independently?

CAG/SUN/EEWV argued that the Commission improperly assumed that the ELG retrofits would be made at all three Plants or none at all and only considered the costs on that basis. CAG/SUN/EEWV argued that this approach was arbitrary, capricious, and contrary to the evidence. CAG/SUN/EEWV further argued that, on reconsideration, the Commission should consider ELG at each plant, particularly Mitchell, separately.

H. The Commission Failed to Consider All Costs of Operating These Plants Past 2028: The Cherry-Picked Cost Comparisons Are Arbitrary and Capricious.

## Commission Decision:

CAG/SUN/EEWV is incorrect in its observations in sections G and H above. The Commission considered the variety of options and found that it would be advantageous for West Virginia customers for the Companies to conduct ELG retrofits at all three Plants.

The Commission has explained many times that prematurely shutting down used and useful power plants with many years of remaining life would require billions of dollars in replacement costs that would be in addition to the continuing recovery of unrecovered costs already expended on those power plants. Such replacement capacity would likely consist of combustion turbine power plants that would satisfy capacity obligations, but which would be very expensive to run so that they could not economically meet base load energy requirements. Under such an option, not only would West Virginia customers continue to pay the unrecovered cost of the abandoned plants plus the cost of the replacement capacity, they would pay for energy purchased from a wholesale generator or the PJM Market. We have determined that such a plan is unreasonable and imprudent and in addition to the cost implications would greatly increase West Virginia's reliance on purchases of energy, which we have determined would be contrary to the interests of West Virginia customers and the economy of the State.

I. Did the Two-Week Reopening Proceeding Provide Adequate Time for the Parties or Commission to Examine Evidence?

CAG/SUN/EEWV argued that the information provided by the Companies in their reopening request was not sufficient to justify the increased cost of the ELG retrofits, especially at Mitchell and that the parties did not have sufficient time to prepare their case including time for discovery.

## Commission Decision:

The Commission provided adequate time for parties to develop their positions given the deadlines created by the United States Environmental Protection Agency and witnesses were available for cross-examination at the September 24, 2021 hearing on reopening. The retrofit ELG work that needed to be done did not change – only the projected cost and the allocation of the costs. The reopening period was sufficient for the parties to prepare their cases.

# III. <u>Conclusion</u>

Having considered each of the numerous questions, statements and arguments in both petitions for reconsideration, the Commission finds that the October 12<sup>th</sup> Order was reasonable and fully considered and explained our decisions and reasons.

## FINDINGS OF FACT

1. CAD filed a Petition for Reconsideration and/or Request for Further Clarification of the October 12<sup>th</sup> Order. Petition, October 22, 2021.

2. CAG/SUN/EEWV filed a Petition for Reconsideration of the October 12<sup>th</sup> Order. Petition, October 22, 2021.

3. WVEUG and Sierra Club filed replies in support of both petitions. Filings, November 1, 2021.

4. The cost of replacement capacity would be additive to the recovery of unrecovered embedded cost of the Plants if the Commission had directed the premature retirement of the Plants long before the end of their useful lives.

5. Wheeling Power Company owns an undivided fifty percent interest in the Mitchell Plant, and will not retrofit equipment that it does not own.

6. The retrofit ELG work did not change – only the projected cost and the allocation of the costs.

# **CONCLUSIONS OF LAW**

1. Having reconsidered the October 12<sup>th</sup> Order, the Commission finds it to be a complete resolution of the issues in this case.

2. The Commission does not have jurisdiction over Virginia and Kentucky customers of the Companies and, therefore, cannot order those customers to bear their

allocated costs of upgrading, operating, and maintaining the Amos and Mountaineer Plants. However, only customers paying for the upgrading, operating, and maintaining of equipment that is necessary to allow the plants to operate after 2028 should receive credit for the capacity and energy output of those plants.

3. Virginia and Kentucky jurisdictional customers should receive no capacity or energy from the Plants after 2028. Nor should they receive incremental capacity and energy that is available solely because of pre-2028 costs funded by only West Virginia and FERC jurisdictional customers. The costs that would not have been incurred under the decision of VSCC and KPSC should not be the responsibility of Virginia or Kentucky as long as those states receive no credit for capacity or energy produced at the Plants after the date they would have been retired but for the decisions of this Commission.

4. The Commission may prevent a utility from passing through imprudentlyincurred costs to its customers. Case No. 11-1274-E-P <u>Monongahela Power Company</u> and The Potomac Edison Company. Order issued December 30, 2011.

5. Adequate notice of an increase in Project costs was provided.

6. Whenever the Commission shall find any acts to be unjust, unreasonable, insufficient or unjustly discriminatory, the Commission shall determine and declare and by Order fix reasonable measurement, regulations, acts, practices or services, to be furnished, imposed observed and followed in the state in lieu of those found to be unjust, unreasonable, insufficient, or unjustly discriminatory and shall make such other order respecting the same as shall be just and reasonable. <u>W. Va. Code</u> § 24-2-7.

7. The reopening period was sufficient for the parties to prepare their cases.

# <u>ORDER</u>

IT IS THEREFORE ORDERED that the Consumer Advocate Division Petition for Reconsideration and/or Request for Further Clarification is denied.

IT IS FURTHER ORDERED that CAG/SUN/EEWV Petition for Reconsideration is denied.

IT IS FURTHER ORDERED that the October 12, 2021 Commission Order is affirmed.

IT IS FURTHER ORDERED that on entry of this Order, this case shall be removed from the Commission docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order by electronic service on all parties of record who have filed an e-service agreement, and by United States First Class Mail on all parties of record who have not filed an e-service agreement, and on Commission Staff by hand delivery.

A True Copy, Teste,

Varen Bucklay

Karen Buckley, Executive Secretary

SMS/pkb 201040cg

#### **VERIFICATION**

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

Brian K. West

Commonwealth of Kentucky )

County of Boyd

Case No. 2021-00370

Subscribed and sworn before me, a Notary Public, by Brian K. West this 21st day of July, 2022.

Scott F. Bishop

Notary Public

My Commission Expires June 24, 2025

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Notary ID Number: KYNP 32110

SCOTT E. BISHOP Notary Public Commonwealth of Kentucky Commission Number KYNP32110 My Commission Expires Jun 24, 2025