

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

Notice of Filing Of Ten-Day Status Update

Kentucky Power Company gives notice, in accordance with ordering paragraph 7 of the Commission's September 27, 2021 Order, of its filing as part of this notice of its March 7, 2022 supplemental response to KPSC_RH_1_1 (ten-day update) in Case No. 2021-00004.

Also filed with the notice of filing is one attachment to the March 7, 2022 ten-day update.

Respectfully submitted,



Mark R. Overstreet
Katie M. Glass
STITES & HARBISON PLLC
421 West Main Street
P.O. Box 634
Frankfort, Kentucky 40602-0634
Telephone: (502) 223-3477
moverstreet@stites.com
kglass@stites.com

COUNSEL FOR
KENTUCKY POWER COMPANY

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 1 of 10

DATA REQUEST

RH_1_1 Explain Kentucky Power and Wheeling Power's plan regarding Mitchell. Provide updated status reports every ten days through the pendency of this proceeding.

RESPONSE

Kentucky Power and Wheeling Power currently are implementing plans to ensure the construction of the CCR project to allow the operation of the Mitchell Generating Station through December 31, 2028.

Kentucky Power Company and Wheeling Power Company are reviewing their alternatives regarding the Mitchell Generating Station in light of the July 15, 2021 decision of this Commission, and the August 4, 2021 decision of the Public Service Commission of West Virginia. No decision regarding a plan for the Mitchell Generating Station beyond that described above has been reached by either Company.

Kentucky Power will file updated status reports every ten days during the pendency of this proceeding.

September 13, 2021 Update

Wheeling Power Company and Appalachian Power Company on September 8, 2021 filed with the Public Service Commission of West Virginia their "Petition to Reopen Case and to Take Further Action" in Case No. 20-1040-E-CN. The petition requests the West Virginia Commission to provide certain confirmations, acknowledgements, and commitments regarding, *inter alia*, the Mitchell Generating Station, in light of the inconsistent orders of the Kentucky and West Virginia commissions regarding the proposed ELG work at the Mitchell Generating Station. The petition further requests that the West Virginia Commission provide the confirmations, acknowledgements, and commitments prior to the October 13, 2021 deadline under the ELG Rule for notifying the West Virginia Department of Environmental Protection concerning the ELG modifications at the Mitchell Generating Station. Finally, Wheeling Power and Appalachian Power Company indicated in the petition that there were matters in need of resolution should West Virginia decide to fully fund the ELG investment and maintain the plant in order to preserve an option to run the Mitchell Generating Station past 2028.

A copy of the petition is attached as KPCO_SR_KPSC_RH_1_1_Attachment1.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 2 of 10

The West Virginia commission by order dated September 9, 2021 established a procedural schedule, and provided for a September 24, 2021 evidentiary hearing, in connection with the petition.

A copy of the September 9, 2021 order is attached as KPCO_SR_KPSC_RH_1_1_Attachment2.

Kentucky Power Company and Wheeling Power Company continue to review their alternatives regarding the Mitchell Generating Station pending action by the West Virginia Commission on the petition. Kentucky Power Company also intends to explore these issues and will work to bring the Commission a recommendation on how to handle the Mitchell operating agreement in a new docket for review.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding on the status of the West Virginia decision on ELG investment.

September 23, 2021 Update

Wheeling Power Company and Appalachian Power Company on September 20, 2021 filed with the Public Service Commission of West Virginia their Reply in support of their "Petition to Reopen Case and to Take Further Action."

A copy of the Reply is attached as KPCO_SR_KPSC_RH_1_1_Attachment3.

Kentucky Power Company and Wheeling Power Company continue to review their alternatives regarding the Mitchell Generating Station pending action by the West Virginia Commission on the petition. Kentucky Power Company will work to bring the Commission a recommendation on how to handle the Mitchell operating agreement either in Case No. 2021-00370 or in a separate docket.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

October 4, 2021 Update

The Public Service Commission of West Virginia held an evidentiary hearing on September 24, 2021 in Case No. 20-1040-E-CN. The purpose of the hearing was to address the issues raised in Wheeling Power Company and Appalachian Power Company's September 8, 2021 "Petition to Reopen Case and to Take Further Action."

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 3 of 10

Kentucky Power Company and Wheeling Power Company continue to review their alternatives regarding the Mitchell Generating Station pending action by the West Virginia Commission on the petition. Kentucky Power Company will work to bring the Commission a recommendation on how to handle the Mitchell operating agreement either in Case No. 2021-00370 or in a separate docket.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

October 13, 2021 Update

On October 12, 2021 the Public Service Commission of West Virginia issued its Order regarding Wheeling Power Company and Appalachian Power Company's September 20, 2021 "Petition to Reopen Case and to Take Further Action" affirming the earlier order that the Companies proceed with ELG at all three plants.

Please see KPCO_SR_KPSC_RH_1_1_Attachment4 which provides a copy of the October 12, 2021 Order and all other documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN since October 2, 2021¹ through October 12, 2021.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

October 25, 2021 Update

Wheeling Power Company is moving forward with CCR/ELG work at the Mitchell Generating Station given the recent action by the West Virginia Commission on the petition. Kentucky Power Company will work to bring the Commission a recommendation on how to handle the Mitchell operating agreement either in Case No. 2021-00370 or in a separate docket. The Company expects to make the operating agreement filing in fourth quarter 2021 and further plans to address through that filing that Kentucky Power will only pay for CCR-related costs associated with the CCR/ELG project.

¹ The Commission Staff's data request 2-6 dated September 17, 2021 sought, as a continuing request, that the Company provide a copy of any documents filed by Wheeling Power or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN and to be provided in the Company's 10-day status reports. The Company's response to 2-6 provided these documents through October 1, 2021.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 4 of 10

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN from October 13, 2021 through October 24, 2021.

November 4, 2021 Update

AEP has entered into an agreement to sell its Kentucky operations, which include Kentucky Power and AEP Kentucky Transco, to Liberty Utilities Corp., the regulated utility business of parent company Algonquin Power & Utilities Corporation. Liberty will own and obtain power from Kentucky Power's 50% portion of the Mitchell Plant through 2028. The sale is expected to close in the second quarter of 2022, pending regulatory approvals. The Company expects that an application for Commission approval of the transaction will be made in the fourth quarter 2021.

Kentucky Power Company will work to bring the Commission a recommendation on how to handle the Mitchell operating agreement either in Case No. 2021-00370 or in a separate docket. The Company expects to make the operating agreement filing in the fourth quarter 2021.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN from October 25, 2021 through November 3, 2021.

November 15, 2021 Update

On November 5, 2021, Kentucky Power filed its notice of intent to file an application for approval of affiliate agreements related to the Mitchell Generating Station. The Commission assigned this proceeding Case No. 2021-00421. The Company will file its application before November 30, 2021. A comparable filing will be made at the same time in West Virginia.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 5 of 10

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN from November 4, 2021 through November 14, 2021.

November 24, 2021 Update

On November 19, 2021, Kentucky Power filed its application for approval of its proposed Mitchell Plant Operations and Maintenance Agreement and Mitchell Plant Ownership Agreement (collectively the “New Mitchell Agreements”) in Case No. 2021-00421. Please see KPCO_SR_KPSC_1_1_Attachment5 for a copy of the Company’s application, including the supporting testimonies of D. Brett Mattison and Timothy C. Kerns. A comparable filing was made contemporaneously in West Virginia under Case No. 21-0810-E-PC. Please see KPCO_SR_KPSC_1_1_Attachment6 for a copy of this filing.

Additionally, American Electric Power Service Corporation (on behalf of Wheeling Power and Kentucky Power) filed the New Mitchell Agreements and cancellation of Rate Schedules No. 303 (current Mitchell Plant Operating Agreement) with FERC on November 19, 2021. Please see KPCO_SR_KPSC_1_1_Attachment7 for a copy of this filing.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN from November 15, 2021 through November 23, 2021.

December 3, 2021 Update

On November 30, 2021 an informal meeting was held following the hearing in Case No. 2021-00370 to discuss a procedural schedule for Case No. 2021-00421. The Commission entered an Order on December 3, 2021 in Case No. 2021-00421 establishing the procedural schedule for Case No. 2021-00421.

As of December 2, 2021 a procedural schedule has not been established in the comparable filing made in West Virginia (21-0810-E-PC).

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) are filed as KPCO_SR_KPSC_1_1_Attachment8 and KPCO_SR_KPSC_1_1_Attachment9 respectively.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 6 of 10

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period November 24, 2021 through December 2, 2021.

December 13, 2021 Update

On December 13, 2021, the Commission established a hearing date in Case No. 2021-00421. The hearing is to be held on March 1, 2022 through March 3, 2022.

As of December 12, 2021 a procedural schedule has not been established in the comparable filing made in West Virginia (21-0810-E-PC).

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) are filed as KPCO_SR_KPSC_1_1_Attachment10 and KPCO_SR_KPSC_1_1_Attachment11 respectively.

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period December 3, 2021 through December 12, 2021.

December 22, 2021 Update

The Company will be filing its responses to the first set of discovery requests in Case No. 2021-00421 today.

As of December 21, 2021 a procedural schedule has not been established in the comparable filing made in West Virginia (21-0810-E-PC).

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) are filed as KPCO_SR_KPSC_1_1_Attachment12 and KPCO_SR_KPSC_1_1_Attachment13 respectively.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 7 of 10

Kentucky Power will continue to file updated status reports every ten days during the pendency of this proceeding.

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period December 13, 2021 through December 21, 2021.

January 3, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period December 22, 2021 through December 31, 2021.

On December 22, 2021 the Staff of the Public Service Commission of West Virginia issued its initial memorandum and first set of data requests in Case No. 21-0810-E-PC. The proceeding seeks approval of the Mitchell Plant Operations and Maintenance Agreement and the Mitchell Plant Ownership Agreement. Copies of the filed memo and the data requests are attached as KPCO_SR_KPSC_1_1_Attachment14 and KPCO_SR_KPSC_1_1_Attachment15 respectively. As of December 29, 2021 a procedural schedule has not be established in Case 21-0810-E-PC.

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) are filed as KPCO_SR_KPSC_1_1_Attachment16 and KPCO_SR_KPSC_1_1_Attachment17 respectively.

January 13, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period January 1, 2022 through January 12, 2022.

Responses to the Staff of the Public Service Commission of West Virginia's first set of data requests in Case No. 21-0810-E-PC were filed on January 11, 2022. A copy of these responses is attached as KPCO_SR_KPSC_1_1_Attachment18. As of December 29, 2021 a procedural schedule has not be established in Case 21-0810-E-PC.

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) are filed as KPCO_SR_KPSC_1_1_Attachment19 and KPCO_SR_KPSC_1_1_Attachment20 respectively.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 8 of 10

January 24, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period January 13, 2022 through January 23, 2022.

A proposed procedural schedule was filed by West Virginia Staff in Case No. 21-0810-E-PC on January 14, 2022. On January 20, 2022 the "Objections of Appalachian Power Company and Wheeling Power Company to the Consumer Advocate Division's First Request for Information" were filed. A copy of these documents are attached as KPCO_SR_KPSC_1_1_Attachment21 and KPCO_SR_KPSC_1_1_Attachment22.

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) beginning November 24, 2021 are filed as KPCO_SR_KPSC_1_1_Attachment23 and KPCO_SR_KPSC_1_1_Attachment24 respectively.

February 3, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period January 24, 2022 through February 2, 2022.

The West Virginia Commission's procedural order in Case No. 21-0810-E-PC was entered on January 25, 2022. Appalachian Power Company's and Wheeling Power Company's responses to the Consumer Advocate Division and the West Virginia Energy Users Group first data requests were filed on January 26, 2022. A copy of these documents are attached as KPCO_SR_KPSC_1_1_Attachment25 through KPCO_SR_KPSC_1_1_Attachment27.

Copies of the FERC eLibrary docket for FERC Case No. ER22-453-000 (Kentucky Power Company) and FERC Case No. ER22-452-000 (Wheeling Power Company) beginning December 4, 2021 are filed as KPCO_SR_KPSC_1_1_Attachment28 and KPCO_SR_KPSC_1_1_Attachment29 respectively.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 9 of 10

February 14, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period February 3, 2022 through February 13, 2022.

In Case No. 21-0810-E-PC, Appalachian Power Company's and Wheeling Power Company's response to the Consumer Advocate Division's motion to compel was filed on February 7, 2022. On February 8, 2022 the West Virginia Commission granted intervention two petitions to intervene: 1) West Virginia Coal Association and 2) West Virginia Citizens Action Group, Solar United Neighbors, and Energy Efficient West Virginia. A copy of these documents are attached as KPCO_SR_KPSC_1_1_Attachment30 through KPCO_SR_KPSC_1_1_Attachment31.

On February 7, 2022 American Electric Power Service Corporation on behalf of Kentucky Power and Wheeling Power Company filed a motion to withdraw the rate filing submitted on November 19, 2021 in dockets ER22-452-000 and ER22-453-000.

February 24, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN or Case No. 21-0810-E-PC during the period February 14, 2022 through February 23, 2022.

March 7, 2022

There were no documents filed by either Wheeling Power Company or the Public Service Commission of West Virginia in Case No. 20-1040-E-CN during the period February 24, 2022 through March 6, 2022.

The Company inadvertently omitted from its last 10-day status update that in Case No. 21-0810-E-PC, Appalachian Power Company's and Wheeling Power Company's responses to West Virginia Energy Users Group second set of data requests were filed on February 23, 2022. A copy of these responses is attached as KPCO_SR_KPSC_1_1_Attachment32.

Kentucky Power Company
KPSC Case No. 2021-00004
Commission Staff's Rehearing Data Requests
Dated August 19, 2021
Page 10 of 10

The Commission held a hearing in Case No. 2021-00421 on March 1, 2022. After that hearing, the Kentucky Public Service Commission issued an order requiring the Company to notify the Commission whether or not the Company intended to file a proposed amendment to the Mitchell Ownership Agreement concerning the Company's alternate proposal to divide the Mitchell units between Kentucky Power and Wheeling Power. The Company is evaluating this option and will file its response regarding such a proposal as soon as is practical before March 16, 2022.

Witness: Deryle B. Mattison



An **AEP** Company

BOUNDLESS ENERGY

Keith D. Fisher
Senior Counsel

500 Lee Street East, Suite 800
Charleston, WV 25301
304.348.4154
kdfisher@aep.com

February 23, 2022

Via Electronic Mail

Karen Buckley
Acting Executive Secretary
Public Service Commission of West Virginia
201 Brooks St.
Charleston, WV 25301

11:39 AM FEB 23 2022 EXEC SEC DIV

Re: Case No. 21-0810-E-PC
Appalachian Power Company and Wheeling Power Company
Petition for Commission Consent and Approval to Enter into Ownership and
Operating Agreements for the Mitchell Plant

Dear Ms. Buckley:

Please find enclosed for filing in the above-referenced matter the Responses of Appalachian Power Company and Wheeling Power Company to WVEUG's Second Data Request. On this date, copies thereof were served in accordance with the Certificate of Service.

This filing is made via electronic mail in accordance with the Commission's General Order No. 262.3 *Regarding Processing of Cases During COVID-19 West Virginia State of Emergency.*

Thank you for your attention to this matter. Should you have any questions regarding this correspondence, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith D. Fisher". The signature is fluid and cursive, written over a white background.

Keith D. Fisher (WV State Bar #11346)
Counsel for Appalachian Power Company
and Wheeling Power Company

Enclosure

cc: Certificate of Service

11:39 AM FEB 23 2022 EXEC SEC DIV

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

CASE NO. 21-0810-E-PC

**APPALACHIAN POWER COMPANY and
WHEELING POWER COMPANY,**
public utilities.

*Petition for Commission Consent and Approval
to Enter into Ownership and Operating Agreements
for the Mitchell Plant*

**RESPONSES OF APPALACHIAN POWER COMPANY AND
WHEELING POWER COMPANY TO WVEUG'S SECOND DATA REQUEST**

Appalachian Power Company ("APCo") and Wheeling Power Company ("WPCo") (together, "the Companies") file the following as their Responses to WVEUG's Second Data Request in the above-referenced matter:

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-01

Please identify the sponsoring witness for each subsequent response provided by the Companies.

Response WVEUG 2-01

1. N/A
2. Chris Beam is a witness who could address the subject matter of this discovery request.
3. Chris Beam is a witness who could address the subject matter of this discovery request.
4. Chris Beam is a witness who could address the subject matter of this discovery request.
5. The Companies have not yet determined a witness who could address the subject matter of this discovery request.
6. Chris Beam is a witness who could address the subject matter of this discovery request.
7. The Companies have not yet determined a witness who could address the subject matter of this discovery request.

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-02

Please reference the Direct Testimony of Christian T. Beam, p. 11, lines 9-15, Exhibit CTB-3, Section 9.6, and the Companies' Response to WVEUG Set 1, No. 10.a. (referencing WPCo's "option to acquire ownership of the Mitchell Plant . . . at a point in the future").

- a. Please confirm that the "potential" or "option" for WPCo to acquire the Kentucky Power Company ("KPCo") share of the Mitchell Plant would be extinguished if WPCo provides written notice to KPCo of an Early Retirement Event on or before December 31, 2028.
- b. If not confirmed, please fully explain your response.

Response WVEUG 2-02

- a. Confirmed.
- b. Not applicable.

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-03

Please reference the Direct Testimony of Christian T. Beam, p. 12, lines 2-3 (referencing that the Companies are not seeking approval of an asset transfer in this case), and Exhibit CTB-3, Section 9.6(a).

a. Please explain whether the Companies are seeking specific approval from the Commission in this case of the "Buyout Price" formula expressed in Section 9.6.a.(ii).

Response WVEUG 2-03

Yes. The Companies are seeking specific approval for the agreements as filed.

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-04

Please reference the Direct Testimony of Christian T. Beam, p. 11, line 21 to p. 12, line 2, and Exhibit CTB-D3, Section 9.6(d) relative to applicable regulatory approvals for the "Buyout Transaction."

- a. Please confirm whether the anticipated regulatory approval would include an assessment of the overall reasonableness of the "Buyout Transaction," including whether such transaction was in the public interest.
- b. If not confirmed, please fully explain your response.

Response WVEUG 2-04

- a. Confirmed.
- b. Not applicable.

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-05

Please reference the Companies' Responses to WVEUG, Set 1, Nos. 9 and 10.a.

- a. Please explain how the "Buyout Transaction" is "necessary" for the continued operation of the Mitchell Plant through December 31, 2028, given that WPCo may exercise its option not to acquire ownership of the Mitchell Plant up until that date.
- b. Would any element of the Mitchell Agreements preclude the sale of KPCo's ownership interest in the Mitchell Plant and/or WPCo's ownership interest in the Mitchell Plant to a third party.

Response WVEUG 2-05

- a. In addition to ensuring compliance with the Commission's orders, which cannot be later negotiated if not included in the agreement now, the buyout provision provides the certainty needed for WPCO to invest in the plant prior to 2028 knowing it will have the option to be able to own the plant. Thus, the provision is inseparable from the pre-2028 operational provisions of the agreement.
- b. No. The buyout transaction is a backstop and does not preclude WPCO from purchasing KPCO's undivided ownership interest in the Mitchell Plant in a mutually agreed transaction. In addition, neither owner would be precluded from selling its undivided ownership interest in the Mitchell Plant to a third party, noting that KPCO would not own ELG equipment pursuant to orders of the commissions.

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-06

Please reference the Companies' Response to WVEUG, Set 1, No. 10.b.

- a. Do the Companies project that they will have a need for more generation capacity to serve their West Virginia ratepayers in 2029?
- b. If yes, please provide the amount of additional generation capacity projected to be needed in 2029.

Response WVEUG 2-06

- a. No, not at this time.
- b. Not applicable.

**APPALACHIAN POWER COMPANY &
WHEELING POWER COMPANY
WEST VIRGINIA CASE NO. 21-0810-E-PC
WVEUG Set 2**

Request WVEUG 2-07

- a. To the extent that a WPCo purchase of the KPCo share of the Mitchell Plant capacity would result in significant excess capacity for WPCo, what options would be available to WPCo to mitigate the costs of such excess capacity (e.g., sales of Mitchell capacity into the PJM Interconnection, L.L.C. ("PJM") market)?
- b. Please identify any restrictions that WPCo would have that would limit its ability to sell any excess Mitchell capacity into the PJM market. In particular, would such a sale be restricted by Section 11.3 ("Capacity Plan") of PJM Manual M-18 ("PJM Capacity Market")?

Response WVEUG 2-07

- a. Under the current construct, and to the extent WPCo would have an excess capacity margin in future years, WPCo may have the ability to monetize excess capacity in the PJM capacity market by offering excess capacity to others, provided the Company follows any PJM rules governing such sales. However, market rules are subject to change and there may be other options available in the future.
- b. WPCo would be required to comply with all PJM rules associated with offering excess capacity into the PJM capacity market in existence at the time.

**PUBLIC SERVICE COMMISSION
 OF WEST VIRGINIA
 CHARLESTON**

CASE NO. 21-0810-E-PC

**APPALACHIAN POWER COMPANY and
 WHEELING POWER COMPANY,**
 public utilities.

*Petition for Commission Consent and Approval
 to Enter into Ownership and Operating Agreements
 for the Mitchell Plant*

CERTIFICATE OF SERVICE

I, Keith D. Fisher, counsel for Appalachian Power Company and Wheeling Power Company, do hereby certify that a true and correct copy of the foregoing "Responses of Appalachian Power Company and Wheeling Power Company to WVEUG's Second Data Request" was served upon the following, via electronic mail, on this 23rd day of February, 2022:

Lucas R. Head, Esq. Public Service Commission of West Virginia 201 Brooks Street Charleston, WV 25301 <i>Counsel for Staff of WV Public Service Commission</i>	Robert F. Williams, Esq. Heather B. Osborn, Esq. John Auville, Esq. Consumer Advocate Division 300 Capitol Street, Suite 810 Charleston, WV 25301 <i>Counsel for Consumer Advocate Division</i>
Susan J. Riggs, Esq. Jason C. Pizatella, Esq. Spilman Thomas & Battle, PLLC 300 Kanawha Blvd E Charleston, WV 25301 <i>Counsel for WVEUG</i>	Derrick P. Williamson, Esq. Barry A. Naum, Esq. Spilman Thomas & Battle, PLLC 1100 Bent Creek Blvd, Suite 101 Mechanicsburg, PA 17050 <i>Counsel for WVEUG</i>
Emmett Pepper, Esq. Pepper & Nason 8 Hale Street Charleston, WV 25301 <i>Counsel for CAG, SUN, and EEVW</i>	H. Brann Altmeyer, Esq. Jacob C. Altmeyer, Esq. Phillips, Gardill, Kaiser & Altmeyer, PLLC 61 Fourteenth Street Wheeling, WV 26003 <i>Counsel for WV Coal Association, Inc.</i>



Keith D. Fisher (WV State Bar #11346)

VERIFICATION

The undersigned, Brett Mattison, being duly sworn, deposes and says he is President and COO of 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 after reasonable inquiry.

Brett Mattison

Brett Mattison

Commonwealth of Kentucky)

Case No. 2021-00004

County of Boyd)

Subscribed and sworn before me, a Notary Public, by Brett Mattison this 7th day of March, 2022.

Scott E. Bishop

Notary Public

My Commission Expires June 24, 2025

Notary ID Number: KYNP 32110

