

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC 2022 INTEGRATED)	
RESOURCE PLAN OF EAST KENTUCKY)	CASE NO.
POWER COOPERATIVE, INC.)	2022-00098

RESPONSES TO NUCORS'S SUPPLEMENTAL INFORMATION REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.

DATED AUGUST 30, 2022

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

2022 INTEGRATED RESOURCE PLAN OF EAST) CASE NO.
KENTUCKY POWER COOPERATIVE, INC.) 2022-00098

CERTIFICATE

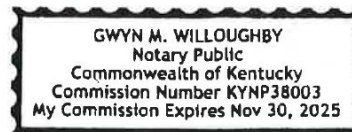
STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Michelle Carpenter, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to Nucor Steel Gallatin Supplemental Set of Data Requests in the above-referenced case dated August 30, 2022, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Michelle K. Carpenter

Subscribed and sworn before me on this 20th day of September 2022.

Gwyn M. Willoughby
Notary Public



EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2022-00098
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

NUCOR'S REQUEST DATED AUGUST 30, 2022

REQUEST 1

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 1. Please provide the net book value at the end of 2021 of the following generating stations by unit:

- a. John Sherman Cooper Station
- b. Hugh L. Spurlock Station
- c. J.K. Smith Station
- d. Bluegrass Station

Response 1 a-d. Please see the summary on page 2 of this response which provides the net book value (NBV) at December 31, 2021, by unit, for the requested generating stations. It should be noted that Cooper Station's Unit 1 and Unit 2 assets have been historically grouped together in Cooper Common for reporting purposes and are reflected as such on this schedule.

East Kentucky Power Cooperative, Inc.
Case No. 2022-00098
Net Book Value at December 31, 2021

	NBV 12/31/21
John Sherman Cooper Station	
Common	\$ 32,326,701
Scrubber	106,669,365
	138,996,066
Hugh L. Spurlock Station	
Common	215,286,940
Unit 1	178,692,474
Unit 1 Scrubber	84,705,032
Unit 2	221,174,172
Unit 2 Scrubber	121,490,796
Unit 3	280,268,673
Unit 4	407,910,863
	1,509,528,950
Bluegrass Station	
Common	59,505,857
Unit 1	31,373,512
Unit 2	27,713,228
Unit 3	20,934,934
	139,527,531
J.K. Smith Station	
Common	79,937,175
Unit 1	9,802,563
Unit 2	8,721,387
Unit 3	9,138,435
Unit 4	17,093,433
Unit 5	14,655,086
Unit 6	13,527,330
Unit 7	13,364,044
Unit 9	61,460,945
Unit 10	33,134,877
	260,835,275
All Units	\$ 2,048,887,822

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2022-00098
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

NUCOR'S REQUEST DATED AUGUST 30, 2022

REQUEST 2

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 2. Please provide the current annual depreciation expense for the following generating stations by unit as well as the assumed unit retirement date used for purposes of the depreciation expense calculation:

- a. John Sherman Cooper Station
- b. Hugh L. Spurlock Station
- c. J.K. Smith Station
- d. Bluegrass Station

Response 2 a-d. A summary of depreciation expense by unit for the year ended December 31, 2021 is provided on page 3 of this response for the requested generating stations. It should be noted that Cooper Station units are not segregated on the general ledger and accordingly, are shown in aggregate on the schedule. Prior to October 1, 2021, production plant depreciation expense was based solely upon the unit's probable retirement date. Effective October 1, 2021, with the implementation of the depreciation study approved by the Commission in Case No. 2021-00103, depreciation rates were

established to include components for interim and terminal net salvage. The probable retirement dates of the units remained substantially unchanged.

East Kentucky Power Cooperative, Inc.
Case No. 2022-00098
Depreciation Expense
Year Ending December 31, 2021

	Amount	Probable Retirement Date*
John Sherman Cooper Station		
Common	\$ 5,188,264	2030
Scrubber	12,724,344	2030
	<u>17,912,609</u>	
Hugh L. Spurlock Station		
Common	6,635,303	2049
Unit 1	8,324,870	2040
Unit 1 Scrubber	4,622,503	2040
Unit 2	8,804,736	2042
Unit 2 Scrubber	6,027,031	2042
Unit 3	11,725,254	2045
Unit 4	13,887,487	2049
	<u>60,027,184</u>	
Bluegrass Station		
Common	3,004,802	2042
Unit 1	1,565,220	2042
Unit 2	1,592,604	2042
Unit 3	1,410,373	2042
	<u>7,572,998</u>	
J.K. Smith Station		
Common	1,721,591	2050
Unit 1	763,311	2034
Unit 2	693,226	2034
Unit 3	733,798	2034
Unit 4	921,776	2041
Unit 5	790,081	2041
Unit 6	599,343	2045
Unit 7	592,182	2045
Unit 9	2,109,649	2050
Unit 10	1,691,812	2050
	<u>10,616,769</u>	
All Units	<u><u>\$ 96,129,560</u></u>	

* Per depreciation study effective October 1, 2021

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2022-00098
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

NUCOR’S REQUEST DATED AUGUST 30, 2022

REQUEST 3

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 3. Please list provide the average annual cost of capital additions over the last three years for the following generating stations by unit:

- a. John Sherman Cooper Station
- b. Hugh L. Spurlock Station
- c. J.K. Smith Station
- d. Bluegrass Station

Response 3 a-d. A summary of the average annual cost of capital additions for years 2019 through 2021 for the above requested generating stations, by unit, is provided on page 3 of this response. Capital additions represent assets placed in-service, including completed construction not classified (Account 106). Given that that only one operating unit profile can be assigned to construction projects, “common” is often used during the construction phase and when initially transferred to Account 106, with any needed reclassifications to specific operating units occurring at the time of unitization. Reclassifications made during the unitization process in 2019 for assets originally placed in-service in 2018 resulted in a negative annual average capital addition shown for Smith Common. It should also be noted that the annual average cost of capital additions for

both Spurlock Station and Bluegrass Station are not representative of a typical year. During the three-year period used to determine the average annual cost, various systems totaling approximately \$215.6 million, which were part of an estimated \$262.4 million project to comply with the coal combustion residuals ("CCR") and Effluent Limitations Guidelines ("ELG") final rules at Spurlock Station, were placed in-service. Bluegrass Station's dual fuel project, totaling approximately \$54.5 million, was also placed in service during this timeframe.

East Kentucky Power Cooperative, Inc.
Case No. 2022-00098
Average Annual Cost of Capital Additions
Based Upon Years 2019 through 2021

	Average Annual Cost
John Sherman Cooper Station	
Common	\$ 139,286
Hugh L. Spurlock Station	
Common	58,867,239
Unit 1	15,521,967
Unit 2	24,731,071
Unit 3	5,026,027
Unit 4	11,765,557
	<u>115,911,861</u>
Bluegrass Station	
Common	18,518,838
Unit 1	2,080,163
Unit 2	1,899,504
Unit 3	388,139
	<u>22,886,644</u>
J.K. Smith Station	
Common	(7,198)
Unit 1	43,382
Unit 2	45,078
Unit 3	58,828
Unit 4	3,092
Unit 5	3,092
Unit 6	3,093
Unit 7	3,092
Unit 9	807,445
Unit 10	2,379,861
	<u>3,339,765</u>
All Units	<u>\$ 142,277,556</u>

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2022-00098
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

NUCOR'S REQUEST DATED AUGUST 30, 2022

REQUEST 4

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 4. Please list EKPC's assumed retirement dates for the following generating station units:

- a. John Sherman Cooper Station
- b. Hugh L. Spurlock Station
- c. J.K. Smith Station
- d. Bluegrass Station

Response 4 a-b. Please refer to part b of EKPC's response to the Attorney General's Supplemental Request for Information items 42 through 47.

Response 4 c-d. Please refer to part b of EKPC's response to the Attorney General's Supplemental Request for Information item 49.