

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

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

**JOINT INTERVENORS' RESPONSE TO  
EAST KENTUCKY POWER COOPERATIVE INC.'S  
POST-HEARING COMMENT**

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Dated: February 17, 2023

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Pursuant to the Public Service Commission's ("the Commission") December 16, 2022 Order in this matter, Kentuckians for the Commonwealth, Kentucky Solar Energy Society, and Mountain Association (collectively, "Joint Intervenors") hereby respond to East Kentucky Power Cooperative, Inc.'s ("EKPC") Supplemental Post-Hearing Comment on the 2022 Joint Integrated Resource Plan ("IRP").

**DISCUSSION**

EKPC's Post-Hearing Comment continues to avoid engagement with facts developed by Joint Intervenors, particularly with respect to the IRP modeling and transmission analyses. For example, EKPC offers a summary of Mr. Williams' modeling testimony,<sup>1</sup> but says nothing of a key modeling dispute: Mr. Williams' admission at the hearing that EKPC did not produce all the modeling files in response to discovery.<sup>2</sup> With that, EKPC appears unwilling to account for its decision to withhold modeling files, or the subsequent decision to continue withholding modeling files despite Joint Intervenors' requests for supplemented or clarified responses.

Similarly, EKPC touts a joint transmission planning modeling process between EKPC, Louisville Gas and Electric Company, and Kentucky Utilities Company ("LG&E/KU"),<sup>3</sup> but offers nothing to explain a critical failure of that allegedly joint transmission planning modeling process: up to the date of this IRP hearing, EKPC's Director of Transmission Planning did not know LG&E/KU's publicly announced plan to retire E.W. Brown Unit 3. Instead, at the hearing,

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<sup>1</sup> Comments of East Kentucky Power Cooperative, Inc. at 1 (Feb. 3, 2023) ("EKPC Post-Hearing Cmt.").

<sup>2</sup> EKPC Post-Hearing Cmt. at 2–5 (offering no comment or explanation for withholding IRP modeling files).

<sup>3</sup> EKPC Post-Hearing Cmt. at 1.

all parties, including EKPC, learned the transmission modeling project started by EKPC in April 2021 and continuing through December 2022, used the wrong retirement year for E.W. Brown Unit 3 – the next critical unit after Cooper Station’s retirement.<sup>4</sup> EKPC admits its lack of knowledge,<sup>5</sup> but makes no effort to explain how it possibly could not have known. LG&E/KU did not hide their plans for E.W. Brown Unit 3, announcing the 2028 retirement year in public filings by late 2020.<sup>6</sup> By January 2021, local and trade presses ran articles about the need for replacement capacity and LG&E/KU requests for proposals.<sup>7</sup> Given how the 2028 retirement year information had been public and easily accessible for nearly two years, and particularly in light of EKPC’s alleged joint planning efforts with LG&E-KU, Joint Intervenors are concerned that EKPC did not recognize a need to explain its failure here.

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<sup>4</sup> Based on EKPC’s Response to JI’s Post-Hearing Request 1, Joint Intervenors understand that EKPC learned after the hearing of unidentified additional generation changes planned by LG&E/KU. Response of East Kentucky Power Cooperative to Joint Intervenor Post-Hearing Data Requests, Question 1b (Dec. 22, 2022) (“EKPC Response to JI Post-Hearing Q”).

<sup>5</sup> EKPC Post-Hearing Cmt. at 2, n.1.

<sup>6</sup> *In re: Electronic Application of Kentucky Utilities Company [and Louisville Gas & Electric Company] for an Adjustment of Its Electric Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, And Establishment of a One-Year Surcredit*, Case Nos. 2020-00349 and 2020-00350, Direct Testimony of Lonnie E. Bellar at 9 (PDF 80) (Nov. 25, 2020) (providing updated retirement years for Brown 3, Ghent 4, Mill Creek 1-4, and Trimble County 1), [https://psc.ky.gov/pscecf/2020-00350/rick.lovekamp%40lge-ku.com/11252020085918/10-LGE\\_Testimony\\_1of4%28Thompson\\_Blake\\_Bellar\\_Sinclair\\_Wolfe\\_Saunders%29.pdf](https://psc.ky.gov/pscecf/2020-00350/rick.lovekamp%40lge-ku.com/11252020085918/10-LGE_Testimony_1of4%28Thompson_Blake_Bellar_Sinclair_Wolfe_Saunders%29.pdf).

<sup>7</sup> LG&E/KU, *LG&E and KU request bids for energy to continue to reliably serve customers: Utilities’ aging coal-fired generating units nearing end of economic life* (Jan. 7, 2021), <https://lge-ku.com/newsroom/press-releases/2021/01/07/lge-and-ku-request-bids-energy-continue-reliably-serve-customers>; Kelly Andrejasich, *PPL Corp. Utilities eye retirement of three Kentucky coal units, seek replacement power*, S&P Global (Jan. 11, 2021), <https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/natural-gas/011121-ppl-corp-utilities-eye-retirement-of-3-kentucky-coal-units-seek-replacement-power>; Power Engineering, *LGE/KU seeking 300-900 MW of electricity to replace retiring coal-fired units* (Jan. 11, 2021), <https://www.power-eng.com/coal/lge-ku-seeking-300-900-mw-of-electricity-to-replace-retiring-coal-fired-units/#gref>.

The revelations at the hearing concerning EKPC’s transmissions study only further call into question the length and timing of that study and why it could not have been completed and made available to the Commission and public as part of EKPC’s 2022 IRP. EKPC now represents in its post-hearing comment that “Mr. Adams indicated during the public hearing the analysis for this study is expected to take several months.”<sup>8</sup> But this is inconsistent with Mr. Adams’ testimony at the hearing, where he was unable to definitively say when the transmission study started in April 2021 would finally be completed.<sup>9</sup> And that was *before* Mr. Adams learned later in the hearing that the study used an inaccurate retirement year for E.W. Brown Unit 3;<sup>10</sup> and before EKPC realized that its assumptions about unidentified other LG&E/KU resources were also inaccurate.<sup>11</sup> This also raises questions as to what other flawed assumptions and omissions will become apparent if and when EKPC finally releases this transmission study publicly.

Joint Intervenors continue to encourage EKPC to release its updated transmission study promptly upon completion, and to update the study in future IRPs.<sup>12</sup> The results will be supportive and informative to the Commission, Commission Staff, and stakeholders.

In a final section, EKPC appears to argue that two specific subparts of the IRP regulation – 807 KAR 5:058, Sections 8(3)(c) and 8(3)(d) – categorically do not apply to in-state electric

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<sup>8</sup> EKPC Post-Hearing Cmt. at 2.

<sup>9</sup> Dec. 13, 2022 Hearing Video Transcript (“HVT”) at 9:25:30–9:29:10; Joint Intervenors’ Supplemental Post-Hearing Comment on East Kentucky Power Cooperative Inc.’s 2022 Integrated Resource Plan at 18 (Feb. 3, 2023) (“Joint Intervenors’ Post-Hearing Cmt.”).

<sup>10</sup> Dec. 13, 2022 HVT at 10:10:00–10:11:05 (explaining joint planning models with LG&E/KU, and expressing surprise the LG&E/KU plan to retire E.W. Brown Unit 3 by 2028).

<sup>11</sup> EKPC Response to JI’s Post-Hearing Q1b.

<sup>12</sup> Joint Intervenors’ Post-Hearing Cmt. at 19.

utilities that purchase less than fifty percent of energy needs from another company.<sup>13</sup> As best as Joint Intervenors understand it, EKPC appears concerned with the possibility that it might be required to report on PJM’s system-wide resources.<sup>14</sup> While Joint Intervenors do not interpret the IRP regulation to impose on EKPC an obligation to report the information required by Section 8(3) for PJM’s entire system, EKPC absolutely does have an obligation to provide the information required regarding its existing and planned resources.<sup>15</sup> Just as EKPC recognizes an obligation to report the information required by Section 8(3)(a), (b), and (e), it should recognize its reporting obligation continues in Section 8(3)(c) and (d). Indeed, EKPC has not advanced an interpretation of the regulation that could explain different application of requirements from one lettered subpart or another.

### **CONCLUSION**

Joint Intervenors continue to urge EKPC to adopt and Commission Staff to recommend the adjustments to future IRP processes proposed in Joint Intervenors’ Initial Comment and supporting report from Energy Futures Group. Like all Kentuckians, EKPC’s customers depend on their utility to proactively pursue least-cost service opportunities. As emphasized in Joint Intervenors’ Post-hearing Comment, the Inflation Reduction Act offers incredible new and expanded opportunities, and EKPC must be proactive to realize the Act’s full potential. EKPC must also strive for truly integrated resource planning, as required by the IRP regulation and

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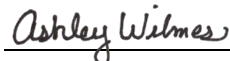
<sup>13</sup> EKPC Post-Hearing Cmt. at 3–5.

<sup>14</sup> *See e.g.*, Dec. 13, 2022 HVT at 15:30:00–15:30:55 (Witness Tucker explaining that, as a PJM member, EKPC purchases 100% of its energy needs through PJM energy markets and sells 100% of its generated energy into PJM energy markets).

<sup>15</sup> 807 KAR 5:058 Section 8(3) (“The following information regarding the utility’s existing and planned resources shall be provided,” followed by additional reporting requirements for multistate utilities and utilities purchasing more than fifty percent of energy needs from another company).

necessary to identify and meaningfully evaluate least-cost resource alternatives. In all this, transparency and diligence are essential, making it possible for the Commission and stakeholders to independently analyze, and ideally help improve, utility analyses, in service of our shared goal of achieving least-cost, reliable service for EKPC's electric customers.

Respectfully submitted,



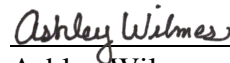
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## CERTIFICATE OF SERVICE

In accordance with the Commission's July 22, 2021 Order in Case No. 2020-00085, Electronic Emergency Docket Related to the Novel Coronavirus COVID-19, this is to certify that the electronic filing was submitted to the Commission on February 17, 2023; that the documents in this electronic filing are a true representations of the materials prepared for the filing; that no hard copy of this filing will be made; and that the Commission has not excused any party from electronic filing procedures for this case at this time.

  
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Ashley Wilmes