# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

ELECTRONIC APPLICATION OF KENTUCKY	)	
POWER COMPANY FOR AN ORDER	)	
APPROVING THE COMPANY'S AMENDED	)	Case No. 2022-00181
TARIFF E.D.R. TO INCREASE CAPACITY	)	
AVAILABLE TO BE SERVICED UNDER THE	)	
TARIFF AND FOR REQUIRED DEVIATIONS	)	
FROM THE COMMISSION'S SEPTEMBER 24,	)	
1990 ORDER IN ADMINISTRATIVE CASE	)	
NO. 327	)	

#### SUPPLEMENTAL DATA REQUESTS OF THE ATTORNEY GENERAL AND KIUC

Come now the intervenors, the Attorney General of the Commonwealth of Kentucky, by his Office of Rate Intervention ("Attorney General") and Kentucky Industrial Utility Customers ("KIUC), and submit these Data Requests to Kentucky Power Company (hereinafter "Kentucky Power" or "company") to be answered by July 25, 2022, in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the companies receive or generate additional information within the scope of these requests between the time of the response

and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the

preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

- (6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel for the Office of Attorney General.
- (7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.
- (8) To the extent that any request may be answered by way of a computer printout, please

identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

- (9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible, and in accordance with Commission direction.
- (10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or

drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things

upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

- (11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.
- (12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.
- (13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.
- (14) "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.

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### Respectfully submitted,

#### DANIEL J. CAMERON ATTORNEY GENERAL

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## Certificate of Service and Filing

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that, on July 18, 2022, an electronic copy of the forgoing was served by e-mail to the following.

moverstreet@stites.com hgarcia1@aep.com

this  $\underline{18}$ th day of July, 2022.

J Min Mer

Assistant Attorney General

ELECTRONIC APPLICATION OF KENTUCKY POWER COMPANY FOR AN ORDER APPROVING THE COMPANY'S AMENDED TARIFF E.D.R. TO INCREASE CAPACITY AVAILABLE TO BE SERVICED UNDER THE TARIFF AND FOR REQUIRED DEVIATIONS FROM THE COMMISSION'S SEPTEMBER 24, 1990 ORDER IN ADMINISTRATIVE CASE NO. 327, Case No. 2022-00181

#### **Data Requests**

- 1. With regard to the statement the following statement in paragraph number 38 of the Application, "Doing so will permit the Company to mitigate, and perhaps reverse, the upward pressure on rates caused by the need to spread fixed costs over a declining number of customers and usage," please provide any analysis that the Company has performed that would support this statement. If no such analysis exists, please explain the basis for the Company's statement.
- 2. Please provide a narrative explaining the statement in paragraph number 42 of the Application. Does the Company contend that additional load will not increase the amount of capacity that the Company will need to alleviate its short position?
- 3. With regard to the response to AG 1-1 (b) ["Second, many EDR customers, particularly cryptocurrency mining operations, have designated 10 percent, on average, of their Total Capacity Reservation as Firm Capacity beginning in year one of the contract, while the remaining 90 percent of their load remains interruptible under Rider D.R.S. Thus, for a cryptocurrency mining EDR customer with a Total Capacity Reservation of 20 MW, only 2 MW of the customer's load will be counted toward the Company's PJM capacity requirements; little additional capacity would need to be purchased to serve the customer."], please provide the following:
  - a. a copy of the analysis performed by the Company supporting the statement.
  - b. a copy of all email, memos, meeting notes, telephone call notes or other writings to or from KPCo to a prospective cryptocurrency mining operation that states or confirms the interruptible portion of such customer's load. If no such writings exist, please the basis for the statement.
- 4. With regard to the response to Staff 1-1 ["The Company estimates over 1,000 full-time positions will be realized from the 12 proposed EDR customers over the next several years."], please provide the supporting analysis used by the Company to develop this 1,000 full-time position estimated. Include a table that shows the number of jobs associated with each of the MW contract amounts (i.e., X positions associated with the 250 MW customer, Y positions associated with the 75 MW customer, etc.).
- 5. Please provide a list of each marginal cost that the Company proposes to include in its analysis of each of the proposed EDR contracts (for example, marginal energy cost). For each such cost, please explain how the Company would calculate the marginal cost.

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- 6. With regard to the response to AG 1-8, please provide the current MW calculation of the expected capacity deficit at June 1, 2023. Provide, at minimum, the following information in your response:
  - a. KPCo's FRR capacity obligation for the 2023/24 delivery year, excluding any EDR load whose contract has not been approved by the Commission.
  - b. KPCo's FRR capacity obligation for the 2023/24 delivery year, including the EDR load identified in this case.
  - c. KPCo's UCAP MW, by resource.
- 7. Please provide the response to the previous question for delivery years 2024/25 and 2025/26.
- 8. Please provide the 2022 PJM transmission rate per MW of 12 CP demand that is being charged to KPCo pursuant to the AEP East Transmission Agreement. Include a breakdown of the total rate charged to KPCo between the AEP East Operating Company rate and the AEP Transmission Company rate. Also provide the 2022 KPCo 12 CP demand that is used to allocate transmission costs pursuant to the AEP East Transmission Agreement.
- 9. In response to Staff 1-3, the Company states that 126 MW out of the total load of 482.5 MW would be firm, pursuant to Rider DRS. This equates to 26% firm, 74% interruptible. With regard to this response, please provide the following:
  - a. The basis for the estimated amount of firm and interruptible load
  - b. A reconciliation of this 26% firm/74% interruptible estimate with the response to AG 1-1(b) that assumes an estimate of 10% firm/90% interruptible for this load.
- 10. Refer to the response to Staff 1-4. Please provide a narrative explaining whether the marginal cost analysis is performed once, at the time of a requested EDR contract approval, or is performed periodically over the term in which EDR discounts are provided. To the extent that the analysis is only performed at the time the Company files for contract approval, please explain how changes in marginal cost over the five year period in which discounts are provided, particularly marginal energy costs, are incorporated in the Company's anticipated marginal cost analysis.
- 11. Please provide the Company's current estimate of the annual load factor that the 12 EDR customers. For each of the 3 largest customers, provide the estimated load factor by customer.

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- 12. For each of the AEP East and AEP West operating companies, please provide, by Company, the following:
  - a. The current number of crypto mining customers.
  - b. The current MW load of all of the crypto mining customers.
  - c. The current MW load of all of the crypto mining customers that are receiving some type of economic development, or other, discount.
  - d. The MW load of prospective crypto mining customers that are not year on the system. Provide this estimate based on likely additions of load during the next three years.
- 13. For each of the AEP Operating Companies identified in the previous question that have any crypto load, please provide the most recent peak load and the average load in MW of the Company.
- 14. With regard to the following approved and/or pending Tariff EDR contracts, please provide: 1) the Commission case numbers in which the contracts were/are being addressed; and 2) any marginal cost analysis performed by the Company with respect to the contracts:
  - a. Big Run Power Producers
  - b. Dajcor
  - c. Cyber Innovations
  - d. Discover AI
- 15. Please confirm that KPCo's energy costs are comprised of:
  - a. charges by PJM for 100% of the load each hour of the Company, priced at LMP.
  - b. Generation revenues (as a credit) received by KPCo for sales of its entire generation output into the PJM energy market, priced at LMP.
  - c. Fuel costs and related expenses (e.g., lime) required to generate the MWh sold into the PJM market.
  - d. To the extent that the Company cannot confirm that these are the principal components of its energy costs that are recovered from customers, please provide an explanation. Also confirm that these costs and revenue credits are included in the Company's FAC.
- 16. Please provide a copy of the most recent AEP Fundamental Forecast in Excel.