

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

In the Matter of:

ELECTRONIC TARIFF FILING OF	)	
KENTUCKY POWER COMPANY	)	CASE NO. 2022-00387
FOR APPROVAL OF A SPECIAL	)	
CONTRACT WITH EBON	)	
INTERNATIONAL, LLC	)	

**TENDERED SUPPLEMENTAL DATA REQUESTS OF MOVANTS FOR  
JOINT INTERVENTION MOUNTAIN ASSOCIATION, KENTUCKIANS FOR  
THE COMMONWEALTH, APPALACHIAN CITIZENS' LAW CENTER,  
SIERRA CLUB, AND KENTUCKY RESOURCES COUNCIL, INC.**

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Kentucky Solar Energy Society, Mountain  
Association, and Kentucky Resources  
Council, Inc.*

Dated: January 17, 2023

## **DEFINITIONS**

1. “Document” means the original and all copies (regardless of origin and whether or not including additional writing thereon or attached thereto) of any memoranda, reports, books, manuals, instructions, directives, records, forms, notes, letters, or notices, in whatever form, stored or contained in or on whatever medium, including digital media.
2. “Study” means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion.
3. “Person” means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
4. A request to identify a natural person means to state his or her full name and business address, and last known position and business affiliation at the time in question.
5. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), identifying number, and its present location and custodian. If any such document was but is no longer in the Company’s possession or subject to its control, state what disposition was made of it and why it was so disposed.
6. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
7. “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
8. “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.
9. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.

10. “You” or “your” means the person whose filed testimony is the subject of these data requests and, to the extent relevant and necessary to provide full and complete answers to any request, “you” or “your” may be deemed to include any other person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness’ testimony.

11. “KPCO” or “the Company” means Kentucky Power Company and/or any of its officers, directors, employees or agents who may have knowledge of the particular matter addressed, and affiliated companies.

12. “Proposed Joint Intervenors” means the Mountain Association, Kentuckians For The Commonwealth, Appalachian Citizens’ Law Center, Sierra Club, and Kentucky Resources Council, Inc., who have filed for full joint intervention in this matter.

13. “Proposed Special Contract” means the proposed special contract between KPCO and Ebon that is at issue in this proceeding.

14. “Proposed Facility” means the facility to be constructed by Ebon in Lawrence, Kentucky that is the subject of the Proposed Special Contract.

15. “Ebon” means Ebon International, LLC and/or any of its officers, directors, employees or agents who may have knowledge of the particular matter addressed, as well as any parent companies or affiliated companies.

## **INSTRUCTIONS**

1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.

2. These requests for information are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to Joint Intervenors. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.

3. Unless otherwise expressly provided, each data request should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.

4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.
5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.
6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.
7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.

**SUPPLEMENTAL DATA REQUESTS PROPOUNDED TO KENTUCKY POWER COMPANY BY MOVANTS FOR JOINT INTERVENTION**

- 2.1. Please refer to the Company's response to Proposed Joint Intervenors' request 1.2, where the Company states "Ebon's projected job numbers fall in line with the projections Kentucky Power has seen for nearly every crypto-related prospect it has engaged with since mid-2021."
  - a. Please provide a list of these prospects, including the names of the company engaged with, the locations of any proposed facilities, the proposed MW of load for each proposed facility, and the number of jobs that the crypto company projected would be created.
  - b. Please explain in detail what steps the Company has taken to assess and verify the accuracy of projected job numbers provided by Ebon and other crypto companies that it has engaged with.
  - c. Please provide support for the statement "Standard industry practice generally seems to be one job for every 2 MW of load."
  - d. Please produce any documents in the Company's possession that support the statement quoted in subparagraph (b).
- 2.2. Please refer to the Company's response to Proposed Joint Intervenors' request 1.6. Please provide a complete version of the "estimated bill" for Ebon referenced in the response and a breakdown of the yearly tax credits the Company claims the Lawrence School District will receive.
- 2.3. Please refer to the Company's response to Proposed Joint Intervenors' request 1.8

regarding the land lease agreement between KPCO and Ebon.

- a. Please provide any communication or documentation regarding the basis for KPCO's and Ebon's agreement on the rental amount for the lease term.
  - b. If improvements to the land as a result of the construction of the proposed facility lead to an increase in its assessed value and/or other tax increases, please identify whether the Company would be responsible for those taxes and if so, whether any of those costs would be passed on to ratepayers (and by what mechanism).
  - c. Did the Company prepare or share a site assessment or similar environmental documentation for Ebon? Please explain in detail why or why not. Please produce a copy of any such documentation.
  - d. Please produce a copy of the most recent Kentucky Point Source Discharge Elimination System permit and fact sheet for the Big Sandy power plant site.
  - e. Is the Company currently engaged in any groundwater monitoring at the Big Sandy power plant site? Please explain in detail what groundwater monitoring is occurring or if not, why not, and produce a copy of the most recent results of any such monitoring.
- 2.4. Please refer to the Company's response to Proposed Joint Intervenors' request 1.15. Please explain in detail how the Special Contract rates were modeled after rates that could otherwise be offered under Tariff E.D.R.
- 2.5. Please reference the Testimony of Brian K. West, page 13, lines 5-7.
- a. Please identify with specificity all documents, and all provisions of the proposed Special Contract (or attachments thereto), that are referenced in the redacted portion of this testimony.
  - b. If there are any documents referenced in the redacted portion of this testimony that have not yet been produced in discovery, please produce copies of those documents.
  - c. If the proposed Special Contract is approved, would Ebon provide any financial guarantee, such as a bond, to provide any additional protection against default?
    - i. If so, please indicate the type and amount.
    - ii. If not, please explain in detail why not.
- 2.6. Please refer to the workbook named "KPCO\_R\_KPSC\_1\_4\_Attachment3".
- a. Please explain the load obligation decrease from DY 24/25 to DY 25/26.
  - b. Please explain the load obligation increase from DY 26/27 to DY 27/28.
  - c. Please refer to the cell labeled "TBD IRP Update Driven Solution".
    - i. Please explain what resources are being considered for this category.
    - ii. Please confirm if the year 2027 is the first year in which new resources can be added in the modeling for the Company's IRP.

- d. Please refer to the row labeled “Short Term Market Purchase”.
  - i. Please confirm that years DY 22/23 and DY 23/24 represent the Power Coordination Bridge Agreement.
  - ii. Please confirm if the “Short Term Market Purchase” reported in row 9 have been confirmed or if these are only representative purchases during the forecasted period.
  - iii. If only a portion of the forecasted years have confirmed market purchases, please provide those years.
  
- 2.7. Please refer to the workbook named “KPCO\_R\_KPSC\_1\_4\_PublicAttachment1”.
  - a. Please refer to the worksheet named “Load Additions”.
    - i. Please confirm that the load and energy increase in 2024 is for a different customer than Ebon.
    - ii. Please provide the specific MW amount of Ebon load that is incorporated into the forecast for 2023, 2024, and 2025.
  
- 2.8. Please refer to the Company’s response to Joint Intervenors Question 1.29 part c.
  - a. Please confirm if the Company would still need to acquire capacity through the Bridge Power Coordination Bridge Agreement if the Ebon load was not added to the Company’s system.
  
- 2.9. Please refer to workbook “KPCO\_R\_KPSC\_1\_4\_Attachment3”, row 14 labeled “Estimated Load Obligation”, and workbook “KPCO\_R\_KPSC\_1\_4\_Attachment1”, column B labeled “Summer Peak Demand”. Please explain the differences in the load projections provided in these workbooks.
  
- 2.10. Please refer to the workbook named “KPCO\_R\_KPSC\_1\_9\_PublicAttachment1”, worksheet named “ERRATA 8KW-Exhibit 2” and the Direct Testimony of Witness West Exhibit 2, line number 2.
  - a. Please explain why changes were made from the marginal energy cost value reported for the “DA LMP” in Witness West Exhibit 2 and the worksheet named “ERRATA BKW-Exhibit2” in the workbook “KPCO\_R\_KPSC\_1\_9\_PublicAttachment1”.
  - b. Please explain why the value reported for the “DA LMP” remains the same for each of the 10 years.
  
- 2.11. Please refer to the Company’s response to Commission Staff 1\_4 Data Request.
  - a. Please provide the monthly forecasted energy requirements.
  - b. Please provide the historical monthly and annual energy requirements for the past five years.
  
- 2.12. Please refer to the Direct Testimony of Witness West testimony, page 9, lines 15-18.
  - a. Please provide the historical monthly and annual generation for each of the Company’s generators for the past five years.
  - b. Please provide the historical forced outage rates for each of the Company’s generators for the past five years.

- 2.13. Please refer to the Direct Testimony of Witness West, page 9, lines 15 to 19, where it says, “With regard to energy, Kentucky Power sells all of its available generation on a daily basis into the PJM market and then purchases the energy it needs to serve its customers. This process happens regardless of customer load and available generation with all customers paying tariff rates approved by the Commission for the kWh they use. No additional costs attributable to new load are passed on to other customers.”
- a. If the Company has to make additional energy purchases to accommodate new load, please explain how this would not result in additional costs being passed on to other customers.
  - b. Please confirm if the Company has performed any analysis to evaluate additional energy purchases from the PJM market needed to supply Ebon’s hourly load.
    - i. If the Company has, please provide all supporting workpapers, with formulas and links intact, used to develop that analysis.
  - c. Please confirm if the Company is planning to meet all of Ebon’s energy requirements through market purchases and not self-generation from the Company’s existing generators.
- 2.14. Please refer to the Company’s response to Staff 1\_9 Data Request where the Company says “Thus, the Company would not incur any additional incremental costs to purchase capacity otherwise provided by Rockport through at least May 31, 2024.”
- a. Please confirm if the Company will incur additional incremental costs to purchase capacity after May 31, 2024.
    - i. If there are incremental costs to purchase capacity after May 31, 2024, please provide the costs of those capacity purchases.
- 2.15. Please refer to the Company’s response to the Attorney General 1\_4 Data Request, where the Company states, “The five coincident peaks for each LSE are collected and used to allocate the normalized peak to determine the PLC. The zonal scaling factor is determined by PJM’s load forecast for each zone.” Please provide the five coincident peaks for the Company.
- 2.16. Please refer to the Company’s response to the Attorney General 1\_21 Data Request, where the Company states, “The Company has not performed any long-term planning analyses that reflect the addition of the Ebon load. However, the requested analysis will be included in the Company next Integrated Resource Plan to be filed on or before March 20, 2023.” Please explain how the Company will analyze the Ebon load in the IRP filing.
- 2.17. Please refer to the testimony of Witness West, page 11, lines 5-6. Please provide a reference to any workbooks or other documents that reflect what is discussed in this

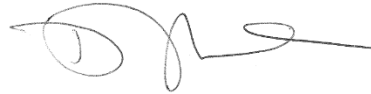
portion of the testimony. If any of the documents have not yet been produced by the Company in discovery, please produce a copy of those documents.

- 2.18. Please refer to the Company's response to AG 1\_22. Please identify whether the Company is aware of any plans for Ebon to install on-site generation at the facility. If the Company is aware of any such plans, please describe any such planned generation and produce any documents in the Company's possession that provide additional information about any such generation.
- 2.19. Please refer to the Company's response to AG 1\_22 and AG 1\_23. Please confirm that if Ebon fails to curtail during an event called under Rider D.R.S., then Ebon's load will not be kept out of the Company's FRR capacity obligation. If you are unable to confirm, please explain in detail why not.
- 2.20. Please refer to the Company's response to Staff 1\_7 and AG 1\_23.
  - a. Please explain if the Company has ever had a customer fail to curtail its load during an event under Rider D.R.S.
  - b. Please explain if the Company has ever had a customer fail to curtail its load more than seven times under Rider D.R.S.
- 2.21. Please refer to the workbook named "KPCO\_R\_KPSC\_1\_9\_PublicAttachment1", worksheet named "ERRA BKW-Exhibit2".
  - a. Please confirm that the transmission costs incorporated into the marginal cost analysis in the row labeled "PJM LSE Transmission" for years 3 through 10 are escalated based on the year 2 transmission costs with an escalation rate applied. If you are unable to confirm, please explain in detail why not.
  - b. Please explain how the Company determined the escalation rate to apply to the year 2 through year 10 PJM LSE Transmission costs.
  - c. Please explain why the marginal cost of energy in row 5/line number 2 was changed in the Errata filing.
- 2.22. Please refer to the workbook named "KPCO\_R\_KPSC\_1\_9\_PublicAttachment1", worksheet named "Transmission 80 MW".
  - a. Please explain the supporting calculation for the value shown in cell C33.
  - b. Please explain the supporting calculation for the value shown in cell D33.
- 2.23. Please refer to the workbook named "KPCO\_R\_KPSC\_1\_9\_Public Attachment1".
  - a. Please explain if loss factors have been incorporated for the marginal energy and transmission costs.
    - i. If a loss factor has been incorporated, please provide the cell reference in the workbook.
    - ii. If a loss factor has not been incorporated, please explain why not.



- b. Please provide the loss factor that applies to the Company’s transmission service customers.
- 2.24. Please refer to the Company’s response to JI 1\_17. Please identify with specificity any provisions of the proposed Special Contract that support the statement that “Ebon is financially responsible for all improvements up front. The contribution-in-aid of construction (“CIAC”) amount will be refunded to Ebon in years 6-10 of the contract on a monthly basis subject to conditions.”

Respectfully submitted,



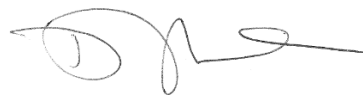
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Law Center, Sierra Club, and Kentucky  
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### **CERTIFICATE OF SERVICE**

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 January 17, 2023; that the documents in this electronic filing are a true representations of the materials prepared for the filing; and that the Commission has not excused any party from electronic filing procedures for this case at this time.



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Tom FitzGerald