## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ELECTRONIC TARIFF FILING OF KENTUCKY POWER COMPANY FOR APPROVAL OF A SPECIAL CONTRACT WITH EBON INTERNATIONAL, LLC

CASE NO. 2022-00387

# RESPONSE OF JOINT INTERVENORS MOUNTAIN ASSOCIATION, KENTUCKIANS FOR THE COMMONWEALTH, APPALACHIAN CITIZENS' LAW CENTER, SIERRA CLUB, AND KENTUCKY RESOURCES COUNCIL, INC. TO DATA REQUESTS FROM COMMISSION STAFF

PSC DR JI 1. Refer to the Direct Testimony of Stacy L. Sherwood, page 19, lines 1–2 and 8–12. Kentucky Power Company is capacity short and will be purchasing both capacity and energy in the appropriate PJM markets. Further, it is required to offer its available generation units into the PJM energy markets. Consequently, the Big Sandy generating station will run regardless depending on how its generation cost compares to the zonal hourly PJM LMP.

- a. Given that the PJM capacity market and the energy markets are separate, provide further explanation as to the procurement of capacity sets the hourly LMP energy price.
- b. Explain how the increase from the Ebon load can cause a significant increase in greenhouse gas emissions from the Big Sandy generation unit.

### PSC DR JI 1 RESPONSE:

- a. Joint Intervenors will be filing an errata to Ms. Sherwood's testimony striking page 19, lines 1-2. The inclusion of this sentence was made in error.
- b. Please note that as part of the errata referenced in response to 1.a., page 19 lines 9-12 will also be stricken from the originally filed testimony and will be replaced with the following language:

Furthermore, knowing that Kentucky Power needs to procure additional capacity to meet Ebon's load, it seems likely that the Big Sandy generation unit may need to operate more and/or have its life extended for additional years into the future to serve some or all of Ebon's load. If Kentucky Power, through its integrated resource plan, identifies that the Big Sandy generation unit will have increased generation and/or an extended lifespan to serve Ebon's load, then it is likely that an increase in greenhouse gas emissions will occur. However, it is likely that regardless of the source of generation, emissions will increase, as the marginal fuel in PJM is predominately gas and secondarily coal.

In response to this request, it is unknown exactly how Kentucky Power plans to meet the Ebon load because to date we have seen no analysis for their system with or without Ebon, such as we would expect to see in Kentucky Power's forthcoming integrated resource plan (due to be filed March 20, 2023). However, knowing that Kentucky Power needs to procure additional capacity to meet Ebon's load, it seems likely that the Big Sandy generation unit may need to operate more and/or have its life extended for additional years into the future to serve some or all of Ebon's load. If Kentucky Power, through its integrated resource plan, identifies that the Big Sandy generation unit will have increased generation and/or an extended lifespan to serve Ebon's load, then it is likely that an increase in greenhouse gas emissions will occur. However, it is likely that regardless of the source of generation, emissions will increase, as the marginal fuel in PJM is predominately gas and secondarily coal (Source:

https://www.monitoringanalytics.com/reports/PJM\_State\_of\_the\_Market/2022/2022q3som-pjm.pdf, p. 199).

Witness: Stacy Sherwood

# VERIFICATION

The undersigned, Chelsea Hotaling, being first duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing responses and that the information contained therein is true and correct to the best of her information, knowledge, and belief, after reasonable inquiry.

Chelsea Hotaling

**Chelsea Hotaling** 

Subscribed and sworn to before me by Chelsea Hotaling this <u>6th</u> day of March, 2023.

Notary Public

My commission expires: May 31, 2026



Ana Tome Notary Public, State of Florida Comm. Expires<sup>05-31-2026</sup>

Notary ID 1714824

Notarized Online with NotaryLive.com

# This document is signed by

PDF sign		Signatory	CN=Ana Tome, DNQ=A01410D000001820D733CA4000769F7, O=Florida, C=US
		Date/Time	Mon Mar 06 17:36:35 UTC 2023
	2	Issuer-Certificate	CN=IGC CA 1, OU=IdenTrust Global Common, O=IdenTrust, C=US
		Serial-No.	85078421805971966134080668065237071094
		Method	urn:adobe.com:Adobe.PPKLite:adbe.pkcs7.sha1 (Adobe Signature)

#### **VERIFICATION**

The <u>undersigned</u>, How Shenwood being first duly sworn, deposes and says that She has personal knowledge of <u>the</u> matters set forth in the foregoing responses and that the information contained therein is true and correct to the best of her reasonable inquiry.

er STACY LYNN

BRASSEL

day of MAUCIT 2023. Subscribed and sworn to before me by SHEnwood this

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My commission expires:

### **CERTIFICATE OF SERVICE**

This is to certify that this electronic filing of *Response Of Joint Intervenors Mountain Association, Kentuckians for the Commonwealth, Appalachian Citizens' Law Center, Sierra Club, and Kentucky Resources Council, Inc. To Data Requests From Commission Staff* was submitted to the Commission on March 8, 2023; that the documents in this electronic filing are 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.