## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRONIC COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND SITE COMPATABILITY CERTIFICATES AND APRROVAL OF A DEMAND SIDE MANAGEMENT PLAN

CASE NO. 2022-00402

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## MERCER COUNTY FISCAL COURT'S INITIAL REQUESTS FOR INFORMATION TO KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY

Comes now the intervenor, Mercer County Fiscal County Fiscal Court ("Mercer"), by and through counsel, and submits these Initial Requests for Information to Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E) or (collectively the "Companies") to be answered by the date specified in the Commission's Order of Procedure dated January 6, 2023, and 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 request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. Mercer can provide counsel for the Companies with an electronic version of these questions, upon request. (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 counsel for Mercer.

(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 Companies have objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify counsel for Mercer as soon as possible.

(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

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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, 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) Please 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.

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(14) Mercer reserves the right to pose additional preliminary data requests on or before the due date specified in the Commission's current procedural schedule or if same is amended.

Respectfully submitted,

Dennis G. Howard, II Howard Law PLLC 740 Emmett Creek Lane Lexington, Kentucky 40515 Telephone: 859.536.0000 <u>dennisghowardii@gmail.com</u> **COUNSEL FOR THE MERCER COUNTY FISCAL COURT** 

Dated: February 17, 2023

## MERCER COUNTY FISCAL COURT'S INITIAL REQUESTS FOR INFORMATION TO THE COMPANIES

- 1. Please provide, by Kentucky County, all Solar Facility footprints by acreage owned, operated or otherwise contracted by any investor owned utility or rural cooperative electric utility company.
  - a. Please list each facility by electric company and acreage which it occupies.
  - b. Please list the number of full time employees which each facility employees.
- 2. Please provide the availability factor of Solar Facilities as reported by the North American Electricity Reliability Corporation ("NERC") or other relevant agencies.
  - a. Please list the expected availability factor of the facility in general for the continental United States.
  - b. Please provide the expected availability factor for the proposed facility in Mercer County, if available, and the Commonwealth in general.
- 3. Please compare the capacity factor of coal generation facilities against Solar Facilities. For example, coal generation is assigned a capacity factor of X% versus solar which is assigned Y%. Please use the Companies' coal fleet as the comparison against the average of the Solar Facilities.
- 4. Please list the average capacity factors for the following units on the Utilities' systems for the past 5 years:
  - a. Coal Generation,
  - b. Hydrogeneration,
  - c. Wind Generation,
  - d. Solar generation, and
  - e. Other (please specify).
- 5. Please provided the following:
  - a. What is the lifespan of a solar unit?
  - b. What is the lifespan of a Solar Facility, collectively of its individual panels, before the facility is retired?

- 6. Please calculate the square miles the facility will occupy if the application is granted.
- 7. Please identify all individuals who are employed by the Companies who have knowledge regarding the acquisition of part of the subject real estate.
- 8. Please produce any signed agreements between the Companies and Ceres and/or Savion relating to the acquisition of any portion of the subject real estate.
- 9. Please produce all contracts relating to the purchase of the subject property.
- 10. What studies and/or analysis supports the Companies' need for this property for solar power?
- 11. Please provide the following:
  - a. What other locations have the Companies explored for a solar farm?
  - b. Why was this location selected over other locations?
- 12. When did the Companies first identify the subject property as a possible location for a solar farm?
- 13. Please provide any requests for proposals/qualifications (RFPs/RFQs) that the Companies issued in the process of identifying solar projects in Kentucky in 2022 and 2023.
  - a. Please provide copies of all responses to any of the above RFPs/RFQs.
- 14. Please explain how Mercer County Fiscal Court's denial of the Solar Facility may affect the Zoning and local land use planning requested by Savion?
- 15. If Mercer denies the request for the Solar Facility, what are the Companies' alternative plans, if any?
- 16. Have the Companies considered the possibility of placing solar panels on any future industrial buildings that may be located on this site?
- 17. Provide any documents, reports or analysis regarding the application of the Companies' Business Solar Program to any future industrial buildings that might be constructed on this site.
- 18. How efficient would energy consumption be if twenty three (23) acres of industrial roof space were used in the Companies' Business Solar Program?

- 19. Where could solar panels be located on the subject farm that would still allow for manufacturing facilities?
- 20. Have the Companies explored options of maximizing usable manufacturing space and usable solar panels?
- 21. What calculations have the Companies' representatives made with regard to possible electrical power needs of possible manufacturers who have looked at the subject property?
- 22. Have the Companies studied the infrastructure cost of delivering appropriate power to this location compared to the infrastructure costs of placing solar panels on the roof of manufacturing facilities and using this power to help fund the electrical costs?
- 23. Please provide the following:
  - a. How would the Companies' "Green Tariff" assist a manufacturer who located a plant on the subject location?
  - b. Have the Companies considered this option?
- 24. When did the Companies first become aware of Mercer County's interest in the subject property for manufacturing use?
- 25. Please provide the following:
  - a. Did the Companies engage in any outreach to ascertain the goals and objectives of the citizens of Mercer County with regard to the subject property?
  - b. Did the Companies survey the interests of local farmers?
- 26. Do the Companies have any business relationship with Savion or its parent companies?

- 27. Please provide the following:
  - a. Have the Companies considered the availability of firm pipeline capacity and natural gas supply to meet the demand of its natural gas units in light of the nationwide trend in coal unit retirements and migration to other generation types, including gas fired generation? If so, please provide all studies.
  - b. Please confirm the current federal administration has restricted the availability of natural gas in general in the United States.
  - c. If no confirmation can be presented, please provide a citation. If confirmation can be presented, please provide same.
- 28. Please refer to the application at pages 7-9. Insofar as the energy and demand gap referenced in the application, can the Companies guarantee the proposed CPCN will be 100% guaranteed to meet the Companies' demand requirements?
  - 1. In the interim, during the proposed construction, please provide the anticipated DSM energy and demand offsets that will meet the system requirements.
    - a. Please provide all studies or reports that demonstrate the Companies' assertion.
    - b. Please describe the same in detail.
    - c. Are these offsets guaranteed?
    - d. Please describe the DSM offsets in detail.
    - e. If the Companies' response refers to the Application at page 16, paragraph 16, please explain the basis for the projection including the definitive results related thereto.

- 29. Please refer to the application at pages 16-18 regarding DSM programs.
  - a. Do the Companies recapture lost sales under the DSM statute?
  - b. Do the Companies recapture all costs associated with the implementation of costs with each and every implementation of a DSM program? If not, please explain.
  - c. Do the Companies recover profit, by way of its costs of the implementation of the DSM costs, in its rate base? If not, please explain.
  - d. Does the proposed DSM demand reduction guarantee a margin of demand necessary to cover the retirement of the coal fire generation? If not, please explain in detail.
  - e. Does the proposed DSM demand reduction guarantee a margin of demand necessary to cover the addition of the solar proposed facilities? If not, please explain in detail.
  - f. State the actual average monthly use for a residential customer over the past ten (10) ten years based upon the Companies' data.
- 30. How many full-time equivalent jobs do the Companies anticipate that the solar development on the Wilkinson Farm specifically will create?
  - a. What types of occupations will these jobs be?
  - b. What are the estimated wages/salaries for on-site employees?
  - c. Will there be other off-site full time employees assigned to the Solar Facility in Mercer County? If the answer is yes, please provide the number of employees, occupation(s) and wage(s).
- 31. Please admit the Companies' 1200 acre Solar Facility in Martin County employs twelve (12) people. If the answer is denied, please provide the number of employees.
- 32. Please reference John R. Crocket's Direct Testimony at page 10, wherein the witness testifies jobs will be lost if the application is approved. Admit the witness so testifies. If not, please explain.

- 33. Please reference John R. Crocket's Direct Testimony at page 8.
  - a. Confirm the witness testifies that NGCC produces CO<sub>2</sub>.
  - b. Confirm that  $CO_2$  is a greenhouse gas.
  - c. Confirm that the Companies plan on achieving "net-zero greenhouse emissions by 2050."
  - d. Confirm the target of achieving a "net-zero greenhouse emission" involves the storage of CO<sub>2</sub>.
  - e. Confirm the storage of  $CO_2$  does not yet definitely exist. If the witness cannot confirm the current technology does not exist, how can the Companies contemplate the storage of  $CO_2$  by the year 2050 in order to meet net-zero greenhouse emission by the year 2050?
  - f. See also Lonnie E. Bellar's Direct Testimony at page 18, wherein the witness admits there will be "carbon constraints." Please reconcile how the carbon constraints will affect the building of NGCC on an ongoing basis.
- 34. Please reference the Direct Testimony of Lonnie E. Bellar at pages 6-7. Can the Texas pipeline guarantee firm delivery of natural gas to the Companies into 2050 given the current anticipated environmental regulatory changes of other utilities migrating to natural gas generation? If so, please provide information that definitively demonstrates the same.
- 35. Please reference the Direct Testimony of Lonnie E. Bellar at pages 19-21. Have the Companies secured the Mercer County Project for the construction of the Solar Facilities?
  - a. If yes, please explain the Zoning requirements or permits secured.
  - b. If not, please explain in detail the requirements to do so, including the timeline(s) associated therewith.
- 36. Reference Lonnie E. Bellar's Direct Testimony at page 20. How did he arrive at the \$243 million cost to construct the Solar Facility in Mercer County?
  - a. Does that include land acquisition costs?
  - b. Do the \$1.8 million costs include full-time employees? If not, please explain.

- 37. Reference Lonnie E. Bellar's Direct Testimony at page 22. Please explain the "valuable experience with stored power" as it relates to the Battery Storage Facility ("BESS") at the E.W. Brown Generating Station ("Brown") in Mercer County?
  - a. Why should ratepayers pay for this experience instead of the shareholders?
- 38. Please reference Lonnie E. Bellar's Direct Testimony at page 23. The witness states the Companies have not built a BESS of this size.
  - a. Acknowledge that the application is based on a "test facility" through EPC "test facility." (See line 10 on page 23). If the Companies deny this statement, please explain why.
  - b. Please provide all details supporting the Companies' position that the facility will function as anticipated.
- 39. Please reference Lonnie E. Bellar's Direct Testimony at page 24. Explain the 50% tax credit associated with the \$270 million dollar construction of the Brown BESS.
- 40. Please explain in detail the "conceptual fixed operating and maintenance costs for the Brown BESS" unit of \$3.1 million dollars annually.
- 41. What is the probability of securing the 900 acres associated with the accruement of the additional 900 acres? Is it definitive given Mercer County's refusal to zone the property for a Solar Facility here to date? If not, please explain in detail.
  - a. Please provide details regarding the "conceptual and preliminary plans" as they currently exist.
- 42. Please confirm that on two different occasions Mercer County has rejected an application by the Companies to construct a solar farm within the county's boundaries. If the answer is anything but an affirmative response, please provide a detailed explanation.
- 43. Please describe the past approvals the Companies sought from Mercer County to construct a solar farm. What is the status of those requests? If those requests were denied, do the Companies believe they must seek to have new requests approved by Mercer County prior to solar farm construction? Please explain in detail.
- 44. Have the Companies been involved in any communications with Mercer County where the County believed the land being proposed for new solar generation could be more economically utilized for expansion of commercial/industrial business? If yes, please provide a detailed description of those communications.

- 45. Please confirm that the Companies considered a solar farm in Muhlenberg County, but that the site was problematic due to land acquisition issues. If the answer is anything but an affirmative response, please provide a detailed explanation.
- 46. Please confirm that the Companies originally planned to build the solar farm in Muhlenberg County, but site problems forced it to now propose a site in Mercer County. If the answer is anything but an affirmative response, please provide a detailed explanation.
- 47. In reference to the Direct Testimony of witness Charles R. Schram (page 11, lines 5-8), Mr. Schram states:

"Both the Rhudes Creek and Ragland solar projects are still seeking local approvals. The Companies executed the PPA for the ibV's 100MW AC Rhudes Creek project in 2019; it has been approved by the State Siting Board subject to specific conditions related to local approvals and construction."

Please describe the local approvals required for Rhudes Creek and Ragland solar projects. Would those same local approvals be required for the Mercer County Solar Facility? If not, why not? Please explain in detail.

- 48. In the Direct Testimony of Stuart A. Wilson (page 3, lines 8-9), please confirm that Mr. Wilson switched the reference for the construction of the Marion County Solar Facility, and that the construction of the Solar Facility is meant to be in Mercer County.
- 49. In the Direct Testimony of Stuart A. Wilson (page 28, lines 16-21), Mr. Wilson states that Rhudes Creek and Ragland have not received all necessary approvals. Please describe all the necessary approvals for which Rhudes Creek and Ragland have not yet received approval. Of those approvals identified, would those approvals also be required to construct the Mercer County Solar Facility? If yes, what is the status of those approvals? If no, please explain in detail.
- 50. In reference to the Direct Testimony of Lonnie E. Bellar (page 19, lines 12-13), please identify the 900 acre plus land parcel that the Companies will purchase for construction of the Mercer County Solar Facility. In your response, please provide the legal description of the land and all coordinates. Is the land privately held or is it public land? Does Mercer County have to approve the sale of the land? Does Mercer County have to zone the land for the construction of the Solar Facility? If yes, have the Companies filed for rezoning the land for construction of the Solar Facility?

- 51. In reference to the Direct Testimony of Lonnie E. Bellar (page 21, line 2), please describe all of the necessary permitting required for the Marion County Solar Facility. Are those same permits required to construct the Mercer County Solar Facility? If yes, have those permits been filed with Mercer County? If no, please explain in detail why not.
- 52. In reference to the Direct Testimony of Lonnie E. Bellar (page 23, lines 1-2), Mr. Bellar states:

"The Companies will construct the Brown BESS at KU's E.W. Brown Generating Station in Mercer County, Kentucky where there is ample land for the facility."

Is there sufficient land at the E.W. Brown Generating Station to construct the Mercer County Solar Facility instead of the BESS system? Is there adequate land at the E.W. Brown Generating Station to construct both the BESS and the Mercer County Solar Facility? Please indicate the amount of ample land that is available before the BESS Facility is constructed and the amount of land required for both the BESS and the Mercer County Solar Facility separately. If there is ample land to build the Mercer County Solar Facility and not the BESS, did the Companies consider alternative sites for the BESS?

- 53. Please provide a copy of the Mercer County Solar Facility Site Assessment Report and Site Compatibility Certificate. Reference the Direct Testimony of Robert M. Conroy, page 5, lines 17-19.
- 54. Are there currently any other former generating sites available that could be used to construct a Solar Facility? If yes, please explain in detail the location of those sites and whether the Companies considered such sites.
- 55. In reference to the Direct Testimony of Phillip A. Imber, Exhibit PAI-3. Exhibit PAI-3 shows the different permits and regulatory submittal requirements for solar installation. Exhibit PAI-3 does not show any permits or regulatory approvals for local governments or counties. Please list all local government or county permits or regulatory approvals that must be obtained before the construction of solar installation. Please indicate if Mercer County would require such approvals. If yes, what is the status of those approvals? Please indicate separately for each permit or regulatory approval.

- 56. In reference to the Direct Testimony of Phillip A. Imber, Exhibit PAI-3. Exhibit PAI-3 lists four regulatory agencies; Kentucky Division of Water ("KYDOW"), Army Corp of Engineers, Kentucky Public Service Commission ("KYPSC"), and Kentucky Energy and Environment Cabinet ("KYEEC"). Please indicate which regulatory agency has approved the filings required of that agency for the construction of the Mercer County Solar Facility. Please indicate the date of approval for each one separately.
- 57. In reference to the Direct Testimony of David S. Sinclair, Exhibit DSS-1. Exhibit DSS-1 contains the following provision:

Attribute	PPA	Ownership	Implications
Project Permitting	Subject to local	Not subject to	LKE has a greater ability
	planning and	local planning and	to actually get a project
	zoning approvals	zoning approvals	built and limit delays
	with no	and have	some independent
	condemnation	condemnation	developers have
	rights.	rights.	experienced.

Is it the intent of the Companies to use the condemnation process if the land is not approved for construction of the Mercer County Solar Facility? Please explain in detail.

- 58. Please list all sites the Companies considered for construction of the proposed Mercer County Solar Facility. Please provide detailed explanations why those sites were rejected by the Companies.
- 59. Do the Companies believe that the economic value of a generation site should be a criteria for constructing generation? In other words, should the economic value from a specific site be considered when deciding where to locate new generation. If yes, please identify in the Companies' site evaluation process where such consideration was evaluated.
- 60. Do the Companies believe a zoning permit from Mercer County should be a prerequisite before filing a case with the Kentucky Public Service Commission to construct a solar farm in Mercer County? Please explain your response.