COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:	:	
	:	
ELECTRONIC JOINT APPLICATION OF KENTUCKY	:	CASE NO. 2022-00402
UTILITIES COMPANY AND LOUISVILLE GAS AND	:	
ELECTRIC COMPANY FOR CERTIFICATES OF PUBLIC	:	
CONVENIENCE AND NECESSITY AND SITE	:	
COMPATIBILITY CERTIFICATES AND APPROVAL OF A	:	
DEMAND SIDE MANAGEMENT PLAN.	:	

SUPPLEMENTAL DATA REQUESTS OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC. TO KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS & ELECTRIC COMPANY

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COUNSEL FOR KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

Dated: Aril 14, 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 memoranda, reports, books, manuals, instructions, directives, records, forms, notes, letters, notices, confirmations, telegrams, pamphlets, notations of any sort concerning conversations, telephone calls, meetings or other communications, bulletins, transcripts, diaries, analyses, summaries, correspondence investigations, questionnaires, surveys, worksheets, and all drafts, preliminary versions, alterations, modifications, revisions, changes, amendments and written comments concerning the foregoing, in whatever form, stored or contained in or on whatever medium, including computerized memory or magnetic 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 residence address, his or her present 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.), number of code number thereof or other means of identifying it, 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.
- 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 interrogatories 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 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. "LG&E/KU" or "Company" means Louisville Gas & Electric Company and Kentucky Utilities Company and/or any of their officers, directors, employees or agents who may

have knowledge of the particular matter addressed, and affiliates including PPL Corporation.

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 interrogatories 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 Kentucky Industrial Utility Customers. 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 interrogatory 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.
- 8. Responses to requests for revenue, expense and rate base data should provide data on the basis of Total Company as well as Intrastate data, unless otherwise requested.

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- Q.2-1. In the Kentucky Power Company IRP recently filed in Case 2023-00092, there is extensive discussion throughout the IRP Report regarding the determination of forecast market prices for capacity and energy; however, in the LG&E/KU request for CPCN application, testimony, and exhibits in this proceeding, there appears to be no discussion of forecast market prices for capacity and energy.
 - a. Confirm that there is no discussion of forecast market prices for capacity and energy in the LG&E/KU application, testimony, and/or exhibits. If this is incorrect, then list all references to discussion of forecast market prices for capacity and energy. If this is correct, then explain why there is no discussion and explain why market prices for capacity and/or energy are not relevant to the economics of existing supply side resources and the economics and selection of new resources.
 - b. If the Companies developed and/or used forecast market prices for capacity and energy in the base reference case and the screening, selection of resources, and sensitivities modeling in PLEXOS and PROSYM, then describe how they developed these prices and how they were used in the modeling. In addition, provide the forecast market prices used for the modeling if, in fact, such market prices were used in that modeling. Provide the source(s) of those market prices, including any forecast data series relied on for this purpose.
 - c. Also describe how market prices for capacity and energy would and/or could affect the base reference case and the screening, selection of resources, and sensitivities in each step of the modeling process.
 - d. Indicate if the Company developed any sensitivities of forecast market prices for capacity and energy, and if so, describe how these lower or higher market prices affected the base reference case and the screening, selection of resources, and sensitivities in each step of the modeling process.

- e. Provide the Company's most recent forecast of market prices for capacity and energy for both on-peak and off-peak for each market trading hub and each month during the study period.
- f. Provide the bi-directional transmission capacity limits for transactions to and from each market trading hub for each month during the study period that were used in the PLEXOS and/or PROSYM models.
- g. If there are any other limits on transactions to market trading hubs such as market depth limits, please provide the limits for the study period that were used in the PLEXOS and/or PROSYM models.
- Q.2-2. Refer to Portfolio 4 described on Table 10 in Exhibit SAW-1 at 28 where no SCR is installed on Ghent 2, but it continues to operate beyond 2028 during the "non-ozone months." For each month during the study period where there is a difference compared to the base reference case wherein Ghent 2 is retired in 2028, provide the following information.
 - a. Net increase in off-system sales margins, including the calculation of those margins (incremental off-system sales revenues, less incremental fuel expense, less incremental environmental expenses, less incremental variable non-fuel O&M expense, less incremental other variable operating expenses). Provide all assumptions and other inputs that affect these calculations, including, but not limited to, inputs into PLEXOS and PROSYM in Excel or text report format and all PLEXOS and PROSYM outputs in Excel or text report format.
 - b. Ghent 2 fixed operating expenses, including, but not limited to, fixed non-fuel O&M expense and other fixed or non-variable operating expenses that will be incurred solely due to the continued operation of Ghent 2 in lieu of the base reference case retirement of that unit in 2028. Indicate if these expenses are inputs or outputs of PLEXOS and/or PROSYM. Provide all assumptions and other inputs, as well as all calculations of each of these expenses.
 - c. Ghent 2 capital expenditures that will be incurred solely due to the continued operation of Ghent 2 in lieu of retirement in 2028. Provide all assumptions and detail as to the capital expenditures required to continue operation.
 - d. Indicate if the decision to install an SCR on Ghent 2 can be made at a later date if the Company initially continues to operate the unit only during the "non-ozone" months instead of retiring it in 2028, but subsequently determines it would be economic to install an SCR and operate it during all months, including the "ozone" months. Identify each requirement, and the costs of each such requirement, to maintain the flexibility to install an SCR at a later date.
 - e. Refer to Table 11 in Exhibit SAW-1 at 29. In portfolio 4, confirm that the addition of the proposed Brown 12 NGCC resource would be delayed compared to portfolio 1. In portfolio 4, indicate when the proposed Brown 12 NGCC resource would be added.

Q.2-3. Refer to the Direct Testimony of Mr. Sinclair at 21:9 through 22:5 wherein he addresses the price reopener on two of the proposed PPAs as a form of mitigation to the solar PPA execution risk. Describe the ability of the other two PPA sellers to reopen the pricing or to terminate the contracts at their discretion.

/s/ Michael L. Kurtz

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COUNSEL FOR KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

Dated: April 14, 2023