

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

In the Matter of:

ELECTRONIC TARIFF FILING OF	)	
KENTUCKY POWER COMPANY FOR	)	CASE NO. 2022-00424
APPROVAL OF A SPECIAL CONTRACT	)	
UNDER ITS ECONOMIC DEVELOPMENT	)	
RIDER AND DEMAND RESPONSE	)	
SERVICE TARIFFS WITH CYBER	)	
INNOVATION GROUP, LLC	)	

**MOTION OF JOINT INTERVENORS  
MOUNTAIN ASSOCIATION, KENTUCKIANS FOR THE COMMONWEALTH,  
APPALACHIAN CITIZENS’ LAW CENTER, SIERRA CLUB, AND KENTUCKY  
RESOURCES COUNCIL FOR A HEARING AND THE ESTABLISHMENT OF A  
PROCEDURAL SCHEDULE**

Mountain Association, Kentuckians for the Commonwealth, Appalachian Citizens’ Law Center, Sierra Club, and Kentucky Resources Council (“Joint Intervenors”) respectfully move the Commission for the entry of an Order setting a formal hearing in this proceeding. In support of the foregoing motion, Joint Intervenors state as follows.

On December 6, 2022, the Joint Intervenors filed Comments<sup>1</sup> regarding the Economic Development Rider Special Contract between Kentucky Power Company (“KPCO”) and Cyber Innovation Group, LLC (“CIG”), requesting that the Commission open a formal proceeding to investigate the full range of impacts of the Proposed Special Contract (“KPCO-CIG Contract”) for 7 MW of capacity. Joint Intervenors’ Comments highlighted that the KPCO-CIG Contract: (1) did not demonstrate that the proposed rate would not occur in the absence of the discounted

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<sup>1</sup> The comments were attached to the Commission’s Dec. 15, 2022 *Order* in this proceeding as Appendix B.

rate, and (2) did not protect ratepayers from the unique risks and volatility of cryptocurrency mining. On December 15, 2022, the Commission entered an *Order* establishing a procedural schedule to investigate the reasonableness of the KPCO-CIG Contract and suspended the contract until May 15, 2023.<sup>2</sup> The Commission's *Order* additionally allowed for parties to request a hearing no later than April 14, 2023.<sup>3</sup>

Joint Intervenors filed testimony from witness Stacy Sherwood that discussed the issues in this proceeding and recommended that the Commission reject the KPCO-CIG Contract, and proposing criteria for Commission review of proposed EDR contracts with cryptocurrency facilities. As Ms. Sherwood's testimony emphasizes, the evidence presented by KPCO does not establish that an EDR discount for the Rockhouse facility would lead to meaningful economic development, particularly on a per MW basis and particularly in light of the unique risks associated with cryptocurrency mining facilities.<sup>4</sup> Additionally, the Rockhouse facility has already been constructed and is operating, and the evidence presented by KPCO does not establish that an EDR discount would result in any additional further economic development other than that which has already occurred in the absence of such a discount.<sup>5</sup> Ms. Sherwood also notes the relationship between this case and Case No. 2022-00387, regarding KPCO's request for approval of a special contract involving EDR discounts for a 250 MW cryptocurrency customer that would exceed the cap on EDR capacity in its EDR Tariff.<sup>6</sup> Moreover, KPCO is seeking to add this discounted new load at a time when it is already capacity short for serving its existing customers.<sup>7</sup> Joint Intervenors believe that a hearing on these issues would assist in

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<sup>2</sup> Dec. 15, 2022 Order.

<sup>3</sup> *Id.*

<sup>4</sup> Sherwood Testimony at 14-15, 17-20.

<sup>5</sup> Sherwood Testimony at 14-15.

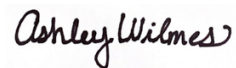
<sup>6</sup> Sherwood Testimony at 17.

<sup>7</sup> Sherwood Testimony at 15-16.

assuring a complete record for Commission consideration of the KPCO request for approval of the special contract.

WHEREFORE, the Joint Intervenors respectfully request that the Commission set a date for a formal hearing in this proceeding.

Respectfully submitted,



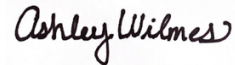
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Center, and Sierra Club*

**CERTIFICATE OF SERVICE**

This is to certify that electronic version of the *Request for Hearing of Joint Intervenors Mountain Association, Kentuckians for the Commonwealth, Appalachian Citizens' Law Center, Sierra Club, and the Kentucky Resources Council, Inc.* in this action is being electronically transmitted to the Commission on April 14, 2023, and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.



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Ashley Wilmes, Esq.