

**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	)	

**INITIAL DATA REQUESTS OF JOINT INTERVENORS  
MOUNTAIN ASSOCIATION, KENTUCKIANS FOR THE COMMONWEALTH,  
APPALACHIAN CITIZENS' LAW CENTER, SIERRA CLUB, AND KENTUCKY  
RESOURCES COUNCIL, INC. TO KENTUCKY POWER COMPANY**

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Commonwealth, Appalachian Citizens'  
Law Center, Sierra Club, and Kentucky  
Resources Council, Inc.

January 13, 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. “Joint Intervenors” means the Mountain Association, Kentuckians For The Commonwealth, Appalachian Citizens’ Law Center, Sierra Club, and Kentucky Resources Council, Inc.

13. “Proposed Special Contract” means the proposed special contract between KPCO and Cyber Innovations Group (“CIG”) that is at issue in this proceeding.

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

15. “CIG” means Cyber Innovations Group, 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.

**INITIAL DATA REQUESTS PROPOUNDED TO KENTUCKY POWER  
COMPANY BY JOINT INTERVENORS**

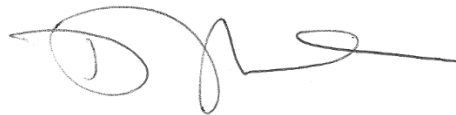
- 1.1. Did the Company review any documents or other information from CIG substantiating the ten new jobs that would be created by Proposed Facility, as referenced in the Proposed Special Contract? Please produce copies of any such documents or, in the case of any information that is not in the form of a document, please describe what information was reviewed. If the Company did not review any such documents or information, please explain why not.
  - a. Please explain the difference between the ten new jobs stated in the Proposed Special Contract and the five new jobs stated in CIG's application.
- 1.2. Please provide details on the following regarding the new jobs the Proposed Special Contract claims to create:
  - a. Indicate how many positions are estimated to be remote versus onsite.
  - b. Indicate how many positions will be full time.
  - c. Indicate how many positions are permanent versus temporary.
  - d. Indicate the level of educational and experience required by position type.
  - e. Will the positions be recruited locally?
    - i. If so, indicate how CIG has determined that there is a pool of qualified local candidates.
    - ii. If so, indicate how many candidates are expected to come from the local community.
  - f. In five years, how many positions are expected to be retained locally at the Proposed Facility.
- 1.3. Did the Company review any documents or other information from CIG substantiating the \$3.5 million in anticipated capital investment in the Proposed Facility that is referenced in the Proposed Special Contract? Please produce copies of any such documents or, in the case of any information that is not in the form of a document, please describe what information was reviewed. If the Company did not review any such documents or information, please explain why not.
- 1.4. Please produce copies of any documents in the Company's possession concerning the size, location, and/or the design of the Proposed Facility, including which cryptocurrencies will be mined and which other services will be provided by the Proposed Facility.

- 1.5. Please produce copies of any documents in the Company's possession, other than those produced in response to previous data requests, concerning the potential economic development benefits of the Proposed Facility.
  - a. Please also provide a breakout of the level of economic development anticipated from the different Phases of the Proposed Special Contract, independently.
  - b. Please detail the level of investment for the CIG Project, including a breakdown of the investment by construction materials and buildings fixture versus equipment.
- 1.6. Please identify any transmission, grid, or infrastructure investments that the Company would incur to provide service to the Proposed Facility. For any such investment identified, please (a) explain in detail the nature of the investment; (b) identify the anticipated capital expenditure required with a breakdown between the investment in construction materials and building versus equipment; (c) identify the timing of the investment; and (d) identify whether the Company anticipates that it will seek to recover the investment from customers, and if so, by what mechanism. If there are no such investments identified, please explain why not.
- 1.7. Please identify any fixed costs other than those provided in response to DR 1.6 that the Company would incur to provide service to the Proposed Facility. For any such fixed cost identified, please (a) explain in detail the nature of the fixed cost; (b) identify the anticipated expenditure(s) required; (c) identify the timing of the expenditure(s); and (d) identify whether the Company anticipates that it will seek to recover the expenditure(s) from customers, and if so, by what mechanism. If there are no such fixed costs identified, please explain why not.
- 1.8. Please identify any transmission, grid, or infrastructure investments that the Company anticipates CIG will incur in order to take service from the Company. For any such investment identified, please (a) explain in detail the nature of the investment; (b) identify the anticipated capital expenditure required; and (c) identify the anticipated timing of the investment.
- 1.9. Please identify whether the Company anticipates that the Proposed Facility will participate in any demand response programs, either through the Company or PJM. If yes, please identify the program and explain in detail the terms under which the Company anticipates that the Proposed Facility will participate. If no, please explain why not.
- 1.10. Did the Company consider any documents or information concerning the financial health or track record of CIG?
  - a. If yes, please produce copies of any documents in the Company's possession reflecting any documents or information considered.
  - b. If no, please explain why not.

- 1.11. Did the Company consider the potential effects of changing cryptocurrency markets or regulation of cryptocurrencies, when evaluating whether to offer the Proposed Special Contract to CIG?
  - a. If yes, please produce copies of any documents in the Company's possession reflecting any documents or information considered.
  - b. If no, please explain why not.
- 1.12. Please refer to Finding 12 on pages 26-27 of the Commission's September 24, 1990 Order in Administrative Case No. 327.
  - a. Please identify and explain the "minimum usage level" that is assumed for the Proposed Facility in the Proposed Special Contract.
  - b. Please explain how the applicable level of demand for the discount was calculated. If it was not calculated, please explain why not.
- 1.13. Please identify any provisions in the Proposed Special Contract that protect the Company's existing customers from the risk that CIG will default or otherwise not complete the initial term of the contract. For any such provisions identified, please explain how they protect the Company's existing customers from risk, particularly in the event of a default, bankruptcy, or disappearance by the customer.
- 1.14. Has the Company had any communications with CIG concerning the possibility of it providing some form of security or collateral to protect against risk, or any guarantees concerning the Proposed Facility's minimum level of load or completion of the 10-year contract term? If yes, please describe those communications and produce copies of any documents reflecting those communications. If no, please explain why not.
- 1.15. Does the Company have internal criteria or an internal process for determining which new or existing customers are eligible to receive special contracts under its Economic Development Rider?
  - a. If yes, please produce copies of any documents reflecting such internal criteria or process, and please describe how such internal criteria or process were applied to CIG.
  - b. If no, please explain why not.
- 1.16. Has the Company attempted to quantify any projected benefits to existing customers from the Proposed Special Contract, in the form of reductions in fixed costs or otherwise? If yes, please provide that quantification and produce copies of any workpapers, with all formulas and links intact, supporting that quantification. If no, please explain why not.
- 1.17. Please provide details on when KPCO and CIG began discussions to locate its facilities within KPCO's service territory.
- 1.18. Given the change for Ethereum from proof-of-work to proof-of-stake adopted in September 2022, does CIG expect its level of capacity and energy usage to decline from those provided in its application for a special contract? Please explain why or why not.

- 1.19. Please quantify the specific benefits that would accrue to KPCO's other customers because of the Proposed Special Contract.
- 1.20. Please answer the following related to the level of service that the Company would provide to the Proposed Facility pursuant to the Proposed Special Contract.
- a. The level of service (secondary, primary, transmission).
  - b. The phase of the power system (single or 3-phase).
  - c. Contracted capacity in kVa, broken down by the different Phases of the proposed project.
  - d. The estimated load factor, broken down by the different Phases of the proposed project.
  - e. Detail the minimum monthly billing, broken down by the different Phases of the proposed project.
- 1.21 Is the Proposed Facility currently operating? If so, please identify the current load and load factor of the facility and provide billing information for the time that it has been operational.

Respectfully submitted,



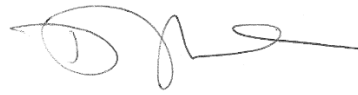
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Commonwealth, Appalachian Citizens' Law  
Center, Sierra Club, and Kentucky Resources  
Council, Inc.

**CERTIFICATE OF SERVICE**

This is to certify that this electronic filing of *Initial Data Requests of Joint Intervenors Mountain Association, Kentuckians for the Commonwealth, Appalachian Citizens' Law Center, Sierra Club, and Kentucky Resources Council, Inc. To Kentucky Power Company* was submitted to the Commission on January 13, 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