

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Tariff Filing Of Kentucky Power)	
Company For Approval Of A Special Contract Under)	
Its Economic Development Rider And Demand)	Case No. 2022-00424
Response Service Tariffs With Cyber Innovation)	
Group, LLC)	

Kentucky Power Company’s Motion for Partial Rehearing or Clarification

Kentucky Power Company (“Kentucky Power” or the “Company”) respectfully moves the Public Service Commission of Kentucky (“Commission”) pursuant to KRS 278.400 for a partial rehearing, or clarification, of the Commission’s September 15, 2023 Order (“Order”). The Company seeks rehearing for the limited purpose of clarifying and amending the Commission’s Order to reflect whether the Commission’s Order directs Kentucky Power to implement its Tariff E.D.R. (Economic Development Rider) provisions regarding the reduction of EDR credits commensurate with the cost of capacity procured on behalf of the customer, beginning on the date after the expiration of the Rockport Unit Power Agreement (“Rockport UPA”), for all current EDR customers and not just Cyber Innovation. Kentucky Power states in support of its motion:

1. The Commission’s Order granted Kentucky Power’s request for approval of the proposed EDR contract with Cyber Innovation Group, LLC for its Rockhouse Facility (“EDR Contract”).
2. In the Order, the Commission disagreed with Kentucky Power’s interpretation of Tariff E.D.R. that capacity costs should not be assigned to individual customers and that the Company has not made any incremental capacity purchases to serve existing EDR customers

because existing EDR customers are captured within the replacement capacity necessary for the loss of the Rockport UPA.¹

3. The Commission went on to find that “the manner in which Kentucky Power determined that incremental capacity purchases have not been made is inconsistent with the facts and its Tariff E.D.R.”²

4. The Commission therefore premised its approval of the Cyber Innovation EDR Contract on the “expectation that the cost of incremental capacity to serve Cyber Innovation will actually be used to offset discount,”³ consistent with the Commission’s interpretation of Tariff E.D.R. Ordering paragraph 2 also orders that “Kentucky Power shall implement its tariff provision regarding the pass through of capacity costs.”⁴

5. The Order makes clear how the provisions of Tariff E.D.R. should be implemented going forward with respect to this Cyber Innovation EDR Contract, and the Company will implement the terms of the tariff as ordered.

6. However, the Company respectfully avers that the Commission’s Order is not entirely clear as to whether the Company should also begin offsetting the EDR discounts of other current EDR customers with the cost of incremental capacity necessary to serve those customers.

7. The Company respectfully requests that the Commission issue an order clarifying and amending its prior Order to state whether Kentucky Power also shall implement its Tariff E.D.R. provisions regarding the reduction of EDR credits commensurate with the cost of capacity procured on behalf of the customer, beginning on the date after the expiration of the

¹ Order at 15.

² *Id.*

³ *Id.*

⁴ *Id.* at 19.

Rockport UPA, for all current EDR customers that were and are receiving EDR discounts after the expiration of the Rockport UPA.

8. If the Commission confirms that Kentucky Power should also begin offsetting the EDR discounts of all current EDR customers as detailed above, the Company would do so by identifying the incremental capacity purchases necessary to serve each customer beginning after the Rockport UPA expired through the end of the most recent PJM delivery year, and commensurately reduce those EDR customers' EDR discounts on customers' bills going forward, in equal monthly amounts beginning with bills rendered in January 2024 through bills rendered in July 2024. The Company would then repeat the process going forward on a PJM delivery year basis, with EDR discount reductions being reflected for each year beginning the August after the delivery year ends. Attachment 1 illustrates this process. Kentucky Power plans to implement this same process for reducing Cyber Innovation's EDR discounts as directed in the Order.

9. The Company would provide notice through individual outreach to each affected current EDR customer, either by email or mail, within 30 days of the Commission's order issued in response to this motion.

10. If the Commission clarifies that Kentucky Power should not implement the terms of Tariff E.D.R. as detailed in paragraph 8, then Kentucky Power would not reduce any current EDR customers' discounts, other than for Cyber Innovation's Rockhouse Facility.

11. Kentucky Power further requests that the Commission issue its order granting the requested relief on or before November 3, 2023. Doing so will provide the Company adequate time to implement the necessary modifications to its billing system prior to billing cycle 1 of the January 2024 billing month.

WHEREFORE, Kentucky Power Company respectfully requests that the Commission issue an order:

1. Granting rehearing and amending and clarifying its prior September 15, 2023 Order to state whether Kentucky Power also shall implement its Tariff E.D.R. provisions regarding the reduction of EDR credits commensurate with the cost of capacity procured on behalf of the customer, beginning on the date after the expiration of the Rockport UPA, for all current EDR customers that were and are receiving EDR discounts after the expiration of the Rockport UPA; and
2. Granting Kentucky Power all other relief to which it may appear entitled.

Respectfully submitted,



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COUNSEL FOR KENTUCKY POWER
COMPANY

Mth-Yr	Delivery Year 2022/2023		Delivery Year 2023/2024		Delivery Year 2024/2025	
	Recapture Period	Recapture Period	Recapture Period	Recapture Period	Recapture Period	
Jun-22	Black					
Jul-22	Black					
Aug-22	Black					
Sep-22	Black					
Oct-22	Black					
Nov-22	Black					
Dec-22	Light Blue					
Jan-23	Light Blue					
Feb-23	Light Blue					
Mar-23	Light Blue					
Apr-23	Light Blue					
May-23	Light Blue					
Jun-23			Light Blue			
Jul-23			Light Blue			
Aug-23			Light Blue			
Sep-23			Light Blue			
Oct-23			Light Blue			
Nov-23			Light Blue			
Dec-23			Light Blue			
Jan-24		Yellow	Light Blue			
Feb-24		Yellow	Light Blue			
Mar-24		Yellow	Light Blue			
Apr-24		Yellow	Light Blue			
May-24		Yellow	Light Blue			
Jun-24		Yellow	Light Blue		Light Blue	
Jul-24		Yellow	Light Blue		Light Blue	
Aug-24		Yellow	Light Blue	Yellow	Light Blue	
Sep-24		Yellow	Light Blue	Yellow	Light Blue	
Oct-24		Yellow	Light Blue	Yellow	Light Blue	
Nov-24		Yellow	Light Blue	Yellow	Light Blue	
Dec-24		Yellow	Light Blue	Yellow	Light Blue	
Jan-25		Yellow	Light Blue	Yellow	Light Blue	
Feb-25		Yellow	Light Blue	Yellow	Light Blue	
Mar-25		Yellow	Light Blue	Yellow	Light Blue	
Apr-25		Yellow	Light Blue	Yellow	Light Blue	
May-25		Yellow	Light Blue	Yellow	Light Blue	
Jun-25		Yellow	Light Blue	Yellow	Light Blue	
Jul-25		Yellow	Light Blue	Yellow	Light Blue	
Aug-25		Yellow	Light Blue	Yellow	Yellow	
Sep-25		Yellow	Light Blue	Yellow	Yellow	
Oct-25		Yellow	Light Blue	Yellow	Yellow	
Nov-25		Yellow	Light Blue	Yellow	Yellow	
Dec-25		Yellow	Light Blue	Yellow	Yellow	

Jan-26
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Jul-26

