

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

**In the Matter of:**

|   |   |                   |
|---|---|-------------------|
| <b>ELECTRONIC APPLICATION OF EAST</b>     | ) |                   |
| <b>KENTUCKY POWER COOPERATIVE, INC.</b>   | ) |                   |
| <b>TO AMEND THE JOINT STIPULATION AND</b> | ) | <b>CASE NO.</b>   |
| <b>SETTLEMENT AGREEMENT AND THE</b>       | ) | <b>2022-00430</b> |
| <b>COMMISSION’S FINAL ORDER IN</b>        | ) |                   |
| <b>CASE NO. 2021-00103</b>                | ) |                   |

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**APPLICATION FOR APPROVAL OF AMENDED JOINT  
STIPULATION AND FOR EXPEDITED RELIEF**

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Comes now East Kentucky Power Cooperative, Inc., (“EKPC” or the Company”), by and through the undersigned counsel, pursuant to 807 KAR 5:001 and other applicable law, and hereby tenders this Application with the Kentucky Public Service Commission (“Commission”) requesting approval for an amended settlement agreement in Case No. 2021-00103, *In the Matter of: Electronic Application of East Kentucky Power Cooperative, Inc., for a General Adjustment of Rates, Approval of a Depreciation Study, Amortization of Certain Regulatory Assets and Other General Relief*. In support of the Application, EKPC respectfully states as follows:

**I. INTRODUCTION**

1. EKPC is a not-for-profit, rural electric cooperative corporation established under KRS Chapter 279 with its headquarters in Winchester, Kentucky. Pursuant to various agreements, EKPC provides electric generation capacity and electric energy to its sixteen (16) Owner-Member Cooperatives (“owner-members”), which in turn serve over 545,000 Kentucky homes, farms and commercial and industrial establishments in eighty-seven (87) Kentucky counties. EKPC’s Board

has stated its strategic objective is to maintain a generation fleet that prudently diversifies its fuel sources while maximizing its capital investments and minimizing stranded assets. EKPC is a “utility” as that term is defined in KRS 278.010(3)(a) and a “generation and transmission cooperative” as that term is defined in KRS 278.010(9).

2. In total, EKPC owns and operates approximately 2,965 MW of net summer generating capacity and 3,267 MW of net winter generating capacity. EKPC owns and operates coal-fired generation at the John S. Cooper Station in Pulaski County, Kentucky (341 MW) and the Hugh L. Spurlock Station (1,346 MW) in Mason County, Kentucky. EKPC also owns and operates natural gas-fired generation at the J. K. Smith Station in Clark County, Kentucky (753 MW (summer)/989 MW (winter)) and the Bluegrass Generating Station in Oldham County, Kentucky (501 MW (summer)/567 MW (winter)), landfill gas-to-energy facilities in Boone County, Laurel County, Greenup County, Hardin County, Pendleton County and Barren County (16 MW total), and a Community Solar facility (8 MW) in Clark County, Kentucky. Finally, EKPC purchases hydropower from the Southeastern Power Administration at Laurel Dam in Laurel County, Kentucky (70 MW), and the Cumberland River system of dams in Kentucky and Tennessee (100 MW). EKPC also has 158 MWs of interruptible load and approximately 28 MWs in peak reduction mechanisms. EKPC’s record peak demand of 3,507 MW occurred on February 20, 2015.

3. EKPC owns 2,956 circuit miles of high voltage transmission lines in various voltages, mainly 69kV and greater. EKPC also owns the substations necessary to support this transmission line infrastructure. Currently, EKPC has seventy-four (74) free-flowing interconnections with its neighboring utilities. EKPC’s transmission system is operated by PJM Interconnection, LLC (“PJM”), of which EKPC has been a fully integrated member since June 1,

2013. PJM is a regional electric grid and market operator with operational control of over 180,000 MW of regional electric generation. It operates the largest capacity and energy market in North America.

## **II. FILING REQUIREMENTS**

4. Pursuant to 807 KAR 5:001, Section 14(1), EKPC's business address is 4775 Lexington Road, Winchester, Kentucky 40391 and its mailing address is Post Office Box 707, Winchester, Kentucky 40392-0707. EKPC's email address is: [psc@ekpc.coop](mailto:psc@ekpc.coop). EKPC requests that the following individuals be included on the service list:

Chris Adams, EKPC's Director of Regulatory and Compliance Services:

[chris.adams@ekpc.coop](mailto:chris.adams@ekpc.coop)

L. Allyson Honaker, Counsel for EKPC:

[allyson@hloky.com](mailto:allyson@hloky.com)

5. Pursuant to 807 KAR 5:001, Section 14(2), EKPC is a Kentucky corporation, in good standing, and was incorporated on July 9, 1941.

### **REQUEST TO AMEND SETTLEMENT AGREEMENT**

6. EKPC filed its Application in Case No. 2021-00103 on April 1, 2021. A Joint Stipulation and Settlement Agreement ("Joint Stipulation") was filed in that case on July 29, 2021, and was signed by EKPC, the Attorney General's Office ("AG"), Nucor Steel Gallatin ("Nucor") and AppHarvest Morehead Farm, LLC ("AppHarvest") (collectively "the Parties").

7. Paragraph 5 of the Joint Stipulation contained information regarding the Generation Maintenance Regulatory Asset/Liability Mechanism ("the Mechanism"). Exhibit A to the Joint Stipulation contained the calculation of the normalized generation maintenance expense. The

Parties agreed that the normalized amount of generation maintenance expense was \$81.067 million, which was included in base rates.

8. The Mechanism called for EKPC to begin tracking, in 2022, its actual generation maintenance expense. EKPC was to record a regulatory asset for seventy-five percent (75%) of all expenses in excess of the normalized amount and, if the actual generation maintenance expense is less than the normalized generation maintenance expense, record a regulatory liability for seventy-five percent (75%) of the different between the actual generation maintenance expense and the normalized generation maintenance expense.

9. EKPC found, while preparing its 2022 reforecast and 2023 budget, that the \$81.067 million of normalized generation maintenance expense includes amounts already recovered through EKPC's Rate ES – Environmental Surcharge (“Rate ES”).

10. EKPC is proposing to change the normalized generation maintenance expense from \$81.067 million to \$63.843 million. This excludes the amount that is recovered through Rate ES and eliminates the potential for double recovery of those expenses.

11. EKPC has met with each of the Parties, and the Parties are in agreement that Paragraph 5 of the Joint Stipulation should be amended by deleting the \$81.067 million per year of normalized generation maintenance expense and inserting \$63.843 million per year and to state that this amount is “exclusive of any amounts recovered through Rate ES.” The remaining items contained in Paragraph 5 of the Joint Stipulation would remain unchanged.

12. Ordering Paragraph 5 of Commission's Final Order in Case No. 2021-00103 entered on September 30, 2021, would also need to be amended to reflect these changes. The Parties agree that no other portion of the Joint Stipulation or the Commission's Final Order would need to be amended.

13. These changes would not affect any of the rates approved by the Commission and would prevent the potential for double recovery of the generation maintenance expense currently recovered through Rate ES. Because no rates are affected, public notice is not required to be given.

14. The Parties have signed an Amended Joint Stipulation and Settlement Agreement (“Amended Joint Stipulation”). The Amended Joint Stipulation is attached to this Application as Exhibit 1 and the Direct Testimony in Support of the Amended Joint Stipulation is attached as Exhibit 2.

15. In order for the effect of the Amended Joint Stipulation to be properly recorded on EKPC’s books, it is necessary to receive an Order from the Commission on or before January 27, 2023.

WHEREFORE, EKPC respectfully requests the Commission to approve the Amended Joint Stipulation and change the amount of the normalized generation maintenance expense to reduce the amount currently collected through Rate ES and to amend the Commission’s Final Order in Case No. 2021-00103 to reflect the same.

This 27<sup>th</sup> day of December, 2022.

Respectfully Submitted,



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L. Allyson Honaker  
Honaker Law Office, PLLC  
1795 Alysheba Way, Suite 6202  
Lexington, KY 40509  
(859) 368-8803  
allyson@hloky.com

*Counsel for East Kentucky Power Cooperative, Inc.*

**EXHIBIT 1**

**AMENDED JOINT STIPULATION  
AND SETTLEMENT AGREEMENT**

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

**In the Matter of:**

|  |   |                   |
|--|---|-------------------|
| <b>ELECTRONIC APPLICATION OF EAST KENTUCKY</b> | ) |                   |
| <b>POWER COOPERATIVE, INC. FOR A GENERAL</b>   | ) |                   |
| <b>ADJUSTMENT OF RATES, APPROVAL OF</b>        | ) | <b>CASE NO.</b>   |
| <b>DEPRECIATION STUDY, AMORTIZATION OF</b>     | ) | <b>2021-00103</b> |
| <b>CERTAIN REGULATORY ASSETS, AND OTHER</b>    | ) |                   |
| <b>OTHER GENERAL RELIEF</b>                    | ) |                   |

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**AMENDMENT NO. 1 TO JOINT STIPULATION,  
SETTLEMENT AGREEMENT AND RECOMMENDATION**

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On April 1, 2021, East Kentucky Power Cooperative, Inc. (“EKPC”) tendered its Application with the Kentucky Public Service Commission (“commission”), pursuant to KRS 278.180, KRS 278.190 and other applicable law, for an adjustment of its wholesale rates, approval of a depreciation study, amortization of certain regulatory assets and other general relief (“Application”). The Attorney General (“AG”), Nucor Steel Gallatin (“Nucor”) and AppHarvest Morehead Farm, LLC (“AppHarvest”) were permitted to intervene in the case. EKPC, the AG, Nucor and AppHarvest (the “Parties”) subsequently entered into a Joint Stipulation, Settlement Agreement and Recommendation on or about July 29, 2021 (“Settlement”). Subject to minor modifications, the Commission accepted the Settlement in an Order entered on September 30, 2021.

A component of the Settlement was the adoption by EKPC of a generation maintenance expense regulatory asset/liability mechanism set forth in Paragraph 5 therein. Specifically, the Settlement provided as follows:

The Parties agree that the normalized generation maintenance expense reflected in Exhibit A is \$81.067 million per year. Beginning with calendar year 2022, and in each year thereafter, EKPC will track its actual generation maintenance expense and record a regulatory asset for seventy-five percent (75%) of all expenses in excess of the normalized amount and, if the actual annual generation maintenance expense is less than the normalized generation maintenance expense, record a regulatory liability for seventy-five percent (75%) of the difference between the actual annual generation maintenance expense and the normalized generation maintenance expense. EKPC agrees to make an annual filing with the Commission (on or before April 30th of each year) which sets forth its calculation of any regulatory asset or liability recorded for the prior year, and including a cumulative net calculation of all such assets or liabilities. In EKPC's next base rate case, the cumulative regulatory asset or regulatory liability shall be amortized and either recovered from, or returned to, EKPC's Owner-Members as appropriate over a reasonable period of time.<sup>1</sup>

EKPC has discovered that the \$81.067 million figure used in the Settlement includes expenses for generation maintenance currently recovered through its Rate ES - Environmental Surcharge ("Rate ES").<sup>2</sup> The Parties acknowledge that this would allow EKPC to establish a regulatory asset for generation maintenance expense that has already been recovered through Rate ES. Accordingly, the Parties agree that Paragraph 5 of the Settlement should be amended to read as follows:

The Parties agree that the normalized generation maintenance expense reflected in Exhibit A is **\$63.843** million per year. Beginning with calendar year 2022, and in each year thereafter, EKPC will track its actual generation maintenance expense **(exclusive of any amounts recovered through Rate ES)** and record a regulatory asset for seventy-five percent (75%) of all expenses in excess of the normalized amount and, if the actual annual generation maintenance expense is less than the normalized generation maintenance expense, record a regulatory liability for seventy-five percent (75%) of the difference between the actual annual generation maintenance expense and the normalized generation maintenance expense. EKPC agrees to make an annual

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<sup>1</sup> Stipulation, pp. 3-4, Case No. 2021-00103 (July 29, 2021).

<sup>2</sup> See EKPC Tariff PSC No. 35, First Revised Sheet No. 20 (Oct. 1, 2021).



filing with the Commission (on or before April 30th of each year) which sets forth its calculation of any regulatory asset or liability recorded for the prior year, and including a cumulative net calculation of all such assets or liabilities. In EKPC's next base rate case, the cumulative regulatory asset or regulatory liability shall be amortized and either recovered from, or returned to, EKPC's Owner-Members as appropriate over a reasonable period of time.<sup>3</sup>

By making this amendment to the Settlement, EKPC will recover generation maintenance expense through Rate ES as it ordinarily would, but it will not also record a regulatory asset or regulatory liability for such expense. This will prevent EKPC from having to make an adjustment in its next base rate case. The amendment will not have any impact upon EKPC's current base rates or Rate ES.

The Parties further agree that: (1) Ordering Paragraph 5 of the Commission's September 30, 2021 Order should be amended to reflect the change to Paragraph 5 of the Settlement; and (2) no other component of the Settlement Agreement or the Commission's September 30, 2021 Order should be changed.

EAST KENTUCKY POWER COOPERATIVE, INC.

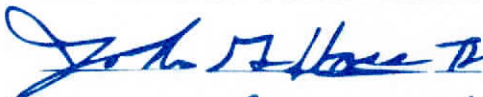
BY:



L. Allyson Honaker  
Counsel, East Kentucky Power Cooperative, Inc.

ATTORNEY GENERAL DANIEL CAMERON

BY:



TITLE: Executive Director Office of State Intervention

<sup>3</sup> Stipulation, pp. 3-4, Case No. 2021-00103 (July 29, 2021).

NUCOR STEEL GALLATIN

BY: Mike Huntz by LAH w/ permission

TITLE: Attorney for Nucor Steel Gallatin

APPHARVEST MOREHEAD FARM, LLC

BY: Jim Gardner by LAH w/ permission

TITLE: Attorney for Appharvest Morehead Farm, LLC

EXHIBIT 2  
DIRECT TESTIMONY OF  
ISAAC S. SCOTT IN SUPPORT OF  
THE AMENDED JOINT  
STIPULATION AND SETTLEMENT  
AGREEMENT

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                    |   |            |
|------------------------------------|---|------------|
| ELECTRONIC APPLICATION OF EAST     | ) |            |
| KENTUCKY POWER COOPERATIVE, INC.   | ) |            |
| TO AMEND THE JOINT STIPULATION AND | ) | CASE NO.   |
| SETTLEMENT AGREEMENT AND THE       | ) | 2022-00430 |
| COMMISSION'S FINAL ORDER IN        | ) |            |
| CASE NO. 2021-00103                | ) |            |

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DIRECT TESTIMONY OF ISAAC S. SCOTT  
PRICING MANAGER  
ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.

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Filed: December 27, 2022

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

**In the Matter of:**

**ELECTRONIC APPLICATION OF EAST )  
KENTUCKY POWER COOPERATIVE, INC. )  
TO AMEND THE JOINT STIPULATION AND )  
SETTLEMENT AGREEMENT AND THE )  
COMMISSION'S FINAL ORDER IN CASE )  
NO. 2021-00103 )**

**CASE NO.  
2022-00430**

**VERIFICATION OF ISAAC S. SCOTT**

COMMONWEALTH OF KENTUCKY )  
  )  
COUNTY OF CLARK )

Isaac S. Scott, Pricing Manager for East Kentucky Power Cooperative, Inc., being duly sworn, states that he has supervised the preparation of his Direct Testimony in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

*Isaac S. Scott*  
\_\_\_\_\_  
Isaac S. Scott

The foregoing Verification was signed, acknowledged and sworn to before me this 19<sup>th</sup> day of December, 2022, by Isaac S. Scott.

*TERRI K. COMBS*  
\_\_\_\_\_

Notary Commission No. KYNP17358

Commission expiration: 12/20/2024



1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.**

3 A. My name is Isaac S. Scott and I am the Pricing Manager for East Kentucky Power  
4 Cooperative, Inc. (“EKPC”). My business address is 4775 Lexington Road,  
5 Winchester, Kentucky 40391.

6 **Q. PLEASE STATE YOUR EDUCATION AND PROFESSIONAL**  
7 **EXPERIENCE.**

8 A. I received a B.S. degree in Accounting, with distinction, from the University of  
9 Kentucky in 1979. After graduation I was employed by the Kentucky Auditor of  
10 Public Accounts, where I performed audits of numerous state agencies. In  
11 December 1985, I transferred to the Kentucky Public Service Commission  
12 (“Commission”) as a public utilities financial analyst, concentrating on the electric  
13 and natural gas industries. In August 2001, I became manager of the Electric and  
14 Gas Revenue Requirements Branch in the Division of Financial Analysis at the  
15 Commission. In this position, I supervised the preparation of revenue requirement  
16 determinations for electric and natural gas utilities as well as determined the  
17 revenue requirements for the major electric and natural gas utilities in Kentucky. I  
18 retired from the Commission effective August 1, 2008. In November 2008, I  
19 became the Pricing Manager at EKPC.

20 **Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR DUTIES AT**  
21 **EKPC.**

22 A. As Pricing Manager, I am responsible for rate-making activities which include  
23 designing and developing wholesale and retail electric rates and developing pricing

1 concepts and methodologies. I report directly to the Director of Regulatory and  
2 Compliance Services.

3 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?**  
4 **IF SO, WHAT CASES?**

5 A. I have testified before the Commission in numerous cases. I testified in EKPC's  
6 two previous base rate cases (Case No. 2010-00167 and Case No. 2021-00103), the  
7 Cooper ductwork reroute case (Case No. 2013-00259), and two fuel adjustment  
8 clause two-year review cases (Case Nos. 2017-00002 and 2019-00003). I have also  
9 submitted written direct testimony in every environmental surcharge review case  
10 since 2012, the last three environmental surcharge compliance plan amendment  
11 cases, EKPC's application for an economic development rider tariff, and  
12 administrative cases dealing with the consideration of the Energy Independence and  
13 Security Act of 2007 and the implementation of smart grid and smart meter  
14 technologies.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
16 **PROCEEDING?**

17 A. The purpose of my testimony is to describe the maintenance normalization  
18 mechanism approved in Case No. 2021-00103<sup>1</sup> and explain the need to modify the  
19 mechanism as originally approved.

20 **II SPONSORED EXHIBITS**

21 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

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<sup>1</sup> See *In the Matter of Electronic Application of East Kentucky Power Cooperative, Inc. for a General Adjustment of Rates, Approval of Depreciation Study, Amortization of Certain Regulatory Assets, and Other General Relief*, Case No. 2021-00103, (Ky. P.S.C. Sep. 30, 2021).

1 A. Yes. I am sponsoring Exhibit ISS-1, which shows the original determination of the  
2 maintenance normalization mechanism threshold and the modification needed to  
3 that threshold amount.

4 **III. BACKGROUND**

5 **Q. WHAT IS THE BACKGROUND OF THE GENERATION MAINTENANCE**  
6 **NORMALIZATION MECHANISM, WHICH IS THE SUBJECT OF THIS**  
7 **PROCEEDING?**

8 A. In Case No. 2021-00103, EKPC reached a settlement with the intervenors in the  
9 proceeding: the Attorney General’s Office of Rate Intervention (“AG”), NUCOR  
10 Steel Gallatin (“NUCOR”), and AppHarvest Morehead Farm, LLC. One of the  
11 components of the settlement agreement was the establishment of a generation  
12 maintenance normalization mechanism (“mechanism”). This mechanism  
13 established a normalized generation maintenance expense representing an average  
14 generation maintenance amount for years 2016-2020 in the amount of \$81.067  
15 million. Beginning with calendar year 2022, and in each year thereafter, EKPC  
16 will track its actual generation maintenance expense and record a regulatory asset  
17 for seventy-five percent (75%) of all expenses in excess of the normalized amount.  
18 If the actual annual generation maintenance expense is less than the normalized  
19 generation maintenance expense, EKPC will record a regulatory liability for  
20 seventy-five percent (75%) of the difference between the actual annual generation  
21 maintenance expense and the normalized generation maintenance expense. EKPC  
22 agreed to make an annual filing with the Commission, on or before April 30 of each  
23 year, which sets forth its calculation of any regulatory asset or liability recorded for



1 the prior year, and including a cumulative net calculation of all such assets or  
2 liabilities. In EKPC’s next base rate case, the cumulative regulatory asset or  
3 regulatory liability shall be amortized and either recovered from, or returned to,  
4 EKPC’s Owner-Members as appropriate over a reasonable period of time.

5 **Q. WHY DOES EKPC NEED TO UPDATE THIS MECHANISM?**

6 A. In preparing its 2023 budget and 2022 budget reforecast, EKPC determined that the  
7 threshold of \$81.067 million contained expenses currently being recovered through  
8 the environmental surcharge. If these environmental costs were included, a “double  
9 recovery” would exist – the current recovery through the environmental surcharge  
10 and the potential future recovery through the amortization of the cumulative  
11 regulatory asset or regulatory liability in EKPC’s next base rate case.

12 **Q. HAS EKPC BEEN ABLE TO DETERMINE WHY THE \$81.067 MILLION**  
13 **THRESHOLD INCLUDED COSTS CURRENTLY RECOVERED**  
14 **THROUGH THE ENVIRONMENTAL SURCHARGE?**

15 A. Yes. As part of its determination of the revenue requirement in Case No.  
16 2021-00103, EKPC proposed 30 pro forma adjustments to the test year. Included  
17 in those pro forma adjustments were schedules to remove the revenues and  
18 expenses associated with the environmental surcharge from the test year. Those  
19 schedules were Schedule 1.02 – Removal of Environmental Surcharge from Base  
20 Rates and Schedule 1.03 – Removal of Environmental Surcharge from Off-System  
21 Sales. The schedules were supported by Workpaper 1.02. These pro forma  
22 adjustments were reflected in the adjusted Statement of Operations. However,  
23 when EKPC provided its response to the supplemental data requests of the AG and

1 NUCOR concerning production maintenance expenses,<sup>2</sup> the amounts were  
2 provided in total and did not reflect an exclusion for the maintenance expenses  
3 being recovered through the environmental surcharge. When the mechanism was  
4 developed during the settlement discussions, the \$81.067 million threshold was  
5 determined based on this data response. As a result of an unintended oversight,  
6 EKPC and the parties failed to recognize that the maintenance expense totals  
7 included costs being recovered through the environmental surcharge.

8 **Q. TO EXCLUDE THE EXPENSES RECOVERED THROUGH THE**  
9 **ENVIRONMENTAL SURCHARGE, WHAT MODIFICATION IS NEEDED**  
10 **TO THE MECHANISM’S \$81.067 MILLION THRESHOLD?**

11 A. As shown in Exhibit ISS-1, in order to remove the expenses recovered through the  
12 environmental surcharge, the 2016-2020 threshold needs to be reduced from  
13 \$81.067 million to \$63.843 million.

14 **Q. SINCE ONE OF THE ADJUSTMENTS IN THE SETTLEMENT**  
15 **AGREEMENT WAS “SOURCED” FROM THE \$81.067 MILLION, ARE**  
16 **EKPC’S BASE RATES OVERSTATED?**

17 A. No. As also shown in Exhibit ISS-1, had the expenses recovered through the  
18 environmental surcharge been removed, the rate case adjustment would have been  
19 \$5.719 million instead of the \$6.579 million adjustment included in the rate case.  
20 Consequently, the adjusted revenue requirement would have been higher had the  
21 environmental surcharge been recognized during the settlement discussions.

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<sup>2</sup> See EKPC’s response to the Supplemental Data Requests of the AG and NUCOR dated June 4, 2021, Request 19a, pages 6 through 8 of 10. The amounts listed as “Grand Total, Expensed” shown on page 8 of 10 were the amounts utilized to determine the threshold of \$81.067 million.

1 **Q. THE RATE CASE ADJUSTMENT WAS \$6.592 MILLION INSTEAD OF**  
2 **THE \$6.579 MILLION SHOWN IN EXHIBIT ISS-1. WHAT IS THIS**  
3 **DIFFEERENCE?**

4 A. EKPC is unsure of this difference as it was part of the negotiations during the  
5 settlement discussions. However, the difference is immaterial and would have no  
6 impact on base rates.

7 **Q. HAS EKPC DISCUSSED THE PROPOSED MODIFICATION TO THE**  
8 **MECHANISM WITH THE PARTIES IN CASE NO. 2021-00103?**

9 A. Yes. EKPC met with the intervenors on {date} and explained the reason for the  
10 requested modification. The intervenors are supportive of this modification to  
11 avoid any double recovery in rates.

12 **Q. SHOULD THE COMMISSION APPROVE THE PROPOSED**  
13 **MODIFICATION TO THE MECHANISM, WHEN DOES EKPC NEED AN**  
14 **ORDER?**

15 A. In order for EKPC to close its 2022 books on a timely basis, EKPC respectfully  
16 requests the Commission issue an Order no later than January 27, 2023.

17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 A. Yes, it does.

EXHIBIT ISS-1  
EXCEL SPREADSHEET  
UPLOADED SEPARATELY