COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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)	CASE NO.
)	2023-00177
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RESPONSES TO STAFF'S THIRD INFORMATION REQUEST

TO EAST KENTUCKY POWER COOPERATIVE, INC.

DATED OCTOBER 6, 2023

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)KENTUCKY POWER COOPERATIVE INC. FOR)APPROVAL TO AMEND ITS ENVIROMENTAL)CASE NO.COMPLIANCE PLAN AND RECOVER COSTS)2023-00177PURSUANT TO ITS ENVIROMENTAL)SURCHARGE, AND FOR ISSUANCE OF)CERTIFICATES OF PUBLIC CONVENIENCE)AND NECESSITY AND OTHER RELIEF)

(F)

CERTIFICATE

STATE OF KENTUCKY)) COUNTY OF CLARK)

Aaron Rogers, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Third Request for Information in the above-referenced case dated October 6, 2023, 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.

Aaron Rogers

Subscribed and sworn before me on this 1917 day of October, 2023.

m Millielley otary Public GWYN M. WILLOUGHBY Notary Public Immonwealth of Kentucky mission Num er KYNP38003 Expires No w 30, 2025

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)KENTUCKY POWER COOPERATIVE INC. FOR)APPROVAL TO AMEND ITS ENVIROMENTALAPPROVAL TO AMEND ITS ENVIROMENTAL)COMPLIANCE PLAN AND RECOVER COSTS2023-00177PURSUANT TO ITS ENVIROMENTAL)SURCHARGE, AND FOR ISSUANCE OF)CERTIFICATES OF PUBLIC CONVENIENCE)AND NECESSITY AND OTHER RELIEF)

CERTIFICATE

STATE OF KENTUCKY)) COUNTY OF CLARK)

Joseph VonDerHaar, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Third Request for Information in the above-referenced case dated October 6, 2023, 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.

Joseph VonDerhaar

Subscribed and sworn before me on this 10^{10} day of October, 2023.

Notary Public GWYN M. WILLOUGHBY Notary Public Commonwealth of Kentucky Commission Number KYNP38003 r Commission Expires Nov 30, 2025

EAST KENTUCKY POWER COOPERATIVE, INC. CASE NO. 2023-00177 THIRD REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED OCTOBER 6, 2023 REQUEST 1 RESPONSIBLE PARTY: Aaron Rogers

<u>Request 1.</u> Refer to the Application, page 7, Item 15. "Cooper Station provides key voltage support in the transmission system throughout southern Kentucky . . ." Explain whether EKPC has investigated bidding ancillary services into the PJM market as well as any supporting calculations as to that decision.

<u>Response 1.</u> The Cooper generators do bid reserve capabilities in the PJM reserve market, which encompasses synchronous and non-synchronous reserves. According to PJM reserve market offer business rules in PJM manual 11, "Any generator that is a PJM generation capacity resource that has a Reliability Pricing Model (RPM) or Fixed Resource Requirement (FRR) Resource commitment that is eligible to provide Reserves must offer their 10-minute and 30-min reserve capability, unless the unit is unavailable due to an approved planned outage, maintenance outage or forced outage."

PJM's regulation market is voluntary. However, the Cooper generators do not participate in PJM's regulation market. Neither Cooper 1 nor Cooper 2 respond to PJM's automatic generation control signal quickly enough to pass the initial performance test required eligibility to provide regulation.

PSC Request 2 Page 1 of 2

EAST KENTUCKY POWER COOPERATIVE, INC. CASE NO. 2023-00177 THIRD REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED OCTOBER 6, 2023 REQUEST 2 RESPONSIBLE PARTY: Joe VonDerHaar

Request 2. Refer to EKPC's response to Commission Staff's Second Request for Information, Item 2.

<u>Request 2a.</u> Provide the proposed contract referenced at the end of the response. If a contract has not been drafted, provide the critical details of the transaction, including price, delivery information and term.

Response 2a. There are no existing contracts for the "as-is" gypsum. As mentioned in the previous response, EKPC is discussing a potential agreement. As discussions are ongoing, additional details on price, delivery, terms, and other critical details are unknown. With an "as-is" product, additional processing will likely be required. How further processing would be accomplished is still unknown. Pricing, contract terms, and delivery would be linked to that outcome. A contract is unlikely if this process is not economical for wallboard companies.

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<u>Request 2b.</u> Confirm that EKPC has not considered separating the fly ash from the gypsum for sale ability purposes. If not, provide an explanation as to why not and any supporting calculations or documentation.

Response 2b. For clarification, fly ash is not combined with synthetic gypsum produced by the wet scrubber FGD process (units 1 & 2 pulverized coal) in Units 3 and 4 (Circulating Fluidized Bed). In Units 3 & 4, limestone is added during the combustion process for sulfur removal (dry scrubber). Within this process, the fly ash is in direct contact with limestone (a calcium-based mineral), which has the same effect as commingling gypsum with fly ash. The fly ash entrained in the gypsum-like material makes it unusable in drywall applications. There are no known practical methods to separate them at the end of the process. As another example, Cooper Station uses a dry scrubbing process that makes the fly ash and gypsum-like material inseparable and not usable in drywall applications.