

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. FOR)	
A CERTIFICATES OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY AND SITE COMPATIBILITY)	2024-00129
CERTIFICATES FOR THE CONSTRUCTION OF)	
A 96 MW (NOMINAL) SOLAR FACILITY IN)	
MARION COUNTY, KENTUCKY A 40 MW)	
(NOMINAL) SOLAR FACILITY IN FAYETTE)	
COUNTY KENTUCKY AND APPROVAL OF)	
CERTAIN ASSUMPTIONS OF EVIDENCE OF)	
INDEBTEDNESS RELATED TO THE SOLAR)	
FACILITIES AND OTHER RELIEF)	

RESPONSES TO COMMISSION’S FIRST INFORMATION REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.

DATED MAY 30, 2024

COMMONWEALTH OF KENTUCKY
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CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

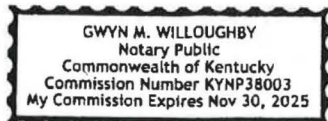
Julia J. Tucker, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the First Request for Information in the above-referenced case dated May 31, 2024, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry

Julia J. Tucker

Subscribed and sworn before me on this 11th day of June 2024.

Gwyn M. Willoughby

Notary Public



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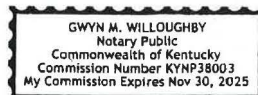
STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Patrick Bischoff, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the First Request for Information in the above-referenced case dated May 31, 2024, 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

Patrick Bischoff

Subscribed and sworn before me on this 11th day of June 2024.

Gwyn M. Willoughby
Notary Public



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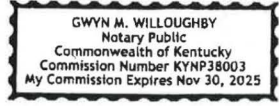
CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Thomas J. Stachnik, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the First Request for Information in the above-referenced case dated May 31, 2024, 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 *Thomas J. Stachnik*

Subscribed and sworn before me on this 11th day of June 2024.

Gwyn M. Willoughby
Notary Public



EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2024-00129
FIRST REQUEST FOR INFORMATION RESPONSE

COMMISSION'S REQUEST DATED MAY 30, 2024

REQUEST 1

RESPONSIBLE PARTY: **Julia J. Tucker**

Request 1. Refer to Application at 8. Explain how EKPC chose to build projects providing 96 MW and 40 MW capacities.

Response 1. EKPC concluded it could utilize up to 1,000 MW of solar power based on the results shown in its 2022 Integrated Resource Plan¹ (“IRP”). Multiple projects have been evaluated and considered. What has become very apparent from those evaluations is that a key critical component to being able to develop economic solar projects is having a viable position in the PJM transmission queue. The process of applying for transmission service with PJM, having the studies completed and then moving forward with an interconnection agreement is a very time intensive endeavor. Start to finish of the interconnection process can easily take five or more years. Therefore, projects that have existing positions within the transmission queue prove to be more valuable and ready to develop than those without a position. The ability to have executable projects was far more important to the consideration than the actual MW size. The two projects

¹ See *In the Matter of the Electronic 2022 Integrated Resource Plan of East Kentucky Power Cooperative, Inc.*, Case No. 2022-00098, filed April 1, 2022.

in the subject application meet the criteria of supplying solar power in an amount far less than the total amount deemed prudent in the IRP, and critical work to cause the projects to be feasible in a relatively short time period such as land acquisition and transmission interconnection studies had been completed. Therefore, these two projects rose to the top of potential solar sites because they were shown to be viable in a timely manner and at an acceptable cost.

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REQUEST 2

RESPONSIBLE PARTY: **Julia J. Tucker**

Request 2. Refer to Application at 8. Provide a complete cost benefit analysis comparing the Bluegrass Plains project to:

Request 2a. Any other project sites considered;

Response 2a. Until the Inflation Reduction Act (“IRA”) was placed into law, EKPC was unable to take advantage of the financing incentives for solar facilities. Therefore, EKPC looked for Power Purchase Agreement (“PPA”) offerings in order to obtain a price that had some of the incentive benefits included in a solar project. After the IRA, EKPC is able to take advantage of direct pay benefits which significantly changes the valuation of self-build compared to PPAs. Many developers have been studying potential solar sites in Kentucky for several years now and have applied for transmission interconnection rights for their preferred sites. Obtaining the approval for the transmission rights has proven to be a much longer process than site development and construction of the projects. Many of these developers have offered their projects on a PPA basis in the Request for Proposals (“RFPs”) that EKPC has issued over the past several years.

Once it became economically advantageous for EKPC to pursue self-development of solar projects, EKPC approached multiple developers to inquire if they would be willing to sell their unconstructed projects to EKPC. The developers had completed the legwork of potential sites and preferred designs, along with the very valuable ability to interconnect on the transmission system. Since EKPC would be purchasing existing project sites, designs and interconnection rights, alternative analyses were not completed on alternative sites and designs. The analyses were concerned with comparing self-build of potential projects against alternative PPAs that could be obtained.

Request 2b. Any other designs considered;

Response 2b. See Response 2a.

Request 2c. Developer projects listed in Exhibit 2, Confidential Attachment JJT-1 at page 2.

Response 2c. Confidential Exhibit JJT-1 page 8 of 9, shows the ITC cost in \$/MWh for the 40MWac {Bluegrass} project. That project price is less than almost all of the PPA prices offered to EKPC in its January 2023 RFP for 100 to 200 MW of PJM-connected Solar Photovoltaic (“PV”) power generation, as shown on page 2 of 9 in Confidential Exhibit JJT-1. There was a solar project offered for a lower average cost. EKPC engaged discussions with the developer for

this project. The quoted price could not be maintained by the developer when negotiations started and delivery of the energy from the project to EKPC's load zone was not available without additional transmission delivery costs. One other offer received was slightly less, but it was an energy only offer. When the applicable fully bundled product was compared to Bluegrass Plains, it was a higher cost. EKPC recently issued another RFP for 100 MW of solar PPA and the results are even higher PPA prices than those received in early 2023. EKPC determined that it could construct and own the Bluegrass Plains solar project at a net cost less than that of a PPA for any of the projects offered.

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REQUEST 3

RESPONSIBLE PARTY: Julia J. Tucker

Request 3. Refer to the Application, Exhibit 2, Direct Testimony of Julia J. Tucker (Tucker Direct Testimony), page 3 lines 20-21. Also refer to EKPC's Integrated Resource Plan (IRP), Table 8-6, page 170 in Case No. 2022-000982 (EKPC IRP).

Request 3a. Reconcile the net capacity positions cited in Tucker direct Testimony and the existing capacity positions cited in Table 8-6.

Response 3a. The statement in line 20, says "EKPC owns and operates approximately 2,963 MW of summer generating capacity and 3,265 MW of net winter generating capacity." Those values do not include the 170 MW of hydro generation that EKPC purchases from the Southeast Power Administration on a long-term basis. If you add 170 MW to each of the owned and operated values stated in the Application, the total existing resources available for EKPC's use are 3,133 MW summer and 3,435 MW winter, nearly the same as those listed in the referenced table in the IRP. There is a minor 1 MW difference between the two values.

Request 3b. Provide an update to Table 8-6.

Response 3b. EKPC has completed an updated load forecast since Table 8-6 was published in the 2022 IRP. The updated table was provided in response to Staff's first request for information in EKPC's 2023 annual cogeneration and small power production tariff filing², Response 1a.

² See *In the Matter of the Electronic Tariff Filing of East Kentucky Power Cooperative Inc., and its Member Distribution Cooperatives for Approval of Proposed Changes to their Qualified Cogeneration and Small Power Production Facilities Tariff*, Case No. 2023-00153, Data Response filed June 26, 2023.

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REQUEST 4

RESPONSIBLE PARTY: **Julia J. Tucker**

Request 4. Refer to the Application, Exhibit 2, Tucker Direct Testimony, page 4, lines 9-10, and page 7, line 15. Refer also to EKPC's IRP, Table 3-2, page 65.

Request 4a. Explain EKPC's strategy to satisfy its winter capacity deficit.

Response 4a. EKPC is still developing a long-term plan to satisfy the winter capacity deficit. EKPC entered into a Power Purchase Agreement for hydroelectric energy from December 13, 2023 through May 31, 2025, for energy only and does not include capacity. The PPA is for the balance of the plant available, which can be as much as 350 MW but is dependent on water conditions. The resource proved to be a valuable generation asset during the winter peak of 2023. EKPC issued an RFP for 300 MW of hydro energy to start June 1, 2025 and go through May 31, 2035. Results of the solicitation are currently being reviewed and evaluated. Any self-build option to address winter capacity will require a minimum of four to five years for final approval and construction. Therefore, the solicitation for energy is a bridge to meet EKPC's winter loads prior

to any potential new unit being constructed or other long term generation resource being developed.

Request 4b. Provide an update to Table 3-2 with EKPC’s most recent data.

Response 4b. See below.

Season	Net Winter Peak Demand (MW)	Year	Net Summer Peak Demand (MW)	Year	Net Total Requirements (MWh)	Load Factor (%)
2011 - 12	2,481	2012	2,354	2012	12,190,070	55.9%
2012 - 13	2,597	2013	2,199	2013	12,644,590	55.6%
2013 - 14	3,425	2014	2,192	2014	13,163,516	43.9%
2014 - 15	3,507	2015	2,179	2015	12,604,942	41.0%
2015 - 16	2,890	2016	2,293	2016	13,039,953	51.4%
2016 - 17	2,871	2017	2,311	2017	12,680,111	50.4%
2017 - 18	3,437	2018	2,375	2018	13,576,581	45.1%
2018 - 19	3,073	2019	2,366	2019	13,140,304	48.8%
2019 - 20	2,723	2020	2,312	2020	12,794,457	53.5%
2020 - 21	2,862	2021	2,450	2021	13,154,676	52.5%
2021 - 22	3,017	2022	2,465	2022	14,054,646	53.2%
2022 - 23	3,289	2023	2,534	2023	15,729,754	54.6%
2023 - 24	3,349	2024	2,558	2024	15,978,213	53.9%
2024 - 25	3,370	2025	2,590	2025	16,097,281	54.5%
2025 - 26	3,400	2026	2,603	2026	16,249,016	54.6%
2026 - 27	3,419	2027	2,618	2027	16,344,822	54.6%
2027 - 28	3,452	2028	2,640	2028	16,496,452	54.4%
2028 - 29	3,467	2029	2,655	2029	16,587,477	54.6%
2029 - 30	3,484	2030	2,669	2030	16,689,158	54.7%
2030 - 31	3,504	2031	2,686	2031	16,784,952	54.7%
2031 - 32	3,535	2032	2,708	2032	16,931,348	54.5%
2032 - 33	3,551	2033	2,727	2033	17,027,037	54.7%
2033 - 34	3,578	2034	2,748	2034	17,167,590	54.8%
2034 - 35	3,607	2035	2,771	2035	17,330,048	54.8%
2035 - 36	3,651	2036	2,803	2036	17,542,966	54.7%
2036 - 37	3,673	2037	2,827	2037	17,663,615	54.9%

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REQUEST 5

RESPONSIBLE PARTY: Julia J. Tucker

Request 5. Refer to Application, Exhibit 2, Tucker Direct Testimony at 12-14 and Exhibit JJT-1 at page 2.

Request 5a. Explain why the Northern Bobwhite project was chosen over other developer projects that were less costly per MWh, including estimated interconnection timelines for the proposed projects.

Response 5a. Projects that are not interconnected with EKPC and/or PJM, require additional transmission costs to be added to the delivered cost. The reference to Exhibit JJT-1 at page 2, shows multiple projects that were offered to EKPC as PPAs in early 2023. Two projects have "LGE" prefix in the column under PJM Interconnection Queue Number. That means their interconnection is with LGE, not PJM or EKPC. Those projects require an additional study to be completed by PJM to determine if they can be reliably delivered into the PJM system in order to serve EKPC load in the PJM system. A third project has a "J" prefix, and that project is connected to MISO. Again, it would require an additional study to determine if the energy could be delivered

to PJM to serve EKPC load. To support that additional study and expense, the project must be far superior to other alternatives. One of those three projects met that criteria and EKPC pursued discussions with that developer in an attempt to develop a mutually agreeable PPA. EKPC was not successful in that endeavor as costs rose as more details of the site design were developed. The cost increase coupled with the transmission requirements eventually led to the release of this project as a potential PPA candidate. The lowest cost remaining offer, the first listed on the referenced table, was also engaged for discussions to develop a PPA and they pulled their proposal from consideration. The second project listed on that table has recently come back with a price more than \$13/MWh higher than what was offered in 2023. As evidenced from the described track record with discussions to develop PPAs, the offered prices are merely a starting point and the costs most always come in much higher than the offer price. By building and constructing projects, EKPC can control this part of the costs and bring projects in as described and within budgets. The Northern Bobwhite project was the lowest cost of the remaining projects on the table referenced. The developer was interested in transferring to EKPC its position along with the ability to construct and operate the plant. EKPC determined that the project was viable and had an executed Interconnection Agreement with PJM, so timely delivery of the energy was feasible.

Request 5b. Provide a complete cost benefit analysis comparing the Northern Bobwhite project to available solar power purchase agreements (“PPAs”). If EKPC has no data on available PPAs, provide a complete cost benefit analysis utilizing generalized market PPA data and explain why it is not actively seeking PPA proposals.

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REQUEST 6

RESPONSIBLE PARTY: **Julia J. Tucker**

Request 6. Refer to the Application, Exhibit 2, Tucker Direct Testimony, pages 15–17.

Request 6a. Explain to which Request for Proposal (RFP) the Northern Bobwhite owner/developer responded and whether the response proposed a separate power purchase agreement (PPA), sale or both a PPA and a sale bid.

Response 6a. The Northern Bobwhite owner / developer offered a bid into the early 2023 RFP as a PPA. The table on page 2 of Exhibit JJT-1 shows the summary data of that offer.

Request 6b. If the RFP response proposed a PPA, explain at what point EKPC decided to purchase the development.

Response 6b. As stated previously, the Inflation Reduction Act (“IRA”) was strategically impactful with regards to solar generation development for EKPC. Prior to the IRA, EKPC was

almost solely interested in power purchase agreements (“PPAs”) because it could not take advantage of the tax incentives directly by owning a solar facility. A PPA was its only option to indirectly obtain any value from the tax incentives. The IRA changed that dynamic and afforded EKPC the opportunity to have a direct 30 to 50% incentive to own and operate a solar facility. Self-development of utility-scale solar by cooperatives enables the cooperative to have significantly more insight and control to address the challenges to complete the project. On a project risk-adjusted basis, self-development is better than a PPA. At best, the tax benefits with a PPA are shared on a pro-rata basis whereas all benefits inure to the cooperative with a self-development project. Once NRCO completed its analysis of the self build projects as compared to the PPA offers, see pages 7 thru 9 of Exhibit JJT-1, it was apparent that self build was more advantageous to EKPC. Developments that had already started interconnection studies and found suitable sites generally brought value to the table for EKPC.

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REQUEST 7

RESPONSIBLE PARTY: Julia J. Tucker

Request 7. Refer to the Application, Exhibit 2, Tucker Direct Testimony, page 19, lines 1-20. Explain whether EKPC's self-build proposals include both the Northern Bobwhite and the Bluegrass Plains projects.

Response 7. Yes, EKPC's self-build proposals include both the Northern Bobwhite and the Bluegrass Plains projects.

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REQUEST 8

RESPONSIBLE PARTY: Patrick Bischoff

Request 8. Refer to the Application, Exhibit 2, Tucker Direct Testimony, page 19, lines 6–11.

Request 8a. Explain the current state of development for the Northern Bobwhite facility including but not limited to permitting; studies completed; site preparation; solar facility and transmission equipment procurement; and the current status of any project construction at the site.

Response 8a. This project is a 96 MW solar development that is currently in the PJM queue Transition Cycle #1 AE1 with the following studies completed and agreements executed: Feasibility Study Report, Impact Study Report, Facilities Study Report, Interconnection Service (“ISA”) and Interconnection Construction Service Agreements (“CSA”). EKPC has completed a Site Assessment Report and Environmental Assessment Report for this project. No construction or equipment procurement has occurred.

Request 8b. Explain what steps are left to be taken for the Northern Bobwhite facility to come online and whether EKPC is responsible for completing these steps. If EKPC is not responsible for completing these steps, please identify what party is responsible for completing each of these steps.

Response 8b. In order to move forward with the Northern Bobwhite project there are two main approvals required, approval of the project by the PSC and environmental approval through RUS. EKPC is responsible for completing both of these steps. After these approvals are gained, EKPC will perform the remaining obligations under the Asset Purchase Agreement for the Northern Bobwhite Solar project and move forward with procurement of the Engineering, Procurement, and Construction (“EPC”) contractor.

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REQUEST 9

RESPONSIBLE PARTY: Julia J. Tucker

Request 9. Refer to EKPC IRP at 168, Table 8-5, indicating the preferred plan to add capacity to meet EKPC's capacity needs through 2036. State whether the two proposed projects are based on any changes to this plan. Describe any changes and explain why they were made.

Response 9. The two proposed projects are addressing the Energy Additions listed in the referenced table. In EKPC's 2022 IRP ("IRP") at 166, Table 8-3 indicates energy additions in years 2022 through 2024, 2026, 2027, 2031 and 2032. At the time of filing the 2022 IRP, EKPC thought it was in the final phases of negotiations for a 110 MW solar PPA, along with a 100 MW solar PPA. Neither contract was able to be finalized and negotiations ended. The two proposed projects will begin to provide the solar energy that EKPC thought it was about to gain through the PPA contracts.

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REQUEST 10

RESPONSIBLE PARTY: **Julia J. Tucker**

Request 10. Refer to EKPC IRP at 168, Table 8-5, indicating the planned addition of 110 MW of renewable capacity in 2023, 200 MW in 2024, zero MW in 2025, 200 MW in 2026, and 200 MW in 2027. Explain which planning year the two proposed projects correlate to and how EKPC plans to meet the other years' renewable capacity planning levels. Identify any changes to the EKPC IRP and explain the reasoning for changes to that IRP.

Response 10. At the time of filing the 2022 IRP, EKPC thought it was in the final phases of negotiations for a 110 MW solar PPA, along with a 100 MW solar PPA. Neither contract was able to be finalized and negotiations subsequently ended. The two proposed projects will begin to provide the solar energy that EKPC thought it was about to gain through the PPA contracts shown in 2022 and 2023. EKPC continues to evaluate its options for renewable energy, specifically solar energy. EKPC recently issued a Request for Proposals ("RFP") for a 100 MW solar PPA. Results have just recently been received and analysis is in the beginning phases of study. EKPC will continue to evaluate self-build options as compared to PPAs as well.

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REQUEST 11

RESPONSIBLE PARTY: Patrick Bischoff

Request 11. Refer to Case No. 2020-00208. 3

Request 11a. Verify whether the project as approved by the Kentucky State Board on Electric Generation and Transmission Siting is the same project described in EKPC's application.

Response 11a. Yes, the Northern Bobwhite project as described in EKPC's application is the same project, with minor changes, as the project approved by the Kentucky State Board on Electric Generation and Transmission Siting, Case No. 2020-00208.

Request 11b. Describe any changes to the proposed project between that described in Case No. 2020-00208 and the Northern Bobwhite project described in EKPC's application.

Response 11b. The project design layout has changed from the project layout contained in Case No. 2020-00208 and the layout EKPC has proposed. The original site design was approximately 1,700 acres of impact, EKPC has reduced the impacted area to 635 acres.

Request 11c. Explain why EKPC is choosing to build the Northern Bobwhite project instead of entering into a PPA with Northern Bobwhite Solar LLC.

Response 11c. EKPC is electing to purchase, design, construct, own, and operate the Northern Bobwhite Solar project, as opposed to entering a PPA with Northern Bobwhite Solar LLC because of the economic value of the former in comparison to the latter. The primary economic value to EKPC's Owner-Members will be through credits as outlined in the Inflation Reduction Act. In addition, by electing to purchase, construct, and own the facility, EKPC will be able to remove the developer/owner margins built into the PPA. Furthermore, EKPC by building the project, as opposed to entering a PPA, EKPC maintains the ability to have a high level of control to manage the cost, schedule, quality, and safety of the project and minimize short- and long-term risks.

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REQUEST 12

RESPONSIBLE PARTY: Patrick Bischoff

Request 12. Refer to the Application, Exhibit 3, Direct Testimony of Patrick Bischoff (Bischoff Direct Testimony), page 3, lines 17-18 and Exhibit PB-2.

Request 12a. Explain whether there are any differences between the Northern Bobwhite Solar Site Assessment Report filed in the Kentucky State Board on Electric Generation and Transmission Siting (Siting Board) Case No. 2020-002084 and the site assessment report in the current proceeding. If so, list and explain any differences.

Response 12a. The project design layout has changed from the Siting Board submittal. The original site design impacted approximately 1,700 acres and now has been reduced to 635 acres. By reducing the impacted acreage, EKPC is able to optimize land usage and minimize permitting risk. EKPC understands that project impacts of greater than 640 acres requires an Environmental Impact Statement that have significant schedule impacts of two to three years to gain RUS approval. Project impacts less than 640 acres requires an Environmental Assessment that can take

up to a year for RUS approval. The reduction of impacted acres is the only difference, all remaining design criteria included in the Siting Board submittal remain consistent.

Request 12b. Explain whether EKPC is committing to adhere to all the mitigation measures either ordered in Case No. 2020-00208 or discussed in that case record and accepted by the Siting Board. If not, explain the mitigation measures which EKPC does not plan to accept or implement and the reasons for rejection.

Response 12b. EKPC is willing to adhere to the mitigation measures listed on pages 15, 16, and 17 on Siting Board Case 2020-00208 (“the PSC Order”), with the exception of mitigation measure #5 on page 16. EKPC proposes to cultivate two (2) total acres of native pollinator-friendly plant species versus four (4) as originally stated. The reason for this reduction is due to the reduction of the design area of the solar facility.

Request 12c. To the extent applicable, explain whether EKPC is willing to accept and implement similar applicable mitigation measures for the Bluegrass Plains Solar project/facility. If not, provide specific reasons for each mitigation measure EKPC is unwilling to implement.

Response 12c. EKPC is willing to accept and implement similar mitigation measures identified in the PSC Order for the Bluegrass Plains Solar project with the following exceptions:

Page 16, 3. The layout is specific to the Northern Bobwhite project. EKPC intends to provide a 15-ft vegetation buffer around the perimeter of the solar site, which will include keeping as much of the existing vegetation as possible.

Page 16, 5. Northern Bobwhite, as described in case 2020-00208, was 1,700 acres in total, while Bluegrass Plains is 387 acres. EKPC plans on providing a total of 1-acre of native pollinator-friendly plant species.

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REQUEST 13

RESPONSIBLE PARTY: Patrick Bischoff

Request 13. Refer to the Application, Exhibit 3, Bischoff Direct Testimony, Attachment PB-3, Transportation Assessment Report for the Bluegrass Plains Solar Project, page 2. The report states that construction workers are assumed to arrive generally prior to 6 a.m. and depart after 7 p.m.

Request 13a. Explain whether these are the actual planned worker arrival and departing times year round.

Response 13a. EKPC has not contracted an Engineering, Procurement, Construction (“EPC”) contractor, but intends to abide by any local noise ordinance.

Request 13b. For truck traffic delivering equipment and material to the site, explain whether these deliveries will occur during morning and afternoon. If so, explain whether any accommodation can be made to not interfere with morning and afternoon school traffic.

Response 13b. Please reference Page 186 of Attachment PB-3 – Bluegrass Plains SAR. It is expected at the peak of construction that a total of five (5) truck deliveries will occur per day. It is likely that one will occur in the AM and PM during peak hours, while the remainder will be off peak hours.

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REQUEST 14

RESPONSIBLE PARTY: Patrick Bischoff

Request 14. Explain whether Fayette County has a noise ordinance or whether there is a noise ordinance applicable to the Bluegrass Plains Solar facility.

Response 14. EKPC understands that LFUCG does have a noise ordinance within their Code of Ordinances. Sec. 14-71 and 14-72 outline the provision of the noise ordinance. Sec. 14-72(2) prohibits the operating or permitting the operation of any tools or equipment to be used in construction between the hours of 11:00 pm and 7:00 am. As set forth above, EKPC will require the EPC contractor to abide by the noise ordinance.

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REQUEST 15

RESPONSIBLE PARTY: Patrick Bischoff

Request 15. Refer to the Application, Exhibit 3, Bischoff Direct Testimony, Attachment PB-3, Appendix D: Acoustic Study.

Request 15a. Referring to page 7, provide a description of the actual type of pile driver anticipated to be used for post installation.

Response 15a. Geotechnical exploration has not been conducted for Bluegrass Plains. In 2017 EKPC completed an 8.5 MW solar facility ("Cooperative Solar 1") a few miles away from the Bluegrass Plains site. For Cooperative Solar 1, EKPC was able to drive nearly 100% of the piles using an impact type pile driver. It is assumed from this information that an impact type pile driver will be utilized for the Bluegrass Plains site with a high percentage of piles being driven.

Request 15b. Referring to page 8, explain the anticipated hours of the day within which construction will occur and the daily hours during which pile driving will occur.

Response 15b. EKPC has not contracted an Engineering, Procurement, Construction (“EPC”) contractor, but intends to use the times identified in Request 13 in the contract. The EPC will have flexibility to start and end inside this provided window, contingent upon conformance to local noise ordinance.

Request 15c. Refer to Figure 2, page 12. Provide a Figure similar to Figure 2 showing predicted noise levels during the pile driving phase of construction for sensitive noise receptors at the 1,000 foot and 2,000 foot distance. Identify each sensitive noise receptor listed in the table in subpart b.

Response 15c. See attachment, *Response 15C Attachment.pdf*, Figure 2, “Received Sound Levels, Pile Driving Activities.” The figure used acoustic modeling outputs from an impact pile driver as a conservative approach.

Request 15d. Referring to Table A-1 in Appendix A, pages 16–21. Provide an update to the table showing the distance to the nearest sensitive noise receptors upon which formed the basis for the maximum noise level.

Response 15d. See attachment, *Response 15 D Attachment.docx*, Table A-1, “Pile Driving Acoustic Modeling Results Summary.”

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REQUEST 16

RESPONSIBLE PARTY: Patrick Bischoff

Request 16. Explain whether EKPC has or intends to set up a complaint resolution process during the construction phase. If so, provide a discussion of the process.

Response 16. EKPC's contact information, including phone number and web address, has been provided to neighboring property owners in a mailing that also included an informational packet about the project and an invitation to the May 16 public meeting. EKPC's administrative offices are located approximately 3.5 miles from the project site. As with any project of this nature, EKPC's Communications and Engineering & Construction staff will work closely together to address any questions or concerns from the public that arise during construction.

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REQUEST 17

RESPONSIBLE PARTY: Patrick Bischoff

Request 17. In Case No 2020-00208, the Siting Board granted Northern Bobwhite Solar a deviation from the 2,000 feet setback requirement in KRS 278.704(2).5

Request 17a. Explain whether EKPC believes that the deviation still applies, in the answer address the jurisdiction of the Siting Board.

Response 17a. EKPC believes that the deviation granted by the Siting Board would only apply to the Northern Bobwhite facility if it was constructed as a merchant electric generating facility. Nevertheless, EKPC has reviewed the Siting Board's Order and believes that the referenced setback deviation is appropriate. Therefore, EKPC would be agreeable to and requests having an identical setback requirement.

Request 17b. Explain whether EKPC plans to seek a similar deviation for its Bluegrass Plains Solar facility. If not, explain why not.

Response 17b. EKPC has requested a deviation from this setback defined in Attachment PB-3_Bluegrass_Plains_SAR.pdf. See section 2.7 Setback Requirements (page 4).

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REQUEST 18

RESPONSIBLE PARTY: Patrick Bischoff

Request 18. Explain whether EKPC has received any negative comments during public meetings regarding the Bluegrass Plains Solar facility.

Response 18. During the May 16, 2024 public meeting, some meeting attendees expressed general opposition to using farmland for solar projects. A few neighboring property owners have expressed concern about the visual impact of the solar panels. Visual impact will be mitigated by implementation of vegetative screening.

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REQUEST 19

RESPONSIBLE PARTY: Patrick Bischoff

Request 19. Provide a copy of any written comments received regarding the Bluegrass Plains Solar facility.

Response 19. Please see the attachments *Response 19 Fayette Solar _Email_Communication 1_Redacted.pdf*, *Response 19 Fayette Solar _Email_Communication 2_Redacted.pdf*, *Response 19 Fayette_Solar_Communication 3_Redacted.pdf*, *Response 19 Fayette Solar_Communication 4_Unidentified.pdf*.

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REQUEST 20

RESPONSIBLE PARTY: Patrick Bischoff

Request 20. Referring to the Northern Bobwhite Solar Project:

Request 20a. Provide a schedule for the project, starting from the Commission's approval to the completion of the project, including the length of each construction phase. Include in the response when EKPC believes peak construction will occur within the timeline.

Response 20a. EKPC has planned the following major milestones into the Northern Bobwhite project schedule:

- Q1 2025 – CPCN Approval from PSC
- Q1 2025 – Award EPC Contract
- Q3 2025 – Completion of Design
- Q1 2026 – Commence Construction
- Q3 – Q4 2026 – Peak Construction Activities
- Q1 2027 – Complete Construction
- Q1 & Q2 2027 – Commissioning

- Q2 2027 – Commercial Operations

Request 20b. Explain if an Engineering, Procurement, and Construction (“EPC”) firm has been selected for the project. Provide the request for proposal (“RFP”) for the EPC contractor, and if an EPC contractor has been selected provide the EPC contractors responsive proposal and if one has been selected provide the EPC Firms responsive proposal.

Response 20b. The EPC firm has not been selected for the Northern Bobwhite project, nor has an RFP been released. Expected EPC award is 1st Quarter 2025, after PSC project approval.

Request 20c. Provide a one-page map showing the project and a 2-mile radius around the project. Include on the map any residential and nonresidential structures.

Response 20c. Refer to attachment *Response 20C Attachment.pdf*.

Request 20d. Provide a preliminary site layout. Include:

- (1) Security fencing.
- (2) Access Roads.
- (3) Construction entrances.
- (4) Panels.
- (5) Inverters.
- (6) Substation.

(7) Battery Energy Storage System (BESS).

(8) Transmission line.

Response 20d. Refer to the drawings contained in the attachment named *Response 20D Attachment.pdf*.

Request 20e. Provide a detailed table listing all residential structures located within 2,000 feet of the Project boundary line. For each structure, provide:

- (1) The distance to the boundary line.
- (2) The distance to the closest solar panel.
- (3) The distance to the nearest inverter.
- (4) The distance to the substation.

Response 20e. Refer to the attachments *Response 20E Attachment Table 1.pdf* and *Response 20 E Attachment.xlsx*.

Request 20f. Provide a detailed table listing all non-residential structures located within 2,000 feet of the Project boundary line. For each structure provide:

- (1) The distance to the boundary line.
- (2) The distance to the closest solar panel.
- (3) The distance to the nearest inverter.

(4) The distance to the substation.

Response 20f. Refer to attachment *Response 20F Attachment.pdf*.

Request 20g. Provide any communications that have been had with Arnolds Airport.

Response 20g. A glint/glare study was performed on the proposed site and the results indicate that there are not predicted glare occurrences on either aircraft approach paths for the Arnolds Airport or the Lebanon Springfield Airport – George Hoerter Field. The FAA has also issued a “Determination of No Hazard to Air Navigation” (“DNH”) for the proposed Northern Bobwhite Solar site.

Request 20h. Referring to the Application Exhibit 3, Attachment PB-2, Northern Bobwhite Solar Project Site Assessment Report, Section 6 Mitigation Measures, explain if additional vegetative screening is planned for the project. If no additional vegetative screening is planned, explain how EKPC will minimize impacts on scenery.

Response 20h. Wherever possible, the site will maintain natural vegetative screening; however, where the Project could be visible from a roadway or neighboring residence, the Project will add a vegetative buffer to mitigate viewshed impacts. EKPC will install vegetative buffering where natural screening is not present if solar panels or inverters are sited within 500-feet of a

residence within direct line of sight, or if solar panels or inverters are located within 300-feet of a public roadway within direct line of sight. Planted screening vegetation will include deciduous and evergreen trees and shrubs.

Request 20i. Provide any communication with United States Fish and Wildlife regarding threatened and endangered species on or around the Project site.

Response 20i. EKPC provided a letter to the USFWS dated 4/25/24 requesting concurrence with a not likely to adversely affect determination of endangered species for the Northern Bobwhite Solar project. Refer to attachment *Response 20i Attachment.pdf*.

Request 20j. Explain if a single-axis, tracking-style racking system or fixed-tilt racking system will be used for the solar array.

Response 20j. A single-axis tracking system will be used for the solar arrays on the Northern Bobwhite Solar project.

Request 20k. Provide a table of noise receptors within 2,000 feet of the construction site boundaries with expected noise levels during construction and operation.

Response 20k. Please refer to Table A.1 of “Northern Bobwhite Solar Project Acoustic Assessment”.

Request 20l. Provide a list of permits from other local, state, or federal agencies that have been or will be obtained prior to construction or operations.

Response 20l. Prior to EKPC’s involvement with the project, EDF obtained a Siting Board Certificate and Determinate of No Hazard from FAA for the two airports in the vicinity. EKPC will obtain RUS approval and CPCN approval from the Public Service Commission. The project has an Interconnection Service Agreement and Construction Service Agreement with PJM. EKPC will also obtain a Permit for Stormwater Discharges associated with Construction Activities (KYR10) through The Kentucky Division of Water. USDA RUS National Environmental Policy Act approval per RUS’s Environmental Policies and Procedures (7 CFR Par 1970), U.S. Army Corps of Engineers – Approved Jurisdictional Determination request was submitted March 4, 2024 (response pending), unavoidable waters impacts would be authorized by USACE Nationwide Permit 51.

Request 20m. Provide the proposed setbacks for known or suspected karst formations within the project site.

Response 20m. Based on the design included in the Northern Bobwhite Site Assessment Report, the proposed setbacks from known and suspected karst formations are 35-feet. Refer to *Response 20m Attachment.xlsx* and *Response 20m Attachment.pdf*.

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REQUEST 21

RESPONSIBLE PARTY: Patrick Bischoff

Request 21. Refer to the Bluegrass Plains Site project:

Request 21a. Provide a schedule for the project, starting from the Commission's approval to the completion of the project, including the length of each construction phase. Include in the response when EKPC believes peak construction will occur within the timeline.

Response 21a. EKPC has planned the following major milestones into the Bluegrass Plains project schedule:

- Q1 2025 – CPCN Approval from PSC
- Q1 2025 – Award EPC Contract
- Q3 2025 – Completion of Design
- Q4 2025 – Commence Construction
- Q2 – Q3 2026 – Peak Construction Activities
- Q1 2027 – Complete Construction
- Q1 & Q2 2027 – Commissioning

- Q2 2027 – Commercial Operations

Request 21b. Explain if an EPC firm has been selected for the project. Provide the RFP for the EPC contractor, and if an EPC contractor has been selected provide the EPC contractors responsive proposal and if one has been selected

Response 21b. EPC firm has not been selected for the Bluegrass Plains project, nor has an RFP been released. Expected EPC award is 1st Quarter 2025, after PSC project approval.

Request 21c. Provide a one-page map showing the project and a 2-mile radius around the project. Include on the map any residential and nonresidential structures.

Response 21c. Refer to attachment, *Response 21C Attachment.pdf*.

Request 21d. Provide a preliminary site layout. Include:

- (1) Security fencing.
- (2) Access Roads.
- (3) Construction entrances.
- (4) Panels.

- (5) Inverters.
- (6) Substation.
- (7) Battery Energy Storage System (BESS).
- (8) Transmission line.

Response 21d. Reference Attachment PB-3 – Bluegrass Plains SAR.pdf, page 16, drawing C-200.

Request 21e. Provide a detailed table listing all residential structures located within 2,000 feet of the Project boundary line. For each structure, provide:

- (1) The distance to the boundary line.
- (2) The distance to the closest solar panel.
- (3) The distance to the nearest inverter.
- (4) The distance to the substation.

Response 21e. Reference the attachment, *Response 21E Attachment.xls*.

Request 21f. Provide a detailed table listing all non-residential structures located within 2,000 feet of the Project boundary line. For each structure provide:

- (1) The distance to the boundary line.
- (2) The distance to the closest solar panel.

(3) The distance to the nearest inverter.

(4) The distance to the substation. provide the EPC Firms responsive proposal.

Response 21f. Reference the attached, *Response 21F Attachment.xls*. For the purpose of this data request, “non-residential structures” were defined as barns, garages, agricultural buildings, and other outbuildings detached from residential structures.

Request 21g. Provide any communication with United States Fish and Wildlife regarding threatened and endangered species on the Project site.

Response 21g. EKPC and its consultants are conducting a Biological Assessment (“BA”) of the proposed project area and will submit a Request for Informal Consultation letter report to the U.S. Fish and Wildlife Service, Kentucky Field Office (“USFWS KFO”) in accordance with Section 7 of the Endangered Species Act (16 U.S.C 1531 et seq). The report and a recommended determination of effect finding of not likely to adversely affect/jeopardize for all federally listed species evaluated is expected to be submitted by the end of June 2024.

Request 21h. Explain if a single-axis, tracking-style racking system or fixed-tilt racking system will be used for the solar array.

Response 21h. A single-axis tracking system will be used for the solar arrays on the Bluegrass Plains Solar project.

Request 21i. Provide any plans to coordinate with local landowners in case of complaints or other issues that might arise during construction or operation of the project.

Response 21i. Please refer to the provided response to Request 16 within this Data Request.

Request 21j. Explain any specific restrictions that are proposed to be placed on the time of day or days of the week during which pile driving or other loud construction activities may take place. Include in the response the estimated length of time pile driving will occur during construction.

Response 21j. Please refer to the responses provided to Requests 13a and 15b within this Data Request. All construction activities will be within the requirements outlined by the local noise ordinance.

Request 21k. Provide a table of noise receptors within 2,000 feet of the construction site boundaries with expected noise levels during construction and operation.

Response 21k. Please refer to attachment PB-3 Bluegrass Plains Solar Project Site Assessment Report, Appendix D: Acoustic Study, Appendix A, Table A-1 and Table A-2. All noise sensitive receptors within 2,000-feet of the construction site boundaries are included in these tables.

Request 21l. Provide a list of permits from other local, state, or federal agencies that have been or will be obtained prior to construction or operations.

Response 21l. EKPC will obtain RUS approval and CPCN approval from the Public Service Commission. The project will also receive a System Impact Study, an Interconnection Service Agreement, and Construction Service Agreement with PJM. Prior to construction, EKPC will also obtain a Land Disturbance Permit through Lexington-Fayette Urban County Government and a Permit for Stormwater Discharges Associated with Construction Activities (KYR10) through Kentucky Division of Water. USDA RUS National Environmental Policy Act approval per RUS's Environmental Policies and Procedures (7 CFR Par 1970), U.S. Army Corps of Engineers – Approved Jurisdictional Determination request was submitted March 4, 2024 (response pending), unavoidable waters impacts would be authorized by USACE Nationwide Permit 51.

Request 21m. Provide the proposed setbacks for known or suspected karst formations within the project site.

Response 21m. Karst formations will be identified as the project progresses, likely in Quarter 1 or 2 of the calendar year 2025. Proposed setbacks will be consistent with Northern Bobwhite (Response 20m) at 35-feet.

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REQUEST 22

RESPONSIBLE PARTY: Thomas J. Stachnik

Request 22. Refer to the Direct Testimony of Thomas J. Stachnik (Stachnik Direct Testimony), pages 4-5.

Request 22a. Provide an estimate of how much of the project will be financed through EKPC general purpose cash. Include in the response the amount of EKPC's general corporate cash reserves.

Response 22a. In addition to being eligible for a direct-pay Investment Tax Credit, EKPC will receive financing for these projects in the form of grants or low-interest loans from the RUS New ERA program, and / or core RUS/FFB loans (at treasury rate or treasury rate plus 1/8%). However, there is a lag between expending the cash for projects and receiving the funds from RUS/FFB, which is why we initially fund with general corporate cash and credit facility

availability. Refer to Attachment TS-1 page 7 of the Stachnik Direct Testimony. As of February 29, 2024, EKPC held \$201 million in cash and equivalents. This represents about 80 days of EKPC's average cash expenditures.

Request 22b. Provide the total amount of EKPC's Revolving Credit Facility and how much EKPC intends to use for the purposes of this project.

Response 22b. Currently, EKPC's Revolving Credit Facility is \$500,000,000, but can be expanded via an 'accordion feature' up to \$800,000,000 if the participating and/or new banking institutions agree. In addition, EKPC has a \$100 million undrawn bi-lateral facility with CFC to provide additional liquidity if needed. As of February 29, 2024, \$225,000,000 was outstanding on the Credit Facility.

Request 22c. Explain what EKPC means by "additional favorable financing options" when discussing Rural Utilities Service's (RUS) New ERA program.

Response 22c. As part of the Inflation Reduction Act, Congress authorized \$9.7 billion in grants and low-interest loans specifically for electric cooperatives for the purpose of funding projects which will result in the greatest reduction in greenhouse gas emissions. A notice of funding opportunity ("NOFO") was issued in May 2023 by RUS. EKPC responded with a letter of interest ("LOI") in September 2023 and was invited to proceed with a full application in April 2024. This application has not yet been submitted.

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REQUEST 23

RESPONSIBLE PARTY: Thomas J. Stachnik

Request 23. Refer to the Stachnik Direct Testimony, page 4. Confirm that through the Investment Reduction Act (IRA), EKPC would not receive financing for the proposed project rather than tax credits. If confirmed, explain how the IRA tax credits would get passed back through to EKPC's customers.

Response 23. EKPC expects to be able to receive the 40% direct-pay Investment Tax Credit (after project completion). Additional financing may be available at a later date from the RUS New ERA program. Both items would lower costs to EKPC, which would be passed through as savings to cooperative rate payers.

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REQUEST 24

RESPONSIBLE PARTY: Thomas J. Stachnik

Request 24. Refer to the Stachnik Direct Testimony, page 4 and 7. On page 4, EKPC states that it will replace any temporary financing with long-term debt issued under the trust indenture from the RUS or other lenders. However, on page 7, EKPC states that the lowest cost financing that will be available will be that available under the IRA or from RUS under its usual Electric Program, and that no other forms of financing were considered.

Request 24a. Provide justification that the RUS Electric Program will provide the lowest form of financing possible considering EKPC refers to "other lenders" when considering long-term debt.

Response 24a. All else equal, the RUS electric program (at Treasury rate or Treasury rate + 1/8%) and other government programs such as the investment tax credits and new ERA funding are always more attractive than borrowing from other institutions, as such, EKPC always maximizes these opportunities. However, at times it is beneficial to borrow from other lenders to provide quicker liquidity than these government programs can provide.

Request 24b. Explain how much long-term debt EKPC would anticipate borrowing in regard to the proposed projects.

Response 24b. Up to 100% of these projects will be financed with long-term debt.

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REQUEST 25

RESPONSIBLE PARTY: Thomas J. Stachnik

Request 25. Refer to the Stachnik Direct Testimony, page 7.

Request 25a. Confirm that EKPC does not participate in a corporate borrowing program.

If confirmed, explain why not.

Response 25a. This question is unclear. All of EKPC borrowings are detailed in Attachment TS-1 of the Stachnik Direct Testimony.

Request 25b. EKPC states that costs of capital expenditures will be replaced with long-term debt. Explain why EKPC is not financing the proposed project with all long-term debt as compared to utilizing general corporate cash and its revolving credit line. Include in the response how it is more cost-effective to EKPC's customers.

Response 25b. General corporate cash and the credit facility are used temporarily due to the lag between expending funds for the projects and receiving permanent long-term funding. EKPC endeavors to put in place the lowest cost financing as quickly as possible.

Request 25c. Provide EKPC's current capital structure. Include in the response a hypothetical capital structure that would include any short-term or long-term debt from this proposed project.

Response 25c. Refer to the balance sheet on page 7 of attachment TS-1 of the Stachnik Direct Testimony. EKPC's current capital structure consists of \$803 million of members' equities, \$2.606 billion of long-term debt, and \$119 million current portion of long-term debt. A hypothetical capital structure would add 100% of the value of these projects as long-term debt, and eventually increased members' equities by the amounts of any tax credits and grants received.