

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

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER	)	2024-00145
COOPERATIVE, INC FROM MAY 1, 2023)	
THROUGH OCTOBER 31, 2023)	

**RESPONSES TO COMMISSION STAFF'S INFORMATION REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.
DATED AUGUST 2, 2024**

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER	)	2024-00145
COOPERATIVE, INC FROM MAY 1, 2023)	
THROUGH OCTOBER 31, 2023)	

CERTIFICATE

STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Christopher E. Adams, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff’s First Request for Information in the above-referenced case dated August 2, 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.

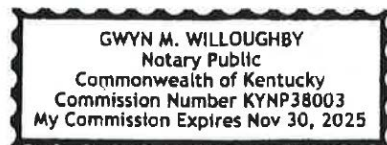
Christopher E. Adams

Christopher E. Adams

Subscribed and sworn before me on this 26th day of August 2024.

Gwyn M. Willoughby

 Notary Public



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER	)	2024-00145
COOPERATIVE, INC FROM MAY 1, 2023)	
THROUGH OCTOBER 31, 2023)	

CERTIFICATE

STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Michelle K. Carpenter, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff’s First Request for Information in the above-referenced case dated August 2, 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.

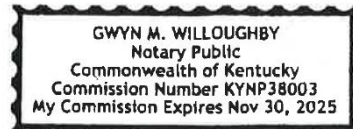
Michelle K. Carpenter

Michelle K. Carpenter

Subscribed and sworn before me on this 26th day of August 2024.

Gwyn Willoughby

 Notary Public



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER	)	2024-00145
COOPERATIVE, INC FROM MAY 1, 2023)	
THROUGH OCTOBER 31, 2023)	

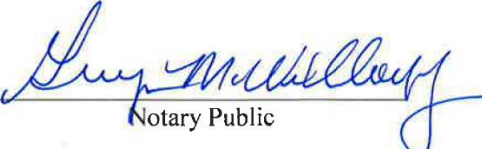
CERTIFICATE

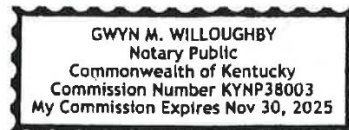
STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Mark Horn, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's First Request for Information in the above-referenced case dated August 2, 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.

Mark Horn

Subscribed and sworn before me on this 26th day of August 2024.


 Notary Public



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER	)	2024-00145
COOPERATIVE, INC FROM MAY 1, 2023)	
THROUGH OCTOBER 31, 2023)	

CERTIFICATE

STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Craig Johnson, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff’s First Request for Information in the above-referenced case dated August 2, 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.

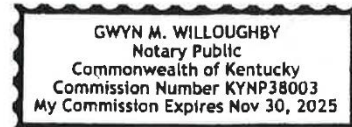
Craig Johnson

Craig Johnson

Subscribed and sworn before me on this 26th day of August 2024.

Gwyn M. Willoughby

Notary Public



EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 1

RESPONSIBLE PARTY: Mark Horn

Request 1. For the period under review, provide the amount of coal purchased in tons and the percentage of purchases that were spot versus contract.

Response 1. Please see the attachment *Response 1 Attachment.xls*. All coal purchases have been filed with the Commission.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 2

RESPONSIBLE PARTY: Mark Horn

Request 2. For the period under review, list each coal purchase made under a long-term contract (one year or greater). For each purchase, list:

- a. Contract or purchase order number;
- b. supplier's name;
- c. Location(s) of production facilities from which the coal is sourced;
- d. The method of delivery, (i.e., barge, truck, rail, other);
- e. The actual quantity received; and
- f. Price paid per ton;

Response 2. Please see pages 2 through 4 of *Response 2 Attachment.pdf*.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 3

RESPONSIBLE PARTY: Mark Horn

Request 3. As of the last day of the review period:

Request 3a. State the coal inventory level in tons and in number of days' supply. Provide this information by generating station and in the aggregate.

Response 3a. East Kentucky's aggregate coal inventory level as of October 31, 2023, was 1,395,822.55tons – 70 days' supply at max burn. By generating station, the levels are as follows:

	<u>Tons</u>	<u>Days</u>
Cooper	238,326.31	66
Spurlock	1,067,543.13	66

Request 3b. Describe the criteria used to determine number of days' supply.

Response 3b. Number of days' supply is determined by actual tons in inventory divided by the total maximum daily usage for East Kentucky's generating units. Same methodology applies to each generation station and in the system aggregate.

Request 3c. State the target coal inventory level for each generating station and for the total system.

Response 3c. The Cooper Power Station inventory was above its target range entering winter and summer of 25-60 days' supply. The Spurlock Power Station was above its target range of 25-45 days' supply. East Kentucky's aggregate coal inventory as of October 31, 2023, was above its target range of 25-50 days' supply.

Request 3d. If actual coal inventory exceeds the target inventory by ten days' supply, state the reasons for the excessive inventory.

Response 3d. East Kentucky's coal inventory did exceed its target inventory by ten days at Spurlock Power Stations as of the last day of the review period. The primary reason for the excessive coal inventory was a reduction in the coal burn. A combination of lower gas prices and mild weather led to the actual coal burn falling significantly short of the projected coal burn used when the coal was procured. Market conditions are subject to change over time and may result in deviations in the projected burn. As defined in EKPC's Board Policy, such deviations are not a compliance violation. Spurlock Power Station's inventory was back within range in July 2024.

Request 3e. State whether any significant changes in the current coal inventory target are expected within the next 12 months. If so, state the expected change and the reasons for this change.

Responses 3e. East Kentucky does not expect significant changes in its current coal inventory target within the next 12 months. With the return of market volatility and a shallower coal market, the upper limit of Spurlock Power Station's range could increase in the near future. Nevertheless, the physical coal inventories are expected to remain within the target ranges by generation station and in the system aggregate.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 4

RESPONSIBLE PARTY: Mark Horn

Request 4. List each written coal supply solicitation issued during the period under review.

a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the period over which deliveries were requested, and the generating unit(s) for which the coal was intended.

b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.

Responses 4a-b. Please see pages 2 through 8 of attachment *Response 4 Attachment.pdf*.

Confidential protection of the bid tabulation sheets or corresponding documents that ranked the proposals has been requested in the form of a motion for confidential treatment.

EAST KENTUCKY POWER COOPERATIVE, INC.

**PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST**

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024

REQUEST 5

RESPONSIBLE PARTY: Mark Horn

Request 5. List each oral coal supply solicitation issued during the period under review.

a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the period over which deliveries were requested, and the generating unit(s) for which the coal was intended.

b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection. For each lowest-cost bid not selected, explain why the bid was not selected.

Responses 5a-b. No oral coal supply solicitation issued during the period under review.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 6

RESPONSIBLE PARTY: Mark Horn

Request 6. For the period under review, list each vendor from whom natural gas was purchased for generation and the quantities and the nature of each purchase (i .e., spot or contract).

Response 6. Please refer to the table below.

<u>Vendor</u>	<u>Quantity (MMBtu)</u>	<u>Type of Purchase</u>
Eco-Energy	146,413	Spot
Nextera Energy	47,060	Spot
NJR Energy	10,000	Spot
Sequent Energy	108,646	Spot
Tenaska Mktg.	2,991,140	Spot
United Energy	385,000	Spot

Please note that NAESB contracts with the above vendors have been filed with the Commission. For the period under review in total (six-month period ending October 31, 2023). East Kentucky's gas purchases were 100% spot.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 7

RESPONSIBLE PARTY: Mark Horn

Request 7. For the period under review, state whether there were any instances in which a natural gas generating unit could not be operated when it otherwise would have run due to pipeline constraints or natural gas being unavailable.

Response 7. No. During the period under review, there were no instances in which a natural gas unit could not be operated due to pipeline constraints or natural gas being unavailable.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 8

RESPONSIBLE PARTY: Mark Horn

Request 8. State whether there have been any changes to hedging activities for coal or natural gas purchases used for generation since the previous FAC review proceeding. If so, describe the changes in detail.

Response 8. For natural gas, East Kentucky Power Cooperative executed a total of three (3) spot physical natural gas hedges during this time period. With forecasted high temperatures and conservative operations from PJM, these spot forward agreements were put into place to ensure gas availability and mitigate price volatility for our owner members. Physical hedges were secured for July and September 2023 for 3-day increments. In July of 2023, the spot hedges consisted of 20,000 Dthm/day for a period of three (3) consecutive days for a total of 60,000 Dthm for Smith Power Station, and 10,000 Dthm/day for a period of three (3) consecutive days for a total of 30,000 Dthm at Bluegrass Generating Station. In September of 2023, a spot hedge of 20,000 Dthm/day for a period of three (3) consecutive days for a total of 60,000 Dthm for Smith Station was also secured.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 9

RESPONSIBLE PARTY: Mark Horn

Request 9. State whether EKPC has audited any of its fuel or transportation contracts during the period under review. If so, for each audited contract:

- a. Identify the contract;
- b. Identify the auditor;
- c. State the results of the audit; and
- d. Describe the actions that EKPC took as a result of the audit.

Responses 9. No contracts were audited for the period under review.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 10

RESPONSIBLE PARTY: Mark Horn

Request 10. State whether EKPC is currently involved in any litigation with its current or former fuel suppliers or transportation vendors.

a. If yes, for each litigation:

(1) Identify the supplier or vendor;

(2) Identify the contract involved;

(3) State the potential liability or recovery to EKPC;

(4) List the issues presented; and

(5) Provide a copy of the complaint or other legal pleading that

initiated the litigation and any answers or counterclaims. If a copy has previously been filed with the Commission, provide the date on which it was filed and the case in which it was filed.

b. Identify and provide the current status of all litigation with suppliers and vendors.

Responses 10(a-b). EKPC is not currently involved in any litigation with its current or former fuel suppliers or transportation vendors.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 11

RESPONSIBLE PARTY: Mark Horn

Request 11a-b. a. For the period under review, state whether there have been any changes to EKPC's written policies and procedures regarding its fuel procurement. If yes:

- (1) Describe the changes;
- (2) Provide the written policies and procedures as changed;
- (3) State the date(s) the changes were made; and
- (4) Explain why the changes were made.

b. If no, provide the date EKPC's current fuel procurement policies and procedures were last changed, provide the date when they were last provided to the Commission, and identify the proceeding in which they were provided. If any current fuel procurement policies and procedures have not been provided to the Commission, provide those fuel procurement policies and procedures and explain why they were not previously provided.

Response 11a-b. East Kentucky updated its Fuel and Emissions Department Procurement Manual (“Manual”) on October 11, 2023. The definition of terms was clarified, as well as the addition of the term Board Risk Oversight Committee (“BROC”). New responsibilities within the Fuel and Emissions Department were added and clarification was given to existing responsibilities. On August 29, 2023, changes were made to the Fuel, Emissions, Limestone, and Lime Strategy (“Strategy”). The Strategy was updated with clarification of the maximum amount of sulfur in coal and the inclusion of spot or forward purchases made from Smith and Bluegrass Natural Gas Contracts. On August 18, 2023, East Kentucky revised its Coal Specifications and Information to update the maximum sulfur specification for Cooper Power Station.

Pursuant to the Commission’s March 24, 2020, Order in Case No. 2020-00085, EKPC is submitting the confidential material to the Commission in a PDF via an email to PSCED@ky.gov, which is filed under seal and subject to a motion for confidential treatment. See *Response 11 Attachment.pdf*. The Manual, Strategy and Coal Specifications and Information is provided as follows: The revised copy of the Manual is on pages 4 through 125, and the redline copy is on pages 126 through 238. The revised copy of the Strategy is on pages 239 through 248, and the redline copy is on pages 249 through 258. The revised copy of the Coal Specifications and Information is on pages 259 through 260, and the redline copy is on pages 261 through 262. Confidential treatment was granted for the previous version of the Manual as tendered in Case No. 2022-00264. Confidential treatment was granted for the previous version of the Strategy as tendered in Case No. 2023-00009.

On June 12, 2023, the East Kentucky Board of Directors updated Policy No. 404, Transaction Authority Limits for Energy and Energy Related Commodities and Transportation, to include a further explanation of the authorization of the day ahead demand bid. A revised copy of the policy is included, in the previously referenced PDF, on pages 263 through 280, and the redline copy is on pages 281 through 298. Confidential treatment was granted for the previous version of this document as tendered in Case No. 2023-00009.

In addition, Administrative Policy No. A031, Internal Delegation of Authority, was revised August 10, 2023, to correlate with the changes to Policy No. 404 as stated above. A revised copy of the policy is provided in the previously referenced PDF on pages 299 through 325, and the redline copy is on pages 326 through 354. Confidential treatment was granted for the previous version of this document as tendered in Case No. 2023-00009.

No other policies or procedures were updated during the period under review. Board Policy No. 405 was previously filed with the Commission August 18, 2021, Case No. 2021-00293.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 12

RESPONSIBLE PARTY: Christopher E. Adams

Request 12. For the period under review, list all firm power commitments for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in megawatts, and the purpose of the commitment (i.e., peaking, emergency).

Responses 12.

(a) Purchases

Party	Commitment	Purpose	Date of Commitment
SEPA	Up to 170 MW/hr.	Energy	07/01/1998 – Indefinite*
Shell Energy North America (US), L.P.	50 MW/hr.	Energy	10/01/2023 – 10/31/2023
Dynegy Marketing and Trade, LLC	60 MW/day	Capacity	06/01/2022 – 05/31/2023

**Contract is on-going until one party gives notice three years in advance of the date that it wishes to end the contract. No notices have been filed by either Party.*

(b) Sales

None.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 13

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 13. Provide a monthly billing summary of sales to all electric utilities for the period under review.

Response 13. Please see *Response 13 Attachment.pdf* pages 1 through 36 for sales to EKPC's Owner-Member Cooperatives and pages 37 through 42 for off-system sales for the period of May 1, 2023 through October 31, 2023.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 14

RESPONSIBLE PARTY: Christopher E. Adams

- Request 14.** Describe the effect on the FAC calculation of line losses related to:
- a. Intersystem sales when using a third-party transmission system; and
 - b. Intersystem sales when not using a third-party transmission system.

Responses 14.

- a. None
- b. None

EAST KENTUCKY POWER COOPERATIVE, INC.

**PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST**

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024

REQUEST 15

RESPONSIBLE PARTY: Craig A. Johnson

Request 15. Provide a list, in chronological order, showing by unit any scheduled, actual, and forced outages for the period under review.

Response 15. See attachment *Response 15 Attachment.pdf*.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 16

RESPONSIBLE PARTY: **Michelle K. Carpenter**

Request 16. For the period under review, provide the monthly supporting peaking unit equivalent calculation in electronic Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible for the forced outage calculations. In addition, provide the corresponding amount, if any, of forced outage purchased power collected through the purchase power adjustment tariff.

Request 16. EKPC does not use peaking unit equivalent calculations. Also, EKPC does not have a purchase power adjustment tariff to recover forced outage purchased power. However, in Case No. 2021-00103, EKPC proposed an adjustment to Other Power Supply Expense to include a component for FAC highest cost unit exclusions and forced outage disallowances based upon a historic five-year average, which was included in rates approved by the Commission effective with service rendered on and after October 1, 2021.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 17

RESPONSIBLE PARTY: Craig A. Johnson

Request 17. For the period under review, provide the monthly capacity factor at which each generating unit operated.

Request 17. See attachment *Response 17 Attachment.pdf*.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 18

RESPONSIBLE PARTY: Craig A. Johnson

Request 18. For the period under review, explain whether EKPC made any changes to its maintenance and operation practices or completed any specific generation efficiency improvements that affect fuel usage at EKPC's generation facilities. If so, describe the impact of these changes on EKPC's fuel usage.

Response 18. EKPC made no changes to its maintenance and operation practices or completed any efficiency improvements that affect fuel usage at any of its generation facilities during the period under review.

EAST KENTUCKY POWER COOPERATIVE, INC.

**PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST**

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024

REQUEST 19

RESPONSIBLE PARTY: Mark Horn

Request 19. State whether EKPC is aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period under review.

Response 19. EKPC is not aware of any violations of its policies and procedures regarding fuel procurement.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 20

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 20. State whether EKPC is aware of any violations of 807 KAR 5:056 that occurred prior to or during the period under review.

Response 20. EKPC is not aware of any violations of 807 KAR 5:056 occurring prior to or during the period under review.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2024-00145

FUEL ADJUSTMENT CLAUSE

RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024

REQUEST 21

RESPONSIBLE PARTY: Mark Horn

Request 21. State whether all fuel contracts related to commodity and transportation have been filed with the Commission. If any contracts have not been filed, explain why they have not been filed and provide a copy.

Response 21. All fuel contracts related to commodity and transportation have been filed with the Commission.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 22

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 22. Identify any customers, either by class of customer or pursuant to special contract, that are not billed a FAC charge.

Response 22. Two Special Industrial Power Agreements with Tennessee Gas Pipeline Company (TGP) to serve pipeline compressor stations located in the territories of EKPC owner-member cooperatives are not billed a FAC charge. The pricing structures within these contracts enable the cost of energy purchased and fuel used to serve the pumping stations to be recovered directly from TGP. Accordingly, such cost are not included in EKPC's FAC calculation and no FAC is charged on their respective bills.

It should also be noted that a FAC charge is not applied to certain aspects of billed kWh based upon the provisions contained within the below listed rates and industrial power agreements (IPA).

Rates B, C, and G – These rates have monthly minimum energy billing requirements.

When energy is billed at the minimum kWh level, the FAC charge is limited to actual kWh

usage. The additional kWh billed to meet minimum requirements is not charged the FAC given no fuel or purchased power was used.

Rate D (Interruptible Service) – As outlined in the associated three-party IPAs approved by the Commission, customers electing to participate in the Rate D, Interruptible Service Rider, have the opportunity to purchase or “buy-through” power during economic interruptions and pay for such energy at the PJM EKPC zone price during the interruption hours. Given the cost of the buy-through power is recovered directly, it is excluded from EKPC’s FAC calculation and, as stipulated in the IPA, no FAC is charged on the kWh associated with the buy-through power.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2024-00145
FUEL ADJUSTMENT CLAUSE
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/02/2024
REQUEST 23

RESPONSIBLE PARTY: Michelle K. Carpenter

Request 23. If any customer class or special contract has or is not being charged a FAC, state the date when the FAC ceased being charged.

Response 23. The provisions of the Special Industrial Agreements, Rates, and Industrial Power Agreements as described in Response 22 have been long-standing at EPKC. While it is difficult to determine when the provisions were first enacted, we can affirm they have been in place for over 10 years. In fact, the Special Industrial Agreements have been in effect since September 2000.