

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. TO)	CASE NO.
ESTABLISH A NEW TARIFF FOR DATA CENTER)	2025-00140
TARIFF)	

RESPONSES TO STAFF’S SECOND INFORMATION REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.
DATED JULY 25, 2025

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

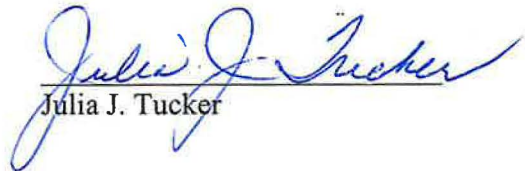
In the Matter of:

ELECTRONIC TARIFF FILING OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. TO)	CASE NO.
ESTABLISH A NEW TARIFF FOR DATA CENTER)	2025-00140
POWER)	

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 Commission Staff's Second Request for Information in the above-referenced case dated July 25, 2025, 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 7th day of August, 2025.





Notary Public

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. TO)	CASE NO.
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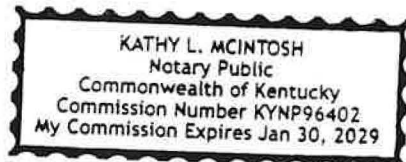
STATE OF KENTUCKY)
)
COUNTY OF CLARK)

David Samford, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Second Request for Information in the above-referenced case dated July 25, 2025, 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.



David Samford

Subscribed and sworn before me on this 7th day of August, 2025.





Notary Public

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION


In the Matter of:

ELECTRONIC TARIFF FILING OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. TO)	CASE NO.
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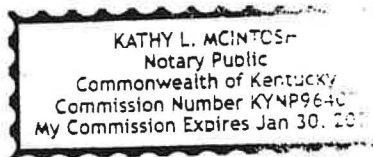
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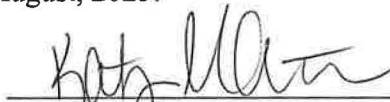
STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Darrin 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 Second Request for Information in the above-referenced case dated July 25, 2025, 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.


Darrin Adams

Subscribed and sworn before me on this 7th day of August, 2025.




Notary Public

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00140
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JULY 25, 2025

REQUEST 1

RESPONSIBLE PARTY: David Samford

Request 1. Refer to EKPC's response to Commission Staff's First Request for Information (Staff's First Request), Item 3(a).

a. Explain how EKPC categorizes potential data center customers. In this explanation, explain how EKPC determines whether an inquiry expressing interest from a potential data center to locate in EKPC territory represents a serious or a speculative inquiry.

b. Explain whether EKPC expects an application fee to typically be around \$250,000. If not, explain the reasoning for including this amount in the justification of cost.

Response 1.

a. EKPC does not use a specific matrix or formal criteria to categorize potential data center customers. However, a prospective customer that is willing and able to pay the application fee is generally regarded as more than likely to be able to follow-through on the development of a project. For those prospective data center customers who have not yet filed an application, other characteristics offer insight as to whether the inquiry is serious. Although not an exhaustive list, such characteristics would include: (1) whether the data center would be owned by the operator or

by a developer; (2) if owned by a developer, whether the developer has specific data center operators involved in the project; (3) the financial strength of the potential customer; (4) the potential customer's experience in this or similar development projects; (5) the potential customer's sophistication of knowledge with regard to power markets, the transmission system and related technical expertise; and (6) the potential customer's ability to secure land (or rights to land) for the proposed project.

b. Most of the inquiries for power to serve potential data centers received by EKPC are for loads in excess of 250 MW; therefore, the maximum fee would be charged.

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REQUEST 2

RESPONSIBLE PARTY: David Samford

Request 2. Explain which of the below listed costs occur after a prospective customer has paid the application fee provided in EKPC's response to Staff's First Request, Item 3(a), which states:

EKPC set the fee to approximate the cost of responding to the numerous questions a prospective data center customer might ask, the hours of internal consideration and work that is needed from a power supply, transmission planning, economic development, legal, risk management and financial perspective and covering vendor expenses associated with these activities.

Response 2. The fee is intended to recover costs that are both unique to the specific project and a portion of costs that may be spread over several projects. To illustrate the project-specific costs, preliminary conversations will likely have been had on the broad scope of the project before the application is filed to help the data center customer determine whether it makes sense to file an application. However, the bulk of time spent working with a specific, prospective

data center customer to understand their total power needs, ramp rate, project timing, interconnection costs, power supply plans, and similar information will be incurred after the application is filed. EKPC does not specifically itemize these internal costs; however, all time spent working on a prospective data center's application is time the employee would otherwise spend on work to benefit EKPC's existing Owner-Members. A second category of project-specific costs are those which arise from retaining consultants to help EKPC understand a particular aspect of the proposed data center project. Costs of this nature would not be incurred until the prospective data center customer has filed an application.

Apart from these project-specific costs, EKPC continues to incur certain costs that are more properly apportioned across multiple data center applications because they are more generic in nature. Examples of these types of costs are those involved in developing the data center tariff and power supply agreement template, which is still in development, and consulting costs associated with preparing financial studies. For these types of costs, any single data center applicant would only pay a portion of the total cost incurred by EKPC.

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REQUEST 3

RESPONSIBLE PARTY: David Samford

Request 3. Refer to EKPC's response to Staff's First Request, Item 4. Hypothetically, if a prospective data center customer were to express opposition to any of the terms outlined in the proposed DCP tariff, explain how EKPC might take the opposition into consideration.

Response 3. If a data center customer objected to any specific provision of an approved data center tariff, EKPC, the Owner-Member distribution cooperative that would ultimately serve the data center customer and the customer would negotiate to resolve the dispute as part of the negotiation of the special contract. All special contracts involving data centers will be submitted to the Commission for review and approval, which provides an opportunity for the Commission to determine if any departures from the tariff are fair, just and reasonable.

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STAFF'S REQUEST DATED JULY 25, 2025

REQUEST 4

RESPONSIBLE PARTY: David Samford

Request 4. Refer to EKPC's response to Staff's First Request, Item 5. Explain whether EKPC viewed the tariffs of other cooperatives that serve data centers. If so, explain what load factor is generally used in these tariffs.

Response 4. EKPC has not reviewed any written tariffs for data centers from other cooperatives. Most of EKPC's communications with other cooperatives regarding their experience in serving data centers has been verbal in nature. However, several cooperatives that are developing data center tariffs have reached out to EKPC and requested to see the proposed tariff.

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STAFF'S REQUEST DATED JULY 25, 2025

REQUEST 5

RESPONSIBLE PARTY: Julie Tucker

Request 5. Refer to EKPC's response to Staff's First Request, Item 7.

- a. Explain why EKPC chose the capacity value of a new combustion turbine (CT) rather than a different generating unit.
- b. Confirm if the CT is part of the next planned generating unit.
- c. In light of the approved generation in Case No. 2024-00370, explain why EKPC did not select a combined cycle gas turbine.

Response 5.

- a. EKPC desired to balance three key objectives in setting the approximate size of a combustion turbine's ("CT") capacity as the threshold for requiring a Dedicated Resource. First, EKPC desired to be consistent with Kentucky's long-standing policy of having "steel in the ground" to serve load. Smaller loads are easier to integrate into a utility's load portfolio because they do not necessarily require a new generation resource to serve them. However, as load size increases, the ability of a utility to have existing "steel in the ground" to serve the load diminishes. Second, a CT's capacity was used as the proximate trigger for a Dedicated Resource because it

affords flexibility in portfolio planning. A CT can be built and operated on a stand-alone configuration or combined with other CTs to operate in a combined cycle configuration. As EKPC contemplates working through multiple applications for potential data center projects, having resource planning flexibility is desirable. Third, other forms of generation resources are not feasible. Investing in a nuclear power plant would take too long and present unacceptable financial risk to EKPC. Likewise, renewable generation resources do not have the capacity factors necessary to be able to serve data centers and battery systems would make the cost of power uncompetitive. Though the EPA is on a path to roll-back regulations that make investments in new coal-fired generation possible, this form of generation is not yet feasible. The inability to use other forms of generation as a Dedicated Resource leaves natural gas, and specifically CTs, as the preferred unit for incrementally adding generation to serve data centers.

b. EKPC can confirm that a CT is the next generation resource it plans to add to its portfolio. To achieve economies of scale and in anticipation of serving large future loads, EKPC secured an option for three Siemens gas-fired turbines. Two of those turbines will be used to power the combined cycle unit for which a certificate of public convenience and necessity and site compatibility certificate were issued in Case No. 2024-00370. EKPC's Board voted in July 2025 to exercise the option on the third Siemens turbine and authorized EKPC to seek regulatory approvals for the third Siemens turbine to be utilized as a stand-alone unit. EKPC anticipates filing an application seeking a certificate of public convenience and necessity and site compatibility certificate within the next few months. The primary purpose of the third turbine will be to serve new load that arises from data centers or other customers that was not incorporated in the most recent EKPC Load Forecast.

c. The relative cost of a CT to a combined cycle is significant. Market availability and inflationary cost increases make purchasing a fourth turbine in order to develop a second combined cycle unit significantly more expensive and subject to delays. If EKPC has a data center that requires Dedicated Resources sufficient to require a combined cycle resource, EKPC will consider adding an additional CT to the third CT already under contract with Siemens to provide additional generation capacity.

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REQUEST 6

RESPONSIBLE PARTY: David Samford

Request 6. Refer to EKPC's response to Staff's First Request, Item 9b.

- a. Explain whether any revisions to EKPC's Rate H would be required in order for a data center to participate. If so, explain when EKPC would update Rate H.
- b. Explain whether EKPC has had discussions with data centers that have inquired about locating in EKPC's territory that are interested in procuring renewable energy or renewable energy credits. If so, summarize the discussions.

Response 6.

- a. EKPC does not believe that a revision would be required to Rate H; however, if negotiations in relation to a special contract to serve a data center revealed a need to depart from the terms of Rate H, EKPC would incorporate the revision into the special contract and present it to the Commission for review and approval.
- b. All discussions with a potential data center customer involve understanding any expectations or aspirations regarding renewable power sources or renewable energy credits

(RECs). EKPC explains that any incremental costs associated with procuring power from renewable resources or RECs would be paid by the data center.

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REQUEST 7

RESPONSIBLE PARTY: Julie Tucker and Darrin Adams

Request 7. Refer to EKPC's response to Staff's First Request, Item 22.

- a. Provide how many load studies EKPC has conducted or is planning to conduct on behalf of prospective data center customers.
- b. Provide how many transmission related studies PJM has conducted or is in the study process of on behalf of EKPC regarding prospective data center customers.

Response 7.

- a. Generally, EKPC performs one load study per application submitted. Therefore, EKPC has completed one load study to date.
- b. Generally, PJM performs one transmission study per application submitted. EKPC submitted one supplemental project to PJM that is for service to a prospective data center. PJM has not yet completed the study for that supplemental project.

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REQUEST 8

RESPONSIBLE PARTY: David Samford

Request 8. Refer to EKPC's response to Staff's First Request, Item 26.

a. EKPC states

However, when third-party data center customers seek to operate from the facility, EKPC and its Owner-Member would enter into a special contract with each such third-party data center customer and the provisions of the tariff related to such service – as incorporated into the special contract – would apply to the data center customer.

Assuming that there would be only one third-party data center customer and EKPC entered into a contract with that party, explain what, if anything, would change in the original contract(s) between EKPC and the data center developer.

b. Explain whether EKPC is aware of situations where the developer, once third-party data centers have located at the developer's data center facility, remains a party to the agreement or whether the developer severs all contractual arrangements with the utility and only the specific data center customer(s) remains.

Response 8.

a. Responding to this question requires a degree of speculation; however, EKPC does not believe that there would be any substantive changes to the special contract assuming that the size of the data center operator was consistent with the load capacity of the data center developer's facility and the financial wherewithal of the operator and developer were similar. Of course, specific particularities unique to any specific transaction could change this outcome.

b. EKPC is not aware of any specific circumstances involving the scenario set forth in the response.