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	**)**	

RESPONSES TO STAFF'S FIRST INFORMATION REQUEST

TO EAST KENTUCKY POWER COOPERATIVE, INC.

DATED JUNE 27, 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 First Request for Information in the above-referenced case dated June 27, 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.

Julie Tucker

Julia J. Tucker

Subscribed and sworn before me on this 14th day of July, 2025.

Jeannie M. Jones

Notary Public

JEANNIE M. JONES
NOTARY PUBLIC
STATE AT LARGE
KENTUCKY
COMMISSION # KYNP41703
MY COMMISSION EXPIRES JANUARY 15, 2026

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

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 June 27, 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.

Michelle K. Carpenter

Michelle K. Carpenter

Subscribed and sworn before me on this 14th day of July, 2025.

Jeannie M. Jones

Notary Public

JEANNIE M. JONES
NOTARY PUBLIC
STATE AT LARGE
KENTUCKY
COMMISSION # KYNP41703
MY COMMISSION EXPIRES JANUARY 15, 2026

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

CERTIFICATE

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 First Request for Information in the above-referenced case dated June 27, 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

David Samford

Subscribed and sworn before me on this 14th day of July, 2025.

Jeannie M. Jones

Notary Public

JEANNIE M. JONES
NOTARY PUBLIC
STATE AT LARGE
KENTUCKY
COMMISSION # KYNP41703
MY COMMISSION EXPIRES JANUARY 15, 2026

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 2025-00140

FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025

REQUEST 1

RESPONSIBLE PARTY: David Samford

Request 1. Refer to the proposed Tariff, Sheet No. 103, Section II., Availability, and Section III., Eligible Data Center, 1. Eligible Data Center Requirements.

a. Explain whether any existing customer of any of the EKPC Owner-Member distribution (Owner-Member) cooperatives would or could be eligible for the proposed tariff.

b. If so, explain whether notice of the proposed tariff was provided to such customer(s).

Response 1.

a. At this point, none of EKPC's Owner-Members have existing customers that would or could be eligible for service under the proposed tariff.

b. Not applicable.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 2
RESPONSIBLE PARTY: David Samford and Michelle K. Carpenter

Request 2. Refer to the proposed Tariff, Sheet Nos. 110–111, Section VII., Collateral Requirements, 1., Pre-Payment Deposit.

a. Explain the circumstances under which EKPC or its Owner-Member cooperatives could immediately draw upon the pre-payment deposit.

b. Explain whether the response to Item 2(a) would be the same if the customer had not ever been delinquent on a payment.

c. Explain whether interest on the pre-payment deposit will be paid annually to the customer. If not, explain why not.

Response 2.

a. EKPC and its Owner-Members would be able to draw upon the pre-payment deposit after either of the two events set forth in Section VII., 1., (a), (i) – (ii), which describe the tendering of an invoice or the accrual of some other amount due under an applicable special contract. Because data center loads may be very large, the traditional lag in payment for power associated with most loads can be detrimental to EKPC and its Owner-Members. The purpose of this provision is to reduce payment lags and thereby limit risk to EKPC, Owner-Members, and non-data center customers.

b. The specific payment terms of a special contract could have some distinctions based upon the specific characteristics of the customer, the load, or other relevant factors. The intended default position espoused in the proposed tariff is that the payment obligations described therein would be the default position. Therefore, the response Item 2., a. would not change if the customer had never been delinquent.

c. If the pre-payment deposit is held by a distribution cooperative, the distribution cooperative would pay interest (or credit it to the customer's account) on an annual basis. However, the tariff is intended to allow the customer to retain the pre-payment in an account held in its own name with EKPC and the Owner-Member being authorized to draw from the account in accordance with the terms of a special contract. In this instance, the data center would be the account owner and interest on the account would be paid by the financial institution directly to the account and the data center would retain any interest the account earns.

EAST KENTUCKY POWER COOPERATIVE, INC.
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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 3
RESPONSIBLE PARTY: David Samford

<u>Request 3.</u> Refer to the proposed Tariff, Sheet No. 114, Section VIII., Procedural Matters, 1., Application.

a. Provide detailed cost support for the $75,000 minimum application fee.

b. Provide detailed cost support for the additional $1,000 per additional MW over 15,000 kWs application fee.

<u>Response 3.</u>

a. EKPC is inundated with inquiries for future service from potential data center customers. While many of these inquiries are from serious investors, others are speculative in nature. Based upon EKPC's experience to date, most all of the inquiries from potential data centers are in excess of 250 MWs. Planning for a potential load impacts, planning for additional loads, meaning that there is an opportunity cost associated with potential large loads. EKPC, therefore, acutely understands the value of being able to ascertain whether a prospective data center customer is serious or just speculating. 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.

There are also implicit costs to being responsive to requests for service from a potential data center. An example of this would be conducting a request for proposal ("RFP") for a potential project that does not materialize. Bidders in an RFP context are likely to grow frustrated with preparing bids to respond to an RFP where no selections end up being made and no contracts are awarded. Over the long-term, this would have a negative impact on EKPC's ability to conduct RFPs, including for its own needs, to the detriment of its Owner-Members.

EKPC, its Owner-Members, and their retail members have a high interest in only entertaining data center proposals that are serious. From that point of view, a $250,000 application fee is very small compared to investments that often amount to hundreds of millions or even billions of dollars. With all of these factors in mind, EKPC modeled its application fee upon provisions for the Kentucky State Board on Generation and Transmission Siting and by approximating the cost to prepare the data center tariff, required studies, a formal proposal to enter into a special contract with a data center, including any required project finance, qualifying for service under the proposed tariff. The calculation for this fee is based as follows:

Cost	Amount
Engineering & Construction (Internal)	33,935
Engineering & Construction (Consulting)	32,400
Transmission (Internal)	17,424
Transmission (Consulting)	47,520
Power Supply (Internal)	6,539
Economic Development (Internal)	34,853
Economic Development (External)	20,000
Legal (External Counsel)	75,000
Total:	267,671

Costs incurred by EKPC from other utilities required to participate in system or transmission planning are charged in addition to this application fee.

b. See response to 3.a.

EAST KENTUCKY POWER COOPERATIVE, INC.
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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 4
RESPONSIBLE PARTY: David Samford

Request 4. Explain whether any prospective Data Center (DC) customer(s) is aware of or has reviewed and/or commented on the proposed DCP Tariff. If yes, provide a summary of those conversations.

Response 4. EKPC is aware that several potential data center customers have reviewed the proposed tariff based upon conversations with counsel or representatives for those potential customers. EKPC is aware of the identities of some of these potential data center customers, but not all. As of this date, EKPC has not received any written comments from potential data center customers regarding the tariff. One potential data center identified the typo that was addressed in EKPC's written testimony. All other conversations have been in the nature of understanding the operations of the tariff, how a special contract would be negotiated under the tariff, and the timing for when the Commission might act upon the proposed tariff. No potential data center customer has expressed opposition to the tariff to EKPC.

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

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 5
RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 5. Refer to the Direct Testimony of David S. Samford (Samford Direct Testimony), page 5, lines 3-4.

a. Explain why 15 megawatts (MWs) load size was chosen as the minimum load for Data Center Power (DCP) tariff eligibility.

b. Explain why the 60 percent load factor was chosen as the minimum load factor for DCP tariff eligibility.

c. Explain whether EKPC is aware of any potential DCs across the U.S. that have loads and load factors that meet or exceed the 15 MW load and 60 percent load factor range.

Response 5.

a. Fifteen megawatts (MWs) was chosen for several reasons. First, based upon EKPC's communications with other cooperatives that serve data centers, 15 MWs appears to be as small as data centers would operate. Most data centers beginning operations today appear to be much larger. Second, 15 MWs is comparable to a small industrial load and, from a system planning perspective, is small enough to be absorbed into EKPC's load profile without too much difficulty.

Third, the 15 MW threshold is high enough that no existing cryptocurrency customers of EKPC's Owner-Members would be subject to the proposed tariff.

b. A sixty (60) percent load factor was chosen because EKPC believes it to be a conservative estimate of what a data center's load will likely be once fully operational, based upon EKPC's communications with other cooperatives that serve data centers. In practice, EKPC believes that a typical data center's load factor will be much higher. That detail will be somewhat unique to each project and will be included within the terms of a special contract.

c. Yes. EKPC is aware of data center projects across the country that have load exceeding 15 MWs and load factors exceeding 60%. A sampling of news reports concerning such projects is included as Attachment *Staff DR1-Response5c.pdf*.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 6
RESPONSIBLE PARTY: David Samford

Request 6. Refer to the Samford Direct Testimony, page 5, line 6. Identify and explain the circumstances when DCs of smaller load would be unable to take power under a different EKPC tariff rate schedule.

Response 6. This section of the testimony describes a situation where a person owning data centers might try to physically separate the facilities to avoid the 15 MW load threshold and thereby take service under a non-data center rate tariff. The premise of the data center tariff is that data center loads should not be disaggregated for purposes of evading the terms of the tariff, including, but not limited to, those relating to payment, security, etc. The testimony is intended to describe how the prohibition on load disaggregation in the tariff (stated as a requirement to aggregate load under common ownership) would work in practice.

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

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 7
RESPONSIBLE PARTY: Julie J. Tucker

Request 7. Refer to Samford Direct Testimony, page 6, lines 9-12. Explain why 250 MW was determined to be the level a Dedicated Resources will be required as part of the power supply plan.

Response 7. The 250 MW threshold for establishing a need for Dedicated Resources is intended to approximate the capacity value of a new combustion turbine (CT) unit. At a high level, EKPC believes that any load exceeding the capacity of a stand-alone CT unit should be served with Dedicated Resources to help minimize risk to non-data center loads.

EAST KENTUCKY POWER COOPERATIVE, INC.
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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 8
RESPONSIBLE PARTY: David Samford

Request 8. Refer to the Samford Direct Testimony, page 6, lines 5-9 and Attachment DSS-1 Red Line Sheet No. 104.

a. Explain the meaning of "any non-Data Center electricity consuming facilities owned or operated by Qualifying Customer located at the same location."

b. Explain whether the Co-Located non-Data Center provision also applies to Grouped Data Centers.

c. Explain whether there is a limit to the types of activities for non-Data Center electricity consuming facilities.

d. Explain whether the Qualifying Customer will be allowed to group more than one facility within a single Owner Member's service territory. If so, explain the rationale for allowing Grouped Data Centers when other customer classes are not allowed to group separate facilities such as school districts or city owned buildings.

e. Explain any advantages accruing to either EKPC or the Qualifying Customer from allowing Grouped Data Centers. Also provide advantages for the Owner-Member cooperatives.

<u>Response 8.</u>

a. An example of a "non-Data Center electricity consuming facility" in this context would be parking lot lights or other electricity usages unrelated to the operation of the data center's server/networking equipment that are separately metered.

b. Yes. The Co-Located non-data center provision is intended to apply to Grouped Data Centers.

c. The only limits on the types of activities for non-Data Center electricity consuming facilities would be a factor of applicable law and not a limitation imposed by EKPC. For instance, Kentucky law (807 KAR 5:041, Section 20(1)) prohibits the provision of electricity to illegal gambling devices.

d. The proposed data center tariff places greater obligations on data center loads than currently exist for non-data center loads – particularly in regard to payment terms, security and collateralization, and power supply planning. Potential data center obligations exceed those applicable to other customer classes, so the requirement to aggregate data center loads is a risk-mitigation measure for EKPC and its Owner-Members. Other customer classifications that are not required or allowed to aggregate load do not assume the heightened obligations that data centers assume under the proposed tariff.

e. The Grouped Data Center provisions are intended to mitigate risk for EKPC, its Owner-Members, and non-Data Center customers by preventing data centers from evading the more stringent requirements of the data center tariff detailed above.

EAST KENTUCKY POWER COOPERATIVE, INC.

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STAFF'S REQUEST DATED JUNE 27, 2025

REQUEST 9

RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 9. Refer to the Samford Direct Testimony, page 6, lines 6-11, and Attachment DSS-1 Red Line Sheet No. 105 Potential Resources.

a. Given that other PJM states are potential sites for DCs, explain the likelihood of procuring bilateral contracts for energy and capacity in the PJM markets.

b. Explain whether EKPC is aware of DCs being interested in renewable power or in purchasing renewable energy credits.

c. Confirm that PJM allows for a certain percentage of capacity to be procured outside of PJM, and if confirmed, explain why the DCP Tariff limits the procurement of capacity through Bi-lateral contracts to inside PJM. If not confirmed, explain the response.

d. To the extent a Qualified Customer plans to locate separate 15 MW facilities in different Owner Member service territories, explain how EKPC would supply Dedicated Resources.

<u>Response 9.</u>

a. While the PJM capacity market continues to tighten, EKPC believes that there are sufficient resources available to procure bilateral contracts for capacity and energy. The purpose of requiring Dedicated Resources for larger data centers is to assure that these resources are available on a bilateral basis over the term of any special contract.

b. EKPC is aware that some data centers have an interest in procuring renewable energy or renewable energy credits. EKPC's Rate H (Green Energy) is available to data centers and would be included in any special contract, if desired.

c. PJM allows energy to be procured from sources outside of PJM. The tariff only requires that resources to serve a data center be within PJM or "deliverable into the PJM market region with firm transmission." The tariff allows a data center to "hedge anticipated PJM capacity, energy and market prices," which presumably includes hedges arising from outside PJM at the data center's discretion. The specific terms of service to a particular data center will be spelled out in a special contract.

d. A Qualified Customer could seek to evade the application of the proposed tariff by locating separate facilities, each under 15 MWs, in different Owner-Member territories. However, the loss of economies of scale would likely discourage this behavior. Due to the relatively small size of such loads, EKPC and its Owner-Members would be able to absorb such loads into the system more readily.

EAST KENTUCKY POWER COOPERATIVE, INC.
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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 10
RESPONSIBLE PARTY: David Samford and Michelle K. Carpenter

Request 10. Refer to the Samford Direct Testimony, page 6, lines 6-11, and Attachment DSS-1 Red Line Sheet No. 105 Potential Resources(a).

a. Explain whether EKPC has any subsidiaries or affiliates.

b. Explain whether a subsidiary or affiliate could be the entity that is responsible for serving the Qualifying Customer including owning, procuring, constructing, and or operating all Dedicated Resources, substation and related transmission facilities or any subset thereof for the Qualifying Customer.

c. Explain whether the subsidiary or affiliate would also be responsible for any financing required to serve the Qualifying Customer and whether such an arrangement would all or in part shield EKPC from any risk or liability associated with the financing.

d. Explain whether EKPC would need Rural Utility Service (RUS) and Commission approval to form a subsidiary or affiliate for the purpose of serving a Qualifying Customer.

Response 10.

a. EKPC does not have any subsidiaries or affiliates associated with data centers. EKPC has one affiliate formed in 1997, Envision Energy Services, LLC ("Envision"), that provides energy services like power quality resolutions, power factor correction services, and similar services to commercial and industrial end-use members. Envision does not sell energy. EKPC owns 10% of Envision and its allocated revenues are in the $50,000 range annually. This revenue is de minimis under the requirements in KRS 278.2203(4)(a).

b. The subsidiary or affiliate could not directly serve a Qualifying Customer as it would violate the Territories Act (KRS 278. 016, et. seq.). Any capacity or energy provided by an affiliate or subsidiary of EKPC would have to be sold to EKPC prior to being provided by EKPC to the Owner-Member and then to the data center.

c. Any arrangement that included project financing for a generation unit owned by an EKPC affiliate or subsidiary would limit EKPC and its Owner-Members' exposure to the debt of the affiliate or subsidiary. In such an arrangement, the debt would be intended to be non-recourse to EKPC and the Owner-Member and the ultimate security for such a project would come from the data center or its parent through the form of a guaranty.

d. EKPC is unaware of any such requirement. The subsidiary or affiliate would not directly serve the Qualifying Customer, but would rather sell power to EKPC. That power would then be sold to the Qualifying Customer via a special contact with EKPC, the Owner-Member and the Qualifying Customer.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 11
RESPONSIBLE PARTY: David Samford and Julie J. Tucker

<u>Request 11.</u> Refer to the Samford Direct Testimony, page 6, lines 12-14, and Attachment DSS-1 Red Line Sheet No. 106 and Sheet No. 107 Exclusivity of Electric Service.

a. If the Qualifying Customer is "not be guaranteed to receive energy from any Dedicated Resource or any resources associated with a Bilateral Purchase," explain whether the Qualifying Customer can have up to 100 percent back-up generation to assure no interruption of service. If not, explain the rationale for any limitations regarding back-up generation.

b. The DCP Tariff states "The foregoing shall not prevent, or prohibit, Qualifying Customer from utilizing any Other Power Supply Source that (1) is used solely and exclusively as emergency back-up to serve the contractual load requirements of an Eligible Data Center that EKPC and Cooperative are unable or fail to satisfy." Explain the circumstances associated with, and the DCP Tariff provisions governing, the Qualifying Customer's use of emergency back-up generation.

Response 11.

a. Unfortunately, no customer of any classification can be assured that there will never be an interruption of service. The referenced provision is an acknowledgement that service interruptions do sometimes occur and neither EKPC nor its Owner-Members can be held liable for such interruptions. A data center could conceivably construct and operate 100 percent back-up generation provided that it satisfies the conditions for same as set forth in the tariff.

b. As with other customers, some uses of electricity may be more essential than others for a data center. The tariff allows a data center to own and operate emergency back-up generation that it deems necessary, provided it satisfies the conditions as set forth in the tariff.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 12
RESPONSIBLE PARTY: David Samford and Michelle K. Carpenter

Request 12. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No. 104. Confirm that "each individual Co-Located Data Center, Co-Located Non-Data Center and Grouped Data Center will be metered and billed separately on an individual basis, and will be subject to separate Contracts for the provision of electric service" is necessary because the DC facilities may be located in separate Owner-Member service territories. If not confirmed, explain the response.

Response 12. Yes.

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

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 13
RESPONSIBLE PARTY: David Samford

Request 13. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No. 105 Service Location.

a. Confirm that EKPC will prohibit the DC from locating facilities on EKPC or Owner Member owned property. If not confirmed, explain the response.

b. Confirm that the DC will own the property, and that EKPC will own and operate the substation and any transmission facilities. If not confirmed in its entirety, explain the response.

Response 13.

a. Nothing in the "Service Location" provision of the tariff prohibits a data center from being served at property owned by EKPC or an Owner-Member. If this situation were to develop, it would be included in the terms of a special contract or similar contract.

b. EKPC anticipates that the data center will own the property where the data center is located or have a lease that assures its right to occupy the land for the term of the power supply agreement. EKPC further anticipates that it would own and operate any substation and transmission facilities associated with serving the data center that are by necessity integrated into the EKPC transmission network. There may be instances where the data-center customer owns localized substation and/or transmission facilities that are used specifically to deliver energy from the EKPC substation that serves the data center site to the various buildings situated on the site. Another situation where EKPC may not own the substation and/or transmission facilities needed to serve the data-center customer is where another utility's transmission system is utilized to serve a customer in an EKPC Owner-Member's service territory – for instance, connecting a data-center customer to an LG&E/KU transmission line, in which case LG&E/KU may own the transmission and/or substation facilities needed for connection of the customer.

EAST KENTUCKY POWER COOPERATIVE, INC.
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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 14
RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 14. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No. 105 Additional Minimum Contract Terms.

a. Explain how the load ramp schedule not exceeding five (5) years applies to Grouped Data Centers.

b. If the Qualifying Customer has Dedicated Resources assigned to it, explain the circumstances under which the Qualifying Customer would be curtailed and whether these circumstances set the Qualifying Customer apart from all other customer classes who do not have Dedicated Resources.

c. In the event that EKPC may require additional generation capacity and energy such as during an extreme weather event, explain whether EKPC has considered the possibility of accessing the Qualifying Customer's Dedicated Resources for its other customers' needs and having the Qualifying Customer rely upon its own backup generation resources. If not, explain why this would not be possible.

Response 14.

a. EKPC will need to ensure that it is securing power supply resources in a reasonably coordinated time frame with the load that is being added. The load ramp limitation is intended to ensure that excess generation is not developed for load that does not materialize. That would also apply to Grouped Data Centers.

b. A data center with Dedicated Resources does not assume a superior position to other load served by EKPC through its Owner-Members. Curtailments for all customers, including data centers, would be conducted in accordance with all applicable rules.

c. The situation described in the request would be negotiated in the context of a special contract. It is conceivable that a data center may be willing to monetize any excess energy from a Dedicated Resource.

EAST KENTUCKY POWER COOPERATIVE, INC.

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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025

REQUEST 15

RESPONSIBLE PARTY: David Samford

Request 15. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No. 107, Other Cost Recovery (a)-(c). To the extent that EKPC builds generation as part of the EKPC Supplied Dedicated Resource and the Qualifying Customer's load ratio share is less than what can be accommodated by the new generation capacity, explain whether the balance of the load ratio not attributable to the Qualifying Customer will be recovered from the Owner-Members. If not, explain how those costs are recovered.

Response 15. The request is generally correct. One nuance to add is the situation where there are multiple data centers for which Dedicated Resources are required. In those contexts, multiple data center customers may share the costs of a larger Dedicated Resource in order to achieve operating efficiencies and economies of scale that would not be available by operation of two smaller Dedicated Resources. Any excess capacity or energy from a Dedicated Resource would be offered into the PJM market for the benefit of EKPC's Owner-Members' non-data center loads.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 16
RESPONSIBLE PARTY: David Samford

Request 16. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Collateral Requirements Sheet Nos. 110-114. To the extent that the Qualifying Customer is required to pre-pay and post collateral under Tariff DCP, explain whether the Qualifying Customer's obligation will be adjusted by its load ratio share of EKPC Supplied Dedicated Resources. If not, explain why not.

Response 16. Yes. This is what EKPC intends.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 17
RESPONSIBLE PARTY: David Samford and Michelle K. Carpenter

Request 17. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No.118(d). Tariff DCP states "provided, that, if only a portion of such EKPC-Supplied Dedicated Resource is committed to serve Qualifying Customer's Eligible Data Center(s), then Qualifying Customer shall only be liable for the pro-rated portion of such costs, expenses, losses and liabilities based on the percentage of the EKPC-Supplied Dedicated Resource committed to serve the Qualifying Customer's Eligible Data Center(s)." Explain whether the pro-rated portion is based on the Qualifying Customer's load ratio share of the EKPC Supplied Dedicated Resource.

Response 17. Yes. The pro-rated portion is intended to be based upon the Qualifying Customer's load ratio share of the EKPC Supplied Dedicated Resource.

EAST KENTUCKY POWER COOPERATIVE, INC.
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FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 18
RESPONSIBLE PARTY: David Samford and Michelle K. Carpenter

Request 18. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No.118(f). Explain whether the "sinking fund that will be established to cover decommissioning costs at the end of the Dedicated Resource's useful life, which will be funded by Qualifying Customer" will be based on the Qualifying Customer's load ratio share of the EKPC Supplied Dedicated Resource.

Response 18. Yes. That is the intent.

EAST KENTUCKY POWER COOPERATIVE, INC.
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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 19
RESPONSIBLE PARTY: David Samford and Michelle K. Carpenter

Request 19. Refer to the Samford Direct Testimony, Attachment DSS-1 Red Line Sheet No.118 Dedicated Resource Project Financing. To the extent that the Qualifying Customer's load ratio share of EKPC Supplied Dedicated Resources, explain whether the Qualifying Customer's obligation to cover all costs under this section are limited to its load ratio share of the Dedicated Resources. If not, explain why not.

Response 19. Yes. The purpose of the proposed tariff is to identify and allocate costs and risks associated with serving data centers appropriately. The data center would be required to pay all costs associated with providing it service. In cases where there is a sharing of services or assets between a data center and non-data center loads, the costs should be apportioned based upon load share.

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 2025-00140

FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED JUNE 27, 2025

REQUEST 20

RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 20. To the extent that the Qualifying Customer is obligated to pay any and all costs associated with the provision of service from EKPC Supplied Dedicated Resources based upon the Qualifying Customer's load ratio share of those resources, explain whether any revenues derived from those dedicated resources from participation in any PJM markets will be applied to the Qualifying Customer as well as the formula that would be used to determine that percentage. If not, explain why not.

Response 20. To the extent that a data center's portion of a Dedicated Resource is in excess of the data center's needs and is able to be monetized in PJM, the revenues associated with the data center's portion of the Dedicated Resource would be credited to the data center. No specific formula has been developed as this detail would likely be included in a special contract.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 21
RESPONSIBLE PARTY: David Samford

Request 21. Refer to P.S.C. No. 35, Original Sheet No. 106. Explain whether EKPC would consider a Qualifying Customer's clean energy goals when creating a Selected Resource Mix or a Dedicated Resource Rider.

Response 21. Yes. EKPC will consider a Qualifying Customer's clean energy goals when creating a Selected Resource Mix or Dedicated Resource. The Qualifying Customer would be obligated to pay all incremental costs associated with satisfying such goals.

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STAFF'S REQUEST DATED JUNE 27, 2025

REQUEST 22

RESPONSIBLE PARTY: David Samford

Request 22. Refer to P.S.C. No. 35, Original Sheet No. 114 and 115. Explain from application to customer contracts execution and provide an estimated timeline for each step of the process.

Response 22. Once the application is tendered to EKPC along with the filing fee, EKPC commits to using reasonable commercial efforts to develop a load study and power supply plan for a data center customer. Of these two, the load study is typically more difficult to predict from a timing perspective. If the load is considered local load, EKPC conducts a study and submits its transmission solution to PJM. This process typically takes three to four months. However, if the load is characterized by PJM as regional load, it enters into a study process that could take up to fifteen months. EKPC has no control over this portion of the PJM process. On the power supply side, developing a power supply plan is expected to take approximately six months. However, this process is analogous to a contractor building a home; to the extent a data center changes its project's parameters, additional time and cost is likely to be required.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 23
RESPONSIBLE PARTY: David Samford

Request 23. Refer to the April 30, 2025 letter to the Executive Director of the Kentucky Public Service Commission, at 1. Specifically, though not exclusively, at the following language: "While the proposed tariff is lengthy and complex, it is not comprehensive. Our understanding of data center projects proposed across the Commonwealth and throughout the nation confirms that a one-size-fits-all approach is not prudent. The terms and conditions of service to specific data centers will necessarily have key distinctions and nuances that a tariff cannot adequately foresee or anticipate."

a. State what other categories of risks were contemplated by EKPC in drafting this proposed tariff but not included in the final tariff language which EKPC believes may be included in any final agreement between a customer seeking to take service under this tariff and EKPC.

b. State what terms and conditions not in the proposed tariff would be required, or may be required, for a full and complete agreement between a potential customer seeking to take service under this tariff and EKPC.

Response 23.

a. EKPC believes that it identified all major categories of risk that are specific to the power supply agreement between EKPC, its Owner-Member, and a data center. In applying the proposed tariff as the starting point for negotiation of a specific special contract, however, the greatest unknown will likely be the parameters of the power supply plan. A project that requires a project finance Dedicated Resource is likely to have unique risks such as construction risk, materials availability risk, labor risk, etc. Because a project finance Dedicated Resource would necessarily involve a power purchase agreement between EKPC and the project finance entity, these risks would not be directly attributable to the data center since there would be no privity of contract between the data center and the project finance entity. These risks must be accounted for in the power supply agreement between EKPC, the Owner-Member and the data center in order to insulate EKPC, the Owner-Member, and the Owner-Members non-data center customers from such risks. This is the primary category of risks that are generally included in the tariff, but not specifically enumerated. Special contract negotiations of a particular deal may reveal other risks.

b. It is not possible to answer this question with certainty; however, the tariff itself identifies several terms that would need to be included in a special contract but are not specifically set forth in the proposed tariff. This enumeration is found in Section IV., 4. – Additional Minimum Contract Terms.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 24
RESPONSIBLE PARTY: David Samford

Request 24. Refer to the proposed tariff, Sheet 105, Section IV, No. 5. Additional Contract Terms.

a. Provide the expected termination rights language which EKPC proposes to use in the special contract resulting from the proposed tariff.

b. Provide the expected limits of liability language which EKPC proposes to use in the special contract resulting from the proposed tariff.

c. Provide the expected events of default and remedies which EKPC proposes to use in the special contract resulting from the proposed tariff.

Response 24.

a. EKPC has not yet completed a template for the additional contract terms and therefore does not have any language responsive to this request. These requirements would be subject to Commission review whenever a special contract is filed.

b. EKPC has not yet completed a template for the additional contract terms and therefore does not have any language responsive to this request. These requirements would be subject to Commission review whenever a special contract is filed.

c. EKPC has not yet completed a template for the additional contract terms and therefore does not have any language responsive to this request. These requirements would be subject to Commission review whenever a special contract is filed.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 25
RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 25. Refer to the proposed tariff, Sheet 106, Section V, No. 2. State whether EKPC will allow a customer to secure its own bi-lateral agreement for capacity and/or energy with a third-party. If yes, provide the specific circumstances under which EKPC would allow such an agreement. If not, detail the types of customer-owned EKPC would allow under the proposed tariff language.

Response 25. The proposed tariff allows a data center to bring a specific agreement for capacity or energy to EKPC as a Dedicated Resource. The agreement could not be between the third-party and the data center, however, as this would violate the Territories Act. In such a situation, EKPC would enter into the bilateral agreement with the third-party to purchase the capacity or energy and then sell it to its Owner-Member for resale to the data center.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 26
RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 26. With regard to inquiries for service from developers of DC complexes who own and lease their facilities to third parties, state whether the proposed tariff would be enforceable on the developer, owner of the facility, or the third party who uses the energy and requires the capacity.

Response 26. Answering this request requires a degree of speculation as to the specific facts of the transaction, which are not known. The likely scenario would be for the tariff to apply to the developer and owner of the facility through the application and load study process. This would establish the parameters for service to the facility. 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.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 27
RESPONSIBLE PARTY: David Samford and Julie J. Tucker

Request 27. With regard to inquiries for service from developers of data center complexes who own and lease their facilities, state whether EKPC will secure necessary capacity as tenants arrive at the developers' facilities or whether EKPC intends to secure capacity for the maximum load identified by the developer immediately upon the finalization of an agreement with the developer of the data center complex.

Response 27. Answering this request requires a degree of speculation as the specific facts of the transaction, which are not known. EKPC would likely only seek capacity for the facility to the extent that it was secured and collateralized by either the developer and facility owner or by arriving third-party data centers.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 28
RESPONSIBLE PARTY: David Samford

Request 28. With regard to inquiries for service from developers of data center complexes who own and lease their facilities, state whether the developer will be the only oblige under the terms of the proposed tariff and resulting contract.

a. Include as part of the answer, whether EKPC will have any recourse against any tenants of a data center complex who reduce their load requirement or terminates their agreement or otherwise vacates the data center complex prior to the natural termination of the signed agreement under which EKPC is obligated to provide service pursuant to this tariff.

b. As part of the answer, identify the nature of the recourse available to assert against the tenant.

Response 28.

a. Answering this request requires a degree of speculation as the specific facts of the transaction, which are not known. The third-party data center would be the party in contractual privity with EKPC and the Owner-Member under a special contract. Therefore, the data center would be the party subject to the collateral, termination and liquidated damages provisions of a special contract. Additional security may be required of the facility's developer or owner, depending upon the specific circumstances of the transactions.

b. See response to 28.a.

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STAFF'S REQUEST DATED JUNE 27, 2025
REQUEST 29
RESPONSIBLE PARTY: David Samford

Request 29. With regards to the potential bankruptcy of a developer of a DC facility, state whether EKPC will be entitled to participate in any bankruptcy proceeding as a debtor. State whether EKPC anticipates negotiating such terms in any agreement and what the language EKPC would propose to use in such an agreement.

Response 29. Answering this request requires a degree of speculation as the specific facts of the transaction, which are not known. EKPC would likely be a creditor of the developer and not a debtor. To the extent that a developer owed anything to EKPC as part of a project, EKPC would take reasonable steps to enforce its rights under the Bankruptcy Code. EKPC has not yet completed a template for the additional contract terms and therefore does not have any language responsive to this request. The bankruptcy provisions in such an agreement would be subject to Commission review whenever a special contract is filed.