

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC. AND	)	CASE NO.
ITS MEMBER DISTRIBUTION COOPERATIVES	)	2026-00188
FOR UPDATES TO THE RENEWABLE ENERGY	)	
PROGRAM	)	

RESPONSES TO STAFF’S FIRST INFORMATION REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.
DATED AUGUST 11, 2026

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2026-00188
FIRST REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED AUGUST 11, 2026

REQUEST 1

RESPONSIBLE PARTY: Scott Drake

Request 1. Refer to the proposed Rate H – Wholesale Renewable Energy Program, P.S.C. No. 35 (Rate H tariff), Third Revised Sheet No. 38. Refer also to the letter to the PSC Executive Director (Letter). The Letter states that EKPC proposes to remove the avoided costs of fuel and variable environmental surcharge from the credit calculation. However, the proposed Rate H tariff appears to not revise the language to exclude the environmental surcharge and Fuel Adjustment Clause (FAC) credits from the customer credit calculation.

- a. Clarify that the total credit will always equal the PJM Interconnection LLC (PJM) Locational Marginal Price (LMP).
- b. Explain and reconcile the language discrepancy.

Response 1.

- a. Correct, the total credit will be limited to the PJM LPM. The fuel adjustment clause and the environmental surcharge will not apply to this tariff. After the Commission's review of this case, EKPC will submit a revised Rate H tariff eliminating any discussion of avoided costs

from the fuel adjustment clause and the environmental surcharge. Those tariff sections will be revised to state the following:

Fuel Adjustment Clause

Under Options A, B, and C, the Fuel Adjustment Clause is not applicable to the Renewable Energy Program Contributions.

Environmental Surcharge

Under Options A, B, and C, the Environmental Surcharge is not applicable to the Renewable Energy Program Contributions.

Total Credits

The total credit will be limited to the PJM LMP.

- b. See EKPCs response to Request 1a above.

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REQUEST 2

RESPONSIBLE PARTY: Scott Drake

Request 2. Refer to the Letter. Provide an estimate of the cost to upgrade the billing software. Include in the response any supporting documentation to the estimate.

Response 2. EKPC has not requested nor received a reprogramming price quote from EKPC's billing software vender. The estimated cost of \$30,000 is based on EKPC's experience with paying software reprogramming fees and expectation of a cost to reprogram the billing software to accommodate the option of avoided fuel and variable environmental surcharge.

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REQUEST 4

RESPONSIBLE PARTY: Christian Everly

Request 4. Identify and provide all agreements under Rate H Option B.

Response 4. Please see the following attachments.

- *Staff DR1 Response 4 – Makers Mark Renewable Energy Purchase Agreement*
- *Staff DR1 Response 4 – Diageo IPA*
- *Staff DR1 Response 4 – Diageo IPA Amendment*

The contracts have been approved by the Commission and are located on the Commission's website, Tariffs, Current Tariffs, Electric, East Kentucky Power Cooperative Inc., Contracts.

<https://psc.ky.gov/Home/Library?type=Tariffs&folder=Electric%5CEast%20Kentucky%20Power%20Cooperative%2C%20Inc%5CContracts%5CInter-County%20Energy%20Cooperative%20Corporation>

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REQUEST 5

RESPONSIBLE PARTY: Christian Everly

Request 5. Explain whether EKPC has provided credits to existing Rate H Option B customers.

Response 5. EKPC has not provided any credits to any Owner-Member for their Rate H Option B members.

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REQUEST 6

RESPONSIBLE PARTY: Scott Drake

Request 6. Refer to the Letter. Explain how using PJM's LMP is more effective than the already approved alternative credit calculation.

Response 6. The PJM's LMP is an approved credit for this EKPC Rate H tariff, the four (4) EKPC PURPA CoGeneration and Small Power Producer tariffs, and the EKPC Cooperative Solar tariff. Since EKPC purchases 100% of its energy needs from PJM at EKPC's nodal LMP rate, EKPC found that utilizing LMP-based credits is the most appropriate credit for this tariff. If EKPC was not a member of PJM and was its own balancing authority utilizing its own generation resources to match load, then the credit based on EKPC's avoided costs of its own generation fuel use and variable environmental cost from EKPC's generation facilities would be the more appropriate credit. However, that is not the case here. Therefore, EKPC believes that utilizing the PJM LMP results in fair, just and reasonable credits to the members.