

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	)	2021-00054
COOPERATIVE, INC. FROM NOVEMBER 1,	)	
2018 THROUGH OCTOBER 31, 2020	)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. (EKPC), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on April 17, 2021. The Commission directs EKPC to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EKPC shall make timely amendment to any prior response if EKPC obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which EKPC fails or refuses to furnish all or part of the requested information, EKPC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, EKPC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Direct Testimony of Julia J. Tucker (Tucker Testimony) filed March 22, 2021, page 1, lines 18–24. Explain whether EKPC anticipates any potential issues in the wholesale power market that could affect its electric power procurement practices beyond the next two-year period.

2. Refer to EKPC's response to the Commission Staff's First Request for Information (Staff's First Request), Item 1, pages 3–4. Explain why there are multiple entries for select companies such as Foresight Coal Sales, LLC, in the same month.

3. Refer to EKPC's response to the Staff's First Request, Item 2. For each coal supplier under long-term contract from whom EKPC made spot purchases, compare and contrast the spot and long-term purchase prices and the circumstances of the spot purchases.

4. Refer to EKPC's response to the Staff's First Request, Items 7–8. If EKPC were to experience extreme cold weather similar to that recently experienced in Texas, explain how that would affect EKPC and what actions, if any, EKPC would undertake in response to ensure there were no disruptions to service.

5. Refer to EKPC's response to the Staff's First Request, Item 11, page 2. Explain what is meant by "off-premises trading" and how that differs from EKPC's other trading practices.

6. Refer to EKPC's response to the Staff's First Request, Item 15, page 2. Explain whether Cooper station has a rodent problem and what actions have been taken to alleviate the problem.

7. Refer to EKPC's response to the Staff's First Request, Item 15, page 19. Explain what is meant by HGPI/Dual Fuel Conversion and why Bluegrass Station Unit 003 apparently had trouble making the conversion successful.

8. Refer to EKPC's response to the Staff's First Request, Item 16, pages 5–6.

a. Explain how the Glasgow County Landfill Unit 1 can have a capacity factor greater than 100 percent.

b. Explain how the Hardin County Landfill Unit 3 can have negative capacity factors.

9. Refer to EKPC's response to the Staff's First Request, Item 21. Even though EKPC has rail transportation available at Cooper and Spurlock, it does not appear to be used. Explain whether the rail prices render rail delivery uncompetitive, and provide a price comparison to both truck and barge transportation options.

10. Refer to EKPC's response to the Staff's First Request, Item 22, page 2.

a. If the prices of market purchases are only expected to be slightly higher over the next two years, explain why coal and natural gas prices are expected to be significantly higher over the next two years, and provide a comparison of the forecasted and two-year historic prices as a part of the explanation.

b. Provide a table showing the entire 24-month review period and the 2021 and 2022 budget showing actual fuel costs broken out by total amount, generation and purchases.

c. Refer to page 4. Presumably, the estimated average fuel costs account for both generation mix and purchases. The proposed base fuel rate of \$0.02624 is greater than the highest estimated 2021 budgeted average fuel costs and only \$0.00004/kWh below the highest estimated 2022 budgeted average fuel rate of \$0.02628/kWh. Explain why it is not more reasonable to set the proposed base fuel rate more in line with forecasted fuel prices as opposed to above all but the highest forecasted rate.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style and is positioned above a horizontal line.

Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED APR 05 2021

cc: Parties of Record

Case No. 2021-00054

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