COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF FLEMING-
MASON ENERGY COOPERATIVE, INC. FOR
PASS-THROUGH OF EAST KENTUCKY
POWER COOPERATIVE, INC. WHOLESALE
RATE ADJUSTMENT)

CASE NO. 2021-00109

<u>COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION</u> <u>TO APPHARVEST MOREHEAD FARM, LLC</u>

AppHarvest Morehead Farm, LLC (AppHarvest), 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 July 23, 2021. The Commission directs AppHarvest to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ 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

¹ 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.

AppHarvest shall make timely amendment to any prior response if AppHarvest 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 AppHarvest fails or refuses to furnish all or part of the requested information, AppHarvest 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, AppHarvest 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 Suedeen G. Kelly (Kelly Testimony), page 3, lines 62–64. Ms. Kelly notes that the addition of AppHarvest as a new large customer for Fleming-Mason Energy Cooperative, Inc. (Fleming-Mason Energy) necessitates changes to Fleming-Mason's cost allocation. Explain whether a pro forma adjustment for the additional revenues received from AppHarvest should be applied to Fleming-Mason Energy's 2019 test-year revenues.

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2. Refer to the Kelly Testimony, page 5, line 89. Ms. Kelly states that AppHarvest is already contributing to the revenue increase. Confirm that the rates currently paid by AppHarvest are based upon the current cost of the wholesale power to Fleming-Mason Energy, not the proposed increase in wholesale power. If this cannot be confirmed, explain what wholesale costs the rates are based upon.

3. Refer to the Kelly Testimony, page 6, lines 106–107. Ms. Kelly states that AppHarvest will be contributing more than its fair share of the desired revenue increase. Explain why the other rate classes will not actually be contributing more of their fair share of the pass through increase and subsidizing AppHarvest.

4. Refer to the Kelly Testimony, page 7, lines 144–148.

a. Provide support for the statement that AppHarvest's load may be offpeak.

b. Provide support for the statement that AppHarvest's daily load can be near-zero load from the end of July through the middle of September.

5. Explain whether AppHarvest supports a rate design filing pursuant to the amended "streamlined procedure" established in Case No. 2018-00407² for Fleming-Mason in response to the pass through increase.

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² Case No. 2018-00407, A Review of the Rate Case Procedure for Electric Distribution Cooperatives (Ky. PSC Dec. 20, 2018).

4 C. Bidwell

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

DATED ______ JUL 13 2021

cc: Parties of Record

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