

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF KENTUCKY)	
UTILITIES COMPANY FOR APPROVAL OF AN)	CASE NO.
ECONOMIC DEVELOPMENT RIDER SPECIAL)	2022-00371
CONTRACT WITH BITIKI-KY, LLC)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company (KU), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on January 9, 2023. The Commission directs KU to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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 preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

KU shall make timely amendment to any prior response if KU 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 KU fails or refuses to furnish all or part of the requested information, KU shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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, KU 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 KU's Response to Commission Staff's First Request For Information (Staff's First Request), Item 3.

a. Given that the cryptocurrency markets are exceptionally volatile, explain KU's credit risk assessment criteria for businesses participating in volatile markets or business activity.

b. Explain what events could occur that would cause KU to require Bitiki-KY, LLC (Bitiki) to submit an additional deposit.

c. Explain whether the \$1,275,000 deposit is based upon 2/12 of Bitiki's expected annual billing at full non-discounted Standard Rate Schedule rates. If not, explain the basis for the deposit amount.

2. Refer to KU's Response to Staff's First Request, Item 5. KU explains that the total cost of the incremental elements enumerated in the table are too high. However, it does not explain why each of the individual elements are not applicable. Explain why each of the incremental cost elements are or are not applicable.

3. Refer to the application, Special Contract Economic Development Rider. Confirm that the customer will receive demand discounts for the first five years of the ten-year contract only and that there are no other discounted tariffed rates associated with the addition of this customer.

4. Refer to the Application generally and KU's Response to the Joint Intervenors' First Request, Item 26, Attachment.

a. Provide an update to the Attachment showing the comparison on an annual basis with the annual discounted rates rather than the five-year average rate.

b. Provide the annual costs and revenues of this special contract demonstrating that there will be a net profit associated with the addition of this customer over the life of the ten-year contract.

5. Refer to KU's response to the Joint Intervenors' First Request For Information, Item 7. To the extent that there are any, describe and, if possible, quantify any marginal or incremental benefits associated with this project.

6. Refer to KU's response to the Joint Intervenors' First Request for Information, Item 13, Attachment and Case No. 2021-00393,² IRP, Volume 1, Section 8, Table 8-1 on page 8-1 and Table 8-2 on page 8-2.

a. Regarding the attachment to the Joint Intervenors' response, describe the changes that are illustrated in each of the rows over the forecast period.

b. Reconcile and describe all differences between the attachment to the Joint Intervenors' response and Tables 8-1 and 8-2 of the IRP.

c. Refer also to Case No. 2022-00402.³ Reconcile and explain the differences between both the demand and supply side resources described in Case No. 2022-00402 with the information presented in the attachment to the Joint Intervenors' response.



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Public Service Commission
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DATED DEC 21 2022

cc: Parties of Record

² Case No. 2021-00393, *Electronic 2021 Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company* (filed Oct. 19, 2021).

³ Case No. 2022-00402, *Electronic Joint Application of Kentucky Utilities Company and Louisville Gas and Electric Company for Certificates of Public Convenience and Necessity and Site Compatibility Certificates and Approval of a Demand Side Management Plan* (filed Dec. 15, 2022).

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