

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF KENTUCKY)	
POWER COMPANY FOR APPROVAL OF A)	
SPECIAL CONTRACT UNDER ITS ECONOMIC)	CASE NO.
DEVELOPMENT RIDER AND DEMAND)	2022-00424
RESPONSE SERVICE TARIFFS WITH CYBER)	
INNOVATION GROUP, LLC)	

NOTICE OF FILING

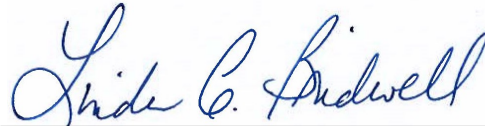
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on July 25, 2023 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on July 25, 2023 in this proceeding;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on July 25, 2023.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at <https://youtu.be/OWKquxR7i28>.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 13th day of September 2023.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style with a horizontal line underneath it.

Linda C. Bridwell

Executive Director

Public Service Commission of Kentucky

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CERTIFICATION

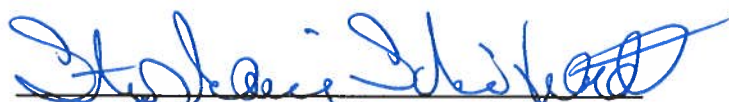
I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on July 25, 2023. The Formal Hearing Log, Exhibits List, and Exhibit are included with the recording on July 25, 2023;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of July 25, 2023; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of July 25, 2023, and the time at which each occurred.

Signed this 8th day of September, 2023.



Candace H. Sacre
Administrative Specialist III



Stephanie Schweighardt
Kentucky State at Large ID# KYNP 64180
Commission Expires: January 14, 2027



Session Report - Detail

2022-00424 25Jul2023

Kentucky Power Company
(Kentucky Power)

Date:	Type:	Location:	Department:
7/25/2023	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Amanda Clark; Lerah Kahn; Stacy Sherwood; Brian West
 Judge: Kent Chandler; Angie Hatton; Mary Pat Regan
 Clerk: Candace Sacre

Event Time	Log Event
9:10:27 AM	Session Started
9:10:34 AM	Chairman Chandler Note: Sacre, Candace Preliminary comments.
9:11:00 AM	Chairman Chandler Note: Sacre, Candace Hearing recommendations.
9:11:09 AM	Chairman Chandler Note: Sacre, Candace Entry of appearance.
9:11:13 AM	Atty Glass Kentucky Power Note: Sacre, Candace Katie Glass.
9:11:20 AM	Asst Atty General Horne Note: Sacre, Candace John Horne.
9:11:32 AM	Atty Boehm KIUC Note: Sacre, Candace Kurt Boehm.
9:11:38 AM	Atty Gary Joint Intervenors Note: Sacre, Candace Byron Gary and Tom Cmar.
9:12:00 AM	Chairman Chandler Note: Sacre, Candace Public notice.
9:12:18 AM	Chairman Chandler Note: Sacre, Candace Pending motions.
9:12:22 AM	Asst Gen Counsel Bellamy PSC Note: Sacre, Candace Ben Bellamy.
9:13:04 AM	Chairman Chandler Note: Sacre, Candace Public comments.
9:14:13 AM	Chairman Chandler Note: Sacre, Candace First witness?
9:14:16 AM	Atty Glass Kentucky Power Note: Sacre, Candace Brian West.
9:14:33 AM	Chairman Chandler Note: Sacre, Candace Witness is sworn.
9:14:40 AM	Chairman Chandler - witness West Note: Sacre, Candace Examination. Name and address?
9:15:22 AM	Atty Glass Kentucky Power - witness West Note: Sacre, Candace Direct Examination. Cause be filed testimony and responses?
9:15:37 AM	Atty Glass Kentucky Power - witness West Note: Sacre, Candace Corrections?
9:15:41 AM	Atty Glass Kentucky Power - witness West Note: Sacre, Candace Asked same questions, answers be same?
9:15:56 AM	Chairman Chandler Note: Sacre, Candace Order of cross examination. (Click on link for further comments.)
9:16:16 AM	Chairman Chandler Note: Sacre, Candace Mr. Horne?

9:16:18 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Cross Examination. Rebuttal, page 4, see question describe contract?
9:17:03 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Read last sentence of answer?
9:17:11 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Explain what happen after first of year?
9:17:50 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Why Cyber Innovation agree interruptible?
9:18:13 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Who benefits?
9:18:33 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Next question why company enter into contract?
9:18:49 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Page 5, read last sentence?
9:19:09 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Currently operating?
9:19:38 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Virtually identical?
9:19:48 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Explain differences?
9:20:12 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Twice size?
9:20:19 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Page 5, last question?
9:20:34 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Line 2, answer, Sherwood?
9:20:46 AM	Asst Atty General Horne - witness West	Note: Sacre, Candace	Intervenor witness Sherwood?
9:20:56 AM	Chairman Chandler	Note: Sacre, Candace	Mr. Cmar, Mr. Gary?
9:21:04 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Cross Examination. Involvement with Rockhouse contract?
9:21:53 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Personal involvement decision?
9:22:25 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Anyone else involved?
9:22:57 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	What current status?
9:23:31 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Responses load until Jan 2023, increased?
9:23:54 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Load increasing?
9:24:10 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Operating at 4 MW when first started?
9:24:18 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Ramped up further since?
9:24:34 AM	Atty Cmar Joint Intervenors - witness West	Note: Sacre, Candace	Other witness?
9:24:38 AM	Atty Cmar Joint Intervenors	Note: Sacre, Candace	Post-hearing data request.
9:24:39 AM	POST-HEARING DATA REQUEST	Note: Sacre, Candace	ATTY CMAR JOINT INTERVENORS - WITNESS WEST
		Note: Sacre, Candace	LOAD INCREASE SINCE JAN 2023

9:24:59 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Evidence facility not operate contract not approved?

9:25:17 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Operating 4 MW?

9:25:31 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Without discount?

9:25:39 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Evidence not continue?

9:25:47 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Discovery responses?

9:25:56 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Attachment 1 PSC 1-1 have that?

9:26:28 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Public and confidential, public version?

9:26:38 AM Chairman Chandler
Note: Sacre, Candace Ms. Glass, provide copy?

9:27:34 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Have spreadsheet?

9:27:42 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Answer questions?

9:27:46 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Ms. Kahn?

9:28:03 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Response AG 1-23?

9:28:25 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Attachment 2 projections capacity position?

9:28:50 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Response AG 1-4?

9:29:12 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Discussion cost purchasing capacity after Rockport?

9:29:32 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Discussion incur cost purchase capacity?

9:29:53 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Company entered bilateral agreements purchase?

9:30:12 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Which years?

9:30:40 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Say cost capacity purchases been?

9:30:57 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Recall more or less that capacity through Rockport?

9:31:23 AM Atty Cmar Joint Intervenors
Note: Sacre, Candace Seek post-hearing capacity costs for two PJM delivery years.

9:31:24 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace ATTY CMAR JOINT INTERVENORS - WITNESS WEST
Note: Sacre, Candace CAPACITY COSTS FOR PJM DELIVERY YEARS

9:32:12 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Status purchase security bond, EDR requires paying back discounts?

9:32:38 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Said Cyber Innovations post bond?

9:32:58 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Amount of bond?

9:33:22 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Why bond not included written contract?

9:34:10 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Written agreement post bond?

9:34:34 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Rider DRS, whether company participate first year?

9:34:58 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Participate over last year?

9:35:14 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Operating with 1 MW over last year?

9:35:44 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace How many times?

9:35:56 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Compensated?

9:36:06 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace First year counted as first year?

9:36:17 AM Atty Cmar Joint Intervenors - witness West
Note: Sacre, Candace Approve contract, year two, compensated?

9:36:46 AM Chairman Chandler
Note: Sacre, Candace Mr. Bellamy?

9:36:50 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Cross Examination. Page 5, line 15, correct?

9:37:31 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Familiar requirements Tariff EDR?

9:37:47 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Contract, Section 4.9, page 7, reading, would be required IBDD reduced?

9:40:17 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace When apply, when required reduce IBDD?

9:41:02 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Examination. Circumstances tariff provision apply?

9:41:23 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Think applies to scenario?

9:42:05 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Under scenario tariff provision ever apply?

9:43:01 AM Chairman Chandler - witness West
Note: Sacre, Candace Would be fact pattern?

9:43:12 AM Chairman Chandler - witness West
Note: Sacre, Candace Know what happens short FRR plan?

9:43:32 AM Chairman Chandler - witness West
Note: Sacre, Candace How make sufficient?

9:43:42 AM Chairman Chandler - witness West
Note: Sacre, Candace Short, penalty, buying capacity through auction?

9:43:53 AM Chairman Chandler - witness West
Note: Sacre, Candace Buying capacity, ever be short?

9:44:15 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Cross Examination (cont'd). Tariff Sheet 37-1, reading, tariff language determining reduction IBDD?

9:45:22 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace If gone to market, available and meeting tariff?

9:46:08 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Capacity serve projected and contract load?

9:46:58 AM Chairman Chandler - witness West
Note: Sacre, Candace Examination. How long Rockport UPA?

9:47:03 AM Chairman Chandler - witness West
Note: Sacre, Candace Not one or not two?

9:47:13 AM Chairman Chandler - witness West
Note: Sacre, Candace What for, capacity and energy?

9:47:17 AM Chairman Chandler - witness West
Note: Sacre, Candace Purchase power agreement, heard of those?

9:47:22 AM Chairman Chandler - witness West
Note: Sacre, Candace Last more one or two years?

9:47:26 AM Chairman Chandler - witness West
Note: Sacre, Candace What referring to done one- and two-year at time?

9:47:58 AM Chairman Chandler - witness West
Note: Sacre, Candace Who told you that?

9:48:14 AM Chairman Chandler - witness West
Note: Sacre, Candace Doing one- or two-year deals affiliates?

9:48:36 AM Chairman Chandler - witness West
Note: Sacre, Candace Not through bridge PCA?

9:48:53 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Cross Examination (cont'd). Cyber Innovation discounts on demand charges?

9:49:08 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Familiar costs recovered?

9:49:23 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Fixed costs recovered?

9:49:40 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Indicated costs recovered through PPA rider?

9:50:04 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Capacity cost serve load flowed through PPA rider?

9:50:35 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Determine amount attributable to Cyber Innovation?

9:52:12 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Purchasing capacity flowing all customers through PPA?

9:52:30 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Kentucky Power own native generation?

9:52:37 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Fixed cost recovered through demand charge?

9:52:50 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Way work getting discount on fixed costs?

9:53:14 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Other customers paying fixed costs?

9:53:27 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Cyber Innovation additional capacity both?

9:53:59 AM Chairman Chandler - witness West
Note: Sacre, Candace Examination. Why tariff EDR envision purchases not capacity?

9:54:40 AM Chairman Chandler - witness West
Note: Sacre, Candace Was except provision sought by Kentucky Power?

9:55:05 AM Chairman Chandler - witness West
Note: Sacre, Candace Implication provision actually implicated?

9:56:01 AM Chairman Chandler - witness West
Note: Sacre, Candace Why provision exist?

9:56:30 AM Chairman Chandler - witness West
Note: Sacre, Candace Believe sufficient capacity offer economic development?

9:56:40 AM Chairman Chandler - witness West
Note: Sacre, Candace Winter peaking utility?

9:56:46 AM Chairman Chandler - witness West
Note: Sacre, Candace Owned or contracted capacity meet winter peak?

9:57:00 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Cross Examination. Response, Joint Intervenors Second, Item 1, reading, how calculated?

9:58:20 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Post-hearing data request.

9:58:21 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace STAFF ATTY BELLAMY PSC - WITNESS WEST
Note: Sacre, Candace HOW LOAD FACTOR CALCULATED

9:58:25 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Discussion operating at 7 MW?

9:58:49 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Built up system could take 7 MW?

9:59:37 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace When discussions this facility start?

10:00:19 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Have recollection first brought to attention?

10:00:35 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Not have recollection ballpark?

10:00:54 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Response Staff First, Item 2?

10:02:09 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Response, AG First, Item 5, 9.3 percent, total load obligation 1.093 MW Cyber Innovation?

10:03:06 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Refer Attachment 2, AG First, Item 23, chart full load obligation, 1014.4, PJM load obligation?

10:04:08 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Capacity requirement for Kentucky Power?

10:04:42 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace 9.3 percent unforced capacity reserve margin?

10:05:02 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace When obligation estimated, forecasted requirement used estimate?

10:05:44 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Estimate 9.3 continue on or changes?

10:05:58 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Post-hearing data request?

10:05:59 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace STAFF ATTY BELLAMY PSC - WITNESS WEST
Note: Sacre, Candace FORECASTED FULL REQUIREMENT USED FOR RESERVE MARGIN TO ESTIMATE LOAD OBLIGATION

10:06:26 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Rebuttal, page R5, line 3, tariffs Commission approved, in order?

10:08:25 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Confirm process followed?

10:08:58 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Open to amending contract require that?

10:09:38 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Response, AG First, Item 23, comment not short capacity, Attachment 2, short term purchases?

10:11:16 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Based on PJM capacity requirement?

10:11:29 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace 2028-2029 Kentucky Power not have sufficient capacity?

10:12:41 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Right now no have capacity?

10:12:51 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Based on summer load, when PJM peaks?

10:13:12 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Kentucky Power winter peaking?

10:13:48 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace KRS Chapter 278 adequacy service, satisfied any capacity requirement?

10:14:29 AM Chairman Chandler - witness West
Note: Sacre, Candace Examination. Clarify those requirements?

10:14:41 AM Chairman Chandler - witness West
Note: Sacre, Candace Filing filed Friday?

10:14:48 AM Chairman Chandler - witness West
Note: Sacre, Candace Cited statute?

10:14:58 AM Chairman Chandler - witness West
Note: Sacre, Candace Requirements state law or FERC rules?

10:15:36 AM Chairman Chandler - witness West
Note: Sacre, Candace Meeting FRR plan providing adequate service?

10:16:15 AM Asst Gen Counsel Bellamy PSC - witness West
Note: Sacre, Candace Cross Examination (cont'd). Post-hearing data request compliance with PJM requirements satisfying adequacy of service requirement under state law?

10:16:16 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace ASST GEN COUNSEL BELLAMY PSC - WITNESS WEST
Note: Sacre, Candace WHETHER COMPLIANCE PJM REQUIREMENTS SATISFIES ADEQUACY OF SERVICE UNDER STATE LAW

10:16:41 AM Chairman Chandler
Note: Sacre, Candace Vice Chair?

10:16:51 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Examination. Sufficient capacity native load and EDR, requires excess capacity, feel Kentucky Power has?

10:17:44 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Only offered in times of excess capacity is law?

10:18:58 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Rebuttal, line 6, capacity short position, how consistent?

10:19:58 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Meant be past tense?

10:20:07 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace IRP plans build capacity, firm plans build new generation?

10:21:02 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace No plans?

10:21:38 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Not appear dollar for dollar pass through?

10:22:23 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Savings spread to all customers, contract in place with Cyber Innovation?

10:22:44 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Operating?

10:22:48 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace What benefits received?

10:23:09 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Told benefits customers, point to way?

10:23:52 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace If incurring fixed costs, how help them?

10:24:09 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace See that in new rate case?

10:24:18 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace See evidence of that?

10:24:24 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Costs have decreased?

10:24:37 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Verbal agreement bond, additional protections in writing?

10:26:08 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Standard deposit?

10:26:21 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Think Cyber Innovation not able use more than 1,000 a month?

10:27:45 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Exceptional circumstances?

10:27:55 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Not much capacity needed, only extraordinary circumstances?

10:28:17 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace When saying need very little, sounds like counting on needing interrupt constantly?

10:28:35 AM Vice Chairman Hatton - witness West
Note: Sacre, Candace Expect 7,000 kW available, only 1,000 firm?

10:29:09 AM Chairman Chandler
Note: Sacre, Candace Commissioner?

10:29:13 AM Commissioner Regan - witness West
Note: Sacre, Candace Examination. Looking attract customers?

10:29:31 AM Commissioner Regan - witness West
Note: Sacre, Candace Knowing what happened FTX going belly up, comfortable Cyber Innovation be here long run?

10:29:52 AM Chairman Chandler
Note: Sacre, Candace Recess until 10:45.

10:30:10 AM Session Paused

10:47:01 AM Session Resumed

10:47:10 AM Chairman Chandler
Note: Sacre, Candace Back on the record.

10:47:16 AM Chairman Chandler - witness West
Note: Sacre, Candace Examination. How long in position?

10:47:33 AM Chairman Chandler - witness West
Note: Sacre, Candace Aware Big Run?

10:47:43 AM Chairman Chandler - witness West
Note: Sacre, Candace Customer of Kentucky Power?

10:47:54 AM Chairman Chandler - witness West
Note: Sacre, Candace Aware of contract?

10:48:01 AM Chairman Chandler - witness West
Note: Sacre, Candace Case led to approval?

10:48:52 AM Chairman Chandler - witness West
Note: Sacre, Candace Website, PDF viewer, application in 2018-00378, deviation from Finding 5, see that?

10:49:34 AM Chairman Chandler - witness West
Note: Sacre, Candace Seen application?

10:49:48 AM Chairman Chandler - witness West
Note: Sacre, Candace Paragraph 3, notes Commission approved EDR in 2015, first contract?

10:50:23 AM	Chairman Chandler - witness West Note: Sacre, Candace	Scroll down to page 5, Compliance with Admin Case 327 Order, see that?
10:50:50 AM	Chairman Chandler - witness West Note: Sacre, Candace	Findings 327, generally aware?
10:51:04 AM	Chairman Chandler - witness West Note: Sacre, Candace	Gets to Finding 5, see that?
10:51:18 AM	Chairman Chandler - witness West Note: Sacre, Candace	Requires excess capacity?
10:51:27 AM	Chairman Chandler - witness West Note: Sacre, Candace	Rest of paragraph, not cause utility fall below reserve margin?
10:51:44 AM	Chairman Chandler - witness West Note: Sacre, Candace	Paragraph 20, surplus expect through '21-'22 PJM planning year, reading, (click on link for further comments), read accurately?
10:52:15 AM	Chairman Chandler - witness West Note: Sacre, Candace	Paragraph 21, reading, (click on link for further comments), right?
10:52:56 AM	Chairman Chandler - witness West Note: Sacre, Candace	Kentucky Power not have sufficient capacity 2022-23?
10:53:21 AM	Chairman Chandler - witness West Note: Sacre, Candace	Statement said past tense to Vice Chair not correct?
10:53:53 AM	Chairman Chandler - witness West Note: Sacre, Candace	As long as member PJM, Kentucky Power adequate capacity?
10:54:39 AM	Chairman Chandler - witness West Note: Sacre, Candace	None relevant?
10:54:51 AM	Chairman Chandler - witness West Note: Sacre, Candace	How is PJM capacity relevant?
10:55:20 AM	Chairman Chandler - witness West Note: Sacre, Candace	If had no generation, believe have sufficient generation?
10:55:38 AM	Via Presentation Activated	
10:55:52 AM	Chairman Chandler - witness West Note: Sacre, Candace	Fully address resource needs in 2019 IRP?
10:56:09 AM	Chairman Chandler - witness West Note: Sacre, Candace	State address future resource needs in 2023 IRP?
10:56:32 AM	Chairman Chandler - witness West Note: Sacre, Candace	Paragraph 22, application, reading, (click on link for further comments), Paragraph 23, reading, (click on link for further comments), claim purchase 1 MW capacity?
10:56:57 AM	Video Conference Deactivated	
10:59:22 AM	Chairman Chandler - witness West Note: Sacre, Candace	The 1 MW?
10:59:25 AM	Chairman Chandler - witness West Note: Sacre, Candace	Absent agreement, purchase that 1 MW?
10:59:50 AM	Chairman Chandler - witness West Note: Sacre, Candace	Have to procure additional MW if not have this load?
11:00:07 AM	Chairman Chandler - witness West Note: Sacre, Candace	Everything same, does one include purchasing megawatt and one not include, that's a difference?
11:00:36 AM	Chairman Chandler - witness West Note: Sacre, Candace	If not customer, not be in load forecast?
11:00:48 AM	Chairman Chandler - witness West Note: Sacre, Candace	Not in load forecast not have to purchase for them?
11:01:17 AM	Chairman Chandler - witness West Note: Sacre, Candace	Noted generally aware Tariff EDR?

11:01:48 AM	Chairman Chandler - witness West Note: Sacre, Candace	Terms and Conditions, tariff EDR, first, reading, (click on link for further comments), see that?
11:01:56 AM	Chairman Chandler - witness West Note: Sacre, Candace	Reading, (click on link for further comments), see that?
11:02:16 AM	Chairman Chandler - witness West Note: Sacre, Candace	Capacity through bridge PCA generating capacity?
11:02:25 AM	Chairman Chandler - witness West Note: Sacre, Candace	Entitled to energy specific units for which contracted capacity?
11:02:48 AM	Chairman Chandler - witness West Note: Sacre, Candace	Benefit of energy sold?
11:03:02 AM	Chairman Chandler - witness West Note: Sacre, Candace	Referring to scenario just described, get benefit of energy those units sell into market?
11:03:25 AM	Video Conference Activated	
11:03:30 AM	Chairman Chandler - witness West Note: Sacre, Candace	Post-hearing show me where get economic benefit of energy sold by generating units have capacity right through bridge PCA?
11:03:31 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS WEST SHOW WHERE RECEIVE ECONOMIC BENEFIT OF ENERGY SOLD BY GENERATING UNITS
11:03:50 AM	Chairman Chandler - witness West Note: Sacre, Candace	Application goes on to say, reading, (click on link for further comments), benefit of hindsight, what first few sentences mean?
11:04:06 AM	Video Conference Deactivated	
11:04:52 AM	Chairman Chandler - witness West Note: Sacre, Candace	Buying capacity for Big Run?
11:05:07 AM	Chairman Chandler - witness West Note: Sacre, Candace	Passing through to Big Run cost of capacity?
11:05:31 AM	Chairman Chandler - witness West Note: Sacre, Candace	Final Order 2018-00378, Application, page 7, reading, (click on link for further comments), read correctly?
11:07:44 AM	Chairman Chandler - witness West Note: Sacre, Candace	Capacity deficit 2022-23 planning year, would have sufficient capacity?
11:08:17 AM	Chairman Chandler - witness West Note: Sacre, Candace	Short in capacity 2022?
11:09:27 AM	Chairman Chandler - witness West Note: Sacre, Candace	Page 8, it appears Kentucky Power short in capacity?
11:09:58 AM	Chairman Chandler - witness West Note: Sacre, Candace	Commission wrong in anticipation?
11:10:25 AM	Chairman Chandler - witness West Note: Sacre, Candace	Capacity shortfall addressed in IRP, 1,101 MW, Big Run .3 percent obligation, see that?
11:11:11 AM	Chairman Chandler - witness West Note: Sacre, Candace	Read next paragraph?
11:12:10 AM	Chairman Chandler - witness West Note: Sacre, Candace	Why not passing through costs of capacity purchases to Big Run?
11:12:30 AM	Chairman Chandler - witness West Note: Sacre, Candace	Beyond what Commission envisions?
11:13:46 AM	Chairman Chandler - witness West Note: Sacre, Candace	If not see it your way, undermining company?

11:14:00 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Offering discount costing money?
11:14:12 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Amount selling for more or less what costing you?
11:14:26 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Pretty big question?
11:14:37 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Included capacity costs?
11:14:46 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	How reducing other customers costs?
11:15:44 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Assume analysis takes into account serving new load?
11:16:08 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Cost to that?
11:16:19 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Absent load, forecast lower and not purchase capacity?
11:16:38 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Capacity purchase variable cost serving demand?
11:16:55 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Agree with statement?
11:17:01 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	If cost serving demand, that cost included marginal cost analysis?
11:17:30 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Had extra MW?
11:17:45 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	What benefit?
11:18:04 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Energy benefit?
11:18:09 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Not capacity benefit?
11:18:16 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Extra MW extra generation?
11:18:41 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Reduce costs other customers?
11:18:51 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Have to purchase?
11:18:57 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Only do EDRs excess generation?
11:19:15 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Tariff approval exception?
11:19:24 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Assume Finding 5 exists for reason said a second ago?
11:20:01 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Your takeaway?
11:20:10 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Sought deviation in tariff?
11:20:25 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Commission pointed to provision discussing capacity?
11:20:59 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Not sufficient capacity meet native demand?
11:21:15 AM	Video Conference Activated	
11:21:15 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Sufficient capacity cover winter peak?

11:22:48 AM Chairman Chandler - witness West
Note: Sacre, Candace Compare annual winter demand to once in a lifetime storm?

11:22:49 AM Via Presentation Deactivated

11:23:20 AM Chairman Chandler - witness West
Note: Sacre, Candace Sufficient capacity meet native peak?

11:23:35 AM Chairman Chandler - witness West
Note: Sacre, Candace The peak?

11:24:11 AM Chairman Chandler - witness West
Note: Sacre, Candace What analysis when say save customers money?

11:24:36 AM Chairman Chandler - witness West
Note: Sacre, Candace Opinion saves customers money?

11:25:15 AM Chairman Chandler - witness West
Note: Sacre, Candace Read sufficient capacity, means compliant fixed resource plan with PJM under FERC tariffs?

11:25:32 AM Chairman Chandler - witness West
Note: Sacre, Candace What support for that belief?

11:26:05 AM Chairman Chandler - witness West
Note: Sacre, Candace Sufficient generation not in tariff to find?

11:26:12 AM Chairman Chandler - witness West
Note: Sacre, Candace Ascribe definition to it?

11:26:20 AM Chairman Chandler - witness West
Note: Sacre, Candace What read gives belief what means?

11:26:57 AM Chairman Chandler - witness West
Note: Sacre, Candace Admin 327 case cost study benefit EDR tariffs?

11:27:21 AM Chairman Chandler - witness West
Note: Sacre, Candace As long contract covers variable cost customers benefit?

11:27:34 AM Chairman Chandler - witness West
Note: Sacre, Candace Determining what variable costs are imperative?

11:27:50 AM Chairman Chandler - witness West
Note: Sacre, Candace Direction way filed tariff filing directive by Commission?

11:28:13 AM Chairman Chandler - witness West
Note: Sacre, Candace Remember what Commission said in 2020 Order?

11:28:29 AM Chairman Chandler - witness West
Note: Sacre, Candace Providing directive?

11:28:43 AM Chairman Chandler - witness West
Note: Sacre, Candace 2018-2019?

11:28:58 AM Chairman Chandler - witness West
Note: Sacre, Candace Page 9, last paragraph, read, what part compulsory?

11:29:31 AM Via Presentation Activated

11:29:51 AM Chairman Chandler - witness West
Note: Sacre, Candace Earlier testimony Commission directed, says can or may through tariff system?

11:29:52 AM Video Conference Deactivated

11:30:11 AM Chairman Chandler - witness West
Note: Sacre, Candace Not require file through tariff system?

11:30:37 AM Chairman Chandler - witness West
Note: Sacre, Candace Responsible for tariffs?

11:30:52 AM Chairman Chandler - witness West
Note: Sacre, Candace You do?

11:31:04 AM Chairman Chandler - witness West
Note: Sacre, Candace Agree filings made cover letters not included?

11:31:19 AM Chairman Chandler - witness West
Note: Sacre, Candace Know tariff pages?

11:31:29 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Cover letters included in that?
11:31:41 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Special contracts on file?
11:31:52 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Accessed those?
11:31:57 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Cover letters are there?
11:32:25 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	EDR tariff, second terms of service, what mean?
11:33:37 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	What fact scenario?
11:34:17 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	What size of load matter?
11:34:38 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	What have do with accelerates need for capacity?
11:35:04 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Buying sufficient generating capacity?
11:35:21 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Even one- and two-year increments?
11:35:32 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Accelerate company plans for generating capacity?
11:35:46 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Why not?
11:35:54 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	How about 100 MW?
11:36:05 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	What analysis be?
11:36:30 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	800 MW be different than two, limited to 250 MW?
11:36:42 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Something this side 250 MW?
11:36:58 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Tariff EDR applies contracts outside EDR?
11:37:43 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Believe appreciation for variable costs serving customer?
11:38:08 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Have certainty as to capacity costs for remainder of delivery?
11:38:18 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Subsequent seven years appreciation capacity cost?
11:38:30 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Appreciation energy costs be period of contract?
11:38:35 AM	Video Conference Activated	
11:38:37 AM	Via Presentation Deactivated	
11:38:40 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Company have appreciation energy costs?
11:38:59 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	If owned generation, good appreciation forward cost curve might be?
11:39:18 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	If not know, make harder?
11:39:37 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	If know generation, good idea cost output?

11:39:51 AM	Chairman Chandler - witness West Note: Sacre, Candace	Not know what generation be?
11:39:57 AM	Chairman Chandler - witness West Note: Sacre, Candace	Not know, not agree?
11:40:17 AM	Chairman Chandler - witness West Note: Sacre, Candace	Positive benefit if contracts not cover variable costs?
11:41:01 AM	Chairman Chandler - witness West Note: Sacre, Candace	Variable costs change, not cover, company at risk occurring?
11:42:37 AM	Chairman Chandler - witness West Note: Sacre, Candace	Agree dollar in ten years not same as this year?
11:42:49 AM	Chairman Chandler - witness West Note: Sacre, Candace	Important discount so apples to apples?
11:43:12 AM	Chairman Chandler - witness West Note: Sacre, Candace	Capacity purchases cost more customers paying net recovered other customers Tariff PPA?
11:43:42 AM	Chairman Chandler - witness West Note: Sacre, Candace	How look at that negotiating discounted rates, at ratemaking treatments determining other customers better off?
11:44:47 AM	Chairman Chandler - witness West Note: Sacre, Candace	Tariff rates not enough?
11:45:02 AM	Chairman Chandler - witness West Note: Sacre, Candace	Incremental cost exceeds rates recovered?
11:45:40 AM	Chairman Chandler - witness West Note: Sacre, Candace	No fact scenario Kentucky Power required purchase capacity Big Run?
11:46:14 AM	Chairman Chandler - witness West Note: Sacre, Candace	Without Big Run demand, purchase less?
11:46:29 AM	Chairman Chandler - witness West Note: Sacre, Candace	Yes?
11:46:38 AM	Chairman Chandler - witness West Note: Sacre, Candace	Mechanism put into effect Terms and Conditions 1?
11:46:59 AM	Chairman Chandler - witness West Note: Sacre, Candace	Reduction demand discounts, how effectuated?
11:48:15 AM	Chairman Chandler - witness West Note: Sacre, Candace	Contract same as contract terms say may reduce discount?
11:48:49 AM	Chairman Chandler - witness West Note: Sacre, Candace	Verbatim from testimony?
11:49:06 AM	Chairman Chandler - witness West Note: Sacre, Candace	Do marginal cost internally?
11:49:35 AM	Chairman Chandler - witness West Note: Sacre, Candace	Covers variable costs?
11:50:10 AM	Chairman Chandler - witness West Note: Sacre, Candace	Time in between, looking at variable cost?
11:50:58 AM	Chairman Chandler - witness West Note: Sacre, Candace	Not think new load not cover marginal costs, what do effectuate change EDR?
11:52:57 AM	Chairman Chandler - witness West Note: Sacre, Candace	Customer not covering all costs bad for remaining customers?
11:53:36 AM	Chairman Chandler - witness West Note: Sacre, Candace	Life of contract not paying full costs bad for system?
11:54:30 AM	Chairman Chandler - witness West Note: Sacre, Candace	2018 case assumed Rockport EPA expire?
11:54:56 AM	Chairman Chandler - witness West Note: Sacre, Candace	Assumptions 2017 2020, ball in court in 2022 what did?

11:55:18 AM	Chairman Chandler - witness West	
	Note: Sacre, Candace	Assumption not worthwhile renew?
11:56:43 AM	Chairman Chandler	
	Note: Sacre, Candace	Recess until 1 pm.
11:56:51 AM	Session Paused	
1:05:52 PM	Session Resumed	
1:06:09 PM	Session Paused	
1:15:44 PM	Session Resumed	
1:16:05 PM	Chairman Chandler	
	Note: Sacre, Candace	Back on record.
1:16:11 PM	Chairman Chandler	
	Note: Sacre, Candace	Still under oath.
1:16:41 PM	Chairman Chandler	
	Note: Sacre, Candace	Boehm back in short order.
1:16:50 PM	Chairman Chandler	
	Note: Sacre, Candace	First break at 2 and figure out after that.
1:17:00 PM	Chairman Chandler	
	Note: Sacre, Candace	Redirect?
1:17:10 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Redirect Examination. Knew Cyber Innovation not continue facility, remember that?
1:17:31 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Expected contract approved in 30 days?
1:17:53 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Cyber Innovation indicated not have located absent discounts?
1:18:13 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Open special contract, Section 4.9, Tariff EDR, Kentucky Power may be required acquire additional power, understanding?
1:19:14 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Company purchase capacity serve all customers?
1:19:35 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Not assigned individual customers?
1:19:43 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Not assign individual customers?
1:19:52 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Company purchasing capacity under Rockport and also now?
1:20:08 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Credit reduction not apply?
1:20:19 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Company asked confirm or grant deviation?
1:20:29 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Commission either grant or not grant deviation?
1:20:47 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Inclusion of provision and use of may include provide Commission not agree or grant?
1:21:22 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Sufficient capacity now for ten-year term?
1:21:39 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Company always assure that?
1:22:01 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Bilateral contracts?
1:22:12 PM	Atty Glass Kentucky Power - witness West	
	Note: Sacre, Candace	Agree enters into contracts based on what knows at time?

1:22:30 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Chose enter into short contracts?

1:22:36 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Not capacity procurement experts like commercial operations team?

1:22:46 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Additional detail needed on strategy procured from Service Corp?

1:23:16 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Also asked why credit reduction provision in Tariff EDR where reduce EDR credits in event capacity purchases made on behalf of customer?

1:23:34 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Asked why provision in Tariff EDR, agree allows offer EDR contracts when sufficient generating capacity and when sufficient capacity not available?

1:23:47 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Provides deviation from requirement in Admin Case 327?

1:24:05 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Also provides what happens EDR credits?

1:24:30 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Company stated?

1:24:42 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Tells company not agree or grant deviation implement terms of tariff?

1:25:12 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Contract meet requirements in

1:25:26 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace If not grant credit reduction credit, still meet requirements of tariff and 327?

1:25:48 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Implementing Order and terms of tariff?

1:26:02 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Asked whether comfortable Cyber Innovation be here long term?

1:26:20 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Based on representations made?

1:26:28 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace No reason believe not stick around?

1:26:48 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Adding new generation?

1:26:59 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Additional customers add spread over more customers?

1:27:16 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Attract new large load discounted rates?

1:27:38 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Assures sufficient capacity?

1:27:48 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Rely on PJM load in excess summer peak?

1:28:02 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Contract/own sufficient generation summer peak?

1:28:17 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace If contracted or build, require more?

1:28:32 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Higher cost?

1:28:40 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace When not necessary, cost customers more?

1:28:58 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Supply related outage?

1:29:12 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Marginal cost study?

1:29:23 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Errata attachment marginal cost study?

1:29:39 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Kahn answer questions?

1:29:52 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Accurate marginal cost study imperative?

1:30:05 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Multiple ways perform?

1:30:13 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Made on information known at time?

1:30:25 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Not used predict future?

1:30:35 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Kahn best witness?

1:30:52 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Section 4.9, discount reduction provision, when apply?

1:31:20 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Confer AEP Service Corp?

1:31:33 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Having to purchase?

1:31:45 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Discount reduction not apply when capacity serve all customers?

1:32:02 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Would apply capacity purchase serve new customer?

1:32:21 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Once company shows up, identify amount and assign portion?

1:32:50 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace True incremental capacity purchase, otherwise not purchased?

1:33:00 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Absent customer need?

1:33:05 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace When Cyber Innovation Rockhouse load show up PJM load forecast?

1:33:31 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace Likely 1 MW firm capacity or be excess cover 1 MW serve all customers?

1:33:53 PM Atty Glass Kentucky Power - witness West
Note: Sacre, Candace So small wouldn't fit?

1:34:18 PM Chairman Chandler
Note: Sacre, Candace Questions?

1:34:38 PM Chairman Chandler - witness West
Note: Sacre, Candace Examination. Familiar current IRP?

1:34:47 PM Chairman Chandler - witness West
Note: Sacre, Candace Helped formulate?

1:34:54 PM Chairman Chandler - witness West
Note: Sacre, Candace Look at previous IRP?

1:35:08 PM Chairman Chandler - witness West
Note: Sacre, Candace Review Order entered in case?

1:35:54 PM Via Presentation Activated

1:36:00 PM Chairman Chandler - witness West
Note: Sacre, Candace Nunc order, nunc pro tunc, this for that?

1:36:34 PM	Chairman Chandler - witness West Note: Sacre, Candace	Replaced second sentence in first paragraph, page 4, reading, see that?
1:37:13 PM	Chairman Chandler - witness West Note: Sacre, Candace	Call attention to entity or entities, see that?
1:37:28 PM	Chairman Chandler - witness West Note: Sacre, Candace	Closing Order Jun 4 2021, page 4, reading, (click on link for further comments), see that?
1:38:18 PM	Chairman Chandler - witness West Note: Sacre, Candace	"Entity" added after "FRR?"
1:38:32 PM	Chairman Chandler - witness West Note: Sacre, Candace	Reading, (click on link for further comments), makes sense?
1:38:52 PM	Chairman Chandler - witness West Note: Sacre, Candace	How understand FRR to work?
1:38:56 PM	Chairman Chandler - witness West Note: Sacre, Candace	In contrast, Order goes on, reading, (click on link for further comments), read correctly?
1:40:50 PM	Chairman Chandler - witness West Note: Sacre, Candace	Order goes on to say, reading, (click on link for further comments), when talking not enough generation meet native winter demand, what portion consistent with finding Jun 4 2021 Order?
1:42:10 PM	Chairman Chandler - witness West Note: Sacre, Candace	How is position on PJM FRR plan consistent with Order?
1:42:34 PM	Chairman Chandler - witness West Note: Sacre, Candace	Make decision based on record in this case?
1:42:52 PM	Chairman Chandler - witness West Note: Sacre, Candace	Is what Commission explaining what should do what you are doing?
1:43:26 PM	Chairman Chandler - witness West Note: Sacre, Candace	Is company doing what Order said should be doing?
1:43:41 PM	Video Conference Activated	
1:43:47 PM	Chairman Chandler - witness West Note: Sacre, Candace	What doing consistent with what in Order?
1:43:59 PM	Chairman Chandler - witness West Note: Sacre, Candace	Entered two years ago?
1:44:20 PM	Chairman Chandler - witness West Note: Sacre, Candace	Jun 4 2021 more than two years ago?
1:44:38 PM	Chairman Chandler - witness West Note: Sacre, Candace	Stamp it?
1:44:44 PM	Chairman Chandler - witness West Note: Sacre, Candace	Filed IRP since then?
1:44:48 PM	Chairman Chandler - witness West Note: Sacre, Candace	Is IRP consistent?
1:45:10 PM	Chairman Chandler - witness West Note: Sacre, Candace	How pin down demand to one customer?
1:45:23 PM	Chairman Chandler - witness West Note: Sacre, Candace	What benefit response?
1:45:55 PM	Chairman Chandler - witness West Note: Sacre, Candace	Reason not been with Big Run not think identify 3.6 MW?
1:46:24 PM	Chairman Chandler - witness West Note: Sacre, Candace	Where Order say alone?
1:46:38 PM	Chairman Chandler - witness West Note: Sacre, Candace	Explanation earlier dollar for dollar apply single instance?
1:47:19 PM	Chairman Chandler - witness West Note: Sacre, Candace	Only happen first year?

1:47:30 PM	Chairman Chandler - witness West Note: Sacre, Candace	Single EDR excess to insufficient charge whatever short, after that still get discount?
1:47:56 PM	Chairman Chandler - witness West Note: Sacre, Candace	Scenario explaining?
1:48:30 PM	Chairman Chandler - witness West Note: Sacre, Candace	Tariff PPA questions Kahn?
1:48:52 PM	Chairman Chandler - witness West Note: Sacre, Candace	Kahn makes filing, done under your supervision?
1:49:18 PM	Atty Glass Kentucky Power Note: Sacre, Candace	Supplement record on that issue.
1:49:41 PM	Chairman Chandler Note: Sacre, Candace	Filing addendum to contract on surety.
1:51:47 PM	Chairman Chandler Note: Sacre, Candace	Recess until 2:10.
1:51:52 PM	Session Paused	
2:19:20 PM	Session Resumed	
2:19:31 PM	Chairman Chandler Note: Sacre, Candace	Back on the record.
2:19:41 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
2:19:43 PM	Atty Glass Kentucky Power Note: Sacre, Candace	Amanda Clark.
2:19:53 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
2:19:57 PM	Chairman Chandler - witness Clark Note: Sacre, Candace	Examination. Name and address?
2:20:16 PM	Atty Glass Kentucky Power - witness Clark Note: Sacre, Candace	Direct Examination. Cause be filed testimony and responses?
2:20:21 PM	Atty Glass Kentucky Power - witness Clark Note: Sacre, Candace	Corrections?
2:20:25 PM	Atty Glass Kentucky Power - witness Clark Note: Sacre, Candace	Asked same questions, answers be same?
2:20:40 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	Cross Examination. Cyber Innovation not applied for SDDD?
2:20:55 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	Not creating enough jobs to qualify?
2:21:02 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	What minimum number is?
2:21:09 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	EDR tariff, all judged same way?
2:21:22 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	Different in value one entity over another entity?
2:21:33 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	While all economic development important, some better?
2:21:50 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	More likely to succeed than others?
2:22:01 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	Look for in terms be successful?
2:22:49 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	Weigh success of project?
2:23:10 PM	Asst Atty General Horne - witness Clark Note: Sacre, Candace	How many special contracts done for entity not qualified for SDDD?

2:23:28 PM Asst Atty General Horne - witness Clark
Note: Sacre, Candace How many employees Long Fork?

2:23:38 PM Asst Atty General Horne - witness Clark
Note: Sacre, Candace Long Fork under EDR?

2:23:43 PM Chairman Chandler
Note: Sacre, Candace Questions?

2:23:58 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Cross Examination. Conveyed two to three additional jobs at Rockhouse?

2:24:27 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Five additional jobs?

2:24:47 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Guarantee new jobs?

2:24:59 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Verify jobs claims?

2:25:25 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Take statements at face value?

2:25:40 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Full time jobs based at Rockhouse?

2:25:53 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Already operating?

2:25:58 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Jobs already created?

2:26:26 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Discuss legislation concerning cryptocurrency?

2:26:33 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Page 6, rebuttal, lines 4 to 5, SB 255?

2:27:01 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Added definitions to create tax incentives?

2:27:12 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Reviewed SB 255?

2:27:21 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace In response to testimony?

2:27:28 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Purpose increase usage of electricity?

2:27:45 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Consider abundant supply?

2:28:02 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Have abundant supply electricity?

2:28:28 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Kentucky Power sufficient capacity EDR tariff?

2:28:44 PM Atty Cmar Joint Intervenors - witness Clark
Note: Sacre, Candace Abundant supply consistent with SB 255?

2:29:18 PM Chairman Chandler
Note: Sacre, Candace Mr. Bellamy?

2:29:21 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Cross Examination. Involved in discussions?

2:29:34 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Timeline of events going forward until tariff filed?

2:31:15 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Conversation started summer 2021?

2:31:33 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Discussion of sites favorable, how identify?

2:32:25 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Generation capacity or distribution?

2:32:35 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Cyber Innovation, five miles apart, same circuit?

2:33:10 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace When EDR brought up?

2:33:43 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Bring up after facility built?

2:34:10 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Promotional material?

2:34:30 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Provide promotional material?

2:34:58 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Include tariff rates?

2:35:21 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Without EDR not locate?

2:35:30 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Context of conversation?

2:35:56 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Three cents per kWh?

2:36:10 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Rockhouse open since June 2022?

2:36:20 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Fully built out?

2:36:33 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Other facility when begin operation?

2:36:50 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Earlier in 2022?

2:36:59 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Aware been requested interrupt load?

2:37:19 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace When trying attract new customer, large facility in area, new to service area?

2:38:11 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Response Staff First, Item 2, witness responded?

2:38:33 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace 2(b) description undertake to serve, long-term plan 69 kW line?

2:39:11 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Describe other long-term projects?

2:39:55 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace 1-2 response long-term projects, how switch help support load?

2:40:44 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Knowledge improvements necessary on circuit absent CI load?

2:41:12 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Engineer said was plan before?

2:41:42 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace If customers needed do improvements, not until CI came, now is necessary?

2:42:02 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Absent CI locating, not been necessary?

2:42:07 PM Asst Gen Counsel Bellamy PSC - witness Clark
Note: Sacre, Candace Provide cost of upgrades?

2:42:19 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace ASST GEN COUNSEL BELLAMY PSC - WITNESS CLARK

	Note: Sacre, Candace	COST OF UPGRADES
2:42:27 PM	Chairman Chandler	
	Note: Sacre, Candace	Vice Chair?
2:42:31 PM	Vice Chairman Hatton - witness Clark	
	Note: Sacre, Candace	Examination. Tariff provided to economic development opportunity companies?
2:42:54 PM	Vice Chairman Hatton - witness Clark	
	Note: Sacre, Candace	What information about discount?
2:43:07 PM	Vice Chairman Hatton - witness Clark	
	Note: Sacre, Candace	Without details, could be discount?
2:43:21 PM	Vice Chairman Hatton - witness Clark	
	Note: Sacre, Candace	Dollar for dollar pass through?
2:43:40 PM	Vice Chairman Hatton - witness Clark	
	Note: Sacre, Candace	Part of those discussions?
2:43:54 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Examination. Know when customer took service?
2:44:05 PM	Chairman Chandler	
	Note: Sacre, Candace	Go on confidential record, please.
2:44:14 PM	Private Mode Activated	
2:44:14 PM	Private Recording Activated	
2:47:28 PM	Chairman Chandler	
	Note: Sacre, Candace	Come off confidential record.
2:47:38 PM	Normal Mode Activated	
2:47:38 PM	Public Recording Activated	
2:47:41 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Examination (cont'd). Filing made tariff filing, copy of contract, Attachment 1, page 16 of 24?
2:48:23 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Dates when filed?
2:48:33 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	How went ahead and started operating taking to do this, assumed this case?
2:48:58 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	How time taken Commission do investigation start using electricity and time using EDR?
2:49:28 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	EDR for entirety of demand, not incremental?
2:49:46 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Said once in operation eyes on horizon?
2:50:12 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Discussions EDR this account precede taking service?
2:50:30 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Customer account manager before take service?
2:50:48 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Who at Kentucky Power or AEC provide information when started full service and signing contract?
2:51:16 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Know who person is?
2:51:38 PM	Chairman Chandler - witness Clark	
	Note: Sacre, Candace	Anything in record started service and contract not signed?
2:51:55 PM	Chairman Chandler	
	Note: Sacre, Candace	Redirect?
2:52:07 PM	Atty Glass Kentucky Power - witness Clark	
	Note: Sacre, Candace	Redirect Examination. EDR Tariff on Kentucky Power, five jobs?

2:52:46 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Sheet 37-4 of tariff, supplemental discount?

2:53:03 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Read what that says?

2:53:20 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Agree what says?

2:53:28 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Minimum number five incorrect?

2:53:41 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Minimum number five?

2:54:00 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Main objective for you?

2:54:32 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Bring people and jobs to territory?

2:54:42 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Economic development?

2:54:49 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Other benefits include?

2:54:57 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Customers bring economic development to territory?

2:55:11 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace EDR allows company offer discounted rates?

2:55:21 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Economic development more important Ky Power territory?

2:56:09 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Explain constraints?

2:57:52 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Explain effect company not have ability offer EDR discounts?

2:58:54 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Company offering discounts implementing General Assembly plan?

2:59:45 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Offering discounts company excluding other companies?

3:00:14 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Aware other customer interested in locating at site?

3:00:41 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Traditional companies vying for site?

3:00:54 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Turn to Response to Staff 2-2, absent CI on circuit upgrades necessary?

3:01:27 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Answered inconsistently, second paragraph, second sentence, read?

3:01:58 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Not engineer, what engineers told you?

3:02:31 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Aware entering EDR contract enter into contract service?

3:02:51 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace CI entered into contract?

3:03:01 PM Atty Glass Kentucky Power - witness Clark
Note: Sacre, Candace Contract full-service rates in record?

3:03:14 PM Chairman Chandler
Note: Sacre, Candace Anything else?

3:03:33 PM Chairman Chandler
Note: Sacre, Candace Next witness?

3:03:35 PM Atty Glass Kentucky Power
Note: Sacre, Candace Lerah Kahn.

3:03:47 PM Chairman Chandler
Note: Sacre, Candace Witness is sworn.

3:03:52 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Examination. Name and address?

3:04:08 PM Atty Glass Kentucky Power - witness Kahn
Note: Sacre, Candace Direct Examination. Cause be filed responses?

3:04:27 PM Atty Glass Kentucky Power - witness Kahn
Note: Sacre, Candace Corrections?

3:04:29 PM Atty Glass Kentucky Power - witness Kahn
Note: Sacre, Candace Asked same questions, answers be same?

3:04:38 PM Chairman Chandler
Note: Sacre, Candace Mr. Cmar?

3:04:58 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Cross Examination. Involved marginal cost analysis?

3:05:17 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Believe filed on Dec 28?

3:05:27 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Have on stand?

3:05:29 PM Atty Glass Kentucky Power
Note: Sacre, Candace Filed Jan 10.

3:05:54 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Errata sheet, two?

3:06:20 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Have spreadsheet?

3:06:28 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Workbook?

3:06:34 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Two analyses both with caption, bottom one is with?

3:06:54 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Have spreadsheet?

3:06:59 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Public information, 5CP and G Costs?

3:07:41 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace What is shown here?

3:08:30 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Explain how take net CONE and turn into estimates capacity costs shown?

3:09:01 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Underlying formula?

3:09:10 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Turn to summary tab, rows 25-43, see that?

3:10:37 PM Chairman Chandler
Note: Sacre, Candace Short recess until 3:20.

3:11:14 PM Session Paused

3:27:41 PM Session Resumed

3:27:57 PM Chairman Chandler
Note: Sacre, Candace Back on the record.

3:28:01 PM Chairman Chandler
Note: Sacre, Candace Mr. Cmar?

3:28:07 PM Atty Glass Kentucky Power
Note: Sacre, Candace Able provide Kahn electronic spreadsheets.

3:28:17 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Cross Examination (cont'd). Public Attachment 1-1?

3:28:30 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace 5CP and G costs?

3:28:45 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Price purchase capacity three planning years?

3:29:08 PM Video Conference Deactivated

3:29:35 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Three years available to company?

3:29:55 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace What reflected in 5?

3:30:31 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Column C 2023-24 planning year?

3:30:49 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Explain formula resulted in calculation?

3:31:15 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Examination. PJM prices capacity on dollar per kW day?

3:31:35 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Row 5 kW amount?

3:32:00 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Back into megawatt?

3:32:09 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Your rate B21 for that year?

3:32:29 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace C and D used amounts from B21 and B26?

3:32:40 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Dollar megawatt day?

3:32:55 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace Multiply by 365?

3:33:01 PM Chairman Chandler - witness Kahn
Note: Sacre, Candace E through L referencing B6?

3:33:24 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Cross Examination (cont'd). How column E carry through to column L how carried through?

3:34:00 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Summary tab, assuming capacity costs flat?

3:34:20 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace No increases in net CONE?

3:34:34 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Company not actually know beyond two years purchased bilateral contracts?

3:34:55 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Because not know everything stay same?

3:35:30 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace With no changes?

3:35:35 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace And no escalation over time?

3:36:10 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Net revenue calculation?

3:36:33 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Looking across, correct number in parenthesis negative number, cost?

3:37:03 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Net revenue?

3:37:14 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Negative numbers?

3:38:57 PM Video Conference Activated

3:39:34 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Response PSC 1-1, Attachment 1, summary tab, row 21, net revenue without capacity costs?

3:40:13 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Looking at row 43 with capacity costs?

3:40:26 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Shows in years 2, 3, and 4 of contract net cost?

3:40:47 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Shows without capacity costs means later years contract relied on make up for losses early years?

3:41:39 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Rockhouse ceases operate, net negative?

3:42:19 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace What if not have resources do that?

3:42:26 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace No written surety bond?

3:42:53 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Based on assumptions, how bond calculated fully protect ratepayers?

3:43:43 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Bond operate year to year basis?

3:44:11 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace None in writing?

3:44:21 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Column M, not labeled, total of preceding ten years?

3:44:55 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Row 21 net revenue costs without capacity costs included, Column M \$1,155,930?

3:45:26 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Represents net revenue earned over ten years without?

3:45:43 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Row 43, Column M, \$1,080.177?

3:45:58 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Net revenue with capacity costs included?

3:46:18 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Row 39, with capacity costs?

3:46:37 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Discussion Ebon contract?

3:46:50 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Fair say Kentucky Power handled escalation cost issue and this analysis as in Ebon contract?

3:47:14 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Questions raised projecting five percent annual cost apply equally?

3:47:38 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Row 43, Column M, net revenue margin \$180,

3:47:57 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Assumed higher transmission, tip analysis from positive to negative?

3:48:23 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Less of difference, ends up being ten percent greater increase?

3:48:41 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Stress test using different escalation rates?

3:49:22 PM Atty Cmar Joint Intervenors - witness Kahn
Note: Sacre, Candace Bonds, CI found entity willing bond them ten years of contract?

3:49:56 PM Chairman Chandler
Note: Sacre, Candace Questions?

3:50:26 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Cross Examination. Row 21, Column M, \$1.15 million extent calculated CI covering more than marginal costs without capacity costs?

3:50:35 PM Video Conference Deactivated

3:51:51 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace \$1.15 million three percent?

3:52:06 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Row 43, \$380,000 contract positive include capacity costs?

3:52:36 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace About one percent?

3:52:42 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Marginal cost analysis other Cyber Innovation tariff, Attachment 3, summary, not have capacity costs?

3:52:43 PM MARKED - STAFF HEARING EXHIBIT 1
Note: Sacre, Candace ASST GEN COUNSEL BELLAMY PSC - WITNESS KAHN
Note: Sacre, Candace MARGINAL COST ANALYSIS CYBER INNOVATION TARIFF

3:53:38 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Attachment 3, not have capacity costs?

3:53:57 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Net revenue \$918,000 incremental revenue \$8 million, percentage 11 percent, what made this one more positive?

3:54:47 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Margins slim, concern tip into negative?

3:56:04 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Escalation transmission costs, recovered through EPA?

3:56:39 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace One to one basis transmission costs CI service flow through?

3:57:06 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Explanation how flow through to PPA?

3:57:46 PM Private Mode Activated

3:57:46 PM Private Recording Activated

4:02:23 PM Normal Mode Activated

4:02:23 PM Public Recording Activated

4:02:27 PM Chairman Chandler
Note: Sacre, Candace Mr. Bellamy?

4:02:39 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Cross Examination (cont'd). How determine 1000 kW and

4:03:01 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Any discussion increasing demand reflect not interrupt service?

4:03:28 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Agree if company not interrupt service increase demand cost?

4:04:15 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace If CI not cover marginal cost of service, what happen cost not covered by rate?

4:04:48 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Most likely recovered from other customers?

4:05:00 PM Asst Gen Counsel Bellamy PSC - witness Kahn
Note: Sacre, Candace Discussion any other mechanism recover it?

4:05:45 PM Video Conference Activated

4:06:38 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Examination. Tariff PPA?
4:06:44 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Calculation purchase power net cost?
4:06:50 PM	Video Conference Deactivated	
4:06:52 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Purchase power net cost is N plus CSIRP plus OATT plus RKP plus RP minus BPP?
4:07:07 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Know whether incremental power purchases included in N?
4:07:24 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	When says all new purchase power agreements shall be approved by Commission required by KRS 278.300?
4:07:38 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	CSIRP, net annual cost of credits provided to customers under Tariff CSIRP, Tariff DRS, Tariff VCS, and special contract for interruptible service above or below \$454,997 included in BPP, right?
4:07:59 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Incremental DRS credits flowing through to all customers through PPA?
4:08:05 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	OATT, tracks a hundred percent of incremental transmission expenses?
4:08:13 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Know OATT expenses calendar year Jun 30 2022?
4:08:55 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Excel spreadsheet Nov 15 2022 Tariff PPA updated 2021-00174, make filing every year?
4:09:24 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Familiar?
4:09:29 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Summary, filed earlier in year, subsequent Tariff PPA remove Rockport costs?
4:10:00 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Why second one?
4:10:18 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Form 3.0 PJM LSE OATT expenses?
4:10:30 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Incremental \$13.8 million excess base amount?
4:10:45 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Base amount \$96.8 million?
4:10:52 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Now \$110 million, post-hearing data request response, Kentucky Power 2017-00179, AG Post-Hearing Data Request #3, Test Year PJM LSE OATT Expense Associated with Affiliates and Non-Affiliates?
4:11:50 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	See Column O, Line 18?
4:12:00 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	\$70,212,659, test year total?
4:12:20 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Was \$70 million, 2020 case \$96.8 million?
4:12:31 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	June 30 2022 \$110 million?
4:12:38 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Update since then?

4:12:52 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Agree PJM LSE OATT increasing faster than five percent?
4:13:10 PM	Video Conference Activated	
4:13:27 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	IGS, IGS time of day and LGS, LGS CSIRP ones allocated purchase tariff PPA kW basis?
4:14:17 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Never seen marginal cost analysis from other case?
4:14:37 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Different discount rate?
4:15:00 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Levelized carrying cost?
4:15:09 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Where get 10.15?
4:15:21 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Handy-Whitman Index?
4:15:33 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Assumed three cent power?
4:15:43 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Surprise you?
4:15:47 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Your analysis assumes four and half, five cent power?
4:16:18 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Marginal cost of energy, negated entirely?
4:16:48 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Difference impact fuel costs?
4:17:05 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Recommend levelized carrying costs present value analysis positive or negative impact?
4:17:37 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Think should be present value analysis?
4:17:50 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Not benefit?
4:18:18 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Confidential PSC 1-1 public or confidential?
4:18:34 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Tab summary, line 25 and line 3, without generation costs, should say with?
4:19:38 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Bottom calculation is with?
4:19:51 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Same filed in January?
4:20:08 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	PJM LSE OATT transmission expenses 2019, ask somebody at AEPSC?
4:20:36 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Post-hearing data request annual amount?
4:20:37 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS KAHN 2019 PJM LSE OATT TRANSMISSION EXPENSES
4:20:56 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Even if predates EPA?
4:21:05 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	What if transmission goes up more than five percent?

4:21:28 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Gone up 2016 and today nine percent, if told you that, line 9, rerun scenario and figure out incremental revenue?
4:22:10 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Check answer earlier, make it go negative, offsetting increase, only change is larger increase in PJM LSE transmission expenses, able to increase incremental revenue?
4:23:08 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Post-hearing data request?
4:23:09 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS KAHN INCREASE IN PJM LSE TRANSMISSION EXPENSES ABLE INCREASE INCREMENTAL REVENUE
4:23:24 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	ROE company received in 2020 rate case?
4:23:47 PM	Chairman Chandler - witness Kahn Note: Sacre, Candace	Seen people use approved/proposed ROE as discount rate determine net present value amount?
4:23:57 PM	Chairman Chandler Note: Sacre, Candace	Ms. Glass?
4:24:10 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	Redirect Examination. More than one way marginal cost study?
4:24:18 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	Based on info known at time study developed?
4:24:40 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	Not used predict future?
4:24:57 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	Used reasonable inputs when preparing marginal cost study?
4:25:10 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	Does not represent every event would/could happen?
4:25:20 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	End of credit not reflected?
4:25:36 PM	Atty Glass Kentucky Power - witness Kahn Note: Sacre, Candace	What effect end of credit have on revenues row?
4:25:53 PM	Atty Glass Kentucky Power Note: Sacre, Candace	Confidential so she can answer?
4:25:55 PM	Chairman Chandler Note: Sacre, Candace	Let me know when in confidential session. (Click on link for further comments.)
4:26:01 PM	Private Mode Activated	
4:26:01 PM	Private Recording Activated	
4:26:02 PM	CONFIDENTIAL SESSION	
4:27:27 PM	Normal Mode Activated	
4:27:27 PM	Public Recording Activated	
4:27:30 PM	Chairman Chandler Note: Sacre, Candace	Ms. Glass?
4:27:38 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
4:27:45 PM	Chairman Chandler Note: Sacre, Candace	Recall witnesses?
4:27:48 PM	Chairman Chandler Note: Sacre, Candace	Anything else from applicant?
4:27:52 PM	Chairman Chandler Note: Sacre, Candace	Procedural discussion. (Click on link for further comments.)

4:34:07 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
4:34:14 PM	Chairman Chandler Note: Sacre, Candace	Mr. Cmar?
4:34:18 PM	Atty Cmar Joint Intervenors Note: Sacre, Candace	Stacy Sherwood.
4:34:34 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
4:34:40 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Examination. Name and address?
4:34:57 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Direct Examination. Cause testimony be filed?
4:35:13 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Responses?
4:35:19 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Asked same questions, responses be same?
4:35:34 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Corrections?
4:35:39 PM	Atty Cmar Joint Intervenors - witness Sherwood Note: Sacre, Candace	Questions?
4:35:43 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Examination. Seen utilities use approved/proposed weighted average cost of capital used as discount rate net present value analyses?
4:36:06 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	In what instances, when make sense?
4:36:32 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Cases proposing get rid meters and replace?
4:36:48 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Alternative or better discount rate?
4:37:00 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Company time value of money same as customers?
4:37:12 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	About investment new metering infrastructure?
4:37:32 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Capital investment offset reduce operating expenses?
4:38:10 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Applied where capital employed?
4:38:22 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Done economic analyses utility customer used as proxy for time value of money other than weighted average cost of capital?
4:39:06 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Utility representation updated addendum surety, repayment of discounts, reduce concern risk to rest of system?
4:40:03 PM	Chairman Chandler - witness Sherwood Note: Sacre, Candace	Different than paying back, reality different marginal cost study detrimental?
4:41:08 PM	Chairman Chandler Note: Sacre, Candace	Questions?
4:41:13 PM	Commissioner Regan - witness Sherwood Note: Sacre, Candace	Examination. Case in Plattsburgh, New York, what happened there?
4:41:51 PM	Commissioner Regan - witness Sherwood Note: Sacre, Candace	Increased tax revenue and jobs not offset cost?

4:42:01 PM	Chairman Chandler Note: Sacre, Candace	Redirect?
4:42:04 PM	Chairman Chandler Note: Sacre, Candace	Additional questions?
4:42:15 PM	Chairman Chandler Note: Sacre, Candace	Anything else from Joint Intervenors?
4:42:22 PM	Chairman Chandler Note: Sacre, Candace	Mr. Horne, Mr. Boehm, anything?
4:42:30 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing schedule and data requests
4:43:44 PM	Chairman Chandler Note: Sacre, Candace	Response briefs.
4:44:12 PM	Chairman Chandler Note: Sacre, Candace	Initial briefs.
4:44:44 PM	Chairman Chandler Note: Sacre, Candace	Summary.
4:45:38 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
4:45:49 PM	Session Ended	



Exhibit List Report

2022-00424 25Jul2023

**Kentucky Power Company
(Kentucky Power)**

Name:**Description:**

PSC STAFF HEARING EXHIBIT 1 MARGINAL COST ANALYSIS CYBER INNOVATION TARIFF

Attachment 2

Mr. Shaun Sumner
Kentucky Power
3249 North Mayo Trail
Pikeville, KY 41501

November 1, 2021

RE: Economic Development Rider

Dear Shaun

Thank you for your email dated November 1, 2021 requesting information relating to the Economic Development Rider. I have set out to answer these questions below, please let me know if there is anything missing or an item that requires further information.

Background on Blockware Solutions, LLC

Blockware was founded in 2016 as a digital currency mining hardware provider, acting as a reseller and market maker for computer hardware. Since our founding we have become the largest *Mining-as-a-Service* operator in the market, offering turn-key mining solutions to thousands of institutions, corporations, financial market professionals, and retail clients. Our solutions allow anyone to easily and efficiently mine for Bitcoin. Blockware currently has more than 200MW of hosting clients in the United States resulting in revenue above \$100m per year with no debt or outside investors.

Background on Cyber Innovation Group, LLC

Blockware started the asset and data center operating company Cyber Innovation Group, LLC in 2021 in effort to bring a new era to former coal mining communities. Our mission is to enter communities that have been affected by the decline in coal mining and help provide a new employment outlet for former mine workers. We strive to address the social impacts that the decline in mining has had by offering stable, high paying, consistent jobs in the community.

Good Faith Estimate of Load

Blockware, through Cyber Innovation Group, LLC seeks to develop up to 100MW of power in Eastern Kentucky by the end of 2022. Construction has already begun on the first site with a total load capacity of 23MW at the site of a former coal treatment plant.

Concurrently with our 23MW site, we are designing plans for a 70MW transfer station near Inez, KY at the site of a reclaimed coal mine.

Cyber Innovation Group, LLC has amassed a portfolio of more than 200MW in Eastern Kentucky. We plan on developing at least 10MW every two months depending on interconnect availability.

If we can achieve the EDR we will increase our pace of development and seek to develop other large data hosting sites in the same general area. Blockware has reached binding agreements for all the properties in addition to others not listed in this document. Our plans are not limited by access to property or other necessary arrangements.

Number of New Employees Resulting from Operations and Load

Cyber Innovation Group, LLC will hire more than 50 employees in 2021 through 2022 to operate the facilities. We are soon to post job descriptions for technical managers, support staff, site operations, construction, security, and customer service. The average wage is \$23/hour + health insurance and 401k, in addition to a variety of other company benefits. The average salary position is \$50-60,000 for management staff. All jobs with Blockware or Cyber Innovation Group, LLC include 4 weeks paid vacation and family leave.

Anticipated Capital Investment

Our first phase of development is approximately 100MW of capacity which will cost approximately \$25,000,000 for permanent site infrastructure (Data Warehouses) and more than \$300,000,000 in client mining hardware once developed.

Other Tax Credits or Grants

Blockware or Cyber Innovation Group, LLC has not received any other state, federal, or local benefits to proceed with this project.

Statement

Without the EDR relief we would not be building in Kentucky. The rate offered initially offered to the entity is well beyond the cost curve, over 5.6c. The rate of 4.6 is highly economic for the entity and allows us to hire more and develop more of the assets.

The number one OPEX is related to the cost of power. Currently Blockware is being offered 3.6c in Oklahoma directly from the Lt. Governor. Our preference is to drive our ESG narrative forward in Kentucky and provide substantial job opportunities.

I have attached the most recent offering from the State of Oklahoma.

Please do not hesitate to reach out with any questions. I can be reached anytime at (512) 905-5209 or by email at Warren@BlockwareSolutions.com.

Kind regards,

Warren Rogers

Warren Rogers

Attachment 3

**Summary of Cyber Innovation Group LLC
Incremental Costs and Revenues**

Ln No.	Marginal Costs - Energy	
(1)	Annual kWh	164,160,000
(2)	DA LMP \$/kWh	0.02981
(3)	Marginal Costs - Energy	\$4,893,328
=(1)*(2)		
Marginal Costs - Distribution		
(4)	Distribution WO Total	\$251,000
(5)	Levelized Carrying Cost	10.55%
(6)	Annual Dist Incremental Cost	\$26,481
=(4)*(5)		
Summary of Incremental Costs and Revenues		
(7)	Energy	\$4,893,328
(8)	Distribution	\$26,481
(9)	PJM LSE Transmission	\$2,315,515
(10)	Generation Capacity	\$0
(11)	Total Incremental Costs	\$7,235,323
=(7)+(8)+(9)+(10)		
(12)	Incremental Revenue	\$ 8,153,626
(13)	Net Revenue (Cost)	\$918,303
=(12)-(11)		

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Assistant Attorney General
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