

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	CASE NO.
CLAUSE OF KENTUCKY POWER COMPANY)	2023-00008
FROM NOVEMBER 1, 2020 THROUGH)	
OCTOBER 31, 2022)	

COMMISSION STAFF'S SECOND POST-HEARING REQUEST FOR INFORMATION
TO KENTUCKY POWER COMPANY

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due no later than May 1, 2024. The Commission directs Kentucky Power to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

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

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

Kentucky Power shall make timely amendment to any prior response if Kentucky Power obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Kentucky Power fails or refuses to furnish all or part of the requested information, Kentucky Power shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

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

1. Refer to Kentucky Power's response to Commission Staff's First Post-Hearing Request for Information, Item 2b. Identify all personnel involved in the review and analysis of PJM's Manual 13 for the purpose of implementing Kentucky Power's coal conservation strategy.

2. Provide the minutes of the meetings where Kentucky Power's coal conservation strategy devised and any subsequent implementation meetings were held.

3. Starting from the date Kentucky Power acquired its share of the Mitchell station through the end of the current review period, for each calendar year, provide the number of hours Mitchell Unit 1 was in a forced outage, maintenance outage, planned outage, reserve shutdown, and actual operation transmitting energy.

4. Starting from the date Kentucky Power acquired its share of the Mitchell station through the end of the current review period, for each calendar year, provide the number of hours Mitchell Unit 2 was in a forced outage, maintenance outage, planned outage, reserve shutdown, and actual operation transmitting energy.

5. Starting from the time Kentucky Power acquired its share of the Mitchell station the end of the current review period, for each calendar year, the total dollar cost of purchased power and the average total cost of purchased power as a direct result of forced outages and separately of maintenance outages.

6. Starting from the date Kentucky Power acquired its share of the Rockport station through the end of the current review period, for each calendar year, provide the number of hours Rockport was in a forced outage, maintenance outage, planned outage, reserve shutdown, and actual operation transmitting energy.

7. For the period during which the coal conservation strategy was in effect beginning in October 2021 and either Mitchell Unit 1 or Mitchell Unit 2 was in reserve shutdown status;

a. Explain whether PJM approved the unit status on a daily / day ahead basis.

b. Explain whether the decision to place a unit in Reserve Shutdown was wholly or in part based upon the coal conservation adder being included with the

unit's day ahead offer price and, consequently, Kentucky Power determined that a particular unit would not clear the day ahead market.

c. Provide the monthly cost of purchased power that is a direct result of either Mitchell Unit 1 or Mitchell Unit 2 being placed in reserve shutdown.

8. When written solicitations for coal are made for Kentucky Power, explain whether the same solicitations are sent simultaneously for the other AEP affiliates to the same potential suppliers.

9. Explain whether the coal suppliers bidding and supplying coal to the Mitchell station also provide coal to AEP's other generation stations and, if so, explain whether the coal is sourced from the same mines.

10. Aside from the instance when Kentucky Power's coal inventory was in danger of falling below PJM's ten-day full burn inventory level, explain whether Kentucky Power ever makes oral solicitations for coal in addition to the periodic written solicitations and, if so, explain whether the oral solicitations are made to the same suppliers receiving written solicitations.

11. Explain whether potential coal suppliers ever make or are encouraged to make unsolicited offers to sell coal to Kentucky Power or to any other AEP East affiliate. If so, explain whether Kentucky Power has accepted any of these offers during the review period.

12. Refer to Kentucky Power's response to the Attorney General and the Kentucky Industrial Utility Customers' Second Request for Information, Item 4, Confidential Attachments 3 and 4, and to Kentucky Power's response to Commission Staff's First Request for Information (Staff's First Request), Item 31, Confidential

Attachments 3 and 4 in Case No. 2022-00263.² Based upon the offer curves and prices, explain why it appears to be more expensive to run units at full output than at reduced capacity.

13. Refer to Kentucky Power's response to Staff's First Request, Item 2C, Attachment 1; Kentucky Power's response to the Attorney General and the Kentucky Industrial Utility Customers' Second Request for Information, Item 4, Confidential Attachments 3 and 4; and to Kentucky Power's response to Staff's First Request, Item 31, Confidential Attachments 2 and 3 in Case No. 2022-00263. For the period during which the coal conservation strategy was in effect beginning in October 2021. Comparing the unit offer curves, adders, offer prices and the locational marginal prices, it seems clear that the Mitchell units, absent the coal conservation strategy adder price inclusion, would have run more.

a. Provide the hourly purchased power cost and number of hours resulted from the coal conservation strategy adders being included in Mitchell Units' day ahead offer prices.

b. Provide the hourly cost and number of hours the Mitchell units would have been called to run resulting in lower purchased power cost absent the inclusion of the price adder.

² Case No. 2022-00263, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Kentucky Power Company From November 1, 2021 Through April 30, 2022* (filed Sept. 13, 2022).



For

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DATED APR 08 2024

cc: Parties of Record

Case No. 2023-00008

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