

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 DUKE ENERGY KENTUCKY, INC.)	2023-00012
FROM NOVEMBER 1, 2020 THROUGH)	
OCTOBER 31, 2022)	

NOTICE OF FILING

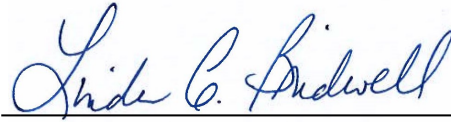
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on January 4, 2024, in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- 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 January 4, 2024.

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/JPvGndU7NbE>.

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 29th day of February 2024.



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 January 4, 2024. The Formal Hearing Log is included with the recording on January 4, 2024;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of January 4, 2024; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of January 4, 2024, and the time at which each occurred.

Signed this 31st day of January, 2024.



Candace H. Sacre
Administrative Specialist III



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



Session Report - Detail

FAC Hearings 04Jan2024

2023-00009 through 2023-00013

Date:	Type:	Location:	Department:
1/4/2024	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Chris Adams; Delbert Billiter; Christopher Bradley; Jeffrey Brown; Scott Burnside; Michelle Carpenter; Brad Daniel; Michael Drake; Andrea Fackler; Mark Horn; Kimberly Hughes; Craig Johnson; Jim McClay; Libbie Miller; Vicky Payne; Charles Schram; John Swez; Julia Tucker; Christopher Warren; Jacob Watson; Terry Wright Jr.
 Judge: Kent Chandler; Angie Hatton; Mary Pat Regan
 Clerk: Candace Sacre

Event Time	Log Event	
9:05:47 AM	Session Started	
9:06:00 AM	Vice Chairman Hatton Note: Sacre, Candace	On the record in Case Nos. 2023-00009, 2023-00010, 2023-00011, 2023-00012, and 2023-00013, which are two-year fuel adjustment reviews from November 1, 2020, to October 31, 2022, for East Kentucky Power Cooperative, Kentucky Utilities Company, Louisville Gas and Electric Company, Duke Energy Kentucky, and Big Rivers Electric Corporation.
9:06:40 AM	Vice Chairman Hatton Note: Sacre, Candace	My name is Angie Hatton. I am Vice Chair of the Public Service Commission, and I will be presiding today. Chairman Chandler will join us very soon. With me today also is Commissioner Mary Pat Regan, who is remote.
9:06:58 AM	Vice Chairman Hatton Note: Sacre, Candace	Hearing and video recommendations.
9:07:52 AM	Vice Chairman Hatton Note: Sacre, Candace	The hearing today is for purpose of taking evidence in this matter.
9:07:56 AM	Vice Chairman Hatton Note: Sacre, Candace	The two-year reviews require the PSC to examine the operations of FAC for these companies, to disallow any improper expenses, and, if necessary, order prospective changes to the FAC.
9:08:08 AM	Vice Chairman Hatton Note: Sacre, Candace	We will proceed today by taking the cases in sequence with KU and LG&E taken concurrently. Testimony has been previously filed into the record along with numerous documents. Any witness called to testify today will be subjected to cross examination by Staff for the purpose of obtaining additional information or clarification of information previously on record.
9:08:32 AM	Vice Chairman Hatton Note: Sacre, Candace	Call Case No. 2023-00009, East Kentucky Power Cooperative.
9:09:32 AM	Vice Chairman Hatton Note: Sacre, Candace	Entry of appearance of counsel.
9:09:35 AM	Atty Honaker EKPC Note: Sacre, Candace	Alyson Honaker and Brittany Koenig.
9:09:42 AM	Executive Advisor Atty Pinney PSC Note: Sacre, Candace	Jeb Pinney.
9:09:53 AM	Vice Chairman Hatton Note: Sacre, Candace	Outstanding motions.
9:10:01 AM	Vice Chairman Hatton Note: Sacre, Candace	Public notice.

9:10:12 AM	Vice Chairman Hatton Note: Sacre, Candace	Public comments.
9:11:00 AM	Vice Chairman Hatton Note: Sacre, Candace	Call witnesses.
9:11:17 AM	Atty Honaker EKPC Note: Sacre, Candace	Mark Horn, Craig Johnson, Julia Tucker, Michelle Carpenter, Darrin Adams, Jacob Watson, and Chris Adams.
9:11:20 AM	Vice Chairman Hatton Note: Sacre, Candace	Witnesses are sworn.
9:12:11 AM	Vice Chairman Hatton - witness Note: Sacre, Candace	Examination. Name and address?
9:12:30 AM	Atty Honaker EKPC - witness Horn Note: Sacre, Candace	Direct Examination. What is your title?
9:12:34 AM	Atty Honaker EKPC - witness Horn Note: Sacre, Candace	File testimony and responses?
9:12:39 AM	Atty Honaker EKPC - witness Horn Note: Sacre, Candace	Additions or corrections?
9:12:44 AM	Atty Honaker EKPC - witness Horn Note: Sacre, Candace	If ask same questions today, responses be same?
9:12:49 AM	Atty Honaker EKPC - witness Johnson Note: Sacre, Candace	Direct Examination. Cause responses be filed?
9:12:54 AM	Atty Honaker EKPC - witness Johnson Note: Sacre, Candace	Additions or corrections?
9:13:45 AM	Atty Honaker EKPC - witness Johnson Note: Sacre, Candace	Any other additions or corrections?
9:13:49 AM	Atty Honaker EKPC - witness Johnson Note: Sacre, Candace	If ask same questions, responses be same?
9:13:57 AM	Atty Honaker EKPC - witness Tucker Note: Sacre, Candace	Direct Examination. Cause testimony and responses filed?
9:14:04 AM	Atty Honaker EKPC - witness Tucker Note: Sacre, Candace	Additions or corrections?
9:14:07 AM	Atty Honaker EKPC - witness Tucker Note: Sacre, Candace	If asked same questions, responses be same?
9:14:11 AM	Atty Honaker EKPC - witness Carpenter Note: Sacre, Candace	Direct Examination. Cause responses be filed?
9:14:16 AM	Atty Honaker EKPC - witness Carpenter Note: Sacre, Candace	Additions or corrections?
9:14:21 AM	Atty Honaker EKPC - witness Carpenter Note: Sacre, Candace	If ask same questions, responses be same?
9:14:25 AM	Atty Honaker EKPC - witness D. Adams Note: Sacre, Candace	Direct Examination. Cause response be filed?
9:14:31 AM	Atty Honaker EKPC - witness D. Adams Note: Sacre, Candace	If ask same question, response be same?
9:14:35 AM	Atty Honaker EKPC - witness D. Adams Note: Sacre, Candace	Additions or corrections?
9:14:39 AM	Atty Honaker EKPC - witness Watson Note: Sacre, Candace	Direct Examination. Adopting responses previously filed by Isaac Scott?
9:14:50 AM	Atty Honaker EKPC - witness Watson Note: Sacre, Candace	Able testify and adopt responses?
9:14:53 AM	Atty Honaker EKPC - witness Watson Note: Sacre, Candace	Additions or corrections?
9:14:59 AM	Atty Honaker EKPC - witness C. Adams Note: Sacre, Candace	Direct Examination. Cause response be filed?

9:15:01 AM Atty Honaker EKPC - witness C. Adams
Note: Sacre, Candace If ask same question, response be same?

9:15:01 AM Atty Honaker EKPC - witness C. Adams
Note: Sacre, Candace Additions or corrections?

9:15:15 AM Vice Chairman Hatton
Note: Sacre, Candace Any questions?

9:15:18 AM Executive Advisor Atty Pinney PSC
Note: Sacre, Candace Procedural discussion. (Click on link for further comments.)

9:15:56 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace Cross Examination. Direct of Horn, page 3, line 20, through page 4, line 5, discuss Illinois Basin coal supplier invoked force majeure, Foresight Coal?

9:16:32 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace Because of mine fire?

9:16:42 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace Cooper units require Central Appalachian coal, coal from Illinois Basin been for Spurlock units?

9:17:06 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace With Foresight, cause shortage of coal for EKPC at Spurlock units?

9:17:30 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace During period of time when inventories below target, cause EKPC change how offer units into energy markets?

9:17:53 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Elaborate how did that?

9:18:28 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace For how long EKPC adjust offers?

9:18:49 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Be correct say PJM installed reserve requirement ten days fuel supply, penalties fall below?

9:19:23 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace If EKPC faced with shortage, anticipate approach shortfall same as did when Foresight not delivering coal?

9:20:11 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace EKPC alert PJM, must run?

9:20:47 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Part of direct Cooper available for economic dispatch, coal units offered must-run basis, why Cooper different than Spurlock?

9:21:27 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Tell why differences in treatment?

9:22:16 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace For what reasons is Cooper more expensive?

9:22:54 AM Executive Advisor Atty Pinney PSC - witness Johnson
Note: Sacre, Candace Operating at most efficient capacity factor still lower than Spurlock?

9:23:38 AM Executive Advisor Atty Pinney PSC - witness Johnson
Note: Sacre, Candace Cooper requires higher quality coal?

9:24:06 AM Executive Advisor Atty Pinney PSC - witness Johnson
Note: Sacre, Candace Because of type of coal or location trucked?

9:24:28 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Under what circumstances EKPC offer Cooper must-run status?

9:25:00 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Test burns, stuff like that?

9:25:28 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace When Cooper offered PJM, physically what happens to Cooper?

9:26:05 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace If Cooper offered on economic basis, used for ancillary services?

9:26:53 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Response, Staff First, Item 25-A, purchases for National Guard Armory and Cox Interior?

9:27:40 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Purchased back under QF tariffs?

9:27:44 AM Executive Advisor Atty Pinney PSC - witness Watson
Note: Sacre, Candace Explain why purchase from TGP excluded FAC?

9:27:45 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace EXECUTIVE ADVISOR ATTY PINNEY PSC - WITNESS WATSON
Note: Sacre, Candace EXPLAIN WHY PURCHASE FROM TGP EXCLUDED FROM FUEL ADJUSTMENT CLAUSE

9:28:29 AM Executive Advisor Atty Pinney PSC - witness C. Adams
Note: Sacre, Candace How report monthly sales, Form B, supporting documents filed, any witness familiar?

9:29:02 AM Executive Advisor Atty Pinney PSC - witness Carpenter
Note: Sacre, Candace Form A files, EKPC take into account effective date approved FAC for previous month or prorating?

9:29:56 AM Executive Advisor Atty Pinney PSC - witness Carpenter
Note: Sacre, Candace EKPC different and Big Rivers different, FAC passed on to cooperative members, take into account lag passes FAC on to cooperative?

9:30:54 AM Executive Advisor Atty Pinney PSC - witness Carpenter
Note: Sacre, Candace Not care about lag members might have?

9:31:04 AM Executive Advisor Atty Pinney PSC - witness Carpenter
Note: Sacre, Candace Looking at sales cooperatives, then expenses?

9:31:21 AM Executive Advisor Atty Pinney PSC - witness C. Adams
Note: Sacre, Candace Proposing new FAC base rate, Nov 1 2020 to Oct 31 2022, situations changed since review period alter rate EKPC propose?

9:32:17 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace EKPC several gas units, Bluegrass and J K Smith, have firm gas transmission contracts?

9:32:37 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace Not have firm transmission, not firm supply?

9:32:42 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace What is basis for that?

9:33:08 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace EKPC have firm transportation to that unit?

9:33:30 AM Executive Advisor Atty Pinney PSC - witness Horn
Note: Sacre, Candace During time in review, problems led to variations in fossil fuel?

9:34:01 AM Executive Advisor Atty Pinney PSC - witness Johnson
Note: Sacre, Candace What about from maintenance perspective, outages shorter as result?

9:34:50 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Designates outage for maintenance or planned, approved by PJM?

9:35:10 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Utility tell what kind of maintenance it is?

9:35:17 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Explain what difference be?

9:36:07 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace Shoulder months, PJM summer peaking?

9:36:11 AM Executive Advisor Atty Pinney PSC - witness Tucker
Note: Sacre, Candace As long as occur outside summer peak?

9:36:17 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Take units out, are units EKPC included in offer into capacity option?
9:36:34 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	When happens, planned outage, extended thirty days after that, still considered planned outage?
9:38:02 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	With regard to PJM, same thing?
9:38:15 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	With regard to PJM, what are consequences for different designation of outage?
9:38:45 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Some other kind of outage?
9:39:06 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	EKPC have direct-serve customers?
9:39:26 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Cooperative customers, receive service directly?
9:39:42 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Bills for direct-serve customers, to cooperatives and then to customers, how customers pay?
9:40:00 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Those costs also subject to FAC?
9:40:13 AM	Executive Advisor Atty Pinney PSC - witness Carpenter Note: Sacre, Candace	Have contracts obligate acquire power on market for direct-serve customer?
9:40:48 AM	Executive Advisor Atty Pinney PSC - witness Carpenter Note: Sacre, Candace	Those purchases float through FAC or outside of it?
9:41:08 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Refer to Response, Staff Second, Item 1, page 2 of 4, approval of changes to PJM, effective rules, response states, reading (click on link for further comments), prior to FERC approving, generators supposed to provide cost-based offer?
9:42:30 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Why change then?
9:42:37 AM	Chairman Chandler Note: Sacre, Candace	Anybody can talk about market-based rates? (Click on link for further comments.)
9:42:59 AM	Executive Advisor Atty Pinney PSC - witness D. Adams Note: Sacre, Candace	Talk about queue reform or interconnection?
9:43:11 AM	Executive Advisor Atty Pinney PSC - witness D. Adams Note: Sacre, Candace	Response, Staff Second, pages 2 through 3 of 4, talks about PJM queue reform, FERC ER 22-2110, establishes deadlines and penalties providers fail to meet study deadlines?
9:44:04 AM	Executive Advisor Atty Pinney PSC - witness D. Adams Note: Sacre, Candace	Within EKPC zone, be both PJM and EKPC on hook for not completing studies?
9:44:17 AM	Executive Advisor Atty Pinney PSC - witness D. Adams Note: Sacre, Candace	Had any effect on EKPC?
9:45:06 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Same request, talks about changes PJM proposed unforced capacity and accreditation process, UCAP and ELCC?
9:46:35 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Testimony filed prior to Dec 12, requested effective date Dec 12 2023, know status?
9:47:03 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Switching to seasonal ELCC designation, affect generators?

9:47:38 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Comment on status of PJM natural gas and electric market coordination task force efforts?
9:48:09 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Reading (click on link for further comments), why not offered up last auction?
9:49:46 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Purchased capacity from third party?
9:49:57 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Units not chosen, not clear base residual auction, is that where be cleared?
9:50:08 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Get picked up later on?
9:50:16 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	EKPC still on hook?
9:50:38 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	If units not obligated under most recent auction, not offered for dispatch?
9:50:54 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Can EKPC still offer them up?
9:51:15 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	Examination. Smith 9 and 10 clear BRA and then bought out through incremental auction or other transaction?
9:51:34 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	When talk risk, talking about performance penalty risk, capacity performance risk?
9:51:42 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	If Cooper 1 not clear and not capacity performance CP resource, not a must-offer requirement for energy market?
9:52:06 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	PJM Manual 13 implications of resource constraints, fuel availability, remember that?
9:52:26 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	EKPC under same obligations report fuel availability when unit committed as capacity performance unit?
9:53:04 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	Two units, unit not capacity and delivery year, PJM want everybody have X number of days, adder to add to cost?
9:53:40 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	PJM will do that?
9:53:46 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	Year not capacity product, not committed unit, what do ensure not run out of fuel, just not run it but your choice?
9:54:37 AM	Chairman Chandler - witness Tucker Note: Sacre, Candace	Offer it as cost-based resource based off replacement cost of coal, fuel input?
9:55:37 AM	Chairman Chandler - Tucker Note: Sacre, Candace	Ask for copy of Manual 13 as well as instructions related to max emergency directions given by PJM during two-year review period?
9:55:38 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS TUCKER PROVIDE MANUAL 13 AND INSTRUCTIONS RELATED TO MAX EMERGENCY DIRECTIONS GIVEN BY PJM DURING TWO-YEAR REVIEW PERIOD

9:56:11 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Cross Examination (cont'd). Response, Staff Second, Item 4, derate designation, who makes designation?
9:57:04 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	Confidential spreadsheet, tab for Aug 2022, Cooper 1, address in post-hearing request, looking at period of time, also responses listed outages for Cooper 1 at same time, Aug 26 2022, shows Cooper offered into market, Cooper in forced outage as well, reconcile differences?
9:59:46 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	EXECUTIVE ADVISOR ATTY PINNEY PSC - WITNESS TUCKER RECONCILE DIFFERENCES SHOWING COOPER 1 OFFERED INTO MARKET AND IN FORCED OUTAGE AT SAME TIME ON AUGUST 26 2022
10:00:01 AM	Executive Advisor Atty Pinney PSC - witness Johnson Note: Sacre, Candace	How many CT units EKPC have?
10:00:17 AM	Executive Advisor Atty Pinney PSC - witness Johnson Note: Sacre, Candace	Any units black start?
10:00:23 AM	Executive Advisor Atty Pinney PSC - witness Tucker Note: Sacre, Candace	PJM reward utility for having black start units
10:01:15 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Look at Response, Staff Fourth, fuel evaluation for certain bids for fuel, left to right, same whether for spot or long-term coal?
10:02:12 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Coal Supplier and then Number, what Number mean?
10:02:28 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	What there for, internal?
10:02:56 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Quality of BTU, what does that mean?
10:03:27 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Says Term, by month?
10:03:35 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Long term expect higher number?
10:03:40 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Then have delivery cost of ton and MMBtu, how get to those numbers?
10:04:01 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	When talk about times quality, looking back to quality, BTU, sulfur, ash?
10:04:19 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Next column, Severance Tax, how vary?
10:04:51 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Not flat percentage, depends on quality, coal provider gives that information?
10:05:07 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Get to Evaluated Cost, second to last column?
10:05:15 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	How differ from delivery cost?
10:05:41 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	How EKPC calculate?
10:06:07 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Under what conditions EKPC not choose lowest evaluated coal cost?
10:06:33 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Also chemical concerns?

10:06:41 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Also thrown into super secret machine?
10:06:57 AM	Executive Advisor Atty Pinney PSC - witness Horn Note: Sacre, Candace	Could be situations lowest evaluated cost variety of reasons?
10:07:25 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:07:30 AM	Chairman Chandler Note: Sacre, Candace	Question for Honaker. (Click on link for further comments.)
10:09:02 AM	Chairman Chandler Note: Sacre, Candace	Go into confidential session. (Click on link for further comments.)
10:10:53 AM	Private Mode Activated	
10:10:53 AM	Private Recording Activated	
10:17:08 AM	Normal Mode Activated	
10:17:08 AM	Public Recording Activated	
10:17:10 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:17:21 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
10:17:25 AM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests. (Click on link for further comments.)
10:17:30 AM	Chairman Chandler Note: Sacre, Candace	Questions asked on confidential. (Click on link for further comments.)
10:17:45 AM	Chairman Chandler Note: Sacre, Candace	Anything else?
10:17:57 AM	Chairman Chandler Note: Sacre, Candace	Recess until 10:35.
10:18:06 AM	Session Paused	
10:39:14 AM	Session Resumed	
10:39:23 AM	Chairman Chandler Note: Sacre, Candace	Back on record. Next, call Case Nos. 2023-00010, and 2023-00011, LG&E and KU.
10:40:03 AM	Chairman Chandler Note: Sacre, Candace	Entry of appearance of counsel.
10:40:07 AM	Atty Sturgeon KU/LG&E Note: Sacre, Candace	Allyson Sturgeon.
10:40:20 AM	Executive Advisor Atty Pinney PSC Note: Sacre, Candace	Jeb Pinney.
10:40:33 AM	Chairman Chandler Note: Sacre, Candace	Outstanding motions. (Click on link for further comments.)
10:40:40 AM	Chairman Chandler Note: Sacre, Candace	Public notice. (Click on link for further comments.)
10:42:39 AM	Chairman Chandler Note: Sacre, Candace	Witnesses are sworn.
10:43:13 AM	Atty Sturgeon KU/LG&E - witness Billiter Note: Sacre, Candace	Direct Examination. Name title and business address?
10:43:27 AM	Atty Sturgeon KU/LG&E - witness Billiter Note: Sacre, Candace	Cause be filed responses and testimony?
10:43:34 AM	Atty Sturgeon KU/LG&E - witness Billiter Note: Sacre, Candace	Updates or corrections?
10:43:42 AM	Atty Sturgeon KU/LG&E - witness Billiter Note: Sacre, Candace	If ask same questions, responses remain same?
10:43:47 AM	Atty Sturgeon KU/LG&E - witness Drake Note: Sacre, Candace	Direct Examination. Name, title, business address?

10:43:55 AM Atty Sturgeon KU/LG&E - witness Drake
Note: Sacre, Candace Cause be filed testimony and data responses?

10:44:03 AM Atty Sturgeon KU/LG&E - witness Drake
Note: Sacre, Candace If ask same questions, answers remain same?

10:44:08 AM Atty Sturgeon KU/LG&E - witness Drake
Note: Sacre, Candace No additions or corrections?

10:44:12 AM Atty Sturgeon KU/LG&E - witness Fackler
Note: Sacre, Candace Direct Examination. Name, title, business address?

10:44:22 AM Atty Sturgeon KU/LG&E - witness Fackler
Note: Sacre, Candace Cause be filed testimony and responses?

10:44:29 AM Atty Sturgeon KU/LG&E - witness Fackler
Note: Sacre, Candace Additions or corrections?

10:44:32 AM Atty Sturgeon KU/LG&E - witness Fackler
Note: Sacre, Candace If ask same questions, answers remain same?

10:44:35 AM Atty Sturgeon KU/LG&E - witness Schram
Note: Sacre, Candace Direct Examination. Name, title, business address?

10:44:50 AM Atty Sturgeon KU/LG&E - witness Schram
Note: Sacre, Candace Cause filed responses and testimony and adopt testimony of Wilson?

10:45:00 AM Atty Sturgeon KU/LG&E - witness Schram
Note: Sacre, Candace If ask same questions, answers remain same?

10:45:03 AM Atty Sturgeon KU/LG&E - witness Schram
Note: Sacre, Candace No additions or corrections?

10:45:09 AM Chairman Chandler
Note: Sacre, Candace Mr. Pinney?

10:45:16 AM Executive Advisor Atty Pinney PSC - witness Fackler
Note: Sacre, Candace Cross Examination. How do companies report monthly sales and Form A filings?

10:46:04 AM Executive Advisor Atty Pinney PSC - witness Fackler
Note: Sacre, Candace Proposed different rates for FAC base rate, period ending Oct 31 2022, change to proposed base rate, same occur with LG&E or KU?

10:47:06 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Shifting to natural gas transportation, firm gas contracts for generating units, some but not others?

10:47:52 AM Executive Advisor Atty Pinney PSC - witness Drake/Billiter
Note: Sacre, Candace Impacts of COVID, have problems with effects on those?

10:48:54 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Talking about market impact, lag caused by market, people producing coal also sick, hard to separate one from other?

10:50:48 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Supply of coal, witness stated market more stable than year ago?

10:51:20 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Term of art, not science?

10:51:51 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Might be period of oversupply, use to benefit in terms of fuel procurement?

10:52:25 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Impact of COVID, utilities adapted, coal suppliers adapted, change practices to prepare for similar event?

10:53:42 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace For longer term contracts, reopeners in there?

10:54:21 AM Executive Advisor Atty Pinney PSC - witness Drake
Note: Sacre, Candace In context of COVID, supply chain problems, changed approach to maintenance and maintenance outages, have parts there?

10:56:49 AM Executive Advisor Atty Pinney PSC - witness Drake
Note: Sacre, Candace Expand inventory levels?

10:57:20 AM Executive Advisor Atty Pinney PSC - witness Drake
Note: Sacre, Candace Not members of RTO/ISO, not coordinate outages with anybody but themselves?

10:57:41 AM Executive Advisor Atty Pinney PSC - witness Drake
Note: Sacre, Candace What about generator units not wholly owned, coordination of that?

10:58:16 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Schram direct, page 3, lines 7-8, reading (click on link for further comments), minimum amount, to what refer?

10:59:24 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Ever off for reasons other than maintenance, planned outage, forced outage?

11:00:03 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Page 12, lines 12-14, purchase power when necessary, tell me from whom purchases can be made?

11:00:56 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Have any bilateral contracts or firm power contracts?

11:01:16 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Pricing for PJM and MISO, both have apps, not as simple as that for looking at price?

11:03:57 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace In same testimony, talked about Northfolk Southern coal to Brown unit, what deemed poor performance, what caused that?

11:05:16 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Know if Northfolk Southern led to changes in generation from Brown unit?

11:06:05 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Response, Staff First, Question 6, page 1, stated, reading (click on link for further comments), normal for LG&E/KU?

11:07:00 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Peaking units mean CTs?

11:07:08 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Page 2, same Response, Footnote 1, explains Friday transactions include Saturday Sunday Monday and then, if holiday weekend, cover four days?

11:07:42 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace LG&E/KU not have gas, if contracts on weekend entered into Friday?

11:08:29 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Imbalance, what mean?

11:08:59 AM Executive Advisor Atty Pinney PSC - witness Schram
Note: Sacre, Candace Spike in requests for natural gas, ways to get gas during that period of time?

11:09:37 AM Camera Lock Intervenor Activated

11:09:52 AM Camera Lock Comm Staff Activated

11:09:56 AM Camera Lock Deactivated

11:09:59 AM Chairman Chandler - witness Schram
Note: Sacre, Candace Examination. Asking about ICE calendar, have holidays?

11:10:12 AM Chairman Chandler - witness Schram
Note: Sacre, Candace Have gas days?

11:10:42 AM Chairman Chandler - witness Schram
Note: Sacre, Candace In those instances, what is availability of gas?

11:11:37 AM Chairman Chandler - witness Schram
Note: Sacre, Candace Finding those to be more complicated or more complicated, intraday purchases not over entire time period, increasing or decreasing?

11:12:47 AM Chairman Chandler - witness Schram
Note: Sacre, Candace Just pay for it?

11:12:52 AM Chairman Chandler
Note: Sacre, Candace Mr. Pinney?

11:13:01 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Cross Examination. Response, Staff First, Question 4, Delivered and Evaluated, far right Btus per pound, SO2?

11:14:00 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace PPM, parts per million?

11:14:55 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Far right of bid sheet, BTU per pound, factors change delivered dollar amount?

11:15:41 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Delivered MMBtu, price plus transportation, other factors quality of coal, percentage of ash?

11:17:01 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Taken into account when not select lowest cost?

11:18:28 AM Executive Advisor Atty Pinney PSC - witness Billiter
Note: Sacre, Candace Difference between delivered and evaluated, footnote that says, reading (click on link for further comments), anything else makes difference?

11:19:05 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Examination. Coal is a commodity, not always fungible quality?

11:19:54 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Coal by rail ignored because not opportunity to get it there?

11:20:10 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Determination made, shake out coal available by rail regardless what price be?

11:21:15 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Just shift everything other places?

11:21:35 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Or truck?

11:22:17 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Price first consideration when receive bids back, just not right product, not even get to price?

11:23:25 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace For purposes of bid sheets, indicate which conforming and not conforming?

11:24:23 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Same thing with heat content?

11:25:10 AM Chairman Chandler - witness Billiter
Note: Sacre, Candace Notes on bid sheets, nowhere else need to look at?

11:25:47 AM Chairman Chandler
Note: Sacre, Candace Recess until 11:30.

11:26:05 AM Session Paused

11:33:09 AM Session Resumed

11:33:15 AM Chairman Chandler
Note: Sacre, Candace Call Case No. 2023-00012, Duke Energy Kentucky.

11:33:35 AM Chairman Chandler
Note: Sacre, Candace Entry of appearance.

11:33:42 AM Atty D'Ascenzo Duke Kentucky
Note: Sacre, Candace Rocco C. D'Ascenzo, appearing with me Larisa Vaysman.

11:33:56 AM Executive Advisor Atty Pinney PSC
Note: Sacre, Candace Jeb Pinney

11:34:06 AM	Chairman Chandler Note: Sacre, Candace	Public notice.
11:34:10 AM	Chairman Chandler Note: Sacre, Candace	Outstanding motions.
11:34:20 AM	Chairman Chandler Note: Sacre, Candace	Identify and call witnesses.
11:34:26 AM	Atty D'Ascenzo Duke Kentucky Note: Sacre, Candace	John Swez, Libby Miller, Kim Hughes, Brad Daniel, Jim McClay, and Scott Burnside.
11:34:45 AM	Chairman Chandler Note: Sacre, Candace	Witnesses are sworn.
11:34:58 AM	Atty D'Ascenzo Duke Kentucky - witness Swez Note: Sacre, Candace	Direct Examination. Name, business address, and position?
11:35:26 AM	Atty D'Ascenzo Duke Kentucky - witness Swez Note: Sacre, Candace	Cause file testimony?
11:35:32 AM	Atty D'Ascenzo Duke Kentucky - witness Swez Note: Sacre, Candace	Changes or corrections?
11:36:00 AM	Atty D'Ascenzo Duke Kentucky - witness Swez Note: Sacre, Candace	Explain what filings were?
11:36:24 AM	Atty D'Ascenzo Duke Kentucky - witness Swez Note: Sacre, Candace	If asked same questions, answers be same?
11:36:36 AM	Atty D'Ascenzo Duke Kentucky - witness Miller Note: Sacre, Candace	Direct Examination. Cause to file testimony and responses?
11:36:45 AM	Atty D'Ascenzo Duke Kentucky - witness Miller Note: Sacre, Candace	Changes or corrections?
11:36:50 AM	Atty D'Ascenzo Duke Kentucky - witness Miller Note: Sacre, Candace	If asked same questions, answers same?
11:36:55 AM	Atty D'Ascenzo Duke Kentucky - witness Hughes Note: Sacre, Candace	Direct Examination. Name, address, and position?
11:37:12 AM	Atty D'Ascenzo Duke Kentucky - witness Hughes Note: Sacre, Candace	Cause file testimony and responses?
11:37:19 AM	Atty D'Ascenzo Duke Kentucky - witness Hughes Note: Sacre, Candace	Changes or corrections?
11:37:24 AM	Atty D'Ascenzo Duke Kentucky - witness Hughes Note: Sacre, Candace	If asked those questions, answers be same?
11:37:30 AM	Atty D'Ascenzo Duke Kentucky - witness Daniel Note: Sacre, Candace	Direct Examination. Name, business address, and position?
11:37:53 AM	Atty D'Ascenzo Duke Kentucky - witness Daniel Note: Sacre, Candace	Cause file testimony and responses?
11:37:58 AM	Atty D'Ascenzo Duke Kentucky - witness Daniel Note: Sacre, Candace	Changes or corrections?
11:38:06 AM	Atty D'Ascenzo Duke Kentucky - witness Daniel Note: Sacre, Candace	Explain that?
11:38:54 AM	Atty D'Ascenzo Duke Kentucky - witness Daniel Note: Sacre, Candace	Explain what circumstances were with recall?
11:39:28 AM	Session Paused	
11:43:56 AM	Session Resumed	
11:44:10 AM	Session Paused	
11:44:15 AM	Session Resumed	
11:44:22 AM	Session Paused	
11:44:35 AM	Session Resumed	
11:44:45 AM	Atty D'Ascenzo Duke Kentucky - witness McClay Note: Sacre, Candace	Direct Examination. Name, address, and position?

11:45:08 AM Atty D'Ascenzo Duke Kentucky - witness McClay
Note: Sacre, Candace Cause file testimony and responses?

11:45:14 AM Atty D'Ascenzo Duke Kentucky - witness McClay
Note: Sacre, Candace Changes or corrections?

11:45:20 AM Atty D'Ascenzo Duke Kentucky - witness McClay
Note: Sacre, Candace If asked same questions, answers same?

11:45:27 AM Atty D'Ascenzo Duke Kentucky - witness Burnside
Note: Sacre, Candace Direct Examination. Name, business address, and position?

11:45:55 AM Atty D'Ascenzo Duke Kentucky - witness Burnside
Note: Sacre, Candace Cause file responses?

11:46:00 AM Atty D'Ascenzo Duke Kentucky - witness Burnside
Note: Sacre, Candace Changes or corrections?

11:46:04 AM Atty D'Ascenzo Duke Kentucky - witness Burnside
Note: Sacre, Candace If asked same questions, answers be same?

11:46:06 AM Atty D'Ascenzo Duke Kentucky - witness Miller
Note: Sacre, Candace Direct Examination. Name, address, and position?

11:46:38 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Examination. Conversations last few cases, remember questions?

11:47:09 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Engage self-scheduling discussed?

11:47:17 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Good at self-scheduling?

11:48:28 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Good relative to what, could offer economic every hour available per FRR plan?

11:48:45 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Why is that?

11:50:24 AM Chairman Chandler - witness Swez
Note: Sacre, Candace When review undertaken determine working well or not working well?

11:51:30 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Looking at made more money than lost, calculation discussing?

11:52:04 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Two sides of ledger, billing and revenues, making money?

11:52:17 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Netting against expenses, your inputs or imputed inputs?

11:53:55 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Coal on ground cost or replacement cost?

11:54:06 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Market value of previous answers?

11:54:15 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Allowed include as input cost for cost-based offers?

11:55:03 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Permitted provide market price offers when not have declared have market power?

11:55:40 AM Chairman Chandler - witness Swez
Note: Sacre, Candace DEOK zone clears at different price in base residual auctions than rest of PJM?

11:55:47 AM Chairman Chandler - witness Swez
Note: Sacre, Candace Lack of generation and/or transfer limitations to or from DEOK zone certain times?

11:56:06 AM	Chairman Chandler - witness Swez Note: Sacre, Candace	Does lack of generation and/or transfer capability run risk Duke not have market priced offers and run risk of failing market power test and only use cost price offers?
11:57:07 AM	Executive Advisor Atty Pinney PSC - witness Swez Note: Sacre, Candace	Cross Examination. Transmission constraints, affect ability offer into power market, affect if have to purchase power?
11:58:18 AM	Executive Advisor Atty Pinney PSC - witness Swez Note: Sacre, Candace	Pricing and capacity option, less correlation between higher capacity cost not correlate to higher power cost?
11:58:55 AM	Executive Advisor Atty Pinney PSC - witness Swez Note: Sacre, Candace	LMP is congestion, heat, and power, more skill than luck or anomalous thing with capacity market?
11:59:49 AM	Executive Advisor Atty Pinney PSC - witness Miller Note: Sacre, Candace	Staff First, Item 35, PJM billing line items, appropriate recover through FAC, sought to be approved in rate case and Commission approve?
12:01:00 PM	Executive Advisor Atty Pinney PSC - witness Miller Note: Sacre, Candace	When Duke decides request that, who decide?
12:01:10 PM	Atty D'Ascenzo Duke Kentucky Note: Sacre, Candace	Object, free to answer. (Click on link for further comments.)
12:01:35 PM	Executive Advisor Atty Pinney PSC - witness Miller Note: Sacre, Candace	Duke requested in general rate case, done through FAC proceeding?
12:02:02 PM	Executive Advisor Atty Pinney PSC - witness Miller Note: Sacre, Candace	Know how much bidding line items add up to, what money being recovered otherwise?
12:02:30 PM	Executive Advisor Atty Pinney PSC - witness Miller Note: Sacre, Candace	Duke provide information for period under review in post-hearing data request?
12:02:31 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	EXECUTIVE ADVISOR ATTY PINNEY PSC - WITNESS MILLER TOTAL OF BIDDING LINE ITEMS
12:02:48 PM	Executive Advisor Atty Pinney PSC - witness Miller Note: Sacre, Candace	Supplemental corrected response to data request?
12:02:49 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	EXECUTIVE ADVISOR ATTY PINNEY PSC - WITNESS MILLER SUPPLEMENTAL CORRECTED RESPONSE TO DATA REQUEST
12:03:00 PM	Executive Advisor Atty Pinney PSC - witness Daniel Note: Sacre, Candace	Daniel testimony, page 14, East Bend average, elaborate on hedges and how benefit customer?
12:04:24 PM	Executive Advisor Atty Pinney PSC - witness Daniel Note: Sacre, Candace	East Bend outage, one started in Sept 2021 and extended through Dec 2021, higher natural gas prices?
12:04:46 PM	Executive Advisor Atty Pinney PSC - witness McClay Note: Sacre, Candace	Have firm contracts in place for replacement power during portion of outage?
12:05:05 PM	Executive Advisor Atty Pinney PSC - witness Daniel Note: Sacre, Candace	Replacing power from East Bend with market purchases from PJM?
12:06:02 PM	Executive Advisor Atty Pinney PSC - witness Swez Note: Sacre, Candace	Swez testimony, page 6, fixed resource requirement, FRR?
12:06:12 PM	Executive Advisor Atty Pinney PSC - witness Swez Note: Sacre, Candace	Other way participate in auction, reliability pricing model, RPM?
12:06:43 PM	Executive Advisor Atty Pinney PSC - witness Swez Note: Sacre, Candace	Changes to RPM model, Duke Kentucky evaluation change with seasonable constructs?

12:09:02 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace ELCC effective load carrying capability or capacity?

12:09:10 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Applied to intermittent resources?

12:09:39 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Duke Kentucky wary of large load in territory, say on page 6, large customer growth benefit move to RPM?

12:11:25 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Having to pay penalties to PJM not adjust FRR quickly enough?

12:12:01 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Under FRR, correct go to PJM here are plans to meet capacity needs and reserve margin as well, present three years out?

12:12:27 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace In what situations not meet that, when pay penalty, what situations cause that?

12:13:24 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace But if under RPM new customer comes in, need for capacity, go to auctions, do that under FRR as well, how meet requirement?

12:14:20 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Even in RPM, still in congested zone?

12:14:58 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Examination. FRR plan can be short and long within parameters?

12:15:16 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Cannot buy through if two megawatts short?

12:15:47 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Cross Examination (cont'd). Duke Kentucky restricted in meeting capacity needs being in DEOK zone?

12:16:32 PM Executive Advisor Atty Pinney PSC - witness Swez
Note: Sacre, Candace Selling generation, talking about capacity auction?

12:16:59 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace Response, Staff Second, Item 10, gas procurement, in room for LG&E/KU, if changes how Duke Kentucky deal with rapid changes?

12:19:09 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace If long holiday weekend, ICE, people go home, Duke Kentucky have people in place find gas?

12:20:28 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace You know where to get people that will answer phone?

12:21:07 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace Over the counter, have to make purchases emergency basis pay through nose rather than over counter?

12:21:42 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace Natural gas purchases Duke Kentucky serve Woodsdale, dual fuel?

12:21:53 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace Able burn fuel oil in addition to nature gas?

12:21:59 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace What is goal fuel amount by day burn that Duke Kentucky wants to have for Woodsdale?

12:22:29 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace Are units at Woodsdale black start units?

12:22:37 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Had operational problems with black start units?

12:23:05 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Test it, that's it?

12:23:43 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Manufacturer parameters, black start not need external energy to run?

12:24:19 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Black start units at Woodsdale are CTs and have diesel generator to start?

12:24:25 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Explain why black start important?

12:25:02 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Help move power to East Bend?

12:25:31 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace PJM rewards Duke Kentucky for having these?

12:25:49 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Bid sheets, attached to response Commission First, Item 4, Sales Company, Producer, what is difference?

12:26:55 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Sales company Alliance, producer specific location?

12:27:05 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace All by barge?

12:27:10 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Shipping point where gets on barge?

12:27:28 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace ILB Illinois Basin coal?

12:27:38 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Regions from which East Bend coal comes?

12:27:48 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace How Duke Kentucky calculate that?

12:28:08 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Right of Btu per pound, moisture, ash, sulfur, factors put into it to come to that?

12:28:28 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Btu per pound, percentage sulfur, SO2, offer price per ton, things to left have effect on price per ton?

12:29:16 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Offer price per ton, dollar per ton or Btu?

12:29:30 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Coal severance tax rate per ton?

12:29:41 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Provided by seller, or does Duke Kentucky know?

12:30:20 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Offer price per ton with tax removed?

12:30:28 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Mine price, what does that mean?

12:30:49 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Mine price per BTU versus per ton price?

12:31:46 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Page 1 of 1, familiar with this?

12:31:55 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Where look to find final number?

12:33:14 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Severance tax, Duke Kentucky still evaluate it?

12:34:14 PM Executive Advisor Atty Pinney PSC - witness Hughes
Note: Sacre, Candace Reporting on files, prorating, no prorating, reporting on Form A?

12:34:43 PM Executive Advisor Atty Pinney PSC - witness Miller
Note: Sacre, Candace Anything occurred after review period inform Duke Kentucky in choosing months to use new base FAC?

12:35:30 PM Executive Advisor Atty Pinney PSC - witness Miller
Note: Sacre, Candace Had power to change it still be same?

12:35:39 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace East Bend had long outage in 2021 went longer?

12:36:14 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace Reasons given supply line shortages as well as personnel shortages?

12:36:33 PM Executive Advisor Atty Pinney PSC - witness Daniel
Note: Sacre, Candace As result of outage, Duke Kentucky changed approach to maintenance practices, supply chain practices?

12:39:17 PM Executive Advisor Atty Pinney PSC - witness McClay
Note: Sacre, Candace Duke Kentucky have firm gas transportation contracts for Woodsdale units?

12:40:02 PM Chairman Chandler
Note: Sacre, Candace Questions?

12:40:06 PM Chairman Chandler - witness McClay
Note: Sacre, Candace Examination. Can Woodsdale units start on fuel distillate?

12:40:24 PM Chairman Chandler - witness McClay
Note: Sacre, Candace Tested winter conditions to start on distillate?

12:40:35 PM Chairman Chandler - witness McClay
Note: Sacre, Candace Particular season gas more likely be disrupted than other seasons?

12:41:16 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Start on fuel oil?

12:42:00 PM Chairman Chandler - witness Hughes
Note: Sacre, Candace In what column it is of costs use in this period to rank coal?

12:43:52 PM Chairman Chandler - witness Hughes
Note: Sacre, Candace Consumables costs, is that what that is?

12:44:13 PM Chairman Chandler - witness Hughes
Note: Sacre, Candace Total dollar per MMBtu not price pay for coal to person selling, is cost believe would incur if purchased and used coal?

12:44:38 PM Chairman Chandler - witness Hughes
Note: Sacre, Candace Both seem to be distinct from total dollar MMBtu after assuming freight plus commodity plus O&M plus SO2, am I wrong?

12:46:22 PM Chairman Chandler - witness Swez
Note: Sacre, Candace When looking, try to game out what think weather be, customer demand, what market prices be, embedded cost of coal on ground, \$5 market price, total dollar per MMBtu synonymous with \$3 or \$5 in scenario talking about?

12:47:49 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Seem when Duke looking whether to buy fuel, decisions around consumables, assumption incorrect?

12:49:18 PM Chairman Chandler - witness Hughes
Note: Sacre, Candace Buying coal not just what coal cost but what coal cost to burn?

12:49:31 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Cost of operating when determining whether self-schedule?

12:50:00 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Inputting into calculation, \$5 total dollar MMBtu here or \$5 plus O&M and SO2 inputs?

12:50:52 PM Chairman Chandler - witness Swez
Note: Sacre, Candace Market value cost to replace coal would burn?

12:51:00 PM Chairman Chandler - witness Hughes
Note: Sacre, Candace When looking at buying coal to replace coal burned, looking at delivered cost plus cost to use the fuel?

12:51:28 PM	Chairman Chandler - witness Hughes Note: Sacre, Candace	In addition to qualitative factors, stuff we need, chemical components?
12:52:00 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests. (Click on link for further comments.)
12:53:07 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
12:53:25 PM	Chairman Chandler Note: Sacre, Candace	Back for final hearing at 1:05.
12:53:45 PM	Session Paused	
1:09:58 PM	Session Resumed	
1:10:08 PM	Chairman Chandler Note: Sacre, Candace	On the record, in Case No. 2023-00013.
1:10:17 PM	Camera Lock Deactivated	
1:10:46 PM	Chairman Chandler Note: Sacre, Candace	Entry of appearance.
1:10:50 PM	Atty Santana BREC Note: Sacre, Candace	Senthia Santana and Tyson Kamuf.
1:11:00 PM	Executive Advisor Atty Pinney PSC Note: Sacre, Candace	Jeb Pinney.
1:11:08 PM	Chairman Chandler Note: Sacre, Candace	Public notice.
1:12:08 PM	Chairman Chandler Note: Sacre, Candace	Outstanding motions.
1:12:25 PM	Chairman Chandler Note: Sacre, Candace	Call witnesses appearing today.
1:12:34 PM	Atty Santana BREC Note: Sacre, Candace	Vicky Payne, Terry Wright, Jason Burden, Christopher Warren, and Jeffrey Brown.
1:13:12 PM	Chairman Chandler Note: Sacre, Candace	Witnesses are sworn.
1:13:32 PM	Atty Santana BREC - witness Payne Note: Sacre, Candace	Direct Examination. Name, title, and business address?
1:13:49 PM	Atty Santana BREC - witness Payne Note: Sacre, Candace	Cause be filed testimony and responses?
1:13:57 PM	Atty Santana BREC - witness Payne Note: Sacre, Candace	Changes or additions?
1:14:04 PM	Atty Santana BREC - witness Payne Note: Sacre, Candace	Intention be in record today as testimony?
1:14:16 PM	Atty Santana BREC - witness Wright Note: Sacre, Candace	Direct Examination. Name, title, and business address?
1:14:35 PM	Atty Santana BREC - witness Wright Note: Sacre, Candace	Cause be filed testimony and responses?
1:14:41 PM	Atty Santana BREC - witness Wright Note: Sacre, Candace	Changes or additions?
1:14:50 PM	Atty Santana BREC - witness Wright Note: Sacre, Candace	Intention have testimony entered in this proceeding?
1:15:01 PM	Atty Santana BREC - witness Burden Note: Sacre, Candace	Direct Examination. Name, title, and business address?
1:15:12 PM	Atty Santana BREC - witness Burden Note: Sacre, Candace	Cause to be filed responses?
1:15:17 PM	Atty Santana BREC - witness Burden Note: Sacre, Candace	Changes or additions?

1:15:22 PM Atty Santana BREC - witness Burden
Note: Sacre, Candace Intention have responses as testimony?

1:15:28 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Direct Examination. Name, title, and business address?

1:15:42 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Have responses filed?

1:15:51 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Additions or changes?

1:15:57 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Intention have filed in record?

1:16:06 PM Atty Santana BREC - witness Brown
Note: Sacre, Candace Direct Examination. Name, title, and business address?

1:16:22 PM Atty Santana BREC - witness Brown
Note: Sacre, Candace Have responses filed?

1:16:28 PM Atty Santana BREC - witness Brown
Note: Sacre, Candace Adopt response Subsection 30 by Bradley, adopting today?

1:16:44 PM Atty Santana BREC - witness Brown
Note: Sacre, Candace Opportunity review?

1:16:50 PM Atty Santana BREC - witness Brown
Note: Sacre, Candace Changes or additions to responses?

1:17:01 PM Atty Santana BREC - witness Brown
Note: Sacre, Candace Intention have responses as testimony?

1:17:14 PM Chairman Chandler
Note: Sacre, Candace Mr. Pinney?

1:17:17 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Cross Examination. Response, Staff Third, Item 4, reading (click on link for further comments), board decision, policy, or guideline state spot transmission purposes sufficient?

1:19:18 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Report commission, record of decisions addressed, back of envelope calculation not put in infrastructure, not provide firm transportation?

1:19:45 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Anything that memorializes decision?

1:20:12 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Explain whether BREC counts capacity Green and Reed units toward MISO planning reserve requirement?

1:20:58 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Assume MISO expects units available when called upon?

1:21:21 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Expect be called upon capacity there to fuel units?

1:21:51 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Instances where BREC experienced issues where purchased gas and ran into transmission problems, what done to avoid outages?

1:22:33 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace Refer to Response, Staff First, Item 23, into Staff Second, Item 17, change base fuel rate, backward looking data, BREC expect current base fuel rate remain unchanged?

1:23:54 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace During review period, how often BREC applying additional surcharge versus credit under FAC?

1:24:53 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace When last time changed FAC rate?

1:25:21 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace What are BREC forecasts over next two years, expect be higher?

1:25:42 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace What BREC anticipate be paying?

1:26:03 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace The market in general?

1:26:24 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Anybody have idea how fuel prices compare 2024 to 2010 when base fuel rate last set?

1:27:20 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace Does BREC think base fuel rate 2011 accurate?

1:27:53 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace May change fuel prices also change portfolio, Coleman no longer operating?

1:28:20 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace With regard to figuring out prices, how much longer utility need to figure out if market prices evening out, how much longer evaluate what base rate be?

1:29:10 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Response, Staff Second, Item 5, purchases listed, page 2 of 4, as negative numbers, why negative numbers?

1:30:12 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace That's in megawatt hours?

1:30:23 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace If add, what needed serve total load?

1:30:38 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Include services to other non-native contract customers?

1:30:39 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace EXECUTIVE ADVISOR ATTY PSC - WITNESS WRIGHT
Note: Sacre, Candace SERVICES PROVIDED TO OTHER NON-NATIVE CONTRACT CUSTOMERS

1:31:20 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Non-native contract customers, describe how BREC obtains power for customer?

1:31:54 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Situations when serve customers from native generation?

1:32:22 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace If sell own generation to non-native customer, percentage flows through to member owners and customers?

1:33:05 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace Flows back to member owners and customers?

1:33:20 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace Not MSRM?

1:33:41 PM Executive Advisor Atty Pinney PSC - witness Warren
Note: Sacre, Candace Cheapest power go first to serve native load?

1:34:20 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Not generally dispatched for generation?

1:34:52 PM Chairman Chandler - witness Wright
Note: Sacre, Candace Examination. Number of generators, none are same cost?

1:35:08 PM Chairman Chandler - witness Wright
Note: Sacre, Candace Some more expensive, some less, can shift?

1:35:16 PM Chairman Chandler - witness Wright
Note: Sacre, Candace Buying power at any given time?

1:35:25 PM Chairman Chandler - witness Wright
Note: Sacre, Candace Also buy power not have unit to generate?

1:35:56 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Separately account for direct serve customers than native customers?
1:36:20 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Even direct serve customers still customers of distribution coops?
1:36:33 PM	Chairman Chandler - witness Wright Note: Sacre, Candace	Also have nonretail customers?
1:36:44 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Serves both retail and wholesale customers?
1:37:33 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Buy power service municipalities, for purposes of FAC native customers allocated cost of generation or FAC flow through blended cost, how separately accounted for?
1:39:02 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Amount charging to wholesale customers, set amount or prevailing cost at set time?
1:39:29 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Buy higher than can sell, FAC allocated to it at bottom of stack if wholesale customer?
1:40:11 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Charged fixed amount for contract, net gain or loss based off average generation cost?
1:40:28 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Not take into account cost of purchase power or hedging?
1:41:01 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Only allocating to wholesale customers average cost of energy generated by utility, distinction?
1:41:25 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Need to look at it again?
1:41:43 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	What account for is cost allocated to them average price of generation, does average price of generation account for demand for FAC is average generation or average generation and everything else needed serve wholesale and retail?
1:42:22 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Talking about old stacking, average generation what used for wholesale, anything left accounted to retail?
1:42:58 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	For FAC purposes, wholesale getting benefit, members paying for incremental purchases?
1:43:36 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Only making margin compared to average fuel cost for generation verse FAC allocation to native load entirety of purchase?
1:44:03 PM	Chairman Chandler Note: Sacre, Candace	Mr. Pinney?
1:44:05 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Cross Examination (cont'd). Response, Staff 2-20, reading (click on link for further comments), to clarify, if not flow through FAC, cost over sales, numbers show up on fuel cost or sales when calculating FAC?
1:46:04 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Responses, Staff First, Item 12, attachments A and B, where sales show up in FAC calculation?

1:48:20 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Two exhibits, purchases and sales, do off-system sales show up in sales denominator of FAC calculation?
1:48:50 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	What about purchases from A?
1:49:29 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Looking at Attachment A, purposes for which power purchases made, energy purchases?
1:49:53 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	What off-system sales?
1:50:19 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	What would purposes say, say same thing?
1:50:34 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	What about load support?
1:50:54 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Assume made to serve native load, purchase of power flow through FAC as numerator?
1:51:29 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Stated reason, explanation serve native load, not off system sale, not OMU, not direct-serve customers, would purchase flow through FAC?
1:52:12 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Purchase for Nucor load and purchases for start adjustment, purposes for purchases if have any?
1:53:01 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Serve Nucor, cheaper make purchases elsewhere or purchasing power on market serve Nucor?
1:53:39 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Operating on assumptions, not real-time purchases, might need power at some point, or short we need some right now?
1:54:10 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	When purchase it, put in different in large industrial customer, BREC purchasing it somehow short or not economical provide own generation, because of situation?
1:55:08 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Purchase for Nucor load, has to purchase power or enter into power hedge, doing it not because of contract with customer doing it more regard not have economical native capacity serve customer?
1:56:40 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Might go out and get energy, have capacity, but gas may be too expensive, one of situations go out and enter into contracts?
1:57:12 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Be included in fuel power costs in numerator of FAC calculation?
1:57:45 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Examination. When is it included in numerator?
1:58:40 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	When say yes, in that instance, instances not, maintain not recoverable through FAC anyway?
1:59:13 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Excess of amount reflected/not reflected base rates, included in end of year TIER calculations be recovered net of MRSM credit?
1:59:52 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	No costs at this rate not effectively unrecovered, TIER based on net income, incurred cost during year, taking into account 1.3 calculation?

2:00:30 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	All expenses recovered one way or other?
2:01:17 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	From cushion in the past?
2:01:21 PM	Chairman Chandler Note: Sacre, Candace	Mr. Pinney?
2:01:43 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Cross Examination (cont'd). Monthly billing summary, first page, sales to rurals, those are cooperatives to whom BREC sells electricity?
2:02:32 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Sales include residential, commercial, and industrial customers?
2:02:53 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Next down, several large industrial customers, kilowatts billed, sales and costs flow into and through FAC, direct serve customers?
2:04:46 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Examination. Nucor charged same way as all direct serve customers?
2:05:37 PM	Chairman Chandler - witness Warren Note: Sacre, Candace	Through review period Nucor charged FAC same as direct serve customer Oct 21 2022?
2:06:35 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Cross Examination (cont'd). LICX tariff?
2:07:03 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Is it LICX tariff under which Nucor served?
2:07:42 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Form A filings, take into account effective date of approved FAC, prorating?
2:08:23 PM	Executive Advisor Atty Pinney PSC - witness Warren Note: Sacre, Candace	Big Rivers take into account lag of billing distribution cooperative members have when FAC passed through, BREC make accommodation for lag collecting FAC?
2:09:13 PM	Executive Advisor Atty Pinney - witness Burden Note: Sacre, Candace	During review period, questions about COVID on fuel and maintenance, any causes led to disruptions ceased?
2:10:11 PM	Executive Advisor Atty Pinney - witness Burden Note: Sacre, Candace	BREC amended business practices as result of problems?
2:11:01 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Wright testimony, page 6 of 10, discussion of natural hedge, what BREC own give natural hedge?
2:11:54 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Hedge against what?
2:12:09 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Say natural gas resource, natural gas generating units?
2:12:20 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Natural gas resource, BREC has well somewhere?
2:12:42 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	How natural gas unit considered a natural hedge, energy prices out there but responsive to cost?
2:13:22 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Stumbled over term natural hedge, said can firm up natural gas, is that what said?
2:13:47 PM	Executive Advisor Atty Pinney PSC - witness Wright Note: Sacre, Candace	Not a natural hedge, just a hedge?

2:14:23 PM Chairman Chandler - witness Wright
Note: Sacre, Candace Examination. When saying natural hedge, insofar demand not exceed capacity, never pay more than can generate it?

2:15:14 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Cross Examination (cont'd). Response, Staff 3-A, Wilson Station 170 -day supply of coal on ground, what BREC means by natural hedge?

2:16:11 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Know what current inventory is at Wilson?

2:16:12 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace EXECUTIVE ADVISOR ATTY PINNEY PSC - WITNESS WRIGHT
Note: Sacre, Candace CURRENT DAY'S SUPPLY INVENTORY AT WILSON

2:16:46 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Since review period, BREC not issue coal solicitations, since review period closed Oct 31 2022 issued coal solicitations, if not anticipate in near future?

2:17:34 PM Executive Advisor Atty Pinney PSC - witness Payne
Note: Sacre, Candace Response, Staff First, Item 32, shows projected fuel requirements 2023 and 2024, 2023 filed Sept 2023 include actuals plus projected or projected for 2023?

2:18:49 PM Executive Advisor Atty Pinney PSC - witness Wright
Note: Sacre, Candace Looking at projected for 2024, significant for one of fuel choices, explain why, something go into confidential?

2:19:44 PM Private Mode Activated

2:19:45 PM Private Recording Activated

2:31:06 PM Normal Mode Activated

2:31:06 PM Public Recording Activated

2:31:08 PM Chairman Chandler
Note: Sacre, Candace Questions?

2:31:29 PM Chairman Chandler
Note: Sacre, Candace Redirect?

2:31:34 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Redirect Examination. Since last roll in in 2011, what has BREC fuel factor looked like?

2:32:00 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Talking costs not recovered through FAC, include purchase power cost above highest cost unit during forced outage?

2:32:20 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Costs reasonably incurred if not recovered through FAC?

2:32:31 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace BREC bill direct service customers on behalf of members?

2:32:40 PM Atty Santana BREC - witness Warren
Note: Sacre, Candace Remove additional lag in FAC from direct service customers?

2:32:50 PM Chairman Chandler
Note: Sacre, Candace Anything else?

2:33:00 PM Chairman Chandler
Note: Sacre, Candace Post-hearing procedural schedules.

2:33:25 PM Chairman Chandler
Note: Sacre, Candace Anything else?

2:33:26 PM Chairman Chandler
Note: Sacre, Candace Hearing adjourned.

2:33:44 PM Session Ended

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