From: PSC Public Comment

To:

Subject: RE: CORRECTED Comment, Case No. 2024-00243

**Date:** Wednesday, March 5, 2025 8:41:00 AM

Case No. 2024-00243

Thank you for your comments on the application of Kentucky Power Company. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2024-00243 in any further correspondence. The documents in this case are available at <u>View Case Filings for: 2024-00243 (ky.gov)</u>.

Thank you for your interest in this matter.

From: andrew mcdonald  Sent: Friday, February 28, 2025 7:21 PM		
<b>To:</b> PSC Public Comment < PSC.Comment@ky.gov>; Joshua Bills	Byron	
Gary		
Subject: CORRECTED Comment, Case No. 2024-00243		
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Please accept the following correction to a public comment submitted earlier today, if this is still in time to enter the case record. If the correction is too late, please enter the earlier version into the case record. Thank you.

To:

Kentucky Public Service Commission

211 Sower Blvd.

Frankfort, KY 40601

February 28, 2025

Case No. 2024-00243

Re: Support for Kentucky Power Company Application for REPA with Bright Mountain Solar LLC

## Dear Commissioners,

On behalf of the Kentucky Solar Energy Society, Kentucky Resources Council, and the Mountain Association, we ask the Commission to approve the application of Kentucky Power Company (KPC) to enter into a Renewable Energy Purchase Agreement (REPA) with Bright Mountain Solar LLC. For the reasons discussed below, we believe this project to be in the best interests of KPC's customers and the community they serve.

- 1) The development of the proposed 80 MW solar facility is consistent with the Company's most recent Integrated Resource Plan (IRP), which forecast the need for 115 MW of capacity beginning in 2026 and nearly 800 MW by 2028, as well as a need for additional energy.[1] The IRP's preferred plan included a mix of new gas-fired power, as well as 700 MW of wind and 800 MW of new solar power.[2] As the Company states in its application, the Bright Mountain REPA would be the first step towards filling the capacity and energy needs identified in the IRP.[3]
- 2) The Bright Mountain project was selected among 71 proposals received through a competitive bidding process which included thermal, wind, solar, and storage options.[4] The selected project offers multiple valuable benefits for the Company and its customers.
  - a. The 80 MW solar facility, which requires no fuel, provides a valuable hedge against potentially volatile fuel prices.[5] KPC's customers are highly vulnerable to rising natural gas and coal prices.[6] Adding non-fuel-dependent generation resources like solar reduces customer vulnerability to future fuel price spikes.
  - b. The project creates a new capacity and energy generating resource within KPC's territory, consistent with the Commission's expressed preference for Kentucky utilities to rely on physical generators within Kentucky or Power Purchase Agreements.[7]
  - c. The REPA diversifies the Company's generation portfolio, consistent with the Company's IRP,[8] reducing risks associated with dependence on fossil fuel resources.[9]
  - d. The Bright Mountain facility will be located on 360 acres of abandoned mine land in Perry County, Kentucky,[10] and represents an innovative, adaptive reuse of resources within the Company's territory. KPC and Bright Mountain are providing valuable leadership in the

region by finding new economic development opportunities on land which had previously been heavily impacted and abandoned.

- e. The project will provide valuable investment, economic development, and job creation within Kentucky and the Company's territory. The Company's economic analysis projects the creation of 280 Full-Time Equivalent (FTE) jobs in Kentucky during project construction and 12 FTE jobs during project operation.[11] In addition, the project will provide land lease payments to participating landowners and payments in lieu of taxes to Perry County.[12]
- 3) The proposed 80 MW AC solar facility would provide approximately 3% of the Company's energy needs,[13] with zero carbon or other environmental emissions or regulatory risk. As the first step towards filling their need for new capacity, this is a significant resource addition.
- 4) The project is expected to add about \$0.34/month to the average residential customer's bill.[14] For the level of energy produced and emissions savings this project would achieve, we believe this to be a reasonable cost, especially as this could potentially safeguard against other power generation sources that would add more costly increases to customer energy bills.
- 5) The Company states that Bright Mountain is prepared to begin construction upon approval of the agreement by the Commission and expects to have construction completed in 2027.[15] The fact that the project is in an advanced development stage and ready to begin construction is another point in its favor, as KPC's need for capacity is approaching and the region needs new investment now.

Although we support this project, we ask the Commission to require KPC and Bright Mountain to engage with local community stakeholders to develop a Community Benefits Agreement to provide specific additional benefits to the local community.

For the above reasons, we urge the Commission to approve KPC's application for a Renewable Energy Purchase Agreement with Bright Mountain Solar, LLC.

Sincerely,

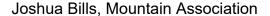
Andy McDonald, Kentucky Solar Energy

Society

316 Wapping St., Rm. 204

Frankfort, KY 40601

## Byron Gary, Kentucky Resources Council



- [1] Case No. 2023-00092, Electronic 2022 Integrated Resource Planning Report of Kentucky Power Company, VOLUME A PUBLIC VERSION at 13-15 (Mar. 20, 2023).
- [2] Id. at 15.
- [3] Case No. 2024-00243, Application at 3.
- [4] Case No. 2024-00243, Direct Testimony of Zachary M. Yetzer at 6-7.
- [5] Case No. 2024-00243, Direct Testimony of Tanner S. Wolfram at 10.
- [6] See, e.g., Case No. 2023-00008, An Electronic Examination of the Application of the Fuel Adjustment Clause of Kentucky Power Company from November 1, 2020 Through October 31, 2022, Order at 9-14 (Dec. 13, 2024), (discussing the Company's Coal Conservation Strategy given "the unique combination of high coal prices, natural gas prices, and the spiking coal demand."); Case No. 2024-00115, Electronic Application of Kentucky Power Company For: (1) Approval to Expand Its Targeted Energy Efficiency Program; (2) Approval of a Home Energy Improvement Program and a Commercial Energy Solutions Program; (3) Authority to Recover Costs and Net Lost Revenues, and to Receive Incentives Associated with the Implementation of Its Demand-Side Management/Energy Efficiency Programs; (4) Approval of Revised Tariff d.s.m.c.; (5) Acceptance of Its Annual Dsm Status Report; And (6) All Other Required Approvals and Relief, Corrected Testimony of Stacy L. Sherwood on Behalf of Joint Intervenors Mountain Association, Appalachian Citizens' Law Center, Kentuckians For the Commonwealth, and Kentucky Solar Energy Society at 27-29, (discussing the high energy burden in KPC territory).
- [7] Final Order, Case No. 2022-00402, ELECTRONIC JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND SITE COMPATIBILITY CERTIFICATES AND APPROVAL OF A DEMAND SIDE MANAGEMENT PLAN AND APPROVAL OF FOSSIL FUEL-FIRED GENERATING UNIT RETIREMENTS, November 6, 2023, at 95.
- [8] Case No. 2023-00092, Electronic 2022 Integrated Resource Planning Report of Kentucky Power Company, VOLUME A PUBLIC VERSION at 13-15 (Mar. 20, 2023); Case No. 2024-00243, Application at 3.
- [9] Case No. 2024-00243, Direct Testimony of Tanner S. Wolfram at 10.
- [10] *Id.* at 5.
- [11] Id. at 10.
- [12] Case No. 2022-00274, Bright Mountain Solar Project, Tab 10 Economic Impact, at 16.

- [13] Case No. 2024-00243, Direct Testimony of Tanner S. Wolfram at 8.
- [14] Case No. 2024-00243, Direct Testimony of Nicole Coon at 5.
- [15] Case No. 2024-00243, Direct Testimony of Zachary M. Yetzer at 10 and 12.

Andy McDonald, MSc, CEM
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Apogee - Climate & Energy Transitions is a public service program of Earth Tools Inc.

To:

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

February 28, 2025

Case No. 2024-00243

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- 1) The development of the proposed 80 MW solar facility is consistent with the Company's most recent Integrated Resource Plan (IRP), which forecast the need for 115 MW of capacity beginning in 2026 and nearly 800 MW by 2028, as well as a need for additional energy. The IRP's preferred plan included a mix of new gas-fired power, as well as 700 MW of wind and 800 MW of new solar power. As the Company states in its application, the Bright Mountain REPA would be the first step towards filling the capacity and energy needs identified in the IRP.
- 2) The Bright Mountain project was selected among 71 proposals received through a competitive bidding process which included thermal, wind, solar, and storage options.<sup>4</sup> The selected project offers multiple valuable benefits for the Company and its customers.
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<sup>&</sup>lt;sup>1</sup> Case No. 2023-00092, Electronic 2022 Integrated Resource Planning Report of Kentucky Power Company, VOLUME A – PUBLIC VERSION at 13-15 (Mar. 20, 2023).

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<sup>&</sup>lt;sup>5</sup> Case No. 2024-00243, Direct Testimony of Tanner S. Wolfram at 10.

- rising natural gas and coal prices.<sup>6</sup> Adding non-fuel-dependent generation resources like solar reduces customer vulnerability to future fuel price spikes.
- b. The project creates a new capacity and energy generating resource within KPC's territory, consistent with the Commission's expressed preference for Kentucky utilities to rely on physical generators within Kentucky or Power Purchase Agreements.<sup>7</sup>
- c. The REPA diversifies the Company's generation portfolio, consistent with the Company's IRP,<sup>8</sup> reducing risks associated with dependence on fossil fuel resources.<sup>9</sup>
- d. The Bright Mountain facility will be located on 360 acres of abandoned mine land in Perry County, Kentucky, <sup>10</sup> and represents an innovative, adaptive reuse of resources within the Company's territory. KPC and Bright Mountain are providing valuable leadership in the region by finding new economic development opportunities on land which had previously been heavily impacted and abandoned.
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<sup>&</sup>lt;sup>7</sup> Final Order, Case No. 2022-00402, ELECTRONIC JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND SITE COMPATIBILITY CERTIFICATES AND APPROVAL OF A DEMAND SIDE MANAGEMENT PLAN AND APPROVAL OF FOSSIL FUEL-FIRED GENERATING UNIT RETIREMENTS, November 6, 2023, at 95.

<sup>&</sup>lt;sup>8</sup> Case No. 2023-00092, Electronic 2022 Integrated Resource Planning Report of Kentucky Power Company, VOLUME A – PUBLIC VERSION at 13-15 (Mar. 20, 2023); Case No. 2024-00243, Application at 3.

<sup>&</sup>lt;sup>9</sup> Case No. 2024-00243, Direct Testimony of Tanner S. Wolfram at 10.

<sup>&</sup>lt;sup>10</sup> *Id.* at 5.

<sup>&</sup>lt;sup>11</sup> *Id.* at 10.

<sup>&</sup>lt;sup>12</sup> Case No. 2022-00274, Bright Mountain Solar Project, Tab 10 Economic Impact, at 16.

- 3) The proposed 80 MW AC solar facility would provide approximately 3% of the Company's energy needs, <sup>13</sup> with zero carbon or other environmental emissions or regulatory risk. As the first step towards filling their need for new capacity, this is a significant resource addition.
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Sincerely,

Andy McDonald, Kentucky Solar Energy Society 316 Wapping St., Rm. 204 Frankfort, KY 40601

Byron Gary, Kentucky Resources Council

Joshua Bills, Mountain Association

<sup>&</sup>lt;sup>13</sup> Case No. 2024-00243, Direct Testimony of Tanner S. Wolfram at 8.

<sup>&</sup>lt;sup>14</sup> Case No. 2024-00243, Direct Testimony of Nicole Coon at 5.

<sup>&</sup>lt;sup>15</sup> Case No. 2024-00243, Direct Testimony of Zachary M. Yetzer at 10 and 12.

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\*Jody Kyler Cohn Boehm, Kurtz & Lowry 425 Walnut Street Suite 2400 Cincinnati, OHIO 45202 \*J. Michael West Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

\*Jody M Kyler Cohn Boehm, Kurtz & Lowry 425 Walnut Street Suite 2400 Cincinnati, OHIO 45202 \*Honorable Michael L Kurtz Attorney at Law Boehm, Kurtz & Lowry 425 Walnut Street Suite 2400 Cincinnati, OHIO 45202

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