

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR (1) AN ORDER)	CASE NO.
APPROVING THE TERMS AND CONDITIONS)	2024-00243
OF THE RENEWABLE ENERGY PURCHASE)	
AGREEMENT FOR SOLAR ENERGY)	
RESOURCES BETWEEN KENTUCKY POWER		
COMPANY AND BRIGHT MOUNTAIN SOLAR,		
LLC; (2) AUTHORIZATION TO ENTER INTO THE		
AGREEMENT; (3) RECOVERY OF COSTS		
THROUGH TARIFF P.P.A.; (4) APPROVAL OF		
ACCOUNTING PRACTICES TO ESTABLISH A		
REGULATORY ASSET; AND (5) ALL OTHER		
REQUIRED APPROVALS AND RELIEF		

NOTICE OF FILING

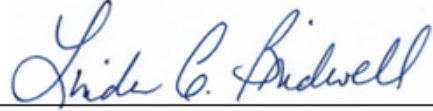
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on January 28, 2025 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on January 28, 2025 in this proceeding; and
- A written log listing, *inter alia*, the date and time of where each witness's testimony begins and ends on the digital video recording of the evidentiary hearing conducted on January 28, 2025.

A copy of this Notice, the certification of the digital video record, and the hearing log has been served upon all persons listed at the end of this Notice. Parties may view the digital video recording of the hearing at <https://youtu.be/AI-tULJ66NI>.

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

Done in Frankfort, Kentucky, on February 10, 2025.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style and is positioned above a horizontal line.

Linda C. Bridwell, PE
Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)
POWER COMPANY FOR: (1) AN ORDER)
APPROVING THE TERMS AND CONDITIONS OF)
THE RENEWABLE ENERGY PURCHASE)
AGREEMENT FOR SOLAR ENERGY RESOURCES)
BETWEEN KENTUCKY POWER COMPANY AND)
BRIGHT MOUNTAIN SOLAR, LLC;)
(2) AUTHORIZATION TO ENTER INTO THE)
AGREEMENT; (3) RECOVERY OF COSTS)
THROUGH TARIFF P.P.A.; (4) APPROVAL OF)
ACCOUNTING PRACTICES TO ESTABLISH A)
REGULATORY ASSET; AND (5) ALL OTHER)
REQUIRED APPROVALS AND RELIEF)

CASE NO.
2024-00243

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 28, 2025. The Formal Hearing Log, Exhibits, and Exhibit List are included with the recording on January 28, 2025;

2. I am responsible for the preparation of the digital recording;

3. The digital recording accurately and correctly depicts the Formal Hearing of January 28, 2025; and

4. The Formal Hearing Log attached to this Certificate accurately and correctly states events that occurred at the Formal Hearing of January 28, 2025, and the time each occurred.

Signed this 7th day of February, 2025.



Candace H. Sacre
Administrative Specialist Senior



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



Date:	Type:	Location:	Department:
1/28/2025	Public Hearing\Public Comments	Hearing Room 2	Hearing Room 2 (HR 2)

Witness: Nicole Coon; Lane Kollen; Leah Wellborn; Tanner Wolfram; Zachary Yetzer
 Judge: Angie Hatton; John Will Stacy; Mary Pat Regan
 Clerk: Candace H Sacre

Event Time	Log Event	
9:05:52 AM	Session Started	
9:06:04 AM	Chair Hatton Note: Sacre, Candace	Preliminary remarks.
9:06:30 AM	Chair Hatton Note: Sacre, Candace	Introductions.
9:06:40 AM	Chair Hatton Note: Sacre, Candace	Hearing recommendations.
9:06:55 AM	Chair Hatton Note: Sacre, Candace	Entry of appearance.
9:07:04 AM	Atty Glass Kentucky Power Note: Sacre, Candace	Katie Glass, Ken Gish, Harlee Havens, also attending but not entering appearance Christen Blend, witnesses are Tanner Wolfram, Zachary Yetzer, and Nicole Coon.
9:07:14 AM	Camera Lock Applicant Activated	
9:07:21 AM	Camera Lock Deactivated	
9:07:22 AM	Asst Atty General West Note: Sacre, Candace	Mike West, Toland Lacy, new attorney although not entering appearance, our witnesses Lane Kollen and Leah Wellborn.
9:07:30 AM	Camera Lock Intervener Activated	
9:07:39 AM	Atty Kurtz KIUC Note: Sacre, Candace	Mike Kurtz and Jody Kyler Cohn.
9:07:39 AM	Camera Lock Deactivated	
9:07:46 AM	Staff Atty van Zyl PSC Note: Sacre, Candace	Jurgens van Zyl, Moriah Tussey, and Wright Williams be joining us, also John Rogness.
9:07:51 AM	Camera Lock Staff Activated	
9:07:55 AM	Chair Hatton Note: Sacre, Candace	Public notice.
9:07:55 AM	Camera Lock Deactivated	
9:08:00 AM	Chair Hatton Note: Sacre, Candace	Outstanding motions.
9:08:10 AM	Chair Hatton Note: Sacre, Candace	Public comment.
9:08:52 AM	Chair Hatton	
9:09:01 AM	Chair Hatton Note: Sacre, Candace	Counsel for applicant, call your first witness.
9:09:05 AM	Atty Glass Kentucky Power Note: Sacre, Candace	Tanner Wolfram.
9:09:13 AM	Chair Hatton Note: Sacre, Candace	Witness sworn.

9:09:22 AM Chair Hatton - witness Wolffram
Note: Sacre, Candace Examination. Name and address?

9:09:30 AM Camera Lock Witness Activated

9:09:34 AM Camera Lock Deactivated

9:09:45 AM Atty Glass Kentucky Power - witness Wolffram
Note: Sacre, Candace Direct Examination. Employer and position?

9:09:54 AM Camera Lock Witness Activated

9:09:56 AM Atty Glass Kentucky Power - witness Wolffram
Note: Sacre, Candace Cause be filed testimony and responses?

9:10:02 AM Atty Glass Kentucky Power - witness Wolffram
Note: Sacre, Candace Updates or corrections?

9:10:55 AM Atty Glass Kentucky Power - witness Wolffram
Note: Sacre, Candace Any other corrections?

9:10:58 AM Atty Glass Kentucky Power - witness Wolffram
Note: Sacre, Candace If ask same questions, responses be same?

9:11:06 AM Chair Hatton
Note: Sacre, Candace Mr. West?

9:11:11 AM Camera Lock Deactivated

9:11:12 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Cross Examination. Page 4 of direct testimony state Kentucky Power has need for 713 MW capacity starting in '28?

9:11:50 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace PPA first step in addressing need, how addressed in testimony?

9:12:15 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace How much of capacity need proposal address?

9:12:36 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Isn't facility 80 MW facility?

9:12:44 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Explain why only offering 4.8 MW of capacity benefit?

9:13:32 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Part of analysis of ELCC and value of 4.8 only rely on solar resources to certain extent, then get diminishing returns?

9:14:23 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace ELCC values in PJM projected to decline over future?

9:14:52 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace If values decline, how affect 4.8 megawatts of value assumed here?

9:15:14 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace 713 MW need in '28 minus 4.8 MW leaves 708.2 MW remaining?

9:15:38 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Ways Kentucky Power contemplating address remaining 700 MW of need?

9:16:18 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace 713 MW need, a lot driven by losing access to Mitchell capacity?

9:16:38 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Possible Kentucky Power retains interest in Mitchell?

9:17:01 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace If possible, how much capacity need attached to Mitchell provide?

9:17:39 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace ELCC values for coal facilities much higher than for solar?

9:17:57 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Possible Kentucky Power acquires capacity other thermal resources?

9:18:19 AM Asst Atty General West - witness Wolffram
Note: Sacre, Candace Did you say yes?

9:18:25 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	If Kentucky Power ends up acquiring such resources, could provide six-, seven-, eight-hundred megawatts capacity?
9:19:10 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Fair sum up how Kentucky Power address remaining need uncertain at this time?
9:19:39 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Is one of tests Commission consider whether resource wasteful duplication?
9:20:03 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	708.2 MW capacity unaddressed by proposal divided by 713 MW of need is 99.3 percent, if Commission provided with no certainty, possible 4.8 MW project could end up becoming wasteful and duplicative?
9:21:10 AM	Review of 1/28/2025 9:20:05 AM	
9:22:41 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Mentioned economic development, part of justification for necessity of project certain ratepayers may demand clean energy?
9:23:25 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Does Kentucky Power have green tariff?
9:23:31 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Explain what that is?
9:24:09 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	If specific customer wants contract for renewable energy, can do that through tariff options?
9:24:42 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Mentioned RECs, describe what is?
9:25:11 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	When REC sold to business, purchased so can offset nonclean energy?
9:25:36 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Analysis here was sale of RECs reduce but not eliminate costs associated?
9:26:00 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	If REC being sold to offset conditions elsewhere, is not seller stepping into shoes of generator of nonclean energy?
9:26:25 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	From emissions perspective, if REC sold to offset emissions elsewhere, is not seller of REC stepping into shoes of generator?
9:26:47 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	RECs are sold and green energy customers demanding not emissions free if offsetting emissions elsewhere?
9:27:54 AM	Asst Atty General West - witness Wolffram Note: Sacre, Candace	Admitted some businesses buy RECs for that purpose?
9:28:45 AM	Chair Hatton Note: Sacre, Candace	Mr. Kurtz?
9:28:49 AM	Atty Kurtz KIUC - witness Wolffram Note: Sacre, Candace	Cross Examination. Page 4, direct, where list capacity needs based upon 2022 IRP, Kentucky Power owns 50 percent interest in Mitchell, two-unit coal facility in West Virginia?
9:29:22 AM	Atty Kurtz KIUC - witness Wolffram Note: Sacre, Candace	Fifty percent owned by Kentucky Power and 50% owned by Wheeling Power?

9:29:36 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace If Kentucky Power sell ownership interest, Commission need approve that?

9:29:46 AM Atty Glass Kentucky Power
Note: Sacre, Candace Object, calls for legal conclusion.

9:29:50 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Rephrase, why IRP assume KP sell its 50% interest in Mitchell, creating large capacity need after 2028?

9:30:21 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Aware orders issued by Commission after that, if Mitchell be sold, be at or close to net book value?

9:30:40 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Be honest about it, West Virginia point of view KP walked away from it and it is theirs, this Commission indicated maybe not?

9:32:39 AM Session Paused

9:33:25 AM Session Resumed

9:33:30 AM Chair Hatton
Note: Sacre, Candace Back on the record.

9:33:45 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Cross Examination (cont'd). Just to get off Mitchell, big issue has to be resolved between WV and KY some point in future?

9:34:01 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Facility will be built in KP territory?

9:34:07 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Will be fair amount of construction jobs?

9:34:25 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Will be property taxes they will pay?

9:34:30 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace That's the good news, there is iron and steel in the ground?

9:34:40 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Facility going to cost residential customer in year one 34 cents a month or \$4.08 a year above market cost?

9:35:08 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace That compares cost of energy under REPA versus market?

9:35:58 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Energy offset as well, avoided energy?

9:36:04 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Analysis shows contract is net cost to consumers compare to avoided cost of capacity and value of RECs?

9:36:23 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace \$14.6 million net present value harm to customers in testimony?

9:37:14 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Based upon analysis and testimony, is a \$14.6 million net value harm to customers, could be financial loss to customers?

9:37:58 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Talk about RECs, big revenue stream is company will sell RECs provided under 15-year contract?

9:38:23 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace If selling RECS, not left with green power, just left with regular power, only entity retires REC can claim green energy?

9:38:55 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace PJM keeps registry of renewable energy in footprint and registry which RECs retired and which sold?

9:39:08 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Claim green energy have to retire them, if retire the revenue stream from selling RECs be eliminated?

9:39:47 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Speaking about RFP, nine thermal projects scored above this project?

9:39:57 AM Atty Gish Kentucky Power
Note: Sacre, Candace Getting close to confidential.

9:40:18 AM Private Mode Activated

9:40:18 AM Private Recording Activated

9:41:56 AM Normal Mode Activated

9:41:56 AM Public Recording Activated

9:41:57 AM Chair Hatton
Note: Sacre, Candace Okay, Mr. Kurtz.

9:42:09 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Cross Examination (cont'd). Know what happens to bid if investment tax credit or production tax credit for solar eliminated?

9:42:48 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace Think developer factored in tax benefits under Inflation Reduction Act?

9:43:18 AM Atty Kurtz KIUC - witness Wolffram
Note: Sacre, Candace \$14.6-million number from analysis listed as net benefit cost, so is a cost, \$14.6 million present value, \$23.9 million nominal, be used on resolving Mitchell situation rather than entering into solar contract?

9:44:39 AM Chair Hatton
Note: Sacre, Candace Staff?

9:44:46 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Cross Examination. Follow up on responses to Kurtz and West, my understanding bids provided still being evaluated as possible options for company?

9:45:19 AM Chair Hatton - witness Wolffram
Note: Sacre, Candace Examination. Could you say that again?

9:45:37 AM Chair Hatton - witness Wolffram
Note: Sacre, Candace Ones in same RFP, still being evaluated?

9:45:40 AM Commissioner Stacy - witness Wolffram
Note: Sacre, Candace Examination. What was the first one?

9:45:50 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Cross Examination (cont'd). Based on response, Bright Mountain considered best option renewable resources?

9:46:57 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Leads me into next question, mention in direct, page 13, lines 15 and 16, stated project least cost reasonable alternative, agree KP not own any part of facility?

9:47:38 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Provided information not have any maintenance, ongoing maintenance, or anything related that facility?

9:47:58 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Kurtz referenced cost have estimated and would impact ratepayers?

9:48:14 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace When mentioned least cost, clarify as to what referring to?

9:49:55 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Based on was not least cost project bid in, explain if are circumstances where something not least cost would be most reasonable alternative?

9:51:49 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Mentioned energy capacity, West mentioned project not cover more than 99 percent of capacity needs?

9:53:21 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Want to talk about going to PJM and making purchases to cover needs, Kentucky Power an FRR entity?

9:53:39 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Currently, how does KP satisfy current requirements with PJM?

9:54:06 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace When does that occur?

9:54:17 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace KP winter peaking utility?

9:54:29 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace And PJM is summer peaking RTO?

9:54:35 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Kentucky Power make purchases during winter, if needs to?

9:54:52 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace If Commission approve application as filed and we look forward to 2028, how KP then satisfy capacity need in that year based on what facts are now?

9:56:10 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Answer right now is don't know beyond possible have to be purchased from market?

9:56:21 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace If we were to check off some boxes, it would be the unknown box for that?

9:56:40 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace If Commission deny, with same boxes in 2028, what look like for Kentucky Power?

9:57:17 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Tariff PPA, know have requested recovery, historically Tariff PPA has under recovered?

9:58:06 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace For full disclosure, yes is answer to under recovery?

9:58:23 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Believe Tariff PPA part of securitization pending?

9:58:36 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace In most recent rate case, KP proposed to shift LSE OATT expense into base rate and take out of Tariff PPA calculation?

9:58:57 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Has been small shift in what is part of calculation Tariff PPA?

9:59:13 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Calculation included within tariff not changed but items go into calculation changed?

9:59:49 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Believe those not part of case?

9:59:55 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Provided information as to calculations?

10:00:03 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace Based on recollection, Tariff PPA still appears to under recover going forward?

10:01:21 AM Asst General Counsel Tussey PSC - witness Wolffram
Note: Sacre, Candace PPA continues to under recover, Kentucky Power consider different way to recover expenses as relates to application?

10:02:44 AM	Asst General Counsel Tussey PSC - witness Wolffram Note: Sacre, Candace	Consider rider mechanism separate from current mechanism?
10:03:07 AM	Chair Hatton Note: Sacre, Candace	Commissioner Stacy?
10:03:09 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Examination. Tell me when wrong about this, wrong to understand cost ratepayers a little bit more?
10:04:00 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Wrong to say this not help with generation capacity but three or four percent?
10:04:20 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Hinted at other considerations here make this worthwhile, speak more than vague generalities that make this a worthwhile project otherwise?
10:05:48 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Maybe not state question right, looking for something other than capacity or source of capacity, other considerations other than that make this a great project?
10:06:30 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	We all understand that, what's the next thing?
10:07:22 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Basically saying going to be a cost increase to customers, even though passing back, still have cost increase?
10:07:38 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Tell me what other considerations besides that that make this a good project?
10:08:08 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Touched on economic development benefits, do you want to talk about that?
10:09:08 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Anything other than crossing your fingers and hoping somebody going to come, more to it than that, kind of a hope, hoping that will happen?
10:10:17 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Looking for something else, way it looks is difficult and hoping more to it that helps make possible because good for Commonwealth, customers, and your company, like to find way to make things happen?
10:11:07 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Anything else can share with me?
10:11:19 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Anybody here this morning that can talk about that?
10:11:34 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Who could do that?
10:11:42 AM	Commissioner Regan - witness Wolffram Note: Sacre, Candace	Examination. Know or someone else answer any part of your compensation based on percentage of diversification in energy company has?
10:12:33 AM	Chair Hatton - witness Wolffram Note: Sacre, Candace	Examination. Talked about right resource at right time?
10:12:49 AM	Chair Hatton - witness Wolffram Note: Sacre, Candace	Know that Kollen says just opposite, wrong choice, based on losing opportunity, why has this been a rush, why this one have to happen now?

10:14:18 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	So misunderstood you that was possibility would lose out on this opportunity?
10:14:58 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Developer, if not accepted when you did, may have opted get better price somewhere else?
10:15:18 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Economical because of RECs and estimation being able offset cost with selling credits?
10:15:43 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	At time evaluated, in different position, believe credits worth less now than under present administration?
10:16:09 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Project already in queue for PJM?
10:16:31 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	If evaluation by expert witnesses of intervenors correct, does not make money and is not economic if Commission unable approve it, any salvaging this deal or believe others waiting, know if possibility off the table?
10:17:49 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	As far as choosing this one first, 111(d) concerns and this one was evaluated and ready to go?
10:18:05 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	We know, it results in additional cost to customers?
10:18:10 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	In combination with others as total package, it might not?
10:18:16 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Others still being reevaluated?
10:18:20 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	But we have to evaluate them on project-by-project basis as brought forward to make sure least cost most reasonable alternative been considered, being careful not go into anything confidential -
10:18:44 AM	Chair Hatton Note: Sacre, Candace	Actually, let's go into confidential.
10:18:52 AM	Private Mode Activated	
10:18:52 AM	Private Recording Activated	
10:22:43 AM	Chair Hatton Note: Sacre, Candace	Back on public record.
10:22:48 AM	Normal Mode Activated	
10:22:48 AM	Public Recording Activated	
10:22:52 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Examination. Jobs total different for Perry County statewide or service area wide?
10:23:17 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Why is that, not think get positions filled locally?
10:23:32 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Expected 280 jobs only 36 from Perry County, 12 jobs thereafter operations and maintenance but only four jobs locally?
10:23:54 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Not be hired by KP?
10:24:00 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Does impact overall desirability, not know if in service area either, just somewhere in Kentucky?
10:24:37 AM	Chair Hatton - witness Wolfram Note: Sacre, Candace	Total impact for customer in first year revised?

10:24:44 AM	Chair Hatton - witness Wolffram Note: Sacre, Candace	Not confidential?
10:24:48 AM	Atty Gish Kentucky Power Note: Sacre, Candace	That was the jobs, right?
10:24:53 AM	Chair Hatton - witness Wolffram Note: Sacre, Candace	Examination (cont'd). Thirty-four cents revised to 29 cents per month?
10:24:57 AM	Chair Hatton - witness Wolffram Note: Sacre, Candace	Information had was that was in first year?
10:25:01 AM	Chair Hatton - witness Wolffram Note: Sacre, Candace	Expect be different in subsequent years?
10:26:23 AM	Chair Hatton Note: Sacre, Candace	Redirect?
10:26:30 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Redirect Examination. West cross, talking about RECs, said can be used to offset emissions, believe Coon able provide additional information?
10:27:07 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Also agree customer interest in renewable energy not only purpose company has made application in this case?
10:27:24 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Also talk about way company pays for benefits received under contract and way revenues recovered, explain?
10:28:41 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	The \$83.68 MWh fixed price set by contract?
10:28:56 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Energy revenues company receives and any revenues from liquidation of RECs have effect of buying down fixed contract price?
10:29:05 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Liquidation of RECs another benefit, can have effect of buying down contract price thereby reducing cost to customers?
10:29:22 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Heard talk about benefits of project, summarize and see if agree, provide company with diversity of resources?
10:29:51 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Because of that means that Bright Mountain project represents fuel independent resource?
10:30:02 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Means company protected from things like geopolitical impacts on gas prices?
10:30:17 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Would also protect company against failure of natural gas pipelines?
10:30:29 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Also protect company and customers from increased coal prices or failure of coal suppliers to deliver or coal scarcity?
10:30:45 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Also represents physical hedge?
10:30:52 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Because is 15-year renewable energy purchase agreement provides company with fixed price for 15 years?
10:31:01 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Also provides price certainty for customers?
10:31:13 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Agree project or what company receive and what customers receive part of company's cost of service?

10:31:31 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	This is company fulfilling its responsibility provide adequate reliable service to customers?
10:31:46 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Tell me what percent annual energy needs project will satisfy?
10:32:02 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Is that three percent in summer, or is that annually?
10:32:11 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Heard testify earlier was modest price increase, what was monthly residential bill increase?
10:32:26 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	About a quarter per month?
10:32:31 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Means this provide about three percent company energy needs for less than 0.2 percent bill price increase?
10:32:51 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Agree if company bring forward application approve thermal PPA or other resource also be cost of service and could result added costs to customer bills?
10:33:23 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Questions about company's decision recover cost associated with contract or Tariff PPA. remember those?
10:33:38 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Already specific function of Tariff PPA that allows company recover cost of purchase power agreements?
10:33:48 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Reason company indicated recover cost through Tariff PPA?
10:33:58 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Company consider creating new rider if Commission were to approve it?
10:34:33 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Exhibit ZMY-3, information take into account price and nonprice factors?
10:34:58 AM	Atty Glass Kentucky Power - witness Wolffram Note: Sacre, Candace	Yetzer elaborate on that?
10:35:21 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Examination. If did deal protect against price fluctuations, purchase energy from PJM?
10:36:02 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Estimate coal and gas produced by energy purchased, really not protected from that, just protected from it to a lesser extent?
10:36:43 AM	Commissioner Stacy - witness Wolffram Note: Sacre, Candace	Not real answer, real answer still be reliant on price fluctuations and still subject to some kind of pipeline interruption?
10:37:29 AM	Chair Hatton Note: Sacre, Candace	Break 15 minutes.
10:38:01 AM	Session Paused	
11:05:15 AM	Session Resumed	
11:05:20 AM	Chair Hatton Note: Sacre, Candace	Back on the record.
11:05:35 AM	Chair Hatton Note: Sacre, Candace	Next witness?
11:05:37 AM	Atty Glass Kentucky Power Note: Sacre, Candace	Zachary Yetzer.

11:05:45 AM	Chair Hatton Note: Sacre, Candace	Witness is sworn.
11:05:53 AM	Chair Hatton - witness Yetzer Note: Sacre, Candace	Examination. Name and address?
11:06:09 AM	Atty Gish Kentucky Power - witness Yetzer Note: Sacre, Candace	Direct Examination. Employer and position?
11:06:20 AM	Atty Gish Kentucky Power - witness Yetzer Note: Sacre, Candace	File testimony and responses?
11:06:25 AM	Atty Gish Kentucky Power - witness Yetzer Note: Sacre, Candace	Corrections?
11:06:29 AM	Atty Gish Kentucky Power - witness Yetzer Note: Sacre, Candace	If ask same questions, give same responses?
11:06:35 AM	Atty Gish Kentucky Power - witness Yetzer Note: Sacre, Candace	Regarding status of Bright Mountain project in the PJM interconnection process. can you let Commissioners know what status of project is in process?
11:07:22 AM	Atty Gish Kentucky Power Note: Sacre, Candace	Other question requires confidential.
11:07:43 AM	Private Mode Activated	
11:07:43 AM	Private Recording Activated	
11:10:11 AM	Atty Gish Kentucky Power Note: Sacre, Candace	We can go out of confidential.
11:10:29 AM	Normal Mode Activated	
11:10:29 AM	Public Recording Activated	
11:10:30 AM	Atty Gish Kentucky Power Note: Sacre, Candace	Witness is available for cross.
11:10:41 AM	Chair Hatton Note: Sacre, Candace	Mr. Kurtz?
11:10:43 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	Cross Examination. Investment tax credit 50 percent for this project?
11:11:10 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	Investment tax credit 30, 40, 50 percent is reduction in capital cost of project?
11:11:25 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	ITC goes away or is reduced, trigger renegotiation if change in law?
11:11:41 AM	Atty Gish Kentucky Power Note: Sacre, Candace	This section of REPA covered under confidential and was discussed earlier.
11:11:49 AM	Atty Kurtz KIUC Note: Sacre, Candace	We can go on confidential.
11:11:51 AM	Chair Hatton Note: Sacre, Candace	I think we better.
11:11:57 AM	Private Mode Activated	
11:11:57 AM	Private Recording Activated	
11:11:59 AM	Chair Hatton Note: Sacre, Candace	Are on confidential.
11:13:50 AM	Atty Kurtz KIUC Note: Sacre, Candace	Can go back on public record.
11:14:00 AM	Normal Mode Activated	
11:14:00 AM	Public Recording Activated	
11:14:01 AM	Chair Hatton Note: Sacre, Candace	Thank you.

11:14:04 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	Cross Examination. Eighty-megawatt nameplate?
11:14:15 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	Four-point-eight megawatt ELCC accredited capacity?
11:14:16 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	First year expected to produce 150,000 MWh?
11:14:25 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	First year price to developer estimated be \$12.5 million?
11:14:44 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	Assumed degradation output of solar facility half a percent per year?
11:15:00 AM	Atty Kurtz KIUC - witness Yetzer Note: Sacre, Candace	Over 15-year contract period KP projected pay developer \$179 million?
11:15:20 AM	Chair Hatton Note: Sacre, Candace	Staff?
11:15:23 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Cross Examination. Want to understand role, give view what you do for RFPs for AEP, what include?
11:17:37 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	That rubric, who develops that?
11:17:48 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Evaluate it, think important to us, who develops rubric?
11:18:55 AM	Commissioner Regan - witness Yetzer Note: Sacre, Candace	Examination. That is score sheet?
11:19:35 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Cross Examination (cont'd). ZMY-3, nonprice factors as well as expected costs and everything else?
11:20:33 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Familiar with how renewable energy credit works and functions?
11:20:51 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Within terms of contract, every hour Bright Mountain generates energy pay for value of REC, pay for value of capacity, and pay for value of energy?
11:21:16 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Generally aware of price that energy being bid on in PJM?
11:21:35 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Witness Coon or anybody speak in more specifics?
11:21:53 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Under terms of contract, KP obligated pay for resources every hour of generation, still owe Bright Mountain \$83.68 for that hour?
11:22:32 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	What do you do with that energy?
11:23:20 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Lose difference?
11:23:45 AM	Staff Atty van Zyl PSC - witness Yetzer Note: Sacre, Candace	Wolfram discussed nonprice factors and evaluation for that, one of stated benefits customers want renewable energy, aware of negotiations during IRP process, made entreaty there?
11:24:49 AM	Staff Atty van Zyl PSC Note: Sacre, Candace	Have confidential questions if could switch.
11:24:54 AM	Private Mode Activated	
11:24:54 AM	Private Recording Activated	
11:37:05 AM	Chair Hatton Note: Sacre, Candace	Any on confidential?

11:37:18 AM Chair Hatton
Note: Sacre, Candace Back into public.

11:37:22 AM Normal Mode Activated

11:37:22 AM Public Recording Activated

11:37:24 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace Examination. Working with developer, what stage is project in development, what things actually done?

11:38:43 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace Acquired property?

11:39:04 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace Know general terms of that one big one?

11:39:13 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace Not know if paid for acquisition through lease or not?

11:39:46 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace General description progress on project so far not bought equipment, not installed equipment, not built roads, not acquired property, all done is option on land?

11:40:24 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace Said option on that one big tract?

11:40:33 AM Commissioner Stacy - witness Yetzer
Note: Sacre, Candace But is an option?

11:40:47 AM Chair Hatton
Note: Sacre, Candace Commissioner Regan?

11:40:52 AM Commissioner Regan - witness Yetzer
Note: Sacre, Candace Examination. Follow up on worksheets, pricing and nonpricing, all weighted evenly?

11:41:11 AM Chair Hatton
Note: Sacre, Candace Back in confidential.

11:41:14 AM Private Mode Activated

11:41:14 AM Private Recording Activated

11:46:09 AM Chair Hatton
Note: Sacre, Candace Back on public, please.

11:46:12 AM Normal Mode Activated

11:46:12 AM Public Recording Activated

11:46:14 AM Commissioner Regan - witness Yetzer
Note: Sacre, Candace Examination (cont'd). Bright Mountain owned by Avangrid?

11:46:21 AM Commissioner Regan - witness Yetzer
Note: Sacre, Candace Operate across 22 states?

11:46:34 AM Commissioner Regan - witness Yetzer
Note: Sacre, Candace Assuming look at projects in other states for other companies?

11:46:41 AM Commissioner Regan - witness Yetzer
Note: Sacre, Candace Number of projects made it into the queue and pulled out?

11:48:00 AM Commissioner Regan - witness Yetzer
Note: Sacre, Candace If change of law or whatever reason and Bright Mountain pulled out of project, process restart with another developer and have to go back into PJM queue?

11:49:18 AM Chair Hatton - witness Yetzer
Note: Sacre, Candace Examination. Noncost factors would matter, maybe price negates all good benefits if not economic, why find that price point acceptable?

11:50:20 AM Chair Hatton - witness Yetzer
Note: Sacre, Candace Involved in rubric in choosing projects?

11:50:45 AM Chair Hatton - witness Yetzer
Note: Sacre, Candace Ideally, would this project been packaged with another one at the same time that looks more economic?

11:51:51 AM	Chair Hatton - witness Yetzer Note: Sacre, Candace	Queue really not factor because all top scorers already in queue?
11:52:06 AM	Chair Hatton Note: Sacre, Candace	Redirect?
11:52:13 AM	Atty Gish Kentucky Power - witness Yetzer Note: Sacre, Candace	Redirect Examination. Bidding of Bright Mountain into PJM and if not picked, what are solar projects bid into market?
11:52:50 AM	Chair Hatton Note: Sacre, Candace	Back into confidential.
11:52:58 AM	Private Mode Activated	
11:52:58 AM	Private Recording Activated	
11:57:30 AM	Atty Gish Kentucky Power Note: Sacre, Candace	That is all my questions.
11:57:38 AM	Chair Hatton Note: Sacre, Candace	Back on public.
11:57:42 AM	Normal Mode Activated	
11:57:42 AM	Public Recording Activated	
11:57:45 AM	Chair Hatton Note: Sacre, Candace	Conclude your questions?
11:57:49 AM	Chair Hatton Note: Sacre, Candace	Questions?
11:58:16 AM	Chair Hatton Note: Sacre, Candace	Lunch break.
11:58:59 AM	Session Paused	
1:04:23 PM	Session Resumed	
1:04:24 PM	Chair Hatton Note: Sacre, Candace	Back on record.
1:04:29 PM	Chair Hatton Note: Sacre, Candace	Counsel, call next witness.
1:04:31 PM	Atty Glass Kentucky Power Note: Sacre, Candace	Nicole Coon.
1:04:36 PM	Chair Hatton Note: Sacre, Candace	Witness is sworn.
1:04:44 PM	Chair Hatton - witness Coon Note: Sacre, Candace	Examination. Name and address?
1:04:59 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Direct Examination. Employer and position?
1:05:13 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	File direct, rebuttal, and responses?
1:05:20 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Corrections?
1:06:28 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Does that change impact values in exhibit?
1:06:38 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	If ask same questions, give same responses?
1:06:50 PM	Atty Gish Kentucky Power Note: Sacre, Candace	Witness available for cross.
1:06:53 PM	Chair Hatton Note: Sacre, Candace	Mr. West?
1:06:57 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	Cross Examination. Direct, page 3, net present value benefits from project \$87.202 million?
1:07:12 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	Provide update, value changed at all?

1:07:24 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	What is updated value for estimate of benefits?
1:07:34 PM	Atty Gish Kentucky Power Note: Sacre, Candace	Identify what workpaper that is?
1:08:10 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	Cross Examination (cont'd). Both amounts gross amounts, just represent benefits?
1:08:20 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	Identify gross amount of costs in testimony?
1:08:38 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	Familiar with testimony of Kollen and Wellborn?
1:08:44 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	Agree with calculation of costs \$171 million nominal basis and \$101.8 million net present value?
1:09:02 PM	Asst Atty General West - witness Coon Note: Sacre, Candace	If agree with \$101.8 million net present value costs and updated value for benefits is \$97.051 million benefits, agree costs exceed benefits?
1:09:23 PM	Asst Atty General West Note: Sacre, Candace	That's all.
1:09:25 PM	Chair Hatton Note: Sacre, Candace	Mr. Kurtz?
1:09:30 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Cross Examination. In direct testimony, calculated first year rate impact to residential customer be 34 cents a month?
1:09:43 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	About \$4 a year?
1:09:47 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Are 131,000 residential customers served by KP?
1:09:58 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	In direct calculated cost of REPA exceed benefits on net present value basis?
1:10:15 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	In rebuttal, calculated cost exceed benefits on net present value basis by \$4.7 million?
1:10:36 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Using base forecast, \$4.7-million cost exceed benefits on net present value basis?
1:10:45 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Results first year rate impact average customer of 29 cents month or three-and-a-half dollars a year?
1:10:55 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Big change in direct versus rebuttal was a higher base case energy forecast versus direct case?
1:11:18 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Capacity pricing was pretty constant, and rec pricing in base case and in direct about same as well?
1:11:28 PM	Atty Kurtz KIUC Note: Sacre, Candace	Have two confidential exhibits to discuss with witness.
1:11:38 PM	Private Mode Activated	
1:11:38 PM	Private Recording Activated	
1:12:00 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Cross Examination (cont'd). Recognize this as a data response prepared?

1:12:11 PM KIUC CONFIDENTIAL HEARING EXHIBIT 1
Note: Sacre, Candace ATTY KURTZ KIUC - WITNESS COON
Note: Sacre, Candace STAFF FIRST, KPSC 1_7, RESPONSE OF COON AND WOLFFRAM

1:13:07 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace And cost \$12.55 million?

1:24:44 PM KIUC CONFIDENTIAL HEARING EXHIBIT 2
Note: Sacre, Candace ATTY KURTZ KIUC - WITNESS COON
Note: Sacre, Candace BENEFITS AND COSTS. BRIGHT MOUNTAIN SOLAR PROJECT

1:26:01 PM Atty Kurtz KIUC
Note: Sacre, Candace One last exhibit, not be confidential, go back on regular record.

1:26:12 PM Chair Hatton
Note: Sacre, Candace Okay.

1:26:17 PM Normal Mode Activated

1:26:17 PM Public Recording Activated

1:26:20 PM Chair Hatton
Note: Sacre, Candace This will be KIUC Hearing Exhibit 3?

1:26:21 PM KIUC HEARING EXHIBIT 3
Note: Sacre, Candace ATTY KURTZ KIUC - WITNESS COON
Note: Sacre, Candace AG-KIUC FIRST, AG_KIUC 1_15, RESPONSE AND SUPPLEMENTAL
RESPONSE OF COON

1:27:00 PM Atty Gish Kentucky Power
Note: Sacre, Candace This yellow highlighted information in this exhibit.

1:27:36 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Cross Examination (cont'd). On page 2 of response, did a Nov 25
supplemental update?

1:27:44 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Went on to PJM GATS system, where track renewable energy
generated versus RECs retired?

1:28:04 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Have to retire REC not sell it?

1:28:15 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Way it becomes green, if buy power and sell RECs not really green
energy?

1:28:33 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Third page, show actual Kentucky transactions?

1:28:57 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Actual RECS sold in Kentucky started out in 2018 at \$14.96 MWh?

1:29:19 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Average in 2019 was \$22.10?

1:29:27 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Is a 47.7 percent increase?

1:29:36 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace The next year 2020 price dropped by 43.7 percent to \$12.44?

1:29:48 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Next year increased by 54 percent to \$19.17?

1:30:00 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace In next year dropped by 12.4 percent to \$16.78?

1:30:10 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Then doubled to \$25.33, and last partial year went from \$25.33 to
\$30.34, increase of 19.7 percent?

1:30:42 PM Atty Kurtz KIUC - witness Coon
Note: Sacre, Candace Over six full year and one partial year, REC sales price in Kentucky
was \$19.78 MWh?

1:31:07 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Amount of RECs from Kentucky solar projects sold?
1:31:25 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Know how many megawatt hours Bright Mountain expected to produce?
1:31:53 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Would basically double supply of RECs in Kentucky available for sale?
1:32:25 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Kentucky Power intends to sell all of its REC?
1:32:40 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	If contract approved, intent sell all RECs received, \$150,000 in year one?
1:32:55 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	If double supply, what think do with price?
1:33:55 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Why owners RECs in Kentucky, if going to sell, why not want to maximize value?
1:34:10 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Solar in Kentucky average \$19.78, why not be selling to same market you intend to sell into?
1:34:52 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Sure AEP would maximize value if this approved, no reason not to?
1:35:02 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Bottom, far right, sum of retired RECs PJM GATS system, RECs produced and retired so could take credit for green energy?
1:35:28 PM	Atty Kurtz KIUC - witness Coon Note: Sacre, Candace	Conversely, if sold could not take credit as green energy, guy who bought it and retired it could?
1:35:40 PM	Chair Hatton Note: Sacre, Candace	Staff?
1:35:42 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	Cross Examination. Answer, Staff First, Item 7, total COS, in rebuttal when took second look, doing peak and off-peak system, how change what produced in worksheet for energy values, expect go down?
1:36:57 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	Seven hundred and sixty-five thousand, something like that?
1:37:24 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	Just want to understand, present value number lower, used worksheet quite a few times, expecting present value be lower than energy sales than would have been?
1:37:44 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	Why not use on/off peak weighted values original analysis?
1:38:38 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	When is your utility's peak hours?
1:38:48 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	For Kentucky Power change at all, when is KP winter peaking hours?
1:39:05 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	If go back Kentucky Power Response, Staff First, Item 3, attachment there where show PJM's expected ELCC values?
1:39:38 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	Fixed tilt solar, twenty-five-ish percent value now but then steep drop-off?

1:40:20 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	To extent is capacity value, 4.8 MW capacity value, calculate number go less and less and less, or when did initial analysis not have updated methodology from PJM?
1:40:54 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	This is '27, going to be first year?
1:41:15 PM	Staff Atty van Zyl PSC - witness Coon Note: Sacre, Candace	When did analysis for AEP, aware of any large industrial customer come in and wanted some sort of renewable energy?
1:42:06 PM	Chair Hatton Note: Sacre, Candace	Commissioners?
1:42:08 PM	Chair Hatton - witness Coon Note: Sacre, Candace	Examination. Asked whether change in federal administration cause suspect value renewable energy credits gone down since calculation done, any way of predicting that or opinion?
1:43:04 PM	Chair Hatton - witness Coon Note: Sacre, Candace	Intervenors witness Kollen testimony, reading, what would you say to that?
1:45:05 PM	Chair Hatton Note: Sacre, Candace	Redirect?
1:45:09 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Redirect Examination. On-peak hours and off-peak hours, set by PJM, the timing?
1:45:30 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Asked when KP energy peak was, different thing altogether?
1:45:37 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Is set, company's 1 CP coincident peak?
1:45:44 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Used in KP generation planning?
1:46:00 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	On-peak demand for KP is separate construct?
1:46:07 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Talked a about if energy only cost, Chair asked about and you about benefit of fixed price and price certainty, if were no capacity benefit and no REC benefit, only thing get back is energy value?
1:46:38 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Average \$44 or \$45, KIUC Exhibit 2, \$42.50 is average?
1:47:16 PM	Atty Gish Kentucky Power - witness Coon Note: Sacre, Candace	Price pay for energy slightly higher but with that comes price certainty never higher than \$86?
1:47:48 PM	Chair Hatton Note: Sacre, Candace	Recall Wolfram?
1:47:51 PM	Atty Glass Kentucky Power Note: Sacre, Candace	Company recall Wolfram for answering van Zyl confidential questions.
1:48:00 PM	Atty Gish Kentucky Power Note: Sacre, Candace	No objection to exhibits.
1:48:10 PM	Chair Hatton Note: Sacre, Candace	Still under oath.
1:48:34 PM	Chair Hatton Note: Sacre, Candace	Please put in confidential session.
1:48:36 PM	Private Mode Activated	
1:48:36 PM	Private Recording Activated	
1:56:20 PM	Chair Hatton Note: Sacre, Candace	Back on public record.

1:56:26 PM	Normal Mode Activated	
1:56:26 PM	Public Recording Activated	
1:56:55 PM	Chair Hatton	
	Note: Sacre, Candace	Intervenors, call first witness?
1:56:59 PM	Asst Atty General West	
	Note: Sacre, Candace	Lane Kollen.
1:57:09 PM	Chair Hatton	
	Note: Sacre, Candace	Witness is sworn.
1:57:15 PM	Chair Hatton - witness Kollen	
	Note: Sacre, Candace	Examination. Name and address?
1:57:37 PM	Asst Atty General West - witness Kollen	
	Note: Sacre, Candace	Direct Examination. Occupation and involvement in this case?
1:58:15 PM	Asst Atty General West - witness Kollen	
	Note: Sacre, Candace	Cause direct testimony be filed?
1:58:20 PM	Asst Atty General West - witness Kollen	
	Note: Sacre, Candace	Additions or corrections?
1:58:26 PM	Asst Atty General West - witness Kollen	
	Note: Sacre, Candace	Sponsor responses to data requests?
1:58:30 PM	Asst Atty General West - witness Kollen	
	Note: Sacre, Candace	If asked same questions, answers be same?
1:58:35 PM	Asst Atty General West - witness Kollen	
	Note: Sacre, Candace	Is it your intention adopt direct testimony and answers as testimony?
1:58:58 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	Examination. Mentioned some things not addressed in this?
1:59:03 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	Tell us what those are?
2:01:54 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	One of things saying could assign energy directly to industry that would come to region?
2:02:07 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	What else would industry get?
2:02:40 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	Direct assignment, is that what call it?
2:03:54 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	In preparation of testimony, look at company and all assets to see if ever done that before, made direct assignment?
2:04:49 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	Be greater benefit to company if had this direct assignment versus going out on market and buying somewhere?
2:05:45 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	Would there be some benefit to potential company that would locate in service area, incentive to investors to locate there and take that energy from source?
2:07:10 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	But not know of any incentive to any investor take this green energy than just going on market to buy it?
2:07:45 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	What does that mean?
2:08:32 PM	Commissioner Stacy - witness Kollen	
	Note: Sacre, Candace	Would you think potential investor think this more honest way to buy energy or just buy credit?
2:08:58 PM	Chair Hatton	
	Note: Sacre, Candace	Commissioner Regan?

2:09:04 PM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Examination. Looking at testimony, give general overview, page 7, lines 1-3, where you talk about, reading, just based on net present value or other factors?
2:12:01 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Stated opinion and testimony PSC should reject this contract, not in public interest, wrong resource at wrong time, what mean by that?
2:13:49 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Will be capacity short by next year?
2:14:08 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	If too small make any difference, why not have a little bit of diversified resource be bit of an hedge, what does it hurt?
2:15:08 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Said still analyzing other projects in RFP, does it matter which one do first?
2:16:00 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	To the best of your ability, feel like these purchases sold into PJM at a loss?
2:16:15 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Possible that we are wrong about that?
2:16:31 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	That \$83.68 fixed price not change over 15 years?
2:16:37 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	In general, want long-term contracts at fixed prices because expect go up?
2:16:45 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Not think likely go up above \$83.68 in 15 years?
2:17:23 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Do any analysis if \$83.68 too high what would be the break-even rate?
2:18:08 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	How much effort take do that math?
2:18:28 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Not cost your client a whole lot of money?
2:19:29 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Money spent developing this?
2:19:34 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Trying to figure out if could be salvaged, if way could work?
2:20:25 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	What would a guaranty look like?
2:21:21 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Page 11 of testimony, talking about proposed method how deal with avoided capacity cost through tariff, what proper method for that?
2:22:49 PM	Commissioner Stacy - witness Kollen Note: Sacre, Candace	Examination. Assume KP wants to create green energy and sell green energy through mechanism talking about, real problem not addressed capacity issue?
2:23:26 PM	Commissioner Stacy - witness Kollen Note: Sacre, Candace	How suggest if running KP for 45 seconds and wanted sell green energy or if had company wanted locate in region and wanted for this economic development project, what would you do to address energy capacity issue?
2:24:40 PM	Commissioner Stacy - witness Kollen Note: Sacre, Candace	Can I say what else now?

2:25:16 PM	Commissioner Stacy - witness Kollen Note: Sacre, Candace	Not some way can acquire or create other energy gas or coal in the region and fill in shortage?
2:25:40 PM	Commissioner Stacy - witness Kollen Note: Sacre, Candace	But may be possible?
2:25:46 PM	Commissioner Stacy - witness Kollen Note: Sacre, Candace	Could do this project and then add energy address capacity issues and do both these things?
2:26:27 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Familiar enough with customers of KP service region to know whether have type of customers want to do one of green energy subscription service?
2:27:37 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Your proposition all of the customers should not be made to pay more for energy?
2:27:50 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Might make sense if had some customers that wanted voluntary do that?
2:28:45 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Not know how feasible this customer base but think whole country complaining about what paying for eggs but still customers who voluntarily pay for organic pasture-raised eggs?
2:29:06 PM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Examination. In Louisiana example have industrial demand?
2:29:18 PM	Commissioner Regan - witness Kollen Note: Sacre, Candace	If not have high industrial, probably not be feasible or be very expensive?
2:29:34 PM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Or if Kentucky had green energy requirements?
2:29:44 PM	Chair Hatton Note: Sacre, Candace	Follow ups?
2:29:46 PM	Chair Hatton Note: Sacre, Candace	Redirect?
2:29:54 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Recross Examination. Mentioned testimony of Coon?
2:30:01 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Did you read it?
2:30:15 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Page 10, testified KP not discuss option of using Tariff RPO vehicle to monetize RECs under this agreement?
2:30:31 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Testified when Stacy asked was missing and said reference to Tariff RPO?
2:31:04 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Company agrees with Kollen avoided capacity and REC revenue should be flowed through Tariff PPA?
2:31:17 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Also testified none of sensitivity analyses showed that offset revenues exceeded cost of project, remember that?
2:31:54 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Familiar with table NMCR-1?
2:31:59 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Sensitivity analysis shows in four of situations revenue from offsets exceed costs?

2:32:26 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Testified about hypothetical 1000 MW thermal project?
2:32:31 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Assumes ELCC of hypothetical thermal project is hundred percent?
2:32:45 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Would make a difference what actual UCAP be?
2:32:52 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Testified option be Commission set a guarantee for the REC price in agreement?
2:33:05 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Aware any other solar agreements Commission has agreed to where such provision been included?
2:33:28 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	But that are other REPAs approved that are solar projects not include this indicates they were?
2:33:57 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	REPA provides three percent of company's energy requirements?
2:34:24 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	Does replace energy purchased without price cap?
2:35:05 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	But no protection if Elliott happens again, energy purchased under REPA \$83.68, not \$3,000?
2:36:16 PM	Atty Gish Kentucky Power - witness Kollen Note: Sacre, Candace	If energy prices in market are \$3000 or \$150 or \$90, whatever it is, would be at \$83.68?
2:36:54 PM	Chair Hatton Note: Sacre, Candace	Anything further?
2:37:13 PM	Chair Hatton Note: Sacre, Candace	Ten-minute break.
2:37:20 PM	Session Paused	
2:53:26 PM	Session Resumed	
2:53:27 PM	Chair Hatton Note: Sacre, Candace	Intervenors, call next witness.
2:53:30 PM	Atty Kurtz KIUC Note: Sacre, Candace	Leah Wellborn.
2:53:38 PM	Chair Hatton Note: Sacre, Candace	Witness is sworn.
2:53:46 PM	Chair Hatton - witness Wellborn Note: Sacre, Candace	Examination. Name and address?
2:54:00 PM	Atty Kurtz KIUC - witness Wellborn Note: Sacre, Candace	Direct Examination. Have in front of you direct testimony and exhibits of Leah Wellborn?
2:54:05 PM	Atty Kurtz KIUC - witness Wellborn Note: Sacre, Candace	Prepared by you or under supervision?
2:54:08 PM	Atty Kurtz KIUC - witness Wellborn Note: Sacre, Candace	If were to ask same questions, answers be same?
2:54:12 PM	Atty Kurtz KIUC - witness Wellborn Note: Sacre, Candace	Corrections or additions?
2:54:14 PM	Atty Kurtz KIUC - witness Wellborn Note: Sacre, Candace	Corrections or additions to responses?
2:54:23 PM	Atty Gish Kentucky Power - witness Wellborn Note: Sacre, Candace	Cross Examination. Turn to page 13 of testimony, reading, read correctly?

2:54:50 PM	Atty Gish Kentucky Power - witness Wellborn Note: Sacre, Candace	When say uneconomic, mean costs money, right?
2:54:59 PM	Atty Gish Kentucky Power - witness Wellborn Note: Sacre, Candace	Is no net cost the standard for CPCNs in Kentucky?
2:55:10 PM	Atty Gish Kentucky Power - witness Wellborn Note: Sacre, Candace	Standard is lowest reasonable cost?
2:55:18 PM	Chair Hatton Note: Sacre, Candace	Staff?
2:55:21 PM	Staff Atty Williams PSC - witness Wellborn Note: Sacre, Candace	Cross Examination. Your position should be using seven-day forecast, elaborate on that?
2:56:16 PM	Staff Atty Williams PSC - witness Wellborn Note: Sacre, Candace	In sensitivity analysis, use prices 20 percent lower than KP's fundamentals, equal to fundamentals, and then 20 percent higher, also used REC pricing of zero dollars per MWh, \$5 per MWh, Kentucky Powers 2023 forecast, and Virginia alternative compliance payment curve, correct?
2:56:41 PM	Staff Atty Williams PSC - witness Wellborn Note: Sacre, Candace	How select 20 percent below and 20 percent above, how make determination?
2:57:24 PM	Staff Atty Williams PSC - witness Wellborn Note: Sacre, Candace	Use zero dollars per MWh lowest estimate for REC price, how likely is that outcome?
2:58:13 PM	Chair Hatton Note: Sacre, Candace	Commissioners?
2:59:02 PM	Chair Hatton Note: Sacre, Candace	Redirect?
2:59:13 PM	Chair Hatton Note: Sacre, Candace	Three exhibits, conclusion of your case, right?
2:59:20 PM	Atty Kurtz KIUC Note: Sacre, Candace	Move admission of KIUC Exhibits 1 through 3, first two of which are confidential.
2:59:40 PM	Chair Hatton Note: Sacre, Candace	Any objection?
2:59:41 PM	KIUC CONFIDENTIAL HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY KURTZ KIUC - WITNESS COON STAFF FIRST, KPSC 1_7, RESPONSE OF COON AND WOLFFRAM
2:59:42 PM	KIUC CONFIDENTIAL HEARING EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	ATTY KURTZ KIUC - WITNESS COON BENEFITS AND COSTS, BRIGHT MOUNTAIN SOLAR PROJECT
2:59:43 PM	KIUC HEARING EXHIBIT 3 Note: Sacre, Candace Note: Sacre, Candace	ATTY KURTZ KIUC - WITNESS COON AG-KIUC FIRST, AG_KIUC 1_15, RESPONSE AND SUPPLEMENTAL RESPONSE OF COON
2:59:54 PM	Chair Hatton Note: Sacre, Candace	Motions.
3:00:03 PM	Chair Hatton Note: Sacre, Candace	Post-hearing data requests.
3:00:57 PM	Chair Hatton Note: Sacre, Candace	Briefs.
3:01:12 PM	Chair Hatton Note: Sacre, Candace	Final order.
3:01:23 PM	Chair Hatton Note: Sacre, Candace	Anything else?

3:01:32 PM

Chair Hatton

Note: Sacre, Candace

Hearing adjourned.

3:01:44 PM

Session Ended



Exhibit List Report

2024-00243 28Jan2025

**Kentucky Power Company
(Kentucky Power)**

Name:	Description:
KIUC CONFIDENTIAL HEARING EXHIBIT 1	STAFF FIRST, KPSC 1_7, RESPONSE OF COON AND WOLFFRAM
KIUC CONFIDENTIAL HEARING EXHIBIT 2	BENEFITS AND COSTS, BRIGHT MOUNTAIN SOLAR PROJECT
KIUC HEARING EXHIBIT 3	AG-KIUC FIRST, AG_KIUC 1_15, RESPONSE AND SUPPLEMENTAL RESPONSE OF COON

KIUC CONFIDENTIAL HEARING
EXHIBIT 1
CONFIDENTIAL SESSION OF
CASE NO. 2024-00243
CONFIDENTIAL FORMAL HEARING
HELD ON
January 28, 2025

KIUC CONFIDENTIAL HEARING
EXHIBIT 2
CONFIDENTIAL SESSION OF
CASE NO. 2024-00243
CONFIDENTIAL FORMAL HEARING
HELD ON
January 28, 2025

Kentucky Power Company
KPSC Case No. 2024-00243
AG-KIUC's First Set of Data Requests
Dated September 11, 2024
Page 1 of 2

DATA REQUEST

- AG_KIUC** Refer to the Direct Testimony of Witness Coon at page 4, lines 20-26, which states, "REC Revenues - The proposed renewable generator will generate one REC for each MWh of renewable energy produced and those RECs will be transferred to the Company. This calculation is the product the RECs generated by the Project and the forecasted REC market price. These RECs could be monetized in various REC markets or used to fulfill the Company's obligations, if any, under Rider R.P.O. (Renewable Power Option Rider)."
- 1_15**
- a. Explain how the Company derived the REC market price assumptions.
 - b. Provide the forecasted REC revenue assumptions (\$/MWh) assumed for each year of the delivery period.
 - c. Provide all industry documentation, memos, and research in the Company's possession forecasting REC pricing consistent with any part of the delivery period.
 - d. What REC market(s) does the Company assume the REC would be monetized in?
 - e. Explain how the Company expects to use RECs to fulfill the Company's obligations. Explain if the Company will assume responsibility for the REC revenue forecast assumed.
 - f. Provide historic price and project data demonstrating that Kentucky sited solar projects generated RECs and successfully monetized those RECs in PJM and/or other markets.

RESPONSE

- a.-c. Please see the Company's response to KPSC 1-9.
- d. The Company anticipates the RECs to be monetized in the Virginia and Pennsylvania markets. These markets trade RECs that are generated by projects located within the PJM footprint. The Project will be located within the PJM footprint.
- e. The RECs generated by the project can be used to fulfill the needs of the Company's obligations under Rider R.P.O. Rider R.P.O. gives customers the option to offset their usage with RECs that are procured by the Company. Kentucky Power would be able to use the RECs generated through the Project to fulfill this offering to customers.
- f. The Company does not have the ability to see historic prices for specific Kentucky sited solar projects that are not owned by the Company. The Company is providing

Kentucky Power Company
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Page 2 of 2

historical prices for RECs in the Pennsylvania and Virginia markets in KPCO_R_AG_KIUC_1_15_Attachment1. The RECs from the Bright Mountain project would qualify for sale in the Virginia and Pennsylvania markets.

November 25, 2024 Supplemental Response

Upon further research, the Company located a report, attached as KPCO_SR_AG_KIUC_1_15_Attachment1, that can be pulled from PJM GATS which shows the monthly generation, RECs traded, RECs retired and the weighted average price for solar resources in Kentucky. While this report's detail is not down to specific project level or which markets within PJM the RECs were sold into, it does give insight into how Kentucky solar projects are participating in the REC markets within PJM, prices for the RECs are increasing year over year, and similar to the Company's REC forecast, prices for 2024 KY RECs are around the \$30 range with the max weighted price being almost \$35.

Witness: Nicole M. Coon

Row Labels	Average of Weighted Average Price per Certificate	Min of Weighted Average Price per Certificate	Max of Weighted Average Price per Certificate
2018	\$ 14.96	\$ 6.05	\$ 47.61
2019	\$ 22.10	\$ 7.46	\$ 87.07
2020	\$ 12.44	\$ 7.21	\$ 20.35
2021	\$ 19.17	\$ 9.51	\$ 78.15
2022	\$ 16.78	\$ 13.30	\$ 24.32
2023	\$ 25.33	\$ 13.48	\$ 32.15
2024	\$ 30.34	\$ 24.52	\$ 34.78
Grand Total	\$ 19.78	\$ 6.05	\$ 87.07

Row Labels	Sum of Traded in Month	Sum of Retired in Month
2018	50,202	5,890
2019	75,175	8,814
2020	129,385	41,651
2021	172,022	61,287
2022	135,153	52,054
2023	146,724	40,528
2024	93,813	34,498
Grand Total	802,474	244,722

Month	Year	State	Active KW DC	Issued In Month	Traded In Month	Retired In	Weighted Average Price per Certificate
Nov	2024	KY	41,276	2,444	1,928	13	\$32.43
Oct	2024	KY	41,276	3,916	15,122	4,152	\$28.24
Jul	2024	KY	41,244	6,835	13,689	79	\$31.91
Jun	2024	KY	41,244	3,329	9,944	22	\$31.92
May	2024	KY	41,244	3,335	4,404	13	\$34.78
Apr	2024	KY	41,227	4,007	6,692	2,519	\$31.37
Mar	2024	KY	41,227	3,721	31,864	27,690	\$24.52
Feb	2024	KY	41,218	942	5,790	4	\$31.21
Jan	2024	KY	41,218	1,921	4,380	6	\$26.70
Dec	2023	KY	38,941	3,307	14,332	103	\$25.72
Nov	2023	KY	38,941	3,373	9,537	10	\$32.15
Oct	2023	KY	38,941	5,409	9,528	13	\$27.42
Sep	2023	KY	38,941	3,625	6,340	395	\$28.86
Aug	2023	KY	38,941	4,917	19,179	19,102	\$29.41
Jul	2023	KY	38,941	4,697	18,183	1,752	\$23.14
Jun	2023	KY	38,941	4,999	11,790	2,442	\$28.83
May	2023	KY	38,941	4,210	11,004	15	\$29.74
Apr	2023	KY	38,941	3,765	6,133	2,503	\$22.43
Mar	2023	KY	38,941	3,029	17,184	13,993	\$18.44
Feb	2023	KY	38,941	1,919	14,933	194	\$24.39
Jan	2023	KY	38,941	2,683	8,581	6	\$13.48
Dec	2022	KY	39,014	2,154	8,481	164	\$18.44
Nov	2022	KY	39,001	5,465	9,702	98	\$14.12
Oct	2022	KY	39,001	3,426	6,232	13	\$18.96
Sep	2022	KY	38,984	7,282	14,908	40	\$14.86
Aug	2022	KY	38,976	3,273	12,628	10,871	\$16.04
Jul	2022	KY	38,976	3,959	13,885	0	\$19.83
Jun	2022	KY	38,976	5,674	5,446	5,010	\$13.30
May	2022	KY	38,976	3,158	6,135	0	\$14.63
Apr	2022	KY	38,976	4,001	10,572	34,044	\$17.65
Mar	2022	KY	38,976	3,603	10,269	1,814	\$24.32
Feb	2022	KY	38,953	1,491	24,717	0	\$13.72
Jan	2022	KY	38,851	2,177	12,178	0	\$15.54

Dec	2021 KY	39,106	3,082	12,362	1	\$14.91
Nov	2021 KY	39,106	5,607	6,776	72	\$15.06
Oct	2021 KY	39,106	3,317	117	0	\$78.15
Sep	2021 KY	39,106	3,497	14,634	1	\$15.18
Aug	2021 KY	39,106	9,088	13,078	9,916	\$16.34
Jul	2021 KY	38,091	3,228	13,592	0	\$9.51
Jun	2021 KY	38,125	3,771	4,776	21	\$13.59
May	2021 KY	38,104	3,402	4,874	15	\$15.79
Apr	2021 KY	38,104	4,998	47,110	40,974	\$13.17
Mar	2021 KY	38,104	2,215	21,802	10,287	\$15.08
Feb	2021 KY	38,079	1,435	23,979	0	\$10.98
Jan	2021 KY	38,079	1,428	8,922	0	\$12.30
Dec	2020 KY	38,146	3,160	2,516	0	\$20.35
Nov	2020 KY	38,146	4,358	2,803	0	\$11.77
Oct	2020 KY	38,146	4,447	12,039	0	\$10.48
Sep	2020 KY	38,142	4,855	4,523	2,906	\$9.90
Aug	2020 KY	37,938	4,456	12,345	11,277	\$10.37
Jul	2020 KY	36,910	5,075	12,785	2,199	\$9.57
Jun	2020 KY	36,910	4,433	12,905	750	\$10.89
May	2020 KY	36,806	4,194	6,975	5	\$12.63
Apr	2020 KY	36,806	3,309	8,011	18,330	\$11.85
Mar	2020 KY	36,763	2,183	11,108	6,122	\$16.77
Feb	2020 KY	36,763	2,177	39,307	62	\$7.21
Jan	2020 KY	36,763	1,881	4,068	0	\$17.45
Dec	2019 KY	36,934	5,913	5,296	0	\$9.25
Nov	2019 KY	36,954	2,388	4,135	0	\$8.53
Oct	2019 KY	36,948	3,149	10,989	0	\$7.46
Sep	2019 KY	36,948	5,131	13,635	7	\$10.61
Aug	2019 KY	36,886	5,389	12,817	1,613	\$8.71
Jul	2019 KY	36,886	4,674	67	0	\$87.07
Jun	2019 KY	36,886	4,536	2,728	0	\$26.35
May	2019 KY	36,851	5,917	3,493	94	\$27.28
Apr	2019 KY	36,851	2,360	9,977	2,643	\$24.22
Mar	2019 KY	36,851	2,312	4,660	3,743	\$25.73

Feb	2019 KY	36,790	2,951	1,105	714	\$21.75
Jan	2019 KY	36,786	641	6,273	0	\$8.21
Dec	2018 KY	36,772	2,954	5,698	0	\$7.95
Nov	2018 KY	36,734	2,887	2,187	8	\$10.14
Oct	2018 KY	36,734	3,365	5,866	0	\$8.28
Sep	2018 KY	36,602	3,475	5,386	0	\$6.05
Aug	2018 KY	27,037	3,852	8,431	15	\$8.86
Jul	2018 KY	27,030	3,838	4,422	0	\$12.68
Jun	2018 KY	26,994	3,946	8,757	0	\$6.95
May	2018 KY	26,997	3,359	2,739	0	\$8.86
Apr	2018 KY	27,493	2,870	1,702	2113	\$10.28
Mar	2018 KY	27,493	1,632	349	3546	\$47.61
Feb	2018 KY	27,537	1,550	4,520	208	\$7.79
Jan	2018 KY	27,572	1,677	145	0	\$44.01
	Total		292,408	802,474	244,722	

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