SWEPCO 2024 Arkansas IRP Stakeholder: Committee Stakeholder Meeting 2B – Inquiries January 24, 2025

Please find below Stakeholder inquiries documented during and after SWEPCO's 2024 Arkansas IRP Stakeholder Meeting 2B, held on December 13, 2024, as well as SWEPCO's responses.

- 1. With reference to slide 33 of the slide deck from the December 13, 2024 stakeholder meeting, which presents emissions reductions relative to a 2005 baseline:
 - a. What is the 2005 baseline that SWEPCO uses for this calculation? Please provide the baseline value (in metric tons) for CO₂, NOx, and SO₂.
 - b. Please provide data on the metric tons of CO₂ emissions in each of the eight portfolios for each year 2025–2044.

SWEPCO Response:

a. SWEPCO used its 2005 reported emissions data from its equity ownership share of the emissions from its stationary electric generating units. Emissions data is publicly available at the US EPA's Clean Air Markets Program Data (CAMPD)¹. Please see the requested emission 2005 baseline values below in metric tons:

CO ₂	NOx	SO ₂
19,856,641	21,593	47,369

b. Please see Attachment 1-1 Stakeholder Question 1B for data on the metric tons of CO_2 emissions in each of the eight portfolios for each year 2025–2044.

- 2. With reference to slide 12 of the slide deck from the December 13, 2024 stakeholder meeting, which notes that "A 2029 gas-fired CT alternative for up to 480MW was offered assuming the re-use [of] an existing company interconnection."
 - a. Please provide the installed cost, variable O&M, and fixed O&M that SWEPCO assumed for this resource.
 - b. Which interconnection rights does SWEPCO plan to re-use for this resource?

SWEPCO Response:

a. Please see the requested costs below:

Overnight Cost	Variable O&M	Fixed O&M
(\$/kW)	(\$/MWh)	(\$/kW-yr)
1,040	7.43	9.48

b. SWEPCO plans to re-use the interconnection rights at the former Pirkey Plant site.

¹ <u>https://campd.epa.gov/</u>

3. In response to Stakeholder Question 18, SWEPCO indicated that the Company has a proxy estimate for the cost of expanding gas pipeline service to Flint Creek that it will use in the EER case. Can SWEPCO please provide the proxy estimate it used in the EER case and explain how it calculated the estimated value – including distance of pipeline extension and project cost.

SWEPCO Response:

Please see Stakeholder Question 3, Attachment 2 containing Highly Sensitive Protected Information (HSPI). To obtain access to the HSPI, please contact Sarah Tacker at Sarah@PPGMRLaw.com.

4. How does solving the NWA Load Pocket figure into the resource selection and specifically how does transmission help reduce the load pocket?

Please see SWEPCO's August 16, 2024, Stakeholder responses: Response to Modeling Request 4, Transmission Solutions, Response to Modeling Request 5, Modeling and Planning, and Response to Question 16². Please also see Guideline 4.7. that states Transmission Modeling is outside the scope of the IRP: "Transmission planning will be done by an independent entity and is regional in scope."

Notwithstanding, as discussed SWEPCO's November 15, 2024 Stakeholder responses,³ for this IRP analysis, the Company is including a transmission solution in the EER Scenario as an alternative to serve the Northwest Arkansas Load Pocket upon the retirement of Flint Creek. Moreover, the Commercial Operation Date (COD) for the transmission solution is dependent on the option ultimately selected for Flint Creek to comply with EPA rules and the resultant retirement date of the plant. The option selected for the purposes of the IRP in the EER Scenario for Flint Creek was conversion to 100% natural gas fired. Hence, the COD for the transmission solution is assumed to be December 31, 2044 in that scenario.

5. Was SPP's 2024 ITP portfolio included in the EER portfolio inputs and assumptions?

SWEPCO Response:

Please see SWEPCO's August 16, 2024, Stakeholder responses⁴: Response to Modeling Request 4, Transmission Solutions, and Response to Modeling Request 5, Modeling and Planning. Please

² SWEPCO's Responses to Initial Stakeholder Committee Modeling Requests, Questions, and Data Requests, https://www.swepco.com/lib/docs/community/projects/SWEPCO_2024_IRP_Stakeholder_Committee_Initial _Questions_and_Requests_8-16-24.pdf

³ SWEPCO's Responses to Sierra Club / Synapse Stakeholder Meeting 2A – Post-Meeting Inquiries,

https://www.swepco.com/lib/docs/community/projects/Sierra_Club_inquiry_for_SWEPCO_AR_IRP_Respons es_final_10-11-2024.pdf

⁴ SWEPCO's Responses to Initial Stakeholder Committee Modeling Requests, Questions, and Data Requests, https://www.swepco.com/lib/docs/community/projects/SWEPCO_2024_IRP_Stakeholder_Committee_Initial _Questions_and_Requests_8-16-24.pdf

also see Guideline 4.7. that states Transmission Modeling is outside the scope of the IRP: "Transmission planning will be done by an independent entity and is regional in scope."

No, SPP's 2024 ITP portfolio was not included in the EER portfolio inputs and assumptions. However, a discussion of SWEPCO's transmission planning process and the ITP will be included in the IRP report.⁵

6. Can you remind Stakeholder when Flint Creek goes offline in the base case?

SWEPCO Response:

Please see SWEPCO's August 16, 2024 Response to stakeholders.⁶ For purposes of this IRP, the Flint Creek plant will continue operation until its commission-approved depreciable life, which is 2038. Thus, for the Base, High and Low Portfolios, Flint Creek has been modeled to cease operation on December 31, 2038.

7. Where can Stakeholders find the stakeholder sustainability metrics from the previous IRP that has been mentioned?

SWEPCO Response:

IRP Performance Indicators used in prior SWEPCO Arkansas IRPs can be found at the following URL: <u>https://www.swepco.com/community/projects/arkansasirp/</u>

8. SWEPCO talked a lot about market risk and reliance on tax credits. Can SWEPCO talk about how it considered fuel price volatility risk in its reliability analysis and in terms of selecting the preferred portfolio? Did SWEPCO look at percent of generation in each portfolio that relied on gas and/or fossil resources as some utilities do?

SWEPCO Response:

Fuel price volatility risk was considered in the Rate Stability Objective, specifically under the Portfolio Resilience Performance Indicator and Metric. SWEPCO measures and considers the range of NPVRR reported by the Base, High, Low, and EER case portfolios across all market scenarios, which are noted on slide 14. The metric reports the range between the highest and lowest cost reported by the portfolio. These ranges are noted in the Performance Indicator Matrix on slide 33 over two different time horizons.

SWEPCO did not create a specific metric that looked at the percent of generation in each portfolio that relied on gas and/or fossil resources. SWEPCO will consider the inclusion of this metric in the final IRP report.

⁵ SPP's ITP Assessment Report was not published until October 7, 2024.

⁶ SWEPCO's Responses to Initial Stakeholder Committee Modeling Requests, Questions, and Data Requests, https://www.swepco.com/lib/docs/community/projects/SWEPCO_2024_IRP_Stakeholder_Committee_Initial _Questions_and_Requests_8-16-24.pdf