

Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812
Charleston, West Virginia 25323



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July 27, 2017

Ingrid Ferrell, Executive Secretary
Public Service Commission
Post Office Box 812
Charleston, West Virginia 25323

01:58 PM JUL 27 2017 PSC EXEC SEC DIV

**Re: CASE NO. 17-0631-E-C
AMERICAN BITUMINOUS POWER PARTNERS, L.P.
AND
MONONGAHELA POWER COMPANY**

Dear Ms. Ferrell:

In accordance with the provisions of *Rules 4.3 and 13.6.b.* of the *Rules of Practice and Procedure* of the Public Service Commission of West Virginia (150 C.S.R. 1, Effective April 12, 2010), enclosed for filing is an original and twelve copies of *Staff's First Data Request Of AmBit* in the above-referenced proceedings.

A copy has been served upon all parties of record.

Sincerely,

A handwritten signature in black ink, appearing to read "John Auville".

JOHN R. AUVILLE
Staff Attorney
West Virginia State Bar I.D. No. 8057

JRA/bg
Enclosures
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**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

**CASE NO. 17-0631-E-C
AMERICAN BITUMINOUS POWER PARTNERS, L.P.
AND
MONONGAHELA POWER COMPANY**

STAFF'S FIRST DATA REQUEST OF AMBIT

In accordance with the provisions of *Rule 13.6* of the *Rules of Practice and Procedure* of the Public Service Commission of West Virginia (PSCWV), the Commission's Staff, by counsel, hereby requests of American Bituminous Power Partners, L.P (AmBit), the following information and/or data to be served upon Staff and upon the Executive Secretary as soon as possible, but no later than noon, August 7, 2017. If there are any objections to the requested information, please indicate within five (5) days of receipt.

Each response should be on a single sheet of paper which shall contain the following information: a restatement of the request; the name and title of the person(s) who prepared the response; the name of the person(s) who could testify regarding the response; the date the response was prepared; and the response.

Please note that a particular response should not be retained by AmBit until all responses have been prepared. A response should be forwarded to the requesting party and to the Executive Secretary as soon as it is available.

Within ten (10) days, please provide an original of the response to the requested information to:

John R. Auville, Staff Attorney
Legal Division, Public Service Commission of West Virginia
PO Box 812
Charleston, West Virginia 25323

with a copy to:

Ingrid Ferrell, Executive Secretary
Public Service Commission of West Virginia
PO Box 812
Charleston, West Virginia 25323

Respectfully submitted this the 27th day of July 2017.

**STAFF OF THE PUBLIC SERVICE
COMMISSION OF WEST VIRGINIA**

By Counsel,



JOHN R. AUVILLE, Staff Attorney
West Virginia State Bar I.D. 8057

CASE NO. 17-0631-E-C

Staff requests the following information:

- 1.1 Please refer to Exhibit JPM-2, Page 17 of 25 attached to the testimony of John P. Mustonen. On Page 17 of the report, it states that the “all-in-cost” for AmBit included fuel purchased, trucking, handling/processing, limestone for SO₂ and resulting ash disposal costs. For each “Source” identified in the table shown as “Exhibit 4-1: Sources of Fuel for Grant Town”, please provide the following information:
 - a. The annual tonnage of waste coal used to derive the “All-in Cost \$/MMBtu”.
 - b. The projected annual FOB mine cost in \$/Ton of the waste coal (exclusive of loading and handling) calculation.
 - c. The projected annual cost in \$/ton of loading and handling of the waste coal
 - d. The projected annual cost in \$/ton of trucking the waste coal to the plant.
 - e. The projected annual cost in \$/ton of handling/processing the waste coal (if different and in addition to the cost in (c) above.
 - f. The projected annual cost of limestone in \$/ton of waste coal.
 - g. The projected annual cost of ash disposal in \$/ton of waste coal.
 - h. Any other fuel-related costs in \$/Ton that is not provided for in the above items.
- 1.2 For each of the Sources listed in as “Exhibit 4-1: Sources of Fuel for Grant Town”, please indicate:
 - a. Sources involving waste coal from active strip mines.
 - b. Sources involving waste coal from active underground mines.
 - c. Sources involving abandoned mine refuse sites.
- 1.3 On Exhibit JPM-2, Page 9 of 25 attached to the testimony of John P. Mustonen, under section 2.2.4 Fuel, the report states that “On the order of 53% of the fuel is currently sourced from active strip mines or abandoned mine refuse sites owned by, permitted by, and mined by Grant Town. The balance of fuel is supplied under contract from five different sites as described later”.
 - a. Please identify the five sites and the owner(s) of the fuel supply.
 - b. Does Grant Town **own** active strip mines as this statement indicates?
 - c. Does Grant Town **own** abandoned mine refuse sites as this statement indicates?

d. If Grant Town owns active strip mines and abandoned refuse sites, does Ambit make payments to itself for owned supplies it consumes?

- 1.4 Please provide a copy of the Waste Fuel Services Agreement between Enersystems, Inc. and AmBit, dated April 1, 2013 and revised on September 29, 2015, as referenced in Exhibit JPM-2, Page 17 of 25.
- 1.5 Please provide a copy of the EnerSystems Material Handling Agreement dated April 1, 1999, as referenced in Exhibit JPM-2, Page 17 of 25.
- 1.6 Please provide a copy of the Waste Fuel Services Agreement between Arch Coal Sales Company, Inc. and AmBit dated November 9, 2016, as referenced in Exhibit JPM-2, Page 17 of 25.
- 1.7 Please provide a copy of the Savage Transportation Services Agreement, dated August 16, 2011 and amended October 17, 2014, as referenced in Exhibit JPM-2, Page 17 of 25.
- 1.8 Please provide a copy of the Amended and Restated Limestone Sales Agreement between Greer Industries, Inc. and Ambit dated January 1, 2014, as referenced in Exhibit JPM-2, Page 17 of 25.
- 1.9 Please provide a copy of any currently effective fuel supply agreements between Ambit and any supplier of waste coal.
- 1.10 Please define the terms “Non-Commercial Mineral - NCM” and “Prep Plant Rejects - PPR” as referenced in “Exhibit 4-1: Sources of Fuel for Grant Town”.
- 1.11 For other sources of fuel supply that involve Non-Commercial Mineral and Prep Plant Rejects from active mine sites, what would happen to the tonnage of waste coal should Ambit not utilize the material at the Grant Town plant?
- 1.12 AmBit’s Response 2 to the Sierra Club’s First Discovery Request, Attachment A, provides a listing of Fuel Sources. Please identify which of the sources on Attachment A correlate to the six (6) named sources listed on “Exhibit 4-1: Sources of Fuel for Grant Town” as contained on Exhibit JPM-2, Page 17 of 25?
- 1.13 AmBit’s Response 2 to the Sierra Club’s First Discovery Request, Attachment A, provides a listing of Fuel Sources. On Exhibit JPM-2, Page 6 of 25, the report says project controlled sites include Grant Town, Barracksville, Rachael, Farmington and Ownings. Please identify which of the listed sources on Attachment A are the same as:

- a. Grant Town
- b. Barracksville
- c. Rachael
- d. Farmington
- e. Ownings

1.14 The following questions are with reference to the information supplied in AmBit's Response 2 to the Sierra Club's First Discovery Request, Attachment A.

- a. Attachment A shows an estimated 140,000 tons coal of gob is projected to be sourced in 2017 from the active Barracksville mine. Who owns, or has rights to these tons of gob? What is the current FOB source price for these fuel supplies?
- b. Attachment A shows an estimated 30,000 tons of silt is projected to be sourced in 2017 from the Idamay source. Who owns, or has rights to these tons of silt? What is the current FOB source price for these fuel supplies?
- c. Attachment A shows an estimated 140,000 tons of silt is projected to be sourced in 2017 from the active Humphreys site. Who owns, or has rights to these tons of silt? What is the current FOB source price for these fuel supplies?
- d. Attachment A shows an estimated 115,000 tons of active mine rejects are projected to be sourced in 2017 from the active Ralph Six mine. Who owns, or has rights to these tons of mine rejects? What is the current FOB source price for these fuel supplies?
- e. Attachment A shows an estimated 6,000 tons of active mine rejects are projected to be sourced in 2017 from the active Humphreys strip mine. Who owns, or has rights to these tons of mine rejects? What is the current FOB source price for these fuel supplies?
- f. Attachment A shows an estimated 30,000 tons of active mine rejects are projected to be sourced in 2017 from the active Barracksville strip mine. Who owns, or has rights to these tons of mine rejects? What is the current FOB source price for these fuel supplies?
- g. Attachment A shows an estimated 70,000 tons of active mine rejects are projected to be sourced in 2017 from the active Arch mine. Who owns, or has rights to these tons of mine rejects? What is the current FOB source price for these fuel supplies?

1.15 Please explain what the term "Silt Destocking" means.

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CERTIFICATE OF SERVICE

I, JOHN R. AUVILLE, Staff Counsel for the Public Service Commission of West Virginia, hereby certify that I have served a copy of the foregoing *Staff's First Data Request of AmBit* upon all parties of record by First Class United States Mail; postage prepaid this 27th day of July 2017.

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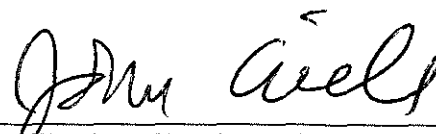
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A handwritten signature in cursive script that reads "John Auville". The signature is written in black ink and is positioned above a horizontal line.

JOHN R. AUVILLE, Staff Attorney
West Virginia State Bar I.D. 8057