COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY POWER COMPANY FOR (1) AUTHORITY TO EXPAND ITS APPLIANCE RECYCLING PROGRAM TO INCLUDE COMMERCIAL CUSTOMERS; (2) AUTHORITY TO RECOVER COSTS AND NET LOST REVENUES, AND TO RECEIVE INCENTIVES ASSOCIATED WITH THE IMPLEMENTATION OF THE PROGRAMS; (3) REPORT IN COMPLIANCE WITH THE COMMISSION'S MARCH 11, 2015 ORDER IN CASE NO. 2015-00271 REGARDING INDUSTRIAL CUSTOMERS; (4) LEAVE TO DISPENSE WITH FILING MONTHLY DSM REPORTS; AND (5) ALL OTHER REQUIRED APPROVALS AND RELIEF	CASE NO. 2016-00281
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<u>ORDER</u>

On August 15, 2016, Kentucky Power Company ("Kentucky Power") filed an application for (1) authorization to expand its Appliance Recycling Program to include commercial customers with peak billing demand of less than 100 kilowatts and to make minor modifications to other programs; (2) approval of Kentucky Power's recovery through its Demand-Side Management ("DSM") Clause of its full costs, including lost revenues and incentives, associated with its DSM programs as modified and the approval of the proposed tariff changes; (3) leave to dispense with filing monthly DSM reports; and (4) approval of modification to Tariff Sheets Nos. 22-1 and 22-2 (Demand-Side Adjustment Clause), 22-7 (Residential Efficient Products), 22-15 (Appliance Recycling), and 22-16 and 22-18 (Whole House Efficiency). Additionally, Kentucky

Power filed a report as directed by the Commission's Order in Case No. 2015-00271¹ regarding Kentucky Power's industrial customers.

In its application, Kentucky Power requested an effective date of August 29, 2016, for the proposed DSM-related tariffs referenced above. Pursuant to KRS 278.180(1), no change can be made by a utility in any rate except upon 30 days' notice to the Commission. Since KRS 278.180(1) requires Kentucky Power to provide the Commission with 30 days' notice of any change in rates, the earliest its proposed rates can become effective is September 14, 2016.

Having reviewed Kentucky Power's application and being otherwise sufficiently advised, the Commission finds that an investigation is necessary in order to determine the reasonableness of the proposed tariffs and that such investigation cannot be completed by September 14, 2016. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed tariffs for five months. In addition, the Commission finds that a procedural schedule should be established to commence a review of the reasonableness of the proposed tariffs. That procedural schedule is attached hereto as an Appendix to this Order and is incorporated herein.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's proposed DSM-related tariffs are suspended for five months from September 14, 2016, the earliest date that the proposed DSM-related tariffs can become effective, up to and including February 13, 2017.

¹ Case No. 2015-00271, Application of Kentucky Power Company for (1) Authority to Modify Certain Existing Demand-Side Management Programs; (2) Authority to Implement New Programs; (3) Authority to Discontinue Certain Existing Demand-side Management Programs; (4) Authority to Recover Costs and Net Lost Revenues, and to Receive Incentives Associated with the Implementation of the Programs; and (5) All Other Required Approvals and Relief (Ky. PSC Mar. 11, 2016).

2. The procedural schedule set forth in the Appendix to this Order shall be followed.

3. a. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with an original and six copies in paper medium, and an electronic version to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:0001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

4. Any party filing testimony shall comply with the electronic filing procedures set forth in 807 KAR 5:001, Section 8, and shall file with the Commission an original and

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six copies in paper medium and an electronic version. The copies in paper medium should be appropriately bound, tabbed and indexed.

5. Kentucky Power shall give notice of any hearing in this matter in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2)(b). In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov." At the time publication is requested, Kentucky Power shall forward a duplicate of the notice and request to the Commission.

Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video 6. transcript shall be made of the hearing.

7. At the public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

8. Motions for extension of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

9. Any motion to intervene filed after August 31, 2016, shall show a basis for intervention and good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

Nothing herein shall prevent the Commission from issuing further Orders 10. in this matter.

By the Commission

ATTEST:

Carry June

ENTERED AUG 2 4 2016 KENTUCKY PUBLIC SERVICE COMMISSION

APPENDIX

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APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00281 DATED AUG 2 4 2016

Requests for intervention shall be filed no later than	
Initial requests for information to Kentucky Power shall be filed no later than	
Kentucky Power shall file responses to initial requests for information no later than	
Supplemental requests for information to Kentucky Power shall be filed no later than 10/10/16	
Kentucky Power shall file responses to supplemental requests for information no later than 10/24/16	
Intervenor testimony, if any, in verified prepared form, shall be filed no later than11/07/16	
If there are no intervenors or no intervenor testimony, Kentucky Power shall file a request for either an evidentiary hearing or that the matter be decided upon the record no later than	
If intervenor testimony is filed, all requests for information to intervenors shall be filed no later than11/21/16	
Intervenors shall file responses to requests for information no later than	
If intervenor testimony is filed, the parties shall file a request for either an evidentiary hearing or that the matter be decided upon the record no later than	

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