COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY POWER COMPANY FOR (1) A GENERAL ADJUSTMENT OF ITS RATES FOR ELECTRIC SERVICE; (2) AN ORDER APPROVING ITS 2017 ENVIRONMENTAL COMPLIANCE PLAN; (3) AN ORDER APPROVING ITS TARIFFS AND RIDERS; (4) AN ORDER APPROVING ACCOUNTING PRACTICES TO ESTABLISH REGULATORY ASSETS AND LIABILITIES; AND (5) AN ORDER GRANTING ALL OTHER REQUIRED APPROVALS AND RELIEF

CASE NO. 2017-00179

<u>ORDER</u>

This matter arises from Kentucky Power Company's ("Kentucky Power") request to deviate for certain filing requirements, and on Kentucky Power's and Kentucky School Boards Association's ("KSBA") respective motions to strike the Direct Settlement Testimony of Kevin Higgins ("Higgins's Settlement Testimony") filed by Kentucky Commercial Utility Customers, Inc.'s ("KCUC"). After considering the oral arguments of Kentucky Power, KSBA, and KCUC, the Commission entered rulings from the bench on the motions at the December 6, 2017 hearing in this matter.

On December 4, 2017, Kentucky Power filed a motion requesting leave to deviate from a requirement to file an original and six copies in paper medium of all documents filed electronically in this case, as provided for in the Commission's April 27, 2017 Order. As a basis for this request, Kentucky Power stated that the attachment to Kentucky Power's third supplemental response to the Attorney General's First Request

for information ("Attorney General's First Request"), Item 42, consists of over 2,500 pages, and therefore is too voluminous to produce in paper form.

Having reviewed the motion and being otherwise sufficiently advised, the Commission, ruling from the bench at the December 6, 2017 hearing, found that Kentucky Power established good cause to deviate from the April 27, 2017 Order and granted Kentucky Power's motion to deviate.

On December 5, 2017, Kentucky Power and KSBA filed their respective motions to strike Higgins's Settlement Testimony. As a basis for Kentucky Power's motion, it asserted that Mr. Higgins's Settlement Testimony proposed a different methodology for revenue allocation than that in his previously filed direct testimony. Kentucky Power further asserted that the procedural schedule established for this matter does not provide for such a filing, and that KCUC failed to establish good cause to permit the filing outside the procedural schedule. Similarly, KSBA asserted as a basis for its motion that KCUC was afforded multiple opportunities to address the rate structure pursuant to the procedural schedule, and that KCUC improperly filed additional testimony outside the established procedural schedule.

Having reviewed the motion and being otherwise sufficiently advised, the Commission, ruling from the bench at the December 6, 2017 hearing, denied Kentucky Power's and KSBA's respective motions to strike Higgins's Settlement Testimony, finding that nothing in the procedural schedule would permit or deny any party to file testimony in support of or in opposition to the proposed settlement agreement. The Commission further found that Mr. Higgins is likely to testify to the same information in

- 2 -

his Settlement Testimony as when he testifies as a witness at the hearing, and that other parties will have the opportunity to cross-examine Mr. Higgins.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's motion to deviate is granted.

2. Kentucky Power's motion to strike Higgins's Settlement Testimony is denied.

3. KSBA's motion to strike Higgins's Settlement Testimony is denied.

By the Commission



ATTEST:

Iven R. P. mase Executive Director

Case No. 2017-00179

*William H May, III Hurt, Deckard & May The Equus Building 127 West Main Street Lexington, KENTUCKY 40507

*Barry Alan Naum Spilman Thomas & Battle, PLLC 1100 Brent Creek Blvd., Suite 101 Mechanicsburg, PENNSYLVANIA 17050

*Carrie M Harris Spilman Thomas & Battle, PLLC 1100 Brent Creek Blvd., Suite 101 Mechanicsburg, PENNSYLVANIA 17050

*Don C Parker Spilman Thomas & Battle, PLLC 300 Kanawha Blvd, East Charleston, WEST VIRGINIA 25301

*Elizabeth Sekula American Electric Power Service Corporation 1 Riverside Plaza, 29th Floor Post Office Box 16631 Columbus, OHIO 43216

*Gregorgy T Dutton Goldberg Simpson LLC 9301 Dayflower Street Louisville, KENTUCKY 40059

*Hector Garcia American Electric Power Service Corporation 1 Riverside Plaza, 29th Floor Post Office Box 16631 Columbus, OHIO 43216 *James W Gardner Sturgill, Turner, Barker & Moloney, PLLC 333 West Vine Street Suite 1400 Lexington, KENTUCKY 40507

*Jody M Kyler Cohn Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OHIO 45202

*Janice Theriot Zielke Law Firm PLLC 1250 Meidinger Tower 462 South Fourth Avenue Louisville, KENTUCKY 40202

*Justin M. McNeil Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Honorable Kurt J Boehm Attorney at Law Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OHIO 45202

*Kent Chandler Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Kentucky Power Company 855 Central Avenue, Suite 200 Ashland, KY 41101 *Kentucky Power Company Kentucky Power Company 855 Central Avenue, Suite 200 Ashland, KY 41101

*Kenneth J Gish, Jr. Stites & Harbison 250 West Main Street, Suite 2300 Lexington, KENTUCKY 40507

*Katie M Glass Stites & Harbison 421 West Main Street P. O. Box 634 Frankfort, KENTUCKY 40602-0634

*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Laurence J Zielke Zielke Law Firm PLLC 1250 Meidinger Tower 462 South Fourth Avenue Louisville, KENTUCKY 40202

*Mark E Heath Spilman Thomas & Battle, PLLC 300 Kanawha Blvd, East Charleston, WEST VIRGINIA 25301

*Honorable Michael L Kurtz Attorney at Law Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OHIO 45202 *Honorable Matthew R Malone Attorney at Law Hurt, Deckard & May The Equus Building 127 West Main Street Lexington, KENTUCKY 40507

*Honorable Mark R Overstreet Attorney at Law Stites & Harbison 421 West Main Street P. O. Box 634 Frankfort, KENTUCKY 40602-0634

*Morgain Sprague Kentucky League of Cities 101 East Vine Street Suite 800 Lexington, KENTUCKY 40507

*Rebecca W Goodman Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Ranie Wohnhas Managing Director Kentucky Power Company 855 Central Avenue Suite 200 Ashland, KENTUCKY 41101

*M. Todd Osterloh Sturgill, Turner, Barker & Moloney, PLLC 333 West Vine Street Suite 1400 Lexington, KENTUCKY 40507