

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) APPROVAL OF TARIFFS AND	)	
RIDERS; (3) APPROVAL OF ACCOUNTING	)	CASE NO.
PRACTICES TO ESTABLISH REGULATORY	)	2023-00159
ASSETS AND LIABILITIES; (4) A	)	
SECURITIZATION FINANCING ORDER; AND (5)	)	
ALL OTHER REQUIRED APPROVALS AND	)	
RELIEF	)	

ORDER

On May 23, 2023, Kentucky Power Company (Kentucky Power) filed notice of intent to file a general rate adjustment application pursuant to 807 KAR 5:001, Section 16(2)(b), 807 KAR 5:001, Section 17(5), and 807 KAR 5:001, Section 22. The filing included an application that requested the Commission to approve abbreviated newspaper notice of Kentucky Power’s upcoming application for a rate adjustment.

LEGAL STANDARD

Commission regulation 807 KAR 5:001E, Section 16(2) permits a utility to file a request to the Commission to allow abbreviated newspaper notice after a notice of intent for an application of an adjustment of rates has been filed.<sup>1</sup> Commission regulation 807 KAR 5:001E, Section 17(2) outlines the methods for a utility to provide notice to its customers of an application for an adjustment of rates. Commission regulation 807 KAR

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<sup>1</sup> 807 KAR 5:001E, Section 16(2)(b).

5:001E, Section 17(2)(b)(3) permits a utility to satisfy the notice requirement by publishing the notice in a newspaper of general circulation in the utility's service area once a week for three weeks.<sup>2</sup> Commission regulation 807 KAR 5:001E, Section 17(5) allows a utility to request permission to provide abbreviated notice of a rate application.<sup>3</sup> Commission regulation 807 KAR 5:001E, Section 22 allows the Commission to grant deviation from the regulations for good cause shown.<sup>4</sup>

### DISCUSSION AND FINDINGS

Kentucky Power requested the Commission allow it to publish abbreviated newspaper notice of the upcoming application for a rate adjustment. Kentucky Power asserted that the regulations setting forth the requirements of what must be included in the notice of an application for a rate adjustment are lengthy and detailed. Kentucky Power maintained that the notice would be approximately 20 single spaced pages.<sup>5</sup> Kentucky Power stated it serves customers in 20 counties and to publish the full notice in 20 papers for three consecutive weeks would cost approximately \$571,000.<sup>6</sup> The use of an abbreviated notice in the 20 papers in its service area for three consecutive weeks would cost approximately \$170,000.<sup>7</sup> Kentucky Power asserted that customers would

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<sup>2</sup> 807 KAR 5:001E, Section 17(2)(b)(3).

<sup>3</sup> 807 KAR 5:001E, Section 17(5).

<sup>4</sup> 807 KAR 5:001E, Section 22.

<sup>5</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures (filed May 23, 2023) at 3.

<sup>6</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures at 3.

<sup>7</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures at 3.

benefit from the abbreviated notice because it would reduce the level of any rate adjustment as the cost to publish notice is an expense that could be recovered in rates.<sup>8</sup>

Kentucky Power stated that, if approved, the abbreviated notice would contain the complete content for the proposed residential rate changes and other information required by the Commission's rules, but not the complete required content for changes to the nonresidential rate schedules.<sup>9</sup> The notice would contain abbreviated information for adjustments to nonresidential rates and refer customers to Kentucky Power's and the Commission's websites, or Kentucky Power's business offices for further information.<sup>10</sup> Kentucky Power also stated the abbreviated notice will indicate a printed or electronic copy of the complete notice can be obtained by written or electronic mail request to Kentucky Power.<sup>11</sup>

In addition to publishing the abbreviated notice, Kentucky Power proposed the following public awareness measures designed to reasonably inform customers of the rate adjustment:

- A copy of the complete notice will be posted at Kentucky Power's offices in Ashland, Pikeville, and Hazard from the time the abbreviated notice is first published to the completion of the rate case proceeding.

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<sup>8</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures at 3–4.

<sup>9</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures at 4.

<sup>10</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures at 4.

<sup>11</sup> Kentucky Power's Application to Use Abbreviated Notice Procedures at 4.

- A copy of the complete notice will be posted on Kentucky Power’s website, along with a hyperlink to the case record on the Commission’s website, from the time the abbreviated notice is first published to the completion of the rate case proceeding.
- Kentucky Power will include a general statement explaining its application for a rate adjustment with bills for all retail customers issued in the first billing cycle following Kentucky Power’s submitting its rate application.
- Kentucky Power will file a separate document labeled “Customer Notice of Rate Adjustment” when it submits its rate application.
- A copy of the complete customer notice will be posted in each public library located with Kentucky Power’s service territory at the time the abbreviated customer notice is published and will remain posted throughout the entirety of the rate proceeding.
- At the time the rate application is filed, Kentucky Power will provide notice of the application to legal counsel for each entity granted intervention in Kentucky Power’s last rate case and provide a hyperlink to the case record on the Commission’s website.
- At the time of publication of the abbreviated notice, Kentucky Power will issue press advisories to all known news media organizations within its service territory to advise of the filing of the rate application and include a hyperlink to Kentucky Power’s and the Commission’s websites, including to the case record.<sup>12</sup>

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that Kentucky Power’s request to publish an abbreviated customer notice is reasonable and should be granted. Publishing complete notice would entail a large number of pages to be printed in 20 newspapers in Kentucky Power’s service

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<sup>12</sup> Kentucky Power’s Application to Use Abbreviated Notice Procedures at 5–6.

territory; permitting Kentucky Power to publish the abbreviated notice the required three times will provide a substantial savings to ratepayers. The Commission further finds the abbreviated notice will not reduce the transparency of the rate application in light of the public awareness measures that Kentucky Power proposed to implement in conjunction with the publication of the abbreviated customer notice. The Commission cautions Kentucky Power that this Order does not constitute approval of the notice, only approval of publication of an abbreviated newspaper notice. The Commission will review the notice to ensure it complies with all regulatory requirements at the time the application for a general rate adjustment is filed. The Commission notes Kentucky Power should ensure that the abbreviated notice includes any changes to the net metering compensation rates and all of the residential rate changes, including any changes to the nonrecurring charges. Kentucky Power should also ensure the notice is an appropriate size and font so that readers can clearly see the notice.


IT IS THEREFORE ORDERED that:


1. Kentucky Power's application to file an abbreviated newspaper notice in the newspapers of general circulation in its service territory is granted.
2. Kentucky Power shall include any changes to the net metering compensation rates, all residential rate changes, and any changes to the nonrecurring charges in the abbreviated notice.
3. Kentucky Power shall format the notice to be an appropriate size and font so that all readers can clearly see the notice.

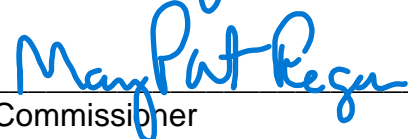
4. Nothing in this Order shall constitute a waiver of the Commission's obligation to review the abbreviated newspaper notice to ensure compliance with all other regulatory requirements for filing an application for a general adjustment of rates.

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PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ENTERED  
JUN 02 2023  
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KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

\*Christen M Blend  
American Electric Power Service Corporation  
1 Riverside Plaza, 29th Floor  
Post Office Box 16631  
Columbus, OHIO 43216

\*Hector Garcia Santana  
American Electric Power Service Corporation  
1 Riverside Plaza, 29th Floor  
Post Office Box 16631  
Columbus, OHIO 43216

\*Kenneth Gish  
K&L Gates  
300 South Tryon Street  
Suite 1000  
Charlotte, NORTH CAROLINA 28202

\*Kentucky Power Company  
1645 Winchester Avenue  
Ashland, KY 41101

\*Kentucky Power Company  
Kentucky Power Company  
1645 Winchester Avenue  
Ashland, KY 41101

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

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