Pursuant to the Kentucky Public Service Commission’s (“Commission”) February 23, 2017 Order (“Order”), Intervenors Beverly May, Jim Webb, and Sierra Club (collectively “Sierra Club”) propound the following requests for information on Kentucky Power Company (“KPC” or “the Company”) in the above-captioned docket.

KPC shall answer these requests for information in the manner set forth in the Order and by no later than the May 5, 2017 deadline set forth in the Appendix A of the Order. In addition to the undersigned, please produce the responses to the information requests contained herein in electronic format to:

Jill Tauber  
Chinyere Osuala  
Earthjustice  
1625 Massachusetts Avenue, N.W., Suite 702  
Washington, DC 20036-2212  
jtauber@earthjustice.org  
cosuala@earthjustice.org

Matthew E. Miller  
Sierra Club  
50 F Street, N.W., 8th Floor  
Washington, DC 20001  
matthew.miller@sierraclub.org

Wherever the response to a request for information consists of a statement that the requested information is already available to Sierra Club, provide a detailed citation to the document that contains the information. This citation shall include the title of the document, relevant page number(s), and to the extent possible paragraph number(s) and/or chart/table/figure number(s).
In the event that any document referred to in response to any request for information has been destroyed, specify the date and the manner of such destruction, the reason for such destruction, the person authorizing the destruction and the custodian of the document at the time of its destruction.

All documents should be produced in electronic, text-searchable format, and all workbooks should be provided in excel format, where available.

Sierra Club reserves the right to serve supplemental, revised, or additional discovery requests as permitted in this proceeding.

**DEFINITIONS**

Unless otherwise specified in each individual request, “you,” “your,” “KPC,” or “Company” refers to Kentucky Power Company, and its affiliates, employees, and authorized agents.

“And” and “or” shall be construed either conjunctively or disjunctively as required by the context to bring within the scope of these requests for information and for the production of documents any information that might be deemed outside their scope by another construction.

“All” means all or each and every example of the requested information.

“Communication” means any transmission or exchange of information between two or more persons, whether orally or in writing, and includes, without limitation, any conversation or discussion by means of letter, telephone, note, memorandum, telegraph, telex, telecopy, cable, email, or any other electronic or other medium.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software, and includes all copies, drafts, proofs, both originals and copies either (1) in the possession, custody or control of the Company regardless of where located, or (2) produced or generated by, known to or seen by the Company, but now in its possession, custody or control, regardless of where located whether or still in existence.

Such “documents” shall include, but are not limited to, applications, monitoring reports, computer printouts, contracts, leases, agreements, papers, photographs, tape recordings, transcripts, letters or other forms of correspondence, folders or similar containers, programs, telex, TWX and other teletype communications, memoranda, reports, studies, summaries, minutes, minute books, circulars, notes (whether typewritten, handwritten or otherwise), agenda, bulletins, notices, announcements, instructions, charts, tables, manuals, brochures, magazines, pamphlets, lists, logs, telegrams, drawings, sketches, plans, specifications, diagrams, drafts, books and records, formal records, notebooks, diaries, registers, analyses, projections, email correspondence or communications and other data compilations from which information can be
obtained (including matter used in data processing) or translated, and any other printed, written, recorded, stenographic, computer-generated, computer-stored, or electronically stored matter, however and by whomever produced, prepared, reproduced, disseminated or made.

Without limitation, the term “control” as used in the preceding paragraphs means that a document is deemed to be in your control if you have the right to secure the document or a copy thereof from another person or public or private entity having actual possession thereof. If a document is responsive to a request, but is not in your possession or custody, identify the person with possession or custody. If any document was in your possession or subject to your control, and is no longer, state what disposition was made of it, by whom, the date on which such disposition was made, and why such disposition was made.

For purposes of the production of “documents,” the term shall include copies of all documents being produced, to the extent the copies are not identical to the original, thus requiring the production of copies that contain any markings, additions or deletions that make them different in any way from the original.

“DSM” means demand-side management, including energy efficiency/conservation and load management programs.

“Identify” means:

(a) With respect to a person, to state the person’s name, address and business relationship to KPC (e.g., “employee”);

(b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

“Relating to” or “concerning” means and includes pertaining to, referring to, or having as a subject matter, directly or indirectly, expressly or implied, the subject matter of the specific request.

“Workpapers” means original, electronic, machine-readable, unlocked, Excel format (where possible) with formulas intact.

PRIVILEGE

If you claim a privilege including, but not limited to, the attorney-client privilege or the work product doctrine, as grounds for not fully and completely responding to any request for information, interrogatory or request for production, describe the basis for your claim of privilege in sufficient detail so as to permit Sierra Club or the Commission to evaluate the validity of the claim. With respect to documents for which a privilege is claimed, produce a “privilege log” that identifies the author, recipient, date and subject matter of the documents or response for which you are asserting a claim of privilege and any other information pertinent to
the claim that would enable Sierra Club or the Commission to evaluate the validity of such claims.

REQUESTS FOR INFORMATION

1.1 Refer to KPC’s response to Commission Staff’s First Set of Data Requests, Request No. 4. Please explain what KPC tells its industrial customers in response to inquiries “seeking general information on company sponsored energy efficiency programs,” and provide all supporting documentation.

1.2 Please describe KPC’s efforts to deliver DSM programs to households with incomes below the federal poverty line.

1.3 Refer to KPC’s response to Commission Staff’s First Set of Data Requests, Request No. 6. Please provide any estimates KPC has of the number of full-time equivalent jobs associated with the vendor contracts implementing the currently approved programs.

1.4 Refer to KPCO_R_KPSC_1_5_Attachment2, included in KPC’s response to Commission Staff’s First Set of Data Requests, Request No. 5. Please provide the source of the values used for the avoided cost categories listed below and state whether the values are in nominal dollars or in real, inflation-adjusted dollars.
   a. Energy cost
   b. Capacity cost
      i. If this value includes capacity reserves, please explain how the capacity reserve value was derived.
   c. Capacity reserves, if not included in capacity costs
   d. Natural gas price
   e. Environmental externalities
   f. Line losses, for energy and peak (please specify if the estimate is based on average or marginal line loss rates)

1.5 Refer to KPCO_R_KPSC_1_5_Attachment2, included in KPC’s response to Commission Staff’s First Set of Data Requests, Request No. 5. Please state whether any of the following avoided cost categories listed below are included in the Company’s avoided cost calculation and if so, please provide the value, source of the value, and state whether the value is in nominal dollars or in real, inflation-adjusted dollars.
   a. Ancillary services
   b. Transmission and distribution
   c. Non-energy benefits (NEBs) (specifying which NEBs are included)
   d. Increased reliability
   e. Reduced risk (e.g., reduced exposure to future fuel price volatility, future environmental regulation compliance costs, uncertainties of demand forecasts and related capital investments, etc.)
   f. Reduced credit and collection costs
g. Any other avoided cost values incorporated into cost-effectiveness analyses

1.6 Please confirm that KPC uses net savings for cost-effectiveness analyses and provide the source of KPC’s net to gross ratios.

1.7 Please provide KPC’s DSM cost-effectiveness screening model or tool, in machine readable format with formulas and assumptions intact.

1.8 Refer to Case No. 2015-00271. Please explain the discrepancy in the data contained in KPC_JAR EX 1 - DSM Plan Final Report.pdf, dated July 31, 2015, and KPC Application_Ext 6 – DSM Plan Final Report.pdf, dated August 10, 2015, and state which of these reports, if any, is the basis of KPC’s current DSM portfolio.

1.9 Please provide the most recent evaluation conducted for each DSM program in the Company’s current portfolio.

1.10 Please provide the most recent three full years of reported DSM data (including program planned budgets and savings, actual spending and savings, and planned and actual participation) by program, in executable Excel format by program. Please also provide any DSM Annual Reports that were prepared for this period.

1.11 Please describe the cost recovery methodology (including recovery of program costs, lost revenues and incentives) upon which KPC bases its DSM rates and provide all supporting documentation.

1.12 If not answered in request no. 1.11 above, please provide a detailed explanation of KPC’s methodology for calculating lost revenues to be recovered in rates.

1.13 Please provide the following information in executable Excel format:
   a. The DSM factors, or surcharges, for the residential and commercial customer classes for the last ten years, including each time the DSM factor changed in amount during this period.
   b. Referring to subpart (a), the corresponding total rate for residential and commercial customers for this same period.

1.14 Regarding the current DSM surcharge:
   a. Please state how much, if any, of the current DSM surcharge is intended to make up for past under-collection of expenditures that have already been made.
   b. If the answer to subpart (a) is anything but zero, please state when KPC expects that collections of past expenditures will be complete such that DSM surcharge collections will be sufficient to collect an ongoing annual expenditure of $6M.
   c. If the answer to subpart (a) is anything but zero, please state whether KPC has considered different approaches to resolving past under-collection that would ease the rate impacts on customers and provide all supporting documentation.
1.15 Please refer to KPC’s Revised Exhibit 4 in Case No. 2016-00281 (Excel spreadsheet labeled “KPCO_R_1_5_Attachment1.xls” provided in response to the Commission’s request for information, request no. 5, in that case).
   a. Please confirm that the “summary” tab indicates a total Residential under collection amount of $19,484,380 through the first half of 2017.
   b. Please confirm that the “summary” tab indicates a total Commercial under collection amount of $6,234,087 through the first half of 2017.

1.16 Please provide the amount of the Residential DSM surcharge and the Commercial DSM surcharge needed to collect an ongoing annual expenditure of $6M, assuming the current ratio of residential to commercial DSM spending.
   a. Please provide this amount **including** associated lost revenues and incentives.
   b. Please provide this amount **excluding** associated lost revenues and incentives.

1.17 Regarding industrial customers who implement DSM measures on their own:
   a. Please state whether KPC recovers any costs for DSM expenditures related to these customers.
   b. Please state whether KPC tracks these customers’ energy efficiency savings.
   c. Please state whether KPC is eligible for lost revenue recovery and/or incentives based on these customers’ savings. If so, please state how much is KPC currently collecting.

1.18 Please state whether KPC applies net-to-gross ratios to reported savings.
   a. If so, please provide the ratios, by program, for the most recent three full years of reported DSM implementation, and state whether lost revenues are calculated before or after net-to-gross ratios are applied to savings estimates.

1.19 Please describe the process for determining the savings for which KPC is eligible to receive incentives, including whether the savings estimate is based on third-party evaluations and whether net or gross savings are used.

1.20 Please state whether KPC has bid any DSM into the PJM capacity market over the past five years.

Dated: April 14, 2017

Respectfully submitted,

___________________________
Joe F. Childers
(Not licensed to practice in Kentucky)
Joe F. Childers & Associates
300 Lexington Building
Matthew E. Miller
Sierra Club
201 West Short Street
Lexington, KY 40507
50 F Street, NW, Eighth Floor
Phone: (859) 253-9824
CERTIFICATE OF SERVICE

This is to certify that the foregoing copy of the BEVERLY MAY, JIM WEBB, AND SIERRA CLUB’S REQUEST FOR INFORMATION TO KENTUCKY POWER COMPANY in this action is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on April 14, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a copy of the filing in paper medium is being delivered to the Commission.

[Signature]