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>Initial Requests for Information to</u> <u>Kentucky Power Co. from</u> <u>Kentucky League of Cities</u>

Respectfully submitted,

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INSTRUCTIONS

(1) Please identify the witness (es) who will be prepared to answer questions concerning each request.

(2) Please repeat the question to which each response is intended to refer. An electronic version of these data requests can be provided, upon request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon. Those supplemental responses shall be provided as soon as the Company becomes aware of or in possession of the new or additional information.

(4) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, 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.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available.

(7) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(8) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(9) Please provide all spreadsheets used in responses to these requests for information in excel format with all cells unlocked and functional.

- Refer to the Direct Testimony of Kentucky Power Co. (hereinafter "KPC") witness Mr. Buck, page 7. In his discussion regarding costs that are directly assignable to a single class, explain why poles should be directly assigned to the street lighting class, as opposed to allocating these costs between street lighting and pole attachements?
- Refer to Direct Testimony of Mr. Buck, page 12. What amount and percentage of Meter Plant, account 370, was allocated to:
 - a. Outdoor lighting class
 - b. Street lighting class
 - c. Municipal waterworks
- 3. Refer to Direct Testimony of Mr. Buck, page 15. Describe the specific expenses captured by the following Accounts:
 - a. Account 585
 - b. Account 586
 - c. Account 596
 - d. Account 597
 - e. Account 598
 - f. Account 590
- Refer to Direct Testimony of Mr. Buck, pages 20-21. Provide the anticipated Going-Level ROR and Relative ROR should the Commission fully approve the requested revenue increase and proposed allocations.

- 5. Refer to Direct Testimony of Mr. Buck, pages 21-22. Provide the necessary increase (or decrease) and corresponding percentage to achieve true customer cost should the Commission grant the following percentage of the KPC revenue increase request:
 - a. 100%
 - b. 75%
 - c. 50%
- 6. Refer to Direct Testimony of Mr. Sharp, pages 20-21. Describe the requirments of the internal billing software that necessitated a change in the billing practices as both the requirements and changes relate to lighting.
- 7. Refer to Direct Testimony of Mr. Sharp, pages 20-21.
 - a. Explain why the changes to installation costs are not discussed by Mr. Sharp.
 - b. Provide Kentucky Power's rationale for increase the installation charges for lighting.
 - c. Explain whether these charges would apply only to new installations, or would apply to entities currently paying installation charges for installations that actually occurred prior to this rate case.
- 8. Provide a schedule showing the monthly installation costs paid by each municipality served by KPC.
- 9. Regarding Tariff M.W.:
 - a. Clarify whether both municipal sewer and water companies may take service under this tariff.
 - b. Describe the analysis KPC uses to determine which entities are able to take service under this tariff.

- 10. Provide revenue received from pole attachments per each municipality served by KPC.
- 11. Provide the installation cost for pole attachments and how much of the cost is credited to the mucipality that paid for installation of the pole.
- 12. Please explain whether the revenues received from pole attachments offset expenses. Are the revenues received from pole attachments applied to the poles themselves or are they applied to the revenue requirement generally for KPC?
- 13. Explain why Tariff C.A.T.V.:
 - a. Does not include an installation compnonent, as is included with lighting.
 - b. Does not offset the revenue requirement allocated to lighting associated with pole installation, maintenance, and replacement?
- Provide a list of any and all municipalities in which KPC has converted street lights to LED technology.
- 15. Provide all documentation and research in the possession of KPC regarding cost comparisons of LED street and outdoor lighting to the technology currently in use by KPC.
- 16. Do municipalities continue to pay for KPC's cost of installing or acquiring the street light beyond the depreciable life basis of the street light?
- 17. Please provide or describe policies and procedures related to the retirement of street lighting.
- 18. Please describe the process by which KPC negotiates with prospective third-party contractors who may perform services related to street lighting. Include within your response whether KPC issues a request for proposal for services and whether KPC

negotiates pricing within the proposals after they are received from the third-party contractor

- 19. Provide information identifying the entity or entities that provide installation, maintenance, and repair services on street and outdoor lighting and:
 - a. The estimated percentage of work each entity performed on installation, maintenance, and repair services.
 - b. Explain on what basis you presented that percentage.
- 20. Please provide copies of all invoices and corresponding documentation from 2015 and 2016 evidencing the purchase of any materials used for constructing, installing, or repairing lighting offerings in the outdoor and street lighting rate classifications.
- 21. How many street lights (on average) are actually in proper working order at any given time
 - a. Across the KPC service territory
 - b. In each municipality served by KPC.
- 22. Identify how KPC credits or reduces a municipalities bill for the time during with a street, outdoor or traffic light is not functioning properly.
- 23. Provide the amount of time it takes on average to repair a street light into working order
 - a. Across the KPC Service Territory
 - b. In each municipality served by KPC.
- 24. Please describe in detail all maintenance that must be performed by KPC on each type of street light to ensure that it operates properly and provide a list of each component of the required maintenance and its monthly cost.

- 25. Please state how many new public street lights were installed by KPC for each of the past three years, indicating the types of lights installed and the number of these lights which replaced previously existing street lights. Also, please indicte in which municipality the street light is located.
- 26. Provide all policies, procedures, practices or guidelines related to maintenance and repair of street, outoor, and traffic lighting.
- 27. Provide an excel schedule listing each Municipal customer of KPC and each account under that municipality. For each account provide following information for each year from

2015-2016:

- a. Applicable tariff
- b. Other tariffs that could be applicable to this account.
- c. Total sum paid per year
- d. Customer Class.

28. For each account applicable to response 27(b) above, provide:

- a. How the currently applicable tariff was chosen
- b. The total sum that would have been paid in each year 2015 and 2016 if paid according to the alternatively applicable tariff.
- 29. For each customer class listed in response to 27(d) above,
 - a. Provide the proposed percentage increase to that class.
 - b. Provide the percentage of the total revenue increase requested that will be allocated to that class.
- 30. For each tariff provided in response to 27(a) above, what percentage of the base and test period income is derived from municipal customers?

- 31. For each Municipality served by KPC, provide the quantity, size, type, and street address of each street light located within those municipalities. Also indicate:
 - a. Which entity owns each street light.
 - b. The anticipated retirement/replacement date for each light fixture.
- 32. For each type of light located in a municipality served by KPC, provide the cost of obtaining the light and annual maintenance.
- 33. Provide the average time to repair a malfunctioning street light from the time of discovery, either by public reporting or KPC representative, to the time the light is restored to operation.
- 34. For each municipality served by KPC, provide a schedule of maintenance and repair calls for each street light located in the municipality and the total cost for each call, including both materials and labor.
- Provide the currently applicable franchise fee agreement for each municipality served by KPC.
- 36. Provide any data or research in KPC's possession on the benefits related to the use of LED street lighting in terms of energy efficiency and cost savings.
- 37. Provide a schedule showing the total miles of electrical line both above and underground in each municipality served by KPC.
- 38. For each municipality served by KPC, provide a schedule showing
 - a. The total number of utility poles located within the municipality.
 - b. The number of utility poles in the rights of way.
 - c. Provide the annual revenue received in 2015 and 2016 by KPC as a result of fees charged for third party attachments to the poles.