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OCT 03 2014 PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY

)

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IN THE MATTER OF

CONSIDERATION OF THE IMPLEMENTATION OF SMART GRID AND SMART METER TECHNOLOGIES

ADMINISTRATIVE CASE NO. 2012-00428

KENTUCKY POWER COMPANY RESPONSES TO COMMISSION STAFF'S SECOND SET OF DATA REQUESTS

October 3, 2014

VERIFICATION

The undersigned, Ranie K. Wohnhas, being duly sworn, deposes and says he is the Managing Director Regulatory and Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge, and belief

Kanie K. Wohnt

Ranie K. Wohnhas

COMMONWEALTH OF KENTUCKY

COUNTY OF FRANKLIN

) Case No. 2012-00428

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Ranie K. Wohnhas, this the 2014 day of September 2014.

Hedy & Rosquest 48393 Notary Public

My Commission Expires: January 23, 2017

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 6 Page 1 of 1

Kentucky Power Company

REQUEST

In the Report, the Joint Utilities state that no opt-outs should be permitted from AMR deployments.(Footnote 4) Explain why the Joint Utilities believe that there should be no opt-outs for AMR meters (that only provide for one-way communication). Footnote: Id. at 17.

RESPONSE

The AMR technology has been available for more than a decade, and for Kentucky Power Company ("KPCo"), the AMR meter is the default meter for residential service installations. Using AMR meters as the default meter allows KPCo to develop uniform processes that take advantage of economies of scale in the purchase of meters and allows the Company to minimize the operating and maintenance costs. Allowing customers to opt-out would compromise KPCo's ability to minimize its cost of service.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 7 Page 1 of 1

Kentucky Power Company

REQUEST

The Report includes the following statements: "This section does not address opt-outs from AMR metering. The Joint Utilities believe no opt-outs should be permitted from AMR deployments, and a number of utilities have already deployed AMR system-wide" (Footnote 5) and "...[t]he Joint Utilities oppose any across-the-board, one-size-fits-all opt-out requirement for smart-meter deployments, but support each utility's ability to propose opt-outs appropriate for their customers and systems." (Footnote 6) Do you agree that optouts should not be permitted for AMR meters (that only provide for one-way communication)? If not, explain why.

RESPONSE

Yes. KPCo agrees that opt-outs should not be permitted for AMR meters. Please see the response to KPSC 2-6.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 8 Page 1 of 1

Kentucky Power Company

REQUEST

Do you believe that opt-outs should be allowed for AMI or smart meters? Has your response changed from your original position which may have been set forth in your testimony or in response to earlier data requests? If so, explain.

RESPONSE

KPCo previously stated in discovery, KPSC 1-114, "The Company does not agree that customers should be allowed to opt-out of smart meter deployment." The Company's position has not changed. Because KPCo is not pursuing and has not previously pursued the installation of AMI or smart meters, the Company has not studied any opt-out issues that may be unique to KPCo. The Company supports the opt-out position as presented in the opt-out Conclusion found on page 27 of the Report of the Joint Utilities, which states, "Therefore, the Joint Utilities oppose any across-the-board, onesize-fits-all opt-out requirement for smart-meter deployments, but support each utility's ability to propose opt-outs appropriate for their customers and systems."

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Page 1 of 1

Kentucky Power Company

REQUEST

If opt-outs are granted, should the customer electing to opt out be required to bear the cost of the opt-out? Explain your response.

RESPONSE

Please see the Company's response to KPSC 2-8. KPCo has not evaluated the opt-out costs. However, cost causation principles would support a requirement that opt-out customers bear the incremental costs resulting from their opt-out election. In Texas, AEP TCC, and AEP TNC have opt-out provisions in their respective tariffs, which require customers electing to opt-out to bear the cost of the opt-out. In Ohio, AEP Ohio has filed a proposed tariff in Case No. 14-1158-EL-ATA that would require customers electing to opt-out to bear the cost of the opt-out. This case is still pending. See the attached documents for reference.

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 1 Page 1 of 3

TARIFF

FOR

RETAIL DELIVERY SERVICE

THE ENERGY DELIVERY COMPANY PROVIDING TRANSMISSION AND DISTRIBUTION SERVICE TO THE AREA SERVED BY AEP TEXAS CENTRAL COMPANY

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 1 Page 2 of 3

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ELECTRIC D	ELIVERY SERVICE	
Entire System	1	
6	Section: 6.1.2	
Discretionary	Charges	
First	Effective Date: July 7, 2014	
	ELECTRIC D Entire System	Discretionary Charges

IF.) Equipment Installation request, by Retail Customer or Retailer, of Company's "Standard" designed to transmit information on. This allows for the provision of ocle or special reading date without Equipment shall be installed withinours\$368.00ours\$340.00d urs\$338.00d urs\$368.00 <t< th=""><th></th></t<>	
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KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 1 Page 3 of 3

CONTROL #

AEP TEXAS CENTRAL COMPANY TARIFF FOR ELECTRIC DELIVERY SERVICE

Applicable: Entire System

I L			
Chapter:	6	Section: 6.1.2	2
Section Title:	Discretionary	Charges	
Revision:	First	Effective Date	: July 7, 2014

6.1.2.1.12.2	Non-Standard Metering Service Monthly Fee Applicable to a Retail Customer receiving Non-Standard Metering Service for the ongoing cost of providing such service.	\$19.00		
	The fee shall be charged beginning with the first regular cycle bill after the initiation of Non-Standard Metering Service. The fee shall no longer be charged beginning with the first regular cycle bill following the termination of Non-Standard Metering Service.			
Service Call			1	
6.1.2.1.13	Applicable when Company employee is dispatched to the Retail Customer's Premises at the request of the Retail Customer or Competitive Retailer to investigate an outage or other service problem that, upon investigation by Company, is determined not to be a problem with Company's equipment or system.			
	i. During Business Days, 8:00 AM -5:00 PM CPT ii. Business Days non-Business Hours iii. Weekend iv. Holiday	\$70.00 \$134.00 \$134.00 \$167.00		
Outdoor Lig	hting Charges		1	
6.1.2.1.14	Security Lighting Repair Applicable to requests, by Retail Customer or Retail Customer's Competitive Retailer, to repair existing Company-owned security lights on Retail Customer's Premises unless such repair is necessary due to normal lamp and glass replacements. If necessary due to normal lamp and glass replacements, repair shall be performed at no charge. Company shall complete repairs within 15 calendar days of the request in accordance with Section 5.4.6, RETAIL CUSTOMER'S DUTY REGARDING COMPANY'S FACILITIES ON RETAIL CUSTOMER'S PREMISES.	As Calculated*		
	Security Light Removal Applicable to requests, by Retail Customer or Retail Customer's Competitive Retailer, to remove Company-owned security lights on the Retail Customer's Premises in accordance with Sections 5.7.8, REMOVAL AND RELOCATION OF COMPANY'S FACILITIES AND METERS and 5.7.9, DISMANTLING OF COMPANY'S FACILITIES. This charge shall not apply to removals initiated by the Company. A Retail Customer or a Competitive Retailer on behalf of Retail Customer, shall request removal of outdoor lighting facilities at least 30 days prior to the requested removal date. The removal request shall be completed by Company on requested removal date. If mutually agreed to by Company and the Retail Customer, or the Competitive Retailer on behalf of the Retail Customer, Company may begin the removal of outdoor lighting facilities and complete the removal of outdoor lighting facilities on a date or dates other than the initially requested removal date.	STARS ON OF TEXAS PUBLIC UTILITY COMMISSION OF TEXAS A P R OV E J	MAY 10 14 6 41879	

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 2 Page 1 of 3

TARIFF

FOR

RETAIL DELIVERY SERVICE

THE ENERGY DELIVERY COMPANY PROVIDING TRANSMISSION AND DISTRIBUTION SERVICE TO THE AREA SERVED BY AEP TEXAS NORTH COMPANY

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 2 Page 2 of 3

AEP TEXAS	NORTH COM	PANY
TARIFF FOR	ELECTRIC D	ELIVERY SERVICE
Applicable:	Entire System	L
Chapter:	6	Section: 6.1.2
Section Title:	Discretionary	Charges
Revision:	First	Effective Date: July 7, 2014

6.1.2.1.11	Automated Meter Reading (AMR) Equipment Installation Applicable to installation, upon request, by Retail Customer or Retail Customer's Competitive Retailer, of Company's "Standard Advanced Metering Equipment" designed to transmit information via telephone to a central location. This allows for the provision of Meter Reading information on cycle or special reading date without visual contact with the Meter. Equipment shall be installed within 30 days of receipt of request.	
	Single-Phase Self Contained During Normal Business Hours	\$341.00
	Three-Phase Self Contained During Normal Business Hours	\$314.00
	Single-Phase Instrumented Rated During Normal Business Hours	\$312.00
	Three-Phase Instrumented Rated During Normal Business Hours	\$342.00
6.1.2.1.12	Interval Data Recorder (IDR) Equipment Installation Applicable to installation, upon request, by Retail Customer or Retail Customer's Competitive Retailer, of Company's "Standard Advanced Metering Equipment" designed to access interval load data via telephone or other mode of transmission agreed to by customer to a central location. Equipment shall be installed within 30 days of receipt of request.	
	During Normal Business Hours	\$471.00
6.1.2.1.12.1	Non-Standard Metering Service One-Time Fee Applicable to a Retail Customer receiving Non-Standard Metering Service. Company shall bill the One-Time Fee to Retail Customer, collect payment, and receive the signed, written acknowledgement pursuant to P.U.C. SUBST. R. 25.133 before the initiation of Non- Standard Metering Service.	
	Existing Non-Standard Meter One-Time Fee	\$105.00
	New Analog Meter One-Time Fee	\$220.00
	Digital Non-Communicating Meter One-Time Fee i. Self-Contained ii. CT Meter	\$220.00 \$257.00
	Advanced Meter with Communications Disabled One-Time Fee	\$164.00
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CONTROL #

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 2 Page 3 of 3

AEP TEXAS NORTH COMPANY
TARIFF FOR ELECTRIC DELIVERY SERVICE

Applicable:	Entire Sys	stem
Chapter:	6	Section: 6.1.2
Section Title:	Discretion	ary Charges
Revision:	First	Effective Date: July 7, 2014

6.1.2.1.12.2	Non-Standard Metering Service Monthly Fee Applicable to a Retail Customer receiving Non-Standard Metering Service for the ongoing cost of providing such service. The fee shall be charged beginning with the first regular cycle bill after the initiation of Non-Standard Metering Service. The fee shall no longer be charged beginning with the first regular cycle bill	\$36.00	
	following the termination of Non-Standard Metering Service.		
Service Call	Charge		
6.1.2.1.13	Applicable when Company employee is dispatched to the Retail Customer's Premises at the request of the Retail Customer or Competitive Retailer to investigate an outage or other service problem that, upon investigation by Company, is determined not to be a problem with Company's equipment or system. i. During Business Days, 8:00 AM -5:00 PM CPT ii. Business Days non-Business Hours	\$72.00 \$138.00	
	iii. Weekend iv. Holiday	\$138.00 \$171.00	
Outdoor Ligh	nting Charges	1.000	1
6.1.2.1.14	Security Lighting Repair Applicable to requests, by Retail Customer or Retail Customer's Competitive Retailer, to repair existing Company-owned security lights on Retail Customer's Premises unless such repair is necessary due to normal lamp and glass replacements. If necessary due to normal lamp and glass replacements, repair shall be performed at no charge. Company shall complete repairs within 15 calendar days of the request in accordance with Section 5.4.6, RETAIL CUSTOMER'S DUTY REGARDING COMPANY'S FACILITIES ON RETAIL CUSTOMER'S PREMISES.	As Calculated*	
6.1.2.1.15	Security Light Removal Applicable to requests, by Retail Customer or Retail Customer's Competitive Retailer, to remove Company-owned security lights on the Retail Customer's Premises in accordance with Sections 5.7.8, REMOVAL AND RELOCATION OF COMPANY'S FACILITIES AND METERS and 5.7.9, DISMANTLING OF COMPANY'S FACILITIES. This charge shall not apply to removals initiated by the Company. A Retail Customer or a Competitive Retailer on behalf of Retail Customer, shall request removal of outdoor lighting facilities at least 30 days prior to the requested removal date. The removal request shall be completed by Company on requested removal date. If mutually agreed to by Company and the Retail Customer, or the Competitive Retailer on behalf of the Retail Customer, Company may begin the removal of outdoor lighting facilities and complete the removal of outdoor lighting facilities on a date or dates other than the initially requested removal date.	SATE OVED A PRROVED No Charde	NW 16 14 6 4 1 8 7 9

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 3 Page 1 of 4



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AMERICAN ELECTRIC POWER American Electric Power 1 Riversido Plaza Columbus, OH 43215-2373 AEP.com

September 11, 2014

Barcy F. McNeal Docketing Division Chief Public Utilities Commission of Ohio 180 East Broad Street Columbus Ohio 43215-3793

> Re: In the Matter of the Application Not For an Increase in Rates Pursuant to Section 4901.18, Revised Code, of Ohio Power Company to Establish Meter Opt Out Tariff, Case No. 14-1158-EL-ATA

Dear Ms. McNeal:

Ohio Power Company (AEP Ohio) submitted its Application in this case to establish meter opt out tariff charges. In discussing the Application with Staff, AEP Ohio agreed to revise the language in the proposed tariff to better achieve the following purposes:

- To clarify that this opt-out tariff is only available to residential customers
- To clarify that the meter change out fee charges to customers is a one-time fee
- To clarify that customers will only be charged a monthly meter opt out charge if they are located in an area which is a designated AMR/AMI area by the company
- To clarify that customers who are not in a designated AMI/AMR who request an already installed AMI/AMR meter to be removed are subject to a one-time fee of \$43
- To add language around notifying customers that certain services or products requiring an advanced meter may not be available to them if they opt-out, and that a different product of service would need to be selected prior to meter replacement.

Steven T. Nourse Senior Counsel – Regulatory Services (614) 716-1608 (P) (614) 716-2014 (F) stnourse@aep.com

KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 9 Attachment 3 Page 2 of 4

Ms. Barcy F. McNeal September 11, 2014 Page 2 of 2

The revised tariff language is reflected in the attached Exhibit B-1 and Exhibit B-2.

Respectfully Submitted,

to

cc: Parties of Record

OHIO POWER COMPANY

Original Sheet No. 103-12

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF SERVICE

Service Performed During Normal Business Hours	Charge (\$)
Connect phone line to meter at a time other than the initial interval meter installation	57.00
Perform manual meter reading	43.00
Check phone line and perform manual meter reading due to communication loss	47.00
Replace surge protector	119.00
Replace interval board	121.00
Replace modem board	210.00
Replace interval and modem boards	260.00

The customer may select a meter from the Company's approved standard equipment list. If a customer selects any meter other than those shown on the approved standard list, the customer accepts responsibility for any incremental cost which the meter may require to upkeep, maintain, or replace the meter due to failure. The customer may communicate with the meter for the purpose of obtaining usage data, subject to the Company's communication protocol.

16. AVDVANCED METER OPT OUT

Residential customers who elect to opt out of the installation of the Company's choice of metering equipment, either a two way communication AMI meter or one way communication AMR meter, there will be an opt-out provision consisting of two alternative choices.

- The Company will give the customer the option to relocate the current meter location, acceptable to the Company, with the expense of such relocation to be paid by the customer. This option allows for a customer to still have an AMI or AMR meter installed, but at a location acceptable to the customer and the company.
- 2) The customer can request not to have the installation of an AMI or AMR meter and pay a monthly fee of \$31.80. This monthly fee option does not guarantee an actual meter read each month and monthly bills at times may be based on estimated usage with a true-up to actual usage upon the Company obtaining an actual meter read. However, the company will attempt to read the meter at regular monthly intervals. The monthly fee of \$31.80 will be billed monthly on the customer's bill and is considered a tariffed charge. In cases where an AMI or AMR meter is already installed, the customer will be billed a one-time charge of \$43.00 for the installation of a non-AMR meter. This fee will be billed separately and must be paid prior to the company scheduling the meter removal. The monthly meter reading fee will only be charged in areas where the route, circuit, or area is designated as an AMI or AMR meter area and an AMI or AMI meter has already been installed, the customer will be billed a one-time charge of \$43.00 for the AMR meter area and an AMI or AMR meter area not designated as an AMI or AMR meter area and an AMI or AMI meter has already been installed, the customer will be billed a one-time charge of \$43.00 for the AMR METER and the customer is located in an area not designated as an AMI or AMR meter area and an AMI or AMI meter has already been installed, the customer will be billed a one-time charge of \$43 to remove the AMR/AMI meter and install a non-AMI or non-AMR meter.

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Issued by Pablo Vegas, President AEP Ohio Effective: January 1, 2012

Original Sheet No. 103-13

OHIO POWER COMPANY

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF SERVICE

Opt-out service does not guarantee that customers will retain their existing meter. The company maintains the right to replace meters for customers on opt-out service with meters that do not have one-way or two-way communications.

The company may refuse to provide advanced meter opt-out service in either of the following circumstances:

- If such a service creates a safety hazard to consumers or their premises, the public, or the electric utility's personnel or facilities.
- If a customer does not allow the electric utility's employees or agents access to the meter at the customer's premises.

Customers will be notified that if they are enrolled in a product or service requiring an advanced meter as a condition of enrollment that the customer must chose a different product or service prior to the installation of a non-communicating meter. This opt out provision is not available to any customer taking generation service under a time differentiated rate.

Customers who refuse both meter opt-out options and do not allow the company to access the meter for replacement are subject to disconnection.

17. USE OF ENERGY BY CUSTOMER

The schedules for electric energy given herein are classified by the character of use of such energy and are not available for service except as provided therein.

It shall be understood that upon the expiration of a contract the customer may elect to renew the contract upon the same or another schedule published by the Company and applicable to the customer's requirements, except that in no case shall the Company be required to maintain transmission, switching or transformation equipment (either for voltage or form of current change) different from or in addition to that generally furnished to other customers receiving electrical supply under the terms of the schedule elected by the customer.

The customer shall install only motors, apparatus, or appliances which are suitable for operation with the character of the service supplied by the Company, and which shall not be detrimental to same, and the electric power must not be used in such a manner as to cause unprovided for voltage fluctuations or disturbances in the Company's transmission or distribution system. The Company shall be the sole judge as to the suitability of apparatus or appliances, and also as to whether the operation of such apparatus or appliances is or will be detrimental to its general service.

All apparatus used by the customer shall be of such type as to secure the highest practical commercial efficiency, power factor and the proper balancing of phases. Motors which are frequently started or motors arranged for automatic control, must be of a type to give maximum starting torque with minimum current flow, and must be of a type, and equipped with controlling devices, approved by the Company.

The operation of certain electrical equipment can result in disturbances (e.g., voltage fluctuations, harmonics, etc.) on the Company's transmission and distribution systems which can Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

Issued: December 22, 2011

Issued by Pablo Vegas, President AEP Ohio Effective: January 1, 2012

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 10 Page 1 of 1

Kentucky Power Company

REQUEST

Describe and estimate the costs that would be incurred to provide customer opt-out.

RESPONSE

Please see the Company's response to KPSC 2-8. KPCo has not estimated or evaluated the costs that would be incurred to provide customer opt-out. However, such costs would typically include elements such as the initial cost of meter replacement and the monthly cost of a manual meter reading trip. The documents provided in the Company's response to KPSC 2-9 provide some examples of opt-out costs, but these costs may not be representative of the costs that would be incurred by KPCo. See page 19 of the Report, which states, "Because each utility and the Commission will need to calculate costs on a utility-by-utility basis, those fees may not be indicative of the opt-out fees appropriate for Kentucky's utilities."

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 11 Page 1 of 1

Kentucky Power Company

REQUEST

Are there any circumstances under which utilities should have the right to refuse to honor a customer's request to opt-out of AMI meters? Explain your response.

RESPONSE

Please see the Company's response to KPSC 2-8. KPCo has not evaluated the circumstances under which utilities should have the right to refuse to honor a customer's request to opt-out. On page 26 of the Report, it states: "Opt-out exceptions. Utilities must have the right to refuse to honor opt-out requests in certain situations, such as where safety, access, or meter tampering must be addressed. In particular, customers who have indoor meters should not be permitted to opt-out unless they move their meters outside at their expense. Utilities deploy smart meters in these situations today, and opt-outs should not constrain utilities' ability to do so."

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 12 Page 1 of 1

Kentucky Power Company

REQUEST

Refer to page 21 of the Report, paragraph 10. Describe how smart meters identify their malfunctioning early.

RESPONSE

The smart meter is a microprocessor-based device with diagnostic capabilities that can be set for alarms and alerts. The meter can continuously run a diagnostic program that monitors the condition of the meter. In real time, the smart meter can identify any problems that may arise and immediately report the condition to the Company. Alternatively, the meter can be polled remotely to request diagnostic data.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 13 Page 1 of 1

Kentucky Power Company

REQUEST

Refer to page 24 of the Report which gives the example of a customer's finding that daily meter reading is a privacy problem. State whether daily meter reading is the default or the normal occurrence.

RESPONSE

The meter reading data storage interval and the meter reading retrieval frequency is determined when the meter is programmed. The utility "best practice" is to collect 15- minute demand data and retrieve the demand data once a day. The actual meter capabilities and settings would be based on the requirements of the customer's tariff.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 14 Page 1 of 1

Kentucky Power Company

REQUEST

Refer to page 26, paragraph 5. Confirm whether smart meters measure demand for residential customers.

RESPONSE

The measurement capabilities of smart meters can vary between manufacturer and model. Most if not all smart meters would have the capability to measure residential demand.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 15 Page 1 of 1

Kentucky Power Company

REQUEST

Refer to CAC's comments on page 28 of the Report regarding the instantaneous remote disconnects. Do you believe that the ability to instantaneously and remotely disconnect a customer for non-payment is an advantage only to the utility, or does it also benefit other customers? Explain your response.

RESPONSE

The ability to connect or disconnect a meter remotely is a technology feature found on most if not all smart meters. The protocols for connection/disconnection and use of technology for this application should be governed by the Commission. KPCo believes the ability to instantaneously and remotely disconnect or connect a customer for any reason can benefit both the Company and the customer. The benefits are articulated in the Report by the Joint Utilities on page 22, under Impacts 6, 8, and 9. Reducing the number of times personnel are dispatched to the field reduces the costs associated with operations and safety. The reduced costs benefit all customers.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 16 Page 1 of 1

Kentucky Power Company

REQUEST

If the Commission does not require the adoption of the EISA 2007 Smart Grid Investment Standard or a derivative thereof, do you anticipate submitting an application for a CPCN for any smart grid or smart meter deployment? Explain your answer.

RESPONSE

As stated in the Report of the Joint Utilities on page 83, paragraph 3, KPCo would envision the Company could submit any smart grid or smart meter deployment investments for Commission review in a base-rate case, a Certificate for Public Convenience and Necessity ("CPCN") application, or through a non-base-rate mechanism proceeding.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 17 Page 1 of 1

Kentucky Power Company

REQUEST

Are there any smart-grid deployments for which the Commission should require the submission of a request for a CPCN?

RESPONSE

Please see the Company's response to KPSC 2-16. KPCo cannot speculate on which mechanism should be used in the future and believes the use of a CPCN for any smart grid deployment should be decided on a utility case-by-case basis.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 18 Page 1 of 1

Kentucky Power Company

REQUEST

Refer to Appendix B of the Report. For each utility that currently does not offer residential dynamic pricing tariffs, or for those whose only dynamic tariff offerings are Electric Thermal Storage marketing rates, state whether such tariffs are being considered for future implementation subject to Commission approval. If so, state what type(s) of dynamic pricing tariffs are being considered. If not, state what factors caused the utility to decide against proposing to implement such tariffs or cause it to be otherwise unable to implement such tariffs.

RESPONSE

Currently, KPCo is not contemplating a dynamic pricing tariff offering. KPCo utilizes AMR metering, which does not support the implementation of dynamic pricing. The remaining book-value costs of any AMR equipment rendered obsolete by the roll-out of dynamic pricing would be an important consideration before dynamic pricing were instituted. As stated on page 39 of the Report of the Joint Utilities, KPCo offers a number of time-of-day options for residential customers.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 19 Page 1 of 1

Kentucky Power Company

REQUEST

In the Distribution Smart-Grid Components chapter of the Report, Owen Electric Cooperative mentions the Green Button initiative.' In its direct testimony, Kentucky Power Company ("Kentucky Power") notes its commitment to the Green Button initiative.8 Indicate whether you participate in the Green Button initiative. If you participate in similar but different information efforts, identify those efforts.

RESPONSE

Please see page 10 of the direct filed testimony of Company witness Munsey for the Green Button initiative action by KPCo and the Company's response to KPSC 1-73. KPCo completed the Green Button initiative for residential customers in March of 2013. KPCo residential customers can currently log into their account online and access their usage data using the Green Button format. Non-residential customers are expected to have access to their usage data using the Green Button format by December 2014, pending current project scheduling and resource availability.

KPCO Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 21 Page 1 of 1

Kentucky Power Company

REQUEST

Refer to page 19 of the Report. The second paragraph references advanced meter opt-out tariffs to be filed on or before June 28, 2014, with the Public Utility Commission of Ohio. Provide the tariffs filed pursuant to this requirement by AEP and Duke in Ohio.

RESPONSE

Ohio Power Company (AEP Ohio)'s pending tariff proposal in Case No. 14-1158-EL-ATA is attached as Staff 2-21_Attachment 2.pdf and on-going case information is available on the PUCO's website at http://dis.puc.state.oh.us/CaseRecord.aspx?CaseNo=14-1158.

Duke Energy Ohio's pending tariff proposal in Case No. 14-1160-EL-UNC is attached as Staff 2-21_Attachment 1.pdf and on-going case information is available on the PUCO's website at http://dis.puc.state.oh.us/CaseRecord.aspx?CaseNo=14-1160.

Duke Energy Ohio 139 East Fourth Street Cincinnati, Ohio 45202

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RIDER NSM

NON-STANDARD METER OPTION (NSMO) - RESIDENTIAL

APPLICABILITY

Applicable only to residential customers served under Rate RS, Rate RSLI, Rate RS3P, or Rate ORH who request a traditional meter rather than an advanced meter, i.e. the Company's standard meter for Ohio residential electric customers. Rider NSM is optional and is available subject to the Terms and Conditions below.

BACKGROUND

Section 4901:1-10-05(J) of the Ohio Administrative Code (OAC) states that electric utilities shall provide customers with the option to remove an installed advanced meter and replace it with a traditional meter, and the option to decline installation of an advanced meter and retain a traditional meter.

As defined in OAC 4901:1-10-01:

"Advanced meter" means any electric meter that meets the pertinent engineering standards using digital technology and is capable of providing two-way communications with the electric utility to provide usage and/or other technical data.

"Traditional meter" means any meter with an analog or digital display that does not have the capability to communicate with the utility using two-way communications.

CHARGES

Residential customers who request a traditional meter rather than an advanced meter shall pay a one-time fee of \$1,073.10 and a recurring monthly fee of \$40.63.

TERMS AND CONDITIONS

The Company shall have the right to refuse to provide advanced meter opt-out service in either of the following circumstances:

- (a) If such a service creates a safety hazard to consumers or their premises, the public, or the electric utility's personnel or facilities.
- (b) If a customer does not allow the electric utility's employees or agents access to the meter at the customer's premises.

Rider NSM is not available to customers taking service under a time-differentiated rate.

Rider NSM is not available to customers with a history of tampering or theft

The supplying and billing for service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

Filed pursuant to an Order dated in Case No. 14-XXXX-EL-ATA before the Public Utilities Commission of Ohio.

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KPSC Case No. 2012-00428 Commission Staff's Second Set of Data Requests Dated September 18, 2014 Item No. 21 Attachment 2 Page 1 of 28

Exhibit B-2

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OHIO POWER COMPANY

Original Sheet No. 103-1

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF SERVICE

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APPLICATION FOR SERVICE 2.

These Terms and Conditions of Service apply to service under the Company's schedules which provide for generation, transmission and distribution service. Customers requesting only distribution service from the Company, irrespective of the voltage level at which service is taken, as provided for in Section 4928.40(E), Ohio Revised Code, shall be served under the Company's open access distribution schedules and the Terms and Conditions of Open Access Distribution Service shall apply.

Electric service shall be made available to a prospective customer within this Company's area of service upon request or execution of a contract therefore and its acceptance by an officer or authorized representative of the Company.

Filed pursuant to Orders dated December 14, 2011 in Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-351-EL-AIR and 11-352-EL-AIR

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OHIO POWER COMPANY

Original Sheet No. 103-2

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF SERVICE

The character of service and the rates, rules, terms, regulations and conditions shall be in accordance with P.U.C.O. No. 20, the supplements thereto and revisions thereof applying to the particular type of service and locality for which such contract or application is made.

CONDITIONS OF SERVICE

Before the Company shall be required to furnish service, the Company may require that the customer submit written specifications of the electrical apparatus to be operated by service and to provide to the Company a site plan that shows the address, orientation of the building, the location of the meter on the building, and the square footage of the building. The Company reserves the right to specify the service characteristics, including the point of delivery and metering.

Written agreements will be required prior to providing service if stipulated in the applicable rate schedule or the customer has unusual or special service characteristics. If the customer refuses to sign a written agreement, an agreement will still be effective as if the customer had signed and said customer will be charged under the appropriate schedule. A copy of the written agreement, contained on a form provided by the Company, will be furnished to the customer upon request at any time during the term of the agreement.

When the customer desires delivery of energy at more than one (1) point, each separate point of delivery shall be considered a Contract Location and shall be metered and billed under a separate request or contract for service. Separate written agreements, if required under the above paragraph, will be made for each point of delivery. If the Company requires separate points of delivery, for like service, to meet the customer's electrical requirements at a single Contract location, the metering for two (2) or more points of delivery may be combined for billing under the applicable tariff.

4. AVAILABLE RATES

A copy of these Terms and Conditions of Service and the schedules applicable to the customer's class of business will be made available upon request and the customer shall elect upon which applicable schedule the customer desires to be served.

If the customer can meet the requirements of more than one (1) rate schedule, the Company will endeavor to advise the customer as to which rate schedule is the most advantageous for the prospective service. The customer shall then select the rate schedule upon which the contract for service shall be based. The Company under no circumstances guarantees that the rate under which a customer is billed is the most favorable rate.

The customer may change the initial rate schedule selection to another applicable rate schedule at any time by either written notice to Company and/or by executing a new contract for the rate schedule selected, provided that the application of such subsequent selection shall continue for twelve (12) months before any other selection may be made, except when an existing rate is modified or a new rate schedule is offered.

A customer may not change from one (1) schedule to another during the term of contract except with the consent of the Company.

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OHIO POWER COMPANY

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF SERVICE

5. COMPANY'S AGENTS NOT EMPOWERED TO CHANGE TARIFFS

No agent or employee of the Company has authority to amend, modify, alter the application, rates, terms, conditions, rules or regulations of the Company on file with the Public Utilities Commission of Ohio, or to make any promises or representations not contained in P.U.C.O. No. 20, supplements thereto and revisions thereof.

6. CHANGE OF RATES OR REGULATIONS

Rules and Regulations and rates contained herein are subject to cancellation or modification upon order or permission of the Public Utilities Commission of Ohio.

7. INSPECTIONS

It is to the interest of the customer to properly install and maintain the customer's wiring and electrical equipment and the customer shall at all times be responsible for the character and condition thereof. It is the customer's responsibility to assure that all inside wiring is grounded and is otherwise in accordance with the requirements of the National Electric Code. The Company makes no inspection thereof and in no event shall be responsible therefore.

Where a customer's premises are located in a municipality or other governmental subdivision where inspection laws or ordinances are in effect, the Company may withhold furnishing service to new installations until it has received evidence that the inspection laws or ordinances have been complied with. In addition, if such municipality or other governmental subdivision shall determine that such inspection laws or ordinances are no longer being complied with in respect to an existing installation, the Company may suspend the furnishing of service thereto until it has received evidence of compliance with such laws or ordinances. The Company may disconnect electric service to a premise where unsafe conditions exist.

Where the customer's premises are located outside of an area where inspection service is in effect, the Company may require the delivery by the customer to the Company of an agreement duly signed by the owner and tenant of the premises authorizing the connection to the wiring system of the customer and assuming responsibility therefore.

No responsibility shall attach to the Company because of any waiver of these requirements.

8. LOCATION & MAINTENANCE OF COMPANY'S EQUIPMENT

The Company shall have the right to erect and maintain its poles, lines, circuits and other necessary facilities on the customer's property, and to place and maintain its transformers and other apparatus on the property or within the buildings of the customer at convenient locations. The customer shall keep Company equipment clear from obstruction and obstacles including landscaping, structures, etc., and allow the use of suitable space for the installation, repair and maintenance of necessary measuring instruments so that the latter may be protected from damage.

The customer shall provide suitable space and access to same, for the installation and maintenance of necessary measuring instruments and other facilities, so that they may be

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OHIO POWER COMPANY

P.U.C.O. NO. 20

TERMS AND CONDITIONS OF SERVICE

protected from injury by the elements or through the negligence or deliberate acts of the customer or of any employee of the same, or any other party.

Company owned transformers and appurtenances placed on the property or within the building shall be housed in accordance with the National Electrical Code in a suitable room or vault provided by the customer and, when installed outside upon a mat or slab, shall be protected by an enclosure erected by the customer to guard against loss, damage or injury to persons or property.

9. SERVICE CONNECTIONS

The Company will, when requested to furnish service, designate the location of its service connection. The customer's wiring must, except for those cases listed below, be brought out of the building in an approved manner from the main service disconnect to outside the building wall nearest the Company's service wires so as to be readily accessible thereto. The point of service drop attachment shall be as high as the construction of the building will permit, but not more than twenty-five (25) feet nor less than twelve (12) feet from the ground (see National Electric Code for vertical clearance requirements of service drop conductors) and shall be located at a point convenient to the Company's lines for making connections thereto, and each of the service wires shall extend at least eighteen (18) inches from the weatherhead on the end of the conduit or cable for making service connections. Service entrance equipment shall be properly grounded and shall be installed so that the disconnecting means is readily accessible. Where customers install service entrance facilities which have capacity and layout specified by the Company and/or install and use certain utilization equipment specified by the Company, the Service wires attach to the building.

In areas served by an overhead distribution system, an overhead service shall be provided by the Company from the Company's distribution system extending one span (approximately 100 feet) toward the customer's facilities. When a customer desires that energy be delivered at a point or in a manner other than that designated by the Company, the customer shall pay the additional cost of same. Rights-of-way or easements necessary for the installation of said service (including private railway wire crossings permits) shall be provided by the customer.

A non-residential customer desiring an underground service shall, at the customer's expense, install and maintain the necessary service wires, duct work, manholes, vaults and connection boxes in an approved manner from the main entrance switch in the building to a service point designated by the Company, from which connection is to be made. Such underground service will be designed and installed as a continuous run of conductors which shall conform to Company specifications. Where service is supplied from an underground distribution system which has been installed at the Company's expense within the limits of municipal streets, the customer shall make arrangements with the Company to supply and install a continuous run of cable conductors including necessary ducts from the manhole or connection box to the inside of the building wall. The customer shall pay the cost of installing the portion of cable and duct from the curb line to the terminus or cable inside the building and provide the necessary easements to the Company.

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