

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER)	CASE NO.
COMPANY FOR (1) APPROVAL OF A)	2015-00364
DEVIATION FROM THE REQUIRMENTS OF)	
807 KAR 5:006, SECTION 8(1)(d)(3)(d), AND)	
807 KAR 5:006, SECTION 11(5), TO PERMIT)	
THE COMPANY TO ESTABLISH ADDITIONAL)	
MEANS OF MAKING REFUNDS; (2) FOR)	
AUTHORITY TO AMEND ITS TARIFFS TO)	
ESTABLISH ADDITIONAL MEANS OF MAKING)	
REFUNDS; AND (3) FOR ALL OTHER)	
REQUIRED APPROVALS AND RELIEF)	

ORDER

On November 19, 2015, Kentucky Power Company (“Kentucky Power”) submitted an application for deviation from KAR 5:006, Section 8(1)(d)(3)(d), which requires deposit refunds to be made by “check, electronic funds transfer, or by credit to the customer’s account.” Kentucky Power also requests a deviation from the notification requirements of 807 KAR 5:006, Section 11(5), regarding refunds made in connection with bill adjustments as a result of meter tests.

Pursuant to these proposed deviations, Kentucky Power further seeks authority to amend its Tariff Sheet Nos. 2-3 and 2-11 of its Terms and Conditions to establish additional methods to make refunds to its residential customers via pre-paid cards or electronic funds transfers to refund deposits. In particular, Kentucky Power proposes refunds currently made by paper check to be replaced with pre-paid cards for the following: (a) deposit refunds to persons who posted a deposit but are not a customer,

or customers leaving Kentucky Power's systems and who have a credit balance after applying the deposit to the former customer's account balance; (b) refunds in connection with billing adjustments following a meter test; and (c) refunds made following the annual recalculation of budget amounts. These prepaid cards are proposed for all residential customer refunds, except refunds of amounts paid as contributions in aid of construction. Under this proposal, qualifying refunds will be issued via prepaid card from Kentucky Power's third-party issuer.¹ Non-residential customers will continue to receive their refunds by means of a bill credit or paper check. Kentucky Power proposed an effective date of December 20, 2015, for these revised tariff modifications to take effect.

Having reviewed the application herein and being otherwise sufficiently advised, the Commission finds that an investigation of the proposed deviations from 807 KAR 5:006, Sections 8(1)(d)(3)(d) and 11(5), and modifications to Kentucky Power's tariff's Terms and Conditions are necessary to determine their reasonableness and that such investigation cannot be concluded prior to the proposed effective date. Consequently, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed tariff modifications for up to five months.

The Commission further finds that a procedural schedule for this matter should be established for the processing of this case.

¹ The third-party issuer currently is Citibank.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's proposed modifications to Tariff Sheet Nos. 2-3 and 2-11 of its Terms and Conditions are suspended for a period of five months, up to and including May 19, 2015.

2. The procedural schedule set forth in the Appendix to this Order shall be followed.

3. a. Responses to requests for information in paper format shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with an original in paper medium and an electronic version to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, 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.

c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

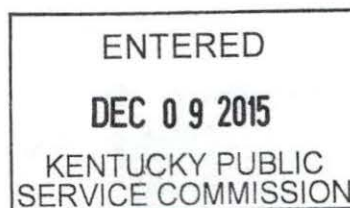
4. Requests for intervention shall be filed no later than December 14, 2015. Any person who submits a motion to intervene after December 14, 2015, and upon a showing of good cause is granted full intervention, shall accept and abide by the existing procedural schedule.

5. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

6. The Commission does not look favorably upon motions for continuance. Consequently, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

7. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00364 DATED **DEC 09 2015**

- Requests for intervention shall be filed no later than 12/14/15
- All initial requests for information to
Kentucky Power shall be filed no later than 12/30/15
- Kentucky Power shall file responses to initial requests
for information no later than 01/15/16
- All supplemental requests for information to
Kentucky Power shall be filed no later than 01/29/16
- Kentucky Power shall file responses to supplemental
requests for information no later than 02/12/16

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