

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is to file with the Commission an original in paper medium and an electronic version of the following information. The information requested herein is due on or before January 15, 2016. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

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.

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

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Kentucky Power shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, page 6, numbered paragraph 16.
  - a. What is the average refund amount made to residential customers for the 12-month period ending June 30, 2015.
  - b. For the five 12-month periods ending June 30, 2014, provide the number of refund checks and the refund amount made by Kentucky Power to residential customers for each of those 12-month periods.
2. Refer to the Application, page 9, numbered paragraph 23. Provide the annual losses for the past five years resulting from check fraud.
3. Refer to the Application, Exhibit 2, page 2 of 2, regarding the ACH Transfers. Does Kentucky Power anticipate that Citibank would impose a fee for such transfers in the future?

4. Explain how the third-party issuer was chosen.
5. Provide a detailed list of all expenses associated with the third-party issuer incurred by Kentucky Power.
6. Confirm that a residential customer can only receive a paper check after the prepaid card is issued and only through the third-party issuer.
7. Provide the length of time before the bank card will be issued to the customer.
8. Explain whether a customer must receive a personal identification number ("PIN") to activate the prepaid card. If so, explain how long it is after the prepaid bank card is mailed that the PIN is mailed.
9. Explain whether Kentucky Power will review all limits, possible fees, and terms of the prepaid card with each customer.
10. Refer to the testimony of John A. Rogness ("Rogness Testimony"), page 3. Provide by month for 2014 and 2015 the number of times Kentucky Power issued deposit refunds and the amount of the deposit refunds.
11. Refer to the Rogness Testimony, page 3. Provide by month for 2014 and 2015 the number of times Kentucky Power issued refunds and the amount refunded as a result of a meter test.
12. Refer to the Rogness Testimony, page 4. Provide by month for 2014 and 2015 the number of times that a mailed refund was returned.
13. Refer to the Rogness Testimony, pages 4–5 regarding Kentucky Power's current process for issuing refund checks to residential customers.

a. Explain the methods and protocols that Kentucky Power currently has in place to ensure that a refund check will be accurately issued and delivered to the right person.

b. Would the issuance of a prepay card require any additional changes or enhancements to Kentucky Power's current methods or protocols to ensure that the prepay cards are issued and delivered to the right person?

14. Refer to the Rogness Testimony, page 8, regarding the replacement of a lost or stolen prepaid card. Explain the process a customer would go through in order to obtain a replacement prepaid card.

15. Refer to the Rogness Testimony, pages 8–9, regarding Ohio Power Company's implementation of a prepaid card program. Provide details of the level of customer satisfaction with the program and identify any issues that have been encountered.

16. Refer to the Rogness Testimony, page 11. Explain in detail the escheat process for unclaimed refunds, and to whom unclaimed funds are escheated.

17. Provide the cost analysis for the refunds when either issuing a credit to the customer's bill, electronic funds transfers, or a check versus a prepaid card.

18. Would Kentucky Power be open to allowing a customer wanting to receive the refund by check to select that as the default method?

DATED DEC 28 2015

cc: Parties of Record



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