

KPSC Case No. 2017-00099
Commission Staff's Informal Conference Data Request
Dated March 8, 2017
Item No. 1
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Kentucky Power Company

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REQUEST

Explain how the Tariff CS-IRP credit is calculated.

RESPONSE

The \$3.68 kW/month credit is paid with respect to the difference between each customer's monthly on-peak billing demand and the customer's firm service capacity reservation. The monthly on-peak billing is the highest single 15 minute integrated peak in kW as registered by a demand meter during the on-peak periods. No credit is paid during a month in which the customer's monthly on-peak billing demand does not exceed the customer's firm service capacity reservation.

By way of example, assume a customer with total contract demand of 5,000 kW. Further assume the customer has designated 1,000 kW as interruptible and 4,000 kW as its firm service capacity reservation. The customer would receive a credit of \$368 (\$3.68 kW/month x 100 kW) in a month in which the customer's monthly on-peak billing demand is 4,100 kW and thus exceeds its firm service capacity reservation by 100 kW. The customer would not receive a credit in a month in which its monthly on-peak billing demand is 3,900 kW because no credit is paid for capacity the customer has not agreed to interrupt.

WITNESS: John A Rogness

