

Commonwealth of Kentucky  
Before the Public Service Commission

In the matter of:

Freddie J. Coleman:

Complainant

RECEIVED

AUG 17 2018

PUBLIC SERVICE  
COMMISSION

Vs.

AEP Kentucky Power

Defendant

The complaint of Freddie J. Coleman, Respectfully Show:

Freddie J. Coleman

795 Kingdom Come Crk.

Whitesburg, Kentucky 41858

[REDACTED]

Vs. Utility:

(AEP) Kentucky Power Company

855 Central Avenue, Suite 200

Ashland, Kentucky 41101

Electronic mail: [kentuckyregulatoryservice@aep.com](mailto:kentuckyregulatoryservice@aep.com)

**Complainant**

**Freddie J. Coleman**

**vs.**

**(AEP) Kentucky Power Company**

**(Specifically state the relief desired)**

- 1. For Kentucky Public Service Commission to grant or order a Management and Operations Audit of (AEP) Kentucky Power Company according to KRS 278.250 and 278.255.**

**Why should there be an audit of (AEP) Kentucky Power Company :**

**As I understand it, it has been a very long time since (AEP) Kentucky Power Company has had a full and complete comprehensive audit. (AEP) Kentucky Power Company has done a lot of transactions over the years.**

**Customers in (AEP) Kentucky Power Company 20 counties service area:**

- 1. Has seen their power bills increase steadily.**
- 2. Has a poverty rate of 30.19%.**
- 3. Tariffs, surcharges are approximately 25% of their power bills.**
- 4. This has put a huge burden on (AEP) Kentucky Power Company customers.**
- 5. Many customers are struggling to pay these high power bills and doing without necessities.**

**The Public Service Commission owes it to the customers to audit (AEP) Kentucky Power Company to make sure they are operating as efficient as possible and as cheap as possible with no waste.**

**Many people have left (AEP) Kentucky Power Company service area to find jobs. The demand for electrical consumption is down. (AEP) Kentucky Power Company needs to sell electricity to its Retail customers as cheap as possible.**

In Exhibit 1: I am submitting a petition as evidence to the Kentucky Public Service Commission containing 8300 plus names of people in (AEP) Kentucky Power Company service area asking for an audit of (AEP) Kentucky Power Company. These people deserve to know if they are being treated fair and honestly by (AEP) Kentucky Power Company.

I am submitting to the Kentucky Public Service Commission four pieces of evidence:

Exhibit #1 described above, Exhibit 2, 3 and 4 containing old cases heard by the Kentucky Public Service Commission showing the need for an audit of (AEP) Kentucky Power Company.

Exhibit 1. Petition of 83000 plus signatures

Exhibit 2. AG Conway announces 54 million dollars saved

Exhibit 3. Case # 2016-00073

Exhibit 4. Case # 2015-00093

I respectfully ask the Kentucky Public Service Commission to grant an order for a Management and Operations audit of (AEP) Kentucky Power Company.

Respectfully submitted,

Freddie J. Coleman

795 Kingdom Come Crk.

Whitesburg, Kentucky 41858

*Freddie J. Coleman 8-17-2016*

**Case 2018-00297  
Complaint Filing  
Exhibit 1**

**Freddie J. Coleman originally filed Exhibit 1 on August 17, 2018, requesting confidential treatment. On October 9, 2018, Mr. Coleman submitted a request to withdraw Exhibit 1 pursuant to ordering paragraph 4 of the October 2, 2018 Order denying rehearing on his request for confidential treatment of the exhibit. This Exhibit has been removed from the case.**

Commonwealth of Kentucky  
Before the Public Service Commission

In the matter of:

Freddie J. Coleman:

Complainant

Vs.

AEP Kentucky Power

Defendant

**Exhibit 2**

Complainant:

Freddie J. Coleman

795 Kingdom Come Crk.

Whitesburg, Kentucky 41858

██████████

Vs. Utility:

(AEP) Kentucky Power Company

855 Central Avenue, Suite 200

Ashland, Kentucky 41101

Electronic mail: [kentuckyregulatoryservice@aep.com](mailto:kentuckyregulatoryservice@aep.com)

RECEIVED  
AUG 17 2018  
PUBLIC SERVICE  
COMMISSION

**Recent Headlines**

[\(/Newsroom/default.htm\)](/Newsroom/default.htm)

**News by Agency**

[\(/Newsroom/newsroomlist.htm\)](/Newsroom/newsroomlist.htm)

**News by Topic**

[\(/Newsroom/topicbrowser/\)](/Newsroom/topicbrowser/)

**All Headlines**

[\(/Newsroom/portalall.htm\)](/Newsroom/portalall.htm)

**Archived News**

[\(/Newsroom/portalarchived.htm\)](/Newsroom/portalarchived.htm)

**Subscription**

**Information**

[\(/Newsroom/subscriptioninformation.htm\)](/Newsroom/subscriptioninformation.htm)

**Frequently Asked**

**Questions**

[\(/Newsroom/faq.htm\)](/Newsroom/faq.htm)

**Governor Steve**

**Beshear**

[\(/Newsroom/governor/\)](/Newsroom/governor/)

**First Lady's Office**

[\(/Newsroom/firstlady/\)](/Newsroom/firstlady/)

**Lt. Governor's Office**

[\(/Newsroom/ltgovernor/\)](/Newsroom/ltgovernor/)

**Office of the Attorney**

**General**

[\(/Newsroom/ag/\)](/Newsroom/ag/)

[Recent Headlines \(/Newsroom/ag/default.htm\)](/Newsroom/ag/default.htm)

[All Headlines \(/Newsroom/ag/agencyall.htm\)](/Newsroom/ag/agencyall.htm)

[Archived News \(/Newsroom/ag/agencyarchived.htm\)](/Newsroom/ag/agencyarchived.htm)

## Office of the Attorney General

### AG Conway Announces \$54 Million Saved for Eastern KY Ratepayers in Fuel Cost Case

**Press Release Date:** Thursday, January 22, 2015

**Contact Information:** Daniel Kemp

Deputy Communications Director

502-696-5659 (office)

FRANKFORT, Ky. – Attorney General Conway and his Office of Rate Intervention, along with the Kentucky Industrial Utility Customers (KIUC), today announced that they have saved eastern Kentucky ratepayers \$54 million in unlawful fuel costs charged by Kentucky Power Co., the result of a successful intervention in a utility case previously before the Kentucky Public Service Commission (PSC).

In an order issued today by the PSC, the Commission deemed the fuel costs unreasonable and directed Kentucky Power to refund ratepayers \$13.2 million that it had already collected during the first four months of last year. Additionally, the PSC barred the company from collecting an estimated \$41 million in additional fuel costs that was to be collected through the end of May 2015. Over the 17-month period, the average residential customer will save approximately \$155.

“As Attorney General, I am proud to serve as an advocate for Kentucky consumers, and at a time when every dollar saved can make a difference for so many Kentuckians, I’m pleased that we are keeping this money in the pockets of ratepayers in eastern Kentucky,” Attorney General Conway said. “My Office of Rate Intervention and I work hard each day protecting Kentuckians from excessive utility rates.”

Kentucky law allows electric generating utilities to bill ratepayers for the reasonable costs of fuel required to run the generating plants on a monthly basis, and those charges appear each month on a customer's monthly bill. In today's order, citing joint testimony from the Office of the Attorney General and KIUC, the PSC ruled that Kentucky Power violated PSC precedent and prior orders in the process it uses to determine fuel charges for ratepayers.

Additionally, in 2013, the PSC authorized Kentucky Power to purchase a 50-percent interest in the Mitchell power plant in West Virginia to replace the Big Sandy No. 2 generating unit in Louisa, Ky. In its order, the Commission criticized Kentucky Power for failing to disclose the impact that its allocation of fuel costs would have on its ratepayers during the period when both the Mitchell plant and the Big Sandy plant remain operational.

"Transparency is critical, and indeed one of the touchstone principles in the regulatory process," the PSC said. "The failure of Kentucky Power to disclose this information in the Mitchell Case is a matter of great concern to the Commission."

Attorney General Conway opposed Kentucky Power's plan to acquire the Mitchell plant as a replacement for the Big Sandy Unit 2 and appealed the PSC's decision to the Franklin Circuit Court. The appeal is pending.

#### Office of Rate Intervention

The Office of Rate Intervention serves as a watchdog for consumers in matters relating to health insurance, natural gas, water, sewer, electric and telephone rates. Under Kentucky law, the office is responsible for representing the interests of Kentucky consumers before governmental rate making agencies, concentrating on utility cases (electric, water, telecommunications, and natural gas) before the Public Service Commission. Since 2008, General Conway's Office of Rate Intervention (ORI) has intervened in rate cases and other utility matters resulting in more than \$1.18 billion in savings for Kentucky ratepayers.

*You can follow Attorney General Conway on Twitter @kyoag (<http://twitter.com/kyoag>), visit the Attorney General's Facebook page (<http://facebook.com/kyagconway>) or view videos on our YouTube channel (<http://youtube.com/kyoag>).*

## Government

### Business

(<http://kentucky.gov/business/Pages/default.aspx>)

2/23/2015

## Kentucky Power appeals Kentucky PSC fuel case decision

FRANKFORT, Ky., Feb. 23, 2015 – Kentucky Power has filed an appeal in Franklin County Circuit Court challenging a decision by the Kentucky Public Service Commission that deemed about \$54 million in fuel costs as unreasonable.

The appeal was filed Feb. 18, 2015. It seeks to reverse the Commission's order issued Jan. 22, 2015, and also address suggestions that Kentucky Power was misleading in some of its filings with the agency regarding purchase of half interest in the Mitchell Power plant in Moundsville, West Virginia.

"The language in the order was particularly disappointing because it questioned the integrity of the information that we provide the Kentucky Public Service Commission," said Kentucky Power President and COO Greg Pauley. "Throughout Kentucky Power's long history in Kentucky, we have always been open, transparent and forthright in our dealings with the Commission. We take an oath of truth that we abide by whether in front of the Commission or in written material we submit and would never intentionally mislead the Commission or any government agency."

In its Jan. 22 order, the Public Service Commission directed Kentucky Power to refund to customers \$13 million in fuel costs collected during the first four months of last year through the Fuel Adjustment Clause (FAC). Those refunds were to be delivered this year through credits on customer bills in February, March, April and May. Kentucky Power also was directed to forego additional collection of an estimated \$41 million in fuel costs incurred through May.

The fuel costs disallowed by the Kentucky PSC resulted from having both the Mitchell power plant and Big Sandy No.2 in Louisa, Kentucky, in operation at the same time. Costs of operating both generation units will no longer be an issue after Big Sandy Unit 2 is retired later this year. The Commission last year approved Kentucky Power's purchase of half the Mitchell plant to meet both customer needs and EPA demands.

The Kentucky Public Service Commission allows Kentucky Power and other electric utilities to pass fuel costs through to customers. This pass through is on a dollar-for-dollar basis and reflects actual fuel and purchased power costs. Kentucky Power does not earn a profit on the FAC. The FAC is reviewed about every six months by the



Commission and adjusted accordingly. At least two other electric providers in Kentucky use the same Commission-authorized methodology, which is based on Federal Energy Regulatory Commission guidance.

“By filing this appeal, we will be able to defend and support our position and our right to recover costs that the Commission has allowed us and other Kentucky utilities to recoup for decades,” Pauley said. “The operation of both plants actually allowed Kentucky Power customers to realize \$9.9 million in net cost benefits during the cold spells of 2014. Without both generating stations, Kentucky Power would not have been able to generate enough electricity to serve our customers. The Commission affirmed in its order that our purchase of the Mitchell plant represents the lowest reasonable cost alternative for our customers in replacing Big Sandy Unit 2. When faced with making such tough decisions, we always make them with the best interests of our customers in Eastern Kentucky in mind.”

Kentucky Power, with headquarters in Frankfort, Ky., provides service to approximately 172,000 customers in all or part of 20 eastern Kentucky counties. It is a unit of the AEP system, one of the largest electric utilities in the United States, with more than 5 million customers in 11 states. AEP ranks among the nation’s largest generators of electricity, owning nearly 38,000 megawatts of generating capacity in the U.S. AEP also owns the nation’s largest electricity transmission system, a nearly 39,000-mile network that includes more 765 kilovolt extra-high voltage transmission lines than all other U.S. transmission systems combined.

Commonwealth of Kentucky  
Before the Public Service Commission

In the matter of:

Freddie J. Coleman:

Complainant

Vs.

AEP Kentucky Power

Defendant

RECEIVED  
AUG 17 2018  
PUBLIC SERVICE  
COMMISSION

**Exhibit 3**

Complainant:

Freddie J. Coleman

795 Kingdom Come Crk.

Whitesburg, Kentucky 41858

██████████

Vs. Utility:

(AEP) Kentucky Power Company

855 Central Avenue, Suite 200

Ashland, Kentucky 41101

Electronic mail: [kentuckyregulatoryservice@aep.com](mailto:kentuckyregulatoryservice@aep.com)

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE ACCURACY OF ) CASE NO.  
KENTUCKY POWER COMPANY'S FUEL ) 2016-00073  
ADJUSTMENT CLAUSE FILINGS )

ORDER

By Order dated February 11, 2016, the Commission initiated this investigation into the accuracy of documents filed by Kentucky Power Company ("Kentucky Power") in support of its Fuel Adjustment Clause ("FAC") as authorized by 807 KAR 5:056. One of the FAC schedules that Kentucky Power submits with the Commission each month is an "Analysis of Coal and Oil Purchases"<sup>1</sup> which contains details of the coal purchases made by Kentucky Power, including the state and coal district from which the coal was mined. According to the Analysis of Coal and Oil Purchases filed by Kentucky Power, all of the coal that was purchased each month from February 2013 through the date this proceeding was initiated was mined in Kentucky from CSX coal rate District 08, which is Eastern Kentucky. However, a review of certain discovery responses provided by Kentucky Power in Case No. 2015-00232<sup>2</sup> indicated that from November 2014 through

---

<sup>1</sup> The other back-up filings that Kentucky Power submits on a monthly basis to support its calculation of the FAC factor and implementation of its FAC are Coal, Oil, and Gas Fuel Inventory Schedules, Analysis of Gas Purchases, Monthly Energy Purchase Summary, Schedule of Power Transactions, and Unit Performance Data.

<sup>2</sup> Case No. 2015-00232, *An Examination of the Application of the Fuel Adjustment Clause of Kentucky Power Company from November 1, 2014 Through April 30, 2015* Ky. PSC Dec. 4, 2016.

April 2015, approximately 90 percent of the coal purchased by Kentucky Power was mined in West Virginia, and not in Kentucky.

The February 11, 2016 Order directed Kentucky Power to file written testimony addressing the apparent conflict in its FAC monthly support filings. On March 2, 2016, Kentucky Power timely filed written testimony as directed. On March 3, 2016, an Order was issued granting Kentucky Industrial Utility Customers, Inc.'s petition to intervene in this matter. On March 21, 2016, the Commission issued an Order establishing a procedural schedule for the processing of this matter, which set forth, among other things, two rounds of discovery. On May 23, 2016, Kentucky Power filed notice requesting that the matter be submitted for a decision on the record and waived an evidentiary hearing in this matter. The matter now stands submitted to the Commission for a decision based upon the existing evidentiary record.

#### DISCUSSION

Kentucky Power's testimony addresses in detail the discrepancy between the information included in the Analysis of Coal and Oil Purchases during the period February 2013 through December 2015 that is part of Kentucky Power's monthly back-up information, and other information filed by Kentucky Power. Although stating that the inaccuracies were not intentional and did not affect the amount paid by its customers, Kentucky Power acknowledged that it did not accurately identify the state of origin and accompanying district code for some of the coal purchased by Kentucky Power. In particular, Kentucky Power stated that the Analysis of Coal and Oil Purchases incorrectly reflected that all coal purchased since 2013 was mined in Kentucky. However, Kentucky Power informed, and the Commission has since confirmed, that

other information filed by it, including discovery responses in Case No. 2015-00232 and the filed fuel contracts, correctly reported that during that same time period Kentucky Power purchased coal sourced from mines in Kentucky and West Virginia.

The evidence obtained in the course of this investigation establishes the following:

- 1) Kentucky Power failed to enter the proper source mine, state, and MSHA district in the Analysis of Coal and Oil Purchases filed with the Commission.
- 2) Kentucky Power personnel failed to recognize and correct the error.
- 3) The errors and failure to recognize and correct them appear to be the result of carelessness, as well as a lack of training of new personnel at Kentucky Power, combined with inadequate oversight and review of documents prior to their filing with the Commission.

As a result of the investigation, Kentucky Power has undertaken the following corrective action:

- 1) Updated its monthly FAC back-up filings from February 2013 to the date its testimony was filed in this action and made all necessary corrections;
- 2) Extended its review of its FAC back-up filings to include a period from January 2012 through January 2013, which identified additional errors. The revised and corrected documents reveal that Kentucky Power purchased 41 percent of its coal from Kentucky mines between 2012 and 2015. 59 percent of the coal it purchased during that period was mined in West Virginia;
- 3) Implemented changes to its process for reviewing monthly FAC filings to ensure that the information reported is accurate;

4) Provided additional training for those employees assigned to prepare and review its monthly FAC back-up filings;

5) Caused to be prepared an instructional document clearly describing the process for preparing and reviewing the filings;

6) Re-examined its procedures for identifying the contracts and spot-market purchase agreements to be filed with the Commission;

7) Directed its Regulation Group to review each of the schedules which constitute the FAC back-up filing and to cross-check that information for accuracy and consistency; and

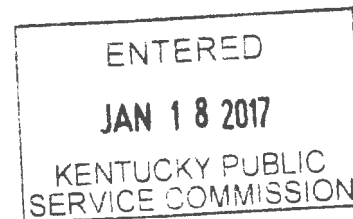
8) As a part of its six-month and two-year FAC review proceedings, committed to cross-check its discovery responses regarding fuel contracts against the monthly FAC back-up filings to prevent inadvertent errors from continuing.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that Kentucky Power has fully and adequately addressed the issues raised in this investigation concerning the accuracy of certain information reported in Kentucky Power's monthly FAC back-up filings. There is no evidence that Kentucky Power intended to deceive the Commission by filing incorrect information; the errors appear to be solely the result of carelessness on the part of Kentucky Power. The Commission appreciates Kentucky Power's acknowledgement of those errors and its diligent efforts in conducting a comprehensive review of the processes in connection with the preparation and submittal of Kentucky Power's monthly FAC back-up documents. We find that the process changes and protocols implemented by Kentucky Power are reasonable and will ensure either that the information reported in Kentucky

Power's monthly FAC back-up filings is accurate or, if there are any errors, that such errors will be timely identified and corrected. Finally, we find that while the inaccurate information provided by Kentucky Power regarding where the coal it had purchased was mined created considerable confusion, the errors did not impact the FAC factor and hence the amount paid by its customers.

IT IS THEREFORE ORDERED that this investigation is closed and the case is removed from the Commission's docket.

By the Commission



ATTEST:

  
Executive Director

\*Jody Kyler Cohn  
Boehm, Kurtz & Lowry  
36 East Seventh Street  
Suite 1510  
Cincinnati, OHIO 45202

\*Honorable Kurt J Boehm  
Attorney at Law  
Boehm, Kurtz & Lowry  
36 East Seventh Street  
Suite 1510  
Cincinnati, OHIO 45202

\*Kentucky Power Company  
101 A Enterprise Drive  
P. O. Box 5190  
Frankfort, KY 40602

\*Kentucky Power Company  
Kentucky Power Company  
101 A Enterprise Drive  
P. O. Box 5190  
Frankfort, KY 40602

\*Kenneth J Gish, Jr.  
Stites & Harbison  
250 West Main Street, Suite 2300  
Lexington, KENTUCKY 40507

\*Honorable Michael L Kurtz  
Attorney at Law  
Boehm, Kurtz & Lowry  
36 East Seventh Street  
Suite 1510  
Cincinnati, OHIO 45202

\*Honorable Mark R Overstreet  
Attorney at Law  
Stites & Harbison  
421 West Main Street  
P. O. Box 634  
Frankfort, KENTUCKY 40602-0634



Commonwealth of Kentucky  
Before the Public Service Commission

In the matter of:

Freddie J. Coleman:

Complainant

Vs.

AEP Kentucky Power

Defendant

RECEIVED  
AUG 17 2018  
PUBLIC SERVICE  
COMMISSION

**Exhibit 4**

Complainant:

Freddie J. Coleman

795 Kingdom Come Crk.

Whitesburg, Kentucky 41858

██████████

Vs. Utility:

(AEP) Kentucky Power Company

855 Central Avenue, Suite 200

Ashland, Kentucky 41101

Electronic mail: [kentuckyregulatoryservice@aep.com](mailto:kentuckyregulatoryservice@aep.com)

**KMK** | Keating Muething & Klekamp PLL  
ATTORNEYS AT LAW

**SOPHIA R. JANNACE**  
DIRECT DIAL. (513) 579-6592  
FACSIMILE: (513) 579-6457  
E-MAIL: SJANNACE@KMKLAW.COM

March 25, 2015

**VIA CERTIFIED MAIL**

Ms. Nancy Vinsel  
Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40602-0615

RECEIVED  
MAR 31 2015  
PUBLIC SERVICE  
COMMISSION

Re: Case No. 2015-00093  
Cintas Corporation v. Kentucky Power Company

Dear Ms. Vinsel:

I appreciate your assistance in directing how Cintas could cure its deficiency in the above-referenced case. Please find enclosed the Complaint tendered for Cintas by me as a Kentucky licensed attorney (Bar ID. #95931).

Please let me know if there are any deficiencies with this file or if I can be of any assistance.

Sincerely,

KEATING MUETHING & KLEKAMP PLL

By: 

Sophia R. Jannace

SRJ:mav

6016242.1

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

Cintas Corporation )  
(Your Full Name) )  
 )  
COMPLAINANT )  
 )  
VS. )  
 )  
AEP Kentucky Power )  
(Name of Utility) )  
 )  
DEFENDANT )

RECEIVED  
APR 31 2015  
PUBLIC SERVICE  
COMMISSION

COMPLAINT

The complaint of Cintas Corporation respectfully shows:  
(Your Full Name)

(a) Sophia R. Jannace  
(Your Full Name)

One East Fourth St., Suite 1400, Cincinnati, OH 45202  
(Your Address)

sjannace@kmklaw.com/szelestar@Cintas.com  
(Your Email Address)

(b) AEP Kentucky Power  
(Name of Utility)

P. O.Box 24401, Canton, OH 44701-4401  
(Address of Utility)

(c) That: See Attachment  
(Describe here, attaching additional sheets if necessary.

\_\_\_\_\_  
the specific act, fully and clearly, or facts that are the reason  
\_\_\_\_\_  
and basis for the complaint.)

Formal Complaint

**Cintas Corporation** vs. **AEP Kentucky Power**

Page 2 of 2

---

---

---

---

---

---

---

---

Wherefore, complainant asks AEP Kentucky Power to refund Cintas Corporation \$21,422.07

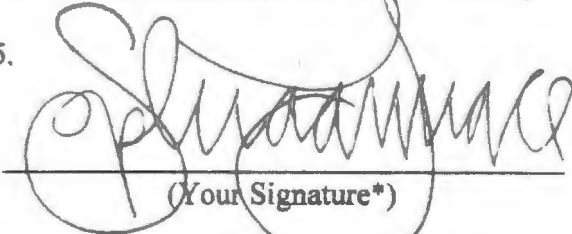
(Specifically state the relief desired.)

---

---

---

Dated at Cincinnati, Ohio, this 25th day  
(Your City)  
March, 2015.  
(Month)



(Your Signature\*)

Sophia R. Jannace  
Keating Muething & Klekamp  
One East Fourth Street, Suite 1400  
Cincinnati, OH 45202  
(Name and address of attorney, if any)

3/25/14  
Date

\*Complaints by corporations or associations, or any other organization having the right to file a complaint, must be signed by its attorney and show his post office address. No oral or unsigned complaints will be entertained or acted upon by the commission.

AEP Kentucky Power is the electric utility for Cintas Corporation at the facility identified in this formal complaint. This facility is an industrial laundry, which launders uniforms and facility services products such as entrance mats and towels. In Spring 2014, Cintas discovered that its AEP meter was not functioning correctly, and that the meter was underreporting usage. Cintas notified AEP of the malfunctioning meter. Following notice from Cintas, AEP issued a bill to Cintas for \$66,000 for the past two years of underpayment. Cintas paid the \$66,000 under protest.

Cintas believes the \$66,000 bill is not correct. The AEP bill did not identify the number of units consumed by Cintas but instead calculated the bill based on the average of three high-usage months. This average did not account for months in the year when Cintas consumed substantially less electric. AEP's bill is not based on Cintas' logical use, but instead is a significant overestimate without any documentary support or calculations from AEP.

Cintas believes the proper bill should have been \$44,527.93, based on the following reasons:

- Average pounds of laundry processed per day at the Cintas facility from May 9, 2013 through April 8, 2014 was 62,100 lbs. (before the issue was identified to the utility).
- Average pounds processed per day at the Cintas facility from May 8, 2014 through December 9, 2014 was 63,700 lbs. (after the utility fixed the meter).
  - Total difference per day is 1,600 lbs., which would equate to an additional 4 loads of laundry per day and result in a minimal increased electric usage overall.
  - The omitted time frame of April 9, 2014 through May 7, 2014 as meter was repaired on April 26<sup>th</sup>
  - The overall poundage increase from the year before the meter was fixed was a 2.58% increase; meaning the Cintas facility used more electric after the meter was fixed.
- Knowing that the meter is 3 legs and only 2 were working Cintas estimates that the utility short billed it by 33%.
  - The average billed kWh from April 2012 through April 2014 was 55,943 kWh per month.
  - If all three legs were working this would equate to 74,404 kWh per month which is a difference of 18,461 kWh that would have been unbilled during the two year time-frame that the utility can legally go back.
  - Taking random months between April 2012 and April 2014, electric costs ranged from \$.094 to \$.107, therefore, taking the average of 18,461 kWh times the average of \$ .1005 times the 24 month look back, the actual amount AEP should have billed Cintas is \$44,527.93 and not the \$66,000 that was actually billed.

Based upon Cintas' documentation and the above calculations, the correct amount Cintas should have been billed is \$44,527.93. Cintas paid \$66,000 billed to it by AEP and asks the board to grant a refund of \$21,472.07.

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CINTAS CORPORATION	)	
	)	
COMPLAINANT	)	
V.	)	CASE NO.
	)	2015-00093
KENTUCKY POWER COMPANY	)	
	)	
DEFENDANT	)	

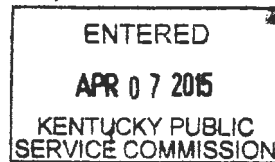
ORDER TO SATISFY OR ANSWER

Kentucky Power Company ("Kentucky Power") is hereby notified that it has been named as defendant in a formal complaint deemed filed on March 31, 2015, a copy of which is attached as the Appendix to this Order.

Pursuant to 807 KAR 5:001, Section 19, Kentucky Power is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within ten days of the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

By the Commission



ATTEST:

  
Executive Director

**KMK** | Keating Muething & Klekamp PLL  
ATTORNEYS AT LAW

SOPHIA R. JANNACE  
DIRECT DIAL: (513) 579-6592  
FACSIMILE: (513) 579-6457  
E-MAIL: SJANNACE@KMKLAW.COM

RECEIVED

April 8, 2015

APR 10 2015

**VIA REGULAR MAIL**

PUBLIC SERVICE  
COMMISSION

Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

Re: Cintas Corporation v. Kentucky Power Company, Case No. 2015-00093

Dear Mr. Derouen:

I write regarding the above-referenced matter. Recently, Cintas Corporation ("Cintas") and Kentucky Power Company ("Kentucky Power") were able to discuss this matter, and Cintas is satisfied that the matter has now been resolved. Accordingly, Cintas hereby requests that the above complaint be withdrawn.

We appreciate the assistance of the PSC in resolving this matter. Please contact me if you have any questions.

Sincerely,

KEATING MUETHING & KLEKAMP PLL

By: 

Sophia R. Jannace

SRJ:MCD

Cc: Kentucky Power Company  
Christopher J. Skufca  
Rob Szelesta  
Ranie Wohnhas





By the Commission

ENTERED  
**APR 23 2015**  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director