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January 10, 2019

Gwen R. Pinson  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

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JAN 10 2019

PUBLIC SERVICE  
COMMISSION

RE: **Case No. 2018-00426**

Dear Ms. Pinson:

Enclosed please find and accept for filing the original and six copies of Kentucky Power Company's responses to the Commission's December 27, 2018 data requests.

Please do not hesitate to contact me if you have any questions.

Very truly yours,



Mark R. Overstreet

MRO

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

Tariff Filing Of Kentucky Power Company )  
For Proposed Changes To Tariff Sheet 11-2; ) Case No. 2018-00426  
Tariff Sheet 12-1; And Tariff Sheet Tariff Sheet 37-6 )

Kentucky Power Company's Responses To  
The Commission's December 27, 2018 Data Requests

## **DATA REQUEST**

KPSC 1\_1

Explain why Kentucky Power is proposing to extend the expiration dates of the coal-related provisions of Tariff C.S. - Coal, Tariff C.S. - I.R.P., and Tariff- E.D.R.

## **RESPONSE**

Kentucky Power proposes to extend the expiration dates of the coal-related provisions of Tariff C.S. - Coal, Tariff C.S. - I.R.P., and Tariff- E.D.R. to further supplement its existing economic development efforts in its service territory.

These coal-related provisions are aimed at supporting the revitalization of the coal extraction and processing industry in the Company's service territory. In the past several months there have been several coal companies which have expressed interest in opening new mines and that also have shown interest in the coal-related provisions of Tariff C.S. - Coal, Tariff C.S. - I.R.P., and Tariff- E.D.R. With this continued interest, the Company believes it is appropriate to have these coal-related provisions available as an opportunity to improve the economic condition of the region.

Witness: Ranie K. Wohnhas

## **DATA REQUEST**

KPSC 1\_2

Provide the current balance of for the regulatory assets related to financial losses incurred in connection with Tariff C.S. - Coal, Tariff C.S. - I.R.P., and Tariff - E.D.R.

## **RESPONSE**

The Company currently has no customers on either Tariff C.S. - Coal or Tariff E.D.R. and thus no regulatory asset has been set up for any possible financial losses associated with these tariffs. On November 30, 2018 the Company filed an application requesting approval of a special contract between Kentucky Power and Big Run Power Producers pursuant to Kentucky Power's Tariff - E.D.R. The matter is pending.

For Tariff C.S. - I.R.P., the Company tracks the amount of credits paid against the amount of credits included in base rates. Any over recovery or under recovery is reflected in the annual Tariff P.P.A. rate calculation filing (filed in August and based upon 12 months ending June numbers, to be effective with October billing). Because the Company has the annual PPA filing which allows for the annual true up of the C.S.-I.R.P. credits, the Company does not set up a separate Tariff C.S. - I.R.P. regulatory asset deferral.

The total C.S.-I.R.P. credits for the five months ended November 30, 2018 is \$(203,537.13). The credits for the three coal company customers who have taken advantage of the special provisions under Tariff C.S. – I.R.P. for this same period is \$(196,015.21).

Witness: Ranie K. Wohnhas

