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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 Mark R. Overstreet (502) 209-1219 (502) 779-8349 FAX moverstreet@stites.com

RECEIVED

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.

Mark R. Overstreet

Very truly yours

MRO

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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JAN 10 2019

In the Matter of:

PUBLIC SERVICE COMMISSION

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.RP., 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).

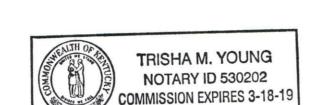
Witness:

Ranie K. Wohnhas

VERIFICATION

The undersigned, Ranie K. Wohnhas, being duly sworn, deposes and says he is the Managing Director of Regulatory & Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

| Ranie K. Wohnhas | |
|---|--|
| Commonwealth of Kentucky) Case No. 2018-00426 | |
| County of Boyd) | |
| | |
| Subscribed and sworn before me, a Notary Public, by Ranie K. Wohnhas this day of January, 2019. | |



My Commission Expires 3 - 18 - 19