

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
POWER COMPANY FOR (1) A GENERAL	)	
ADJUSTMENT OF ITS RATES FOR ELECTRIC	)	
SERVICE; (2) APPROVAL OF TARIFFS AND	)	CASE NO.
RIDERS; (3) APPROVAL OF CERTAIN	)	2025-00257
REGULATORY AND ACCOUNTING	)	
TREATMENTS; AND (4) ALL OTHER REQUIRED	)	
APPROVALS AND RELIEF	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO THE ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY, BY
AND THROUGH THE OFFICE OF RATE INTERVENTION AND KENTUCKY
INDUSTRIAL UTILITY CUSTOMERS, INC.

The Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General), and Kentucky Industrial Utility Customers, Inc. (KIUC) pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on December 8, 2025. The Commission directs the Attorney General and KIUC to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

Each response shall include the question to which the response is made and 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 the 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.

The Attorney General and KIUC shall make timely amendment to any prior response if the Attorney General or KIUC obtain information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which the Attorney General or KIUC fail or refuse to furnish all or part of the requested information, the Attorney General or KIUC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, the Attorney General and KIUC 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 Direct Testimony of Leah J. Wellborn (Wellborn Direct Testimony), page 6, lines 19–23. Refer also to Kentucky Power’s response to Commission Staff’s Second Request for Information, Item 93, Supplemental Attachments:

- “KPCO_SR_KPSC_2_93_SupplementalAttachment1.xlsx”
- “KPCO_SR_KPSC_2_93_SupplementalAttachment2.xlsx”.

a. Provide a side-by-side analysis of the proposed zero-intercept method and the minimum system method filed by Kentucky Power.

b. Explain whether the proposed zero-intercept method produces more reasonable results than the filed minimum system method.

2. Refer to the Wellborn Direct Testimony, page 12, line 16 through page 13, line 2. Explain if an adjustment to the tiered energy charge, as proposed by Kentucky Power, could balance the high customer charge and manage bill volatility for customers above 2,000 kWh per month.

3. Refer to the Wellborn Direct Testimony, page 15, lines 2–4.

a. Provide examples of additional tiers for the residential service charge that would mitigate the impact of the current 2,000 kWh threshold.

b. Provide the potential bill impacts on a seasonal basis for those additional tiers.

4. Refer to the Wellborn Direct Testimony, page 16, lines 13–15. Explain the potential impacts of auto-enrollment in the FlexPay program for a high-usage residential customer.

5. Refer to the Wellborn Direct Testimony, page 19, lines 1-4. Explain further how Kentucky Power could gradually adopt the proposed special charges.

6. Refer to the Direct Testimony of Randy A. Futral, (Futral Direct Testimony), pages 23–26. Explain the basis for the 12-year amortization period for the pension settlement recovery.

7. Refer to the Direct Testimony of Lane Kollen (Kollen Direct Testimony), page 48 at lines 13 through 16. Explain how setting Kentucky Power's storm expense to \$0 and deferring all storm restoration costs will incentivize Kentucky Power to mitigate those costs going forward.

8. Refer to the Direct Testimony of Richard A. Baudino (Baudino Direct Testimony).

a. Provide Application Exhibits RAB-2 through RAB-4 in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

b. Provide each of the Value Line Investment Survey company profile sheets supporting the return on equity analyses.

9. Refer to the Baudino Direct Testimony, page 35, lines 5–7. Explain, what spread of forecasted perpetual earnings growth rates for the electric utility industry, above the forecasted long-run nominal GDP growth, should be considered reasonable and sustainable over time.

10. Refer to the Baudino Direct Testimony, page 40, lines 12–19. Given that both the average and median growth rates in its analysis, confirm whether any values were excluded in the analyses for being too high or too low. If values were excluded as being outliers, explain and identify the values.

11. Refer to the Baudino Direct Testimony, page 43, lines 9–10. Explain the significance of the compound yearly growth rate for U.S. GDP from 1929 to 2024 and the historical compound growth rate for capital appreciation for the S&P 500 matching. Explain also the effect that this observation had in the consideration of the historical growth rate used in its analysis, if any.

12. Refer to the Baudino Direct Testimony, Exhibit RAB-3 which states that an S&P IQ growth rate was used in place of a missing Zack’s growth rate. Confirm that no other proxy values were used in the analysis. If not confirmed, identify each proxy value and its source.



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DATED NOV 25 2025

cc: Parties of Record

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