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Robert Cicero
Vice Chairman

Talina R. Mathews
Commissioner

January 31, 2018

PARTIES OF RECORD

Re: Case Nos. 2017-00179

Attached is a copy of a memorandum, which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum, please do so within five days of receipt of this letter.

If you have any questions, please contact Nancy J. Vinsel, Assistant General Counsel, at 502-782-2582.

Sincerely,

A handwritten signature in blue ink that reads "Gwen R. Pinson".

Gwen R. Pinson
Executive Director

njv

Attachments

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2017-00179

FROM: Nancy J. Vinsel, Staff Attorney *NJV*

DATE: January 31, 2018

RE: Informal Conference of January 23, 2018

Pursuant to an Order issued on January 22, 2018, an informal conference ("IC") was conducted on January 23, 2018. The IC was held at the request of Kentucky Power Company ("Kentucky Power") to discuss certain adjustments shown on Appendix F to the final Order entered January 18, 2018. An attendance sheet is attached.

Commission Staff explained the calculations used for adjustments in Appendix F to the January 18, 2018 Order. Kentucky Power contended that the Commission overstated the effect of the reduction in Kentucky Power's federal corporate income tax expense. Kentucky Power indicated that it will file a petition for rehearing on this issue.

Kentucky Power next explained that it believed the Commission made too large of an adjustment to Purchased Power Limitations W 26 and 27. Kentucky Power indicated that it will file a petition for rehearing on this issue.

Kentucky Power questioned the Tariff I.G.S. calculation. Kentucky Power stated that it was holding bills to avoid re-billing customers on Tariff I.G.S. Commission Staff acknowledged there was an inadvertent error in rate design and that the Commission would timely correct that rate by order.

In response to Kentucky Commercial Utility Customers, Inc.'s ("KCUC") concerns regarding how revenue was allocated, Commission Staff referred KCUC to page 50 of the January 18, 2018 Order, which set forth the revenue allocation.

In response to KCUC's question regarding weather normalization, Commission Staff acknowledged that the wording regarding an adjustment was ambiguous and that the Commission would revise that section to reflect that the Commission accepted the settlement adjustment for weather normalization and that an additional adjustment was not made.

There being no further discussion, the IC was then adjourned.

cc: Parties of Record

Attachment: Sign-in sheet

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) AN ORDER APPROVING ITS)	
2017 ENVIRONMENTAL COMPLIANCE PLAN;)	CASE NO.
(3) AN ORDER APPROVING ITS TARIFFS AND)	2017-00179
RIDERS; (4) AN ORDER APPROVING)	
ACCOUNTING PRACTICES TO ESTABLISH)	
REGULATORY ASSETS AND LIABILITIES;)	
AND (5) AN ORDER GRANTING ALL OTHER)	
REQUIRED APPROVALS AND RELIEF)	

January 23, 20178

Please sign in:

NAME	REPRESENTING
<u>Nancy Vinsel</u>	_____
<u>Mary Whitaker</u>	<u>PSC-FA</u>
<u>Todo Osterloh</u>	<u>KPCO</u>
<u>Katie Glass</u>	<u>Stiles & Harrison for KPCO</u>
<u>Amy Elliott</u>	<u>KPCO</u>
<u>Ken Gistel</u>	<u>Stiles & Harrison for KPCO</u>
<u>Alex Vaughan</u>	<u>KPCO</u>
<u>Mark R. Overstreet</u>	<u>Stiles & Harrison for Ky. P. Co.</u>
<u>Renee Wohrhaas</u>	<u>KPCO</u>
<u>Kent Chandler</u>	<u>Ky OAG</u>

NAME

REPRESENTING

Larry Cook

OAG

Mike Kurtz

KIUC

Quang Nguyen

PSC

RICHARD RAFF

PSC

Kyle Melloan

PSC

Andrew Bowker

PSC

NAME

REPRESENTING

Matt Baer

Carrie Harris

Mary Beth Purvis

Matt Malone

Randy Futral

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KSBA

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