

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
POWER COMPANY FOR (1) A CERTIFICATE OF	)	
PUBLIC CONVENIENCE AND NECESSITY	)	
AUTHORIZING THE DEPLOYMENT OF	)	CASE NO.
ADVANCED METERING INFRASTRUCTURE; (2)	)	2024-00344
REQUEST FOR ACCOUNTING TREATMENT;	)	
AND (3) ALL OTHER NECESSARY WAIVERS,	)	
APPROVALS, AND RELIEF	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO KENTUCKY POWER COMPANY

Kentucky Power Company (Kentucky Power), 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 20, 2024. The Commission directs Kentucky Power to the Commission's July 22, 2021, Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

---

<sup>1</sup> 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).

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.

Kentucky Power shall make timely amendment to any prior response if Kentucky Power obtains 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 Kentucky Power fails or refuses to furnish all or part of the requested information, Kentucky Power 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, Kentucky Power 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 Lerah M. Kahn (Kahn Direct Testimony), Figure LMK-1, page 6.

a. Explain why IT Infrastructure – Billing and IT Infrastructure – Backhaul could not be undertaken once Kentucky Power receives the final Order

authorizing the automated metering infrastructure (AMI) program or during the period when the meters are being ordered from the manufacturer.

b. Explain why Kentucky Power is waiting 9-12 months after receiving the final Order authorizing the AMI program to begin ordering the meters.

2. Refer to Kahn Direct Testimony, page 9 lines 12 and 21. Provide Exhibits LMK-1 and LMK-2 in excel spreadsheets with all cells visible and unprotected.

3. Refer to Kahn Direct Testimony, page 10, lines 5-6. Explain the design life or useful life of the chosen AMI meters.

4. Refer to Kahn Direct Testimony, page 11, lines 3-6. Explain whether the lone vendor has given any indication that it is going out of business or plans to stop refurbishing automated manual read (AMR) meters. If so, provide any documentation indicating same.

5. Refer to Kahn Direct Testimony, page 11, lines 16-19.

a. Once an AMR meter has been refurbished and placed back into service, explain its then current design life.

b. For a refurbished meter placed back into service, explain how Kentucky Power will depreciate that meter.

6. Refer to Kahn Direct Testimony, page 13, lines 2-9 and the Direct Testimony of Stephan D. Blankenship (Blankenship Direct Testimony), page 14, lines 9-16.

a. Provide a copy of the Request for Proposal (RFP) and the Request for Quote (RFQ).

b. Provide copies of Kentucky Power's evaluation of the RFP and RFQ, supporting the acceptance or rejection of any particular proposal or quote.

7. Refer to Kahn Direct Testimony, page 16, lines 21-24 and Blankenship Direct Testimony, page 5 lines 6-15, pages 10-13, and page 16, lines 1-9 and the Direct Testimony of Stevi N. Cobern (Cobern Direct Testimony), pages 8-10.

a. With respect to "ongoing support of analytics and data warehousing," provide a list of the data that can potentially be collected via the AMI meters, what programs or initiatives the data could or would be used to support, whether this full list of data collection capabilities will be initially programmed into each installed meter and, if not, what features Kentucky Power envisions will be initially programmed into the meters.

b. If the full suite of AMI meter data collection capabilities is not initially programmed into each installed meter, explain what the additional cost, if any, would be incurred to upgrade the meters' programming to collect additional data.

c. Explain whether the AMI meters will support electric vehicle (EV) charging (no separate meter), greater penetration of rooftop solar, demand response or other behind the meter energy saving measures.

8. Refer to Blankenship Direct Testimony, page 7, lines 3-8. Explain the current failure rate of the current AMR meters for the years 2021-2024, by month and by manufacturer.

9. Refer to Kahn Direct Testimony, page 21, lines 16-21.

a. Explain what is entailed in the inspection of the meter and service connection including how long a typical inspection is expected to take.

b. Considering that the meter is going to be pulled and an AMI meter installed, explain why the service technician could not inspect the service connection and existing meter to ensure that there was no fraudulent use prior to installing the new AMI meter.

10. Refer to Kahn Direct Testimony, page 22, lines 1-6. Explain whether Kentucky Power is aware of the Commission granting the waiver request for other utilities that have undertaken AMI meter replacements. If so, identify the utilities and associated case numbers.

11. Refer to the Kahn Direct Testimony, Exhibit LMK-1 .

a. Provide a breakdown of the individual components of Program Capital Costs and Avoided Capital Costs.

b. Provide a breakdown of the estimated new operating and maintenance (O&M) expenses and O&M savings, including what factors Kentucky Power used to forecast the amounts. Provide any supporting work papers in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

c. Explain Energy Cost Impacts, how the impacts are realized and how they are forecast.

d. Explain whether the cost to ratepayers of creating a regulatory asset was included in the cost benefit analysis. If it was not, explain why not.

12. Refer to Kahn Direct Testimony, Exhibit LMK-1. Refer also to the Blankenship Direct Testimony, pages 8-10.

a. Under the net present value (NPV) of Customer Impact, explain how benefits were calculated and forecast.

b. Provide the basis and support for the capital structure used in the four alternative analyses as compared to Kentucky Power's capital structure and return on equity approved in its last rate case. Include in the response the rationale for Kentucky Power assuming and projecting zero short term debt and 47.4 percent common equity.

c. Provide an update to Exhibit LMK-1 using the appropriate costs and capital structure approved in Kentucky Power's last rate case.

13. Refer to Blankenship Direct Testimony, page 7, lines 3-8.

a. Explain whether Kentucky Power's AMR meters are failing at the rate of approximately 3,000 per year.

b. Assuming the Commission grants Kentucky Power's request to install AMI meters, explain how the failed AMR meters will be replaced following the Commission's Order and when AMI meters will begin being installed.

c. Assuming the Commission grants Kentucky Power's request to install AMI meters, explain how the failed AMR meters will be replaced during the four-year period of actual AMI installation.

14. Refer to Kahn Direct Testimony, Figure LMK-1, page 6. Provide clarification for the following for each specified city (Ashland, Pikeville, and Hazard). State whether AMI meters will then be deployed in the remaining portions of each county outside the named city limits. If yes, identify when the deployment for each county would occur. If not, explain why not.

15. Confirm that Kentucky Power believes that installation in the named cities referenced in Figure LMK-1, page 6 is the most beneficial way to install the new AMI meters.

16. Refer to Kahn Direct Testimony, page 12. Based on the statements provided, explain how Kentucky Power will depreciate the new AMI meters.

17. State whether Kentucky Power intends to request approval for updated depreciation rates in its next base rate case.

18. For each alternative and the proposed project, state whether Kentucky Power would provide the labor for the replacements of the meters using existing personnel or if the labor will be contracted outside of the utility.



*For*

Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED DEC 10 2024

cc: Parties of Record

\*Hector Garcia  
Kentucky Power Company  
1645 Winchester Avenue  
Ashland, KY 41101

\*Harlee P. Havens  
Stites & Harbison  
250 West Main Street, Suite 2300  
Lexington, KENTUCKY 40507

\*Kentucky Power Company  
1645 Winchester Avenue  
Ashland, KY 41101

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

\*Katie M Glass  
Stites & Harbison  
421 West Main Street  
P. O. Box 634  
Frankfort, KENTUCKY 40602-0634