

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 RIDERS; (3) APPROVAL OF)	CASE NO.
ACCOUNTING PRACTICES TO ESTABLISH)	2020-00174
REGULATORY ASSETS AND LIABILITIES; (4))	
APPROVAL OF A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY; AND (5))	
ALL OTHER REQUIRED APPROVALS AND)	
RELIEF)	

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

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on or before March 31, 2021. The Commission directs Kentucky Power to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. 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 Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

Each response 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.

Kentucky Power shall make timely amendment to any prior response if Kentucky Power obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect 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 material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, Refer to 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 Kentucky Power's response to Commission Staff's Eighth Request for Information, Item 1, Attachment 1, which lists the customer invoiced costs of

distribution impact studies performed between 2016 to present. Provide the total cost for the Project 1 Distribution Impact Study.

2. Refer to Kentucky Power's response to Commission Staff's Ninth Request for Information (Staff's Ninth Request), Item 12. Provide the inventory unit cost for each size service line that is used to provide residential service.

3. Refer to Kentucky Power's response to Staff's Ninth Request, Item 15. For each type of distribution equipment that can be either installed overhead or underground, provide the installed unit cost for both types over the last five years. If annual data is not available, provide installed unit cost averages for each type of overhead and underground distribution equipment. Provide the response in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

4. Refer to Kentucky Power's response to Staff's Ninth Request, Item 19(a). Provide the date, time, costs allocated to the AEP transmission zone, and peak MWs for each 1CP over the most recent ten years for the AEP transmission zone for PJM LSE OATT charges. Provide the response in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

5. Refer to Kentucky Power's response to Staff's Ninth Request, Item 19(a). Provide the date, time, costs allocated to Kentucky Power and to all other AEP operating companies in accordance with the AEP Transmission Agreement, and peak MWs for each month (i.e., 12CP) over the most recent ten years. Provide the response in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

6. Refer to Kentucky Power's response to Staff's Ninth Request, Item 19, generally. Explain whether Kentucky Power has an incentive to lower AEP's 1CP. In

addition, explain all the programs, investments, and other approaches Kentucky Power has invested in over the last five years to lower the 1CP. Provide any performance metrics that Kentucky Power uses to evaluate its own performance for lowering the 1CP.

7. Refer to Kentucky Power's response to Staff's Ninth Request, Item 19, generally. Explain whether Kentucky Power has an incentive to lower its monthly transmission peaks. In addition, explain all the programs, investments, and other approaches that Kentucky Power has invested in over the last five years to lower the 12CP. Provide any performance metrics that Kentucky Power uses to evaluate its own performance to lower the 12CP.

8. Refer to the Direct Testimony of Alex E. Vaughan (Vaughan Direct Testimony), generally, and Kentucky Power's response to Kentucky Solar Industries Association, Inc.'s (KYSEIA) First Request for Information (KYSEIA's First Request), Item 2(c). Explain whether Kentucky Power determined if and how the implementation of IEEE 1547-2018 will impact: (a) the cost of reviewing interconnection applications, and (b) other distributed energy resource integration costs. If yes, please provide the study conducted and all associated workpapers.

9. Refer to the January 13, 2021 Order, page 101. Provide the ordered, revised Tariff Cogen/SPP "avoided capacity cost rate based on the zonal net CONE for the delivery years that have an established CONE at the time of the contract and the last known net CONE for the remainder of the term." Also provide the generation resource, plant type, and capital cost per kW of capacity upon which each net CONE is based. Provide all supporting workpapers and exhibits in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

10. Refer to Vaughan Direct Testimony, generally. Provide all analysis that Kentucky Power conducted on seasonal differentiation in developing Tariff NMS II rates.

11. Refer to Kentucky Power's response to Commission Staff's Fourth Request for Information (Staff's Fourth Request), Item 102, including KPCO_R_KPSC_4_102_ConfidentialAttachment1.

a. Define Kentucky Power's residual aggregate forward pricing and provide the source/reference in its entirety.

b. Provide both the underlying data and all workpapers for the confidential attachment in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

c. Explain in detail how Kentucky Power translated the underlying data into the values in the Peak, OffPeak, and ATC categories. Provide the workpapers with a narrative explaining your methodology.

d. Describe the steps detailed in the Rebuttal Testimony of Alex E. Vaughan (Vaughan Rebuttal Testimony), page 28, including whether the "value of locational transmission losses are included" in the residual load aggregate forward pricing data and how "the energy value is then grossed up for avoided primary distribution level losses." Provide the citation(s) where "the energy value is then grossed up" occurs in the workpapers.

e. Provide the most recent update of the residual aggregate forward pricing data available looking forward five years in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

f. Explain whether the data in KPCO_R_KPSC_5_18_Attachment1 represent Kentucky Power's residual load aggregate? If so, update that spreadsheet to include 2020 actual values for Kentucky Power's residual load aggregate.

g. For each of the above sub-questions, provide all associated workpapers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. For each workpaper, provide references for all inputs and, for cells that contain hardcoded numbers, provide the subsequent workpaper for the calculation. If no subsequent workpaper exists for an input or hardcoded cell, provide the origin of the number with a detailed explanation of its derivation.

12. Refer to Kentucky Power's response to the Joint Intervenors' Second Request for Information, Item 20, and to Case No. 2019-00443,² Kentucky Power's 2019 Integrated Resource Plan (IRP), generally. Provide all variable and fixed cost data that were used to calculate the cost of emission allowances in the IRP planning process, including associated workpapers and calculations, in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. Clearly indicate which emission product each cost represents, what generating source it pertains to, and what units it is measured in.

13. Refer to Kentucky Power's response to KYSEIA's First Request, Item 28, Confidential Attachment 1.

a. Provide the underlying workpapers and data for this summary table in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. Provide links or copies of all references used to support the workpapers.

² Case No. 2019-00443, *Electronic 2019 Integrated Resource Planning Report of Kentucky Power Company* (filed Dec. 20, 2019).

b. Describe the source and purpose for each of these costs including the regulation to which each is responsive. Explain how each cost category was calculated (ex: what portion of the total is based on fixed vs variable compliance costs and how those individual components are calculated). List all assumptions made in projecting these costs.

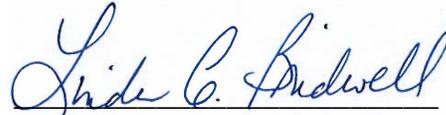
c. Provide Kentucky Power's environmental compliance costs for the past five years in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible, including all the detail requested in parts a and b of this question.

14. Refer to proposed TARIFF R.S. - T.O.D.2 (Experimental Residential Service Time-of-Day 2). Explain how Kentucky Power selected the on and off peak and seasonal time periods, and provide all underlying analysis and workpapers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

15. Refer to Vaughan Rebuttal Testimony, Exhibits AEV-R5 and AEV-R6. Provide all supporting workpapers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. For each workpaper, provide references for all inputs and, where cells contain numbers that are hardcoded, provide the subsequent workpaper for the calculation. If no subsequent workpaper exists for an input or hardcoded cell, provide the origin of the number with a detailed explanation of its derivation.

16. Refer to Vaughan Rebuttal Testimony, Exhibits AEV-R5 and AEV-R6 tab "Ancillaries." Provide the references for each data input and explain what time period each input was calculated over.

17. Refer to the Testimony of Joint Intervenors' Witness Karl R. Rábago, pages 17–18. Explain in detail why Kentucky Power did not conduct a forward-looking, long-term, incremental analysis in developing Tariff NMS II rates.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style and is positioned above a horizontal line.

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DATED MAR 24 2021

cc: Parties of Record

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