

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF KENTUCKY)	
POWER COMPANY FOR APPROVAL OF A)	CASE NO.
SPECIAL CONTRACT WITH EBON)	2022-00387
INTERNATIONAL, LLC)	

COMMISSION STAFF'S POST-HEARING 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 no later than July, 28, 2023. The Commission directs Kentucky Power 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.

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

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).

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 Kentucky Power's response to Commission Staff's First Request for Information (Staff's First Request), Item 4, Attachments 1 and 2. KRS 278.030(2) states in part that "[e]very utility shall furnish adequate, efficient and reasonable service." Per KRS 278.010(14), "Adequate service" means having sufficient capacity to meet the maximum estimated requirements. Provide an explanation and documentation of how

Kentucky Power's actions satisfies Kentucky Power's obligation to supply adequate service year round and not just during the PJM designated 5 Coincident Peak months.

2. Refer to Kentucky Power's response to Staff's First Request, Item 4.

a. Explain the differences between the two load forecasts and which of the forecasts the Commission should rely in this case.

b. The differences between the load forecasts in Attachments 1 and 2 do not equate to the load additions table in Attachment 1. Explain how the load additions were included in Attachment 2.

3. Refer to Kentucky Power's response to Staff's First Request, Item 11, and the Rebuttal Testimony of Lerah Kahn, Exhibit LKM-R-1. Kentucky Power stated that its analysis of Ebon's revenues without the floor price mechanism "produced a realized rate lower than the Company's estimate of the marginal cost to serve." However, the margin analysis that Kentucky Power provided does not forecast the use of the floor price bank. Explain what analysis results prompted Kentucky Power to negotiate the floor price mechanism.

4. Refer to the Rebuttal Testimony of Lerah Kahn, Exhibit LKM-R-1. Provide a revised Exhibit LKM-R-1 that includes a 10-5 percent inflation factor for transmission expenses and increase Tariff Purchase Power Adjustment (PPA) rates.

5. State whether Kentucky Power includes any penalty payments collected under Tariff Demand Response Service (DRS) through Tariff PPA, and if so, through which tariff element.

6. Refer to Kentucky Power's Response to Staff's First Request, Item 7, Attachment 1. Provide an update to Attachment 1 showing and explaining Kentucky

7. Power's experience reducing both summer and winter peaks through Tariff DRS for the previous three years. Include in the response the corresponding timing the AEP 1CP peak, the PJM 5 CP peaks and Kentucky Power's 12 monthly peaks.

8. State which American Electric Power entity owns the Big Sandy site.

9. For special contracts filed under Tariff Economic Development Rider (EDR) during the last five years, to help ensure that Kentucky Power's ratepayers are held harmless in the event of EDR customer contract default, explain whether Kentucky Power has required additional security beyond established tariff requirements, related to the provision that early termination of the special contract requires the reimbursement of demand discounts.

10. Explain how often Kentucky Power recalculates customer deposits and whether the calculation is based on historic or forecasted billings.

11. Refer to Kentucky Power's Tariff EDR, Sheet No. 37-1, Terms and Conditional, Section 1. Explain how Kentucky Power has historically implemented this provision of Tariff EDR. Include in the response how Kentucky Power determines when "sufficient generating capacity is not available" and the appropriate capacity purchase amount."



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DATED JUL 21 2023

cc: Parties of Record

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