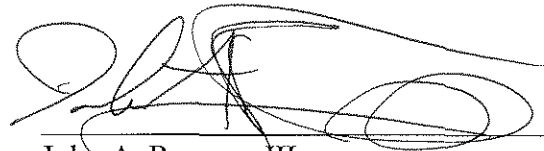


VERIFICATION

The undersigned, John A. Rogness III, being duly sworn, deposes and says he is the Director Regulatory Services for Kentucky Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his/her information, knowledge and belief.



John A. Rogness III

COMMONWEALTH OF KENTUCKY )  
COUNTY OF FRANKLIN )

) Case No. 2014-00396

Subscribed and sworn to before me, a Notary Public in and before said County and State, by John A. Rogness III, this the 4<sup>th</sup> day of March, 2015.

Judy K Resquist 481393  
Notary Public

My Commission Expires: January, 23, 2017

## **Kentucky Power Company**

### **REQUEST**

Refer to page 11 of the Rogness Testimony regarding the Annualization of Property Tax Expense.

- a. Provide a comparison of the actual property taxes paid on Kentucky Power's transmission and distribution operating property based on the assessments for calendar years 2013 and 2014.
- b. Provide a comparison of the property taxes paid on generation assets based on calendar year 2013 and 2014 assessments.
- c. Provide a reconciliation showing how Kentucky Power's test-year total property tax expenses were allocated among base rates and riders.

### **RESPONSE**

- a. & b. See [KPSC\\_2\\_49\\_Attachment1.xlsx](#)
- c. The total Company test year per books for real and personal property taxes was \$12,408,699 (Section V, Exhibit 1, Schedule 4, page 23 of 96, line 465). Of that amount, \$210,686 is included in the Company's proposed environmental surcharge revenue requirement, \$230,525 is included in the Company's proposed BS1OR revenue requirement and \$663,398 is included in the Company's proposed BSRR revenue requirement. The Kentucky retail jurisdictional share of the remaining \$11,304,090 plus on-going level adjustments is included in the Company's proposed base rates.

**Supplemental Response March 4, 2015**

- c. The total Company test year per books for real and personal property taxes was \$12,408,699 (Section V, Exhibit 1, Schedule 4, page 23 of 96, line 465). Of that amount, \$210,686 is included in the Company's proposed environmental surcharge revenue requirement, \$230,525 is included in the Company's proposed BS1OR revenue requirement and \$663,398 is included in the Company's proposed BSRR revenue requirement. \$12,110,288 of property tax expense is included in the Company's proposed jurisdictional cost of service.

**WITNESS:** John A Rogness