

Stephen L Sharp JR.

From: Jim Martin
Sent: Wednesday, October 22, 2014 2:52 PM
To: Alex E Vaughan
Cc: Kelly D Pearce
Subject: KPCO OSS forecast

This is the last forecast I saw for OSS at KPCo for 2015. \$31.6M which probably has BS2 in for 5 months. Have you seen a forecast without BS2? You had mentioned you had hoped my backcast wasn't too far from the rate year forecast. Do we need to do any work to compare forecast to backcast for the case?

From: Kelly D Pearce
Sent: Friday, October 10, 2014 2:38 PM
To: Jim Martin
Cc: Kevin L Amburgey
Subject: FW: Discuss KPCo Base Case OSS Adjustments - KPCO Current Forecast 2015-2017

Compare what you got from CP&B against this. Thanks!

From: William J Pascarella
Sent: Tuesday, October 07, 2014 9:32 AM
To: Alex E Vaughan; Kelly D Pearce; Philip J Nelson; Ranie K Wohnhas; Dick Quaintance
Cc: David M Roush; Shelli A Sloan; Steven E Molnar; Mark J Leskowitz
Subject: Discuss KPCo Base Case OSS Adjustments - KPCO Current Forecast 2015-2017

Hi,
I thought a starting point for your discussion might be the current forecast prepared for CP&B.
We assumed KPCO on June 1, 2015 reverts back to the previous sharing methodology.



The forecast shows both before and after sharing.
Excel row 39 shows margin **before** sharing.
Excel row 47 shows margin **after** sharing.

Let me know if our team can be of further assistance.
THANKS – Bill P. @200-6227

From: Steven E Molnar
Sent: Tuesday, October 07, 2014 8:43 AM
To: William J Pascarella
Subject: RE: Discuss KPCo Base Case OSS Adjutments

FYI -

Mark L. thought you might be able to provide some valuable insight into a methodology since you had done forecasts.

-----Original Appointment-----

From: Alex E Vaughan

Sent: Monday, October 06, 2014 3:22 PM

To: Alex E Vaughan; Kelly D Pearce; Philip J Nelson; Ranie K Wohnhas; Dick Quaintance

Cc: David M Roush; Shelli A Sloan; Steven E Molnar

Subject: Discuss KPCo Base Case OSS Adjustments

When: Wednesday, October 08, 2014 10:00 AM-11:00 AM (UTC-05:00) Eastern Time (US & Canada).

Where: 23C

We need to come to a consensus on how to best calculate the "normal" level of annual OSS margins KPCo can expect after Big Sandy 2 retires. Our test year obviously is going to be a little over-stated due to the Mitchell acquisition.

I think this group should be sufficient to come up with a solid method for adjusting KPCo's OSS margins.

Whatever we decide on, it needs to be understandable and "known and measurable" if we want it to stand a chance of being adopted by the Commission in the base case.

Call in info: 8-237-6338 or 1-877-253-4307 Passcode: 2002383

Thanks,
-Alex


Commercial Operations
TSF - Commercial & Financial Analysis

August 27, 2014

2015 Control Budget KPCO

Row
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Row
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Confidential Attachment 1 Redacted

KPSC Case No. 2014-00396
KUC's First Set of Data Requests
Item No. 66
Page 3 of 3