

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	
REASONABLENESS OF THE DEMAND SIDE)	CASE NO. 2017-00097
MANAGEMENT PROGRAMS AND RATES)	
OF KENTUCKY POWER COMPANY)	

**BEVERLY MAY, JIM WEBB, AND SIERRA CLUB’S RESPONSE TO KENTUCKY
POWER COMPANY’S MOTION TO AMEND NOVEMBER 2, 2017 ORDER**

Pursuant to Section 5(2) of the Commission’s Rules of Procedure, 807 KAR 5:001 § 5(2), Intervenor Beverly May, Jim Webb, and Sierra Club (collectively “Sierra Club”) respectfully submit this response to Kentucky Power Company’s (“KPC” or “the Company”) motion seeking in part to amend the Commission’s November 2, 2017 Order setting the Company’s rebuttal testimony deadline in this investigation (“KPC Motion”).¹

Sierra Club does not oppose a reasonable extension to afford KPC time to prepare rebuttal testimony in light of the upcoming rate case hearing. Sierra Club does, however, take issue with the length of the extension KPC requests. If granted, the Company’s request to extend the deadline by more than seven weeks—to February 2, 2018—would unduly delay this investigation and prolong the current suspension of DSM activity. For these reasons, Sierra Club partially opposes KPC’s request. Sierra Club would not oppose a reasonable extension—to January 5, 2018—to account for the pending rate case and holidays.

¹ This response does not focus on the other components of KPC’s December 4, 2017, filing—namely, KPC’s report and motion for rehearing. However, Sierra Club notes that it supports KPC’s request to clarify that the Company may continue to provide DSM services in 2018 in connection with the projects and rebate arrangements for the New Construction, Commercial Incentive Prescriptive Custom, and Whole House Efficiency programs that were pending at the time the Company suspended new program activity on November 3, 2017, and may continue to recover reasonable costs.

Pursuant to the current procedural schedule, Sierra Club filed testimony on November 22, 2017, and KPC's rebuttal testimony is due on December 13. The Company now requests an extension to February 2, 2018. KPC provides two reasons for this request. Neither justifies the proposed extension of more than seven weeks.

First, KPC states that the Commission's November 30, 2017 Order "fundamentally changes the Company's planned 2018 DSM program offerings" and, as a result, KPC needs more time to prepare its rebuttal testimony, assess the evidence available to support additional programs, and provide the Commission with information. KPC Motion at 7. In its November 30 Order, the Commission limited the Company's 2018 DSM programs to the Targeted Energy Efficiency program pending the result of this investigation. Nov. 30 Order at 4 (deferring a decision on 2018 DSM programs until the conclusion of this investigation); KPC Motion at 7 (The November 30 Order "limit[ed] the Company's 2018 DSM portfolio, *subject to further proceedings in this case*") (emphasis added). The Commission determined that a decision regarding KPC's 2018 DSM programs could not be made until the Company filed its rebuttal testimony. *Id.* at 3-4. While the Commission's Order is significant, it does not warrant a seven-week delay in filing rebuttal testimony. In fact, the November 30 Order underscores the importance of proceeding in an efficient manner in this investigation, which commenced in February 2017, so that the Commission can determine a path forward for 2018 programs.

Second, KPC states that hearings in its rate case start on December 6, 2017, and three of its witnesses in that case will be involved in preparing rebuttal testimony in this investigation. KPC Motion at 7. The hearing in KPC's rate case is scheduled to last for three days, through December 8, 2017. Sierra Club understands that it would be difficult for these witnesses to prepare rebuttal testimony for the investigation during the pendency of the hearing, and therefore

Sierra Club does not oppose a reasonable extension to account for the hearing. However, the Company's position that an extension until February 2 is needed, purportedly due to witness unavailability until after post-hearing briefs are filed in the rate case, is unreasonable, especially because delay prolongs the freeze on new program activity.

For the foregoing reasons, Sierra Club partially opposes KPC's request for an extension. Sierra Club opposes KPC's request to extend the rebuttal deadline to February 2, 2018. However, in light of the upcoming rate case hearing and holidays, Sierra Club would not oppose a reasonable extension to January 5, 2018.

Dated: December 6, 2017

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that the foregoing copy of the RESPONSE TO KENTUCKY POWER COMPANY'S MOTION TO AMEND NOVEMBER 2, 2017 ORDER in this action is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on December 6, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a copy of the filing in paper medium is being delivered to the Commission.



Joe F. Childers