

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

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|--|---|---------------------|
| Electronic Investigation Of The Reasonableness |) | |
| Of The Demand Side Management Programs And |) | Case No. 2017-00097 |
| Rates Of Kentucky Power Company |) | |

**RESPONSE OF KENTUCKY POWER COMPANY TO KENTUCKIANS
FOR THE COMMONWEALTH'S MOTION FOR ADDITIONAL TIME TO RESPOND AND
REPLY TO THE RESPONSE OF THE SIERRA CLUB**

For its reply to the Sierra Club's April 7, 2017 response to Kentucky Power Company's motion for interlocutory order, Kentucky Power states:

1. Kentucky Power's motion appries the Commission of the extent and immediacy of actions to be taken by Kentucky Power as part of the Company's administration of its DSM programs during the pendency of the Commission's investigation. In particular, Kentucky Power indicated that as part of the administration of its DSM portfolio Kentucky Power would be required to enter into contractual commitments that could continue after the probable date of an order in this case. The Company also informed the Commission that it would be required to make additional expenditures as part of Kentucky Power's ongoing administration of the programs.

2. Kentucky Power sought to apprise the Commission of the ongoing requirements of its existing DSM program in recognition of the atypical nature of a Commission-initiated investigation, as well as the Commission's determinations in the February 23, 2017 order initiating the investigation that "[c]onditions have materially changed since the stipulation

agreement was entered into...,”¹ that “the Commission must evaluate whether continuing the current programs and level of spending are reasonable and in the best interests of customers,”² and that “immediate action”³ was required.

3. Kentucky Power was clear throughout its motion⁴ of its intent to comply with the spending levels contained in the July 2, 2013 Stipulation and Settlement Agreement in Case No. 2012-00578, as modified by the Commission’s October 7, 2013 Order,⁵ unless and until the Commission entered an order to the contrary. Kentucky Power likewise indicated that it intended,⁶ absent an order from the Commission, to administer its DSM portfolio in conformity with expenditure requirements of the July 2, 2013 Stipulation and Settlement Agreement and the Commission’s October 7, 2013 order.

Wherefore, Kentucky Power Company respectfully requests that the Commission enter an Order with respect to the Company’s March 31, 2017 motion for an interlocutory order.

¹ Order, *In The Matter Of: Electronic Investigation Of The Reasonableness Of The Demand Side Management Programs And Rates Of Kentucky Power Company*, Case No. 20017-000097 at 6 (Ky. P.S.C. February 23, 2017).

² *Id.*

³ *Id.* at 3.

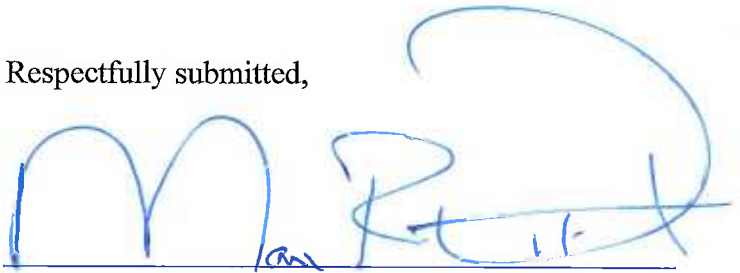
⁴ Motion Kentucky Power Company For An Interlocutory Order During The Pendency Of Investigation at ¶¶ 3, 4, 5.

⁵ Order, *In the Matter of: Application of Kentucky Power Company for (1) A Certificate of Public Convenience and Necessity Authorizing the Transfer to the Company of an Undivided Fifty Percent Interest in the Mitchell Generating Station and Associated Assets; (2) Approval of the Assumption by Kentucky Power Company of Certain Liabilities in Connection with the Transfer of the Mitchell Generating Station; (3) Declaratory Rulings; (4) Deferral of Costs Incurred in Connection with the Company’s Efforts to Meet Federal Clean Air Act Requirements; and (5) All Other Required Approvals and Relief*, Case No. 2012-00578 (Ky. P.S.C. October 7, 2013).

⁶ Motion Kentucky Power Company For An Interlocutory Order During The Pendency Of Investigation at ¶¶ 5, 6, 7.

This 13th day of April, 2017.

Respectfully submitted,



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