

Electronic Application Of Kentucky Power Company For A General Adjustment Of Its Rates
For Electric Service, Case No. 2017-00179
Initial Discovery Requests of KPC from KLC

QUESTION NO. 1
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Identify the KLC members who supported intervening in Case No. 2017-00179.

RESPONSE:

Objection, the information sought by the OAG is irrelevant and unrelated to the testimony offered by the KLC witnesses or any other current issue in the present proceeding. Notwithstanding the objection here, the KLC board of directors supported intervention in this case. The members of the board of directors are publicly available.

RESPONDING WITNESS: Robin Cooper

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QUESTION NO. 2

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Of the members identified in your response to question no. 1, above, provide copies of the resolutions passed by the city councils authorizing KLC to intervene on their behalf.

RESPONSE:

Objection, see response to #1.

RESPONDING WITNESS: Robin Cooper

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QUESTION NO. 3

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Provide the names, business mailing addresses and office telephone numbers of each mayor identified in your response to question number 1, above, who authorized intervening in Case No. 2017-00179.

RESPONSE:

Objection, see response to #1.

RESPONDING WITNESS: Robin Cooper

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QUESTION NO. 4

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Provide the names and business mailing addresses of the KLC officials who authorized the position set forth in KLC witness Pollock's testimony that residential class customers should be allocated a greater portion of Kentucky Power Company [KPCo]'s proposed revenue increase than KPCo itself proposes.

- a. Confirm that KLC witness Pollock advocates that KPCo residential customers should have an increase of 17.2%.
- b. Confirm that KPCo's cost allocation would have residential customers paying an increase of 15.03%.

RESPONSE:

Objection, see response to #1.

- a. Denied. KLC is not advocating for an increase in rates for residential customers, or any customer, but merely for a move towards cost based rates. As explained in Mr. Pollock's testimony, Mr. Pollock used KPCO's proposed revenue requirements for illustrative purposes only and is not an endorsement of KPCO's proposals. Thus, neither Mr. Pollock nor KLC are supporting KPCO's proposed base revenue increase, including the increase in residential rates. As an alternative to KPCO's proposed class revenue allocation, Mr. Pollock is proposing to move rates closer to cost. The increase required to move rates closer to cost will depend on the base revenue increase authorized by the Commission.
- b. Please see the response to part a.

RESPONDING WITNESS: Robin Cooper, Jeff Pollock

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QUESTION NO. 5

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State whether the KLC members identified in your response to question no. 1, above, are aware that KLC is advocating that KPCo residential customers should be paying more of an increase than KPCo proposes.

RESPONSE:

Objection. This question grossly misrepresents KLC's position. Also, to the extent this question seeks communications between attorney and client, the attorney/client privilege applies. Notwithstanding KLC's objection, please see KLC's response to Question 4.

RESPONDING WITNESS: Robin Cooper, Jeff Pollock

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QUESTION NO. 6

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State whether the KLC members identified in your response to question no. 1, above, approve that KPCo residential customers should be paying more of an increase than KPCo proposes.

RESPONSE:

See response to question 5.

RESPONDING WITNESS: Robin Cooper, Jeff Pollock

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QUESTION NO. 7

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Provide all workpapers and source documents supporting Jeffrey Pollock's testimony, exhibits, tables, and figures. Provide the requested documents in electronic spreadsheet form with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, provide the information in the form that most closely matches what has been requested.

RESPONSE

See attached.

RESPONDING WITNESS: Jeff Pollock

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QUESTION NO. 8

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Refer to page 13 lines 13 – 15 of the direct testimony of Jeffrey Pollock where he states “Overall, KPCO’s rates would move about 22% closer to cost. This is in stark contrast to KPCO’s proposed class revenue allocation, which would move rates only 5% closer to cost.”

- a. Provide a detailed explanation of why Mr. Pollock believes the movement of rates to closer to cost by 22 percent is the most appropriate revenue allocation.
- b. Explain whether Mr. Pollock conducted any bill impact analysis to the Residential class regarding his recommended revenue allocation approach.
- c. If the response to (c) is affirmative, provide a copy of the bill impact analysis.
- d. Provide all workpapers and source documents in electronic spreadsheet form with all links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, provide the information in the form that most closely matches what has been requested.

RESPONSE:

- a. As stated on pages 4-6 of Mr. Pollock’s testimony, cost-based rates are equitable, encourage conservation and efficiency and promote revenue and earnings stability. Mr. Pollock’s testimony supports the movement of rates to cost quicker than under KPCO’s proposed class revenue allocation, while remaining consistent with accepted gradualism principles.
- b. That analysis is outside the scope of his testimony.
- c. N/A.
- d. See Response to question 7.

RESPONDING WITNESS: Jeff Pollock