

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR (1) A GENERAL)	Case No.
ADJUSTMENT OF ITS RATES FOR ELECTRIC)	2017-00179
SERVICE; (2) AN ORDER APPROVING ITS)	
2017 ENVIRONMENTAL COMPLIANCE PLAN;))	
(3) AN ORDER APPROVING ITS TARIFFS AND))	
RIDERS; (4) AN ORDER APPROVING)	
ACCOUNTING PRACTICES TO ESTABLISH)	
REGULATORY ASSETS AND LIABILITIES;)	
AND (5) AN ORDER GRANTING ALL OTHER)	
REQUIRED APPROVALS AND RELIEF)	

KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION'S
RESPONSES TO KENTUCKY POWER COMPANY'S DATA REQUESTS

The Kentucky Cable Telecommunications Association hereby provides the following verified responses to Kentucky Power Company's Data Requests.

REQUEST 1. Please provide all schedules, tables, and charts included in the testimony and exhibits to the testimony of Ms. Kravtin in electronic format, with formulas intact and visible, and no pasted values.

RESPONSE 1. See KCTA_R_KPCO_1_1_Attachment 1 and KCTA_R_KPCO_1_1_Attachment 2 to this response, containing the files corresponding to Table 1 and Table 2, respectively of Ms. Kravtin's Direct Testimony, in their native electronic (xlsx) format. There is no corresponding native electronic format for Table 3, which was created within the testimony document, using inputs taken directly from KPCO Exhibit SLS-2 and Table 2 of Ms. Kravtin's Direct Testimony, and/or as calculated in Ms. Kravtin's workpapers provided in response to the following request. The calculations performed in Table 3 are identified within the body of the table to the left of the row label, using the applicable mathematical symbol corresponding to the mathematical operation being performed.

REQUEST 2. Please provide all workpapers, source documents, and electronic spreadsheets used in the development of the testimony of Ms. Kravtin. The requested information, if so available, should be provided in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE 2. See KCTA_R_KPCO_1_2_Attachments 1 through 4 to this response.

See KCTA_R_KPCO_1_2_Attachment 1 provides the workpaper supporting the respective two and three-party weights used in Tables 2 and 3 of Ms. Kravtin's Direct Testimony.

See KCTA_R_KPCO_1_2_Attachment 2 provides the workpaper supporting the two and three user cost benchmark relationship used in Table 3 of Ms. Kravtin's testimony.

See KCTA_R_KPCO_1_2_Attachment 3 provides the workpaper supporting the estimated Handy Whitman cost growth figure used in Table 2 of Ms. Kravtin's testimony.

See KCTA_R_KPCO_1_2_Attachment 4 provides the source data Ms. Kravtin used in the development of the Handy Whitman Index ("HWI") estimated cost growth figure used in Table 2 of Ms. Kravtin's testimony.

Ms. Kravtin also relied upon the source data and electronic spreadsheets provided by KPCO in response to KCTA Data Requests, including KPCO_R_KCTA_1_3_Attachment_1, KPCO_R_KCTA_1_4_Attachment 1, as well as information provided in other KPCO responses which are reproduced in Exhibit PDK-2 and Exhibit PDK-5. Source data pertaining to KU and LGE which Ms. Kravtin relies on in her testimony are also directly cited in her testimony and/or reproduced in Exhibit PDK-3 and Exhibit PDK-4 of her Direct Testimony.

REQUEST 3. Please refer to page 6, lines 2-5, of the testimony of Ms. Kravtin.

a. Please provide copies of the Handy Whitman Index cost index for the identified time period.

b. Please identify what states or regions comprise the Handy Whitman Index South Atlantic region.

RESPONSE 3. (a) See KCTA_R_KPCO_1_2_Attachment 4 provided in response to the preceding request.

(b) The Handy Whitman Index South Atlantic Region, as published by Whitman, Requardt, and Associates, LLP, 801 South Caroline Street, Baltimore, Maryland 21231; all rights reserved; is comprised of the following states:

Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia.

REQUEST 4. Please refer to page 16, lines 1-6, of the testimony of Ms. Kravtin. Please identify all instances where AEP intercompany service billing arrangements have affected pole costs that are inconsistent with the cost causation standards in the Commission's pole rate methodology.

RESPONSE 4. Ms. Kravtin has not performed, nor was it within the scope of her assignment in this case, to perform an analysis of AEP intercompany service billing arrangements. Indeed, the very point Ms. Kravtin is raising in the cited passage at page 16, lines 1-6 of her testimony is that it is not practically feasible for an attacher to have access to and review the various AEP intercompany service billings arrangements specifically as they pertain to and/or may have affected pole cost growth over the past decade. This additional limitation is cited by Ms. Kravtin as another reason why the Commission should look to objective measures of cost growth over the period since KPCO pole costs have been revisited, such as the cost growth and current pole cost levels of KPCO's peer utilities and the pole cost growth as estimated by the HWI.

REQUEST 5. Please refer to page 19, lines 5-7, of the testimony of Ms. Kravtin. Please identify all “subsequent KPSC rulings” where the Commission has required the use of a unified or composition pole attachment rate.

RESPONSE 5. The “subsequent KPSC rulings” referenced in the cited passage at page 19, lines 5-7 of Ms. Kravtin’s testimony are not referring to rulings where the Commission has “required the use of a unified or composite pole attachment rate,” but rather to the Commission’s body of rulings pertaining to pole attachment rates that are “consistent with the fair, just and reasonable standard set forth in Administrative Case No. 251.” The citation Ms. Kravtin provides in her testimony specifically concerning “the KPSC’s allowance of a composite rate” is to Admin. Case No. 251 at 16. This specific reference to Admin. Case No. 251 at 16, is found at page 19 of Ms. Kravtin’s Direct Testimony, in footnote 25 which appears immediately following the phrase “the KPSC’s allowance of a composite rate.”

REQUEST 6. Please refer to page 18, lines 22-23, and page 19, lines 1-2, of the testimony of Ms. Kravtin. Please identify all bases supporting the conclusions that the Commission-approved two-user rates were “excessively high.”

a. Please confirm that KCTA was a signatory to the Commission-approved Settlement Agreement in Case No. 2005-00341 that established the Company’s current two-user rates.

RESPONSE 6. The bases supporting the conclusions that KPCO’s current and proposed two party user rates are excessive are explained with specificity earlier in Ms. Kravtin’s testimony at pp. 11-15.

(a) It is Ms. Kravtin’s understanding the KCTA was a signatory to the referenced Settlement Agreement in Case No. 2005-00341, although she was not personally involved in that proceeding.

REQUEST 7. Please refer to page 19, lines 20-21, and page 20, line 1, of the testimony of Ms. Kravtin.

a. Please identify all of Kentucky Power's "peer Kentucky utilities" referenced therein.

b. Please identify all bases, beyond also being located in the Commonwealth of Kentucky, that the peer Kentucky utilities responsive to subpart (a) above have pole maintenance expenses similar to Kentucky Power.

RESPONSE 7. (a) As identified at pp. 12-14 of Ms. Kravtin's Direct Testimony, the peer Kentucky utilities that Ms. Kravtin is referring to in the cited passages are KU and LGE. While Ms. Kravtin is referring specifically to these particular utilities, based on Ms. Kravtin's over thirty years of experience dealing with pole cost matters, and the relative homogeneity of poles, the two and three user pole cost relationships present in the KU and LGE cost data is in Ms. Kravtin's opinion representative of what one would find to be the case generally among KPCO's utility peers.

(b) Ms. Kravtin's reference to KPCO's peer Kentucky utilities is in specific regard to the relationship between two and three user pole costs. See response to part (a) above. Ms. Kravtin has not opined in her testimony regarding the relationship in pole maintenance expenses between KPCO and KU, LG&E, or other utility peers. Ms. Kravtin's recommended pole rate of \$7.42 is based solely on KPCO specific capital and operating costs as calculated by KPCO and based on costs recorded on its own books of account. As described in her Direct Testimony at p. 18, and as shown in Table 3, Ms. Kravtin's recommended rate of \$7.42 is calculated using KPCO's own calculated 2016 net bare pole and carrying charge factor costs (which includes those related to pole maintenance expenses).

Respectfully submitted,

By /s/ Laurence J. Zielke

Laurence J. Zielke
Janice M. Theriot
Zielke Law Firm, PLLC
1250 Meidinger Tower
462 South 4th Street
Louisville, KY 40202
(502) 589-4600
Lzielke@zielkefirm.com
jtheriot@zielkefirm.com

**ATTORNEYS FOR THE KENTUCKY CABLE
TELECOMMUNICATIONS ASSOCIATION**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing Kentucky Cable Telecommunications Association's Responses to Kentucky Power's Data Requests has been served on all parties of record electronically on this the 27th day of October 2017.

/s/ Janice M. Theriot
Janice M. Theriot