

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

**IN THE MATTER OF:**

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


**RESPONSES OF**  
**WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.**  
**TO**  
**ATTORNEY GENERAL'S**  
**DATA REQUESTS**  
**DATED OCTOBER 17, 2017**

**FILED: OCTOBER 25, 2017**


VERIFICATION

STATE OF ARKANSAS )  
 ) SS:  
COUNTY OF BENTON )

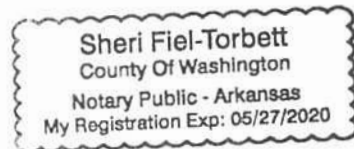
The undersigned, Gregory W. Tillman, being duly sworn, deposes and says that he is Senior Manager, Energy Regulatory Analysis for Wal-Mart Stores, Inc., and that he has personal knowledge of the matters set forth in the foregoing Responses, and that the answers contained herein is true and correct to the best of his information, knowledge, and belief.

  
\_\_\_\_\_  
Gregory W. Tillman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25<sup>th</sup> day of October 2017.

  
\_\_\_\_\_  
Notary Public (SEAL)

My Commission Expires: 5.27.2020



**WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.**

**CASE NO. 2017-00179**

**Response to Attorney General's  
Data Requests  
Dated October 17, 2017**

**Question No. 1**

**Responding Witness: Gregory W. Tillman**

1. Provide all workpapers and source documents supporting Witness Greg W. Tillman'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:**

Please see the attached Excel files: "KPCO\_2017-00179\_Tillman\_Exhibit GWT-2.xlsx"; "KPCO\_2017-00179\_Tillman\_Exhibit GWT-3.xlsx"; and "KPCO\_2017-00179\_Tillman\_Exhibit GWT-4.xlsx".

**WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.**

**CASE NO. 2017-00179**

**Response to Attorney General's  
Data Requests  
Dated October 17, 2017**

**Question No. 2**

**Responding Witness: Gregory W. Tillman**

2. Refer to page 18 lines 1 – 12 of the direct testimony of Greg W. Tillman where he discusses his proposed revenue allocation.
  - a. Explain if a 5 percent reduction in class subsidies would still apply under Witness Tillman's proposed revenue allocation.
  - b. Explain whether Mr. Tillman conducted any bill impact analysis to the Residential class regarding his recommended revenue allocation approach.
  - c. If the response to (c) is affirmative, please 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. Yes, the 5 percent reduction in class subsidies continues to apply since the Walmart proposed revenue allocation has, as its starting point, the Company's proposed revenue allocation which specifically created the 5 percent reduction in the current subsidy.

The Walmart proposal further reduces the subsidy by applying one-half of any reduction to the Company's request to the subsidizing classes (those classes with a Relative Rate of Return ("RROR") greater than 100 percent) proportionate to the level of subsidy as measured by the RROR for which each subsidizing class is currently responsible.

The remaining half of the reduction serves to reduce the proposed revenue increase for all classes proportionate to the Company's proposed revenue increase to each class.

- b. Mr. Tillman did not conduct a bill impact analysis to the residential class.

Under the Walmart proposal, the impact to the residential class will be reduced by the proportionate share, based on the Company's proposed revenue increase, of one-half (1/2) of any authorized revenue requirement reduction from the Company's proposed revenue increase. The Company's proposed share of the revenue increase to the residential class is about 57 percent (\$34.5 million of \$60.4 million). Therefore, under the Walmart proposal, about 28.5 percent (one-half of 57 percent) of the resulting reduction in revenue would be used to reduce the impact to the residential class.

- c. A bill impact analysis was not conducted.
- d. A bill impact analysis was not conducted.

## CERTIFICATE OF SERVICE

I hereby certify that Walmart's October 25, 2017, electronic filing is a true and accurate copy of the Wal-Mart Stores East, LP and Sam's East, Inc.'s Responses (with Verification) to the Attorney General's Data Requests to be filed in paper medium; and that on October 25, 2017, the electronic filing has been transmitted to the Commission, and that an original and one copy of these documents will be delivered to the Commission, that no participants have been excused from electronic filing at this time, and served upon the following via Electronic Mail:

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Certificate of Service  
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