

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

In the matter of: : CASE NO. 2017-00179

ELECTRONIC APPLICATION OF KENTUCKY :
POWER COMPANY FOR (1) A GENERAL :
ADJUSTMENT OF ITS RATES FOR ELECTRIC :
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 SCHOOL BOARDS ASSOCIATION’S FIRST REQUEST FOR
INFORMATION**

The Kentucky School Boards Association (KSBA), by counsel, respectfully requests Kentucky Power Company, to respond to the First Request of Information in accordance with the Order of Procedure entered herein.

Additional Instructions

- A. Each request for information shall be accorded a separate answer on a separate piece of paper, and each subpart thereof shall be accorded a separate answer. Each request or subpart thereof shall be specifically admitted or denied, and information inquiries or subparts thereof should not be combined for the purpose of supplying a common answer.
- B. Restate the information inquiry immediately preceding each response.
- C. Identify the name, title, and business address of each person(s) providing each response and provide the data on which the response was created.

D. In answering these requests, utilize all information and documents that are available to you, including information in the possession of any of your agents, employees or attorneys, or otherwise subject to your custody or control.

E. If you object to any part of a request, answer all parts of such interrogatories or requests to which you do not object, and as to each part to which you do object, separately set forth the specific basis for the objection.

F. If you claim any form of privilege or other protection from disclosure as a ground for withholding information responsive to a request, please explain your claim with sufficient specificity to permit KSBA to make a full determination as to whether your claim is valid.

G. In each instance, the request shall be construed so as to require the most inclusive answer or production.

H. Please attach written material to any answer for which written material is requested and/or available. If such written material is not available, state where it may be obtained. Please label the written material with the number of the request to which it pertains.

Definitions

As used in these Requests for Information, the following terms have the meaning as set forth below:

1. "You" or "your" means Kentucky Power Company or the witness, as the context requires.

2. "List", "describe", "explain", "specify" or "state" shall mean to set forth fully, in detail, and unambiguously each and every fact of which Kentucky Power Company or its officers, employees, agents or representatives, have knowledge which is relevant to the answer called for by the request.

3. The terms "document" or "documents" as used herein shall have the same meaning and scope as in Rule 34 of the Kentucky Rules of Civil Procedure and shall include, without limitation, any writings and documentary material of any kind whatsoever, both originals and copies (regardless of origin and whether or not including additional writing thereon or attached thereto), and any and all drafts, preliminary versions, alterations, modifications, revisions, changes and written comments of and concerning such material, including but not limited to: correspondence, letters, memoranda, notes, reports, directions, studies, investigations, questionnaires and surveys, inspections, permits, citizen complaints, papers, files, books, manuals, instructions, records, pamphlets, forms, contracts, contract amendments or supplements, contract offers, tenders, acceptances, counteroffers or negotiating agreements, notices, confirmations, telegrams, communications sent or received, print-outs, diary entries, calendars, tables, compilations, tabulations, charts, graphs, maps, recommendations, ledgers, accounts, worksheets, photographs, tape recordings, movie pictures, videotapes, transcripts, logs, work papers, minutes, summaries, notations and records of any sort (printed, recorded or otherwise) of any oral communication whether sent or received or neither, and other written records or recordings, in whatever form, stored or contained in or on whatever medium including computerized or digital memory or magnetic media that:

- (a) are now or were formerly in your possession, custody or control; or
- (b) are known or believed to be responsive to these requests, regardless of who has or formerly had custody, possession or control.

4. The terms "identify" and "identity" when used with respect to an entity mean to state its full name and the address of its principal place of business.

5. The term to "state the basis" for an allegation, contention, conclusion, position or answer means (a) to identify and specify the sources therefore, and (b) to identify and specify all facts on which you rely or intend to rely in support of the allegation, contention, conclusion, position or answer, and (c) to set forth and explain the nature and application to the relevant facts of all pertinent legal theories upon which you rely for your knowledge, information and/or belief that there are good grounds to support such allegation, contention, conclusion, position or answer.

6. The terms "and" and "or" have both conjunctive and disjunctive meanings as necessary to bring within the scope of the request any information or documents that might otherwise be construed to be outside their scope; "all" and "any" mean both "each" and "every".

7. The terms "relates to" or "relating to" mean referring to, concerning, responding to, containing, regarding, discussing, describing, reflecting, analyzing, constituting, disclosing, embodying, defining, stating, explaining, summarizing, or in any way pertaining to.

8. The term "including" means "including, but not limited to."

9. The term "warranty company" means any company, individual, entity or other organization that engages in the business of providing or arranging for services on utility lines, including but not limited to gas, electric, water or sewer in a consumers home, apartment or other place of abode.

FIRST REQUEST FOR INFORMATION OF KSBA

School Load Research

1. With regard to the "added 30 load research meters to K-12 Public School Service tariff accounts" referred to at page 23 of Vaughan Testimony please provide:
 - a. Please provide the name, address and account number for each of the school accounts. (account numbers are respectfully requested to be provided separately to counsel for KSBA)

- b. Please provide how the accounts were selected including any statistical analysis and justification.
 - c. Please provide when the load research meters were installed.
 - d. Please provide the name, address and account number for any other P-12 accounts where similar meters exist.
 - e. Please confirm the data presented in “Tab LR 8760 Loads” in KPCO_R_KPSC_1_73_Attachment50_PS_Sec is the average hourly loads for the 30 meters. If not, please fully explain what the presented data represents.
 - f. Please provide the hourly data for each of the 30 load research accounts in the same format as presented in KPCO_R_KPSC_1_73_Attachment50_PS_Sec.
 - g. Please provide the hourly data for “other” P-12 school account in the same format as presented in KPCO_R_KPSC_1_73_Attachment50_PS_Sec.
 - h. Please provide all work papers, reports, analysis and any other documentation relating to 30 load research meters and any additionally P-12 school accounts similarly metered.
2. With regard to the load data presented in KPCO_R_KPSC_1_73_Attachment41_LGS_Sec please provide all work papers, reports, analysis and any other documentation relied on to prepare the attachment.

Cost of Service

3. Please provide a copy of the loss study used in developing the allocators used in preparing KPCO_R_KPSC_1_73_Attachment35_KPSC_CCOS__-__Test_Year_2017__-__DRB__-__FINAL__-__KPSC_DR_1-73

Weather Normalization

4. With regard to the Weather Normalization Adjustment presented by Witness Vaughan:
- a. Please provide the detail of the calculations in developing Section V- Application Exhibit 2 page 16 of 60.
 - b. Please provide all work papers and documentation used including data provided by the Company’s Economic Forecasting Group.
 - c. Please provide all studies that support Witness Vaughan’s statement that residential customers “have the highest correlation of energy to weather”.
 - i. Please provide the correlation statistics for residential and other customers on which he based his statement.
 - ii. Please provide copies of any Appliance – End Use Saturation Studies performed by KPC and confirm whether Witness Vaughan relied on the Studies in reaching his conclusion.
5. Please provide by SIC Code the number of customers served on Rate LGS.
6. Please describe the Company’s plans for the Carrs future generator site?

7. Please state where the PSC has the authority to make the KPC recommended PPA and FAC inclusions.
8. Witness Hall states at page four of his testimony “[t]he region the Company serves has seen a downturn in economic activity since 2008. This economic downturn is widespread, but has been primarily driven by a decrease in coal and steel production in the region.”

Please provide a list describing each cost cutting measure the Company has undertaken since 2008 and the achieved cost reduction.

9. Exhibit G – 11 shows the Company’s reserve margin increasing to 27 percent in 2020. Please describe the reason for the loss of peak load and plans the Company has for mitigating the impact on native load customers.

Bill Format Changes

10. Please provide the number of commercial and industrial customers from each rate class that participated in the “Community Advisory Panels and other customer outreach workshops” described by Witness Sharp in his PSC Case No. 2017-00231.
11. Please explain how non-residential customers can audit their bills without having access to individual base rate charges and breakout of individual riders.
12. Under the proposed bill format please explain how a customer will know when a tariff minimum is applied.
13. Please provide the cost if the AEP system wide new bill format initiation is delayed until the Commission issues a final Order in this proceeding.
14. Is AEP seeking approval for the proposed bill format changes in other states where service is provided. If yes, please provide the date(s) approval has been granted or is expected.
15. Please provide a copy of the Rockport UPA and the FERC Order approving the 12.16 percent ROE referred to in the testimony of Witness Elliott.
16. Please describe all actions the Company has taken or plans to take to bring the Rockport ROE in line with current conditions.
17. Please provide the revenue requirement impact of bringing the Rockport ROE to the Company’s request of 10.31 percent in this proceeding.
18. With regard to Witness Rogness’s recommendation to include “PJM Billing Line Items” in the Company’s FAC:

- a. Please provide any cost benefit analysis performed comparing the FAC administration cost increase to the change in the FAC under/over recovery.
 - b. Please provide Witness Rogness Table 2 for 2012 thru 2015.
19. With regard to Witness Vaughan's recommendations to include additional cost of service items in the Company's Tariff PPA:
- a. Please provide the Company's best estimate of the customer impact of PJM investment increases referred to at page 27 of Witness Vaughan's testimony.
 - b. Please provide the current ROE in the AEP Zone formula rate referenced at page 28 of the Vaughan testimony.
 - c. Please provide the proposed ROE in the AEP Zone formula rate under consideration in FERC Docket EL17-13.
 - d. Please provide the expected impact on KPC customers of the pending settlement in FERC Docket EL02-121.
20. Please explain why the adjusted test year Kentucky retail jurisdictional total of net PJM LSE OATT charges has grown to \$74,377,364 from \$53,779,456 in Case No. 2014-00396.
21. Please provide all detail work papers used in the development of Adjustment 28 by Witness Vaughan.

Respectfully submitted,

/s/Matt Malone

Matthew R. Malone
William H. May, III.
Hurt, Deckard & May PLLC
127 West Main Street
Lexington, Kentucky 40507
(859) 254-0000 (office)
(859) 254-4763 (facsimile)
mmalone@hdmfirm.com
bmay@hdmfirm.com

Counsel for the Petitioner,
KENTUCKY SCHOOL BOARDS ASSOCIATION

CERTIFICATE OF SERVICE

It is hereby certified, this the 14th day of August, 2017, that the attached First Request for Information of KSBA is a true and correct copy of the document being filed in paper medium; that the electronic filing has been transmitted to the Commission on August 14, 2017; that there are currently no parties that have been excused from participation by electronic service; that an original and six copies of this document are being mailed to the Commission on August 14, 2017; and that an electronic notification of the electronic filing will be provided to all counsel listed on the Commission's service list in this proceeding.

/s/Matt Malone

ATTORNEY FOR KSBA