COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

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 a Regulatory Asset or Liability Related to the Big Sandy 1 Operation Rider; and (5) An Order Granting All Other Required Approvals and Relief	)	CASE No. 2017-00179

ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Initial Data Requests to Kentucky Power Co. [hereinafter "KPCo"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Identify the witness who will be prepared to answer questions concerning each request.

(3) Repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for KPCo with an electronic version of these questions, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of

these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words ''document'' or ''documents'' are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or

notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

Respectfully submitted,

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Certificate of Service and Filing

Counsel certifies that the foregoing is a true and accurate copy of the same document being filed in paper medium with the Commission within two business days; that the electronic filing has been transmitted to the Commission on Aug. 15, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 14th day of August, 2017.

Assistant Attorney General

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1. Reference the Kentucky Public Service Commission ["Commission"]'s deficiency letter in this docket dated July 6, 2017. Confirm that shareholders will pay all costs associated with issuing the revised public notice.

2. Regarding the Rockport station and the Unit Power Agreement ("UPA"), confirm the following:

   a. Rockport Unit 1 is owned by KPCo affiliates Indiana Michigan Power Co. ("I&M") and AEP Generating Company ("AEG");

   b. Rockport Unit 2 is owned by Wilmington Trust Co., which leases an undivided 50% share of Unit 2 to I&M, and an undivided 50% share to AEG;

   c. Under the terms of the UPA, KPCo is entitled to 30% of the output of AEG's share in the Rockport Units;

   d. Under the terms of the New Source Review Consent Decree ("Consent Decree," as modified by four Modifications to the Consent Decree) that KPCo and other American Electric Power ("AEP") operating companies entered into with the U.S. Department of Justice, among others, and as more fully described in: (i) the McManus testimony at p. 3 and Exhibit JMM-1 attached thereto in Case No. 2017-00179; and (ii) ECP Plan Project 19, KPCo will be required to pay its proportionate share of the costs of installing Selective Catalytic Reduction ("SCR") technology at Rockport Unit 1;

   e. the Rockport UPA expires in 2022;

   f. Under the terms of the Consent Decree, Rockport Unit 2 will require approximately $1.4 billion in new pollution controls by 2028;

   g. I&M's 2015 IRP filing calls for renewing the Rockport lease, and adding SCR technology in 2019, and FGD systems in 2025 and 2028;[1]

   h. In April, 2017 the U.S. Sixth Circuit Court of Appeals issued a ruling [2] ("Appellate Court Ruling") holding that AEG will be responsible for

[1] Indiana Michigan Power Co. Integrated Resource Planning Public Summary, p. 5, accessible at: https://indianamichiganpower.com/global/utilities/lib/docs/info/projects/IntegratedResourcePlan/2015%20I&M%20IRP%20Public%20Summary.pdf

[2] *Wilmington Trust Co. et al. v. AEP Generating Co. et al.*, U.S. Court of Appeals, Sixth Cir., Case No. 16-3496, Amended Opinion Dated June 8, 2017.

the costs of installing an FGD at Rockport Unit 2 estimated to cost $1.4 billion;[3]

i. The Appellate Court Ruling stated, *inter alia*, that the EPA initiated and ultimately settled ". . . enforcement litigation against various AEP affiliates for alleged Clean Air Act violations at other coal-burning power plants. But it did not do so with respect to Rockport 2. Rather, having made no allegations regarding the owners' plant, the EPA gained the ability to impose the scrubber requirement only by virtue of the consent decree agreed to by its lessees—one whereby *AEP traded away Rockport 2's long-term value in exchange for a more favorable settlement of claims against their other interests*." [4]

j. Neither the Kentucky Public Service Commission nor the Kentucky Office of the Attorney General were parties to the cases in which the Consent Decree and the four modifications thereto were formulated and approved.

k. On or about July 21, 2017, KPCo and certain of its affiliates filed a motion in the U.S. District Court for the Southern District of Ohio (Eastern Division; hereinafter: "U.S. District Court Motion") [5] seeking a fifth Modification to the Consent Decree;

l. The U.S. District Court Motion states, *inter alia*, at pp. ii-iii, "The Modification seeks to remedy the uncertainty that currently surrounds AEP's rights with respect to Rockport Unit 2 by removing commitments for future pollution control installations (specifically the obligations to install a selective catalytic reduction system ("SCR") by the end of 2019 and a high-efficiency flue gas desulfurization system ("FGD") by the end of 2028) at that Unit and instead committing AEP to one of two alternative courses of action with respect to the Rockport Units";

m. The U.S. District Court Motion states, *inter alia*, at p. 17 that ". . . given the ongoing dispute with the Lessors concerning the terms of the [Rockport Unit 2] Lease, AEP does not currently plan on extending the term of the Lease, which will terminate in 2022";

n. The U.S. District Court Motion states, *inter alia*, at p. 18 that ". . . AEP proposes modifying the Consent Decree as follows. . . (1) remove the requirements for additional control installations at Rockport Unit 2 (the SCR and the high-efficiency FGD); (2) memorialize AEP's commitment to seek any appropriate state

[3] Id., p. 4.
[4] Id., p. 8 [emphasis added].
[5] Consolidated Case Nos. C2-99-1182 and C2-99-1250.

regulatory approvals to replace Rockport Unit 2's capacity and energy, including but not limited to actions related to the Rockport Unit 2 Lease. . . . ";

o. In the instant case, KPCo seeks approval of its Fifth Amended Environmental Compliance Plan, which includes, *inter alia*, Project 19 regarding the installation of a selective catalytic converter (SCR) at Rockport Unit 1;

p. The construction of the Rockport Unit 1 SCR is required by the Consent Decree;

q. KPCo and its affiliates are not seeking to delay or negate the construction of the Rockport Unit 1 SCR in their U.S. District Court Motion;

r. The return on equity applicable to construction of the Rockport Unit 1 SCR is 12.16%.

3. Reference the Phillips testimony, p. 40. Provide the cost estimate for Task 3 (maintenance re-clearing) as set forth in the 2015 Distribution Vegetation Management Plan, both in terms of total cost and cost per mile.

    a. Provide the total revised cost for Task 3 which the company is seeking to recover in the instant application.

4. Reference the Phillips testimony, pp. 53-54. Confirm that in January 2018, KPCo intends to reduce base rates applicable to tariff classes with primary and secondary service offerings. If confirmed:

    a. State the method by which KPCo intends to reduce base rates for these classes;

    b. Provide the amount of the reduction for each affected tariff class;

    c. Provide an estimated amount of rate reduction for the average residential customer;

    d. In the same proceeding by which KPCo intends to reduce base rates for these classes, state whether the company will also address the regulatory asset or liability resulting from the termination of the Big Sandy Unit 1 Operation Rider.

5. Reference the Sharp testimony beginning at p. 11.

a. Provide the number of residential customers currently participating in the budget payment plan.

b. Of those customers identified in subpart a., above, state how many customers receive LIHEAP assistance.

c. Will the residential customers identified in subpart b., above, still be able to utilize LIHEAP assistance to pay their KPCo bills during the January through March period based on the proposed changes to the budget payment plan? Discuss in detail.

6. Reference the Sharp testimony, p. 19, lines 10-17.

    a. Confirm that the proposed change to the right to refuse or discontinue service when a customer or any member of the customer's household is indebted to the company, will apply only during the time that the debt is in arrears.

7. Provide any and all workpapers not already filed of record that KPCo used to produce the schedules in the Company's filing, testimony exhibits, and Filing Requirements. To the extent they are in Excel (or similar spreadsheet program), provide such workpapers electronically, with formulas and calculations intact.

8. Provide the Excel files not already filed of record, with formulas and calculations intact that were used to produce the Company's filing, testimony, exhibits, studies and workpapers.

9. For each KPCo witness that filed testimony, provide a complete set of workpapers and calculations not already filed of record supporting the witness's testimony and exhibits. Provide all such documents in their native format (e.g., Word, Excel, etc.).

10. For each KPCo witness that filed testimony, identify all documents relied upon by the witness, and provide a copy of all such documents.

11. For each KPCo witness filing testimony, provide the testimony electronically in native format (e.g., Word).

12. Provide all analyses prepared by or for the Company that compares its present or proposed rates to other electric distribution companies. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

13. Using data regarding the average level of consumption for the residential class, provide:
    a. How Kentucky Power residential customers rank in electricity prices compared to the national average residential customer.
    b. The most recent comparison of residential bills of KPCo, Duke Energy (Kentucky), Louisville Gas & Electric Co., and Kentucky Utilities, displayed in $/month, based on 1,000 kWh consumption per month, as provided in the format set forth in KPCo's response to AG 1-2 in Case No. 2013-00197, Attachment 1, p. 57 of 158.
    c. How Kentucky Power customers rank in electricity prices in comparison to non-investor owned electricity providers in the state of Kentucky, including TVA.

14. Will the Company continue to fund the KPCo Economic Advancement Program ("EAP") through shareholder funds? If not, explain fully why not.

15. Reference KPCo's Application generally. Provide the rationale and justification for applying a large bulk of the rate increase upon the customer charge instead of upon the usage charge.
    a. Does the Company admit that by placing a large percentage of the rate increase upon the customer charge it will deprive its customers of the monetary incentive for conserving energy through less usage?
    b. Identify what incentives residential customers will have to conserve energy if the Company's requested rate design is approved.
    c. Does the Company acknowledge that many, if not most of its residential members would prefer to retain the ability to control the amount of the bill they owe, and that many are likely to view the company's proposal to place a large majority of the proposed increase on the monthly customer charge as an attempt to eliminate their ability to control the amount of their bill? Cite all studies the Company has conducted of its own ratepayer base to support the Company's decision to seek the proposed rate design in the instant case, and provide copies of same.

16. Provide copies of all studies that the Company has conducted addressing the impact that the proposed rate design will have on the elderly, low income, fixed income and home

bound segments of its ratepayer base. Provide detailed information for each specified group.

17. Has the Company complied with the Distribution Vegetation Management Plan approved by the Commission in Case Nos. 2009-00459 and 2014-00396? If yes, explain in full detail. If no, explain in full detail why the Company has not fulfilled its obligations under the plan.

18. Vegetation Management. Explain the following:
    a. Are tree removals inside the previous ROW boundaries capitalized if the ROW is widened? If so, show the capitalized amounts, by account, for each year during which the Distribution Vegetation Management Plan approved by the Commission in Case No. 2009-00459 has been in effect through calendar year 2014 and any updates to that Plan from Case No. 2014-00396.
    b. Elaborate regarding how the crews determine and report whether or not tree removal activities are capitalized.
    c. Provide the detailed company policy on capitalization of tree removal costs from widened ROW.
    d. For each response in subparts (a) through (c), above, explain how Appalachian Power Company ("APCo") treats each item.

19. Vegetation Management Plan.
    a. Provide any studies, analyses or reports estimating the effect of the Company's Vegetation Management Plan for each scenario on CAIDI, SAIFI and SAIDI for each year from 2016 to 2023.
    b. For each scenario break down annual costs in table 10 into O&M expense and capital costs.
    c. For each year show: (i) the miles of ROW widened under each scenario; (ii) the additional acres of ROW obtained to widen ROW under each scenario;(iii) the assumed average cost per acre for additional ROW obtained to widen ROW under each scenario.

20. Vegetation Management.
    a. Provide the contracts in effect with all vegetation contractors during the test year.
    b. Provide the current contracts in effect with all vegetation contractors.

c. Provide all training materials, handbooks, and standards regarding vegetation management practices and expectations provided to vegetation contractors.

d. Provide the KPCo management structure and policy for oversight of vegetation contractors.

e. With regard to all contractors identified in this question, describe any ownership or organizational relationship to KPCo.

f. With regard to your responses to subparts (c) and (d), above, provide the similar materials utilized by APCo.

21. Regarding Kentucky Power's 50% ownership in the Mitchell Plant, provide the following:

a. Current ownership agreement or any other related documents that detail how management decisions are made among the owners of the Mitchell Plant.

b. A complete list of all owners, with percentage ownership.

c. Any affiliates of each owner and the related organization structure.

d. Membership of plant ownership management committee or equivalent owners' representative organization.

e. Minutes, agendas, handouts and presentations from all meetings of the ownership management committee (or equivalent) for the last 3 years.

22. Regarding Kentucky Power's 15% ownership in the Rockport Plant, provide the following:

a. Current ownership agreement or any other related documents that detail how management decisions are made among the owners of the Rockport Plant.

b. A complete list of all owners, with percentage ownership.

c. Any affiliates of each owner and the related organization structure.

d. Membership of plant ownership management committee or equivalent owners' representative organization.

e. Minutes, agendas, handouts and presentations from all meetings of the ownership management committee (or equivalent) for the last 3 years.

f. The amount of the demand charge KPCo pays for power produced at the Rockport plant. Confirm this sum is paid regardless of whether KPCo uses any power from Rockport.

g. Complete supporting information for the return on equity that KPCo is requesting in the current rate case on its 15% ownership in the Rockport Plant.

23. Mitchell Plant Maintenance. Provide the following:

a. A detailed list of all Mitchell maintenance activities, the associated costs, and the expected frequency of the maintenance activity for 2017, 2018, and 2019.

b. A detailed list of all major scheduled maintenance activities and expected frequency of these maintenance activities.

c. Maintenance activity costs for 2012 through 2016.

d. Justification for the average proposed by the Company.

24. Reference the Direct Testimony of Andrew R. Carlin in regard to incentive compensation. Provide the following:

a. Identify and provide a complete copy of all incentive compensation plans for KPCo employees and AEP Service Company shared employees.

b. Are there any incentive compensation adjustments for the test year directly related to distribution reliability? If so provide details. If not, why not?

c. Are there any incentive compensation adjustments for the test year directly related to improvements in SAIDI, CAIDI and SAIFI? If so provide details. If not, why not?

d. Are there any incentive compensation adjustments for the test year related to vegetation management and miles of ROW clearing? If so provide details. If not, why not?

e. Are there any incentive compensation adjustments for the test year directly related to generation plant performance? If so provide details. If not, why not?

f. Are there any incentive compensation adjustments for the test year directly related to providing safe and reliable service to customers? If so provide details. If not, why not?

g. Are there any incentive compensation adjustments for the test year directly related to environmental performance and compliance? If so provide details. If not, why not?

h. With regard to each response in subparts (a) through (g), above, provide responses as to how APCo treats each item.

25. During the test year did the Company participate in any affiliated company power pool? If yes, provide the following:

a. A comprehensive description of the Pool.

b. The Pool agreement.

c. Any assets or allowances that were dispersed upon termination of the Pool and how these were dispersed, together with any agreements relevant thereto.

d. Costs incurred by KPCo in each of the years 2015, and 2016 as a direct result of participation in the Pool.

e. Costs incurred by KPCo in 2017, by account, that relate to KPCo's participation Pool.

26. Generating facilities. Provide the following with regard to generating facilities of KPCo, and APCo (for comparison purposes):

a. Net Capability rating of each facility included in KPCo's and APCo's rates for each year, 2014 through 2017.

b. Annual Equivalent Availability of each facility included in KPCo's and APCo's rates for each year, 2014 through 2017.

c. Annual Net Capacity Factor of each facility included in KPCo's and APCo's rates for each year, 2014 through 2017.

d. Annual Forced Outage Rate of each facility included in KPCo's and APCo's rates for each year, 2014 through 2017.

e. Annual Average variable O&M cost (without fuel) per MWH of each facility included in KPCo's and APCo's rates for each year, 2014 through 2017.

f. Annual Average fuel cost per MWH of each facility included in KPCo's and APCo's rates for each year, 2014 through 2017.

g. All studies or reports KPCo or APCo have prepared comparing performance metrics of each facility included in KPCo's rates in 2014 through 2017.

27. State whether the proposed enhancements to the company's vegetation management program will:
    a. reduce O&M expense, and if so, by what amount;
    b. reduce both recurring annual transmission and distribution plant investment and removal costs due to longer line and equipment life; and
    c. increase revenues due to increased usage which otherwise would have been foregone during outages.

28. For each $1 million spent in the proposed enhancement to the vegetation management program, state the percentage improvement the company expects to receive in the CAIDI, SAIFI, SAIDI indices.

29. Will the company's proposed vegetation management enhancements give any priority to its ten (10) worst-performing circuits, or would all circuits receive the same priority?

30. Provide the company's line loss figures for each of the past ten (10) years through 2016.

31. Provide the annual actual late payment revenues for each year through 2015, and through the end of the test year.

32. With regard to the Kentucky Economic Development Surcharge, have all funds collected gone solely toward economic development, and exclusively within the KPCo service territory? If not, explain fully why not.

33. For each year of its existence show in detail how much was collected and show in detail how the funds were utilized.

34. Is the company willing to increase the shareholder funding of the Kentucky Economic Development Surcharge? If not, explain fully why not.

35. Does the AEPSC currently provide the services, personnel and funding for KPCo to achieve and maintain: (i) NERC compliance; and (ii) compliance with applicable cybersecurity standards? If so, provide the annual sum AEPSC charges for these services.

36. Reference the Application generally. How many Kentucky Power customer complaints has the Company received in the past five (5) years? Provide the specific number of customer complaints for each year from 2012 through 2017 to date.

a. How many customer complaints has the Company received specifically upon electricity outages?

b. How many customer complaints has the Company received specifically upon the processes to report an electricity outage?

37. Reference the Application generally. What process(es) does Kentucky Power have in place to address customer complaints? Explain in full detail.

38. Reference the Application generally. What process(es) does Kentucky Power have in place for a customer to alert the Company that there is a power outage?

39. Lead-Lag Study. Provide the electronic Excel files, with formulas and calculations intact, which were used to produce the lead-lag study that was used for the current rate case.

40. Data requests of others: With regard to all data requests served on the Company concerning the testimony of KPCo witnesses and other issues being addressed in this proceeding and to the extent that any of the responses to these data requests involve calculations using a program such as Microsoft Excel or Access, provide a complete copy of the electronic files, with formulas, calculations, macros, and cell references intact.

41. Chart of Accounts. Provide the detailed chart of accounts used by the Company during the test year, and how the accounts used by the Company relate to and correspond with the FERC Uniform System of Accounts. Update for any subsequent changes.

42. Provide a complete copy of KPCo's detailed general ledger for 2015 and 2016 and for the periods ended 2/28/2017 and 6/30/2017. In addition, provide new monthly data as it becomes available through the course of this proceeding.

43. Provide a copy of KPCo's trial balances for 12/31/2014, 12/31/2015, 12/31/2016, 2/28/2016, 2/28/2017, and 6/30/2017. In addition, provide new monthly data as it becomes available throughout the course of this proceeding.

44. Accounting Manuals. Provide a complete copy of all of the Company's internal accounting manuals, directives, policies, and procedures.

45. Provide a list of all internal audit reports for 2014, 2015, 2016, and 2017 to date, for departments and/or operations which charge costs to KPCo.

46. Gross Revenue Conversion Factor (GRCF). Refer to Section V, Workpaper S-2. Show in detail how the KPSC Maintenance Fee percentage of 0.1941% was derived. Include all supporting calculations electronically in Excel and include all supporting workpapers and documentation.

47. Gross Revenue Conversion Factor (GRCF). Refer to Section V, Workpaper S-2. Why are state income taxes (including for some states that have higher state income tax rates than Kentucky) including Illinois (7.75%), Michigan (6.0%) and West Virginia (6.5%) being included?

48. How much income tax from each of the foregoing states has the Company included in its requested revenue requirement of $60,397,438 from its supplemental filing SECTION V, SCHEDULE 2? Identify, quantify and explain each non-Kentucky state income tax amount that the Company is requesting and provide supporting workpapers.

49. Provide the monthly level of prepaid taxes by type of tax for 2014, 2015, 2016, 2017, and for the 12 months ending 2/28/2017.

50. Provide the monthly level of Materials and Supplies in total and by type for 2014, 2015, 2016, 2017, and for the 12 months ending 2/28/2017.

51. Provide the monthly level of Contributions in Aid of Construction for 2014, 2015, 2016, 2017, and for the 12 months ending 2/28/2017.

52. Provide the monthly level of Customer Advances for 2014, 2015, 2016, 2017 and for the 12 months ending 2/28/2017.

53. Provide the monthly level of Deferred Maintenance by component for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.
    a. Identify and explain each item of Deferred Maintenance, when it first arose, when amortization commenced, when amortization will be completed, why the maintenance was deferred, and commission authorization for each maintenance item that is being deferred.

54. Provide the monthly level of Deferred Debits by component for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.
    a. Identify and explain each item of Deferred Debits, when it first arose, when amortization commenced, when amortization will be completed, why the cost was deferred, and commission authorization

for each Deferred Debit item that is being requested for inclusion in rate base.

55. Provide the monthly level of Prepaid Pension for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.

56. Provide the monthly level of Accrued Pension for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.

57. Provide the monthly level of each Deferred Credit item on KPCo's balance sheet for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.

58. Accumulated Deferred Income Taxes (ADIT).
    a. Provide a detailed itemization of each item of ADIT, in total, as of 12/31/2014, 12/31/2015, 12/31/2016, and as of 2/29/2016 and 2/28/2017.
    b. Provide the monthly level of ADIT, by timing difference item, for 2014, 2015, 2016, 2017, and for the 12 months ending 2/28/2017.
    c. For each item, identify the book/tax-timing difference that causes the ADIT, explain when that temporary timing difference first arose, identify the amount of the timing difference as of each date, and describe in detail whether and how that particular timing difference relates to an item of utility rate base, utility revenue and/or utility expense, and how the related item has been reflected in the Company's filing for ratemaking purposes.

59. ADIT. Identify by amount and account, the corresponding regulatory asset/(liability) and/or other deferred debit/(credit) relating to each item that comprises the total ADIT of that KPCo has included in rate base. For each component of ADIT, provide the following information:
    a. Description of each item of ADIT that comprises the total amount KPCo has reflected in rate base.
    b. Balance sheet account in which KPCo recorded the ADIT.
    c. Related deferred asset, deferred credit, or liability account for each component of ADIT.
    d. Identification of whether and where the related deferred asset, deferred credit or liability account for each component of ADIT is

included in KPCo's proposed rate base, and for each item, if not, a detailed explanation of why not.

60. Provide the following monthly KPCo labor data, in total, for December 31, 2014 through June 30, 2017, showing annual totals:

    a. Number of actual employees broken down between type (e.g. salaried, hourly, union, non-union, temporary, etc.).
    b. Number of authorized employees broken down between type (e.g. salaried, hourly, union, non-union, temporary, etc.).
    c. Regular payroll broken down between expensed, capitalized, and other.
    d. Overtime payroll broken down between expensed, capitalized, and other.
    e. Temporary payroll broken down between expensed, capitalized, and other; and
    f. Other payroll (specify).

61. Provide the following monthly AEPSC labor data, in total, for December 31, 2014 through June 30, 2017, showing annual totals:

    a. Number of actual employees broken down between type (e.g. salaried, hourly, union, non-union, temporary, etc.).
    b. Number of authorized employees broken down between type (e.g. salaried, hourly, union, non-union, temporary, etc.).
    c. Regular payroll broken down between expensed, capitalized, and other.
    d. Overtime payroll broken down between expensed, capitalized and other.
    e. Temporary payroll broken down between expensed, capitalized and other; and
    f. Other payroll (specify).

62. Provide the actual number of KPCo employees for each month in 2014, 2015, 2017, and 2017 (to date).

63. Provide the actual number of AEPSC employees for each month in 2014, 2015, 2017, and 2017 (to date).

64. Provide the budgeted number of KPCo employees for each month in 2014, 2015, 2017, and 2017 (to date).

65. Provide the budgeted number of AEPSC employees for each month in 2014, 2015, 2017, and 2017 (to date).

66. Provide a detailed explanation of all variations between actual and budgeted employee counts for 2014 through 2017.

67. Provide the wage rate increases granted by KPCo by date and employee category for 2013, 2014, 2015, 2016, and 2017.

68. Provide the wage rate increases granted by AEPSC by date and employee category for 2013, 2014, 2015, 2016, and 2017.

69. Indicate if the employee positions used in the Company's labor calculations are authorized or actually filled positions. Identify, quantify, and explain all labor-related costs in KPCo's filing that is for positions that had not been filled as of February 28, 2017.

70. Provide a detailed list of responsibilities and duties that eligible incentive compensation employees must have or perform in addition to those necessary to meet the standards for base salary compensation in order to receive incentive compensation.

71. Explain what adjustments, if any, were made to base salary compensation levels of eligible incentive compensation employees at the time any such incentive compensation plan(s) were initiated.

72. Explain how the Company determines that the achievements of any incentive compensation goals are reached as a result of the incentive compensation plan, as opposed to other reasons. Provide all supporting empirical data.

73. Provide a description of KPCo's merit and cost of living wage rate increase policies.

74. Provide a description of AEPSC's merit and cost of living wage rate increase policies.

75. Does the Company anticipate reducing the number of employees, including any voluntary early retirement or other force reduction programs, during 2017, 2018, or

2019? If yes, state the timing and number of affected employees. Also state the projected costs and savings of any such plan.

76. Does AEPSC anticipate reducing the number of employees, including any voluntary early retirement or other force reduction programs, during 2017, 2018, or 2019? If yes, state the timing and number of affected employees. Also state the projected costs and savings of any such plan.

77. Provide the staffing at the Big Sandy plant as of each of the following dates:
    a. September 30, 2014
    b. June 30, 2015
    c. December 31, 2015
    d. December 31, 2016
    e. February 29, 2017
    f. June 30, 2017

78. Payroll. Explain how the Company determines that its work force level is not excessive and provide all related supporting documentation.

79. Payroll. Provide complete calculations, documents, and supporting workpapers for the pro forma amount of payroll cost, by account, by position, that KPCo has reflected in its filing.

80. Executive Compensation. Explain fully and in detail how KPCo and separately, AEPSC determine that the total compensation package for executives, and/or separate parts thereof, reasonably compare with the competitive markets for such executives. In addition, provide copies of all related surveys, analyses, studies, etc.

81. Stock-Based Compensation.
    a. List, by amount and account, all stock-based compensation expense charged to KPCo during the test year, including but not limited to executive stock options, performance share awards, accruals made pursuant to ASC 718 (formerly SFAS 123R) and any other stock-based compensation awards that resulted in cost being charged to KPCo during the test year.
    b. Provide a description of each distinct stock-based compensation program that resulted in charges to KPCo during the test year.

c. List, by amount and account, all stock-based compensation expense in KPCo's cost of service for the rate effective period, including but not limited to executive stock options, performance share awards, accruals made pursuant to ASC 718 (formerly SFAS 123R) and any other stock-based compensation awards that were charged to KPCo during the rate effective period.

d. Provide a description of each distinct stock-based compensation program that is included in the charges to KPCo during the test year ended February 28, 2017.

82. Stock-Based Compensation.

a. List, by amount and account, all AEPSC stock-based compensation expense charged to KPCo during the test year, including but not limited to executive stock options, performance share awards, accruals made pursuant to ASC 718 (formerly SFAS 123R) and any other stock-based compensation awards that resulted in cost being charged or allocated to KPCo during the test year.

b. Provide a description of each distinct AEPSC stock-based compensation program that resulted in charges or allocations to KPCo during the test year.

c. List, by amount and account, all stock-based compensation expense in AEPSC's cost of service for the rate effective period, including but not limited to executive stock options, performance share awards, accruals made pursuant to ASC 718 (formerly SFAS 123R) and any other stock-based compensation awards that were charged or allocated to KPCo during the rate effective period.

d. Provide a description of each distinct AEPSC stock-based compensation program that is included in the charges or allocations to KPCo during the test year ended February 28, 2017.

83. Supplemental Executive Retirement Program (SERP).

a. Provide the level of SERP expense, by account, included in the Company's cost of service for the test year.

b. Provide the level of SERP expense, by account, included in the Company's cost of service for the rate effective period.

c. Provide the comparable SERP expense for each calendar year, 2014, 2015, 2016, and 2017.

d. Provide the most recent three actuarial reports for SERP.

e. Provide all actuarial studies, reports and estimates used for SERP for the rate effective period.

f. If different for AEPSC SERP costs charged or allocated to KPCo, also answer parts a-e above for AEPSC SERP costs.

84. Defined Benefit Plan pension expense. Provide:

a. the level of Defined Benefit Plan pension expense, by account, included in the Company's cost of service for the test year.

b. the comparable Defined Benefit Pension Plan expense for each year, 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.

c. the most recent three actuarial reports for Defined Benefit Pension Plan.

d. all actuarial studies, reports and estimates used for Defined Benefit Pension Plan for the test year.

85. Other Post Employment Benefits (OPEB) expense. Provide:

a. the level of OPEB expense, by account, included in the Company's cost of service for the test year.

b. the level of OPEB expense, by account, included in the Company's cost of service for the rate effective period.

c. the comparable OPEB expense for each year, 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.

d. the most recent three actuarial reports for OPEB.

e. all actuarial studies, reports and estimates used for OPEB for the test year.

86. Provide the following for each employee position during the test year and each month subsequent to the test year through June 30, 2017, that experienced a change of incumbent:

a. Position title;

b. Employee replaced;

c. Annual salary of replaced employee;

d. Replacement employee;

e. Annual salary of replacement employee; and

f. Date of replacement

87. Provide a description of each employee benefit program or plan.
    a. Also show the related test year cost.
    b. Provide this information for:
        i. KPCo employees;
        ii. AEPSC employees that had charged or allocated cost to KPCo during the test year.

88. Concerning worker's compensation expense:
    a. Provide the most current workers' compensation premiums and related invoices.
    b. Show in detail how the current workers' compensation premiums and/or invoices were used to derive KPCo's requested amount of workers' compensation cost.
    c. Reconcile the amount of KPCo's requested amount of workers' compensation cost to the most current invoices. Identify, quantify, and explain all differences.

89. Concerning health care cost:
    a. Provide the most current health care premiums and related invoices.
    b. Show in detail how the current health care premiums and/or invoices were used to derive KPCo's requested amount of health care cost.
    c. Reconcile the amount of KPCo's requested amount of health care cost to the most current invoices. Identify, quantify, and explain all differences.

90. Provide the basis for the Company's cost of each separate employee benefit (e.g., flat rate per employee, percentage of payroll, claims experience, etc.), and provide the most current known cost rate for each separate benefit.

91. Provide the monthly level of each separate benefit cost broken down between expensed, capitalized and other for 2014, 2015, 2016, and 2017 (to date) and for the 12 months ended 2/28/2017 with annual totals.

92. Provide the level of accumulated pension plan funding at December 31, 2016 and December 31, 2017 and explain how such amounts are treated for ratemaking purposes, and why.

93. Provide the level of country club dues incurred in the test year by account and indicate how they have been treated for ratemaking purposes.

    a. Also, show amounts of AEPSC costs charged to KPCo.

94. Provide the level of lobbying included in cost of service by separate payee, along with a description of each payee. In addition, indicate how lobbying expense has been treated for ratemaking purposes.

    a. Also, show amounts of AEPSC costs charged to KPCo.
    b. If KPCo is a member of EEI, identify what portion of KPCo's dues go toward EEI's lobbying activities, if any.

95. Provide the requested level of self-funded reserve accruals and balances for all types of injuries, claims, and damages by type of item.

96. Does KPCo have any self-funded reserves? If so, provide the following monthly data for each separate type of self-funded reserve for injuries, claims and damages in 2014, 2015, 2016, 2017 (to date), by account, and provide the level reflected in revenue requirement and explain how such amounts have been treated for ratemaking purposes. Also, provide new monthly data as it becomes available through the course of this proceeding.

    a. Accruals;
    b. Actual claims; and
    c. Balance

97. Identify the amounts included in cost of service during the test year for the following items:

    a. Membership dues in service, social and professional organizations (identify);
    b. Lobbying expenses;
    c. Charitable contributions;
    d. Investor relations expenses; and
    e. Public relations expense, including an explanation of the nature and purpose of the activities

f. AEP Executive Compensation

g. AEP Service Company Executive Compensation

h. AEP owned and leased aircraft costs

98. Rate Case Expense.

a. Identify the test year, filing date and rate effective date for the Company's last five rate cases.

b. Provide the level of rate case expense incurred for the last five rate cases broken down by payee or type of activity.

c. Indicate which cases were settled and which were litigated. For the settled cases, also indicate at which stage they were settled (e.g., after KPCo rebuttal, before hearings, etc.).

d. Explain fully and in detail why the Company normalized rate case expense over the period it is proposing versus some other period.

99. Provide, in list form, the details of all judgments and/or settlements resulting from suits brought which involved the Company, its parent (American Electric Power Company, Inc.), its affiliated service company (American Electric Power Service Company), or any other affiliates that charge cost to KPCo, as a defendant in 2016 or 2017, which resulted in the payment during agreement to pay or being ordered to pay an amount in excess of $10,000, including but not limited to:

a. The case name;

b. The date filed;

c. The date of settlement or the date of judgment; and

d. The amount the Company was ordered or agreed to pay

e. Provide this information even if appeals are pending and note every instance of an appeal.

100. Outside Services Expense. Provide:

a. an itemization of outside services expense in excess of $20,000 for 2014, 2015, 2016, and for the 12 months ending 2/28/2017. Indicate in what accounts the amounts are recorded.

b. the amounts of outside services expense for 2014, 2015, 2016, and for the 12 months ending 2/28/2017. Indicate in what accounts the amounts are recorded.

c. the amounts of budgeted outside services expense for 2017, 2018 and 2019. Indicate in what accounts the amounts would be recorded when incurred for the budgeted/forecast items.

101. Provide the test year, and if different, the most recent actual property tax assessments, rates, and property tax payment amounts and payment dates.

102. Uncollectibles. Provide the following annual data related to uncollectible accounts for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017:

a. Bad debt expense;

b. Bad debt write-offs;

c. Collections of written-off accounts;

d. Billed revenues

103. Uncollectibles. Provide the net charge-off percentage for uncollectibles for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017. Explain any material variations in the percentage between years.

104. Filing Information. As the Company discovers errors in its filing, identify such errors and provide documentation to support any changes. Update this response as additional information becomes available.

105. Precedent. Are there any aspects of the Company's accounting adjustments and revenue requirement claim which represents a conscious deviation from the principles and policies established in prior Commission Orders? If so:

a. Identify each area of deviation, and for each deviation, explain the Company's perception of the principle established in the prior Commission Orders.

b. Explain how the Company's proposed treatment in this rate case deviates from the principles established in the prior Commission Orders.

c. Explain the dollar impact resulting from such deviation. Show which accounts are affected and the dollar impact on each account for each such deviation.

106. Injuries and Damages. State the amount of injuries and damages expense for 2014, 2015, 2016, 2017 (to date), and for the 12 months ending 2/28/2017.

107. Insurance Expense. Itemize each component of insurance expense included in the test year, and provide comparative information for calendar years 2014 through 2016 and for 2017 (to date). Indicate the accounts and amounts in which each item of insurance is recorded.

108. Legal Expense. Itemize the amount of non-rate case legal expense, by account, for the test year. For each distinct item over $20,000, show payee, amount, account, and indicate what services were performed and what the subject matter of the services was.

109. Are any one time or non-recurring expenses included in the test year? If so, provide the dollar amount, account and a brief description of the expense.

110. Pension Expense. Reconcile:

    a. the amount of pension expense in the test year to the most recent actuarial reports concerning the determination of the net periodic benefit cost for each pension plan in which KPCo employees participate. Identify, quantify, and explain each reconciling item.

    b. the amount of pension expense in the test year to the most recent actuarial reports concerning the determination of the net periodic benefit cost for each pension plan in which AEPSC employees charging cost to KPCo participate. Identify, quantify, and explain each reconciling item.

111. OPEB Expense. Reconcile:

    a. the amount of OPEB expense in the test year to the most recent actuarial reports concerning the determination of the net periodic benefit cost for each Postretirement Benefit Plan in which KPCo employees participate. Identify, quantify, and explain each reconciling item.

    b. the amount of OPEB expense in the test year to the most recent actuarial reports concerning the determination of the net periodic benefit cost for each Postretirement Benefit Plan in which AEPSC employees charging cost to KPCo participate. Identify, quantify, and explain each reconciling item.

112. Is KPCo using outside service providers for any services that the AEP Service Company is capable of providing? If so, explain why and identify the specific services, their cost by account, and how they were accounted for in the test year ending 2/28/17.

113. Does KPCo or its affiliates including AEPSC have any information concerning how KPCo's expenses in total or on a per customer basis compare with other American Electric Power Company electric utility subsidiaries? If not, explain fully why not. If so, provide all such information for 2015 and 2016 that KPCo and its affiliates have.

114. Provide consolidating accounting information for American Electric Power for 2014, 2015, 2016, and through June 30, 2017. Show the amounts for each subsidiary by account and all eliminations and adjustments in the consolidation.

115. Provide the consolidation pages and schedules for the AEP consolidated federal income tax returns for tax years 2011 through 2015.

116. For each KPCo and American Electric Power pension plan for 2014, 2015, 2016, and 2017, provide a list of the pension plan investments by category or type of investment, and provide the earned return for each investment category for 2014, 2015, 2016, and 2017, and in total.

117. Explain fully and in detail whether and why KPCo is requesting CWIP in rate base in the current rate case.

118. Provide an itemization of each project that is included in KPCo's test year request for inclusion of CWIP in rate base.

119. Show in detail how the CWIP included by KPCo in the test year was financed.

120. Provide the details of KPCo's AFUDC rates for each year, 2014, 2015, 2016, and 2017 (to date), and for the 12 months ending 2/28/2017.

121. Provide a complete description of KPCo's procedures for accruing AFUDC including how KPCo identifies which construction projects accrue AFUDC.

122. Provide a detailed breakout of the AEPSC costs included in the KPCo filing, including complete details on the costs included for each AEPSC department and function that has charged or allocated cost to KPCo.

123. Affiliate management fee charges.

  a. Provide the information that underlies the KPCo expenses for affiliate service company cost allocations;

  b. Provide similar information as of each of the following dates: (i) 12/31/2014; (ii) 12/31/2015; (iii) 12/31/2016; (iv) the test year ended 2/28/2017; and (v) 6/30/2017.

124. Provide the American Electric Power Service Company results by function, preferably in Excel, and show the charges from each function to KPCo, for the following periods:

  a. 2015;

  b. 2016;

  c. 12 months ending 2/28/2017; and

  d. 12 months ending 6/30/2017.

125. Meter replacements. Provide:

  a. the dollar amount and quantity of meters, by type, (i) in service and (ii) replaced as of December 31 for each of the past five years through December 31, 2016.

  b. the dollar amount and quantity of meters, by type, for each month of 2016 and 2017 through 6/30/2017.

126. Provide a copy of the Company's meter change-out program.

127. Has the Company included any rate case expense or non-cash items (e.g., depreciation expense, common equity, etc.) in its request for cash working capital? If so, identify (i) all rate case expense and (ii) any and all non-cash expenses included in KPCo's cash working capital calculations.

128. Has the Company included any rate case expense in rate base? If so, explain fully why and identify by amount and account.

129. Does the Company's request for rate case expense include any amounts related to past cases? If not, explain fully why not. If so, identify the amount, and identify and explain the basis for including expense for past cases.

130. Identify each type of revenue based tax and revenue based assessment that was paid during the test year. Also, provide the related returns, and the amount and date of each

such payment, and identification as to which type of revenue-based tax each such payment was for.

131. Has the Company included any plant or land in rate base for which the Company has not received permits to begin construction? If so, identify the amounts by account.

132. Pension Trust Fund Assets. Provide the following:
    a. The overall expected rate of return used for pension assets;
    b. The expected rates of return for alternative assets classes (long-term bonds, common stock) used in determining the overall expected rate of return used for pension assets; and
    c. Copies of all documentation used in determining the expected rates of return for alternative assets classes (long-term bonds, common stock).

133. Show in detail how KPCo has reflected the inclusion of net negative salvage in accumulated depreciation (a rate base reduction).

134. Provide a list of the items included in the increase to rate base since the last KPCo rate case. In both cases, show the applicable accounts and amounts.

135. Identify and explain all new or upgraded software and systems costing over $20,000 per year for KPCo since the last KPCo rate case, including software and systems charged to KPCo from AEPSC or other affiliates. For each new software and system:
    a. Provide all costs and expenses associated with the software since inception. Include both capital costs associated with this software and as well as any O&M expenses. Include a description of each cost or expense.
    b. For the costs and expenses shown in part a., indicate how much of each cost and expense was charged to KPCo.
    c. Were any prudence reviews conducted prior to purchasing the software? If yes, provide those reviews. If not, explain why not.
    d. Provide any cost-benefit studies conducted prior to purchasing such software.

136. Provide a copy of the KPCo and AEP Board of Directors minutes for 2014, 2015, 2016, and 2017 (to date).

137. Provide all AEP board meeting minutes and presentations, and AEP board committee meeting minutes and presentations, from January 2013 through the present concerning Rockport.

138. Identify each KPCo and AEP Board committee. Provide a copy of the KPCo and AEP Board committee meeting minutes for 2014, 2015, 2016, and 2017 (to date).

139. List all procedures the Company follows to ensure that there was a proper assignment of costs to the test year and that the test year only includes charges incurred during the test period.

140. Provide a copy of each adjusting entry proposed by the Company's independent Auditors in the two most recent audits of the Company, the parent company, and the affiliated service company. Include supporting documentation.

141. Provide a copy of KPCo's and AEP's two most recent management letters and recommendations received from the Company's independent auditors.

142. Provide a copy of KPCo's most recent management and operations audit.

143. Have there been any independent audits or any state regulatory commission- sponsored reviews, by either the Kentucky Commission or any other utility regulatory Commission in states having jurisdiction over an AEP operating company of AEPSC in 2014, 2015, 2016, or 2017? If so, identify each such review and provide a copy of the related reports and testimony.

144. If applicable, list the expense associated with the most recent management audit. If the Company is amortizing the expense, list the amount of base and test period expense, the unamortized amount at December 31, 2014, 2015, 2016, and 2017 and state when the amortization will end.

145. List each proposed pro forma entry which was considered in this filing but not made and state the reason(s) why the entry was not made.

146. Provide for each month from December 2014 to the present, the following information:

a. Monthly revenues

b. Accounts receivable

c. Allowance for Doubtful Accounts

d. Accounts receivable (aging and amounts) net of uncollectibles.

147. Customer Advances.

a. What is the ratemaking treatment for customer advances proposed by the Company in its filing? Where is such proposal found in the filing?

b. Provide the monthly level of customer advances for the period December 2014 thru June 2017 and also provide monthly updates when available.

c. Provide the monthly interest expense paid by the Company on customer advances for the same period.

148. Customer Deposits.

a. What ratemaking treatment for customer deposits is the Company proposing? Where is such proposal found in the filing?

b. Provide the monthly level of customer deposits for the period December 2014 thru June 2017.

c. Provide the monthly interest expense paid by the Company on customer deposits for the same period.

149. Customer Deposits.

a. What is the interest rate on customer deposits?

b. Identify the tariff or statute that establishes the interest rate.

c. Does the Company accrue interest on inactive customer deposits?

d. How often is interest on customer deposits paid?

e. Is interest on customer deposits paid by check, in the form of a bill credit, or credited as an addition to the customer deposit balance?

f. What is the Company's policy on customer deposits for collection, refund, and use as an offset against an uncollectible balance?

g. Provide a copy of the Company's policy(ies) relating to customer deposits.

150. Provide an analysis (description, dates and amounts) of any gains or losses on utility property sold during 2014, 2015, 2016, and by month through June 30, 2017. Also, explain how such amounts have been treated for ratemaking purposes.

151. For 2015, 2016 and 2017 (to date), has the Company sold any property which had formerly been included in Plant Held for Future Use or devoted to utility service? If so, for each sale:

    a. describe the property sold;

    b. state whether, when and in what manner it had been included in rate base;

    c. show the details of how the gain or loss was calculated;

    d. indicate when the sale occurred;

    e. explain how and whether the Company is amortizing such gain or loss; and

    f. show how such amortization was computed.

152. The following questions are related to the Company's policies regarding accounting for CWIP, plant in service and depreciation:

    a. For each item of CWIP which the Company has transferred into utility plant in service for purposes of this filing, has a full 12 months of depreciation expense been included in the cost of service?

    b. For each item of CWIP which the company has transferred into utility plant in service for the purposes of this filing, has an amount representing a full 12 months of depreciation expense been added to the total accumulated depreciation by which rate base is reduced?

    c. Provide the same information as requested in subsection b. above for the deferred taxes related to the depreciation timing differences.

153. List all revenue, expense and rate base amounts by account included in the test year relating to any Company or affiliate-owned or leased airport, airplane and helicopter facilities, if applicable.

154. Provide flight logs for all affiliate owned or leased aircraft for 2016 and 2017 (to date).

155. Identify how much of the Company's materials and supplies balance at December 31, 2014, December 31, 2015, December 31, 2016, and through February 28, 2017 is related to construction activities.

156. Provide a copy of the parent company's corporate federal tax returns and supporting "M" schedules and all consolidating schedules for tax years 2010 through 2015. Provide the same for tax year 2016 when it becomes available.

157. Provide workpapers detailing the calculation of each statutory addition and deduction used in arriving at taxable income in the above calculation, as well as the calculations provided in the filing. Also provide a narrative explanation of the effect of each statutory addition and deduction on tax and/or book income, and the Internal Revenue Code Section or Treasury Regulation calling for the adjustment.

158. For tax years 2010 through 2015, provide a copy of the parent company and KPCo's Kentucky Corporate Income Tax Return and all other Kentucky Tax Returns. If separate returns were not prepared, provide the detailed worksheets that were used to prepare the consolidated return. Provide the same for tax year 2016 when it becomes available.

159. Provide the following information regarding deferred income taxes:

a. Calculation of all timing differences reflected in DFIT; show book amount and tax amount; indicate when amounts were included in book and in tax returns;

b. Tax rate applied to each timing difference;

c. Calculation of actual DFIT;

d. If different, reconcile book amount per cost of service and book amount in DFIT calculation. Identify and quantify all reconciling items.

e. For each year 2014 through 2016 the gross and net additions to deferred taxes. Break down such additions within each year by sub-account, providing the number and name for each account and sub-account. For each item by year, reconcile the gross to net additions and explain how that reconciliation was derived.

f. For 2017 (to date) provide information requested in (e) above for each month.

160. Impact of bonus tax depreciation. State whether the Company has or will claim 50 bonus tax depreciation on its federal or state tax return for tax years 2015, 2016 and 2017 and if so, list the KPCo 2015, 2016, and 2017 plant additions by account and amount that have or are expected to qualify for bonus tax depreciation.

a. Also, show the estimated impact on test year ADIT from 2015, 2016, and 2017 bonus tax depreciation.

b. If not included in its filing, specify the expected test year jurisdictional revenue requirement impact of including bonus tax depreciation allowance in the Company's overall cost of service for qualified property placed into service by February 28, 2018.

c. If not included in its filing, specify the expected test year jurisdictional revenue requirement impact of including bonus tax depreciation allowance in the Company's overall cost of service for qualified property for all property being placed into service after February 28, 2018 that the Company has included in the determination of its requested revenue requirement.

d. The adjustments referenced in part b., above should allow for a complete assessment of the revenue requirement impact of inclusion of 2015, 2016 and 2017 bonus tax depreciation in the overall cost-of-service on plant added in those years that the Company has included in the derivation of its requested revenue requirement. As part of this response, include all electronic workpapers with formulas intact used in the derivation of the bonus tax depreciation impact.

161. Does KPCo's filed rate base reflect impacts from 2017 bonus tax depreciation?

a. If not, explain why not.

b. If so, identify the amounts and shown how they were calculated.

162. List the name and business function of all Company subsidiaries and affiliates and separately list those which are included in this case, and which charged cost to KPCo during 2014, 2015, 2016, and the test year.

163. Provide the following amounts for 2014, 2015, 2016, and for the 12 months ending 2/28/2017:

a. Income tax expense, current, deferred, deferred-credit, investment tax credit deferred and investment tax credit amortized from prior years. Identify by Uniform System Account number.

b. Identify and explain the book-timing accounting difference giving rise to each charge.

c. Divide federal and state amounts.

d. Cite the order or ruling on which the Company bases rate treatment of these benefits (normalized or flow-through). Note rate treatment (normalized or flow-through).

e. State the accumulated total for each as it appears on the test year balance sheets. Identify by Uniform System Account Number.

f. State the rate base treatment of each item (e.g. deducted from rate base, cost-free capital, treated as equity, etc.).

g. Cite the order or ruling on which the Company bases treatment identified in f.

164. Provide a detailed derivation of 2014, 2015, 2016, and 2017 (to date) research and development credit-qualifying costs, including a list of all research, development and experimentation expenditures, and for each item provide separately:

a. The amounts payable to inside and outside contractors;

b. The amount payable in the test year;

c. The total expenditures to be expensed in determining federal taxable income; and

d. The total expenditures qualifying for the R & E credit under I.R.C. paragraph 44f.

165. Identify all net operating loss carrybacks and carryforwards for AEP and for KPCo for each tax year 2014 through 2016 which have impacted KPCo's ADIT amounts.

166. Provide detailed descriptions of any IRS audit, settlements with the Internal Revenue Service, or audit adjustments made during the three years ending December 31, 2016 and for 2017 (to date).

167. Provide a copy of any and all revenue ruling requests, IRS responses, and correspondence between the Company and the IRS during the ten years ending December 31, 2016 and for 2017 (to date).

168. List total property taxes and property tax refunds or abatements each year, for the test year and the most recent three years for which actual information is available. Describe and show the accounting treatment accorded to each item, showing journal entries, dates, accounts, amounts, and descriptions.

169. List all amounts of property taxes under dispute at February 28, 2017, and indicate the tax year and the taxing district to which each relates.

170. List all property tax refunds, by geographical area and taxing authority, by year, received in the most recent three years through 2016 and for 2017 to date.

171. Explain and provide all workpapers and source documents supporting the derivation of the taxable bases for Kentucky income and property taxes for the test year ended 2/28/2017.

172. Provide full supporting documentation, workpapers and correspondence associated with refunds of any and all taxes other than income taxes received in 2017 and the years 2011 through 2016. Indicate which accounts were affected and the associated dollar amounts. Also describe how the Company intends to treat this item for rate case purposes.

173. State whether any settlements, penalties or interest resulting from audits by taxing authorities are included in expense per books in the test year either as incurred by the Company or as charged by AEP. If so, provide full details including the periods and issues resolved, the dollar amounts of settlement by issue, the taxing authority penalty or interest by issue, the taxing authority involved, the date of settlement, the current status of the payment, and the final resolution of the matter or status of the protest if unresolved.

174. Refer to the testimony of KPCo President Satterwhite at page 12, lines 21-22: "The effect of a decreasing customer base is the single largest driver of the rate request." Identify and provide all quantifications of causes (drivers) of its rate request that were reviewed and ranked by the Company.

175. Refer to the testimony of KPCo President Satterwhite at page 12, lines 21-22: "The effect of a decreasing customer base is the single largest driver of the rate request." Indicate whether the Company evaluated the impact of each of the following, and provide the impact each of these has had on the Company's rate increase request:

a. The Company's ownership of a share of the Mitchell plant.

b. Costs charged to the Company from the Rockport plant.

c. Affiliated charges.

d. Decreasing customer base.

e. Changes in O&M expenses.

f. Changes in capitalization since the Company's last rate case.

g. Employee incentive compensation.

h. Federally regulated transmission system charges

i. Environmental regulation compliance cost

j. Declining off-system sales

k. Depreciation expense

176. Refer to the testimony of KPCo President Satterwhite at page 13, lines 1-3: "The rate increase requested is also required to meet increasing costs related to the federally-regulated transmission system ... Transmission system costs are volatile and are billed to Kentucky Power by PJM."

  a. What is the total amount of transmission costs that the Company is requesting in the test year? (Show by account.)

  b. What amount of transmission costs was included in the Company's current rates (from its last rate case)? Show by account.

  c. What amount of transmission costs in the current rate case relates to transmission facilities that are owned by AEP affiliated companies other than Kentucky Power?

177. Refer to the testimony of KPCo President Satterwhite at page 15, lines 16-18: "... the Company earlier this month refinanced $325 million in outstanding debt to obtain lower interest rates. The Company proposes to file supplemental testimony addressing the post-test year refinancing."

  a. Why didn't the Company wait until the refinancing was completed and select a test year including that refinancing <u>before</u> filing its request for a rate increase in the current case, rather than filing prematurely and needing to file supplemental?

  b. How much cost did the Company incur related to filing the supplemental testimony?

  c. Is the Company attempting to charge ratepayers for any of the additional cost of filing supplemental testimony, as rate case expense or any other type of expense? If so, identify, quantify, and explain the amounts.

178. Refer to testimony of KPCo President Satterwhite at page 18, lines 1-18.

  a. By how much would the Company's rates and revenues have increased each year had a PJM LSE OATT Cost Tracker been in effect since the June 22, 2015 Order in Case No. 2014-00396?

  b. Does the Company's current revenue increase request include any amounts of deferred PJM LSE OATT charges? If so, identify, quantify and explain the amounts.

  c. Does the Company have any projections of PJM LSE OATT costs for 2017, 2018, 2019, or 2020? If so, identify, quantify, and explain the projections.

179. Provide hard copies of all workpapers underlying the Depreciation Study. Provide Excel files for all portions of the Depreciation Study that were prepared using Excel.

180. Provide all notes taken during any meetings or site visits regarding the depreciation study. Identify by name and title, all KPCo personnel who provided the information, and explain the extent of their participation and the information they provided.

181. Identify all plant tours taken during the preparation of the Depreciation Study.
    a. Identify those in attendance and their titles and job descriptions.
    b. Provide all conversation notes taken during the tour.
    c. Provide all photographs and images taken during the tour.

182. Regarding the current and proposed depreciation rates:
    a. How are the depreciation rates currently in use calculated?
    b. Provide the details of KPCo's current depreciation rates in electronic format (Excel), with all formulae intact, including: (i) Plant Balances, (ii) Accumulated Depreciation, (iii) Net Plant, (iv) Cost of Removal/Salvage, (v) Remaining Useful Life, (vi) Annual Accrual, (vii) Depreciation Ratio, etc.

183. Does the Company's depreciation study include any adjustment or calculation to amortize the variance between the book depreciation reserve and the calculated accrued depreciation?
    a. If so, provide that calculation in electronic (Excel) format with all formulae intact. If not, explain fully why not.
    b. Based on the Company's calculations, does KPCo have a reserve excess or deficiency?
    c. Is KPCo proposing any amortization of any reserve imbalance? If yes, explain where that is shown in his study and also in the Company's revenue requirement filing.

184. Provide all internal and external audit reports, management letters, consultants' reports, etc. which address in any way, the Company's property accounting and/or depreciation practices.

185. For the years 2014 through present, identify all Board of Director's minutes, and internal management meeting minutes in which the subject of the Company's depreciation rates or retirement unit costs was discussed. Provide copies of same, if not already provided.

186. Provide copies of all internal correspondence which in any way deal with the Company's retirement unit costs, depreciation rates, and/or the Depreciation Study.

187. Provide copies of all industry statistics used by the Company and AEPSC relating to electric company depreciation rates.

188. Identify all industry statistics upon which KPCo relied in formulating the depreciation proposals.

189. Provide explanatory examples of the debits and credits relating to customer advances and contributions-in-aid of construction.

190. Provide explanatory examples of the debits and credits relating to the accounts for which depreciation is charged to clearing accounts.

191. Provide a copy of the Company's current capitalization policy. If the policy has changed at all since 2014, provide a copy of all prior policies in effect during any portion of that period.

192. Identify and explain all changes since the last depreciation study which might affect depreciation rates.

193. Provide all tabulations included in the Depreciation Study and all data necessary to recreate in their entirety, all analyses and calculations performed for the preparation of the study. Provide this and all electronic data in Excel (or .txt format if appropriate), with all formulae intact.
    a. Provide any record layouts necessary to interpret the data.
    b. Include in the response electronic spreadsheet copies of all of the schedules and/or tables included in the Depreciation Study, with all formulae intact.

194. If not provided elsewhere, provide KPCo's amortization calculations and workpapers for general plant accounts in electronic format (Excel) with all formulae intact.

195. For each plant account and for each year since the inception of the account up to and including 2/28/2017, provide the following standard depreciation study data as identified at pages 30-33 of the August 1996 NARUC Public Utility Depreciation Practices Manual ("NARUC Manual"). Provide the data in electronic format (Excel or .txt). Include data prior to 1995 if available. Also, provide aged vintage data if available. Use the codes identified for each type of data, unless the Company regularly uses other codes. In those circumstances, identify and explain the Company's coding system.

Code	**Data Type**
9	Addition
0	Ordinary Retirement
1	Reimbursement
2	Sale
3	Transfer – In
4	Transfer – Out
5	Acquisition
6	Adjustment
7	Final retirement of life span property (see NARUC Manual, Chapter X)
8	Balance at Study Date
	Initial Balance of Installation

196. If the depreciation study data provided in response to the preceding question is not the exact set of data used for the depreciation study submitted in this case, explain all differences and reconcile the amounts provided to those used in the case.

197. If not provided elsewhere, provide the cost of removal and gross salvage data used in the Depreciation Study net salvage calculation. If this data differs from that reflected on the Company's books, explain the differences and provide a reconciliation. Provide this data in electronic (Excel or .txt) format.

198. Provide the following annual accumulated depreciation amounts for all plant accounts for the last 15 years (up to, and including, 2016). If the requested data is not available for the last 15 years, provide the data for as many years as are available. Provide data in electronic format (Excel or .txt).

    a. Beginning and ending reserve balances,

    b. Annual depreciation expense,

    c. Annual retirements,

    d. Annual cost of removal and gross salvage,

    e. Annual third party reimbursements.

199. Provide a comparison of the annual cost of removal and gross salvage amounts shown on KPCo's federal income tax return calculations with the corresponding book amounts, for the last 5 years, through 2016. Provide the annual deferred tax expense associated with each of the differences. Also, provide the beginning and ending accumulated deferred tax balances and state whether they are rate base additions or rate base deductions.

200. Provide a summary of annual maintenance expense by USOA account (for all accounts) for the last 10 years through 2016. If the requested data is not available for the last 10 years, provide the data for as many years as are available. Provide data in electronic format.

201. Explain what consideration, if any, was given to annual maintenance expense data in KPCo's estimation of service lives, dispersion patterns, and net salvage.

202. If not provided elsewhere, provide the calculation of the rates proposed in the Depreciation Study in electronic format (Excel) with all formulae intact.

203. Provide the proposed depreciation rates, split into three separate components: capital recovery, gross salvage, and cost of removal.

204. Provide a calculation of the theoretical reserves reflecting both KPCo's proposed procedures and the existing procedures. Provide these calculations in electronic format (Excel) with all formulae intact and include all supporting calculations and workpapers.

205. Does the Company maintain its book reserve by plant account? If not, explain why not.

206. If the Company does not maintain its book reserve by plant account, provide the calculation of the book reserve shown in the depreciation study.

207. If applicable, calculate all depreciation rates using the same weighting procedure used in the current depreciation rates, i.e., the same procedure used the last time depreciation rates were calculated.

208. If not provided elsewhere, provide all remaining life calculations resulting from the depreciation study in electronic format (Excel) with all formulae intact.

209. If not provided elsewhere, provide electronic (Excel) versions of the net salvage studies included in the depreciation study, with all formulae intact.

210. If not provided elsewhere, provide all workpapers supporting terminal net salvage (decommissioning) estimates for each account for which terminal net salvage is a factor. Include any decommissioning studies relied upon, and explain how the results of those studies were incorporated into the net salvage estimate proposed by KPCo. Include all calculations in electronic format (Excel), with all formulae intact.

211. Do KPCo's net salvage recommendations, including any terminal net salvage estimates, incorporate inflation expected to be incurred in the future? If yes, explain fully how this inflation is factored into each recommendation, and provide supporting calculations in electronic format (Excel). If not, provide support showing no future inflation was included.

212. If KPCo's net salvage recommendations include inflation expected to be incurred in the future, provide the net present value of KPCo's net salvage recommendations.

213. Does KPCo agree that including inflation expected to be incurred in the future in net salvage estimates results in charging today's ratepayers for tomorrow's inflation? Explain why or why not.

214. Does KPCo believe that including future inflation in net salvage estimates falls under the "known and measurable" standard usually followed in rate cases? Explain why or why not.

215. On an account-by-account basis, for each of the five years ending 2017, explain whether the gross salvage and cost of removal incurred was normal or abnormal and why.

216. Explain, and provide examples of, the Company's retirement unit cost procedures for each account. Identify all changes to retirement unit costs which have occurred over the years.

217. Explain the Company's accounting procedures for gross salvage and cost of removal.

218. Explain how cost of removal relating to replacements is allocated between cost of removal and new additions. Provide copies of actual source documents showing this allocation.

219. Does KPCo agree that, in the case of a replacement, KPCo has control over how much of the cost of the replacement is assigned to the retirement as cost of removal, and how much is capitalized to plant-in-service? If not, explain fully why not. Explain the answer fully.

220. Provide all manuals, guidelines, memoranda or other documentation that deal with the Company's policies on the assignment of capital costs and net salvage with regard to the replacement of retired plant. Also, provide a sample work order for a replacement project, showing these cost assignments.

221. Identify and explain the Company's expectations with respect to future removal requirements and markets for retired equipment and materials. Provide the basis for these expectations.

222. Provide the Company's construction and capital budgets for the years 2017-2019 inclusive. Identify all retirements, replacements, new additions and cost of removal reflected in these budgets. Provide by account where available and explain how the cost estimates are derived for these items.

223. Provide narrative explanations of the Company's aging and pricing procedures.

224. Explain how the Company accounts for third party reimbursements and how they are reflected in the depreciation study.

225. If third-party reimbursements were excluded from the net salvage studies, was the related retirement also excluded from the life studies?

226. Identify and explain all Company programs which might affect plant lives.

227. Provide all internal life extension studies prepared by the Company. Life extension refers to any program, maintenance, or capital designed to extend lives and/or increase capacity of its existing plant-in-service. Identify the functions to which these studies relate.

228. Provide the following information for all retirements by plant account for the last 10 years through 2016. If requested data is not available for the last 10 years, provide the data for as many years as are available:

    a. Date of retirement
    b. Amount of retirement
    c. Account
    d. Reason for retirement
    e. Whether or not retirement was excluded from historical interim retirement rate studies.

229. Provide a copy of the Company's most recent prior depreciation study and the Order(s) establishing the present deprecation rates.

230. Provide a calculation of the current depreciation rates in electronic format (Excel) with all formulae intact. Show all parameters used, and provide a source for those rates and underlying parameters. If the rates and parameters are not the same as approved in the most recent prior case, explain why not. Also, if there are any differences in the account numbers used, provide a reconciliation.

231. Identify and explain all changes between the current study and the most recent prior study.

232. Provide the current depreciation rates, split into three separate components: capital recovery, gross salvage, and cost of removal.

233. Provide any and all internal studies and correspondence concerning the Company's and the parent company's (American Electric Power) implementation of FASB Statement No. 143 and FIN 47.

234. Provide complete copies of all correspondence with the following parties regarding the Company's implementation of FASB Statement No. 143 and FIN 47:

a. External auditors and other public accounting firms.

b. Consultants

c. External counsel

d. Federal and State regulatory agencies

e. Internal Revenue Service

235. Regarding FASB Statement No. 143 and FIN 47, on a plant account-by-plant account basis, identify any and all "legal obligations" associated with the retirement of the assets contained in the account that result from the acquisition, construction, development and (or) the normal operation of the assets in the account. For the purposes of this question, use the definition of a "legal obligation" provided in FASB Statement No. 143: "an obligation that a party is required to settle as a result of an existing or enacted law, statute, ordinance, or written or oral contract under the doctrine of promissory estoppel."

236. For any asset retirement obligations identified above, provide the "fair value" of the obligation. For the purposes of the question, fair value means "the amount at which that liability could be settled in a current [not future] transaction between willing parties, that is, other than in a forced or liquidation transaction." Provide all assumptions and calculations underlying these amounts.

237. Identify all Board of Director's minutes, and internal management meeting minutes during 2014-2016 and to date in 2017 in which any or all of the following subjects were discussed: the Company's depreciation rates; retirement unit costs; SFAS No. 143; and FIN 47. Provide copies of same, if not already provided.

238. Provide the accounting entries (debits and credits) used to implement SFAS No. 143 and FIN 47, along with all workpapers supporting those entries. Provide all these workpapers and calculations in electronic format (Excel) with all formulae intact.

239. Has KPCo recorded any regulatory asset or regulatory liability relating to cost of removal or accounting for asset retirement obligations? If so, identify the amounts recorded in each account for (i) cost of removal and (ii) AROs, as of each date: (a) 12/31/2014; (b) 12/31/2015; (c) 12/31/2016; and (d) 2/28/2017.

240. Does KPCo record any removal costs as O&M expense? If not, explain fully why not. If so, identify the amounts of removal costs recorded as O&M expense by account for each of the five years through 2017.

241. Through 2/28/2017 has KPCo recorded any asset retirement obligations (AROs) or costs for Coal Combustion Residuals (CCR)? If so, identify, quantify, explain, and list the amounts recorded in each year, 2015, 2016, and as of 2/28/2017 by account. Include complete supporting workpapers showing how the AROs and CCR costs were estimated.

242. Provide an analysis of the regulatory liability for cost of removal since inception identifying and explaining each debit and credit entry and amount.

243. Provide the calculation of the annual amount of future net salvage incorporated into KPCo's existing depreciation rates and in its proposed depreciation rates by account. If the amount is reduced by the total amount of non-legal AROs included in year-end accumulated depreciation, show that calculation.

244. Indicate the number of, and expenses related to, temporary or seasonal employees included in 2014, 2015, 2016, and test year (1) total and (2) retail jurisdictional expenses.

245. Provide as complete a breakdown as possible of the expenses billed by AEPSC and included in jurisdictional expense for the years 2014, 2015, 2016 and 2017 (to date). Include separately:

a. Labor
b. Employee benefits (by type)
c. Employment taxes
d. Outside services
e. Promotional, institutional and/or corporate advertising
f. Contributions (by entity)
g. dues to organizations and social clubs (by entity)
h. AEP owned or leased aircraft
i. Regulatory costs (list docket no., jurisdictional entity, dates and description)
j. Travel costs
k. Lobbying or politically related activities

l. Miscellaneous (describe)

246. Provide copies of any studies or analyses prepared by or for the Company, the Service Corporation or any AEP subsidiary regarding the level of the Company's or the Service Company's wages compared to the wages paid by other utilities, service companies, or any other entity.

247. Provide the FICA wage base dollars included in total wages paid for the year ended December 31, 2016 and as reflected in the Company's proposed adjusted test year levels.

248. Provide the level of incentive compensation/bonus plan related payments included in cost of service.

249. Provide a copy of any Company labor productivity analyses which have been performed during the past three years.

250. Has the Company considered reducing the amount of post-retirement health care, dental and life insurance coverage? If yes, provide details of any proposed reductions. If no, provide an explanation of why not.

251. List employee relocation expense for the base and test years and the previous three years. Indicate annually the amounts and accounts in which such expense is recorded.

a. Did KPCo incur any costs for employee relocation when it moved its offices from Frankfort, KY to Ashland, KY? If so, provide the number of employees, and the total sums.

252. Provide a complete copy of the Company's policy with respect to employee relocation, including full details as to cost reimbursement.

253. List each athletic and employee association to which the Company contributes and the associated amounts for the test year and preceding year. State how the Company has treated these expenses for ratemaking purposes in the test year.

254. List all Company owned automobiles, other than service vehicles, and state the Company's policy for charging employees for the personal use of these automobiles and the Company policy of reporting the personal usage of these automobiles for Federal income tax purposes.

255. Does the Company maintain any recreational sites for the use of the public and/or Company employees? If so:

    a. Identify each site and the type of recreational facility.

    b. State whether each site is for public use or exclusively for employee use.

    c. For each site identified in (a) above, state the amount of expense incurred during the test year to maintain it.

256. For the test year list all payments made for employee gifts, employee awards, employee luncheons and dinners, employee picnics and all other similar type items. For each, list the dollar amount paid, the payee, the account charged and state the purpose. Provide copies of invoices which exceed $5,000.

257. Identify all expenses incurred during the test year for athletic events, tickets, sky boxes and all sporting activities.

    a. Specifically identify the activity and dollar amount.

    b. Provide copies of paid vouchers and invoices supporting these expenditures.

258. List all steps the Company has taken to reduce the cost of medical insurance.

    a. Does the Company's insurance coverage require a coordination of benefits and, if so, how does it function?

    b. Does the Company plan require a co-pay percentage by the employee? If so, what is the percentage and has it increased over the past three years? State the various levels over the past three years.

259. For each advertising expense over $10,000 recorded or forecast by the Company during the test year, state the payee, amount, date and purpose. Also provide a copy of the associated invoice and a copy of (or if a non-print ad, the text of) each such advertisement.

260. Are there any advertising costs being incurred by the Company which cannot be identified with a specific advertisement? If so, itemize and describe each such cost, and list the associated amounts for the test year.

261. Break down the Company's advertising expense for the test year and the three years, 2014, 2015, 2016, and 2017 (to date) into its components, i.e., labor, overhead, materials and fees to agencies, etc.

262. Provide a listing of and a copy of any and all Commission Orders the Company has reviewed or relied upon in preparation of its filing in this case concerning the ratemaking treatment of costs for each distinct type of advertising expense it incurs, including but not limited to these categories: (i) sales or promotional, (ii) institutional, (iii) conservation related, (iv) rate case, and (v) other.

263. Does the Company's proposed rate increase include any claim for attrition or suppression of sales or for declining per-customer usage?

    a. If so, reference where this is presented. If not, explain fully why not.

    b. Provide a complete copy of any and all attrition or customer usage studies or analyses prepared by or for the Company during the period 2014 through 2017.

264. List by customer and amount and by year for the period 2014 through 2016 and in 2017 (to date) any uncollectible accounts which have been written off and which exceeded $50,000.

265. Do any of the Company's personnel actively participate on Committees and/or any other work for any industry organization to which the Company belongs? If so:

    a. State specifically which employees participate, how they are compensated for their time (amount and source of compensation), and the purpose and accomplishments of any such association related work.

    b. List any and all reimbursements received from industry associations, for work performed for such organizations by Company employees.

266. For each injury and damage claim, where the settlement exceeded $10,000 for the years 2014, 2015, 2016, 2017 (to date) and as forecasted for each year 2017 and 2018, list by year each such claim, the basis for the claim, the dollar amount of the claim paid and the associated legal fees.

267. State the amount of injuries and damages expense for each calendar year 2014-2016 and for the test year ending 2/28/2017.

268. List all fees during the test year and 2014, 2015, and 2016, for maintaining lines of credit. List such fees for each line of credit which the Company maintains. Indicate in which account such fees are recorded.

269. Does the Company employ a fringe-benefit or overhead factor to assign overhead costs to specific projects? If so, state what these factors were in 2014, 2015, 2016, and the test year and show in detail how they were calculated.

270. List each facility, location, and asset which is included as rental expense. For each item include a description, the annual or monthly rental rate, the account, and amount included in the base and test year expense.

271. List storm damage expense for each year for the 10-year period ending with 2016 and for the test year.

272. Provide, by year, by account, all affiliated operating expenses charged to Kentucky Power for each of the 3 years 2014 through 2016 plus as forecasted for 2018 and 2019.

273. Provide a general ledger listing or similar report of all transactions that comprise the corporate and affiliated charges allocated and charged to KPCo for the test year.

274. For the periods 2014, 2015, 2016, and 2017, provide the Company's budgeted and actual vegetation management costs, by account.

275. For the periods 2017, 2018 and 2019, provide the Company's budgeted and forecast vegetation management costs, by account.

276. Vegetation Management. For each year 2014 through 2017 (to date), provide, by account, the amount expensed and the amount capitalized for scheduled tree trimming, for enhanced tree trimming, for other right of way clearing and for tree trimming other than scheduled tree trimming and enhanced tree trimming (the costs should exclude all tree trimming costs that are included in the Company's request for storm recovery).

277. Vegetation Management. For each year 2014 through 2017 (to date), provide:

   a. By account, the amount expensed, the amount capitalized and the amount deferred for storm tree trimming, for other related enhanced tree trimming and for other storm related right of way clearing.

   b. The number of distribution and, separately, transmission miles subject to trimming or if the number of miles subject to trimming is not available, provide the total distribution and transmission system miles.

   c. Referring to parts "a" and "b" above, break out the requested information between distribution and transmission.

d. The number of miles budgeted for trimming and the number of miles actually trimmed under the Company's scheduled tree trimming. Break out the requested information between distribution and transmission.

e. Under KPCo's planned enhanced tree trimming, the number of miles (or trees) budgeted and the number of miles (or trees) actually performed (removed).

278. ARO Depreciation Expense.

a. Provide the ARO depreciation expense recorded in each year, 2014, 2015 and 2016, and for the test year.

b. Show in detail each ARO asset and related ARO liability KPCo has recorded on its books as of each of the following dates: December 31, 2014, 2015, 2016, 2/28/2017 and 6/30/2017.

279. Show, by account, all rate base and operating expenses being claimed for KPCo's 50% interest in plant Mitchell in the current rate base proceeding.

280. List KPCo's ten largest commercial and industrial customers and the level of demand and energy sales and revenue from each in 2016 and 2017.

281. Has KPCo added any large commercial or industrial customers since 2/28/2017?

a. If so, list the customers (can be by code to address confidentiality concerns) and identify the MWh sales and revenues related with such customer additions.

282. Have any of KPCO's large commercial or industrial customers told KPCo about expanding operations or increasing electricity purchases during 2016 or in 2017 to date?

a. If so, list the customers (can be by code to address confidentiality concerns) and identify the MWh sales and revenues related with such customer increases in demand or usage.

283. Have any of KPCO's large commercial or industrial customers told KPCo about closing operations or decreasing electricity purchases since 2/28/2017?

a. If so, list the customers (can be by code to address confidentiality concerns) and identify the MWh sales and revenues related with such customer changes in demand and/or usage.

284. Provide a complete copy of the Company's Cost of Service Study in Excel with formulas intact.

285. Provide a complete copy of the Company's Proposed Revenue Allocation in Excel with formulas intact.

286. If the transmission revenue requirement were to remain in KPCo's base rates, as opposed to being tracked through a Rider as KPCo proposes, how would that be accomplished?

    a. What specific adjustments to the Company's filing would be necessary to keep the transmission revenue requirement in KPCo's base rates?

287. NERC Compliance and Cybersecurity costs. Identify all NERC compliance and cybersecurity costs, by account:

    a. In the test year.
    b. In each calendar year, 2014 through 2016.
    c. Budgeted and/or forecast for AEP in total for each year, 2017 through 2020.
    d. Budgeted and/or forecast for AEP in total for each year, 2017 through 2020, to be allocated or charged to KPCo.

288. PJM Transmission Costs.

    a. Identify all transmission costs, by account, in the test year.
    b. Identify all transmission costs, by account, in each calendar year, 2014 through 2016.
    c. Identify all transmission costs, by account, budgeted and/or forecast for KPCo for each year, 2017 through 2020.
    d. Identify all transmission costs, by account, budgeted and/or forecast for AEP in total for each year, 2017 through 2020, to be allocated or charged to KPCo.
    e. Do any other AEP utility operating companies currently have a regulatory commission authorized PJM Rider? (i) If not, explain fully why not. (ii) If so, identify each utility and each docket in each jurisdiction, and provide a complete copy of such rider.
    f. For each AEP utility operating company that has a PJM Rider that is similar to KPCo's proposal, identify the date such rider was

implemented and the dates and test years used in that utility's last five rate cases.

g. Identify and provide KPCo's prospective rate filing plans (i) with a PJM Rider and (ii) without a PJM Rider.

h. For each year, 2017 through 2020, identify the total amounts, by account, of each type of cost that KPCo is proposing be recovered in a PJM Rider.

289. Identify all Surcharge and Rider increases and rate changes by date and bill impact that have been imposed on KPCo's customers since the Commission's June 22, 2015 Order in Case No. 2014-00396.

290. Transmission Function Revenues and Expenses.

a. For each year, 2014 through 2016, identify the total amounts, by account, of each type of transmission, revenue, cost and investment that KPCo had recorded.

b. For the test year identify the total amounts, by account, of each type of transmission, revenue, cost and investment that KPCo had recorded.

c. Using the test year amounts identified in response to part b, show in detail exactly which items KPCo is proposing be recovered in the PJM Rider, and which transmission costs would remain in KPCo's base rates.

291. Sales for Resale.

a. Identify and provide the sales for resale by account for each calendar quarter for January 1, 2014 through June 30, 2017.

b. Show the amounts of purchased power expense, by account, for each calendar quarter for January 1, 2014 through June 30, 2017.

292. System Sales Margins.

a. How much system sales margin has KPCo reflected in its proposed revenue requirement? Exactly where in KPCo's filing is that reflected?

b. How much system sales margin has KPCo recorded during each month of 2016 and 2017?

293. Kentucky Power jurisdictional cost of service allocation. For each rate base account and for each revenue and operating expense account, show the Kentucky Power jurisdictional cost of service allocation as a percentage of the total cost in each such account.

294. Compensation. Refer to the Direct Testimony of Company witness Carlin.

a. For 2015 through June 2017, has the Company taken steps to control compensation by (1) substantially reducing the use of external contractors and temporary employees, or (2) reducing the employee workforce through staff reductions, severance programs or attrition?

b. If so, identify, quantify, and explain all steps taken in such regard.

c. Explain fully and in detail whether the Company's filing reflects the impacts of each of the cost reduction steps noted above in part a. If so, quantify and identify, by amount and account, where these cost reducing impacts are reflected in the Company's filing. If not, explain fully why not.

d. Are additional steps being taken in 2017? If not, explain fully why not. If so, identify and explain each step and its annual input.

e. When was the last severance program? What was its cost and how much savings was produced?

295. Compensation. Refer to the Direct Testimony of Company witness Carlin. Quantify and explain fully and in detail how the Company's target total cash compensation (base pay plus annual incentive compensation) and target total direct compensation (total cash compensation plus target long-term incentive compensation) have grown since the Company's last rate case. Show detailed calculations.

296. Incentive Compensation. Identify all KPSC orders of which the Company is aware that address whether and to what extent incentive compensation costs are allowable in a utility's revenue requirement.

297. Incentive Compensation.

a. Does the Company's incentive compensation include any measures that are impacted by parent company (American Electric Power) earnings per share (EPS) or by AEP earnings achievement?

b. If so, explain fully and in detail, and show the impact on the Company's requested amounts of test year expense.

c. Are the EPS funding measure and incentive compensation in general a mechanism for aligning the interests of participating employees and AEP shareholders? If not, explain fully why not.

298. Long-Term Incentive Compensation. Refer to the Direct Testimony of Company witness Carlin. Identify all expenses requested by the Company in the test year that are related to achievement of total shareholder return (TSR) and EPS measures. Include supporting calculations.

299. Incentive Compensation. Identify and provide a complete copy of all incentive compensation plans for which KPCo is claiming expenses.

a. Show the amount of expense that KPCo is claiming, by account, for each such incentive compensation plan.

300. Refer to the Direct Testimony and exhibits of Company witness Elliott. Provide each of Mr. Elliott's Exhibits that were prepared with Excel, electronically in Excel with all formulas and calculations intact.

301. Unit Power Agreement. Does KPCo have a Unit Power Agreement with AEP Generating Company? If "yes" explain fully and:

a. Provide a copy of the Unit Power Agreement ("UPA") between KPCo and AEP Generating Company.

b. Confirm that the UPA is the same as the Unit Power Supply Agreement ("UPSA") which was approved by the Commission in its Order dated October 25, 2004 in Case No. 2001-00420. If not confirmed, explain fully why not, and provide a copy of the UPA applicable to Rockport.

c. Identify all FERC proceedings from 2004 through 2017 that have addressed the Rockport Unit Power Supply Agreement.

d. Identify all costs, by account, that the Company is requesting in the test year related to the Rockport Unit Power Supply Agreement.

e. Identify and provide all invoices to the Company in 2015, 2016 and 2017 (to date) related to charges associated with the Rockport Unit Power Supply Agreement.

302. 2017 Environmental Compliance Plan. Refer to Direct Testimony and Exhibits of Company witness Elliott.

a. Does the Company's Environmental Compliance Plan include any costs for Rockport related environmental projects? If so, which projects?

b. Are all of the capital costs for the Rockport related environmental projects billed to KPCo in accordance with the terms of the Unit Power Agreement that expires in December 2022?

c. Show in detail how each amount for a Rockport environmental project was derived and show detailed calculations of the amounts charged to KPCo.

d. Does the Company's Environmental Compliance Plan include any costs for Mitchell related environmental projects? If so, which projects?

e. Show in detail how each amount for a Plant Mitchell environmental project was derived and show detailed calculations of the amounts charged to KPCo.

303. Show how much Rockport capacity charge KPCo collected in each year, 2014 through 2016 and for 2017 to date.

304. Rate case expense.

a. Show in detail the components of the company's requested rate case expense.

b. How much of the Company's requested rate case expense is for KPCo labor?

c. How much is for AEPSC labor?

d. How much has been incurred through February 28, 2017?

e. How much has been incurred through July 31, 2017?

f. Provide invoices for amounts incurred through July 31, 2014.

305. Postage. Does the Company have any program in which customer bills are transmitted electronically, e.g., through email? If so, provide the following information:

a. Identify the number of bills transmitted electronically each month in 2016 and 2017.

b. Identify the number of customers that elected into the electronic bill transmittal program as of each month-end in 2016 and 2017.

306. Postage.

a. Identify the Company's total postage expense, by account, for each month in 2016 and 2017.

b. Identify the Company's postage expense, by account, for calendar years 2016 and 2017.

c. Identify the number of bills and notices mailed in the last complete billing cycle of the test year.

d. Identify the number of bills, notices and letters mailed each month of 2016 and 2017.

307. Property tax expense.

a. Show in detail how the Company estimated the property tax expense for the Mitchell Plant (1) in total and (2) for KPCo's share.

b. What amount of property tax expense is the Company claiming for environmental control equipment at the Mitchell Plant? Show in detail how that amount was derived.

308. Coal inventory.

a. Show in detail how the level of coal supply for Plant Mitchell proposed by the Company was derived.

b. Provide the amount of coal burn (tons, total cost and cost per ton) at Plant Mitchell for each month during the period January 2014 through June 2017.

c. Provide the amount of coal in inventory at Plant Mitchell (tons, total cost and cost per ton) for each month end during the period December 31, 2013 through June 30, 2017.

309. Economic Development.

a. Clarify which amounts KPCo is attempting to recover from ratepayers for economic development and show in detail how each of those amounts were developed.

b. Clarify which amounts are being funded by shareholders.

c. Was any economic development in KPCo's service area achieved in 2015, 2016 or 2017? (i) If not, explain fully why not. (ii) If so, identify, quantify and explain the additional MWH sales and job creation that resulted in each year, 2015, 2016, and 2017, from KPCo's economic development efforts.

d. Does KPCo project that any economic development in KPCo's service area will be achieved in 2017 or 2018?
   i. If not, explain fully why not.
   ii. If so, identify, quantify and explain the additional MWH sales and job creation that is expected by KPCo to result in each year, 2017 and 2018, from KPCo's economic development efforts (1) without the additional ratepayer-charged funding and (2) with the additional ratepayer-charges that KPCo is proposing.

310. Rockport.

a. Is KPCo proposing to charge Rockport fixed charges on the basis of a per-kWh charge to customers?

b. Would it make sense for KPCo to charge Rockport fixed charges on the basis of a fixed monthly charge, rather than on the basis of a per-kWh charges that will vary with kWh usage? If not, explain fully why not.

311. Reconnect charges.

a. Is the Company proposing any increases to reconnect charges or to non-recurring charges?

b. If "yes" identify, quantify and explain those increases.

c. What amount of additional revenue for each type of reconnect charge and non-recurring charge has KPCo reflected in the development of its proposed base rate revenue deficiency?

312. Income Taxes, Section 199 Deduction. Refer to the testimony of witness Bartsch.

a. Identify and provide a copy of all separate return based calculations of the section 199 deductions for KPCo for each tax year 2014 through 2016 and for the test year.

b. Identify and provide all consolidated AEP Calculations of the section 199 deduction for each tax year, 2014 through 2016.

c. Identify and provide all tax forms and supporting schedules filed with AEP consolidated federal income tax returns for each tax year, 2014 and 2015, related to each of the following: (1) consolidating information, (2) section 199 deduction, (3) tax depreciation, and (4) repairs deductions.

d. How much tax benefit of the §199 deduction has the Company reflected in the test year?

e. Have the amounts of §199 deduction for KPCo for the test year, or for tax years 2014, 2015 or 2016 been impacted in any way by KPCo's participation in the AEP consolidated federal income tax return? If so, identify, quantify, and explain all such impacts.

f. Is it KPCo's position that the Section 199 deduction has provided KPCo with tax savings in some years, but will not necessarily provide a net tax savings in all years?

g. Should a multiple year average of the results of the Section 199 deduction be used for the ratemaking impact on KPCo for the Section 199 deduction? If not, explain fully why not.

h. Does KPCo expect that the operation of the Mitchell plant will qualify as domestic production activities? If not, explain fully why not.

i. Does the Big Sandy plant generate any Section 199 deduction? If not, explain fully why not. If so, how is that calculated, and how much is allocated to KPCo.

j. Does the Rockport plant generate any Section 199 deduction? If not, explain fully why not. If so, how is that calculated, and how much is allocated to KPCo.

k. Did KPCo obtain any tax benefits from its purchase of capacity and power from the Rockport plant? If not, explain fully why not. If so, identify, quantify, and explain the tax benefits to KPCo.

313. Income taxes. Parent company loss.

a. Show the amount of the AEP parent company loss that was reflected on each AEP consolidated federal income tax return for each tax year, 2014 through 2016.

b. Show how much of the AEP parent company loss that was reflected on each AEP consolidated federal income tax return for each tax year, 2014 through 2016, has been allocated as a reduction to KPCo income tax expense in each year. Include supporting calculations.

c. What amount of reduction for the AEP parent company loss has been reflected as a reduction to KPCo income tax expense in the Company's current rate case? Where is that reflected, and how was it calculated? Show supporting calculations in detail.

314. Rockport.

a. Has any FERC Order approved a 12.16% return on equity for the Rockport Plant? If so, identify and provide the FERC order that approved the 12.16% return on equity for the Rockport Plant, together with the filings made by AEP and/or its affiliates.

b. Show in detail the capital structure and capital costs that KPCo is using for the Rockport Plant.

c. Is the Rockport Plant operated by KPCo's affiliate, Indiana and Michigan Electric Company?

d. Has the return on equity for the Rockport plant ever been addressed by the Indiana or Michigan regulatory commissions? (i) If so, identify the last three Indiana proceedings to address the return on equity. (ii) Identify the last three Michigan PSC proceedings to address the return on equity.

e. Has KPCo ever used a 12.16% return on equity for the Rockport Plant in any other rate case or regulatory proceedings before the Kentucky PSC? (i) If not, explain fully why not. (ii) If so, identify all previous proceedings before the Kentucky PSC wherein KPCo used a 12.16% return on equity for the Rockport Plant.

f. What risks are being borne by KPCo for the Rockport Plant that would justify using a return on equity of 12.16%?

g. What revenue requirement for the Rockport UPA was approved by FERC?

h. How does the Company's request in the current rate case for Rockport UPA costs compare with the Rockport UPA revenue requirement last approved by FERC? Identify, quantify, and explain any differences.

i. Identify all amounts of cost, by account, associated with the Rockport UPA that are included in KPCo's requested revenue requirement in the current case.

315. Mitchell FGD.

a. Has the Company included any costs related to Mitchell FGD in its requested revenue requirement?

b. If so, identify, quantify, and explain those amounts.

c. Confirm KPCo's understanding that the Attorney General did not sign the settlement agreement for the Mitchell FGD system for which KPCo has incurred cost. If not, explain fully.

d. When did the Mitchell FGD become operational?

e. What was the cost of the Mitchell FGD by account by month through February 28, 2017?

f. Identify and provide all budgeted amounts for the Mitchell FGD by account by month, for the period January 1, 2017 through June 30, 2020.

g. Identify the costs, by month, for the period January 2014 through June 30, 2020, by account for each of these Mitchell FGD O&M expenses which are listed on page 17: (i) gypsum disposal, (ii) limestone, (iii) lime hydrate, (iv) polymer, (v) maintenance, (vi) property taxes, and (vii) depreciation.

h. Does the Company agree that the Mitchell FGD is located in West Virginia and per West Virginia statutes such as West Virginia Code § 11-6F and response to discovery from KPCo's affiliate, Appalachian Power Company in a recent West Virginia rate case, qualifying pollution control equipment for purposes of ad valorem property taxation has a reduced assessment, based on its salvage value, which for purposes of that West Virginia code section is five percent of the certified capital addition property's original cost. Consequently, this West Virginia statutory provision creates an effective 95 percent exemption for qualifying pollution control equipment for West Virginia property tax purposes. Consequently, West Virginia pollution control facilities are 95 percent exempt from West Virginia property taxes, specifically:

> The exempt plant amount consisted of pollution control facilities. As defined in the West Virginia Code § 11-6A-2, "pollution control facility" means any personal property designed, constructed or installed primarily for the purpose of abating or reducing water or air pollution or contamination by removing, altering, disposing, treating, storing or dispersing the concentration of pollutants, contaminants, wastes or heat in compliance with air or water quality or effluent standards prescribed by or promulgated under the laws of this state or the United States, the design, construction and installation of which personal property was approved as a pollution control facility by either the office of water resources or the office of air quality, both of the division of environmental protection, as the case may be. As defined in § 11-6A-3, "the value of a pollution control facility ... shall ... be deemed to be its salvage value ..." This is normally approximated by the state at 5 percent of original cost. Therefore, the amount of plant for each year was 95% exempt.

If KPCo does not so agree, explain fully why not.

i. In calculating the estimated property tax expense for the Mitchell FGD, did KPCo recognize that the Mitchell FGD was located in West Virginia and per the West Virginia statutes is 95% exempt from West Virginia property taxes? If not, explain fully why not and show the adjustment to the Mitchell FGD property taxes in KPCo's filing that would properly reflect the 95% exemption from West Virginia property taxes. Include supporting calculations.

316. SERP. Has KPCo included any amount for SERP in its requested operating expenses? If so, identify the amount and account.

317. Defined benefit pensions.

a. Has AEP or KPCo made any curtailments or discontinued eligibility in any of the AEP defined benefit pension plans for which cost is charged to KPCo during any years from 2014 through 2017? (i) If not, explain fully why not. (ii) If so, describe each curtailment and eligibility restriction that was implemented during this time frame.

318. Defined benefit pensions. Are new KPCo and AEPSC employees eligible for participation in a defined benefit pension plan? If so, describe the eligibility. If not, explain fully why not.

319. Refer to the Direct Testimony of Company witness Wohnhas. On pages 21-22 of his testimony, in his discussion regarding the hiring of a new administrative associate to curb energy theft, Mr. Wohnhas states that this position will allow the existing FTE's to do more onsite energy theft investigations and that KPCo estimates it can increase its annual theft recoveries by up to 50%.

a. Please quantify the amount of annual theft recoveries that KPCo's estimated increase of up to 50% would produce. Show detailed calculations.

b. Please state whether the Company has reflected the estimated 50% increase in annual theft recoveries in its filing. If so, identify by amount and account where this is reflected. If not, explain fully why not.

c. Mr. Wohnhas states in his testimony that the Company was interviewing applicants for this position. What is the current status for KPCo hiring someone for this position.

d. Please quantify the salary and benefits associated with this position.

320. Refer to the Direct Testimony of Company witness Ross. On page 13 of his testimony, Mr. Ross states that the cost of service adjustment made for severance expense decreased payroll expense for severance true-ups but that payroll tax expense increased because of the severance true-ups. Please explain fully and in detail why there would be an increase in payroll tax expense for the severance true-up when payroll expense decreased as a result of this adjustment.

321. Provide copies of all presentations made to rating agencies and/or investment firms by AEP, and/or Kentucky Power Company between January 1, 2016 and the present.

322. Provide copies of all prospectuses for any security issuances by AEP and/or Kentucky Power Company between January 1, 2012 and the present.

323. Provide copies of credit reports for AEP and/or Kentucky Power Company between January 1, 2015 and the present from the major credit rating agencies (Moody's, S&P, and Fitch).

324. Provide the corporate credit and bond ratings assigned to AEP and Kentucky Power Company since the year 2012 by S&P, Moody's, and Fitch. For any change in the credit and/or bond rating, provide a copy of the associated report.

325. Provide the breakdown in the expected return on pension plan assets for Kentucky Power Company. Specifically, provide the expected return on different assets classes (bonds, US stocks, international stocks, etc.) used in determining the expected return on plan assets. Provide all associated source documents and work papers.

326. Provide the Company's authorized and earned return on common equity for Kentucky Power Company over the past five years. Provide copies of all associated work papers and source documents. Provide copies of the source documents, work papers, and data in electronic (Microsoft Excel) formats, with all data and formulas intact.

327. Provide copies of the financial statements (balance sheet, income statement, statement of cash flows, and the notes to the financial statements) for AEP and Kentucky Power Company for the past two years. Provide copies of the financial statements in electronic (Microsoft Excel) formats, with all data and formulas intact.

328. For the past five years, provide the dates and amount of: (1) cash dividend payments made to AEP by Kentucky Power Company; and (2) cash equity infusions made by AEP into Kentucky Power Company.

329. Provide a copy of Mr. McKenzie's testimony in Microsoft Word.

330. Provide copies of Mr. McKenzie's Exhibit Nos. 2 through 11 in Microsoft Excel, with data and formulas intact.

331. Provide copies of all source documents, articles, cited documents listed in footnotes, regulatory decisions, work papers, and other sources used in the development and preparation of the testimony of Mr. McKenzie.

332. Provide copies of the source documents, work papers, and underlying data used in the development of all exhibits for Mr. McKenzie (Exhibit No. AMM-2 through Exhibit No. AMM-11). Provide the data and work papers in electronic formats (Microsoft Excel), with all data and formulas intact.

333. With reference to pages 23-24 of Mr. McKenzie's testimony: (1) indicate the universe of electric and utility companies as indicated by *Value Line Investment Survey,* (2) the companies eliminated from each group from each of the screens; and (3) the reasons each of the companies were eliminated.

334. With reference to pages 48-49 of Mr. McKenzie's testimony, provide the theoretical and empirical studies that support the use of the size premium.

335. With reference to pages 50-52 of Mr. McKenzie's testimony, provide the theoretical and empirical studies that support the use of the ECAPM with the .25/.75 weights versus the traditional CAPM.

336. With reference to pages 54-62 of Mr. McKenzie's testimony and Exhibit No. AMM-9, provide the following: (1) the individual authorized ROEs that are used in computing the annual Allowed ROEs in Column (a); (2) for each of the individual ROEs, include all of the following: the order or docket number, the state, the utility, the decision date, the authorized ROE, the authorized common equity ratio, whether the rate case was fully litigated or settled, and whether the authorized included any specific ROE adders and/or penalties; and (3) the data and work papers for (1) and (2) in electronic formats (Microsoft Excel), with all data and formulas intact. Also include electronic copies (Microsoft Excel) of the Schedule, leaving all data and formulas intact.

337. With reference to pages 67-73, provide: (1) the details of the 3.6% flotation cost and how much is associated with the underwriting spread, company issuance costs, market pressure, and other expenses; and (2) details of all the equity floatation costs paid by Kentucky Power Company over the past two years.

338. With reference to pages 73-77 and Exhibit No. AMM-11: (1) list the screens applied to the *Value Line* database in establishing the Non-Utility Proxy Group; (2) indicate the justification for each of the screens applied to the companies in the Value Line Investment Survey in establishing the Non-Utility Proxy Group; (3) the companies eliminated from the group from each of the five screens; and (4) the reasons that each of the companies were eliminated.

339. Refer to the testimony of Adrian Mckenzie, p, 24. Confirm that in Answer 35, number 2, that the Value Line Safety Rank's used were 1 or 2, not solely 1.

340. Provide the Company's rate design and revenue allocation spreadsheets and associated workpapers including all linked files. Provide the files in electronic 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.

341. Provide copies of any and all workpapers that link and/or tie the Company's revenue requirement to the requested revenue allocation and requested rate design. Provide the files in electronic 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.

342. Provide the base revenue for each current and proposed rate class for each of the years 2011 - 2016 and each month of 2017. Provide the requested documents in electronic form with all spreadsheet 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.

343. Provide the total revenue, broken down by major category, for each current and proposed rate class for each of the years 2011 – 2016 and each month of 2017. Provide the requested documents in electronic form with all spreadsheet 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.

344. Provide the average number of customers for each current and proposed rate class for each of the years 2011 - 2016 and each month of 2017. Provide the source documents containing the customer data supplied in response to this request. Provide the requested documents in electronic form with all spreadsheet 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.

345. Provide the actual electricity usage data for each current and proposed rate class for each of the years 2011 – 2016 and each month of 2017. Provide the source documents containing the usage data supplied in response to this request. Provide the requested documents in electronic form with all spreadsheet 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.

346. Provide a sales forecast for 2017, 2018, and 2019. Provide the source documents containing the usage data supplied in response to this request. Provide the requested documents in electronic form with all spreadsheet 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.

347. Provide normalized (weather-adjusted) electricity usage data for each current and proposed rate class for each of the years 2011 – 2016 and each month of 2017. Provide the source documents containing the usage data supplied in response to this request. Provide the requested documents in electronic form with all spreadsheet 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.

348. Provide the Company's actual load growth by customer class for each of the years 2011 through 2016 and as projected for 2017, 2018, 2019, 2020, and 2021. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

349. Provide all analyses conducted by or for the Company which demonstrates the impact the Company's rate proposals will have on customers' bills. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

350. Provide a summary of the customer charge and volume-based distribution charge by rate class over the last six years for the Company. Include the effective date for each change in the customer charge rate.

351. Provide all analyses prepared by or for the Company that examine the impacts that its rate proposal will have on customer affordability. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

352. Provide all subsidiary studies to the Company's CCOSS. This includes all studies used to derive the allocation factors used in the CCOSS and/or used for any other purpose in the CCOSS. These include, but are not limited to special cost allocation studies. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

353. For the years 2011 through 2016, provide: (i) the coincident peak system demand by month for each current and proposed customer class; and (ii) the non-coincident peak demand by month for each current and proposed customer class. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

354. Provide all studies in the Company's possession that examine the relationship between Company rate revenues and customer incomes for the residential class. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

355. Provide all studies in the Company's possession that examine the electricity use of low-income customers living in the Company's service territory. Provide all workpapers and source documents supporting the Company's response in electronic form, with all spreadsheet 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.

356. For the purposes of this request, refer to the Direct Testimony of Matthew J. Satterwhite, page 3 lines 20 through 23, where he states:

> The Company serves approximately 168,000 retail customers located in 20 eastern Kentucky counties. The Company's total customer count has declined by approximately 2,300 customers since September 2014.

a. Provide a detailed narrative describing all efforts undertaken by the Company to address customer attrition occurring in its service territory.

b. Provide all analyses prepared by the Company or on its behalf that examine the success of efforts by the Company to address its customer attrition problem.

c. Provide any and all documents, studies, memos, reports, analyses, presentations, e-mails, or other correspondence (including those to management and investors) undertaken by or on behalf of the Company which examined and/or discusses the decline in customers since 2007.

d. Provide all supporting workpapers and source documents supporting the Company's response 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.

357. For the purposes of this request, refer to the Direct Testimony of Brad N. Hall, page 7, line 4, where he describes the Kentucky Power Economic Advancement Program ("KEAP").

a. Provided a detailed narrative describing how the costs associated with the Company's KEAP program are treated for ratemaking purposes (i.e., are they considered "above-the-line" expenses and built into service rates to be recovered from ratepayers, or are they considered "below-the-line" expenses for ratemaking purposes.)

b. Provide the number of full-time jobs created from the KEAP program for each year of the programs existence.

c. Provide the title or description of each type of job created.

d. Provide all supporting workpapers and source documents supporting the Company's response 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.

358. For the purposes of this request, refer to the Direct Testimony of Brad N. Hall, page 7, line 16, where he describes the K-PEGG program through which the Company issues economic grants throughout its service territory.

a. Provide a detailed narrative describing how the costs associated with the Company's K-PEGG program are treated for ratemaking purposes. (i.e. are Company costs associated with the K-PEGG program considered "above-the-line" for ratemaking purposes?)

b. Provide the number of full-time jobs created from the K-PEGG program for each year of the programs existence.

c. Provide the title or description of each type of job created.

d. Provide all supporting workpapers and source documents supporting the Company's response 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.

359. For the purposes of this request, refer to the Direct Testimony of Brad N. Hall, page 8, lines 6 through 13, where he describes the Company's local bank financing program.

a. Provide a detailed narrative describing how the costs associated with the Company's local bank financing program are considered for ratemaking purposes. (i.e. are these costs considered "above-the-line" for ratemaking purposes?)

b. Provide a list of all 12 different local banks that participate in the Company's loan program.

c. Provide a list of all loans that have been guaranteed by the Company through its $200 million financing package.

d. For each loan listed in response to (b) above, provide the number of full-time jobs created from the loan.

e. Provide all supporting workpapers and source documents supporting the Company's response 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.

360. For the purposes of this request, refer to the Direct Testimony of Brad N. Hall, page 12 lines 1 through 8, where he states:

> Currently, there are 23 active economic development projects in the service territory. Successful economic development projects have resulted in the creation of approximately 830 full-time jobs in the service territory, including approximately 550 full time (and 1,000 construction) jobs with Braidy Industries in Greenup County, 115 jobs with Logan Corporation in Magoffin County, 75 jobs with RCL Chemical in Floyd and Pike Counties, 65 jobs with Steel Ventures in Greenup County, 18 jobs with Quality Metal in Lawrence County, and 15 jobs with Thoroughbred Aviation Maintenance in Martin County.

a. Provide a list of all 23 active economic development projects in the Company's service territory.

b. Of the 830 full-time jobs created that are cited as support for "[s]uccessful economic development projects", how many are actually active, filled, and paying jobs?

c. Provide a list of historic economic development projects that have been funded partially or fully by the Company.

d. For each active or historic economic development project referenced in response to (a) and (b) above, provide the following information:

   i. Number of jobs created or expected to be created through the referenced economic development project; and
   ii. Amount of capital financing associated with the referenced economic development project.

e. Provide all supporting workpapers and source documents supporting the Company's response 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.

361. For the purposes of this request, refer to the Direct Testimony of Brad N. Hall, page 17 lines 1 through 5, where he mentions that the Company has denied 5 K-PEGG grant requests since the program's inception in January 2016.

a. Provide a list of approved and pending applications, including:

   i. Name of applicant;
   ii. Amount of financing requested; and
   iii. Indicated purpose of the requested financing.

b. Provide details associated with the denied grant requests, including:

   i. Name of applicant;
   ii. Amount of financing requested;
   iii. Indicated purpose of the requested financing; and
   iv. Company reason for denying request.

c. Provide all documents provided to each applicant indicating the reason the Company was denying the requested financing, and the referenced feedback on potential improvements to application.

d. Provide all supporting workpapers and source documents supporting the Company's response 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.

362. For the purposes of this request, refer to the Direct Testimony of Brad N. Hall, page 19 lines 18 through 21, where he argues for increasing the economic development surcharge from $0.15 per customer per month to $0.25 per customer per month to support a growth in the K-PEGG program.

a. Provide a detailed narrative explaining the Company's rationale for why it believes a 10 cent increase to the surcharge would substantially increase the ability of the K-PEGG program to assist economic development in the Company's service territory.

b. Describe the methodology used by the Company in determining that a 10 cent increase to the surcharge would make the K-PEGG program more effective in its economic development efforts.

c. Provide all supporting workpapers and source documents supporting the Company's response 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.

363. Regional Economic Development

a. Is the Company aware of any other electric or natural gas utilities that provide economic development assistance to local entities or to businesses looking to locate to the utility's service territory.

b. To the extent the Company's response to (a) above is in the affirmative, provide a list of regional utilities the Company is aware of.

c. For each utility referenced in response to (b) above, provide the economic development program or programs offered by the utility, and associated program parameters.

d. Has the Company compared its economic development initiatives to that of other utilities offering economic development opportunities?

e. To the extent the Company's response to (b) above is in the affirmative, provide copies of the Company's comparisons of its offerings to other relevant utilities.

f. Provide all supporting workpapers and source documents supporting the Company's response 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, please provide the information in the form that most closely matches what has been requested.

364. Historic Economic Development Activity

a. Provide all analyses the Company has in its possession that examine the gain in electric billing determinates associated with new load resulting from the Company's historic economic development activity.

b. Provide all analyses the Company has in its possession that examine the monetary revenue gain associated with new load resulting from the Company's historic economic development activity.

c. Provide all supporting workpapers and source documents supporting the Company's response 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, please provide the information in the form that most closely matches what has been requested.

365. Provide all analyses or studies undertaken by or on behalf of the Company that have examined whether the Company's various economic development initiatives are sufficient to incentivize economic or load growth in the Company's service territory. Provide all supporting workpapers and source documents supporting the Company's response 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.

366. KEAP Program Job Creation.

a. Does the Company's KEAP program require potential customers to achieve a set minimum level of job creation as a condition for receiving an economic development grants or other financing assistance under the program?

b. To the extent the Company's response to (a) is in the affirmative, provide the number of jobs the Company requires an applicant to add to be eligible for receiving an economic development grant or other financing assistance under the program.

c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

367. KEAP Program Capital Investment

a. Does the Company's KEAP program require minimum capital investments related to new load as a condition for receiving an economic development grant or other financing assistance under the program?
b. To the extent the Company's response to (a) is in the affirmative, provide the capital investment threshold required for eligibility in receiving an economic development grant or other financing assistance under the program.
c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

368. KEAP Program Load Growth

a. Does the Company's KEAP program require minimum load growth as a condition for receiving an economic development grants or other financing assistance under the program?
b. To the extent the Company's response to (a) is in the affirmative, provide the load growth threshold required for eligibility in receiving an economic development grant or other financing assistance under the program.
c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

369. KEAP Program Benefits

a. Does the Company's KEAP program require minimum annual benefits as a condition for receiving an economic development grants or other financing assistance under the program?

b. To the extent the Company's response to (a) is in the affirmative, provide the annual benefit threshold required for eligibility in receiving an economic development grant or other financing assistance under the program.

c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

370. KEAP Program Documentation

a. Does the Company's KEAP program require the customer to submit documentation indicating that KEAP program funding or financing was a factor in their decision to locate, remain, or expand in the Company's service territory?

b. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

c. Does the Company's KEAP program require that potential customers demonstrate by sworn affidavit that but for the KEAP program, the customer would not be able to establish, expand, or maintain operations in the Company's service area?

d. To the extent the Company's response to (c) is in the negative, please provide a detailed narrative explaining the Company's rationale for not including such a provision.

371. KEAP Program Repayments

a. Does the Company's KEAP program require repayment of KEAP program funding or financing in circumstances where the customer fails to locate, or expand in the Company's service territory?

b. To the extent the Company's response to (a) is in the negative, please provide a detailed narrative explaining the Company's rationale for not including such a provision.

c. Does the Company's KEAP program require repayment of KEAP program funding or financing in circumstances where the customer ceases operations sometime after receiving KEAP support?

d. To the extent the Company's response to (c) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

372. K-PEGG Program Job Creation.

a. Does the Company's K-PEGG program require potential customers to achieve a set minimum level of job creation as a condition for receiving an economic development grant or other financing assistance under the program?

b. To the extent the Company's response to (a) is in the affirmative, provide the number of jobs the Company requires an applicant to add to be eligible for receiving an economic development grant or other financing assistance under the program.

c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

373. K-PEGG Program Capital Investment

a. Does the Company's K-PEGG program require minimum capital investments related to new load as a condition for receiving an economic development grant or other financing assistance under the program?

b. To the extent the Company's response to (a) is in the affirmative, provide the capital investment threshold required for eligibility in receiving an economic development grant or other financing assistance under the program.

c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

374. K-PEGG Program Load Growth

a. Does the Company's K-PEGG program require minimum load growth as a condition for receiving an economic development grant or other financing assistance under the program?

b. To the extent the Company's response to (a) is in the affirmative, provide the load growth threshold required for eligibility in receiving an economic development grant or other financing assistance under the program.

c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

375. K-PEGG Program Benefits

a. Does the Company's K-PEGG program require minimum annual benefits as a condition for receiving an economic development grant or other financing assistance under the program?

b. To the extent the Company's response to (a) is in the affirmative, provide the annual benefit threshold required for eligibility in receiving an economic development grant or other financing assistance under the program.

c. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

376. K-PEGG Program Documentation

a. Does the Company's K-PEGG program require the customer to submit documentation indicating that K-PEGG program funding or financing was a factor in their decision to locate, remain, or expand in the Company's service territory?

b. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

c. Does the Company's K-PEGG program require that potential customers demonstrate by sworn affidavit that but for the K-PEGG program, the customer would not be able to establish, expand, or maintain operations in the Company's service area?

d. To the extent the Company's response to (c) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

377. K-PEGG Program Repayments

a. Does the Company's K-PEGG program require repayment of K-PEGG program funding or financing in circumstances where the customer fails to locate, or expand in the Company's service territory?
b. To the extent the Company's response to (a) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.
c. Does the Company's K-PEGG program require repayment of K-PEGG program funding or financing in circumstances where the customer ceases operations sometime after receiving K-PEGG support?
d. To the extent the Company's response to (c) is in the negative, provide a detailed narrative explaining the Company's rationale for not including such a provision.

378. Company-wide Economic Development Discounts.

a. Do any of the Company's affiliates offer discounted service to encourage economic development within that company's jurisdiction?
b. To the extent the Company's response to (a) above is in the affirmative:
   i. Identify each affiliated company offering discounted service,
   ii. Identify the specific program or programs providing discounted service, and the associated program parameters.
c. For each of the years 2012 through 2016 and 2017 to date, provide, by program, the annual sums each of the Company's affiliates have spent on discounted service to encourage economic development.
d. Provide all supporting workpapers and source documents supporting the Company's response 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.

379. Company-wide Economic Development Activities.

a. Do any of the Company's affiliates provide economic development funding to encourage economic development within that company's jurisdiction?

b. To the extent the Company's response to (a) above is in the affirmative:

   i. Identify each affiliated company offering economic development funding,

   ii. Identify the specific program or programs providing economic development funding, and the associated program parameters.

c. For each of the years 2012 through 2016 and 2017 to date, provide, by program, the annual sums each of the Company's affiliates have spent on economic development activities.

d. Provide all supporting workpapers and source documents supporting the Company's response 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.

380. Load Growth Forecasts

a. Provide a detailed narrative describing the Company's process determining its forecasted energy needs on its system.

b. Provide the Company's most recent forecast showing the projected load requirements into the future.

c. Provide all supporting workpapers and source documents supporting the Company's response 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.

381. Economic Growth Forecasts

a. Provide any analysis the Company is aware of within the past two years which forecasts economic development within the Company's service territory.

b. Indicate for each analysis provided in response to (a) above if the Company supports the findings of the analysis on a general basis.

c. Has the Company conducted any internal analysis of economic growth in its service territory within the past two years?

d. To the extent the Company's response to (c) above is in the affirmative, provide copies of each analysis the Company has conducted internally within the past two years of economic growth in its service territory.

e. Provide all supporting workpapers and source documents supporting the Company's response 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.

382. Internal Performance Metrics

a. Identify the Company department or departments involved with marketing commercial and industrial service to potential new customers looking at locating within the Company's service territory.

b. Provide a detailed narrative describing the process by which the Company judges the performance of department(s) and its employees marketing commercial and industrial service to potential new customers.

c. Identify all metrics the Company relies upon to judge the performance of department(s) and its employees marketing commercial and industrial service to potential new customers.

d. Provide all analyses the Company has performed within the past 10 years which have evaluated the performance of its department(s) in charge of marketing commercial and industrial service to potential new customers.

e. Provide the requested documents in electronic 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, please provide the information in the form that most closely matches what has been requested.

383. Low Income Assistance

a. Provide a detailed narrative describing the programs the Company has in place to assist low income customers.

b. Provide, by program, the annual expenses for each of the years 2007 through 2017 to date associated with low income assistance programs.

c. Provide, by program, budgeted expenses for each of the years 2017 through 2021 associated with low income assistance programs.

d. Provide all supporting workpapers and source documents supporting the Company's response 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.

384. Competitiveness in Region

a. Provide a detailed narrative describing the metrics the Company uses to gauge the competitiveness of its rates and service to other utilities.

b. Identify an appropriate peer group that the Company uses to gauge the competitiveness of its rates and services to other utilities.

c. Provide all analyses and/or benchmarking studies the Company has conducted within the past 10 years discussing the competitiveness of its rates and services to other utilities.

d. Provide the requested documents in electronic 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.

385. Special Contracts

a. Provide a detailed narrative discussing the Commission process for evaluating special contracts negotiated between the Company and its customers.

b. Identify all special rate contracts the Company has entered into with customers within the past 10 years.

c. For each special rate contract entered into by the Company within the past 10 years, provide the terms of the contract, including the duration and negotiated rate (including base rate class rate).

d. If the evaluation of special rate contracts is docketed by the Commission, please identify the docket associated with each of the Company's special rate contracts entered into by the Company, regardless of whether or not the Commission approved the special rate contract.

386. Projected Impacts

a. Provide an estimate of the annual number of jobs projected to be created by the Company's economic development activities in the years 2017 through 2021.

b. Provide the estimated annual expense associated with the Company's economic development activities in the years 2017 through 2021.

c. Provide all supporting workpapers and source documents supporting the Company's response 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.

387. New Customer Revenues

a. Identify the incremental revenue generated by new or expanded customer electricity use supported by the Company's economic development activities for each year since the initial year of Company economic development support, and 2017 to date.

b. Identify the incremental revenue forecasted to be generated by new or expanded customer electricity use supported by the Company's economic development activities for each of the years 2018 through 2021.

c. Provide all supporting workpapers and source documents supporting the Company's response 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.

388. Provide all documents, reports, analyses, presentations (including those to management, investors, or management of the Company's parent), emails or other correspondence since 2007 that discuss the performance of the Company's marketing of commercial and industrial service to potential new customers looking at locating within the Company's service territory.

389. Provide all documents, reports, analyses, presentations (including those to management, investors, or management of the Company's parent), emails or other correspondence since 2007 that discuss the potential to expand its economic development opportunities to new customers.

390. For the purpose of this request, please refer to the Direct Testimony of Brad N. Hall, pages 15 and 16, which present a table of grant recipients through the K-PEGG Program. Update this information for any new grant recipients subsequent to the preparation of this table.

391. For the purpose of this request, refer to the Direct Testimony of Brad N. Hall, pages 22 and 23, which present a table of grant recipients under the KEAP program. Update this information for any new grant recipients subsequent the preparation of this table.

392. Refer to the testimony of Matt Satterwhite, p. 12. Confirm that the Company collects the Kentucky Economic Development Surcharge ("KEDS") via a per meter charge.

393. Refer to the testimony of Matt Satterwhite, p.12. Confirm that the Company collects the same amount per meter through the KEDS regardless of the classification of the customers. (i.e. residential, commercial, industrial)

394. Confirm that although customers pay the KEDS on a per meter basis, any direct benefit they may receive via increased load on Kentucky Power's system would be primarily reflected as a reduction to Kwh.

395. Refer to the testimony of Brad Hall, p. 14.
    a. How was the K-PEGG program review team chosen?
    b. Were customers provided the opportunity to nominate or choose any members of the team?
    c. Did the Public Service Commission approve the positions to be represented or the individuals chosen to be representatives?

396. Refer to the testimony of Brad Hall, p. 14. Confirm that Kentucky Power's President has the final authority to approve or deny K-PEGG grants. What is the basis for providing the Kentucky Power President final authority?

397. Refer to the testimony of Brad Hall, p. 26. How much of the $300,000 from AEP's Economic and Business Developments Group funds does the cost of the InSite Gap Analysis Report represent?

398. Refer to the Testimony of Witness Sharp pg. 19, section 12. Also, refer to the Testimony of Witness Sharp in the previously separate, but now consolidated, case 2017-00231, as well as the related Exhibits SLS-1 and SLS-2 (a 2014 J.D. Power and Associates Electric Utility Residential Customer Satisfaction Survey and proposed KPCo redesigned bills, respectively).
    a. Some of the figures in the attached survey [Case No. 2017-00231, Exhibit SLS-1] were marked as "small sample." Provide the complete methodology, sample size, customer responses, and computation of statistics for this survey, and explain in detail how you based the decision to reformat bills company-wide on this information.
    b. If you conducted other surveys, followed up on this survey, or gathered more information on this topic, provide all methodologies, questions, responses, statistics, and criteria for those surveys or information gathering.
    c. If you did not conduct further studies, explain why this survey and the information provided was sufficient, e.g., accounting for variables, using a large enough sample size, allowing for change due to the passage of time—given the survey was completed in 2014.
    d. Refer to Witness Sharp's Testimony in 2017-00231, pg. 3, line 1. Explain the extent of KPCo's "customer outreach efforts", especially as they relate to the "larger AEP-wide effort by the AEP operating companies to improve all aspects of the service they provide their customers in response to issues raised in the J.D. Power Survey."
    e. Explain whether in the course of this study and the Company's customer outreach effort, the Company ever discussed the cost of the bill redesign with customers, or whether the cost of bill formatting would be built into future rate increases.
    f. Explain whether any customers expressed a willingness to pay an increased rate if the bill was simpler, and provide all information regarding any such exchange.

Refer to Witness Sharp's Testimony in 2017-00231, pg. 4, line 4. Explain how much of the bill redesign is attributable to "input from Kentucky Power employees, many of whom are also customers."