

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

In the Matter of:

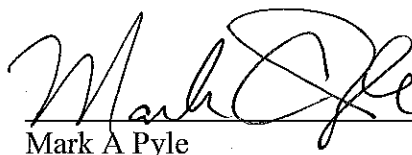
**ELECTRONIC APPLICATION OF KENTUCKY)
POWER COMPANY FOR (1) A GENERAL)
ADJUSTMENT OF ITS RATES FOR ELECTRIC)
SERVICE; (2) AN ORDER APPROVING ITS 2017) Case No. 201700179
ENVIRONMENTAL COMPLIANCE PLAN; (3) AN)
ORDER APPROVING ITS TARIFFS AND RIDERS;)
(4) AN ORDER APPROVING ACCOUNTING)
PRACTICES TO ESTABLISH REGULATORY)
ASSETS AND LIABILITIES; AND (5) AN ORDER)
GRANTING ALL OTHER REQUIRED APPROVALS)
AND RELIEF)**

**KENTUCKY POWER COMPANY RESPONSES TO KENTUCKY CABLE AND
TELECOMMUNICATION ASSOCIATION (KCTA) FIRST SET OF DATA REQUESTS**

August 28, 2017

VERIFICATION

The undersigned, Mark A Pyle, being duly sworn, deposes and says he is the Tax Administrator for American Electric Power, that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief



Mark A Pyle

STATE OF OHIO

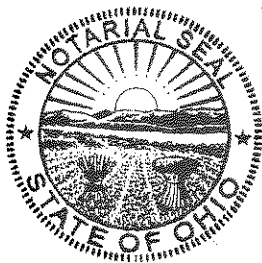
)

) 2017-00179

COUNTY OF FRANKLIN

)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Mark A Pyle, this the 25th day of August 2017.



HEIDI M HINTON
Notary Public, State of Ohio
My Commission Expires 04-29-18




Notary Public

My Commission Expires: 4/29/18

VERIFICATION

The undersigned, Stephen L. Sharp, being duly sworn, deposes and says he is a Regulatory Consultant, for Kentucky Power Company and that he has personal knowledge of the matters set forth in the data responses and the information contained therein is true and correct to the best of his information, knowledge and belief



Stephen L. Sharp

COMMONWEALTH OF KENTUCKY)

) 2017-00179

COUNTY OF FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Stephen L Sharp, this the 25th day of August 2017.



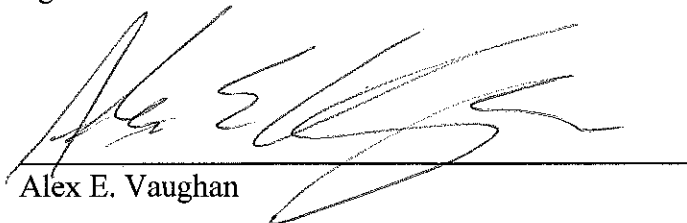
Notary Public

Notary ID Number: 571144

My Commission Expires: January 23, 2021

VERIFICATION

The undersigned, Alex E. Vaughan, being duly sworn, deposes and says he is the Manager, Regulatory Pricing and Analysis that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief.



Alex E. Vaughan

STATE OF OHIO)

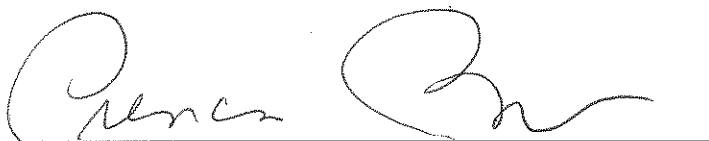
) Case No. 2017-00179

COUNTY OF FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Alex E. Vaughan, this the 29 day of August 2017.



Princess M. Brown
Notary Public, State of Ohio
My Commission Expires 04-19-2020



Princess M. Brown
Notary Public

My Commission Expires: 4/19/2020

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_001 Identify by name and business address each individual who assisted in preparing the pole attachment portions of the Exhibits to the application.

RESPONSE

Pamela F. Ellis – 1 Riverside Plaza, Columbus, OH 43215

Cynthia L. Ramey – 301 Cleveland Ave., SW, Canton, OH 44702

Kevin H. Kuehne – 700 Morrison Rd., Gahanna, OH 43230

Stephen Sharp - 101A Enterprise Drive, Frankfort, Kentucky 40601.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_002 Provide a copy of the last Annual Report.

RESPONSE

Please refer to Section II Exhibit R of the Company's Application in this proceeding.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_003 Provide all calculations made by KPCO in deriving its proposed pole attachment, grounding attachment, and anchor rates under its latest filings, and provide back-up information for each investment, costs and expense number used in your calculation. Tie all such back-up information to KPCO's books (including the relevant FERC Account each such data point is tied to) and provide copies of all such record.

RESPONSE

Please refer to KPCO_R_KCTA_1_3_Attachment1.xlsx for the requested information. The source data used in the calculation came from Kentucky Power's most recently filed FERC Form 1. Please refer to Section II Exhibit P of the Company's Application in this proceeding for the most recent FERC Form 1.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_004 Justify your current pole rates under the Commission's pole rate methodology as set forth in PSC Administrative Case No. 251. Please provide all calculations and source data for the test year and the 12-month period immediately preceding the test year.

RESPONSE

Please refer to the Company's response to KCTA 1-3 for the calculations and source data used in this proceeding. KPCO_R_KCTA_1_4_Attachment1.xlsx provides the calculation for the previous 12 month period. The source data used was the Company's 2015 FERC Form 1, which can be found at

https://www.aep.com/investors/FinancialFilingsAndReports/FERCFilings/docs/2015/Kentucky_Power_Company_Form_1_2015.pdf.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_005 Provide the gross investment in KPCO poles.

RESPONSE

Please refer to Line 2 in KPCO_R_KCTA_1_3_Attachment1.xls for the requested information.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_006 Provide the total number of KPCO poles.

RESPONSE

Please refer to Line 32 in KPCO_R_KCTA_1_3_Attachment1.xls for the requested information.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_007 Provide the depreciation reserve related to the gross investment in poles

RESPONSE

Please refer to Line 10 in KPCO_R_KCTA_1_3_Attachment1.xls for the requested information.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_008 Provide all data and supporting documentation of any survey or audit you, or a third party acting on your behalf, as conducted regarding the number of poles you own for the test year and the 12-month period immediately preceding the test year.

RESPONSE

Kentucky Power did not perform any surveys or audits done regarding the number of poles the Company owns during the test year and the 12-month period immediately preceding the test year.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_009 Provide the number of two-user poles, as described in Administrative Order 251, with attachments.

RESPONSE

Kentucky Power had 62,819 two-user poles as of the end of the test year on February 28, 2017.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_010 Provide the number of three-user poles, as described in Administrative Order 251, with attachments.

RESPONSE

Kentucky Power had 79,102 three-user poles as of the end of the test year on February 28, 2017.

WITNESS: Stephen L. Sharp

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_011 Provide the effective tax rate for KPCO. Provide all data – including but not limited to data on deductions, exclusions, and credits – necessary to derive an effective tax rate.

RESPONSE

The effective income tax rate for KPCO before jurisdictional adjustments is 33.88%. This amount was determined by dividing the total income tax expense of \$20,226,180 by Pre-Tax Book Income of \$59,704,408 from Section V – Application, Exhibit 3, Page 1 of 21.

WITNESS: Mark A. Pyle

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_012 Provide the amount that an average KPCO residential customer's monthly electric bill would change from the amount forecasted by the Company for the test year if the Commission were to reduce KPCO's current annual pole attachment rates by \$1, \$2, \$3, or \$4 and the amount of that reduction were to be recovered from electric ratepayers. In making these calculations, assume that the Company's revenue requirement, as proposed by the Company, is unchanged. Also assume that the pole attachment fee reductions are to be recovered from residential users in the same percentage that the Company's revenues are proposed to be recovered from residential customers.

RESPONSE

Kentucky Power objects to this request as unduly burdensome. Kentucky Power cannot perform the requested calculations in the time provided. For each of the four requested calculations, the Company would need to recalculate the entirety of its jurisdictional cost of service, class cost of service, and rate design.

WITNESS: Alex E. Vaughan

Kentucky Power Company
KPSC Case No. 2017-00179 General Rate Adjustment
KCTA First Set of Data Requests
Dated August 14, 2017

DATA REQUEST

KCTA_1_013 Making the same assumptions as requested in 12, if the Commission were to reduce KPCO's current annual pole attachment rates by \$1, \$2, \$3, or \$4, what effect would it have on KPCO's overall rate of return?

RESPONSE

Using the assumptions from KCTA 1-12, there would be no change in the Company's rate of return.

WITNESS: Alex E. Vaughan