

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Electronic Application of Kentucky Power)
Company for (1) Approval of its Revised Terms) Case No.: 2017-00231
and Conditions of Service Implementing New)
Bill Formats; (2) an Order Granting All Other)
Required Approvals and Relief)

ATTORNEY GENERAL'S RESPONSE TO KENTUCKY POWER COMPANY'S
MOTION FOR PARTIAL REHEARING

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (the "Attorney General"), and files his response to Kentucky Power Company ("KPCo")'s motion for partial rehearing of the Public Service Commission's (the "Commission" or "PSC") Order dated July 17, 2017.

KPCo states that it will incur costs of an estimated \$53,000 if the PSC does not allow for a partial rehearing of this limited issue or, in the alternative, produce an order by September 15, 2017 that will allow KPCo to make bill formatting changes starting in December 2017. The costs referenced by KPCo in this instance are of the type that should be borne by shareholders of the company, not ratepayers. Even so, *arguendo*, the Attorney General would submit that the potential \$53,000 cost to ratepayers to delay bill formatting changes so that their true impact and cost can be assessed in the rate case, would be a small price to pay considering the \$69 million at stake in the rate case.¹

¹ \$53,000 divided by KPCo's current customer base of 168,000 equals approximately \$0.03 per customer per month over the course of one year—a *de minimis* amount.

As the Attorney General has already contended,² these issues are inextricably linked and any arguments regarding bill formatting, even those limited to composition and layout, should be heard within the context of the rate case. AEP may have planned to enact these system-wide changes across all of its holding companies at the same time, but the Commission decides whether such actions deserve further scrutiny, especially when considering the linkage between bill format and rates. Furthermore, the Commission acted of its own volition in issuing an Order *sua sponte* to consolidate the cases, and it alone can decide whether to issue an Order to approve the bill formatting during the pendency of the rate case.

WHEREFORE, the Attorney General respectfully requests that the Commission:

1. Deny Kentucky Power Company's request for a partial rehearing.
2. Deny Kentucky Power Company's request in the alternative to amend the Commission's July 17, 2017 Consolidation Order to specify that the Commission will issue an interlocutory order addressing bill layout and composition no later than September 15, 2017.
3. Grant all other relief to which one or more of the Parties may appear entitled.

This 2nd day of August, 2017.

² Attorney General's Motion to Consolidate Cases, *In the Matter of: Electronic Application of Kentucky Power for (1) Approval of its Revised Terms and Conditions of Service Implementing New Bill Formats; (2) an Order Granting All Other Required Approvals and Relief*, Case No. 2017-00231 (Ky. P.S.C., July 13, 2017).

Respectfully submitted,

ANDY BESHEAR
ATTORNEY GENERAL

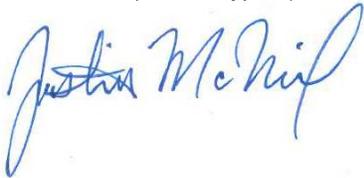


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Certificate of Service and Filing

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 August 2, 2017; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 2nd day of August, 2017.



Assistant Attorney General