

Kentucky Power Company
KPSC Case No. 2020-00022
Commission Staff's 1st Set of Data Requests
Dated March 13, 2020

DATA REQUEST

KPSC 1_1 Refer to footnote 2 of the application, regarding customers who have elected to receive their bills electronically. Provide the number of customers, by rate class that currently receive their monthly bills electronically.

RESPONSE

The number of customers receiving their monthly bills electronically as of February 29, 2020 are as follows:

Residential: 41,169
Commercial: 6,613
Industrial: 238
Public Authority: 368

Witness: Brian K. West

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KPSC 1_2 Refer to the application, paragraph 7, regarding the annual cost of preparing and mailing the bill inserts. Provide a breakdown of the costs of preparing and mailing the bill inserts.

RESPONSE

The costs to prepare and mail the 2019 bill insert were:

Material – such as cost of paper and ink to print the inserts.	\$4,146.51
Labor – salaries and other payroll costs associated with formatting the inserts and transferring the information to the outside vendor's system.	\$2,339.98
Outside Services – amount billed by vendor.	\$2,682.85
Miscellaneous Business Expense – cost of meetings (including travel) with vendor.	\$326.46
Total	\$9,495.80

Witness: Brian K. West

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KPSC 1_3 Refer to the application, paragraph 12, regarding the reference to "customer burden contemplated by 807 KAR 5:006, Section 7(1)(b)." Provide additional details as to the customer burden that is referenced in this paragraph and the customer burden that is associated with Kentucky Power's requested deviation from the regulation.

RESPONSE

807 KAR 5:006, Section 7(1)(b) requires a utility to furnish the rate schedule under which a bill for utility service is computed by either: (1) printing it on the bill; (2) publishing it in a newspaper of general circulation once each year; (3) mailing it to each customer once each year; or (4) providing a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates, which the utility will then mail to the customer. The monthly-recurring bill message that Kentucky Power has proposed in its request for deviation would provide a link to Kentucky Power's website where customers can access rate schedules and would direct customers that they can also view rates at Kentucky Power's office or request that a copy of their rate schedule be mailed to them.

The minimal customer burden associated with Kentucky Power's proposal is commensurate with the minimal customer burden required to request a copy of the rate schedule as contemplated by 807 KAR 5:006, Section 7(1)(b)(4). Moreover, given the broad declines in newspaper circulation generally, the Company's proposal is as convenient, if not more so, than requiring customers who do not receive newspapers to locate and purchase the published notice or to travel to a library to view the newspaper as 807 KAR 5:006, Section 7(1)(b)(2) permits. Kentucky Power's proposed bill message may, in fact, be less burdensome than either of the foregoing methods authorized in the regulation because it would provide a customer with information about how to immediately view their rate schedule electronically each month.

Witness: Brian K. West

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KPSC 1_4 Refer to the application, Exhibit 3, page 1 of 3, and Kentucky Power's current tariff, P.S.C. KY. NO. 11, 2nd Revised Sheet No. 2-18. Explain why the language regarding Homeserve USA was deleted from the proposed sample bill format.

RESPONSE

The “Notes from KPCO” section is designed to relay messages to Kentucky Power customers and this section may contain multiple messages. The messages may be permanent like the message proposed in this case or they may be temporary. The removal of other messages in this section illustrates the temporary nature of certain messages in this section.

The Homeserve message does not appear in the proposed sample bill format because the Homeserve message only appears on the bills of customers who are currently enrolled in the home warranty program.

Witness: Brian K. West

