

**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) Approval Of Tariffs And Riders; (3))
Approval Of Accounting Practices To Establish) Case No. 2020-00174
Regulatory Assets And Liabilities; (4) Approval Of A)
Certificate Of Public Convenience And Necessity;)
And (5) All Other Required Approvals And Relief)

**Joint Intervenors, Mountain Association, Kentuckians for the Commonwealth, and
Kentucky Solar Energy Society's Response To Kentucky Power Company's Supplemental
Data Requests**

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March 16, 2021

RESPONSE TO DATA REQUESTS PROPOUNDED BY KENTUCKY POWER COMPANY

KPC JI SUPP DR 1

Provide all schedules, tables, and charts included in the testimony and exhibits to the supplemental testimony of Joshua Bills in electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 1

Exhibits have been previously provided. There are no schedules, tables, and charts in Mr. Bills' testimony.

Witness: Joshua Bills

KPC JI SUPP DR 2

Provide all workpapers, source documents, and electronic spreadsheets used in the development of the supplemental testimony of Mr. Bills. The requested information, if so available, should be provided in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 2

In our service to enterprises we rely on Company electricity bills, PowerClerk AEP Interconnection Service portal, <https://aep.powerclerk.com/MvcAccount/Login> and Kentucky Power Account Login Portal, <https://www.kentuckypower.com/>.

Witness: Joshua Bills

KPC JI SUPP DR 3

Provide all schedules, tables, and charts included in the testimony and exhibits to the supplemental testimony of Karl Rabago [sic] in electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 3

Exhibits have been previously provided. There are no schedules, tables, or charts in Mr. Rábago's testimony.

Witness: Karl Rábago.¹

¹ For future reference, the last name of this witness is Rábago, not Rabago.

KPC JI SUPP DR 4

Provide all workpapers, source documents, and electronic spreadsheets used in the development of the supplemental testimony of Mr. Rabago [sic]. The requested information, if so available, should be provided in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 4

Electronic hyperlinks have been provided in Mr. Rábago's testimony for all externally cited materials.

Witness: Karl Rábago.

KPC JI SUPP DR 5

Confirm that the Company's net metering cost of service study supports the rates proposed in the NMS II tariff. If your answer is anything other than an unqualified confirmation, state in detail the basis for the same and provide all supporting analyses in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 5

I cannot confirm. The Company has provided insufficient information about the values and assumptions in its cost of service study to support or contest the assertion. The information needed would include the sources of all data associated with net metering customer consumption and production; whether and how this data differs from that for non-generating customers in the class; whether the same allocators are used in the cost of service study for generating and non-generating customers and the reasons for those decisions; whether both consumption and production impacts (including exported energy impacts) of customer generators were assessed in the cost of service study, and how those impacts were addressed; whether the impacts were assessed against a reference of incremental variation (by minute, hour, and day of the year) in the costs for all components of the cost of service; whether the data was estimated or measured, and whether the data relied upon and any inferences or conclusions drawn from the data are statistically reliable; whether the data accounts for differences for net metering customers before and after installation and operation of customer generation; and other factors.

Witness: Karl Rábago.

KPC JI SUPP DR 6

Confirm that neither Mr. Rabago [sic] nor Mr. Bills has performed a full class cost of service study for Kentucky Power that includes separate classes for net metering customers. If your answer is anything other than an unqualified confirmation provide the study in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 6

Neither Mr. Rábago nor Mr. Bills has performed a full class cost of service study for Kentucky Power Company because neither Mr. Rábago nor Mr. Bills has proposed full class rates in this proceeding. Neither Mr. Rábago nor Mr. Bills has performed a cost of service study for Kentucky Power Company net metering customers because neither Mr. Rábago nor Mr. Bills has proposed any change in the net metering tariff for customer generators in this proceeding.

KPC JI SUPP DR 7

Refer to page 4, lines 11-18 of the Bills Supplemental Testimony: (a) Explain the basis, including all supporting facts, for Mr. Bills' assertion that "host customer" benefits should be considered in the Company's rates for electric service; and (b) Identify the specific statutory basis, including all citations to the Kentucky Revised Statutes, for the assertion.

RESPONSE TO KPC JI SUPP DR 7

(a) One basis is taken from Kentucky Power's Customer Philosophy, as stated in Mr. Mattison's testimony,

KPCO_APP_Section_III_Testimony_Vol_1_Mattison_Wiseman_Phillips_Blankenship_Osborne_Vaughan_West_Kaiser, page 6, lines 8-10, he states, "At Kentucky Power, customer service is not a department, but a culture. Our commitment to our customers is the guiding principle of everything that we do, from community and economic development activities..." Mr. Mattison goes on to state, page 7, lines 10-13, the importance of economic development, "Kentucky Power has supported successful economic development projects through its Kentucky Power Economic Growth Grants ("K-PEGG") Program and other initiatives that have resulted in the location of new customers and creation of jobs in the Company's service territory."

My testimony shared concrete examples of economic benefits that can be realized with NMS. My hope was to highlight how in line those economic benefits are with the Company's own customer philosophy to support economic growth and to also underscore minimal cost of NMS.

(b) I cannot identify statutory basis but understand that the PSC reviews rates for adequacy and reasonableness. Economic development opportunities with NMS in the region are reasonable to include in review.

Witness: Joshua Bills

KPC JI SUPP DR 8

Refer to pages 5-6 of Mr. Bills' Supplemental Testimony: With respect to the non-profit community foundation referenced by Mr. Bills please provide the following information:

(a) the name of the non-profit community foundation; (b) the service address of the non-profit community foundation; and (c) the application number or other unique identifier assigned to the referenced application.

RESPONSE TO KPC JI SUPP DR 8

Objection, since information regarding a particular ratepayer is not appropriately requested or required to be disclosed. Notwithstanding such objection, and without waiving such objection, in this instance the following information is provide *with* the consent of the ratepayer:

The Foundation for Appalachian Kentucky was referenced and has agreed to be publicly identified. Their address is 420 Main St, Hazard KY 41701, and the Project Number AEP-18230 and Application ID Number AEPDER 20-04007.

In email to customer, dated 12/2/2020, from DoNotReply@PowerClerk.com, it stated,

“Hello Kristin Collins, Kentucky Power has received signed submission of your Interconnection Service Request. Your Application ID Number is **AEPDER 20-04007**, and your application is being processed.”

“If you have any questions concerning your Interconnection Service Request, please reach out to us at dgcoordinator@aep.com.” dgcoordinator@aep.com was contacted with no response to date.

KPC JI SUPP DR 9

Identify by name and address the five "enterprises" discussed at pages 6-7 of Mr. Bills' Supplemental Testimony.

RESPONSE TO KPC JI SUPP DR 9

Objection, since information regarding a particular ratepayer is not appropriately requested or required to be disclosed. Notwithstanding such objection, and without waiving such objection, in this instance the following information is provide *with* the consent of the ratepayer:

Casey's Food Inc, PO Box 329, Salyersville, KY 41465 (both Salyersville and Martin groceries).

Wolfe & Sons Funeral Home, 23185 Hwy 421, Hyden, KY 41749

Cane Inc, PO Box 211, Whitesburg, KY 41858

AppalReD Legal Aid, 120 N Front St, Prestonsburg, KY 41653

KPC JI SUPP DR 10

Confirm that the Company's net metering full cost of service study evidences that net metering customers are subsidized by all other customers, including non-net metering residential customers. If your answer is anything other than an unqualified confirmation, state in detail the basis for the same and provide all supporting analyses in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 10

As stated in the Response to DR KPC-JI-5, I cannot confirm. The Company has provided insufficient information about the values and assumptions in its cost of service study to support or contest the assertion. The information needed would include the sources of all data associated with net metering customer consumption and production; whether and how this data differs from that for non-generating customers in the class; whether the same allocators are used in the cost of service study for generating and non-generating customers and the reasons for those decisions; whether both consumption and production impacts (including exported energy impacts) of customer generators were assessed in the cost of service study, and how those impacts were addressed; whether the impacts were assessed against a reference of incremental variation (by minute, hour, and day of the year) in the costs for all components of the cost of service; whether the data was estimated or measured, and whether the data relied upon and any inferences or conclusions drawn from the data are statistically reliable; whether the data accounts for differences for net metering customers before and after installation and operation of customer generation; and other factors.

Witness: Karl Rábago.

KPC JI SUPP DR 11

State whether Mr. Rabago [sic] has ever produced a class cost of service study in an electric utility rate case. For purposes of this question, a class cost of service study means one that is/was based upon tariff rates and the utility's incurred costs. If he has, provide the stud(ies) in Excel format with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 11

Mr. Rábago does not possess any data or information that is responsive to the data request. Mr. Rábago has been a part of a utility executive team when the utility, Austin Energy, with the help of a consultant, produced a full cost of service study. The study was conducted in or around 2009. A copy of the cost of service study is not in Mr. Rábago's possession, but may be available from Austin Energy. Mr. Rábago has reviewed dozens of cost of service studies and rates proposed based on cost of service studies. Mr. Rábago does not have copies of those cost of service studies in his possession.

Witness: Karl Rábago.

KPC JI SUPP DR 12

Refer to page 8, lines 4-6 of the Rabago [sic] Supplemental Testimony: Identify all record evidence relied upon in making assertions that the Company's proposed NMS II tariff is "economically inefficient and... discriminatory" and provide all supporting analyses in an electronic format, with formulas intact and visible, and no pasted values.

RESPONSE TO KPC JI SUPP DR 12

Mr. Rábago's testimony addresses the assertions. Mr. Rábago's assertion about economic inefficiency is based on the principle that efficient prices should reflect all costs and benefits and that the Company did not assess or reflect all costs and benefits of customer generation in developing its NMS-II proposal. Mr. Rábago's assertion about discrimination is based on the fact that the Company has proposed a tariff that would have a substantially negative impact on the economics of investment in generation by customers without a foundation in a full assessment of the costs and benefits of distribution generation deployment and operation.

Also see Mr. Rábago's testimony at page 6, line 18 through page 8, line 3. Mr. Rábago's assertions also rest on the evidence provided by Mr. Owen in this case, previously filed under oath, and on the decisions of the Commission in this proceeding.

Witness: Karl Rábago.

KPC JI SUPP DR 13

Refer to page 9, lines 6-11 of the Rabago [sic] Supplemental Testimony: Identify where in the Net Metering Act support can be found for Mr. Rabago's [sic] assertions that "the rate making process must examine the quantifiable benefits and costs of net-metered systems in light of the utility's unique characteristics and the specific cost of serving the utility's customers," and "[t]he Commission has the broad authority to consider all relevant factors in the context of a rate proceeding such as this one regarding evidence of the quantifiable benefits and costs of a net-metered system."

RESPONSE TO KPC JI SUPP DR 13

The cited testimony references the source for the assertions in the testimony, which was a letter written by the Commission.

KPC JI SUPP DR 14

Refer generally to pages 9 through 25 of Mr. Rabago's [sic] Supplemental Testimony:

(a) Confirm that adding industrial load also provides benefits outside Kentucky Power's cost of service. (i) If the answer to subpart (a) is anything other than an unqualified confirmation please provide in detail the facts supporting the failure to confirm the statement unequivocally.

(b) If Mr. Rabago [sic] confirms that adding industrial load also provides benefits outside Kentucky Power's cost of service please explain whether a benefit-cost analysis is required to establish industrial rates;

(c) Please state whether Kentucky Power's rates for service to its industrial customers (Tariff I.G.S. and Tariff L.G.S.) reflect any non-cost of service benefits provided by Kentucky Power's industrial customers.

RESPONSE TO KPC JI SUPP DR 14

(a) Mr. Rábago confirms that adding industrial load can provide benefits that are not reflected in the Company's cost of service analysis. This possibility is dependent on a number of factors, including but not limited to the nature of the industry and its load and load factor, and the extent to which the Company measures and reflects the costs and benefits of the load in its cost of service analysis.

(i) Please see response to KPC-JI-14 (a).

(b) Insufficient information is provided to respond to the question. The phrase "is required" in the request does not specify who or what authority or principle may or may not "require" the analysis. Mr. Rábago asserts that just and reasonable rates should be effective at recovering the cost of service and that fully assessing the cost of service requires an assessment of all relevant impacts.

(c) Mr. Rábago did not evaluate Tariff I.G.S. or Tariff L.G.S. or the benefits and costs of such tariffs to the industrial customers or other customers served by the Company.

Witness: Karl Rábago.

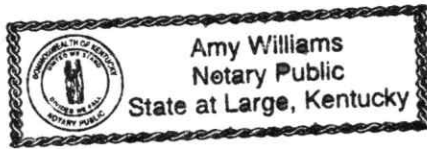
VERIFICATION

The undersigned, Joshua Bills, being first duly sworn, deposes and says that he has personal knowledge of the matters set forth in his responses to the Data Requests and that the information contained therein is true and correct to the best of his information, knowledge, and belief, after reasonable inquiry.



Joshua Bills

Subscribed and sworn to before me by Joshua Bills this 16th day of March, 2021.



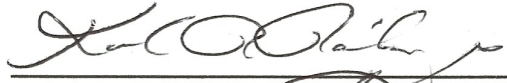
Notary Public

Notary ID: KYNP 9940

My commission expires: June 29, 2024

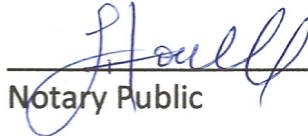
VERIFICATION

The undersigned, Karl R. Rábago, being first duly sworn, deposes and says that he has personal knowledge of the matters set forth in his Responses to Data Requests and that the information contained therein is true and correct to the best of his information, knowledge, and belief, after reasonable inquiry.



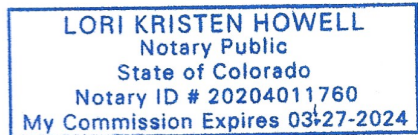
Karl R. Rábago

Subscribed and sworn to before me by Karl Rabago this 16 day of March, 2021.



Notary Public

My commission expires: 3-27-24



Certificate of Service

This is to certify that the electronic version of the foregoing Joint Intervenor's Response To Kentucky Power Company's Supplemental Data Requests is a true and accurate copy of the same document that will be filed in paper medium; that the electronic filing has been transmitted to the Commission on March 16, 2021; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that in accordance with the March 16, 2020 Commission Order in Case No. 2020-00085 an original and ten copies in paper medium of this filing will not be mailed until after the lifting of the current state of emergency.



Tom FitzGerald