

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

**AN ELECTRONIC EXAMINATION )  
OF THE APPLICATION OF THE )  
FUEL ADJUSTMENT CLAUSE OF ) Case No. 2022-00263  
KENTUCKY POWER COMPANY FROM )  
NOVEMBER 1, 2021 THROUGH APRIL 30, 2022 )**

---

**INITIAL DATA REQUESTS OF THE ATTORNEY GENERAL AND KIUC**

---

Come now the intervenors, the Attorney General of the Commonwealth of Kentucky, by his Office of Rate Intervention (“Attorney General”) and Kentucky Industrial Utility Customers (“KIUC”), and submit these Data Requests to Kentucky Power Company (hereinafter “Kentucky Power” or “company”) to be answered by October 28, 2022, 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 requested 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.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the companies receive or generate 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, please request clarification directly from undersigned Counsel.

(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, please 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 undersigned Counsel as soon as possible, and in accordance with Commission direction.

(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, please 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.

(14) "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

DANIEL J. CAMERON  
ATTORNEY GENERAL



---

J. MICHAEL WEST  
LAWRENCE W. COOK  
ANGELA M. GOAD  
JOHN G. HORNE II  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DRIVE, SUITE 200  
FRANKFORT, KY 40601-8204  
PHONE: (502) 696-5433  
FAX: (502) 564-2698  
[Michael.West@ky.gov](mailto:Michael.West@ky.gov)  
[Larry.Cook@ky.gov](mailto:Larry.Cook@ky.gov)  
[Angela.Goad@ky.gov](mailto:Angela.Goad@ky.gov)  
[John.Horne@ky.gov](mailto:John.Horne@ky.gov)

/s/ Michael L. Kurtz  
Michael L. Kurtz, Esq.  
Kurt J. Boehm, Esq.  
Jody Kyler Cohn, Esq.  
BOEHM, KURTZ & LOWRY  
36 East Seventh Street, Suite 1510  
Cincinnati, Ohio 45202  
Ph: 513.421.2255 fax: 513.421.2764  
[mkurtz@bkllawfirm.com](mailto:mkurtz@bkllawfirm.com)  
[kboehm@BKLawfirm.com](mailto:kboehm@BKLawfirm.com)  
[jkylercohn@BKLawfirm.com](mailto:jkylercohn@BKLawfirm.com)

*Certificate of Service and Filing*

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that, on October 13, 2022, an electronic copy of the foregoing was served via the Commission's electronic filing system.

this 13th day of October, 2022.

A handwritten signature in blue ink, appearing to read "J. Michael New". The signature is written in a cursive style with a horizontal line extending from the end.

---

Assistant Attorney General

**Data Requests**

1. For the review period of November 1, 2021 through April 30, 2022, identify how many complaints the Company received related to Fuel Adjustment Clause charges and/or high bills in general.
  - a. Identify the number of complaints by month.
  - b. Identify the number of complaints related to Fuel Adjustment Clause increases by month.
  - c. Identify complaints of higher bills not attributed to the Fuel Adjustment Clause by month.
  - d. Provide a copy of each complaint (e.g. the complaint was received in writing through email, letter, or message) or the record created related to the complaint (e.g. notes related to complaint received over the phone).
  - e. Provide a copy of any response the Company made to each complaint.
  - f. Provide copies of any responses the Company made generally to complaints.
  
2. See Exhibit 2 to the Application filed by the Company in Case No. 2022-00125, a February 21, 2021 Letter from Brian K. West to the Executive Director of the Commission disclosing an “over-recovery” in January 2022 related to the FAC factor.
  - a. Explain how an “over-recovery” occurred in January 2022.
  - b. How much “over-recovery” was received in percentage terms relative to the amount that should have been recovered?
  - c. Specifically, explain what errors were made in setting the FAC factor, which resulted in the over-recovery.
  - d. Which employee(s) of the Company made the mistakes?
  - e. How did the Company discover that mistakes were made?
  - f. Which employee(s) of the Company discovered the mistake?
  - g. When was the mistake discovered?
  - h. What steps has the Company taken to correct the over-recovery?
  - i. What steps has the Company taken to ensure that a similar over-recovery does not occur in the future?
  - j. Have customers received a refund of the “over-recovery” and if so, through what mechanism and when did customers receive those refunds?
  - k. If refunds were given, what was the average amount refunded per residential customer and per industrial customer?
  
3. Refer to the Direct Testimony of Jason Stegall at 3 wherein he states:

AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT  
CLAUSE OF KENTUCKY POWER COMPANY FROM NOVEMBER 1, 2021 THROUGH APRIL  
30, 2022, Case No. 2022-00263

The offering of the Company's generation resources involves submitting a large volume of data to PJM that includes unit commitment designation, offer curves that cover the range of output from economic minimum to economic maximum, and market parameters. The market parameters include, but are not limited to, a unit's startup cost, startup time in hours, how quickly a unit can ramp-up energy production, and other characteristics defined in PJM protocols.

- a. Confirm that Mr. Stegall is employed by AEPSC, not Kentucky Power Company.
  - b. Confirm that the AEPSC PJM bidding strategy and the form and substance of the information provided to PJM is the same for all AEP operating utilities with generating units, including Kentucky Power Company, Appalachian Power Company/Wheeling Power Company, and Indiana and Michigan. If this is not correct, then provide a corrected statement, the reasons why a corrected statement is necessary, and all support for the corrections that are necessary.
  - c. With respect to the testimony referenced in the question, confirm that the "startup cost" provided by AEPSC to PJM for each generating unit is in dollars, not dollars per mWh, and is used by PJM only once in the unit dispatch decision algorithm, not every hour after the unit has been dispatched until it is shut down.
  - d. Describe how PJM uses the "startup cost" information provided by AEPSC in the unit dispatch decision algorithm.
  - e. Provide the "startup cost" in dollars and dollars per mWh for each of the Company's generating units. Indicate whether PJM uses the Company's or any other "startup cost" in dollars per mWh for any purpose. If so, then describe each such purpose.
4. Refer to the Company's response to post hearing data request 2 Attachment 1 in Case No 2022-00036. Confirm that the Ceredo CT is a 100 mW generating unit owned by Appalachian Power Company. Provide all evidence that the Ceredo startup cost of \$3,000 would scale up proportionately if the unit was larger, for example, 500 mW (to \$15,000) or 1000 mW (\$30,000). Provide all evidence that the startup cost of \$3,000 would not scale up proportionately if the unit was larger, for example, 500 mW or 1000 mW. Provide all evidence as to what an appropriate scale would be if the unit was larger, such as a startup cost curve. In addition, provide all evidence in support of such a cost curve.
  5. Confirm that the Ceredo startup cost of \$3,000 is incurred only in the hour in which the unit is started and is not incurred again each subsequent hour that it operates until it is shut down. If this is not correct, then provide a corrected statement and



AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT  
CLAUSE OF KENTUCKY POWER COMPANY FROM NOVEMBER 1, 2021 THROUGH APRIL  
30, 2022, Case No. 2022-00263

a copy of all documentation that the startup cost is incurred each and every hour in which Ceredo operates.

6. The Company asserts in Case No 2022-00036 that the Ceredo cost of \$3,000 is equivalent to \$30 per mWh in every hour in the PUE calculations.
  - a. Specifically describe how the Company converted the “startup costs” in dollars to the dollars per mWh, including all assumptions and calculations in Excel live format with all cell formulas intact.
  - b. Indicate if the dollars per mWh is used for any purpose in the Company’s actual operation or bidding of the units into PJM or for any other reporting purpose.
  - c. Confirm that the startup cost in dollars is incurred only one time when the unit is started up and is not incurred again until after the unit is shut down and then subsequently restarted.
  - d. Provide all evidence that the Company would incur \$30 per mWh in startup costs in every hour that the PUE would operate in lieu of the Company’s own generation.
7. Identify each CT that the AEP operating utilities own. Provide the name of the utility that owns the unit, the commercial operation year, capacity in mW, heat rate, startup cost in dollars, number of startups, non-fuel variable O&M expense, non-fuel variable O&M expense per mWh, and non-fuel fixed O&M expense in each of the calendar years 2020 and 2021 and in the twelve months ending September 2022.
8. Refer to Attachment 1 to the response to Staff 1-15.
  - a. Refer to the Event Types (outage types) listed at the bottom of page 2. Provide the working definitions for each of these event types that are used by AEP/Kentucky Power Company and provide the source of each such definition, including a copy of and/or reference to any PJM tariff, manual, or other authoritative source.
  - b. Refer to the Direct Testimony of Stegall at 8:20-11:13. Describe which Event Type is used by the Company to categorize outages resulting from AEP’s strategy of including adders to the market offer curves submitted to PJM so that the Company’s units do not run in order to manage coal inventories.
9. Refer to the response to Staff 1-15 at Attachment 1, which depicts scheduled, actual, and forced outages for Mitchell 1, Mitchell 2, and Big Sandy 1 for the period under review. There are many hours of outages described as “Reserve Shutdown.” Refer also to the response to Staff 1-15 in Case No. 2022-00036, which

AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT  
CLAUSE OF KENTUCKY POWER COMPANY FROM NOVEMBER 1, 2021 THROUGH APRIL  
30, 2022, Case No. 2022-00263

depicts similar outage data for the prior six-month period but does not describe any outages as “Reserve Shutdown.”

- a. Provide the data in the same format for Rockport 1 and Rockport 2 for the periods under review in this proceeding and in Case No. 2022-00036.
  - b. Describe how the “Reserve Shutdown” outage determination is made and who or what parties made/make those determinations.
  - c. Provide copies of all “Reserve Shutdown” notifications that occurred during the month of March 2022 as an example.
  - d. Explain why the “Reserve Shutdown” distinction was not made for any hours in the response to Staff 1-15 in Case No. 2022-00036, which depicts similar outage data for the prior six-month period.
10. Refer to the Excel file KPCO\_R\_KPSC\_1\_16\_Attachment5 attached to the response to Staff’s First Set of Data Requests, Item No. 16. Refer further to the tab 03-22 hourly Purch Alloc and further to cells M3 through Q6, which show the calculation of \$/MWh for each of the generating units for March 2022.
- a. Confirm that the actual MWh generated for March 2022 match the amounts for each generating unit as reflected in cells M3 through Q3. If not confirmed, explain and provide the correct amounts.
  - b. Confirm that the cost of generation in March 2022 match the amounts for each generating unit as reflected in cells M5 through Q5. If not confirmed, explain and provide the correct amounts.
  - c. For each hour in March 2022, provide the generation by hour for each generating unit. If zero for any hour, reflect as zero.
  - d. Indicate how many hours of generation were experienced by Mitchell 1 during March 2022.
  - e. Indicate if there was some type of cost reallocation or reclassification for each generating unit during March 2022. If so, describe each such event.
  - f. Explain all reasons why the generation costs for Mitchell 1, \$272,174.25, were so high in order to generate only 220 MWh with a cost per MWh of \$1,239.347 during March 2022. As part of the answer, break down all generation costs reflected by category of costs.
  - g. Explain all reasons why the generation costs for Mitchell 2 were negative \$21,128.49 during March 2022 when the generation that month was zero. As part of the answer, provide a breakdown of all negative generation costs reflected by category of costs.
  - h. Explain all reasons why the generation costs for Rockport 2 were negative \$179,892.45 during March 2022 when the generation that month was zero. As part of the answer, provide a breakdown of all negative generation costs reflected by category of costs.

AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT  
CLAUSE OF KENTUCKY POWER COMPANY FROM NOVEMBER 1, 2021 THROUGH APRIL  
30, 2022, Case No. 2022-00263

- i. Explain all reasons why the generation costs for Rockport 1, \$110,323.47, were so high in order to generate only 1,373 MWh with a cost per MWh of \$80.374 during March 2022. As part of the answer, break down all generation costs reflected by category of costs.
11. Refer to the Company's response to Staff 1-17 that provided the Generating Unit Net Capacity Factor and the Generating Unit Equivalent Availability Factor for each month during the period under review for Big Sandy 1, Mitchell 1, and Mitchell 2. Provide the Generating Unit Net Capacity Factor and the Generating Unit Equivalent Availability in the same format for Rockport 1 and Rockport 2 for each month during the period under review.