

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_1 Please provide the latest 10 years of AEP Zone - Network Service Peak Load (NSPL) data available. Specifically, the MW load, the date and hour in which the NSPL occurred.

RESPONSE

See KPCO_R_AG-KIUC_2_1_Attachment1 for the requested information.

Witness: Lerah M. Kahn

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC For each of the past 10 years (2014-2022 plus 2023 projected), please
2_2 provide KPCo's MW demand at the time of the AEP Zone NSPL.

RESPONSE

See KPCO_R_AG-KIUC_2_1_Attachment1 for the requested information.

Witness: Lerah M. Kahn

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_3 Refer to “Transmission 250MW” tab of
“KPCO_R_KPSC_1_9_ConfidentialAttachment2 HIGHLY
CONFIDENTIAL - OUTSIDE COUNSEL'S EYES ONLY.xlsx.” Please
provide the information contained in cells B6:B8, B13:B19 and H5:H8 for
each of the last 10 years.

RESPONSE

Please see KPCO_R_AG-KIUC_2_3_Attachment1 for the requested information.

Witness: Lerah M. Kahn

Kentucky Power Company
Kpsc Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023
Page 1 of 2

DATA REQUEST

- AG-KIUC 2_4** Please provide the latest 3 years of historic monthly FAC filing information, in excel format, including, but not limited to:
- a. Hourly average fuel cost by owned generation unit
 - b. Hourly output (MWh) of all owned generation
 - c. Hourly KPCO load
 - d. Hourly LMP pricing
 - e. Hourly owned generation
 - f. Hourly market purchases

RESPONSE

The requested information is found in the monthly Peaking Unit Equivalent (“PUE”) calculations. Please see KPCO_R_AG-KIUC_2_4_Attachment1 (December 2019-December 2021) and KPCO_R_AG-KIUC_2_4_Attachment2 (January 2022 through November 2022) which provides zipped files for the 36 monthly PUE spreadsheets. While these documents contain yellow highlighting there is no actual confidential information contained within these spreadsheets.

- a. The average fuel costs for each generation unit is located in the monthly PUE files located in the “Hourly Purch Alloc” tab.
- b. The hourly output is located in the monthly PUE files located in the “KPCo Gen Data and Net Gen” tabs.
- c. The hourly load is located in the monthly PUE files located in the “KP Int Load & Marg Loss” tab.
- d. Historic LMP pricing is publicly available on the PJM website via the below link:
https://dataminer2.pjm.com/feed/rt_da_monthly_lmpps/definition
- e. The Company clarified with counsel for AG-KIUC that this data request subpart was intended to request Off-System Sales (facilitated by owned generation). The Company is working to provide this information and will provide a supplemental response at the earliest opportunity.

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023
Page 2 of 2

f. The hourly market purchases are located in the monthly PUE files located in the Hourly Purch Alloc tab.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_5 Refer to “KPCO_R_KPSC_1_9_ConfidentialAttachment2 HIGHLY CONFIDENTIAL - OUTSIDE COUNSEL'S EYES ONLY.xlsx” Please confirm that the modeling in this analysis assumes incremental energy costs at LMP attributed to the Ebon load are offset exactly by the revenues collected from Ebon between the base energy charges and Fuel Adjustment Clause (FAC) revenues.

RESPONSE

Confirmed. Please also see the Company’s response to KPSC 2-8.

Witness: Lerah M. Kahn

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_6 Refer to “KPCO_R_KPSC_1_9_ConfidentialAttachment2 HIGHLY CONFIDENTIAL - OUTSIDE COUNSEL'S EYES ONLY.xlsx” Please provide the derivation of the 6.29 found in row 10 of the “CC” tab. Provide all supporting workpapers including assumptions for capital structure, debt cost, ROE, and tax rate if applicable.

RESPONSE

Please see KPCO_R_AG-KIUC_2_6_Attachment1 for the requested information.

Witness: Lerah M. Kahn

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC Provide the company's current cost of long term debt (incremental cost).

2_7

RESPONSE

The Company objects to this request on the basis that it seeks information that is neither relevant to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

Respondent: Counsel

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_8 Provide the Weighted average cost of capital consistent with the last filed rate case. Provide all supporting workpapers including assumptions for capital structure, debt cost, ROE, and tax rate.

RESPONSE

The Company objects to this request on the basis that it seeks information that is neither relevant to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

Respondent: Counsel

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2-9 Please confirm that pursuant to Rider DRS, KPCo can request a customer to curtail its load down to its firm load 20 separate times during the year, each of which would last 3 hours? If the Company cannot confirm this, please provide an explanation.

RESPONSE

Confirmed. Per the Company's Tariff Demand Response Service under Conditions of Service:

"The Company, in its sole discretion, reserves the right to call for curtailments of the Customer's interruptible load at any time. Such interruptions shall be designated as "Discretionary Interruptions" and shall not exceed sixty (60) hours of interruption during any Interruption Year...Discretionary Interruption events shall be three (3) consecutive hours and there shall not be more than six (6) hours of Discretionary Interruption per day."

Accordingly, 60 hours of interruption divided by 3 equals a possible total of 20 unique requests for curtailment.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_10 Please provide the date and hour of each of the PJM 5 highest peaks during the past 10 delivery years.

RESPONSE

See KPCO_R_AG-KIUC_2_1_Attachment1 for the requested information.

Witness: Lerah M. Kahn

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_11 With regard to the intent of KPCo to provide “Capital Spares” mobile substations to Ebon, please provide the following:

- a. An explanation of why KPCo currently has Capital Spares mobile substations (i.e., the purpose).
- b. To the extent that KPCo provides these mobile substations to Ebon, how does this impact KPCo’s ability to provide emergency replacements for the Company’s other substations. Will KPCo be required to purchase additional Capital Spares if 3 of them are provided to Ebon? If so, what is the cost of a 30 kVa “Capital Spare”?

RESPONSE

- a. The typical purpose of a capital spare or mobile substation is to supply supplemental power in a situation where substations are forced from service and repairs are needed, or manually removed from service to perform maintenance.
- b. The Company and Ebon are still in discussions regarding the possibility of providing (leasing) capital spares or mobile substations on a temporary basis for the customer’s operations while Ebon's substation is being constructed. Thus, it is not yet certain whether Kentucky Power will lease capital spares to Ebon. Ebon also may decide to lease mobile substations from a third-party supplier instead of from the Company.

Witness: Brian K. West

Witness: Amanda C. Clark

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023
Page 1 of 2

DATA REQUEST

AG-KIUC 2_12 With regard to the Company’s response to AG-KIUC 1-15(e), please provide the following:

- a. Provide a narrative explaining the consequences of KCPo having insufficient capacity to meet its FRR unforced capacity obligation due to the failure of KPCo calling for a DRS interruption or for a failure of Ebon to fully reduce its load to 25 MW. If the response would be different under an assumption that KPCo continues under the Bridge PCA or is no longer operating pursuant to that agreement, please provide an explanation for any difference.
- b. Under what circumstances could KPCo receive a PJM FRR Commitment Insufficiency Charge in the even that Ebon failed to curtail its load down to 25 MW? What options would KPCo have to avoid such a charge?
- c. Please explain why the premise of question AG-KIUC 1-15(e) is “not accurate.”
- d. To the extent not explained/described in Parts a-c above, please identify each remedy that KPCo can pursue to avoid a PJM FRR Commitment Insufficiency Charge in the event that its FRR capacity is not sufficient to cover its FRR capacity obligation.

RESPONSE

- a. The Company does not expect to have insufficient resources to meet its FRR capacity obligation. If Ebon were to not fully interrupt during the 5CP hours the Company would have to account for that additional capacity obligation (assuming all other loads/things equal) in the subsequent delivery year.
- b. The Company would receive a PJM FRR Commitment Insufficiency Charge if it were to submit an FRR plan for an upcoming delivery year that did not include sufficient resources to cover its capacity obligation. The Company can avoid such a charge by submitting/committing adequate resources in its FRR plan.

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023
Page 2 of 2

c. See the Company's response to parts a and b. The premise of AG-KIUC 1-15(e) is inaccurate because there is not a direct correlation between a missed interruption and incurring a FRR Commitment Insufficiency Charge.

d. See the Company's response to part b.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

- AG-KIUC 2_13** In the event that Ebon’s load exceeds 25 MW on any day during a delivery year:
- a. Would KPCo be assessed an FRR Capacity Resource Deficiency Charge?
 - b. Are there remedies that KPCo could employ to avoid an FRR Capacity Resource Deficiency Charge?
 - c. In the event that KPCo did incur an FRR Capacity Resource Deficiency Charge, is it the intention of KPCo to recover such a charge from its customers?

RESPONSE

- a. Not necessarily. Again, the final UCAP obligation is set prior to the delivery year.
- b. Potentially. However, it would require speculation, as there are many different unknown factors that would go into making such a determination, such as the amount of committed resources in the total FRR plan, prior year unit performance, what other loads did in the FRR plan during the previous year’s 5 CP hours, availability of excess capacity from third parties, etc.
- c. First, the Company would have to determine that the deficiency charge was a direct result of a specific customer’s actions. If it were so determined, then the Company would recover the charges from the customer consistent with its tariffs. The Company interprets the incremental generation capacity provisions of Tariff EDR (Terms & Conditions, Section 1) to implicitly include such a deficiency charge and would recover the deficiency charges from the customer under those provisions, unless the Commission disagrees with the Company’s interpretation.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

**AG-KIUC
2_14** Please confirm that regardless of KPCo's load/capability balance, the incremental capacity cost to serve an additional 25 MW of load (plus reserves) is the market price of capacity that would either have to be purchased to serve the 25 MW load (plus reserves) or the opportunity cost of not making a bilateral capacity sale equal to 25 MW (plus reserves) in the event that the Company has sufficient capacity to serve the load. If this cannot be confirmed, please provide an explanation.

RESPONSE

There is no over the counter market for bilateral FRR capacity, but the theory in this question is roughly correct for serving all customer load, notwithstanding the Company's response to KPSC 2-7.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC Since the inception of Rider DRS, has the Company failed to declare a
2_15 Discretionary Interruption during an actual PJM 5 Highest CP hour in any
delivery year? If so, please identify each such occurrence (delivery year,
date and time of a 5 CP hour in which a Discretionary Interruption was
not declared by the Company).

RESPONSE

No.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC What would be the cost to KPCo if Ebon failed to reduce its load to 25
2_16 MW (assuming a 250 MW total Ebon load) on 1 of the PJM 5 CP hours in
a delivery year?

RESPONSE

There are simply too many external factors to provide a meaningful response to this hypothetical. However, generally, from a load obligation perspective each MW above its firm service level that a Rider DRS customer fails to curtail would add .2 MWs of additional load obligation in a future delivery year.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC Provide a copy of KPCo's most recently filed FRR Capacity Plan.
2_17

RESPONSE

The Company's most recent FRR election analysis was filed with the KPSC on October 27, 2022 in the post-case correspondence of Case No. 2017-00179.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

- AG-KIUC** With regard to the response to AG-KIUC 1-2:
2_18 a. When was this forecast developed?
 b. Please provide any updated forecasts.

RESPONSE

- a. The forecast was completed on October 13, 2022.
b. There are no newer forecasts.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

- AG-KIUC 2_19** With regard to Rider DRS, does KPCo currently attempt to interrupt customers for the purpose of avoiding:
- a. KPCo's load at the time of the AEP Zonal NSPL?
 - b. KPCo's 12 CP hours used to allocate transmission costs under the AEP East Transmission Agreement.

RESPONSE

- a. Yes.
- b. Whether the Company would attempt to interrupt a customer in this instance is situationally dependent. Generally, it is not the main purpose of the program.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC 2_20 Refer to “KPCO_R_KPSC_1_9_ConfidentialAttachment2 HIGHLY CONFIDENTIAL - OUTSIDE COUNSEL'S EYES ONLY.xlsx”. Please provide the support for the assumed (5%) annual escalation in NITS costs.

RESPONSE

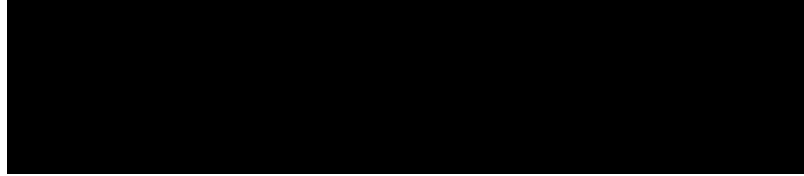
It is merely an estimated assumption for purposes of the 10-year forward looking estimate.

Witness: Lerah M. Kahn

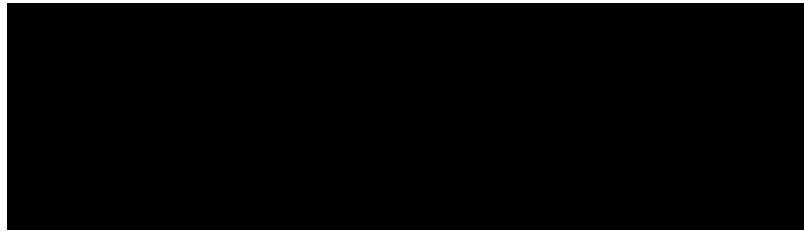
Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC Refer to Confidential response to AG-KIUC 1-32 and AG-KIUC 1-33.
2_21 The response to AG-KIUC 1-33(b) states:

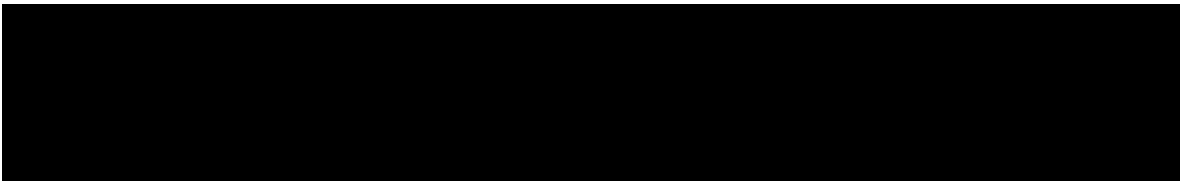


Please reconcile the statement above to the response to AG-KIUC 1-32(c) that states:



RESPONSE

The referenced highlighted portion of the Company's response to AG-KIUC 1-33(b) should read:



The referenced highlighted portion of the Company's response to AG-KIUC 1-32(c) reads correctly.

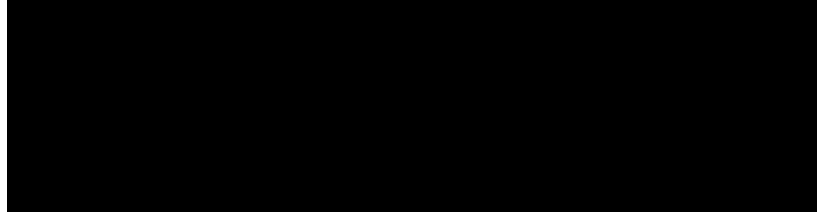
The Company will file a supplemental response correcting its response to AG-KIUC 1-33 and reflecting the above revisions as soon as is practicable.

Witness: Brian K. West

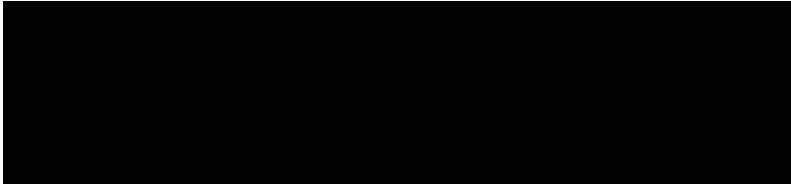
Kentucky Power Company
KPSC Case No. 2022-00387
AG-KIUCs Second Set of Data Requests
Dated January 17, 2023

DATA REQUEST

AG-KIUC Refer to Confidential response to AG-KIUC 1-32 and AG-KIUC 1-33.
2_22 The response to AG-KIUC 1-32(d) states:



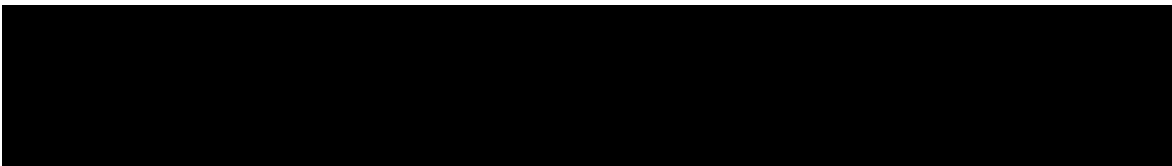
Please reconcile the statement above to the response to AG-KIUC 1-33(a) that states:



RESPONSE

The referenced highlighted portion of the Company's response to AG-KIUC 1-32(d) reads correctly.

The referenced highlighted portion of the Company's response to AG-KIUC 1-33(a) should read:



The Company will file a supplemental response correcting its response to AG-KIUC 1-33 and reflecting the above revisions as soon as is practicable.

Witness: Brian K. West

