

**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. 2023-00159
REGULATORY ASSETS AND LIABILITIES; (4) A)
SECURITIZATION FINANCING ORDER; AND (5) ALL)
OTHER REQUIRED APPROVALS AND RELIEF)

**POST-HEARING BRIEF OF JOINT INTERVENORS
MOUNTAIN ASSOCIATION, APPALACHIAN CITIZENS' LAW CENTER,
KENTUCKIANS FOR THE COMMONWEALTH,
AND KENTUCKY SOLAR ENERGY SOCIETY**

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I. INTRODUCTION

Mountain Association, Appalachian Citizens' Law Center, Kentuckians for the Commonwealth, and Kentucky Solar Energy Society (collectively "Joint Intervenors") believe that the proposed settlement presents a fair, just, and reasonable compromise among the parties and should be approved. To be clear, Joint Intervenors do not necessarily agree that any particular provision of the proposed settlement is fair, just, and reasonable in isolation; however, Joint Intervenors see in the proposed settlement, taken as a whole, tremendous potential value and benefits to Kentucky Power Company ("Kentucky Power" or "the Company") customers.¹ First, the proposed settlement locks in a reduction to the Company's requested rate increase, along with changes to revenue allocation across classes, that would significantly reduce the impacts of the requested rate increase on residential customers' bills. Second, and perhaps most importantly, the proposed settlement requires Kentucky Power to begin a process of collaboration with Joint Intervenors and other interested stakeholders to develop additional programs and policies that will equip their customers with tools for lowering their bills through energy savings and better address the needs of Kentucky Power's most vulnerable residential customers.

II. FACTUAL BACKGROUND

A. Kentucky Power's Application

Kentucky Power's Application in this case sought an annual revenue increase of approximately \$94 million, which would have equated to a total overall increase of

¹ In context of this case, of course, the use of the term "customers" also refers to ratepayers who are captive to the utility and rely on the Commission to ensure reasonably priced and reliable service in the absence of a competitive marketplace.

13.54%, including an 18.3% increase on the average residential customer's bill.² Among other relief, the Company also sought approval of securitization for several categories of costs, various changes to its tariffs and riders, an increase of the Residential Energy Assistance surcharge to allow Home Energy Assistance ("HEA") programs to serve more customers, and a Distributed Solar Garden Program that would provide 50% of its energy cost-savings benefits as a bill credit to low-income customers.³ With respect to demand-side management ("DSM") programs, the Company noted in its filing that it had finalized a Market Potential Study in June 2023, and stated that "[t]he Company intends to file an application to expand its DSM programs within the next year" but did not make any firm commitments regarding the contents or timing of that filing or the process through which the proposed DSM plan would be developed.⁴

B. Intervenor's Testimony

Intervening parties, including Joint Intervenors, filed testimony on October 2, 2023. Joint Intervenors' witness Tyler Comings recommended that the Commission deny the Company's request for an increase in its authorized return on equity ("ROE") from 9.3% to 9.9%.⁵ Joint Intervenors' witness Joshua Bills recommended that Kentucky Power establish robust targeted programs, developed through collaborative stakeholder processes, that would equip its customers to lower their energy use and

² Direct Testimony of Cynthia G. Wiseman on Behalf of Kentucky Power Company at 18:3–7 (June 29, 2023) ("Wiseman Direct").

³ Wiseman Direct at 16–19; *see also* Second Corrected Direct Testimony of Alex Vaughan on Behalf of Kentucky Power Company at 33–34 (filed Dec. 7, 2023) ("Vaughan Direct") (discussing details of low-income bill credit from Distributed Solar Garden Program).

⁴ Direct Testimony of Stevi N. Cobern on Behalf of Kentucky Power Company at 9–10 (June 29, 2023) ("Cobern Direct").

⁵ Testimony of Tyler Comings on Behalf of Joint Intervenors (Oct. 2, 2023) ("Comings Testimony").

thereby lower their bills over time.⁶ Among other things, witness Bills also recommended that Kentucky Power provide more and better information to its commercial customers concerning the availability of federal grant programs, potential service upgrades required for interconnection of distributed energy resources (“DERs”), and separate identification of the demand charge on customer bills.⁷ Joint Intervenors’ witness Andrew McDonald reviewed Kentucky Power’s proposed Distributed Solar Garden Program and recommended several improvements to the proposal, including that power purchase agreements (“PPAs”) and battery storage be included in the Company’s evaluation of projects for the program, and that the Company consider the locational benefits to the grid when selecting solar sites.⁸ Finally, witness McDonald recommended several other changes to other Kentucky Power programs and policies to better support growth of customer-sited DERs.⁹

Two other sets of intervenors also filed testimony. The Office of the Attorney General (“AG”) and the Kentucky Industrial Utility Customers (“KIUC”) jointly sponsored testimony from three witnesses.¹⁰ Walmart Inc. (“Walmart”) filed testimony from witness Lisa V. Perry.¹¹

⁶ [Corrected] Testimony of Joshua Bills on Behalf of Joint Intervenors at 3–4, 12–25 (filed Nov. 6, 2023) (“Bills Testimony”).

⁷ *Id.* at 25–33.

⁸ Testimony of Andrew McDonald on Behalf of Joint Intervenors at 3, 6 (Oct. 2, 2023) (“McDonald Testimony”).

⁹ *Id.* at 10, 32–33.

¹⁰ See Direct Testimony of Stephen J. Baron, Richard A. Baudino, & Lane Kollen on Behalf of the AG and KIUC (Oct. 2, 2023).

¹¹ See Direct Testimony Lisa V. Perry on Behalf of Walmart (Oct. 2, 2023).

C. Proposed Settlement and Hearing

Following submittal of intervenor testimony, the parties held informal conferences to discuss the possibility of a settlement.¹² As a result of those negotiations, several of the parties to this case (Kentucky Power, KIUC, Walmart, and Joint Intervenors) executed a settlement agreement, which Kentucky Power filed with the Commission along with supporting testimony on November 20, 2023.¹³ Two other intervenor parties in this case, the AG and SWVA Kentucky, LLC, did not join but do not oppose the proposed settlement.¹⁴ No parties to this case oppose the proposed settlement. The Commission held a hearing in this case on November 28, 2023, through November 30, 2023.

III. LEGAL STANDARD

The Commission has exclusive jurisdiction over the regulation of rates and service of regulated utilities in the Commonwealth of Kentucky.¹⁵ The Commission's decision in this case is guided by the requirement that utility rates must be "fair, just, and reasonable."¹⁶ Additionally, the Commission has the authority to investigate any schedule of proposed new rates to determine its reasonableness.¹⁷

¹² Staff Ltr. filing Informal Conf. Memo. (Nov. 1, 2023); Staff Ltr. filing Informal Conf. Memo. (Nov. 9, 2023); Staff Ltr. filing Informal Conf. Memo. (Nov. 17, 2023).

¹³ The proposed settlement was attached as Ex. BKW-1S to Testimony of Brian K. West for Ky. Power Co. in Supp. of Settlement Agreement (Nov. 20, 2023) ("West Settlement Testimony"). On December 6, 2023, Kentucky Power filed a corrected version of the proposed settlement agreement. Ky. Power Co. Corrected Settlement Agreement (Dec. 6, 2023). All references hereinafter to the proposed settlement agreement refer to the corrected version.

¹⁴ West Settlement Testimony at S4:18–22.

¹⁵ KRS § 278.040(2).

¹⁶ KRS § 278.030(1).

¹⁷ KRS § 278.190.

IV. ARGUMENT

Joint Intervenors believe that the proposed settlement presents a fair, just, and reasonable compromise among the parties and should be approved without modification.

A. The Proposed Settlement Has the Potential to Engage Stakeholders in Advancing Progress on Fundamental Issues Facing Kentucky Power.

Kentucky Power customers face “unique economic and financial challenges,”¹⁸ which include difficulty affording their electric bills even at current rates. Kentucky Power already has the highest residential energy bills in the Commonwealth, reflecting an increase of over 33% since 2010, and the highest energy burdens.¹⁹ Moreover, “the customers [who] are least able to afford their bill have the highest bills.”²⁰ Some of the major drivers of this, as the Company acknowledges, are inefficient housing and appliances “and the lack of a proper building envelope.”²¹ Eastern Kentuckians have also been hit in recent years with high rates of job and population losses²² and the devastating effects of the July 24, 2022 flood.²³ The cumulative effects of all of these challenges have resulted in Kentucky Power losing a significant number of customers,²⁴

¹⁸ Wiseman Direct at 21:7–8.

¹⁹ Bills Testimony at 9:3–4 (citing Evan Moser, *Kentucky Energy Profile*, Ky. Energy & Env’t Cabinet, at 11–12, 30 (8th ed. 2023), <https://eec.ky.gov/Energy/KY%20Energy%20Profile/Kentucky%20Energy%20Profile%202023.Pdf>).

²⁰ Nov. 28, 2023 Hearing Tr. at 92:5–8; see also Bills Testimony at 13:3–4 (“[C]ustomers receiving assistance from Kentucky Power’s HEA Programs have higher electric bills than residential customers do as a whole.”); Nov. 29, 2023 Hearing Tr. at 175:16–19 (“LIHEAP customers use more on average in the peaks and the valleys of the year than the average residential customer . . .”).

²¹ Cobern Direct at 8:10–20.

²² Direct Testimony of Amanda C. Clark on Behalf of Kentucky Power Company at 4–5 (June 29, 2023).

²³ Bills Testimony at 7.

²⁴ *Id.* at 5–7.

and thousands more Kentucky Power customers experiencing disconnection each year due to inability to pay.²⁵

In the Application in this case, Kentucky Power included some proposals aimed at assisting customers struggling to pay their bills. For example, the Company proposed to increase the residential energy assistance surcharge on residential customer bills to increase the number of customers served by HEA programs.²⁶ The Company also proposed to extend the deadline for bill payment from 15 to 21 days from the mailing date of the bill.²⁷ And the Company's proposed Distributed Solar Garden Program would provide 50% of its energy cost savings as an annual bill credit to low-income customers.²⁸

But those proposals are not nearly enough to address the substantial unmet needs in Kentucky Power territory. As Ms. Wiseman acknowledged at the hearing, the Company's current programs do not address the root cause of residential customers' challenges.²⁹ As Ms. Wiseman put it, "[t]he fix is housing."³⁰ Company proposals such as expanded HEA programs can provide valuable short-term relief to some residential customers for the symptoms of the underlying problem, but they do not address its root

²⁵ *Id.* at 10–11 (noting that 8,100 Kentucky Power customers were disconnected for nonpayment in 2021, and that 6,135 residential customers were disconnected for nonpayment in the twelve months ending in June 2023).

²⁶ Cobern Direct at 3–6. Notably, Ms. Cobern testified that the Company's proposal to increase the Residential Energy Assistance surcharge would *not* be adequate to serve all eligible customers who seek assistance. *Id.* at 5–6.

²⁷ *Id.* at 6–7.

²⁸ Vaughan Direct at 33–34.

²⁹ Nov. 28, 2023 Hearing Tr. at 96:3–6.

³⁰ *Id.* at 96:6–7; *see also* Cobern Direct at 8 (“The Company acknowledges that inadequate weatherization measures, such as insufficient insulation and weatherstripping around doors and windows, and inefficient heating and cooling systems can increase energy consumption and exacerbate elevated energy bills, further straining low to moderate income households. Less efficient appliances and the lack of a proper building envelope can result in higher-than-normal usage for the size of home.”).

cause.³¹ Small commercial customers also frequently face challenges making lasting efficiency improvements, given competing demands on their time and resources.³² Major Company investments in programs that equip customers to lower their own energy bills through efficiency and customer-sited generation can provide the long-term systemic changes that are needed.³³

The proposed settlement before the Commission in this case does not completely address all of these fundamental issues, but Joint Intervenors believe that it has the potential to be a valuable next step toward doing so. Not only does the proposed settlement include a significant reduction from Kentucky Power’s requested rate increase, particularly for residential customers, the Company has also agreed to multiple commitments to collaborate with Joint Intervenors and other parties on addressing some of Kentucky Power’s most critical challenges.³⁴ As discussed in more detail below, the proposed settlement includes commitments toward development of an expanded DSM/EE portfolio, improved protections for vulnerable residential customers, billing transparency for commercial customers, and greater consideration of integration of DERs, among others. Joint Intervenors believe that the future proceedings that may result from these collaborations³⁵ could help Kentucky Power customers to take control

³¹ Bills Testimony at 12–13.

³² *Id.* at 25:9–14.

³³ *Id.* at 12–13.

³⁴ *E.g.*, Nov. 28, 2023 Hearing Tr. at 42:17–20 (Company witness Cindy Wiseman observing that “in the settlement agreement there is – a large piece of that is the collaboration with the Joint Intervenor representatives.”); Nov. 29, 2023 Hearing Tr. at 38:15–17 (Company witness Brian West explaining that the settlement’s significance stems in part from “the collaboration that we’re going to work on with the [J]oint [I]ntervenors and other parties”).

³⁵ *E.g.*, Settlement Agreement, Agreement Section ¶ 6.D (if needed, filing seeking Commission approval of revised reconnection standards will be made no later than June 1, 2024); *id.*, Agreement Section ¶ 9.A (“The Company will file a proposal to establish a new portfolio of DSM/EE programs . . . by May 1, 2024.”).

of their energy usage and mitigate the hardships of energy unaffordability and insecurity in eastern Kentucky.

B. The Proposed Settlement Reduces the Requested Rate Increase and Bill Impacts, Particularly for Residential Customers.

The Proposed Settlement reflects a significant reduction of over \$19 million in Kentucky Power's requested rate increase.³⁶ Among other adjustments, the Company agreed to forgo recovery of \$11.52 million in test year Winter Storm Elliott peaking unit equivalent ("PUE") expense and approximately \$4.02 million in non-FAC eligible PUE expense incurred between March 31, 2020, and March 31, 2023.³⁷ The parties also agreed to a compromise on authorized ROE of 9.75% for base rates and 9.65% for the equity component of the Company's riders, to which a weighted average cost of capital is applied.³⁸ The proposed settlement also adopts the class revenue allocation proposed by AG-KIUC witness Baron, along with an additional adjustment to reduce the impact of the requested rate increase on residential customers.³⁹ Taken together, these elements of the proposed settlement help to reduce and mitigate the impact of Kentucky Power's requested rate increase, particularly for residential customers. The table below summarizes projected bill impacts for three example residential customers.⁴⁰

³⁶ West Settlement Testimony at S7:5–8.

³⁷ *Id.* at S14:10–14.

³⁸ *Id.* at S8:14–S9:5.

³⁹ *Id.* at S8:9–13.

⁴⁰ This information is taken from Attachment 1 to Kentucky Power's Response to Commission Staff's Post Hearing Data Request No. 7 (Dec. 15, 2023).

Residential customer usage (Nov. 2023 bills)	Bill increase under Application (before securitization costs included)	Bill increase under Application (after securitization costs included)	Bill increase under settlement (before securitization costs included)	Bill increase under settlement (after securitization costs included)
613 kWh	9.46%	15.63%	3.59%	9.43%
1313 kWh	9.41%	15.58%	2.87%	8.68%
2259 kWh	9.39%	15.56%	2.57%	8.35%

Although Joint Intervenors remain concerned about the impact of increasing electric bills on those customers who are already struggling, the proposed settlement is a reasonable compromise that mitigates those impacts, particularly on residential customers, while providing additional benefits to customers.

C. The Proposed Settlement Furthers the Company’s Commitments to Demand-Side Management and Energy Efficiency.

The proposed settlement contains important Company commitments to the expansion of DSM/EE programs. Joint Intervenor witness Joshua Bills testified on the importance of customers having control over their energy bills, and how DSM/EE programs can benefit the Company in this regard. The proposed settlement responds by locking in the Company to propose an expanded portfolio of DSM/EE programs no later than May 1, 2024, and to collaborate with Joint Intervenors and other stakeholders in the development of that expanded DSM/EE portfolio.⁴¹ The proposed settlement also emphasizes the importance of serving the Company’s low-income customers, including a commitment that at least 21% of the expanded DSM/EE proposal will be allocated to low-income customers, including those who are receiving or may be eligible to receive Low Income Home Energy Assistance Program (“LIHEAP”) assistance.⁴² The proposed

⁴¹ Settlement Agreement, Agreement Section ¶ 9.

⁴² *Id.*, Agreement Section ¶ 9.B.

settlement's DSM/EE provisions further commit the Company to engage at least annually with stakeholders to discuss DSM/EE programs, utilizing the wide range of expertise Joint Intervenors and others bring to the table, including experience implementing DSM/EE programs and working in partnerships with community organizations. The Company also commits to meeting with parties, including Joint Intervenors, to discuss how to continue educating customers on the assistance and energy efficiency programs it offers.⁴³ These DSM/EE settlement provisions will advance the public interest by enriching the portfolio development process and increasing the likelihood that the Company's DSM/EE plan proposal will maximize cost-effective savings potential while ensuring programs are available and accessible to all customers.

D. The Proposed Settlement Would Provide Additional Funding and Collaboration to Benefit Vulnerable Residential Customers.

The proposed settlement also provides core benefits for the thousands of vulnerable Kentucky Power residential customers who struggle to pay their bills and are threatened with disconnection each year. This includes doubling the Company's initial proposed shareholder contribution to a two-for-one match of the \$0.40 per meter monthly residential customer Tariff R.E.A. surcharge.⁴⁴ In the proposed settlement, the Company also agrees not to disconnect service for residential customers for 24 hours when temperatures are forecast to be 32 degrees or below or 95 degrees or higher and to limit residential disconnections to 8 a.m. through 5 p.m. Monday through Thursday and 8 a.m. through noon on Friday.⁴⁵ The proposed settlement also creates two

⁴³ *Id.*, Agreement Section ¶ 9.D.

⁴⁴ *Id.*, Agreement Section ¶ 6.A.

⁴⁵ *Id.*, Agreement Section ¶¶ 6.B, 6.C.

important collaborations between the Company and Joint Intervenors on these issues. Joint Intervenors look forward to collaborating with Kentucky Power to develop service reconnection standards based on partial payments or payments made in conformity with agreed repayment plan terms.⁴⁶ Another collaborative effort agreed upon in the proposed settlement is a future study to assess the appropriateness and potential implementation of low-income discount rates for electric residential customers.⁴⁷

E. The Proposed Settlement Addresses Challenges for Small Commercial Customers.

The proposed settlement also benefits commercial customers—especially those who want to reduce their energy consumption—by increasing transparency regarding energy usage and improving key customer education materials.

Joint Intervenors' witness Joshua Bills testified that some commercial customers struggle to understand their energy use—and particularly the magnitude and timing of the peak usage that determines their demand charge—because Kentucky Power's current bill format reports energy, demand, and service charges as a combined sum.⁴⁸ Mr. Bills recommended that Kentucky Power break out those charges on customer billing statements and offer data meter pulses so that customers can capture demand readings with their own monitoring equipment.⁴⁹ Kentucky Power has committed in the proposed settlement to address this issue by working with Joint Intervenors to evaluate proposals for bill format changes that break out the demand charges as Mr. Bills

⁴⁶ *Id.*, Agreement Section ¶ 6.D; see also West Settlement Testimony at S19–S20.

⁴⁷ Settlement Agreement, Agreement Section ¶ 6.E.

⁴⁸ Bills Testimony at 29:17 to 31:8.

⁴⁹ *Id.* at 31:3 to 32:10.

recommended.⁵⁰ The Company has also committed to develop materials that explain how customers may obtain continuous interval demand readings, as well as historical interval demand readings, at no additional charge.⁵¹ These changes will help commercial customers understand when their demand peaks are occurring, a key first step toward identifying strategies to reduce their peak demand and lower their bills.

Mr. Bills also highlighted two specific needs for improving commercial customer education, and the proposed settlement includes commitments for both. Mr. Bills discussed how the USDA Rural Energy for America (“REAP”) Program grants has been a key funding source for energy efficiency improvements for small businesses in Kentucky Power service territory, especially after the flooding in 2022.⁵² With the Inflation Reduction Act’s (“IRA”) expansion of REAP funding for rural small businesses and organizations, Mr. Bills recommended that Kentucky Power update its website to educate customers about this opportunity,⁵³ and the Settlement Agreement commits the Company to do so.⁵⁴ As IRA funding expands opportunities in the region, Mr. Bills also reported working with new customers seeking to install solar generation, but unknowingly with service types that required expensive upgrades to interconnect—an unexpected cost for those customers.⁵⁵ The Settlement Agreement commits the Company to working with Joint Intervenors on customer-facing materials that clearly

⁵⁰ West Settlement Testimony at S21:19–22; Settlement Agreement, Agreement Section ¶ 7.C; see also Rebuttal Testimony of Brian K. West on Behalf of Kentucky Power Company at R19:18–19 (Nov. 6, 2023) (“[I]f approved by the Commission, the Company will begin breaking out demand charges on customer bills . . .”).

⁵¹ West Settlement Testimony at S21:13–17; Settlement Agreement, Agreement Section ¶¶ 7.B.ii–iii.

⁵² Bills Testimony at 26:9 to 27:12.

⁵³ *Id.* at 27:13 to 28:2.

⁵⁴ West Settlement Testimony at S21:7–8; Settlement Agreement, Agreement Section ¶ 7.A.

⁵⁵ Bills Testimony at 28:16 to 29:9.

explain interconnection requirements and the potential for service upgrade costs for certain types of connections.⁵⁶ These materials will aid Kentucky Power’s commercial customers, especially those small businesses and organizations who stand to benefit most from the funding opportunities in the IRA.

F. The Proposed Settlement Benefits Customers by Requiring the Company to Consider Integrating More DERs through the Solar Garden Program and Other Programs and Policies.

The proposed settlement benefits customers by committing the Company to consider integrating more DERs through the Distributed Solar Garden Program and other policy changes and collaborative processes. These programs will accelerate the Company’s integration of DERs to its system, which for reasons stated below, will benefit all Kentucky Power customers.

Joint Intervenors’ witness Andrew McDonald testified regarding the benefits of DERs and provided recommendations for additions to the Distributed Solar Garden Program and other changes to Kentucky Power programs and policies.⁵⁷ The proposed settlement takes strides to address several of Mr. McDonald’s concerns. First, the Company commits to adding battery storage to the Distributed Solar Garden Program, provided that the combined solar plus storage project passes the Company’s economic test discussed by Company witness Vaughan.⁵⁸ This addition will provide enhanced resiliency for customers and experience with solar plus storage systems for the Company.⁵⁹ Additionally, the Company commits to looking at locational benefits as recommended by witness McDonald and will submit a report to the Commission

⁵⁶ West Settlement Testimony at S21:9–12; Settlement Agreement, Agreement Section ¶ 7.B.i.

⁵⁷ *E.g.*, McDonald Testimony at 2–3, 5–6, 7–11, 32–33.

⁵⁸ West Settlement Testimony at S18:3–5; Settlement Agreement, Agreement Section ¶ 5.A.

⁵⁹ McDonald Testimony at 6:5–7, 32:20–22.

defining those benefits for each Distributed Solar Garden Program facility.⁶⁰ This report will provide valuable information to the Commission and interested stakeholders on the impact of each project.

Mr. McDonald also recommended that the Company raise its 25 MW limit on the Solar Garden Project to leverage the benefits of DERs.⁶¹ Under the proposed settlement, the Company will look into expanding the 25 MW aggregate limit and may seek to expand the program if it can economically acquire the initial 25 MW.⁶²

The proposed settlement brings additional benefits to customers by having the Company commit to explore more DER integration through other programs and collaborative efforts, as witness McDonald recommended.⁶³ Kentucky Power has agreed to evaluate solar plus storage and other microgrid technologies that could increase resilience at critical facilities and support essential community services; to include a Bring Your Own Battery Program in the Company's next DSM or rate case filing and research other battery demand response programs; and to collaborate with Joint Intervenors on solar energy education, consumer protection, workforce development programs, and customer education about DER interconnection requirements.⁶⁴ Kentucky Power has also agreed to conduct a market potential study for customer-sited battery storage, subject to the Commission approving recovery of costs of the study.⁶⁵ In all, the proposed settlement makes some key changes to the Solar

⁶⁰ West Settlement Testimony at S18:6–8; Settlement Agreement, Agreement Section ¶ 5.B.

⁶¹ McDonald Testimony at 6:14–18.

⁶² West Settlement Testimony at S18:11–13; Settlement Agreement, Agreement Section ¶ 5.C.

⁶³ McDonald Testimony at 7–31.

⁶⁴ West Settlement Testimony at S23–S24; Settlement Agreement, Agreement Section ¶¶ 10.A, 10.C, 10.D.

⁶⁵ West Settlement Testimony at S23:12–15; Settlement Agreement, Agreement Section ¶ 10.B.

Garden proposal and opens a dialogue with the Company about meaningful DER additions in the future.

G. The Proposed Settlement Is a Fair, Just, and Reasonable Compromise among the Parties and Should Be Approved.

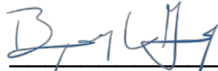
Joint Intervenors urge the Commission to approve the proposed settlement without modifications. The proposed settlement represents a fair, just, and reasonable compromise on Kentucky Power’s requested rate increase, and Joint Intervenors look forward to working in good faith with the Company and all interested parties to make progress on critical and longstanding issues facing Kentucky Power and its customers. These collaborations offer an important opportunity for Joint Intervenors and other stakeholders to engage in constructive discussions outside of adversarial proceedings.⁶⁶ Joint Intervenors look forward to contributing to those discussions with both the technical expertise of their organizations and the lived experience of their members, many of whom are Kentucky Power customers. With the good faith engagement of all parties, Joint Intervenors believe that the proposed settlement could result in substantial benefits to Kentucky Power customers.

V. CONCLUSION

For the reasons set forth above, Joint Intervenors respectfully request that the Commission approve the proposed settlement.

⁶⁶ *E.g.*, Nov. 28, 2023 Hearing Tr. at 87:5–9 (Company witness Cindy Wiseman expressing hope for “a constructive relationship with our Joint Intervenors and . . . with this Commission to move the Company forward and make it more affordable for customers.”).

Respectfully submitted,



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CERTIFICATE OF SERVICE

In accordance with the Commission's July 22, 2021 Order in Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, this is to certify that the electronic filing was submitted to the Commission on December 22, 2023; that the documents in this electronic filing are a true representations of the materials prepared for the filing; and that the Commission has not excused any party from electronic filing procedures for this case at this time.



Byron L. Gary