

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_1 The Company proposes not to change the interruptible credit under Tariff C.S.- I.R.P. Please explain in detail the basis for this decision and provide details as to how the credit is calculated. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to this program in this proceeding. Subject to and without waiving these objections, the Company states as follows:

The interruptible demand credit in Tariff C.S.-I.R.P. is the result of a settlement in a previous case (Mitchell Plant transfer case, Case No. 2012-00578). No workpapers exist for its derivation. The Company did not propose to change the Tariff C.S.-I.R.P. demand credit because it is still similar to what would be realized if a customer were able to participate directly in PJM's demand response as a capacity resource construct and receive compensation at RPM clearing prices.

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_2 Tariff C.S.-I.R.P. and Rider D.R.S. are both interruptible service options, yet the proposed credits differ. Please explain in detail what accounts for the differences and why the interruptible credit under C.S.-I.R.P. is lower than that proposed for Rider D.R.S. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to either program in this proceeding. Subject to and without waiving these objections, the Company states as follows:

Tariff C.S.-I.R.P. is a PJM capacity construct product for demand response whereby a customer can be a capacity resource in the Company's FRR plan. Rider D.R.S. is a peak-shaving tariff for the purpose of reducing the Company's cost-causing peaks instead of a resource in the FRR plan. While both programs are demand response products, they have differing requirements and value to the Company and the participants.

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_3 Please explain how the Company calculated the discount/credits under (a) Tariff C.S.-I.R.P. and (b) Rider D.R.S. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to either program in this proceeding.

Preparer: Counsel

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_4 Please explain in detail whether a portion of a customer's interruptible load could be served under Tariff C.S.-I.R.P. and a portion under Rider D.R.S. Explain whether and how the answer varies depending on the Company's metering of the load. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to either program in this proceeding. Subject to and without waiving these objections, the Company states as follows:

No. Rider D.R.S. reduces the Company's cost causing peaks for PJM billing purposes and as such will reduce a Customer's peak load contribution eligible for PJM capacity credit (if participating in PJM as a DR resource).

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_5 Please explain how the proposed penalty for failure to curtail under Tariff C.S.- I.R.P. was calculated. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to this program in this proceeding. Subject to and without waiving these objections, the Company states as follows:

Tariff C.S.-I.R.P. is an approved tariff offering by the Company. The non-compliance penalty is included in the customer addendums for service under C.S.-I.R.P. and is based upon PJM's rules and requirements concerning demand response as a capacity resource, as well as any actual penalties the Company would receive from PJM for a C.S.-I.R.P. customer's non-performance during a test or an actual performance event.

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_6 Please explain how the proposed penalty for failure to curtail under Rider D.R.S. was calculated. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to this program in this proceeding. Subject to and without waiving these objections, the Company states as follows:

Rider D.R.S. was approved in Case No. 2020-00174. There is no “penalty” for failure to interrupt but rather an escalating repayment of a portion of the Customer’s total annual DRS Interruptible Demand Credit.

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_7 Please explain the basis for distinct penalties for failure to curtail under Tariff C.S.- I.R.P. and Rider D.R.S. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The Company objects to this request on the grounds that it is not reasonably calculated to lead to the discovery of relevant or admissible evidence and because it seeks information that is outside the scope of and irrelevant to this proceeding. The Company is not proposing changes to either program in this proceeding. Subject to and without waiving these objections, the Company states as follows:

See the Company's responses to SWVA 1-5 and 1-6. Under Tariff C.S.-I.R.P., the Company could actually receive penalties from PJM for a customer's non-performance. Under proposed Tariff DRS, the Company would not receive penalties from PJM but rather would fail to achieve peak shaving cost of service benefits from a customer's non-performance.

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_8 Under Section II—Application, Filing Requirements, Exhibit I, Average Customer Bill Impacts, the Company shows an average increase for the I.G.S tariff class of 8.6%. However, Section II—Application, Filing Requirements, Exhibit J, Page 33, shows an increase of 10.5% or 10.6% to I.G.S. Transmission voltage customers. Please explain why the proposed increase to I.G.S. Transmission customers is higher than that to the I.G.S class as a whole. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The increase to IGS Transmission class is not 10.5% or 10.6%. Exhibit J is an example typical bill analysis at one utilization level for IGS Transmission; actual customer results will vary. Please refer to Section II, Exhibit J pages 1 and 2 for the increase information for the IGS class at its various voltage levels by comparing the Total Proposed Revenue column to the Total TY Per Books Revenue column.

Witness: Michael M. Spaeth

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA 1_9 Regarding the Company's proposal for a new Securitization Financing Rider and related securitization, please provide the carrying charge or estimated carrying charge that will apply to the securitized balance over the twenty-year recovery period. Include all relevant documentation and supporting workpapers with formulas intact.

RESPONSE

The estimated securitized bond coupon is 5.166%. See Niehaus Exhibit 2 to Witness Niehaus' Direct Testimony.

Witness: Franz D. Messner

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA Please provide a detailed description of all items, charges, liabilities, etc.
1_10 that the Company proposes to securitize through the new Securitization
 Financing Rider.

RESPONSE

See Figure BKW-4 for a list of the regulatory assets proposed to be securitized as part of this proceeding. See also Exhibit MMS-5 to Company Witness Spaeth’s Direct Testimony.

See the Direct Testimony of Company Witness Kerns for information regarding the Decommissioning Rider Regulatory Asset. See the Direct Testimony of Company Witness Blankenship for information on all Storm Expense Deferral Regulatory Assets. See Case Nos. 2017-00179, 2020-00174 and 2022-00283 for information regarding the Rockport Deferral Regulatory Asset.

As discussed in the Direct Testimony of Company Witness Spaeth, Tariff PPA collects certain purchase power costs not recoverable through the fuel adjustment clause; CS-IRP, DRS, and VCS credits paid to interruptible customers; incremental PJM Load Serving Entity (“LSE”) Open Access Transmission Tariff (“OATT”) expense net of the transmission return difference; and costs associated with certain previously-approved Rockport-related items.

Witness: Brian K. West

Witness: Michael M. Spaeth

Witness: Timothy C. Kerns

Witness: Stephen D. Blankenship

Kentucky Power Company
KPSC Case No. 2023-00159
SWVA First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

SWVA Please provide a detailed description of the proposed scope of items
1_11 eligible for securitization under the Securitization Financing Rider and the
rationale for said scope.

RESPONSE

The Company objects to this request on the grounds that it seeks legal analysis or a legal opinion, which are not the appropriate subject of discovery. Subject to and without waiving the foregoing objection, the Company states as follows:

See Company Witness West's Direct Testimony at page 22-28.

Witness: Brian K. West



Spaeth Verification Form.doc

DocVerify ID: 1E7A85EB-EDA5-438A-809D-7628335E409A
Created: August 24, 2023 07:11:25 -8:00
Pages: 1
Remote Notary: Yes / State: KY

This document is a DocVerify VeriVaulted protected version of the document named above. It was created by a notary or on the behalf of a notary, and it is also a DocVerify E-Sign document, which means this document was created for the purposes of Electronic Signatures and/or Electronic Notary. Tampered or altered documents can be easily verified and validated with the DocVerify veriCheck system. This remote online notarization involved the use of communication technology.

Go to www.docverify.com at any time to verify or validate the authenticity and integrity of this or any other DocVerify VeriVaulted document.

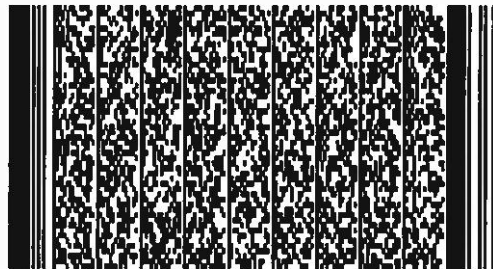
E-Signature Summary

E-Signature 1: Michael M Spaeth (MMS)

August 24, 2023 07:35:10 -8:00 [104F2A248A66] [167.239.221.107]
mmspaeth@aep.com (Principal) {Personally Known}

E-Signature Notary: Marilyn Michelle Caldwell (MMC)

August 24, 2023 07:35:10-8:00 [149CA74924B4] [167.239.221.106]
mmcaldwell@aep.com
I, Marilyn Michelle Caldwell, did witness the participants named above electronically sign this document.



VERIFICATION

The undersigned, Michael M. Spaeth, being duly sworn, deposes and says he is the Regulatory Pricing and Analysis Manager for American Electric Power Service Corporation, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Michael M. Spaeth
Signed on 2023/08/24 07:12:19 -0500

Michael M. Spaeth

Commonwealth of Kentucky)
)
County of Boyd)

Case No. 2023-00159

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Michael M. Spaeth, on August 24, 2023.

Marilyn Michelle Caldwell

Notary Public

MARILYN MICHELLE CALDWELL
 ONLINE NOTARY PUBLIC
 STATE AT LARGE KENTUCKY
 Commission # KYNP71841
 My Commission Expires May 05, 2027

Notarial act performed by audio-visual communication

My Commission Expires May 5, 2027

Notary ID Number KYNP71841



VERIFICATION

The undersigned, Franz D. Messner, being duly sworn, deposes and says he is the Managing Director of Corporate Finance for American Electric Power Service Corporation, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

[Handwritten Signature]

Franz D. Messner

County of Franklin)
State of Ohio)

Case No. 2023-00159

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Franz D. Messner, on August 23rd, 2023.

[Handwritten Signature]

Notary Public



My Commission Expires Never.

Notary ID Number N.A.

VERIFICATION

The undersigned, Brian K. West, being duly sworn, deposes and says he is the Vice President, Regulatory & Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.



Brian K. West

Commonwealth of Kentucky)
)
County of Boyd) Case No. 2023-00159

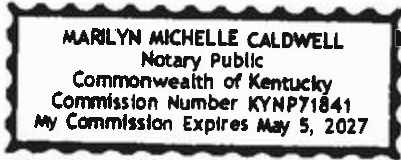
Subscribed and sworn to before me, a Notary Public in and before said County and State, by Brian K. West, on August 22, 2023.



Notary Public

My Commission Expires May 5, 2027

Notary ID Number KYNP71841



VERIFICATION

The undersigned, Timothy C. Kerns, being duly sworn, deposes and says he is the Vice President of Generating Assets, for Appalachian Power Company and Wheeling Power Company, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Timothy C. Kerns
Timothy C. Kerns

Commonwealth of Kentucky)
County of Boyd)

Case No. 2023-00159

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Timothy C. Kerns, on August 24, 2023.

Scott E. Bishop
Notary Public



My Commission Expires June 24, 2025

Notary ID Number KYNP 32110



Blankenship Verification Form.doc

DocVerify ID: 8CE4EEF5-B02C-465F-807C-FE036254770F
Created: August 25, 2023 06:02:22 -8:00
Pages: 1
Remote Notary: Yes / State: KY

This document is a DocVerify VeriVaulted protected version of the document named above. It was created by a notary or on the behalf of a notary, and it is also a DocVerify E-Sign document, which means this document was created for the purposes of Electronic Signatures and/or Electronic Notary. Tampered or altered documents can be easily verified and validated with the DocVerify veriCheck system. This remote online notarization involved the use of communication technology.

Go to www.docverify.com at any time to verify or validate the authenticity and integrity of this or any other DocVerify VeriVaulted document.

E-Signature Summary

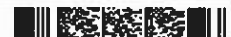
E-Signature 1: Stephen D Blankenship (SDB)

August 25, 2023 09:43:45 -8:00 [446055C86D84] [104.28.39.144]
sdblank1@aep.com (Principal) (Personally Known)

E-Signature Notary: Marilyn Michelle Caldwell (MMC)

August 25, 2023 09:43:45 -8:00 [29108EF33F8A] [167.239.221.106]
mmcaldwell@aep.com

I, Marilyn Michelle Caldwell, did witness the participants named above electronically sign this document.



VERIFICATION

The undersigned, Stephen D. Blankenship, being duly sworn, deposes and says he is the Region Support Manager, for Kentucky Power, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Stephen D Blankenship

Stephen D. Blankenship

Commonwealth of Kentucky)
County of Boyd)

Case No. 2023-00159

Subscribed and sworn to before me, a Notary Public in and before said County

and State, by Stephen D. Blankenship, on August 24, 2023.

Marilyn Michelle Caldwell

Notary Public

Expires on 2023 06 25 08 43 00Z

MARILYN MICHELLE CALDWELL
ONLINE NOTARY PUBLIC
STATE AT LARGE KENTUCKY
Commission # KYNP71841
My Commission Expires May 05, 2027

Notary Stamp 2023/06/25 08:43:03 PST

Notarial act performed by audio-visual communication

My Commission Expires May 5, 2027

Notary ID Number KYNP71841

8CE4EEF5-B02C-465F-807C-FE036254770F ... 2023/05/25 06:02:22 -8:00 ... Remote Notary

