

**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	)	

**Kentucky Power Company’s June 3, 2024 Transmission Cost  
Allocation Study Update**

In the direct testimony of Joshua D. Burkholder, filed in this case on June 29, 2023, Mr. Burkholder described the steps that Kentucky Power Company (“Kentucky Power” or “Company”) has taken to address the Commission’s concerns regarding the Company’s transmission investment and expenses. Mr. Burkholder’s testimony further describes that American Electric Power Service Corporation (“AEPSC”) has initiated a review process to examine how PJM transmission costs are allocated to and among the Company and the other AEP operating companies operating in PJM (collectively, the “AEP East Operating Companies”), focusing primarily on cost allocation in the AEP Zone in PJM. To support the transparency of the analysis, the Company also committed in Mr. Burkholder’s testimony to providing updates to the Commission in this docket about the progress of AEPSC’s review every 30 days, beginning August 31, 2023, until the time the analysis is complete and recommendations from it are submitted to the Commission.

Since the Company’s May 3, 2024 update, the Brattle Group has been completing reports on cost allocation in the AEP East Zone in PJM and its recommendations to be submitted to the Commission as described in Mr. Burkholder’s testimony. Specifically, the Brattle Group is

preparing a joint report for the AEP operating companies located in the AEP Zone and an individual report for Kentucky Power using the same information as the overall AEP Zone analysis. The reports also include a detailed discussion on the formation of additional zones, either singly or in combination with adjacent zones, by the AEP operating companies located in the AEP Zone, including Kentucky Power. Concurrently with this filing, Kentucky Power is seeking a informal conference for the Brattle Group to present the reports and their recommendations to the Commission and parties to this matter.

Respectfully submitted,



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