

**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 January 2, 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 December 1, 2023 update, AEPSC and its external experts have continued work on the potential cost allocation options and the quantifiable and other costs and benefits applicable to the Company. AEPSC and its external experts have also continued work

quantifying such costs and benefits to the extent practical for evaluation purposes, and related sensitives.

Subsequent updates will be filed at thirty-day intervals.

Respectfully submitted,



Katie M. Glass
STITES & HARBISON PLLC
421 West Main Street
P. O. Box 634
Frankfort, Kentucky 40602-0634
Telephone: (502) 223-3477
Fax: (502) 560-5377
kglass@stites.com

Kenneth J. Gish, Jr.
STITES 7 HARBISON PLLC
250 West Main Street, Suite 2300
Lexington, Kentucky 40507-1758
Telephone: (859) 226-2300
Fax: (859) 253-9144
kgish@stites.com

COUNSEL FOR KENTUCKY POWER
COMPANY