

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 )

**Application to Use Abbreviated Notice Procedures**

Kentucky Power Company (“Kentucky Power” or “Company”) applies to the Commission pursuant to 807 KAR 5:001, Section 16(2)(b), 807 KAR 5:001, Section 17(5), and 807 KAR 5:001, Section 22 to enter an order **no later than June 9, 2023** permitting Kentucky Power to provide abbreviated newspaper notice of its upcoming application for rate adjustment. Kentucky Power makes this application to reduce costs associated with its anticipated application for rate adjustment which will, in turn, reduce the level of any rate adjustment for the Company’s customers. Kentucky Power states in support of its application:

**Applicant**

1. Kentucky Power is an electric utility organized as a corporation under the laws of the Commonwealth of Kentucky in 1919.<sup>1</sup> The post office address of Kentucky Power is 1645 Winchester Avenue, Ashland, Kentucky 41101. The Company’s electronic mail address is [kentucky\\_regulatory\\_services@aep.com](mailto:kentucky_regulatory_services@aep.com).

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<sup>1</sup> A certified copy of Kentucky Power’s Articles of Incorporation and all amendments thereto was attached to the Joint Application in Case No. 99-149 as Exhibit 1. The Company’s May 16, 2023 Certificate of Existence is attached as **EXHIBIT 1**.

2. Kentucky Power is engaged in the generation, purchase, transmission, distribution, and sale of electric power. Kentucky Power serves approximately 163,000 customers in the following 20 counties of eastern Kentucky: Boyd, Breathitt, Carter, Clay, Elliott, Floyd, Greenup, Johnson, Knott, Lawrence, Leslie, Letcher, Lewis, Magoffin, Martin, Morgan, Owsley, Perry, Pike, and Rowan. Kentucky Power also supplies electric power at wholesale to other utilities and municipalities in Kentucky for resale. Kentucky Power is a utility as that term is defined at KRS 278.010.

3. Kentucky Power is a wholly-owned subsidiary of American Electric Power Company, Inc. (“AEP”).

4. Kentucky Power anticipates filing an application for a general adjustment of its rates and charges and certain other relief no later than June 29, 2023.

5. Kentucky Power is serving a copy of this application by e-mail upon counsel for each party granted leave to intervene in the Company’s most recent rate case.<sup>2</sup>

**Method of Notice of Publication**

6. 807 KAR 5:001, Section 17(2) requires a utility to provide notice to its customers of any general rate adjustment at the time of filing its application and further sets forth the permissible form and manner of such notice. The most practical and cost-effective means among of the four methods of notice established by the regulation<sup>3</sup> is for Kentucky Power to provide the

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<sup>2</sup> *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 Regulatory Assets And Liabilities; (4) Approval Of A Certificate Of Public Convenience And Necessity; And (5) All Other Required Approvals And Relief, Case No. 2020-00174 (“2020 Rate Case”).*

<sup>3</sup> 807 KAR 5:001, Section 17(2)(b) provides: “If a utility has more than twenty (20) customers, it shall provide notice by:

1. Including notice with customer bills mailed no later than the date the application is submitted to the commission;

required notice by publishing the notice once a week for three consecutive weeks in a prominent manner in each newspaper of general circulation in its service territory.

7. The scope and detail required by 807 KAR 5:001, Section 17 results in a lengthy newspaper notice. Kentucky Power's notice in connection with its 2017 application for general adjustment of its rates<sup>4</sup> comprised 20 single-spaced typewritten 8 ½ x 11 pages. Kentucky Power estimates that absent the relief requested by this Application the notice to be published in connection with the Company's anticipated rate application would be of equal or greater length.

8. The notice is required to be published in each of the 20 newspapers of general circulation in the Company's service territory.

9. The cost of publishing the notice in conformity with the regulation is significant.<sup>5</sup> Based on the estimates provided to the Company by Kentucky Press Service, the Company estimates the cost of publishing the complete notice required the Commission's regulations for the Company's anticipated rate case would total approximately \$571,000. Whereas, the cost of publishing the proposed abbreviated notice for three consecutive weeks would total approximately \$170,000, for a total estimated savings of approximately \$401,000. The cost of

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2. Mailing a written notice to each customer no later than the date the application is submitted to the commission;

3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or

4. Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission.

<sup>4</sup> *In the Matter of: Electronic Application Of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) An Order Approving Its 2017 Environmental Compliance Plan; (3) An Order Approving Its Tariffs And Riders; (4) An Order Approving Accounting Practices To Establish Regulatory Assets Or Liabilities; And (5) An Order Granting All Other Required Approvals And Relief*, Case No. 2017-00179.

<sup>5</sup> The cost of the original notice published by Kentucky Power in Case No. 2017-00179 totaled \$663,049. The Company estimated a total savings of approximately \$434,000 if its application to use abbreviated notice procedures were granted in the 2020 Rate Case. See 2020 Rate Case, Company's Response to KPSC 1-1 (June 4, 2020).

publishing the notice constitutes a rate case expense that may be recovered through the newly-established rates.

10. The abbreviated form of notice proposed below will reasonably inform the public of the Company's application while yielding significant savings as compared to the full notice required by 807 KAR 5:001, Section 17.

11. The Commission granted Kentucky Power's application to provide a similar abbreviated newspaper notice of its application for rate adjustment in its 2020 Rate Case.<sup>6</sup>

### **Kentucky Power Company's Proposed Form Of Notice**

12. Kentucky Power proposes to publish an abbreviated form of notice which will contain:

(a) the complete notice required by the Commission's regulation for the Company's proposed residential rate changes, as well as the additional required information for residential customers by the Commission's regulations;<sup>7</sup>

(b) an abbreviated notice of the adjustments to non-residential rates identifying each non-residential rate schedule the Company proposes to adjust and indicating the availability of further information concerning the proposed adjustments at the Kentucky Power and Commission websites, as well as Kentucky Power's Ashland, Pikeville, and Hazard offices;<sup>8</sup> and

(c) notice that a complete printed or electronic copy of any applicable rate schedule may be obtained by written or electronic mail request to the Company.

A copy of the proposed abbreviated notice for Kentucky Power is attached as **EXHIBIT 2** to this Application.

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<sup>6</sup> Order, 2020 Rate Case (Ky. P.S.C. June 9, 2020).

<sup>7</sup> 807 KAR 5:001, Section 16(2)(b) directs that a coupon be included in the abbreviated notice. Kentucky Power's proposed abbreviated notice provides multiple means by which the full notice may be requested and thus does not include a coupon. To the extent a deviation is required from the regulation Kentucky Power requests a deviation to permit it to provide the expanded means of requesting the full notice. If the Commission nevertheless believes a coupon should be included it will amend its proposed notice to do so.

<sup>8</sup> Kentucky Power's offices are located at 1645 Winchester Avenue, Ashland, Kentucky 41101. (606-327-2600); 1400 E. Main St. Hazard, KY 41701 (606-436-1322); and 3249 North Mayo Trail Pikeville, KY 41501 (606-437-3827).

13. Kentucky Power proposes to provide, in connection with the publication of its proposed abbreviated notice, the following additional public awareness measures:

(a) Kentucky Power will post at its Ashland, Pikeville, and Hazard offices a copy of the notice conforming to 807 KAR 5:001, Section 17. The conforming notice will be posted coincident with the first newspaper publication of its abbreviated notice and remain posted until completion of Kentucky Power's rate case.

(b) Kentucky Power will post on its website a copy of the notice conforming to 807 KAR 5:001, Section 17. The Company's website also will provide a hyperlink to the location on the Public Service Commission's website where case documents and tariff filings are available. The posting and hyperlink will be posted to the Company's website coincident with the first newspaper publication of its abbreviated notice and remain posted until completion of Kentucky Power's rate case.

(c) Kentucky Power will include with the bills for all of its Kentucky retail customers a general statement explaining its application for rate adjustment. The statement will be included beginning cycle 1 of the first billing cycle following the Company's filing of its application to adjust its rates.

(d) Kentucky Power will provide notice of the application to legal counsel for each entity granted intervention in Case No. 2020-00174. The notice will inform the recipient of notice of the filing of the Company's application and will provide a hyperlink to the location on the websites of the Company and the Public Service Commission where case documents and tariff filings are available.

(e) Kentucky Power will seek to post a copy of its notice conforming to 807 KAR 5:001, Section 17 in each public library located in Kentucky Power's service territory. The notice will be posted on or about the time the abbreviated customer notice is published. The Company will request that the notice remain posted throughout the entirety of the rate proceedings.

(f) Kentucky Power will issue press advisories to all known news media organizations that cover the areas within their certified territory advising of the filing of the Company's application. The notice also will include a hyperlink to the location on the websites of Kentucky Power and the Commission where case documents and tariff filings will be available. The hyperlink to the Kentucky Power website also will contain the published newspaper notice. The hyperlink will be posted on the Company's website coincident with the filing of the Company's application and will remain during the pendency of the rate case proceedings.

(g) A complete public version of the Company's application to adjust its rates and filed with the Commission will be posted on Kentucky Power's website. The application will be posted coincident with the filing of the Company's application to adjust its rates.

(f) Kentucky Power will electronically upload with its application to adjust its rates a separate a copy its notice conforming to 807 KAR 5:001, Section 17. The copy will be entitled "Customer Notice of Rate Adjustment." The uploading of the separate copy is intended to enable customers reviewing the Commission's website to locate the notice without difficulty.

14. Kentucky Power anticipates the proposed abbreviated notice will reduce publication costs by approximately \$401,000.

15. Kentucky Power anticipates that the newspaper publication of the proposed abbreviated notice, in conjunction with the additional public awareness measures to be provided by Kentucky Power, will provide notice equal to the newspaper notice required by 807 KAR 5:001, Section 17.

16. 807 KAR 5:001, Section 22 authorizes the Public Service Commission to grant deviations from the requirements of Chapter 1 of Title 807 of the Kentucky Administrative Regulations upon the showing of good cause. In addition, 807 KAR 5:001, Section 16(2)(b) and Section 17(5) provide the Commission may authorize Kentucky Power to provide abbreviated newspaper notice. As set out above, good cause exists for the Commission to authorize Kentucky Power to publish the abbreviated notice described above, in conjunction with the other public awareness measures to be provided by Kentucky Power, in lieu of the full notice required by 807 KAR 5:001, Section 17.

WHEREFORE, Kentucky Power respectfully requests the Commission enter an order no later than June 9, 2023:

1. Authorizing Kentucky Power to deviate from the requirements 807 KAR 5:001, Section 17 and authorizing the Company to publish, in conjunction with the other public awareness measures described above, the abbreviated notice of its proposed rate adjustment in the form set forth in Exhibit 2 to this application;

2. Granting Kentucky Power Company all other appropriate relief.

This 23<sup>rd</sup> day of May, 2023.

Respectfully submitted,



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COUNSEL FOR KENTUCKY POWER  
COMPANY

Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing was served by e-mail transmission on the intervenors in Case No. 2020-00174 by transmitting an electronic copy to the persons below this 23<sup>rd</sup> day of May 2023:

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Kurt J. Boehm  
Jody Kyler Cohn  
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Katie M. Glass

**Exhibit 1**

**Commonwealth of Kentucky**  
**Michael G. Adams, Secretary of State**

Michael G. Adams  
Secretary of State  
P. O. Box 718  
Frankfort, KY 40602-0718  
(502) 564-3490  
<http://www.sos.ky.gov>

**Certificate of Existence**

Authentication number: 291138

Visit <https://web.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

**KENTUCKY POWER COMPANY**

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is July 21, 1919 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 16<sup>th</sup> day of May, 2023, in the 231<sup>st</sup> year of the Commonwealth.



*Michael G. Adams*

Michael G. Adams  
Secretary of State  
Commonwealth of Kentucky  
291138/0028317

**Exhibit 2**

**NOTICE**

**PLEASE TAKE NOTICE** that, in an application to be filed June 29, 2023, Kentucky Power Company will seek approval by the Public Service Commission of Kentucky to adjust its electric rates and charges effective on and after January 1, 2024.

**KENTUCKY POWER COMPANY’S CURRENT AND PROPOSED RATES**

**Residential Service – Rate**  
(Tariff Codes 015, 017, 022)

	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Basic Service Charge per Month:		
Energy Charge per kWh:		
Load Management Water-Heating Provision Tariff 011 – Energy Charge per kWh		
Storage Water Heating Provision Tariff 012 – Energy Charge per kWh Tariff 013 – Energy Charge per kWh Tariff 014 – Energy Charge per kWh		

**Residential Service Load Management Time-of-Day**  
(Tariff Codes 028, 030, 032, 034)

	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Service Charge per Month		
Energy Charge: On-Peak Billing period per kWh Off-Peak Billing period per kWh		

**Residential Service Time-of-Day**  
(Tariff Codes 036)

	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Service Charge per Month		
Energy Charge: On-Peak Billing period per kWh Off-Peak Billing period per kWh		

**Experimental Residential Service Time-of-Day2**  
(Tariff Codes 027)

	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Service Charge per Month		
Energy Charge: On-Peak Summer Billing period per kWh On-Peak Winter Billing period per kWh Off-Peak Billing period per kWh		

**Residential Demand-Metered Electric Service**

(Tariff Codes 018)

	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Service Charge per Month		
Energy Charge:		
On-Peak Summer Billing period per kWh		
Off-Peak Billing period per kWh		
Demand Charge per KW of monthly billing demand		

**Residential Energy Assistance**

	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Surcharge per Account per Month		

**KENTUCKY POWER COMPANY'S PROPOSED NEW AND MODIFIED TARIFFS**

Kentucky Power is proposing the following new tariffs:

Distribution Reliability Rider  
Securitization Financing

Kentucky Power is proposing to modify the following existing tariffs:

Tariff Purchase Power Adjustment  
Federal Tax Cut Tariff  
Tariff Non-Utility Generator  
Tariff Fuel Adjustment Clause  
Tariff Residential Service  
Renewable Power Option Rider  
General revised formatting and reorganization of tariff book

In addition to the changes to rates for the residential customer class described above, Kentucky Power has also proposed changes to the rates for other customer classes. These customer classes and the changes in their associated rates are listed in the tables shown below. Kentucky Power is also proposing changes in the text of some of its rate schedules and other tariff provisions, including its terms and conditions for electric service and miscellaneous charges. The proposed rates reflect a proposed annual increase in electric revenues of approximately X.X% to Kentucky Power.

Kentucky Power also is requesting a financing order to securitize certain regulatory assets.

The estimated amount of the annual change and the average monthly bill to which the proposed electric rates will apply for each electric customer class are as follows:

<b>Electric Rate Class</b>	<b>Average Usage (kWh)</b>	<b>Annual \$ Increase</b>	<b>Annual % Increase</b>	<b>Monthly Bills Increase</b>	<b>Monthly Bill% Increase</b>
<b><u>Residential Service</u></b>					
Residential Service					
Residential Load Management Time-of-Day					
Residential Service Time-of-Day					
Experimental Residential Service Time-of-Day					
Residential Demand-Meter Electric Service					
<b><u>General Service</u></b>					
General Service					
Recreational Lighting Service					
Load Management TOD					
Small General Service TOD					
Medium General Service TOD					
Large General Service					
L.G.S. Load Management TOD					
Large General Service TOD					
<b><u>Industrial Service</u></b>					
Industrial General Service					
<b><u>All Other</u></b>					
Municipal Waterworks					
Outdoor Lighting					
Street Lighting					
Pole Attachments					
COGEN/SPP I					
COGEN/SPP II					

A detailed notice of all proposed revisions and a complete copy of the proposed tariffs containing the proposed text changes and rates may be obtained by submitting a written request by e-mail to [XXXXXXXX@aep.com](mailto:XXXXXXXX@aep.com) or by mail to Kentucky Power Company, ATTN: XXXXXXXXX, 1645 Winchester Avenue, Ashland, Kentucky, 41101, or by visiting Kentucky Power’s website at [www.Kentuckypower.com](http://www.Kentuckypower.com).

A person may examine Kentucky Power’s application at the offices of Kentucky Power located at 1645 Winchester Avenue, Ashland, Kentucky, at Kentucky Power’s local offices, and at Kentucky Power’s website at [www.Kentuckypower.com](http://www.Kentuckypower.com). A person may also examine the application at the

Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or may view and download the application through the Commission's website at <http://psc.ky.gov>.

Comments regarding the application may be submitted to the Public Service Commission by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, or by sending an email to the Commission's Public Information Officer at [psc.info@ky.gov](mailto:psc.info@ky.gov). All comments should reference Case No. 2023-00159.

The rates contained in this notice are the rates proposed by Kentucky Power, but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of this notice, the Commission may take final action on the application.

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Ashland, KY 41101  
606-327-2603

Public Service Commission  
211 Sower Boulevard  
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502-564-3940