

Kentucky Power Company
KPSC Case No. 2023-00159
Commission Staff's Sixth Set of Data Requests
Dated October 30, 2023

DATA REQUEST

KPSC 6_1 Refer to the Application, Section V, Exhibit 2, page 50, and the Direct Testimony of Lane Kollen, pages 47–48. Provide the property tax expense workpapers, all supporting calculations, and documentation in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. Include in the response the basis for the net estimated property tax.

RESPONSE

Please refer to the Rebuttal Testimony of Linda Schlessman, pages 13-15, for an explanation on the basis for the net estimated property tax. In support of the basis for property tax please see the below attachments, in excel where applicable:

KPCO_R_KPSC_6_1_Attachment1 – 2022 KPCo Notice of Assessment
KPCO_R_KPSC_6_1_Attachment2 – 2021 YE KPCo KY Budget Forecast
KPCO_R_KPSC_6_1_Attachment3 – 2022 KPCo Property Tax Payments

Witness: Linda M. Schlessman

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF REVENUE
 OFFICE OF PROPERTY VALUATION
 PUBLIC SERVICE BRANCH
 STATION 32 4TH FL, 501 HIGH STREET
 FRANKFORT, KY 40601-2103
 Phone (502) 564-8175 Fax (502) 564-8192

NOTICE OF ASSESSMENT

KENTUCKY POWER COMPANY
TAX DEPARTMENT
PO BOX 16428
COLUMBUS, OH 43216-6428

GNC: 005220
TYPE CO: EU
TAX TYPE: 035
TAX ID: 610247775

This Notice of Assessment will become final on 12/18/2022, 60 days from the notice date. A corresponding Notice of Tax Due is being sent from the Compliance and Accounts Receivable System based on the Total Assessment shown below. The Notice of Tax Due will provide the state tax liability, any applicable interest and/or filing penalties that may be assessed. Local taxes will be billed separately by the local taxing jurisdictions where your property is located.

If you protest this assessment, see enclosed 61F009 Notification-Protesting your Assessment. You must submit a written protest in accordance with KRS 131.110; and as required by KRS 132.825(10) and KRS136.180(2), your protest must specify the valuation you claim to be true. Your written protest stating your claimed value and your payment of tax for your claimed value must be submitted to the Department of Revenue on or before 12/18/2022 or no further remedies will be available regarding this assessment per KRS 134.590. Submit your protest and payment to: ATTN: Public Service Branch, Division of State Valuation, KENTUCKY DEPARTMENT OF REVENUE, Sta. 32, 4th Floor, 501 High Street, Frankfort, KY 40601-2103. You may contact the Public Service Branch at Phone (502) 564-8175 and Fax (502) 564-8192.

NOTICE DATE: 10/19/2022 TAX YEAR: 2022 (For Year Ending December 31, 2021)

PROPERTY CLASS	TAX RATE Per \$100	ASSESSED VALUE	STATE TAX DUE
Subject to State and Local Tax			
Real Estate	0.115	\$101,637,137.00	\$116,882.71
**Tangible Personal Property	0.45	\$975,581,973.00	\$4,390,118.88
Business Inventory	0.05	\$0.00	\$0.00
Inventory In Transit	0.00	\$0.00	\$0.00
Subject to State Tax Only			
Foreign Trade Zone Property	0.001	\$0.00	\$0.00
Recycling Equipment	0.45	\$0.00	\$0.00
Manufacturing Machinery	0.15	\$542,187,971.00	\$813,281.96
Pollution Control Equipment	0.15	\$21,678,122.00	\$32,517.18
Business Inventory (MM)	0.05	\$9,215,323.00	\$4,607.66
IRB Property	0.015	\$0.00	\$0.00
IRB Property Nontaxable	0.00	\$0.00	\$0.00
TOTALS		\$1,650,300,526.00	\$5,357,408.39

** Excludes Motor Vehicles \$6,738,674.00

A 10% penalty is charged for late filed returns per KRS 132.290(3). A 20% penalty is charged for omitted property per KRS 132.290(4). Applicable interest will be applied when late or omitted.

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DATA REQUEST

KPSC 6_2 Refer to Kentucky Power's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 63. Confirm that the financing arrangement for the Mitchell coal stock is the same as Kentucky Power's method in its last rate filing, Case No. 2020-00174.

RESPONSE

Confirmed. Kentucky Power's treatment of the Mitchell coal stock adjustment from a ratemaking perspective is unchanged from the last rate filing, Case No. 2020-00174.

Witness: Franz D. Messner

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DATA REQUEST

KPSC 6_3 Refer to Kentucky Power's response to Staff's Second Request, Item 1, Attachment 10. Provide a revised net present value analysis that uses an annual weighted average cost of capital which reflects the maturity of existing debt at current bond yields, including a risk premium. Provide all supporting calculations and documentation in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE

The revised estimated net present value of savings from securitization with updated rates (as of October 31, 2023) for the three term loans, the pollution control revenue bond, short-term debt, and adding 100 basis point to the securitization bond rate to reflect prevailing bond rates, is approximately \$56.1 million. See KPCO_R_KPSC_6_3_Attachment1, which includes the supporting calculations for the information provided in Staff's Second Request, Item 1, Attachment 10.

Witness: Franz D. Messner

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DATA REQUEST

KPSC 6_4 Refer to Kentucky Power's Response to Commission Staff's Third Request for Information (Staff's Third Request), Item 2, regarding the Series 2014 A Pollution Control Bonds.

- a. Provide the original case number approving the bonds and cite the order language permitting remarketing.
- b. Provide the dates for each time the bonds have been remarketed.
- c. Provide the interest rate for each time the bonds have been remarketed.
- d. Provide the difference in expense of financing for each year from the date of Commission approval of the indebtedness to the present date, including but not limited to interest expense and remarketing expense.

RESPONSE

a. Authority to issue the Series 2014 A Pollution Control Bonds was provided in Case No. 2013-00410.

A remarketing is simply a periodic reset of the interest rate of the bond and not a new issuance of the bond and therefore no further approval is required.

b. & c. Dates and rates for each issuance and remarketing are as follows:

2014A	<u>Amt</u>	<u>Date</u>	<u>Rate</u>
Issuance	65,000,000	6/26/2014	Variable
Remarketing	65,000,000	6/26/2017	2.00%
Remarketing	65,000,000	6/19/2020	2.35%
Remarketing	65,000,000	6/13/2023	4.70%

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d. Issuance costs and interest expense for each year of remarketing are as follows.

<u>Year</u>	<u>Fees</u>	<u>Interest Expense</u>
2014	\$ 235,542	variable rate
2015	\$ -	variable rate
2016	\$ -	variable rate
2017	\$ 365,750	\$ 668,056 + variable portion
2018	\$ -	\$ 1,300,000
2019	\$ -	\$ 1,300,000
2020	\$ 347,500	\$ 1,421,333
2021	\$ -	\$ 1,527,500
2022	\$ -	\$ 1,527,500
2023	\$ 543,128	\$ 2,367,625

Witness: Franz D. Messner

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DATA REQUEST

KPSC 6_5 Refer to Kentucky Power's Response to Commission Staff's Fifth Request for Information (Staff's Fifth Request), Item 3. Explain how it was determined that the amount to be refunded to residential customers was \$26,391.44, the amount taken from customer bills, and not \$69,749.80, the amount taken from Kentucky Power's ledger.

RESPONSE

The correct amount to be refunded is \$26,391.44, which was the amount taken from customer bills. Please see KPCO_R_KPSC_6_5_Attachment1 for detailed information regarding the delayed payment charges. Commission Staff initially asked in KPSC 1-49 about the delayed payment charges shown on Attachment 1 to KPSC 1-49, which amount was pulled from the ledger. When the Company later was asked in KPSC 2-99(a) to identify the amount of delayed payment charges that was charged to customers and after January 13, 2021, the Company pulled that number from customer bills, and not the ledger, in order to ensure an accurate response. The ledger amount should not be used to determine customer refunds because of the timing that such entries can appear on the ledger. In other words, the delayed payment charged amount recorded on the ledger on January 13, 2021 does not necessarily mean that those amounts were charged to customers on January 13, 2021. By using the amount from customer bills, the Company ensures that customers are refunded for any delayed payment charges actually assessed on and after January 13, 2021, as ordered by the Commission.

Witness: Scott E. Bishop

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DATA REQUEST

KPSC 6_6 Refer to Kentucky Power's Response to Staff's Fifth Request, Item 8. The response was non-responsive as it only provided a narrative of how the subscription rates were developed, and not the calculations themselves. Provide the supporting calculations used to arrive at the subscription rates for the Renewable Power Option Rider in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE

Worksheet "RPO Calculation" in KPCO_R_KPSC_6_6_ConfidentialAttachment1 provides the calculations used to develop the subscription rates for the three Renewable Power Option Rider options.

Witness: Alex E. Vaughan

KPCO_R_KPSC_6_6_Confidential Attachment 1 has been redacted in its entirety.

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DATA REQUEST

KPSC 6_7 Provide an update on the sale of accounts receivable. Provide any supporting documentation, including the resumption date.

RESPONSE

The Company resumed the sale of receivables on September 7, 2023. Please also see the Company's September 28, 2023 supplemental response to KPSC 1-48 which provides the analysis and supporting workpapers detailing Kentucky Power's calculated comprehensive change in revenue requirement associated with restarting the sale of receivables to AEP Credit. Additionally, the applicable receivables financing agreement was provided in the Company's original and November 3, 2023 supplemental response to AG-KIUC 1-54. Please also see Company Witness Whitney's Rebuttal Testimony at pages R28-R38 for additional information.

The Company has no additional information responsive to the request.

Witness: Brian K. West

Witness: Franz D. Messner

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DATA REQUEST

KPSC 6_8 For the past 12 years, provide the total amount of the PJM Open Access Transmission Tariff Load Serving Entity expenses for American Electric Power Company (AEP) and the amount allocated to Kentucky Power. Include the percentage used for allocation for each year.

RESPONSE

Please see attachment KPCO_R_KPSC_6_8_Attachment1 for the requested information from 2014 through 2023. Kentucky Power does not possess the requested information prior to 2014 and is only able to provide ten years of information.

In the attachment, please note the following:

- Line 12 represents the total PJM Open Access Transmission Tariff Load Serving Entity expenses for the full AEP Zone. This is referred to as “AEP Zone OATT Expense” in Company Witness Burkholder’s Direct Testimony.
- Line 13 represents the 1 coincident peak percentage used by PJM to allocate the amount in Line 12 to load serving entity affiliates of AEP.
- Line 14 represents the total amount of the PJM Open Access Transmission Tariff Load Serving Entity expenses for AEP, as requested.
- Line 15 represents the 12 coincident peak percentage used by AEP, under the AEP Transmission Agreement, to allocate the amount in Line 14 to Kentucky Power.
- Line 16 represents the PJM Open Access Transmission Tariff Load Serving Entity expenses allocated to Kentucky Power, as requested. This is referred to as “Kentucky Power OATT Expense” in Company Witness Burkholder’s Direct Testimony.

Witness: Joshua D. Burkholder

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DATA REQUEST

KPSC 6_9 State whether Kentucky Power is allocated costs for AEP corporate aircraft. If so, provide the test-year amount allocated to Kentucky Power and provide the account and the line item in which the costs are recorded.

RESPONSE

Yes, Kentucky Power is allocated AEP corporate aircraft cost through AEPSC billings. AEP corporate aircraft cost of \$160,107 was allocated to Kentucky Power during the test year, and of that amount, \$157,722 is included in the Company's requested cost of service. See KPCO_R_KPSC_6_9_Attachment1 for amounts allocated to Kentucky Power during the test year, by account.

Please refer to KPCO_R_KPSC_6_9_Attachment2 for the AEP's Use of Corporate Aircraft policy. The use of aircraft for business purposes is widely recognized as essential to the effective and efficient management of both private businesses and state governments. Please see: <https://transportation.ky.gov/Aviation/Pages/fleet.aspx>

Witness: Heather M. Whitney



Use of Corporate Aircraft Policy

Title:	Use of Corporate Aircraft	Date:	02.01.03
Owner:	Therace M. Risch EVP, Chief Information & Technology Officer	Sponsoring Area(s):	Aviation Services

Policy Statement:

When used in conjunction with sound Business Continuity principles, the corporate aircraft are tools that allow AEP employees, board members and their third party advisors to conduct business in a safe, effective, and efficient manner. In addition, this tool allows AEP executives to maximize their time for the benefit of the corporation. The corporate aircraft are to be used only for business purposes unless specifically approved in accordance with this policy or used under an Aircraft Time Sharing Agreement providing for personal travel.

Detail:

Pilot in Command

- The Pilot in Command is responsible for the safety of the crew and passengers as well as the condition of the corporate asset and will always have complete control over the decision to fly or not fly.

Aircraft Time Sharing Agreement

- Aircraft Time Sharing Agreements (TSAs) are permitted by the Federal Aviation Administration. The Timeshare Agreement allows an individual to reimburse a corporation for certain expenses that occur as a result of that individual using the corporate aircraft for personal travel.
- American Electric Power Service Corporation may enter into such agreements with the Chief Executive Officer and with the Executive Chair.
- Details regarding the reimbursable expenses and program restrictions are found in the executed Aircraft Time Sharing Agreement located in each designated aircraft.

AEP Business Travel

- Use of company owned, leased and chartered aircraft (AEP Provided Aircraft) for AEP Business Travel is permitted for members of AEP's Chief Executive Officer Executive Management Team (CEOEMT).
- The scheduling and use of AEP Provided Aircraft for AEP Business Travel by other employees requires the approval of a CEOEMT member.
- AEP Business Travel is defined as a trip where the primary purpose is integrally and directly related to the performance of the executive's, board member's or third party advisor's duties to AEP.

Approvals

- Use of AEP Provided Aircraft for any reason other than AEP Business Travel by employees other than the CEO or Executive Chair requires the approval of the CEO on a trip by trip basis. Unless such travel is under a TSA referenced above, use of AEP Provided Aircraft by the CEO or

Use of Corporate Aircraft Policy

- SEC regulations require reporting of the incremental cost of using AEP Provided Aircraft for travel that is not AEP Business Travel as All Other Compensation for the executive officers included in AEP's proxy statement. Any questions that arise as to what types of travel are AEP Business Travel will be determined by the AEP Legal Department based on whether or not such travel gives rise to an incremental cost under the SEC rules governing the reporting requirements for AEP's Proxy Statement.
- Travel to industry meetings such as EEI and INPO is considered AEP Business Travel. Travel to attend outside public company and charity board meetings is generally not AEP Business Travel pursuant to this policy, unless the AEP Legal Department determines that the trip is AEP Business Travel. Before scheduling corporate aircraft for travel that may not meet the definition of AEP Business Travel, executives are responsible for obtaining a determination from AEP Legal.
- Trips that include personal stops, regardless of stop duration and flight time, are not AEP Business Travel unless such stops have a business or aircraft operational purpose.
- Repositioning aircraft (deadhead legs) is considered AEP Business Travel only if repositioning the aircraft is required for AEP Business Travel. The cost of repositioning the aircraft is billed to the office of the CEO. Employees may fly as passengers during repositioning legs without bearing the cost of the flight so long as the employee does not influence the departure time, the route of the destination.
- Travel to or from an employee's second home, vacation destination or any residence other than the one nearest the employee's primary work location is generally not AEP Business Travel.

Emergency Travel

- AEP employees may use AEP Provided Aircraft for reasons other than AEP Business Travel in emergency situations with the approval of the CEO. Such travel is likely to be considered to be a taxable benefit, for which AEP is required to withhold taxes based on the SIFL methodology. The incremental cost to AEP is also likely to be required to be reported as a perquisite in AEP's proxy statement if used by an executive officer.

Executive Travel Policy for Business Continuity

- Functional and department leadership will be mindful not to schedule too many direct reports or employees with vital knowledge when determining the passenger complement for corporate aircraft and ground transportation.
- A CEOEMT member may not travel with more than two-thirds of his or her direct reports,
- The CEO and Executive Chair shall not travel together (unless one person holds both positions).
- The CEO and President shall not travel together if different individuals hold those titles,
- No more than 4 CEOEMT members shall travel together,
- No more than 3 executives holding the office of President of any AEP public utility operating company shall travel together, and
- No more than 4 board members shall travel together.



Use of Corporate Aircraft Policy

- Aviation Services must reposition an aircraft to the Cook Nuclear plant in order to fly the Chief Nuclear Officer to an industry meeting. An employee in the Legal department needs to travel to Cook for a meeting on the day the aircraft is to be repositioned to Cook. The Legal department employee has no influence over the schedule of the flight and is able to fly as a passenger. ***This flight is considered AEP Business Travel and the cost of the repositioning flight will be billed to the office of the CEO.***

Periodic Travel and Policy Review and Revision

- Senior AEP Management and the HR Committee of AEP's Board of Directors will periodically review use of AEP Provided Aircraft for both AEP Business Travel and other travel under this policy and may direct management to amend the policy as it deems appropriate.

Glossary

- The Chief Executive Officer Executive Management Team (CEOEMT) is comprised of all Executive Vice Presidents.

Review / Revision:

Reviewed by:

Stephen L. Swick, VP & Chief Security & Privacy Officer 10/20/2022

Approved by:

David M. Feinberg, EVP General Counsel & Secretary 10/20/2022

12/01/2022

Therace M. Risch, EVP Chief Info & Technology Officer 10/20/2022

12/01/2022

Phillip R. Ulrich, EVP Chief Human Resources Officer 12/01/2022

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DATA REQUEST

KPSC 6_10 For the past five years, provide graphs of average customer energy usage by month for customers served under Tariff Residential Service in which the x axis of the graph is the months of the year and y axis is the kWh used Provide the statistical information to support the graphs in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE

Please see KPCO_R_KPSC_6_10_Attachment1 for the requested information.

Witness: Michael M. Spaeth

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DATA REQUEST

KPSC 6_11 For the past five years, provide graphs of average customer energy usage by month for customers served under Tariff Residential Service and participating/enrolled in Low Income Heating Energy Assistance Program (LIHEAP) in which the x axis of the graph is the months of the year and y axis is the kWh used. Provide the statistical information to support the graphs in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE

The Company only maintains, from a data retention standpoint, three years of LIHEAP data. Please see KPCO_R_KPSC_6_11_Attachment1 for the past three years of residential LIHEAP average kWh usage by month.

Witness: Michael M. Spaeth

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DATA REQUEST

KPSC 6_12 Provide the estimate of marginal cost of capital during the period when Kentucky Power expects to utilize the securitization proceeds.

RESPONSE

The marginal cost of capital is generally defined as the cost of raising an additional dollar of funds through equity, debt, and other sources. The marginal cost of capital during the period when Kentucky Power expects to utilize the securitization proceeds is not predictable as the timing of receipt of any proceeds is uncertain since Kentucky Power does not currently have a financing order for securitization, and the time required to prepare all the necessary documentation necessary to go to market with a securitization issuance can vary. In addition, the cost of debt and equity expected during the period when Kentucky Power expects to utilize the securitization proceeds is presently unknown and not predictable.

Recognizing the unpredictability of future costs, the proposed weighted average cost of capital in this case is 6.93% and is a reasonable estimate of cost of funds through equity, debt and other sources as noted above. Kentucky Power's cash position on any given day can vary due to cash inflows and outflows. Incremental working capital, or the next additional dollar, is typically funded initially with short-term debt through the AEP Money Pool. The Money Pool rate on October 31, 2023 was 5.7127%. The Money Pool itself is funded through AEP borrowing commercial paper (CP).

Witness: Franz D. Messner

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DATA REQUEST

Kpsc 6_13 Refer to the Application, Exhibit 5, page 33, paragraph 45, Finding of Fact 45. Also refer to the Direct Testimony of Katherine I. Walsh, page 20; the Direct Testimony of Brian K. West, pages 27–28; and the Direct Testimony of Franz D. Messner, page 9.

a. Provide the amount of quantifiable net present value benefit to customers if all the proposed securitized bonds are issued in three tranches (1) one with level annual debt service and tenor of five years, and financing only the Tariff P.P.A. Under -Recovery Regulatory Asset (approximately \$51 million net of ADIT); (2) a second with a tenor of ten years financing Storm Expense Regulatory Asset and Rockport Deferral Regulatory Asset (totaling approximately \$132 million net of ADIT); and (3) a third with a tenor of 17 years financing Decommissioning Rider Regulatory Asset (approximately \$266 million net of ADIT). The second tranche should pay interest only until maturity of the first tranche (end of year five), and then pay level annual debt service over the following 12 years. The third tranche should pay interest only until maturity of the second tranche (end of year ten) and then pay level annual debt service over the following 7 years. Use interest rates that are consistent with KPCO_R_Kpsc_2_1_Attachment10_MessnerWP1. Provide all calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

b. Provide the amount of quantifiable net present value benefit to customers if all the proposed securitized bonds are issued in three separate series rather than three tranches: (1) one with level annual debt service and tenor of five years, and financing only the Tariff P.P.A. Under-Recovery Regulatory Asset (approximately \$51 million net of ADIT); (2) a second with a tenor of 10 years with level annual debt service for the entire 10 years financing Storm Expense Regulatory Asset and Rockport Deferral Regulatory Asset (totaling approximately \$132 million net of ADIT); and (3) a third with a tenor of 17 years with level annual debt service for the entire 17 years financing Decommissioning Rider Regulatory Asset (approximately \$266 million net of ADIT). Use interest rates that are consistent with KPCO_R_Kpsc_2_1_Attachment10_MessnerWP1. Provide all calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

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RESPONSE

a. See attachment KPCO_R_KPSC_6_13_Attachment1. The illustrative amount of quantifiable net present value benefit to customers based on the criteria described in KPSC 6-13(a) is approximately \$73.5 million compared to \$74.4 million filed in Company Witness Messner's Direct Testimony.

b. See attachment KPCO_R_KPSC_6_13_Attachment2. The illustrative amount of quantifiable net present value benefit to customers based on the criteria described in KPSC 6-13(b) is approximately \$52.2 million as compared to approximately \$74.4 million filed in Company Witness Messner's Direct Testimony. The reduction in savings as compared to the as filed amount is driven by the acceleration of principal payments from a single, 20-year securitization debt tranche to three securitization debt tranches of 5, 10 and 17 years.

Witness: Franz D. Messner

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DATA REQUEST

KPSC 6_14 Refer to KPCO_SR_KPSC_4_4_Attachment1, Tab Upfront & Ongoing Costs.

a. Explain why it is assumed that ongoing servicer fees will be 10 percent of the principal amount of \$446,766,000 amounting to \$353,500 semi-annually when other utility securitization transactions have servicer fees of 0.05 percent of the principal amount.

b. Explain why the servicer fee assumed for the scenarios with two smaller principal amounts, both for 17- and 5-years tenors and also for 17- and 5-year WALs, each have the same \$353,500 semi-annual servicer fee even though the principal amount for each is much smaller than \$446.7 million.

c. Provide at list of reported servicer fees as a percentage of principal amount for all prior AEP securitization transactions.

RESPONSE

a. The servicer fee assumption of 10 basis points, or 0.10%, used in the original calculation of the net present value of securitization benefits was a reasonable and conservative assumption that was consistent with the other AEP operating company securitization filings. Regardless, only the actual costs of the servicer fees will be collected from customers. The percentage of the servicer fee can change based on the amount of the total bonds issued. The size of the bond does not determine the amount of expense to support it. For smaller bond issuances, a higher percentage of the issuance may be required as the total amount applied to the percentage would be lower. For larger bonds, a lower percentage of the issuance may be required as the total amount applied to the percentage would be higher.

b. When updating the calculation of the net present value of savings from securitization from the as filed single securitization bond to multiple securitization bonds requested in subsequent discovery requests the servicer fees were duplicated. The servicer fee should have been allocated across the multiple securitization tranches requested and thus the net present value of securitization savings is slightly understated.

c. See KPCO_R_KPSC_6_14_Attachment 1.

Witness: Franz D. Messner

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DATA REQUEST

KPSC 6_15 Refer to KPCO_SR_KPSC_4_4_Attachment1, tab Conventional All Other and tab ADIT Offset-WACC. Explain why the Conventional All Other regulatory asset is assumed to be amortized over 60 months (5 years), but the associated ADIT balance is amortized over 54 months (4.5 years).

RESPONSE

The 4.5-year ADIT amortization is correct as that is the period over which the ADIT associated with the Decommissioning Rider asset is being passed back currently in rates. For purposes of securitization, the Company combined all other regulatory assets as a 5-year amortization because the result does not impact the NPV savings the Commission would view to determine the benefits to Kentucky customers.

Witness: Franz D. Messner



Burkholder Verification Form.doc

DocVerify ID: 3A37E5FF-7E99-482E-959F-A85372C46B90
 Created: November 10, 2023 04:54:14 -8:00
 Pages: 1
 Remote Notary: Yes/ State: KY

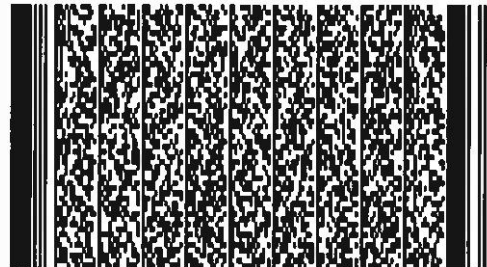
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E-Signature Summary

E-Signature 1: Joshua Burkholder (JDB)
 November 10, 2023 06:50:40 -8:00 [BC398C698A40] [167.239.221.107]
 jburkholder@aep.com (Principal) (Personally Known)

E-Signature Notary: Marilyn Michelle Caldwell (MMC)
 November 10, 2023 06:50:40 -8:00 [3680F5D4EE33] [167.239.221.101]
 mmcaldwell@aep.com
 I, Marilyn Michelle Caldwell, did witness the participants named above electronically sign this document.



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.

[Signature]
Franz D. Messner

County of Franklin)
State of Ohio)

Case No. 2023-001 59

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Franz D. Messner, on November 8, 2023.

[Signature]
Notary Public



My Commission Expires Never

Notary ID Number N/A



Schlessman Verification Form.doc

DocVerify ID: BFBD99DF-438B-49BA-9F50-699E40F7A6AC
 Created: November 10, 2023 04:45:18 -8:00
 Pages: 1
 Remote Notary: Yes/ State: KY

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E-Signature Summary

E-Signature 1: Linda Schlessman (LS)
 November 10, 2023 04:52:04 -8:00 [A52126E0A674] [23.245.121.218]
 lmschlessman@aep.com [Principal] (Personally Known)

E-Signature Notary: Marilyn Michelle Caldwell (MMC)
 November 10, 2023 04:52:04 -8:00 [B57D6AC0F63D] [167.239.221.101]
 mmcaldwe@aep.com
 I, Marilyn Michelle Caldwell, did witness the participants named above electronically sign this document.



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VERIFICATION

The undersigned, Linda M. Schlessman, being duly sworn, deposes and says she is the Tax Accounting and Regulatory Support Manager for American Electric Power Service Corporation, that she 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 her information, knowledge, and belief.

Linda Schlessman

Linda M. Schlessman

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 Linda M. Schlessman, on November 10, 2023.

Notary Public

Marilyn Michelle Caldwell

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

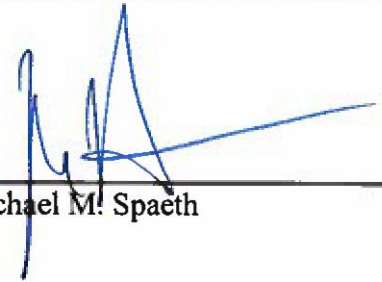
Notary ID Number KYNP71841

BFBD99DF-438B-49BA-9F50-699E40F7A6AC --- 2023/11/10 04:45:18 -8:00 --- Remote Notary



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

Franklin County)
Ohio)

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 Nov 8th 2023.



Notary Public



Paul D. Flory
Attorney At Law
Notary Public, State of Ohio
My commission has no expiration date
Sec. 147.03 R.C.

My Commission Expires Never

Notary ID Number No Id

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)

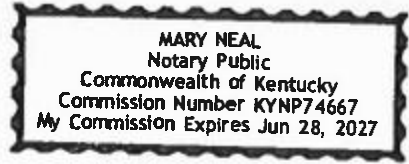
Case No. 2023-00159

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Brian K. West, on November 6, 2023.


Notary Public

My Commission Expires June 28, 2027

Notary ID Number KYNP 74667





Whitney Verification Form.doc

DocVerify ID: 68EB0E42-570B-4F41-8B19-D0B8C0C15C69
Created: November 10, 2023 03:47:39 -8:00
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E-Signature Summary

E-Signature 1: Heather M. Whitney (HMW)

November 10, 2023 06:37:46 -8:00 [BE3360F50C07] [167.239.221.106]
hmwhitney@aep.com (Principal) (Personally Known)

E-Signature Notary: Marilyn Michelle Caldwell (MMC)

November 10, 2023 06:37:46 -8:00 [E9FD0E2029FD] [167.239.221.101]
mmcaldwell@aep.com

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



VERIFICATION

The undersigned, Heather M. Whitney, being duly sworn, deposes and says she is a Director in Regulatory Accounting Services for American Electric Power Service Corporation, that she 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 her information, knowledge, and belief.

Heather M. Whitney
Heather M. Whitney

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 Heather M. Whitney, on November 10, 2023.

Notary Public

Marilyn Michelle Caldwell
Deposited on 2023-11-10 03:47:39 -8:00

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

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