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 REGULATORY ASSETS AND LIABILITIES; (4) A SECURITIZATION FINANCING ORDER; AND (5) ALL OTHER REQUIRED APPROVALS AND RELIEF	)	**CASE NO. 2023-00159**

DIRECT TESTIMONY

AND EXHIBITS

OF

LANE KOLLEN

ON BEHALF OF THE

ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

AND THE

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

OCTOBER 2023

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DIRECT TESTIMONY OF LANE KOLLEN

I. QUALIFICATIONS AND SUMMARY

Q. State your name and business address.

A. My name is Lane Kollen. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. What is your occupation and by whom are you employed?

A. I am a utility rate and planning consultant holding the position of Vice President and Principal with the firm of Kennedy and Associates.

Q. Describe your education and professional experience.

A. I earned a Bachelor of Business Administration ("BBA") degree in accounting and a Master of Business Administration ("MBA") degree from the University of Toledo. I also earned a Master of Arts ("MA") degree in theology from Luther Rice University. I am a Certified Public Accountant ("CPA"), with a practice license, Certified Management Accountant ("CMA"), and Chartered Global Management Accountant ("CGMA"). I am a member of numerous professional organizations.

I have been an active participant in the utility industry for more than forty years, initially as an employee of The Toledo Edison Company from 1976 to 1983 and thereafter as a consultant in the industry since 1983. I have testified as an expert witness on planning, ratemaking, accounting, finance, and tax issues in proceedings before regulatory commissions and courts at the federal and state levels on hundreds of occasions.

I have testified before the Kentucky Public Service Commission on dozens of occasions, including Kentucky Power Company ("Kentucky Power" or "Company") base rate proceedings, Case Nos. 2020-00174, 2017-00179, 2014-00396, 2009-00459, and 2005-00341; Mitchell acquisition proceeding, Case No. 2012-00578; allocation of fuel costs to off-system sales proceeding, Case No. 2014-00255; ecoPower biomass purchased power agreement ("PPA") proceeding, Case No. 2013-00144; Big Sandy 2 environmental retrofit proceeding, Case No. 2011-00401; wind power PPA proceeding, Case No. 2009-00545; various Environmental Surcharge ("ES") and Fuel Adjustment Clause ("FAC") proceedings; numerous Louisville Gas and Electric Company ("LG&E"), Kentucky Utilities Company ("KU"), and Duke Energy

Kentucky, Inc. base rate, ES, and FAC proceedings; and numerous other proceedings involving Big Rivers Electric Corporation, East Kentucky Power Cooperative, Inc., Jackson Purchase Energy Corporation, as well as various gas and water utilities.[1]

Q. On whose behalf are you testifying?

A. I am testifying on behalf of the Office of the Attorney General of the Commonwealth of Kentucky ("AG") and the Kentucky Industrial Utility Customers, Inc. ("KIUC"), a group of large customers taking electric service on the Kentucky Power system. The AG and KIUC have been active participants in all significant Kentucky Power rate case and certification proceedings for many years.

Q. Provide a brief overview of the Company's requests that will affect its base and rider revenue requirements as a result of this proceeding.

A. The Company's requests include: 1) a base rate increase of $93.936 million; 2) a reduction in the Decommissioning Rider ("DR") to temporarily eliminate all charges in exchange for authorization to defer a return on the decommissioning regulatory asset until it is sold to a Special Purpose Entity ("SPE") in conjunction with future securitization financing; 3) reductions in Tariff Purchase Power Adjustment ("P.P.A.") to reflect recovery of PJM LSE OATT charges solely through base rates and the elimination of the Rockport Unit Power Agreement ("UPA") fixed expense savings credit; 4) a future increase pursuant to a new Securitization Financing Rider ("SFR") to recover the securitization financing costs incurred by the SPE; 5) periodic

[1] My qualifications and regulatory appearances are further detailed in my Exhibit___(LK-1).

future increases to recover the costs of new distribution investment and related operating expenses through a new Distribution Reliability Rider ("DRR"); and 6) a reduction in the Rider Federal Tax Cut ("Rider FTC") to reflect the completion of the refund of unprotected excess deferred income taxes ("EDIT") resulting from the federal Tax Cuts and Jobs Act ("TCJA"), but offset with a potential increase due to the federal Corporate Alternative Minimum Tax ("CAMT"); among other reductions and increases, as well as modification and adoption of other new rider tariffs.

Q. What is the net effect of the Company's proposed base rate and rider revenue changes?

A. I estimate the effect of the Company's proposed base rate increase and the changes in rider revenues is a net increase of $78.237 million in annual revenues, including the estimated effect of a subsequent increase in SFR revenues when the securitization financing closes at some later date in 2024. I have assumed no increase in the FTC rider for the CAMT, consistent with my recommendation to reject the Company's request to include this potential cost in the rider. I summarize the effects of the Company's proposed base rate increase and the estimated changes in rider revenues on the following table.

Kentucky Power Company Revenue Requirement	
Summary of Changes in Rates on January 1, 2024 And After Securitization	
Case No. 2023-00159	
For the Test Year Ended March 31, 2023	
($ Millions)	
	Amount
Base Rate Increase Requested by Company	**93.936**
Reduction in Tariff P.P.A. Related to Rockport Offset Expiring at the End of 2023	(22.786)
Reduction in Tariff P.P.A. Related to Additional PJM LSE OATT Costs Not Previously in Base Rates	(39.462)
Add Back One-Year Rockport Fixed Cost Savings Credit Removed from Tariff P.P.A. in 2023	49.689
Overall Increase in Rates on January 1, 2024 Before Proposed Recovery Deferrals	**81.377**
Proposed Recovery Deferrals Starting January 1, 2024 Until Securitization	
Reduction in Tariff P.P.A. Related to Rockport Deferral Regulatory Asset Until Securitization	(13.540)
Reduction in Decommissioning Rider Recovery Until Securitization	(26.661)
Overall Decrease in Cost Recovery Starting January 1, 2024 Until Securitization	**(40.201)**
Overall Proposed Increase in Rates on January 1, 2024 Until Securitization	**41.176**
Estimated Levelized Securitization Recovery	37.061
Overall Proposed Increase in Rates on January 1, 2024 And After Securitization	**78.237**

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to 1) describe the effects of the AG-KIUC recommendations on the Company's base, DR, SFR, and Tariff P.P.A. revenues; 2) address and make recommendations on specific issues that will affect the Company's claimed base and rider revenue requirements, including the return on equity recommended by Mr. Richard Baudino; 3) address and make recommendations on the requested temporary cessation of the DR; 4) address and make recommendations regarding the proposed securitization financing, SFR, and SFR allocations to customer class; 5) address and make recommendations regarding the Company's proposed new DRR; and 6) address and make recommendations in response to the Company's request to modify and rename Tariff FTC.

Q. Please summarize your testimony.

A. I recommend a reduction of $31.131 million in the Company's requested base revenue increase of $93.651 million, after correction for an error recognized by the Company in response to discovery. I summarize the effects of the AG-KIUC recommendations on the Company's claimed base revenue requirement and requested base rate increase on the following table.[2]

Kentucky Power Company Revenue Requirement
Summary of AG and KIUC Recommendations
Case No. 2023-00159
For the Test Year Ended March 31, 2023
($ Millions)

	AG and KIUC Operating Income Adjustments	B/D and PSC Gross-up	Amount
Base Rate Increase Requested by Company			**93.936**
Less: Correction of Error in Payroll Expense Identified by the Company (1)	(0.283)	1.005523	(0.285)
Adjusted Base Rate Increase Requested by the Company			**93.651**
AG and KIUC Rate Base Issues			
Remove Non-Existent Asset Federal NOL ADIT			(3.464)
Remove Non-Existent Asset Deficient Federal NOL ADIT			(0.860)
Subtract Regulatory Asset ADIT			(3.132)
Correct Cash Working Capital to Reflect Sale of Receivables			(6.728)
Remove Prepaid Pension and OPEB Balances from Rate Base			(3.429)
Subtract Accounts Payables for CWIP in Rate Base			(0.822)
Subtract Accounts Payable for Prepayments in Rate Base			(0.006)
AG and KIUC Operating Income Issues			
Exclude Incentive Compensation Expense Tied to Financial Performance	(4.334)	1.005523	(4.358)
Exclude SERP Expense	(0.146)	1.005523	(0.147)
Exclude 401(k) Matching Expense for Employees Who Also Participate in Pension Plan	(1.778)	1.005523	(1.787)
Correct Property Tax Expense	(2.216)	1.005523	(2.228)
Exclude Amortization of Cost of Removal ADIT Regulatory Asset	(1.668)	1.005523	(1.677)
Remove Amortization of Prior Non F.A.C. Eligible Fuel Costs	(1.340)	1.005523	(1.347)
Exclude Amortization of Asset Deficient Federal NOL ADIT	(0.291)	1.005523	(0.292)
Increase Interest Expense To Reflect Sale of Receivables	1.666	1.005523	1.675
AG and KIUC Cost of Capital Issues			
Reallocate the Mitchell Coal Stock Adjustment Proportionately Across Capital Structure			(0.843)
Reduce Return on Equity from 9.9% to 9.7%			(1.686)
Total AG and KIUC Adjustments to KPCo Base Rate Request			**(31.131)**
Maximum Base Rate Increase After AG and KIUC Adjustments			**62.521**

(1) September 29, 2023 Supplemental Response to AG-KIUC 1-31

[2] I provide my workpapers in live Excel workbook format with all formulas intact contemporaneously with the filing of my testimony. The amounts cited throughout my testimony are stated on a Kentucky retail jurisdictional basis unless otherwise noted, (*e.g.*, total Company). As I previously noted, I assumed no increase in Tariff FTC due to the Company's request to include the CAMT, consistent with my recommendation to reject the Company's request.

II. RATE BASE ISSUES

A. <u>The Company's Claimed Asset Federal NOL ADIT Does Not Exist; It Has Already Been Reimbursed By AEP Pursuant to the AEP Tax Allocation Agreement</u>

Q. Describe the Company's request to include an asset federal NOL ADIT in rate base and capitalization.

A. The Company seeks to include proforma adjustments for a non-existent $41.507 million asset federal NOL ADIT in rate base and the same amount in the capitalization used to calculate the cost of capital for the return on rate base.[3] This asset NOL ADIT was not and is not actually recorded on the Company's accounting books or reflected in its financial statements and reporting pursuant to the FERC USOA or generally accepted accounting principles ("GAAP").[4]

The Company's proforma adjustments attempt to retroactively revise its actual historic accounting records and its actual financing to include this non-existent cost for ratemaking purposes. The proforma adjustments reflect a hypothetical world based on the false assumptions that the AEP Tax Allocation Agreement did not and does not exist, AEP never reimbursed the Company for the federal income tax effects of its taxable losses pursuant to the AEP Tax Allocation Agreement, and the Company financed the tax effects of its taxable losses by issuing short-term debt, long-term debt, and common equity. Of course, none of those assumptions are correct and improperly drive up the claimed revenue requirement and requested rate increase.

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[3] Direct Testimony of Linda M. Schlessman at 32.
[4] *Id.*, 29.

The alleged basis for these proforma adjustments is the Company's claim that income tax expense included in operating income and all related balance sheet amounts included in rate base should be calculated on a separate standalone federal tax return basis and that any reimbursements or savings pursuant to the AEP Tax Allocation Agreement should be ignored for ratemaking purposes. It attempts to buttress this latter argument by asserting that if the Commission does not adopt this change to its historic ratemaking practice, the Internal Revenue Service ("IRS") may find that there is a so-called "normalization violation." Further, AEP already has filed requests for Private Letter Ruling ("PLR") with the IRS for three other AEP utilities making the argument that there is a so-called "normalization violation," rather than not filing such requests or making the argument that there is not a so-called "normalization violation." In short, AEP's strategy is to force non-existent costs on its customers in order to reap an unjustified and unreasonable windfall.

Q. Has the Company ever made these claims in a prior rate case proceeding before the Commission?

A. No. The Company never has made these claims in a prior rate case proceeding before the Commission.[5] There has been no change in the underlying facts or circumstances that precipitated the Company's claims in this proceeding and its request that the Commission approve a change in its historic ratemaking practices. There has been no change in Section 168 of the Internal Revenue Code ("IRC") or the related Treasury

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[5] Response to AG-KIUC 1-25(f). I have attached a copy of the narrative response to AG-KIUC 1-25 and Attachment 1 of this response as my Exhibit___(LK-2).

Regulations. The Company has been a party to the AEP Tax Allocation Agreement, reimbursed by AEP for the tax effects of its federal taxable losses, consistently recorded the AEP reimbursements on its accounting books, and consistently reflected the reimbursements from AEP pursuant to the AEP Tax Allocation Agreement in rate base and capitalization for many decades.[6] Neither AEP nor the Company have an "application pending before the FERC to withdraw, remove, or modify, the AEP Tax Allocation Agreement."[7]

Q. Has the Commission historically included income tax expense in the revenue requirement on a separate standalone tax return basis?

A. Yes. That has been the Commission's historic ratemaking practice. The Commission historically has calculated and included current and deferred income tax expense in the revenue requirement on a separate standalone tax return basis. The Commission historically has subtracted the related ADIT from rate base without the offsetting addition for an asset federal NOL ADIT. The Company never has proposed the offsetting addition for an asset federal NOL ADIT because it has been reimbursed by AEP. The historic ratemaking reflects the economic substance of the Company's income tax expense and related ADIT effects after the AEP reimbursements pursuant to the AEP Tax Allocation Agreement.

Q. Did the Company finance the non-existent asset NOL federal ADIT?

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[6] The Company provided a copy of the AEP Tax Allocation Agreement as Attachment 1 to the response to AG-KIUC 1-25. See Exhibit___(LK-2).

[7] Response to AG-KIUC 1-25(c). See Exhibit___(LK-2).

A. No. The Company was reimbursed by AEP in cash or cash equivalents, e.g., reductions in intercompany payables, for this asset pursuant to the AEP Tax Allocation Agreement. Accordingly, there is no asset NOL federal ADIT on the Company's accounting books or balance sheet and the cash received was used to reduce outstanding financing and/or to avoid new financing.

The effect of the AEP reimbursement on the Company's financing reflected in capitalization is an important point because the Company not only added the proforma and non-existent asset federal NOL ADIT to rate base, but also added an equivalent proforma and non-existent amount to capitalization, which the Company then allocated among the short-term debt, long-term debt, and common equity components. Yet, none of that proforma financing actually exists and the cost of that non-existent financing in the form of a return on the asset federal NOL ADIT that does not exist is not a cost the Company actually incurs. It should not be included in the Company's revenue requirement under the false assumption that it is incurred.

Q. The Company claims that if it isn't allowed to include the non-existent asset NOL federal ADIT as an addition to rate base and to retain the savings that actually resulted from the AEP reimbursement, then there potentially may be a normalization violation. Do you agree?

A. No. The Company is using this threat and AEP, on behalf of other AEP utility affiliates, already has filed three requests for Private Letter Rulings ("PLR") with the IRS, ostensibly advocating this outcome.[8] AG-KIUC have requested copies of these

[8] Direct Testimony of Linda Schlessman at 33 wherein she states: Kentucky Power affiliates filed PLR

requests and, after initial objections, agreement to provide the copies, unjustified delays, and an AG-KIUC Motion to Compel, the Company now has provided copies of the three requests.[9] Nevertheless, the Company now has provided a confidential copy of each of the requests and I have reviewed them.

Q. Is a request for PLR an objective exercise?

A. No. It is highly subjective and the taxpayer requests specific rulings. Under the relevant IRS Revenue Procedure, the taxpayer must provide support for its position as well as cite to contrary authorities, but nevertheless still advocates for specific rulings. In this case, AEP Service Corporation ("AEPSC"), acting as agent for the AEP utility affiliates, has already filed three requests and plans to file additional requests, all presumably consistent in advocating for its position, which is that the AEP reimbursements to its utility affiliates for the tax effects of their net operating losses, cannot be reflected for ratemaking purposes without triggering a normalization violation.[10] This AEP systemwide approach is extremely aggressive and intended to do indirectly what it cannot do directly, that is, unilaterally change the AEP Tax Allocation Agreement in order to increase its utility affiliate revenues and earnings, and thus, AEP's earnings, all else equal.

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requests for Texas, Oklahoma, and Indiana with the IRS in March 2022. Each PLR is identical to the tax attributes of Kentucky Power Company and the opinion applicable to the NOLC treatment proposed in this case.

[9] Response and supplemental responses to AG-KIUC 1-26(a). I have attached a copy of the narrative responses, including the supplemental responses, to AG-KIUC 1-26 as my Exhibit___(LK-3). The requests for PLR themselves, were provided as attachments, which the Company's claims are confidential. AG-KIUC has filed the confidential attachments portion of my Exhibit___(LK-3) pursuant to the Commission's requirements for such confidential information.

[10] Direct Testimony of Linda Schlessman at 33 wherein she states: "Each PLR is identical to the tax attributes of Kentucky Power Company and the opinion applicable to the NOLC treatment proposed in this case."

Q. Why is it important for the Commission to review and comment on the three requests for PLR?

A. There are several reasons. First, so that the Commission can determine for itself whether the requests for PLR are biased against the Company's customers. Second, so that the Commission can determine the actual arguments AEP has presented to the IRS and consider AG-KIUC's response to those arguments before it makes a decision on the Company's claims in this rate case proceeding. Third, so that the Commission can determine how to position its comments to the IRS in the likely event that AEP files a request for PLR on behalf of the Company. Under the relevant IRS Revenue Procedure, the Commission will have the opportunity to file comments with the IRS in response to the AEP request for PLR.

Q. Are the three AEP requests for PLR drafted to seek a ruling in favor of AEP's recently discovered claim, that the Commission must include the asset federal NOL ADIT in rate base and capitalization to avoid a so-called normalization violation?

A. [redacted]

[redacted]

Q. Has AEP, on behalf of any of its utility affiliates, including the Company, filed Schedule UTP, Uncertain Tax Positions to inform the IRS that its tax return filings for prior tax years may reflect a normalization violation?

A. No.[11] AEP, on behalf of the Company is required under federal tax law to make such a filing if it believes that a tax return in any open tax year reflects an uncertain tax position, such as a potential normalization violation under Section 168 of the Internal Revenue Code and the Related Treasury Regulations. AEP's failure to file Schedule

[11] Response to AG-KIUC 2-23. I have attached a copy of this response as my Exhibit___(LK-4).

UTP undercuts its arguments regarding a potential normalization violation in this proceeding. The fact that AEP has not filed Schedule UTP to self-report these potential normalization violations demonstrates that these claims in this and in other state ratemaking proceedings and the request for PLR pending before the IRS have no substantive or definitive support, but rather, at its essence, reflect a tactical ploy by AEP to extract more revenues from its utility customers for a cost that the utilities do not incur.

Q. Has AEP, on behalf of any of its utility affiliates, including the Company, disclosed to investors through filings with the U.S. Securities and Exchange Commission that it and its utility affiliates may be subject to deduction disallowances and penalties due to its potential normalization violations?

A. No.[12] AEP, on behalf of the Company is required under federal securities law to disclose all facts that may materially affect its financial statements. A potential normalization violation is a material fact. Like the failure to file Schedule UTP, AEP's failure to make a filing with the SEC undercuts its arguments in this proceeding and demonstrates its claims in this ratemaking proceeding have no substantive or definitive support, but rather, at their essence, reflect a tactical ploy by AEP to extract more revenues from its utility customers for a cost that the utilities do not incur.

[12] Response to AG-KIUC 2-22. I have attached a copy of this response as my Exhibit___(LK-5).

Q. If the Commission authorizes the Company's proforma adjustments to increase rate base and capitalization, will the Company change its accounting for the AEP reimbursements pursuant to the AEP Tax Allocation Agreement?

A. No. The Company still will record the cash or cash equivalents from the AEP reimbursements.[13] The reimbursements will continue to reduce the asset federal NOL ADIT calculated before the reimbursements. The reimbursements will continue to reduce or avoid financing. The difference is that the Company will retain this savings in financing costs if it no longer is required to reflect the savings in the revenue requirement.

Q. What is your recommendation?

A. I recommend the Commission reject the Company's request for proforma adjustments to increase rate base and capitalization in order to exclude the effects of the AEP reimbursements of the tax effects of federal taxable losses pursuant to the AEP Tax Allocation Agreement. The Company's request is unreasonable. The Company bears the burden to demonstrate why the Commission should change its historic ratemaking practice to ignore the AEP reimbursements and falsely include costs that were not incurred and do not exist in the calculation of the revenue requirement.

Q. What is the effect of your recommendation?

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[13] Response to AG-KIUC 2-12. I have attached a copy of this response as my Exhibit___(LK-6).

A. The effect is a reduction in the claimed revenue requirement and requested rate increase of $3.464 million. This reduction is shown in the rate base section of the table in the Summary section of my testimony.

Q. Are there alternatives available to the Commission other than either approving or denying the Company's request?

A. Yes. One alternative is to require the Company to record the AEP reimbursement pursuant to the AEP Tax Allocation Agreement as a regulatory liability and subtract the regulatory liability from rate base in lieu of a reduction to the asset NOL ADIT. Mathematically, the result still will be to reflect the economic substance of the reimbursement in the ratemaking process.

Another alternative is to require the Company to defer the return on the asset NOL ADIT as a regulatory asset, which is the functional equivalent of the Company's request to include the asset NOL ADIT in rate base, and to record an offsetting regulatory liability. If AEP files a request for PLR on behalf of the Company and the IRS rules that the historic ratemaking does not result in a normalization violation, then both the regulatory asset and regulatory liability are simply reversed. If the IRS rules that the historic ratemaking does result in a normalization violation, then only the regulatory liability is reversed and the Company records the one-time windfall to income that I previously discussed. I should note that the Louisiana Public Service Commission recently approved this second alternative in a Southwestern Electric Power Company rate case in which the Company itself proposed a deferral alternative, although the alternative approved reflected the requirement to establish a regulatory liability consistent with my alternative recommendation.

<u>**B. The Company's Claimed Asset Deficient Federal NOL ADIT Does Not Exist; It Has Already Been Reimbursed By AEP Pursuant to the AEP Tax Allocation Agreement**</u>

Q. Describe the Company's request to include an asset deficient federal NOL ADIT in rate base and capitalization as well as its request to amortize this ADIT to expense.

A. The Company's request to include a $10.300 million non-existent asset deficient federal NOL ADIT in rate base and capitalization is similar to its request to include a non-existent asset federal NOL ADIT in rate base and capitalization. Unlike the request to include a proforma adjustment for a non-existent asset federal NOL ADIT in rate base and capitalization for ratemaking purposes only, this request seeks Commission authorization to establish a regulatory asset for both accounting and ratemaking purposes (to be recorded as a reduction to the regulatory liability for protected EDIT on its accounting books) and seeks for both accounting and ratemaking purposes to amortize and recover the regulatory asset over approximately 34 years.

The Company calculated the requested asset deficient federal starting with the hypothetical asset federal NOL ADIT as of December 31, 2017 at a 35% federal income tax rate less the hypothetical asset federal NOL ADIT at that date at the 21% federal income tax rate less an amortization of this result through March 31, 2023.[14]

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[14] Ms. Schlessman proposes that the regulatory asset be recorded as a reduction to the EDIT regulatory liability and amortized as a reduction to the amortization of the EDIT regulatory liability.

Similar to the Company's proforma adjustments to increase rate base and capitalization for a non-existent asset federal NOL ADIT that reflects the 21% federal tax rate, the Company already has been reimbursed by AEP pursuant to the AEP Tax Allocation Agreement. Also similar to the Company's proforma adjustments to increase rate base and capitalization for an asset federal NOL ADIT, the asset deficient federal NOL ADIT is not presently recorded on the Company's accounting books for FERC USOA or GAAP reporting purposes.

Q. Do your reasons in opposition of the Company's proforma adjustments to include an asset federal NOL ADIT in rate base and capitalization also apply to the Company's request to include an asset deficient federal NOL ADIT in rate base and to amortize this regulatory asset over approximately 34 years?

A. Yes.

Q. Are there additional reasons you oppose the Company's requests regarding an asset deficient federal NOL ADIT?

A. Yes. This request expressly seeks Commission approval to establish and record a regulatory asset retroactive to December 31, 2017, almost six years ago, albeit reduced for hypothetical amortization through March 31, 2023. This clearly is a violation of the well-established prohibition against retroactive ratemaking, especially given the fact that the Commission has expressly addressed all other effects of the Tax Cuts and Jobs Act ("TCJA") in at least three prior proceedings, one specifically for that purpose, Case No. 2017-00477, and the other two in prior rate case proceedings, Case Nos.

2017-00179 and 2020-00174. The asset deficient federal NOL ADIT did not exist at December 31, 2017 and it does not exist now on the Company's accounting books.

In addition, if the Commission approves the Company's requests to record a regulatory asset (debit), the Company will record the offsetting credit as a one-time increase to income, which then will be closed to and will increase common equity, all else equal. In this manner, the Company will debit the regulatory asset and ultimately credit common equity even though AEP has not invested the additional amount as equity in the Company. These accounting entries will be made and the recoveries will be extracted from customers even though the Company already has been reimbursed by AEP pursuant to the AEP Tax Allocation Agreement.

Further, the Company is in the final stages of the IRS audit of AEP for the tax year 2017. The IRS proposed only two adjustments, which were immaterial. Ms. Schlessman states in her response to AG-KIUC discovery:

> AEP has received and agreed to two IRS proposed adjustments on the 2017 tax return, which were immaterial. The exam is nearly complete, and AEP is currently working with the IRS to submit the refund claim to the Congressional Joint Committee on Taxation for resolution and final approval.[15]

The import of these facts is that the IRS has not found a normalization violation for any year under audit, and, more specifically, for 2017, due to the historic ratemaking for the AEP reimbursements. If it had, there would be significant adjustments due to disallowing accelerated tax depreciation as a deduction. This fact completely resolves the issue of the Company's proformas for the deficient federal NOL ADIT and capitalization based on the balance at December 31, 2017. That

[15] Response to AG-KIUC 2-27. I have attached a copy of this response as my Exhibit___(LK-7).

deficient federal NOL ADIT does not presently exist and it never will exist, even retroactively, as of December 31, 2017, once the audit for the tax year 2017 is closed. There is no normalization violation and there is no valid argument for the retroactive ratemaking the Company seeks.

Q. What is your recommendation?

A. I recommend the Commission reject the Company's requests to create and amortize a regulatory asset for a cost that does not exist, one that, if granted, will result in an unmerited one-time earnings windfall for the Company in exchange for approximately 34 years of harm visited on its customers. Nor is there any need to address the Company's threat of a normalization violation for these proforma adjustments.

Q. What is the effect of your recommendation?

A. The effect is a reduction in the claimed revenue requirement and requested rate increase of $1.152 million, consisting of $0.860 million for the reduction due to the grossed-up return on rate base and $0.292 million for the reduction in amortization expense, grossed up for bad debt and PSC fees. The reductions related to the rate base and amortization expense are shown in the rate base section and operating expense sections, respectively, on the table in the Summary section of my testimony.

C. The Company Failed to Subtract The Rockport Deferral Regulatory Asset ADIT, Tariff PPA Underrecovery Regulatory Asset ADIT, And Storm Cost Regulatory Assets ADIT From Rate Base

Q. Describe the regulatory assets the Company seeks to securitize.

A. The Company seeks to securitize $471.198 million in regulatory assets, including the decommissioning rider regulatory asset ($289.194 million), Rockport deferral regulatory asset ($52.253 million), Tariff PPA underrecovery regulatory asset ($50.454 million), 2020 storm costs regulatory assets ($10.510 million), 2021 storm costs regulatory assets ($45.996 million), 2022 storm costs regulatory assets ($13.838 million), and 2023 storm costs regulatory assets ($8.954 million).[16]

Q. Has the Company excluded these regulatory assets from rate base?

A. Yes.

Q. Has the Company subtracted the related ADIT amounts from rate base?

A. No. The Company did not subtract any of the regulatory asset ADIT amounts from rate base. The Company proposes to reduce the decommissioning rider regulatory asset by the present value of the return on the related ADIT. The Company also proposes to reduce the Rockport deferral regulatory asset by the present value of the return on the related ADIT. These two ADIT reductions are reflected in the Company's calculation of the regulatory asset amount that it seeks to securitize and the calculation of the SFR charges. The Company made no similar proposals to reduce the other regulatory assets that will be securitized by the present value of the return on the related ADIT and did not provide any testimony to address this issue.

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[16] Direct Testimony of Brian West at 24, Figure BKW-4.

Q. Are the failures to provide the benefits of the Tariff PPA regulatory asset ADIT and the storm costs ADIT to customers either in the base revenue requirement or through reductions to the regulatory assets for securitization purposes errors in the Company's filing?

A. Yes. The Company is not entitled to retain the value of any of the ADIT related to the regulatory assets that will be securitized. That value belongs to the Company's customers.

Q. Describe the provision of the securitization statute that requires the reduction of the retired plant cost regulatory assets for the present value of the returns on the related ADIT.

A. KRS 278.670(15)(a) and (b)(3) provide the definition and calculation of "retired generation costs" as follows (KRS 278.670(15)(c) excluded from this excerpt). KRS 278.670(15(b)(3) is the provision that requires the reduction of the retired plant regulatory assets for the present value of the returns on the related ADIT.

> (a) Pretax costs with respect to retired or abandoned facilities that are included as deferred costs subject to an application for a financing order and include but are not limited to:
>
> 1. The undepreciated investment in the retired or abandoned electric generating facility and in any facilities ancillary thereto or used in conjunction therewith;
> 2. Costs of decommissioning and restoring the site of the electric generating facility;
> 3. Other applicable capital and operating costs; and
> 4. Accrued carrying charges and deferred costs;
>
> (b) Reduced by:
>
> 1. Insurance, scrap, and salvage proceeds;
> 2. Applicable unamortized regulatory liabilities for excess deferred income taxes; and

3. The present value of return on all accumulated deferred income taxes related to pretax costs with respect to a retired or abandoned facility and related facilities, including those due to bonus and accelerated tax depreciation and abandonment losses

Q. Are there any other provisions of the securitization statute that require or authorize the reduction of the regulatory assets for the present value of the returns on the related ADIT?

A. No. There are no other provisions of the securitization statue that require or authorize the reduction of the regulatory assets for the present value of the returns on the related ADIT.

Q. Why is that relevant?

A. It is relevant for two reasons. First, that means the Company's proposal to reduce the Rockport deferral regulatory asset by the present value of the related ADIT is incorrect. There is no statutory requirement nor any statutory authorization for the Company's proposal. The only place where the Rockport deferral regulatory asset ADIT can be reflected for ratemaking purposes is as a subtraction from rate base in this proceeding.

Second, that means the only place where the other Tariff PPA and storm cost regulatory asset ADIT amounts can be reflected for ratemaking is as subtractions from rate base in this proceeding.

Q. What is your recommendation?

A. I recommend that the Commission subtract all regulatory asset ADIT amounts from rate base in this proceeding, except for the decommissioning rider ADIT, which the securitization statute requires be used to reduce the regulatory asset amount that is securitized and recovered from customers through the SFR charges.

Q. What is the effect of your recommendation?

A. The effect of subtracting all regulatory asset ADIT amounts, except the decommissioning rider ADIT, is a reduction of $3.132 million in the base revenue requirement. Correctly subtracting the Rockport deferral ADIT from rate base in the base revenue requirement necessarily will result in an increase in the amount securitized and the SFR charges because there will be no reduction in the regulatory asset securitized for the present value of the return on the Rockport deferral ADIT.

D. The Company Failed to Reflect The Reduction In Revenue Lag Days Due to Sales of Receivables In Cash Working Capital

Q. Describe the revenue lag days reflected in the Company's calculation of cash working capital.

A. The Company's calculations of the revenue and expense lead/lag days is described by Company witness Michael Adams in his direct testimony. Mr. Adams calculated 51.49 revenue lag days under the assumption that the Company does not sell its receivables to an affiliate receivables entity.

Q. Is that assumption correct?

A. No. Although the Company unreasonably terminated its participation in the receivables sales agreement in February 2022 in anticipation of the Liberty acquisition, the Company recently resumed its participation in the receivables sales agreement. Company witness Brian West states in his direct testimony that the Company "presently expects accounts receivable financing to resume in mid-July 2023. The Company did not make any post-test year adjustments to cash working capital or factoring expense."[17] The Company provided a copy of the receivables sales agreement executed with AEP Credit, Inc., AEP Service Corporation, and JP Morgan Chase Bank in response to AG-KIUC discovery.[18]

Q. Is the 51.49 revenue lag days accurate now that the Company resumed its participation in the receivables sales agreement?

A. No. The Company calculated a revised 4.52 revenue lag days to reflect its participation in the receivables sales agreement in response to AG-KIUC discovery.[19]

Q. Have you updated the Company's cash working capital calculation to reflect the revised revenue lag days?

A. Yes. I revised the revenue lag days in the Company's cash working capital calculation filed as Section V – Application Exhibit 1 page 89 of 89.

[17] Direct Testimony of Brian K. West at 31-32.

[18] Response to AG-KIUC 1-54. I have attached a copy of the narrative response and the first several pages of the Attachment (receivables sales agreement) as my Exhibit___(LK-8).

[19] Response to AG-KIUC 1-22. I have attached a copy of the narrative portion of this response as my Exhibit___(LK-9).

Q. Are there expenses resulting from the sale of receivables?

A. Yes. When the Company sells its receivables to AEP Credit, Inc., the gross amount is discounted for bad debt expense and interest expense, which the Company records for book accounting purposes. The Company's bad debt expense already is included in its claimed revenue requirement and presumably will not change as a result of the sale of receivables. However, the interest expense on the sale of the receivables is not included in the Company's claimed revenue requirement, so a proforma to increase expense needs to be reflected in the revenue requirement to offset in part the savings calculated due to the reduction in the revenue lag days used in the cash working capital calculations.

Q. What is your recommendation?

A. I recommend the Commission reflect the revised 4.52 revenue lag days in the calculation of cash working capital included in rate base. I recommend the Commission include the interest expense on the sale of receivables in the revenue requirement.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $5.053 million in the claimed revenue deficiency and requested base rate increase, consisting of a reduction of $6.728 million due to the reduction in the revenue lag days offset in part by an increase of $1.675 million for the interest expense on the sale of the receivables, grossed up for bad debt and PSC fees.

E. Other Corrections to Rate Base Are Necessary

Q. What corrections to the Company's calculation of rate base are necessary?

A. There are at least three corrections that are necessary. First, the Commission should exclude all pension and OPEB assets and liabilities, net of the related ADIT. This is necessary to avoid double counting the return on the trust fund assets and the interest on the liabilities already included in the pension and OPEB cost calculations. It also is necessary because the net pension assets were not financed and the net OPEB liabilities did not avoid financing. The Commission excluded these amounts from rate base in Case No. 2020-00174,[20] albeit in conjunction with an alternative adjustment to increase operating expenses, which I address in the Operating Income section of my testimony.

Second, the construction work in progress ("CWIP") should be reduced by the accounts payable related to the CWIP balances included in rate base. The accounts payable represents vendor financing at zero cost. The Commission adopted this adjustment in Case No. 2020-00174.[21]

Third, the prepayments should be reduced by the accounts payable related to those prepayments. The accounts payable represents vendor financing at zero cost. The Commission adopted this adjustment in Case No. 2020-00174.[22]

1. Prepaid Pension and OPEB Assets

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[20] *In Re* Electronic Application of Kentucky Power Company for a General Adjustment of Its Rates for Electric Service, etc., Case No. 2020-00174, Final Order dated January 13, 2021, p. 10.
[21] *Id.*
[22] *Id.*

Q. Describe the Company's request to include a prepaid pension asset and a prepaid OPEB asset in rate base.

A. The Company included $13.405 million ($13.595 million total Company) for a prepaid pension asset and $27.677 million ($28.070 million total Company) for a prepaid OPEB asset in rate base.[23] The Company recorded the total Company amounts for accounting purposes in account 1650010 and account 1650035 for pension and OPEB, respectively. The Company also reflected the related liability ADIT amounts as subtractions from rate base.

Q. In the Company's trial balance and the reconciliation between capitalization and rate base on a total Company basis are there amounts in other accounts related to the prepaid pension asset in account 1650010 and the prepaid OPEB asset in account 1650035 that are recorded for accounting purposes?

A. Yes. The Company recorded equivalent negative amounts (contra-assets) in accounts 1650014 and 1650037 for the prepaid pension asset and the prepaid OPEB asset, respectively. The sum of the prepaid pension amounts in accounts 1650010 and 1650014 is $0 and the sum of the prepaid OPEB amounts in accounts 1650035 and 1650037 is $0 for accounting and financial reporting purposes.

In other words, in reality, there is no prepaid pension asset and there is no prepaid OPEB asset unless you ignore the negative amounts in accounts 1650014 and 1650037, which is what the Company did in its calculation of rate base.

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[23] Response to AG-KIUC 1-29. I have attached a copy of this response as my Exhibit___(LK-10).

Q. Is the Company's failure to include the negative prepaid pension and negative prepaid OPEB amounts in accounts 1650014 and 1650037 as subtractions from rate base correct?

A. No. First, the two are interrelated; either both the positive and negative accounts should be reflected or both ignored in the calculation of rate base. In any event, the correct effect on rate base, similar to the actual balance for accounting purposes and the effect on the Company's balance sheet, should be $0.

Second, the Company's accounting reflected in these four accounts is not required, defined, or described by GAAP or the FERC USOA. Rather, AEP itself has uniquely defined these accounts for use by its operating utilities within its accounting system for recordkeeping purposes and, as is apparent in multiple rate proceedings in multiple jurisdictions, to assist the operating companies in their attempts to increase rate base by including only the positive amounts in accounts 1650010 and 1650035 in rate base.[24]

Q. Is there additional evidence that the amounts in accounts 1650010 and 1650035 should not be included in rate base?

A. Yes. The Company provided the amounts in the following table in response to AG-KIUC discovery.[25]

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[24] There are no defined prepaid OPEB asset or prepaid pension asset subaccounts listed or described in the FERC Uniform System of Accounts. *See* 18 C.F.R. Pt. 101. The Company's 1650035 and 1650010 subaccounts are uniquely defined and used by the Company and other AEP operating utilities for recordkeeping purposes and to support their attempts to include the asset amounts in rate base.

[25] Response to AG-KIUC 1-29. See Exhibit___(LK-10).

Kentucky Power Company
Pension and OPEB Balances as of March 31, 2023

Account	Description	Pension	OPEB
1650010/ 1650035	Prepayment - Contributions	$13,594,831	$28,069,873
1650014/ 1650037	ASC 715 Prepayment Reclass	(13,594,831)	(28,069,873)
1290000/ 1290001/ 1290002/ 1290003	ASC 715 Trust Funded Positions (Assets)	-	20,999,603
2283016/ 2283006	ASC 715 Trust Funded Position (Liabilities)	(3,495,658)	-
1823165/ 1823166	ASC 715 - Regulatory Asset	17,090,489	7,070,270
1900010/ 1900011	ASC 715 - ADFIT Asset	-	-
2190006/ 2190007	ASC – 715 Other Comprehensive Income	-	-
	Total ASC 715 Entries	-	-
	Total Prepayment Contributions	13,594,831	28,069,873
	Total Excluding 165 Accounts	$ 13,594,831	$ 28,069,873

This table reflects *all* of the pension and OPEB balance sheet amounts, not only the amounts in the four prepaid pension and prepaid OPEB accounts on a total Company basis as of December 31, 2019. As I previously addressed, the amounts in accounts 1650010 and 1650014 net to $0. The amounts in accounts 1650035 and 1650037 net to $0. However, the amounts in the other accounts net to a regulatory asset of $17.090 million for pension and a regulatory asset of $7.070 million for OPEB in excess of the net of the funded amounts (trust fund assets less present value of benefit obligation), net of minor ADIT amounts, and net of amounts in other comprehensive income (a component of common equity). These are the same amounts as the prepaid pension asset and prepaid OPEB asset in accounts 1650010 and 1650035, respectively, but this presentation shows more clearly the source of the amounts included by the Company in rate base and why this is in error.

Q. Does the Company's accounting for the prepaid pension asset and prepaid OPEB asset actually demonstrate that it does *not* finance these assets?

A. Yes. The amounts in the four account 165 accounts net to $0, so there is no financing requirement associated with those accounts and no further inquiry is required. The next issue is whether the net regulatory assets calculated from the rest of the accounts are assets that the Company financed or merely the amounts necessary to offset the net unfunded portions of the pension and OPEB obligations (liabilities). If the former, then they should be included in rate base. If the latter, then they are merely accounting entries that represent amounts that the Company will need to collect from customers in the future to pay the pension and OPEB obligations and should not be included in rate base.

Q. Are the net regulatory assets merely accounting entries that have not been financed?

A. Yes. The origin of these net regulatory assets dates to the adoption of Statement of Financial Accounting Standards ("SFAS") Nos. 87 (Pensions) and 106 (OPEBs) more than twenty years ago. SFAS Nos. 87 and 106 changed the accounting rules to require that pension and OPEB assets and liabilities be recorded on the balance sheet. Utilities were directed to record the difference between the assets and liabilities as a regulatory liability (if the liabilities exceeded the assets) or as a regulatory asset (if the assets exceeded the liabilities). There was and has been no outlay of cash or financing for these regulatory assets.

Q. Did Duke Energy Kentucky include a prepaid pension asset or a prepaid OPEB asset in rate base when it changed to the rate base approach from the capitalization approach in Case 2019-00271 or in its pending base rate case proceeding in Case 2022-00372?

A. No. Duke Energy Kentucky did not include either a prepaid pension asset or a prepaid OPEB asset or a regulatory asset related to the pension and OPEB assets and liabilities in rate base.[26,27] Nor did Duke include an adjustment to increase operating expense to reflect an interest return on the prepaid pension asset or prepaid OPEB asset like the Commission did in the Company's prior rate case proceeding, which I address in the Operation Income section of my testimony.

Q. What is your recommendation?

A. I recommend that the Commission exclude the prepaid pension asset and prepaid OPEB asset from rate base. There is no ADIT effect to exclude these two amounts from rate base due to an error in the Company's calculation of rate base, which I subsequently address. However, if the Commission does not accept my recommendation, then it needs to exclude the asset ADIT related to the two pension and OPEB contra-accounts as I subsequently explain.

Q. What is the effect of your recommendation?

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[26] Schedule B-1 from Duke Energy Kentucky (gas) rate base in Case No. 2019-00271.
[27] Schedule B-1 from Duke Energy Kentucky (electric) rate base in Case No. 2022-00372.

A. The effect is a reduction of $3.429 million in the base revenue requirement.

Q. If the Commission does not correct the Company's calculation of rate base to exclude the prepaid pension asset and prepaid OPEB asset, then is there a related error that needs to be corrected?

A. Yes. The Company failed to exclude the asset ADIT related to the pension and the two OPEB contra-asset accounts, which the Company did not subtract from rate base as I previously explained. If the Company's proposal to include the prepaid pension and prepaid OPEB assets in rate base is adopted and the related ADIT is subtracted from rate base, then the asset ADIT related to the pension and OPEB contra-asset accounts the Company should not be included as an addition to rate base. In short, the ADIT needs to follow the prepaid amounts included or the contra-account amounts that are excluded.

I note that the Company agrees that the ADIT needs to follow the prepaid amounts included or the contra-account amounts that are excluded. In response to AG-KIUC discovery in the last base rate case, the Company stated:

> The Company has excluded the prepaid pension contract-asset (account 1650014) and the OPEB contra-asset (account 1650037) from the rate base amounts shown in the column "Section V Exhibit 1 Schedule 4 Rate Base." The ADIT related to the net prepaid pension and OPEB contra-assets of $1,686,711 is included in rate base; therefore, if the Commission allows the two prepaid assets to be included in rate base with no offset for the two related contra-assets, then the asset ADIT related to the two contra-assets also should be excluded from rate base.[28]

[28] Response to AG-KIUC 2-16 in Case 2020-00174. I have attached a copy of this response as my Exhibit___(LK-11).

Q. What is your recommendation?

A. I recommend the Commission exclude the asset ADIT related to the contra-account amounts for the prepaid pension and prepaid OPEB if it adopts the Company's position. I recommend no adjustment for the asset ADIT related to the contra-account amounts if the Commission adopts my recommendation to exclude the prepaid pension and prepaid OPEB amounts from rate base.

Q. What is the effect of your recommendation?

A. There is no effect if my recommendation to exclude the prepaid pension and prepaid OPEB amounts from rate base is adopted. However, the effect is a \$0.720 million reduction in the claimed revenue requirement and requested increase in lieu of the reduction that I quantified to remove the prepaid pension and prepaid OPEB amounts from rate base if the Commission does not adopt my recommendation with respect to those two issues.

2. Accounts Payable – Construction Work In Progress

Q. Describe the Company's request to include CWIP in rate base.

A. The Company included CWIP of \$124.654 million in rate base.[29]

Q. Does the Company have accounts payables outstanding related to CWIP?

[29] Application at Section V Schedule 4 at line 44.

A. Yes. The Company had $9.845 million in accounts payables outstanding on a 13-month average basis during the test year.[30]

Q. Did the Company offset CWIP by the accounts payable outstanding related to the CWIP?

A. No.

Q. Did the Commission made an adjustment to subtract the accounts payable outstanding related to CWIP in Case No. 2020-00174?

A. Yes.

Q. Should the CWIP included in rate base be reduced by the related accounts payable outstanding?

A. Yes. I recommend that the CWIP be reduced by the related accounts payable outstanding. The Company has not financed the portion of the CWIP that has related accounts payable outstanding. The Company's vendors have financed that CWIP.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $0.822 million in the base revenue requirement.

3. Accounts Payable - Prepayments

[30] Attachment 1 to the response to Staff 1-10. I have attached a copy of that response as my Exhibit___(LK-12).

Q. Describe the Company's request to include prepayments in rate base, other than the prepaid pension asset and prepaid OPEB asset.

A. The Company included other prepayments of $1.132 million in rate base.[31]

Q. Does the Company have accounts payables outstanding related to those prepayments?

A. Yes. The Company had $0.071 million in accounts payables outstanding on a 13-month average basis in the test year.[32] Although this is a relatively minor amount in this proceeding, it could be greater in future proceedings.

Q. Did the Company offset the prepayments by the accounts payable outstanding related to those other prepayments?

A. No.

Q. Did the Commission make an adjustment to subtract the accounts payable outstanding related to other prepayments in Case No. 2020-00174?

A. Yes.

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[31] Section V Schedule 4 at line 232.
[32] Attachment 1 to the response to Staff 1-10. See Exhibit___(LK-12).

Q. Should the other prepayments included in rate base be reduced by the related accounts payable outstanding?

A. Yes. I recommend that the other prepayments be reduced by the related accounts payable outstanding. The Company has not financed the portion of the prepayments that has related accounts payable outstanding. The Company's vendors have financed those prepayments.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $0.006 million in the base revenue requirement.

III. OPERATING INCOME ISSUES

A. Exclude Incentive Compensation Expense Tied to Financial Performance In Accordance with Commission Precedent

Q. Describe the Company's request for recovery of incentive compensation expense tied to AEP's financial performance.

A. The Company included $4.334 million in incentive compensation expense tied to AEP's financial performance, consisting of $1.417 million incurred pursuant to the AEP Long Term Incentive Plan ("LTIP") and $2.917 million incurred pursuant to the AEP Incentive Compensation Plan ("ICP").[33]

[33] The calculations are detailed in my electronic workpapers filed coincident with my testimony. Sources of data include Section V Exhibit 2 Adjustment WP 27, the responses to AG-KIUC 1-35, 1-36, and 1-38. I have attached a copy of the narrative portions of these responses and the attachments as my Exhibit___(LK-13).

Q. Describe the AEP LTIP incentive compensation expense.

A. The AEP LTIP was implemented to incentivize AEP executives and managers to enhance shareholder value. If AEP executives and managers achieve or exceed the LTIP target metrics for total shareholder returns ("TSR") and earnings per share ("EPS"), they are rewarded with additional compensation.

The LTIP incentive compensation consisted of performance share incentives ("PSIs") and restricted stock units ("RSUs") during the test year. 90% of the LTIP PSI incentive compensation expense in the test year was due to achieving AEP's EPS and TSR target metrics, both of which are measures of AEP's financial performance.[34] 10% of the LTIP PSI incentive compensation expense in the test year was due to achieving AEP's strategic goals, which include a variety of non-financial performance metrics. The LTIP RSU incentive compensation is based on the stock price of AEP at the grant date.[35] The stock price, by definition, is a measure of AEP's financial performance.

Q. Describe the AEP ICP incentive compensation expense.

A. The AEP ICP was implemented to reward employees for achieving or exceeding targets for AEP's EPS as well as certain operations and safety metrics, weighted 60% to AEP's EPS and 40% to the other target metrics during 2022 and 2023.[36] The Company incurred $2.917 million in ICP incentive compensation expense in the test year tied to AEP's EPS.

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[34] Attachment 2 to the response to AG-KIUC 1-36. See Exhibit___(LK-13).
[35] *Id*.
[36] Direct Testimony of Andrew R. Carlin at 36.

Q. Should the Commission include the AEP LTIP and ICP incentive compensation expense tied to AEP's financial performance in the Company's revenue requirement?

A. No. I recommend that these expenses be disallowed. The Commission historically has disallowed and removed incentive compensation expenses from the revenue requirement that were incurred to incentivize the achievement of shareholder goals as measured by financial performance, not incurred to incentivize the achievement of customer and safety goals. That is because the achievement of AEP LTIP and ICP target metrics tied to financial performance benefits shareholders to the detriment of customers in rate proceedings such as this. Nearly all of the AEP LTIP and 60% of the AEP ICP expenses were incurred in the test year to achieve shareholder goals and not incurred to achieve customer and/or other strategic and societal goals, such as safety.

In its Order in the most recent Company base rate proceeding, the Commission specifically disallowed incentive compensation expense incurred to achieve shareholder goals. In its discussion related to the disallowance, the Commission stated:

> The Commission disallows recovery costs for compensation tied to financial objectives, such as earnings growth or earning per shares, because shareholders, but not ratepayers, receive primary, if not exclusive, benefit from financial objectives in the form of higher return on their investment. Such costs are disallowed based upon Commission precedent that, unless a utility can establish by substantial evidence that financial objectives benefit the utility's ratepayers, ratepayers should not pay for expenses that primarily benefit shareholders.[37]

[37] *In Re* Electronic Application of Kentucky Power Company for a General Adjustment of Its Rates for Electric Service, etc., Case No. 2020-00174, Final Order dated January 13, 2021, p. 14. The Company has appealed this case to the Franklin Circuit Court.

Likewise, in its Order in another Company base rate proceeding, the Commission specifically disallowed incentive compensation expense tied to EPS or other earnings measures. In its discussion related to the disallowance, the Commission stated:

> Incentive criteria based on a measure of EPS, with no measure of improvement in areas such as service quality, call-center response, or other customer-focused criteria are clearly shareholder oriented. As noted in Case No. 2013-00148, the Commission has long held that ratepayers receive little, if any, benefit from these types of incentive plans. It has been the Commission's practice to disallow recovery of the cost of employee incentive plans that are tied to EPS or other earnings measures and we find that Kentucky Power's argument to the contrary does nothing to change this holding as it is unpersuasive.[38]

Further, incentive compensation incurred to incentivize AEP financial performance also provides the Company's executives, managers, and employees a direct incentive to seek greater and more frequent rate increases from customers in order to improve AEP's EPS and TSR. The greater the rate increases and revenues, the greater AEP's EPS and TSR and the greater the incentive compensation expense. Thus, there is an inherent conflict between achieving lower rates for customers on the one hand and achieving greater financial performance for shareholders and greater incentive compensation for executives, managers, and other employees on the other hand. Thus, all such expenses should be allocated to shareholders, not to customers.

Finally, the Company's request to embed these expenses in the revenue requirement tends to be self-fulfilling. The additional revenues ensure that the expense

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[38] *In Re* Electronic Application of Kentucky Power Company for a General Adjustment of Its Rates for Electric Service, etc., Case No. 2014-00396, Final Order dated June 22, 2015, p. 25.

is recovered regardless of the Company's actual performance and regardless of its operational and safety performance. Thus, the expenses should be directly assigned to AEP shareholders, not customers.

In summary, the Company's requests for recovery of LTIP and ICP expense tied to EPS and total shareholder return fall clearly within the disallowance precedent and should be allocated to shareholders and not recovered from customers.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $4.358 million in the claimed revenue requirement and requested base rate increase, including the gross up for bad debt expense and PSC fees.

B. Exclude Supplemental Executive Retirement Plan ("SERP") Expense In Accordance with Commission Precedent

Q. Describe the SERP expense included in the test year base revenue requirement.

A. The Company included $0.146 million in SERP expense for both the direct expense incurred for its employees and the indirect expense incurred through affiliate charges from AEP Service Corporation ("AEPSC ").[39]

Q. Has the Commission previously disallowed SERP expense?

A. Yes. The Commission stated in Case No. 94-355:

> The Attorney General's second adjustment would reduce expenses by $41,789 for SERP costs directly incurred by Cincinnati Bell because the Commission has previously removed from cost of service the cost of plans when benefits for highly compensated

[39] Response to AG-KIUC 1-39. I have provided a copy of that response as my Exhibit___(LK-14).

> employees exceed the pension plan for all employees." Not surprisingly, we find the adjustment should be accepted.[40]

The policy rationale for exclusion of SERP costs is the same as that cited by the Commission more recently to deny recovery of 401(k) plan matching contributions that a utility makes on behalf of employees who also participate in a defined benefit plan.[41] For example, in Case No. 2016-00169,[42] the Commission stated: "The Commission believes all employees should have a retirement benefit, but finds it excessive and not reasonable that Cumberland Valley continues to contribute to both a defined-benefit pension plan as well as a 401(k) plan for salaried employees."[43]

In this proceeding, the Company's desire to recover SERP expenses from customers, instead of shareholders, is an attempt to make an end-run around the Commission's prohibition against recovery of excessive expenses incurred pursuant to multiple retirement plans. The Commission's existing policy of excluding expenses for multiple supplemental retirement programs available to salaried employees is even more crucial in the context of SERP, which is available exclusively to highly-compensated executives.

Q. Did the Commission disallow SERP expense in Case No. 2020-00174?

A. Yes. In its Order in the case, the Commission stated:[44]

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[40] In Re Application of Cincinnati Bell Telephone Co., Case No. 94-355, p. 16. See also, In Re Application of Louisville Gas & Electric Co., Case No. 90-158, Final Order dated Dec. 21, 1990, p. 27.

[41] See, e.g., In Re Electronic Application of Louisville Gas & Elec. Co. for an Adjustment of Rates, etc., Case No. 2016-00371, Final Order dated June 22, 2017, pp. 16-17.

[42] In Re Application of Cumberland Valley Electric, Inc. for a General Adjustment of Rates, Case No. 2016-00169, Final Order dated Feb. 6, 2017, p. 10.

[43] *Id*. at 10.

[44] *In Re* Electronic Application of Kentucky Power Company for a General Adjustment of Its Rates for Electric Service, etc., Case No. 2020-00174, Final Order dated January 13, 2021, p. 16.

> In Case No. 2017-00179, Kentucky Power's SERP expense was included in the non-unanimous settlement revenue requirement. In deference to the settlement, the Commission allowed recovery of the SERP expense. However, the Commission typically disallows SERP costs when retirement plan expenses offered exclusively to certain highly-compensated employees exceed the cost of pension plans for all employees because, absent substantial evidence to the contrary, retirement plans that benefit highly-compensated employees without providing a benefit to ratepayers are the type of costs the Commission finds should not be borne by ratepayers. *(footnotes omitted)*.

Q. What is your recommendation?

A. I recommend that the Commission disallow SERP expense for the reasons that it has cited in prior Orders.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $0.147 million in the claimed revenue requirement and requested base rate increase, including the gross up for bad debt expense and PSC fees.

C. Reduce Employee Retirement Benefits Expense to Reflect Commission Precedent

Q. Describe the disallowance of certain retirement benefits expense by the Commission in Case Nos. 2016-00169, 2016-00370, and 2016-00371.

A. In those Orders, the Commission disallowed certain retirement plan expenses for those employees who participated in both a defined benefit pension plan and received matching contributions pursuant a 401(k) retirement plan.[45]

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[45] *In Re* Application of Cumberland Valley Electric, Inc. for a General Adjustment of Rates, Case No. 2016-00169, Final Order dated Feb. 6, 2017, pp. 9-10. *In Re* Electronic Application of Kentucky Utilities Company. for an Adjustment of Rates, etc., Case No. 2016-00370, Final Order dated June 22, 2017, pp. 13-15. *In Re* Electronic Application of Louisville Gas & Elec. Co. for an Adjustment of Rates, etc., Case No. 2016-

Q. Did the Commission disallow similar costs in the last Kentucky Power rate case, Case No. 2020-00174?

A. Yes. The Commission made the following statements in its Order in that case:[46]

> In Case No. 2017-00179 and in this proceeding, Kentucky Power testified that the contributions to the 401(k) and cash balance formula pension were designed so that, taken individually, the contributions are less than would be required to provide a market competitive retirement benefit, but, taken together, are market competitive. However, the Commission finds that Kentucky Power has not provided substantial evidence to support this assertion. For this reason, the Commission has reduced jurisdictional 401(k) savings plan expense by $1,684,045.

To support the quantification of the disallowance in that case, the Commission relied upon the response to a post hearing data request.[47] That response indicated in part the following:

> In accordance with this “swirl cone” design, all employees who participate in the 401(k) plan also participate in the cash balance pension formula and the entire amount of 401(k) matching contributions shown in a. above was provided for employees who also participated in the cash balance pension formula.

The amount disallowed by the Commission in Case No. 2020-00174 represented 100% of the Company’s 401(k) match expense.

Q. Did the Company’s application in this case provide any more evidence regarding

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00371, Final Order dated June 22, 2017, pp. 16-17.

[46] *In Re* Electronic Application of Kentucky Power Company for a General Adjustment of Its Rates for Electric Service, etc., Case No. 2020-00174, Final Order dated January 13, 2021, pp. 17-18.

[47] Response to Post Hearing Data Request Staff_PH_003 in Case No. 2020-00174. I have attached a copy of that response as my Exhibit___(LK-15).

the market competiveness of the 401(k) contributions to support the assertions mentioned in the Case No. 2020-00174 Order?

A. No.

Q. Does the Company's evidence in this case indicate that all employees still are eligible to participate in the 401(k) plan as well as the Company's pension plan?

A. Yes. Exhibit ARC-7 defines the Company's benefit summary for its employees and indicates that all employees, both full and part-time, are eligible to participate in both plans.[48]

Q. Has the Company quantified the disallowance of retirement benefits expense if the Commission applies the same methodology in this proceeding?

A. Yes, although it did not reflect the disallowance in its claimed revenue requirement. Kentucky Power quantified a disallowance of $1.778 million in expense on a jurisdictional basis associated with 100% of its 401(k) match expense.[49] The revenue requirement associated with this disallowance is $1.787 million after gross up for bad debt expense and PSC fees.

D. Reduce Excessive Property Tax Expense

Q. Describe the property tax expense included in the claimed revenue requirement.

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[48] Direct Testimony of Andrew R. Carlin, Exhibit ARC-7 at page 1 of 3.

[49] Response to Staff 1-33. I have attached a copy of the public version of that response as my Exhibit___(LK-16).

A. The Company reflected $21.165 million in owned property tax expense in the claimed revenue requirement. This amount includes a proforma adjustment of $2.587 million to the actual jurisdictional per books real and personal property tax expense amount in the test year, representing an increase of 13.9% over its test year jurisdictional per books amount after removing expense associated with FGD equipment recovered through the ES. The table below summarizes the Company's calculation of the proforma real and personal property tax expense for owned property starting with the per books total company expense amount for the test year and ending with the proforma jurisdictional expense included in the base revenue requirement (a portion of the property tax expense related to the Rockport FGD was excluded due to the expiration of the Rockport UPA in December 2022).

Section V Schedule 4 Line 468	Amount ($)	% Increase
Total Company Per Books Real and Personal Property Taxes	19,030,490	
Less: Non Jurisdictional	(266,427)	
Jurisdictional Amount Before Proforma Adjusments	18,764,063	
Company's Proforma Adjustment - Remove FGD (W3)	(186,284)	
Jurisdictional Amount Before Proforma Adjusment (W49)	18,577,779	
Company's Proforma Adjustment to Increase Expense (W49)	2,587,239	
Total Proforma Test Year Expense	21,165,018	13.9%

Q. Is the Company's proforma expense for property taxes excessive?

A. Yes. The 13.9% increase in property tax expense is excessive when compared to the increases in such expense in recent history, which range from 1.1% to 3.3% as shown on the following table.[50]

[50] Response to Staff 1-1, Attachment 1.

Kentucky Power Company Operating Expenses for the Twelve Months Ending ($)					
Account	**Descr**	**Test Year**	**2022**	**2021**	**2020**
408100518	Real Personal Property Taxes	-	-	1,391	1,613,431
408100519	Real Personal Property Taxes	-	-	1,523,798	16,365,946
408100520	Real Personal Property Taxes	883,986	1,650,854	16,647,109	-
408100521	Real Personal Property Taxes	13,738,106	16,778,585	-	-
408100522	Real Personal Property Taxes	4,408,398	-	-	-
	Total Company Per Books	19,030,490	18,429,439	18,172,298	17,979,376
	Percentage Increase	3.3%	1.4%	1.1%	

The average increase in expense year to year is closer to 2% on average compared to the 13.9% increase included by the Company in its filing. This observation was confirmed by the Company in response to discovery, when the Company stated that the average year-over-year increases in Kentucky state property tax assessments is about 2%.[51]

Q. Did the Company provide sufficient workpaper calculations to justify its proforma property tax expense?

A. No, despite repeated requests from Staff and AG-KIUC. The Company failed to provide all or even sufficient workpapers in support of its calculations in response to Staff's discovery request for all electronic schedules and workpapers.[52] The Company also failed to provide sufficient workpapers in response to AG-KIUC discovery that included only pasted values for the proforma property tax assessment amounts in an Excel workbook.[53] In this discovery response, the per books total for account

[51] Response to AG-KIUC 2-6(a). I have attached a copy of the narrative portion of this response as my Exhibit___(LK-17).

[52] Response to Staff 2-1.

[53] Response to AG-KIUC 1-50. I have attached a copy of the narrative portion of this response along with the several pages from the attached workbook as my Exhibit___(LK-18).

408100520 of $0.884 million was not listed and the per books amount for account 40810051 was reflected as only $11.489 million for nine months as opposed to the actual per books amount of $13.738 million for the entire test year. The Company's excessive property tax expense increase estimates appear in part to be the result of understating its per books expense when calculating the proforma adjustment, which resulted in an excessive proforma adjustment.

Additional AG-KIUC discovery was issued to get a better understanding of the proforma assessment amounts pasted into the Excel workbook provided in response to the initial AG-KIUC discovery as noted above.[54] The Company responded and provided another total Company property tax assessment amount for 2023, but it did not match the amounts provided in the prior discovery. Instead, the discovery indicated that the total tax paid for 2022 was $19.062 million (total Company) and the total estimated to be paid in 2023 was $19.447 million (total Company), significantly less than the proforma expense in the claimed revenue requirement. The estimated increase in expense amounted to only 2.0% year over year, which is consistent with the recent historic annual increases that I previously described.

Q. What is your recommendation?

A. I recommend that the increase in the jurisdictional property tax expense for the owned property be reduced to 2% to be more in line with recent historic experience and to correct the calculation problems that I previously described that resulted in an excess

[54] Response to AG-KIUC 2-5. I have attached a copy of the narrative portion of this response along with the 2023 estimated budget page from the attached workbook as my Exhibit___(LK-19).

proforma adjustment.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $2.216 million in property tax expense and a reduction of $2.228 million in the claimed revenue requirement after gross-up for bad debt expense and PSC fees.

<u>E. Exclude Amortization of Cost of Removal ("COR") ADIT Regulatory Asset</u>

Q. Describe the Company's request to amortize an SFAS 109 COR ADIT regulatory asset over 20 years.

A. Company witness Ms. Schlessman describes the Company's request in her direct testimony.[55] Ms. Schlessman also provides an extensive discussion regarding normalization accounting compared to flow through accounting for ratemaking purposes and so-called SFAS 109 ADIT that is required pursuant to the FERC USOA and GAAP for temporary differences that are not normalized for ratemaking purposes. Ms. Schlessman then compared these two methodologies to what she claims has been the Company's historic accounting and ratemaking, which understated the Company's deferred income tax expense and thus, the income tax expense recorded in its accounting books and revenue recoveries from customers since at least 1993 when the Company adopted SFAS 109.[56] The Company now seeks to retroactively correct this

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[55] Direct Testimony of Linda M. Schlessman at 12-20.
[56] *Id.*, 11.

accounting error and recover over the next 20 years the additional income tax expense from customers that it claims it did not recover over the last 30 years.[57]

Q. What is your recommendation?

A. I recommend the Commission reject this request. The request at its essence is impermissible retroactive ratemaking and is due to the Company's accounting errors over the last 30 years. It is not the Commission's obligation to fix this problem for the Company.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $1.668 million in amortized costs and $1.677 million in the revenue requirement after gross up for bad debt expense and PSC fees.

F. Request to Retroactively Defer and Amortize Purchased Power Expense Disallowed Recovery through the FAC

Q. Describe the Company's request to retroactively defer and amortize purchased power expense disallowed recovery through the FAC.

A. The Company seeks authorization to retroactively defer as a regulatory asset $4.020 million in purchased power expense that was disallowed recovery through the FAC since the Company's last base rate case. The Company included a proforma adjustment to increase amortization expense by $1.340 million to amortize this

[57] *Id.*, 17.

proforma regulatory asset over three years.[58] In response to AG-KIUC discovery, the Company cites the Commission Order in Case 2020-00174 as support for its request for retroactive deferral.[59]

Q. Does the Commission Order in Case 2017-00179 or the Commission Order in Case 2020-00174 authorize a retroactive deferral of these disallowed expenses and recovery in this proceeding as the Company claims?

A. No. The Company did not request a retroactive deferral and amortization of the expenses incurred after the end of the test year in Case 2017-00179 or in Case 2020-00174.[60] The Commission Order in Case 2020-00174 allowed recovery of the actual purchased power expense in the base revenue requirement that was disallowed from recovery through the FAC in the test year. The Company continues to recover that level of expense disallowed from through the FAC in its base revenues.

Q. Did the Commission authorize the Company to defer the purchased power expense disallowed through the FAC?

A. No. In Case 2017-00179, the Commission simply stated that the Company could seek recovery of such expenses in a future rate case. This is a recognition of the obvious, meaning that the Company always can seek recovery of costs in a rate case; it is not an authorization for deferral or pre-approval of future recovery unless expressly stated.

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[58] Direct Testimony of Heather Whitney at 31.
[59] Response to AG-KIUC 1-24(a).
[60] Response to AG-KIUC 1-24(a).

Q. The Company now asserts that the Commission's Order in Case 2017-00179, while not expressly authorizing the Company to defer the purchased power expense disallowed recovery through the FAC, authorized it to recover the disallowed expenses in a future rate case. Please respond.

A. This is a nonsensical argument. The Commission Order in that prior proceeding states: "To the extent that Kentucky Power incurs any expense due to purchased power that is appropriately incurred after the test year, but excluded from the FAC, it can file a base rate case seeking recovery of those expenses."[61] Perhaps rather obviously, that was two rate cases ago, yet the Company seeks recovery of the disallowed expenses since the end of the test year in Case 2020-00174, not since the end of the test year in Case 2017-00179. This fact further undermines the Company's claimed support for its request because it did not seek to retroactively defer and recover the disallowed expenses from the end of the test year in Case 2017-00179 to the end of the test year in Case 2020-00174.

Q. Does the Company's historic accounting provide evidence of its actual understanding that the Commission did not authorize the Company to defer the purchased power expense disallowed through the FAC or pre-approve future recovery in Case 2017-00179?

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[61] Accord In the Matter of: Electronic Application of Kentucky Power Company for a General Adjustment of its Rates for Electric Service, Case No. 2017-00179, Order at 55 (Jan. 18, 2018).

A. Yes. The Company did not defer the purchased power expense disallowed through the FAC for actual accounting purposes. This fact is incontrovertible evidence of its understanding that the Commission did not authorize it to defer purchased power expense disallowed through the FAC or pre-approve future recovery.

Q. **Are these purchased power expenses disallowed recovery through the FAC "appropriately incurred," a qualification expressly stated by the Commission in its Order in Case 2017-00179?**

A. No. The Commission has not yet made that determination for the period covered by the Company's request for retroactive deferral in this proceeding. The Commission has several cases pending for that period where the recovery of these expenses remains at issue, including Case 2021-00370, the Commission's investigation into the Company's provision of service, rates, and facilities, and Case 2023-00008, the Commission's examination of the Company's fuel adjustment clause from November 1, 2020 through October 31, 2022.

Q. What is your recommendation?

A. I recommend the Commission reject the Company's request. This is impermissible retroactive ratemaking. Even if the request passed this hurdle, which it does not, the request is premature given that the Commission has not yet determined whether any of the purchased power expenses disallowed recovery through the FAC were "appropriately incurred."

G. Request to Defer And Amortize Purchased Power Expense Disallowed Recovery through The FAC Related to Winter Storm Elliott

Q. Describe the Company's request to defer and amortize purchased power expense disallowed recovery through the FAC related to Winter Storm Elliott.

A. The Company seeks authorization to defer $11.5 million in purchased power expense disallowed recovery through the FAC related to Winter Storm Elliott. The Company also seeks recovery of the $11.5 million in this proceeding to the extent that the Commission reduces the Company's requested base revenue increase. To the extent any of the expense is not allowed recovery in this proceeding, the Company seeks authorization to recover it in the next base rate case proceeding.[62]

Q. Has the Commission previously denied authorization to defer the disallowed recovery through the FAC related to Winter Storm Elliott?

A Yes. The Commission previously denied the Company's request in Case 2023-00145 for the reasons cited in the Order in that proceeding. Nevertheless, the Company effectively seeks reconsideration of the Commission's decision in Case 2023-00145 and provides additional testimony regarding the prudence of these expenses in this proceeding.[63]

Q. What is your recommendation?

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[62] Direct Testimony of Brian West at 6-8.
[63] Direct Testimony of Timothy Kerns at 17-24.

A. I recommend the Commission deny the Company's request to retroactively defer the purchased power expense disallowed recovery through the FAC related to Winter Storm Elliott for the same reasons I recommend the Commission deny the Company's request to retroactively defer other purchased power expense disallowed recovery through the FAC since the end of the test year in the prior rate case and given that the Commission previously denied the Company's deferral request in Case 2023-00145.

If the Commission were to approve the Company's request to retroactively defer this expense in this proceeding, then I recommend the Commission deny the Company's request to include an amortization expense based on the reduction in the Company's requested base rate increase up to the full $11.5 million. Arguably, this could result in recovery of the full $11.5 million through base revenues each year that the base rates resulting from this case remain in effect. Arguably, this could result in the recovery of $34.5 million over three years for $11.5 million in disallowed expenses incurred, clearly an unreasonable result.

H. Revised Methodology for State Income Tax Rates and Expense

Q. Describe the Company's calculation of state income tax rates and expenses included in the base revenue requirement.

A. The Company proposes a state income tax rate of 5.0%, a rate that is based solely on the Kentucky state income tax rate. This is a change from the Company's methodology in the prior rate case where it calculated a blended state income tax rate of 5.8545% using the statutory income tax rates for Illinois of 9.50%, West Virginia of 6.5%, Michigan of 6.0%, and Kentucky of 5.0%, each of which was apportioned to the Company.[64] The state income tax rate is used to calculate the state income tax expense and in the gross revenue conversion factor to convert income tax expense and credits and the operating income deficiency to grossed-up revenue equivalent amounts.

Q. Does the Company use the 5.845% blended state income tax rate for the ES revenue requirements?

A. Yes. The Company uses the 5.845% blended state income tax rate for the ES revenue requirement pursuant to the Commission's Order in Case 2020-00174. In that Order, the Commission directed the Company to conform the weighted average cost of capital for the ES to that approved for the base revenue requirement, with the exception of the return on equity, which the Commission set lower for the ES than the base revenue requirement.[65]

Q. What is your recommendation?

A. I recommend that the Commission use the Company's Kentucky state income tax rate of 5.0% not only for the base revenue requirement, but also direct that it be used for all rider revenue requirements that include income tax expense, income tax credits, and a gross revenue conversion factor to convert income tax expense and credits and the operating income deficiency to grossed-up revenue equivalent amounts.

IV. COST OF CAPITAL ISSUES

[64] Section V Schedule 2 Workpaper S-2 page 2 of 3.
[65] Order in Case 2020-00174 at 27-28.

A. Mitchell Coal Stock Adjustment to Reduce Short-Term Debt

Q. Describe the Company's proforma adjustment to reduce short-term debt to reflect Mitchell coal inventories in excess of target levels.

A. The Company made a proforma adjustment to capitalization of $16.521 million to reduce actual Mitchell coal inventories to target levels ("Mitchell Coal Stock Adjustment"),[66] but allocated this adjustment solely to the short-term debt component of capitalization rather than across the short-term debt, long-term debt, and common equity components of capitalization in the same manner that it allocated all other proforma adjustments to capitalization.[67]

Q. Is the Company's allocation of the Mitchell coal stock proforma adjustment solely to short-term debt reasonable?

A. No. The Company does not finance long-term coal inventories solely with short-term debt and any disallowance of the Mitchell coal inventories should not be preferentially assumed to be financed solely with lower-cost short-term debt and not with any long-term debt or common equity.

The Company has provided no evidence that it finances coal inventories solely with short-term debt. To the contrary, rate base components generally are not traceable or paired with capitalization components in the ratemaking process unless there are unique circumstances and specific forms of financing for specific assets, such

[66] Application at Section V Schedule 3.
[67] *Id.*

as securitization financing for the decommissioning and other regulatory assets. That is not the case with the Mitchell coal inventories.

The Company manages its overall capitalization, including short-term debt to meet corporate credit and earnings objectives. The borrowings using short term debt are used for general corporate purposes. The Company does not borrow using short term debt solely to finance Mitchell coal inventories in excess of its target inventories, but finances its target inventories using short-term debt, long-term debt, and common equity. Such a bright line does not exist in concept or practice.

Q. What is your recommendation?

A. I recommend that the Mitchell coal stock adjustment be allocated proportionately across the capital structure rather than allocating it solely to short-term debt.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $0.843 million in the claimed revenue requirement and the requested base rate increase.

B. Return on Equity

Q. What is the AG-KIUC return on equity recommendation?

A. AG and KIUC witness Mr. Baudino recommends a return on equity of 9.7%.

Q. What is the effect of the AG-KIUC return on equity recommendation?

A. The effect is a reduction of $1.686 million in the base revenue requirement. This reduction is incremental to the reduction for the AG-KIUC recommendation to allocate the Mitchell coal inventory adjustment proportionately across the capital structure rather than solely to short term debt.

Q. What is the effect of each 10 basis points in the authorized return on equity?

A. The effect is $0.843 million in the claimed base revenue requirement and requested rate increase. This quantification relies on rate base after adjustments to reflect the AG-KIUC recommendations and is different than if the effect is calculated using the Company's as filed rate base.

C. Comparison of Company's Requested Cost of Capital to AG-KIUC Recommended Cost of Capital

Q. Provide a comparison of the Company's requested cost of capital to the AG-KIUC recommendations.

A. The following table provides a comparison of the requested weighted average cost of capital to the AG-KIUC recommendations before the gross-ups for income taxes, bad debt expense, and regulatory fees.

Kentucky Power Company
Cost of Capital
KPSC Case No. 2023-00159

KPCo Cost of Capital Per Filing

	Capital Ratio	Component Costs	Weighted Avg Cost
Short Term Debt	5.28%	3.73%	0.20%
Long Term Debt	53.10%	4.91%	2.61%
Common Equity	41.62%	9.90%	4.12%
Total Capital	100.00%		6.93%

KPCo Cost of Capital Recommended by AG and KIUC

	Capital Ratio	Component Costs	Weighted Avg Cost
Short Term Debt	6.14%	3.73%	0.23%
Long Term Debt	52.62%	4.91%	2.58%
Common Equity	41.24%	9.70%	4.00%
Total Capital	100.00%		6.81%

V. RECOVERY OF INCREMENTAL OATT LSE NET EXPENSES THROUGH BASE REVENUES

Q. Describe the Company's proposal to include a forecast of net PJM OATT LSE transmission expenses in the base revenue requirement?

A. The Company proposes to include a forecast of net PJM OATT LSE transmission expense in the base revenue requirement and to cease recovery of increases compared to the expense included in the base revenues through Tariff PPA.

Q. Is this proposal beneficial to customers?

A. Yes. This proposal is beneficial to customers. The Company has experienced significant growth in this expense since the last base rate case proceeding and proposes to increase the amount recovered through base revenues by $40 million, from $96 million in the last case to $136 million in this case.

As AG-KIUC witnesses have described in testimony in other proceedings before the Commission, the significant increases in Kentucky Power's OATT LSE expense are being driven by continuing growth in transmission investments in Ohio, Indiana, Virginia and West Virginia, not in Kentucky. Therefore, these cost increases are within the control of AEP. These cost increases are not the result of uncontrollable PJM actions.

The Company's proposed change to cease recovery of increases in the expense through Tariff PPA will provide a meaningful incentive to AEP in its other jurisdictions and the Company to restrain excessive growth in transmission investment that will drive increases in the expenses allocated to and directly incurred by the Company between the date base rates are reset in this proceeding to the date when base rates are reset in the next base rate case proceeding.

Q. What is your recommendation?

A. I recommend that the Commission approve the Company's request to recover the PJM LSE OATT transmission expenses solely through the base revenue requirement and cease recovery of any of these expenses through Tariff PPA.

VI. PROPOSED DISTRIBUTION RELIABILITY RIDER

Q. Describe the Company's proposed DRR.

A. The Company proposes a new DRR "to recover the capital and incremental operation and maintenance expenses associated with projects to improve the reliability and resiliency of the Company's distribution system, including the projects to expand the Company's existing trees outside the right-of-way expansion work and additional incremental distribution investments targeted at improving reliability to customers served via radial distribution lines proposed in this case; and to perform over/under accounting in connection with that tariff."[68]

Q. Has the Company proposed a methodology to ensure that the proposed capital and O&M expenses recovered through the DRR are incremental and not simply an alternative and accelerated means of recovering costs that will be incurred anyway in the normal course of business and recovered through base revenues in the absence of the DRR?

A. No. Neither the Company's description of the costs recoverable through the DRR in testimony and responses to discovery nor the proposed DRR tariff set forth any thresholds or brightlines to ensure that the scope of the projects and the costs of those projects are, in fact, incremental. This failure to establish thresholds or brightlines for the scope of projects included in base revenues and the incremental scope of projects included in the DRR is extremely problematic and could result in the Company simply

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[68] Application at 10-11, par 17(b).

using the DRR to accelerate recovery of costs that will be incurred anyway in the normal course of business and otherwise recovered through base revenues.

Company witness Mr. Everett Phillips describes the scope and costs of the "programs" the Company proposes to include in the DRR.[69] The scope of the programs includes enhanced rights of way widening, additional tie lines, distribution automation, circuit reconfiguration, recloser modernization, new distribution substation sources, and asset renewal, storm hardening or resiliency. The Company presently incurs costs in each of these programs or categories. The Company projects that it's total capital expenditures for DRR projects will be $19.0 million in 2024, $35.3 million in 2025, $32.9 million in 2026, $38.8 million in 2027, and $40.0 million in 2028, or a total of $166.0 million over the next five years. The Company plans to update its five year plan on a rolling basis each year.

The Company was asked in AG-KIUC discovery to "explain how the Company's plan will ensure that the costs included in each of the listed categories sought for recovery through the DRR are in fact, incremental, and will not simply displace the costs that otherwise would be incurred and recovered, albeit on a delayed basis, through base rates. Provide specific details, tests, thresholds, other metrics, and all other information for each of the listed categories of costs the Company proposes be used for this purpose."[70] In response, the Company failed to provide or describe any thresholds or brightlines to differentiate the scope and costs recoverable through base rates and the incremental scope and costs recoverable through the DRR. Rather,

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[69] Direct Testimony of Everett Phillips at 30-37 and Exhibit EGP-4, which provides a summary of the DRR scope.

[70] Response to AG-KIUC 1-20(d). I have attached copy of this response as my Exhibit___(LK-20).

it simply described a process whereby it would seek approval of its work plans for the DRR as "unique from similar work performed and to be recovered through base rates."[71] However, that response is self-fulfilling in the sense that it simply defines the scope of the programs for DRR purposes as incremental and the costs as incremental, but fails to actually prove up that the scope and costs are incremental.

Q. In the absence of a practical proposal from the Company to determine whether the scope and costs of programs are incremental, how should the Commission proceed?

A. If it adopts a DRR, then it should establish thresholds to determine whether the scope of programs and the costs are incremental. It can do so by establishing a baseline level of distribution capital expenditures based on recent history. If the Company's distribution capital expenditures exceed that historic average threshold or brightline, then the costs would be deemed incremental and recoverable through the DRR, subject to Commission review and authorization to recover those costs through the DRR. This would provide a practical and administratively simple methodology to make this determination. It also would ensure that the Commission does not assume undue responsibility for previewing and micromanaging the Company's distribution work activities, whether the scope of each DRR programs is incremental, and whether the costs of the programs are incremental.

Q. Describe how such thresholds could be established.

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[71] *Id.*

A. The thresholds could be based on an average of the most recent three or five years of distribution capital expenditures and expense for each of the Company's programs or cost categories or in total. For example, the Company's capital expenditure budgets for the last five years, only as a proxy for actual expenditures, averaged $8.588 million annually for rights of way ("ROW") clearing. Capital expenditures budgets for both trimming inside the ROW ("TIR") and outside the ROW ("TOR"), only as a proxy for actual expenditures, averaged $6.420 million. Also, for example, the Company's O&M expense budget for vegetation management, again, only as a proxy for actual expenditures, averaged $21.541 million annually.[72] The actual average amounts could be used to establish thresholds for both capital expenditures and O&M expenses to determine whether the Company's requests are incremental and potentially eligible for recovery through the DRR.

Q. Are there other concerns with a DRR that should be addressed upfront to ensure that such a form of recovery does not result in excessive annual rate increases?

A. Yes. The Commission has some experience with excessive spending and recoveries through similar types of riders with other utilities that were allowed similar investment riders and should be cautious in approving a new rider without adequate customers safeguards or guardrails.

Q. Describe how such a safeguard or guardrail could be established.

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[72] Response to AG-KIUC 2-23. I have attached copy of this response as my Exhibit___(LK-21).

A. The Commission could cap the annual rate increases pursuant to a DRR at a reasonable percentage. For example, it could cap the annual rate increases measured against total retail revenues at 1.0% or at a percentage of some measure of inflation, such as 10% of CPI.

Q. What is your recommendation?

A. I do not oppose a DRR. However, the Commission should ensure that customers are protected, that the DRR limits recovery to incremental capital expenditures and/or O&M expense, and that the DRR doesn't provide greater and accelerated recovery compared to the base ratemaking process without incremental benefits to customers.

VII. PROPOSED MODIFICATIONS TO FEDERAL TAX CUT TARIFF ("TARIFF FTC")

Q. Describe the Company's proposed changes to its Tariff FTC.

A. The Company proposes several changes to Tariff FTC. The first change removes the amortization and refund of the *unprotected* EDIT because those amounts will be fully refunded to customers by the time rates from this proceeding go into effect.[73] The amortization and refund of the *protected* EDIT will continue to be refunded through Tariff FTC.

The second change is to include "the actual Corporate Alternative Minimum Tax (CAMT) expense and credits for the prior calendar/tax year…in the Annual

[73] Direct Testimony of Michael M. Spaeth at 18-19.

Revenue Requirement based on the Company's actual 2023 federal income tax return."[74] This is further explained by Ms. Schlessman as follows:

> The Company is proposing to include future CAMT within the Tariff F.T.C. This will ensure that the amount of taxes customers pay reflects the actual tax expense the Company incurs, and to the extent the Company pays less than a base amount, the difference will be credited to customers via Tariff F.T.C.[75]

The third is to change the name of Tariff FTC to the Federal Tax Change Tariff.[76]

Q. How does the Company describe the new CAMT?

A. Ms. Schlessman describes the new CAMT, enacted in the Inflation Reduction Act of 2022 and reflected in the IRC § 55(a)(2) as follows:[77]

> The Corporate Alternative Minimum Tax ("CAMT") was established for applicable corporations with adjusted financial statement income ("AFSI") above $1 billion. The IRA imposes a tax equal to the excess of 15% of the corporation's AFSI (tentative minimum tax) for the taxable year over its regular income tax liability.

Ms. Schlessman describes the AFSI as follows:[78]

> AFSI is the basis on which the CAMT is calculated and is equal to an entity's net income or loss reported on its applicable financial statements with adjustments for various provisions provided in the IRA. AFSI includes an adjustment to disregard any federal income taxes which are taken into account on the taxpayer's applicable financial statement. AFSI also includes adjustments to allow tax depreciation deductions and disregard associated financial statement depreciation taken on such property. To the extent items included in financial statement depreciation relate to amounts that do not result

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[74] *Id.*
[75] Direct Testimony of Linda Schlessman at 36.
[76] *Id.*
[77] *Id.*
[78] *Id.* at 37.

> in tax depreciation (i.e. tax repairs), no adjustment is required to disregard that financial statement depreciation.

Finally, Ms. Schlessman describes the carryforward nature of any additional tax amounts as follows:[79]

> A taxpayer is eligible to claim a tax credit against the regular income tax for CAMT paid in a prior tax year to the extent that the regular income tax liability exceeds the tentative minimum tax in that tax year ("Minimum Tax Credit"). The carryforward of the Minimum Tax Credit is indefinite and can be used in any subsequent tax year.

Q. Should the Commission approve the proposed change to include the CAMT in Tariff FTC?

A. No. First, there is a fundamental problem with the Company's request that makes it a non-starter. It seeks to recover the "CAMT expense." However, there is no incremental CAMT expense. The CAMT increases the current income tax expense, but reduces the deferred income tax expense by an equivalent amount under the FERC USOA and GAAP accounting requirements. The CAMT results in no net change in income tax expense, although it would result in an asset CAMT ADIT, the offsetting debit to the reduction in deferred income tax expense. Although no Company witness has defined the "CAMT expense," it appears from Ms. Schlessman's testimony that the Company's request is to include only the increase in current income tax expense, not the reduction in deferred tax expense.

Second, the Company has not defined the sources of the so-called "CAMT expense" or "credits" referenced in Ms. Schlessman's testimony, Mr. Spaeth's

[79] Direct Testimony of Linda M. Schlessman at 41.

testimony, and the proposed tariff, nor has the Company provided the proposed calculations of any of these amounts.

Third, the proposed tariff would recover the CAMT expense from the prior year based on the federal tax return filed in the current year for the prior year. This is another poorly conceived methodology that is inconsistent with cost-based ratemaking and is fundamentally flawed because it fails to recognize that the Company is required to use normalized (interperiod tax allocation) accounting pursuant to the FERC USOA and GAAP for accounting purposes, which, in turn, is used in the base ratemaking and other rider ratemaking revenue requirement calculations.

Fourth, the "CAMT expense," however the Company defines that term, and any CAMT ADIT is a function of the Company's AFSI, a measure of book accounting income used for the calculation of the CAMT, without consideration of any ratemaking adjustments. If the Commission disallows any costs for ratemaking purposes, then this will reduce the Company's AFSI, all else equal. If the disallowances cause or increase a CAMT ADIT, then this would result in customers being required to give the Company a partial rebate in the form of increased Tariff FTC rates and revenues for any ratemaking disallowances that were reflected in base or other rider rates and revenues.

Fifth, the Company's proposal is self-serving single issue ratemaking because it cherry picks a potential increase in costs due to the CAMT, but fails to include other increases or reductions in cost of service.

Q. What are your recommendations?

A. I recommend the Commission accept the Company's first change to modify the FTC to reflect the completion of refunds of unprotected EDIT. I recommend the Commission reject the Company's second change regarding the "CAMT expenses and credits" due to the fundamental conceptual flaws in the proposed tariff change and the other reasons that I previously described. I recommend the Commission reject the name change because there is no reason to change the existing tariff name.

VIII. PROPOSED FINANCING ORDER

Q. Is the Company's proposed securitization financing prudent and reasonable?

A. Yes. The Company's proposed securitization financing will provide significant quantifiable net benefits on a present value basis to customers that cannot be achieved in any other manner. The savings in financing costs to customers result from lower interest rates than traditional debt financing available to the Company and the use of the lower cost debt to finance nearly 100% of the regulatory assets sold to the SPE rather than the use of traditional debt financing and common equity, including an income tax gross-up on the equity, in the absence of securitization financing.

In addition, the Company's proposed SFR recovery would extend the present DR recovery period for the retired Big Sandy coal assets from 17 years to 20 years and the base rate recovery period for other regulatory assets from 5 years to 20 years. The longer recovery period will mitigate the effects of the base rate increase resulting from this proceeding and mitigate the recovery of incremental costs related to new generation resources over the next decade.

Q. Describe the Company's proposed allocation of the SFR revenue requirement to customer classes.

A. The SFR revenue requirement every six months or, potentially, for a shorter interim period, necessary to recover the principal, interest, and expenses incurred by the SPE for the securitization financing first will be allocated to the Residential (group 1) and All Other Non-Residential Customers (group 2) based on total retail revenues for each group of customers compared to total retail revenues. The revenue requirement allocated to the Residential class then will be divided by a forecast of total retail sales revenues for that class to determine a percentage that will be applied to Residential customer bills as an SFR surcharge. The revenue requirement allocated to the Other Non-Residential class will be divided by non-fuel retail sales revenues for that class to determine a percentage that will be applied the Other Non-Residential class customer bills as an SFR surcharge.

Q. Is the Company's proposed allocation of the SFR revenue requirement to customer classes reasonable?

A. Yes. The Commission has previously approved the same group 1/group 2 allocation methodology for the DR and ES.

Q. What is your recommendation?

A. I recommend the Commission approve the Company's proposed financing order and SFR tariff. The securitization financing will result in significant savings to the Company's customers. The proposed allocation of the SFR revenue requirement to customer classes based on the group 1/group 2 methodology is reasonable and is the same methodology used for the DR and ES.

Q. Does this complete your testimony?

A. Yes.

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 REGULATORY ASSETS AND LIABILITIES; (4) A SECURITIZATION FINANCING ORDER; AND (5) ALL OTHER REQUIRED APPROVALS AND RELIEF	)	**CASE NO. 2023-00159**

EXHIBITS

OF

LANE KOLLEN

ON BEHALF OF THE

ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

AND THE

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

OCTOBER 2023

AFFIDAVIT

STATE OF GEORGIA)

COUNTY OF FULTON)

LANE KOLLEN, being duly sworn, deposes and states: that the attached is his sworn testimony and that the statements contained are true and correct to the best of his knowledge, information and belief.

Lane Kollen

Sworn to and subscribed before me on this
2nd day of October 2023.

Jessica K. Inman

Notary Public

Jessica K Inman
NOTARY PUBLIC
Cherokee County, GEORGIA
My Commission Expires 07/31/2027

EXHIBIT___(LK-1)

RESUME OF LANE KOLLEN, VICE PRESIDENT

EDUCATION

University of Toledo, BBA
Accounting

University of Toledo, MBA

Luther Rice University, MA

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant (CPA)

Certified Management Accountant (CMA)

Chartered Global Management Accountant (CGMA)

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Institute of Management Accountants

Society of Depreciation Professionals

Mr. Kollen has more than forty years of utility industry experience in the financial, rate, tax, and planning areas. He specializes in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Mr. Kollen has expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

RESUME OF LANE KOLLEN, VICE PRESIDENT

EXPERIENCE

1986 to Present:

J. Kennedy and Associates, Inc.: Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to 1986:

Energy Management Associates: Lead Consultant.
Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to 1983:

The Toledo Edison Company: Planning Supervisor.
Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.
Construction project cancellations and write-offs.
Construction project delays.
Capacity swaps.
Financing alternatives.
Competitive pricing for off-system sales.
Sale/leasebacks.

CLIENTS SERVED

Industrial Companies and Groups

Air Products and Chemicals, Inc.
Airco Industrial Gases
Alcan Aluminum
Armco Advanced Materials Co.
Armco Steel
Bethlehem Steel
CF&I Steel, L.P.
Climax Molybdenum Company
Connecticut Industrial Energy Consumers
ELCON
Enron Gas Pipeline Company
Florida Industrial Power Users Group
Gallatin Steel
General Electric Company
GPU Industrial Intervenors
Indiana Industrial Group
Industrial Consumers for
Fair Utility Rates - Indiana
Industrial Energy Consumers - Ohio
Kentucky Industrial Utility Customers, Inc.
Kimberly-Clark Company
Lehigh Valley Power Committee
Maryland Industrial Group
Multiple Intervenors (New York)
National Southwire
North Carolina Industrial
Energy Consumers
Occidental Chemical Corporation
Ohio Energy Group
Ohio Industrial Energy Consumers
Ohio Manufacturers Association
Philadelphia Area Industrial Energy
Users Group
PSI Industrial Group
Smith Cogeneration
Taconite Intervenors (Minnesota)
West Penn Power Industrial Intervenors
West Virginia Energy Users Group
Westvaco Corporation

Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
City of Austin
Georgia Public Service Commission Staff
Florida Office of Public Counsel
Indiana Office of Utility Consumer Counsel
Kentucky Office of Attorney General
Louisiana Public Service Commission
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York City
New York State Energy Office
South Carolina Office of Regulatory Staff
Texas Office of Public Utility Counsel
Utah Office of Consumer Services

Utilities

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation
Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR-87-223	MN	Taconite Intervenors	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County, completion.
2/88	10064	KY	Kentucky Industrial Utility	Louisville Gas &	Revenue requirements, O&M expense, capital

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
			Customers	Electric Co.	structure, excess deferred income taxes.
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric Corp.	Financial workout plan.
5/88	M-87017-1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017-2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017-1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
7/88	M-87017-2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170-EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171-EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800-355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71).
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.
6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.

Expert Testimony Appearances
of
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As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Surrebuttal (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenors	Niagara Mohawk Power Corp.	Incentive regulation.
5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231-E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue requirements.
12/91	91-410-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	PUC Docket 10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
11/92	8469	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Armco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CWIP in rate base.
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
3/93	93-01-EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
4/93	92-1464-EL-AIR	OH	Air Products Armco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities /Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.
1/94	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/94	U-20647 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
4/94	U-20647 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
5/94	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.
9/94	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
9/94	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/94	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/94	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/94	U-19904 Initial Post-Merger Earnings Review (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/94	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95 12/95	U-21485 (Supplemental Direct) U-21485 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
1/96	95-299-EL-AIR 95-300-EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co., The Cleveland Electric Illuminating Co.	Competition, asset write-offs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC Docket 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.
7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co., and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co., Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.
8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness.
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	U-22491 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735 Rebuttal	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.

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11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	CT	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Request for accounting order regarding electric industry restructuring costs.
7/99	U-23358	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.

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Date	Case	Jurisdict.	Party	Utility	Subject
7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452-E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452-E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	PUC Docket 21527	TX	The Dallas-Fort Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.
11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
04/00	99-1212-EL-ETP 99-1213-EL-ATA 99-1214-EL-AAM	OH	Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.

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Date	Case	Jurisdict.	Party	Utility	Subject
05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	PUC Docket 22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	SOAH Docket 473-00-1015 PUC Docket 22350	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.
12/00	U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.

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Date	Case	Jurisdict.	Party	Utility	Subject
01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300F0095 A-110400F0040	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp.	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
07/01	U-21453, U-20925, U-22092 (Subdocket B) Transmission and Distribution Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	PUC Docket 25230	TX	The Dallas-Fort Worth Hospital Council and the Coalition of Independent Colleges and Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.

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Date	Case	Jurisdict.	Party	Utility	Subject
02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02	U-25687 (Suppl. Surrebuttal)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 U-22092 (Subdocket C)	LA	Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless conditions.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.
09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-26527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
06/03	EL01-88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.

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Date	Case	Jurisdict.	Party	Utility	Subject
06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.
11/03	ER03-583-000, ER03-583-001, ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001, ER03-682-002 ER03-744-000, ER03-744-001 (Consolidated)	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P, and Entergy Power, Inc.	Unit power purchases and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.
03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459 PUC Docket 29206	TX	Cities Served by Texas-New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including valuation issues, ITC, ADIT, excess earnings.
05/04	04-169-EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.

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Date	Case	Jurisdict.	Party	Utility	Subject
08/04	SOAH Docket 473-04-4555 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case Nos. 2004-00321, 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, et al.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.
02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.
03/05	Case Nos. 2004-00426, 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Heallthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.
09/05	20298-U	GA	Georgia Public Service	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization,

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Date	Case	Jurisdict.	Party	Utility	Subject
	Panel with Victoria Taylor		Commission Adversary Staff		cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider. Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06	PUC Docket 31994	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change.
05/06	31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Retrospective ADFIT, prospective ADFIT.
03/06	U-21453, U-20925, U-22092 (Subdocket B)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
03/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPoint Energy Houston Electric	Proposed Regulations affecting flow- through to ratepayers of excess deferred income taxes and investment tax credits on generation plant that is sold or deregulated.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et. al.	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated program costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925, U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.

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Date	Case	Jurisdict.	Party	Utility	Subject
03/07	PUC Docket 33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	PUC Docket 33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental and Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts.
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.
05/07	ER07-682-000 Supplemental Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC, Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post-test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.

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Date	Case	Jurisdict.	Party	Utility	Subject
11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.
11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
04/08	2007-00562, 2007-00563	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas and Electric Co.	Merger surcredit.
04/08	26837 Direct Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Suppl Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, including costs recovered in existing rates, TIER.

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07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, including projected test year rate base and expenses.
07/08	27163 Taylor, Kollen Panel	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	6690-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.
09/08	08-935-EL-SSO, 08-918-EL-SSO	OH	Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO	OH	Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-00564, 2007-00565, 2008-00251 2008-00252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, ELG v ASL depreciation procedures, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.

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02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
03/09 04/09	U-21453, U-20925 U-22092 (Sub J) Direct Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.
04/09	PUC Docket 36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct- Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U-20925, U-22092 (Subdocket J) Supplemental Rebuttal	LA	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
09/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E Answer	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.

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09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E Answer	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.
12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	EL09-50 Rebuttal Supplemental Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
02/10	30442 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue requirement issues.
02/10	30442 McBride-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc., Attorney General	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR-09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.

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04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00548, 2009-00549	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	Revenue requirement issues.
08/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.
08/10	31647 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.
08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.
09/10	38339 Direct and Cross-Rebuttal	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation FIN 48; AMS surcharge including roll-in to base rates; rate case expenses.
09/10	EL10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
09/10	2010-00167	KY	Gallatin Steel	East Kentucky Power Cooperative, Inc.	Revenue requirements.
09/10	U-23327 Subdocket E Direct	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing.
11/10	U-23327 Rebuttal	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing.
09/10	U-31351	LA	Louisiana Public Service Commission Staff	SWEPCO and Valley Electric Membership Cooperative	Sale of Valley assets to SWEPCO and dissolution of Valley.
10/10	10-1261-EL-UNC	OH	Ohio OCC, Ohio Manufacturers Association, Ohio Energy Group, Ohio Hospital Association, Appalachian Peace and Justice Network	Columbus Southern Power Company	Significantly excessive earnings test.
10/10	10-0713-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, Potomac Edison Power Company	Merger of First Energy and Allegheny Energy.

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10/10	U-23327 Subdocket F Direct	LA	Louisiana Public Service Commission Staff	SWEPCO	AFUDC adjustments in Formula Rate Plan.
11/10	EL10-55 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
12/10	ER10-1350 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
01/11	ER10-1350 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
03/11 04/11	ER10-2001 Direct Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Arkansas, Inc.	EAI depreciation rates.
04/11	U-23327 Subdocket E	LA	Louisiana Public Service Commission Staff	SWEPCO	Settlement, incl resolution of S02 allowance expense, var O&M expense, sharing of OSS margins.
04/11 05/11	38306 Direct Suppl Direct	TX	Cities Served by Texas-New Mexico Power Company	Texas-New Mexico Power Company	AMS deployment plan, AMS Surcharge, rate case expenses.
05/11	11-0274-E-GI	WV	West Virginia Energy Users Group	Appalachian Power Company, Wheeling Power Company	Deferral recovery phase-in, construction surcharge.
05/11	2011-00036	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements.
06/11	29849	GA	Georgia Public Service Commission Staff	Georgia Power Company	Accounting issues related to Vogtle risk-sharing mechanism.
07/11	ER11-2161 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
07/11	PUE-2011-00027	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Return on equity performance incentive.
07/11	11-346-EL-SSO 11-348-EL-SSO 11-349-EL-AAM 11-350-EL-AAM	OH	Ohio Energy Group	AEP-OH	Equity Stabilization Incentive Plan; actual earned returns; ADIT offsets in riders.
08/11	U-23327 Subdocket F Rebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Depreciation rates and service lives; AFUDC adjustments.
08/11	05-UR-105	WI	Wisconsin Industrial Energy Group	WE Energies, Inc.	Suspended amortization expenses; revenue requirements.

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08/11	ER11-2161 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
09/11	PUC Docket 39504	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Investment tax credit, excess deferred income taxes; normalization.
09/11	2011-00161 2011-00162	KY	Kentucky Industrial Utility Consumers, Inc.	Louisville Gas & Electric Company, Kentucky Utilities Company	Environmental requirements and financing.
10/11	11-4571-EL-UNC 11-4572-EL-UNC	OH	Ohio Energy Group	Columbus Southern Power Company, Ohio Power Company	Significantly excessive earnings.
10/11	4220-UR-117 Direct	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	4220-UR-117 Surrebuttal	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	PUC Docket 39722	TX	Cities Served by AEP Texas Central Company	AEP Texas Central Company	Investment tax credit, excess deferred income taxes; normalization.
02/12	PUC Docket 40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Temporary rates.
03/12	11AL-947E Answer	CO	Climax Molybdenum Company and CF&I Steel, L.P. d/b/a Evraz Rocky Mountain Steel	Public Service Company of Colorado	Revenue requirements, including historic test year, future test year, CACJA CWIP, contra-AFUDC.
03/12	2011-00401	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Big Sandy 2 environmental retrofits and environmental surcharge recovery.
4/12	2011-00036 Direct Rehearing Supplemental Rebuttal Rehearing	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Rate case expenses, depreciation rates and expense.
04/12	10-2929-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, CRES capacity charges, Equity Stabilization Mechanism
05/12	11-346-EL-SSO 11-348-EL-SSO	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, Equity Stabilization Mechanism, Retail Stability Rider.
05/12	11-4393-EL-RDR	OH	Ohio Energy Group	Duke Energy Ohio, Inc.	Incentives for over-compliance on EE/PDR mandates.

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06/12	40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Revenue requirements, including ADIT, bonus depreciation and NOL, working capital, self insurance, depreciation rates, federal income tax expense.
07/12	120015-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Revenue requirements, including vegetation management, nuclear outage expense, cash working capital, CWIP in rate base.
07/12	2012-00063	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental retrofits, including environmental surcharge recovery.
09/12	05-UR-106	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Company	Section 1603 grants, new solar facility, payroll expenses, cost of debt.
10/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Revenue requirements, including off-system sales, outage maintenance, storm damage, injuries and damages, depreciation rates and expense.
10/12	120015-EI Direct	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
11/12	120015-EI Rebuttal	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
10/12	40604	TX	Steering Committee of Cities Served by Oncor	Cross Texas Transmission, LLC	Policy and procedural issues, revenue requirements, including AFUDC, ADIT – bonus depreciation & NOL, incentive compensation, staffing, self-insurance, net salvage, depreciation rates and expense, income tax expense.
11/12	40627 Direct	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
12/12	40443	TX	Cities Served by SWEPCO	Southwestern Electric Power Company	Revenue requirements, including depreciation rates and service lives, O&M expenses, consolidated tax savings, CWIP in rate base, Turk plant costs.
12/12	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Termination of purchased power contracts between EGSL and ETI, Spindletop regulatory asset.
01/13	ER12-1384 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Little Gypsy 3 cancellation costs.
02/13	40627 Rebuttal	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
03/13	12-426-EL-SSO	OH	The Ohio Energy Group	The Dayton Power and Light Company	Capacity charges under state compensation mechanism, Service Stability Rider, Switching Tracker.

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04/13	12-2400-EL-UNC	OH	The Ohio Energy Group	Duke Energy Ohio, Inc.	Capacity charges under state compensation mechanism, deferrals, rider to recover deferrals.
04/13	2012-00578	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Resource plan, including acquisition of interest in Mitchell plant.
05/13	2012-00535	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
06/13	12-3254-EL-UNC	OH	The Ohio Energy Group, Inc., Office of the Ohio Consumers' Counsel	Ohio Power Company	Energy auctions under CBP, including reserve prices.
07/13	2013-00144	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Biomass renewable energy purchase agreement.
07/13	2013-00221	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Hawesville Smelter market access.
10/13	2013-00199	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
12/13	2013-00413	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Sebree Smelter market access.
01/14	ER10-1350 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 lease accounting and treatment in annual bandwidth filings.
02/14	U-32981	LA	Louisiana Public Service Commission	Entergy Louisiana, LLC	Montauk renewable energy PPA.
04/14	ER13-432 Direct	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Union Pacific Settlement benefits and damages.
05/14	PUE-2013-00132	VA	HP Hood LLC	Shenandoah Valley Electric Cooperative	Market based rate; load control tariffs.
07/14	PUE-2014-00033	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting, change in FAC Definitional Framework.
08/14	ER13-432 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Union Pacific Settlement benefits and damages.
08/14	2014-00134	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Requirements power sales agreements with Nebraska entities.
09/14	E-015/CN-12-1163 Direct	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class cost allocation.
10/14	2014-00225	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Allocation of fuel costs to off-system sales.

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10/14	ER13-1508	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy service agreements and tariffs for affiliate power purchases and sales; return on equity.
10/14	14-0702-E-42T 14-0701-E-D	WV	West Virginia Energy Users Group	First Energy-Monongahela Power, Potomac Edison	Consolidated tax savings; payroll; pension, OPEB, amortization; depreciation; environmental surcharge.
11/14	E-015/CN-12-1163 Surrebuttal	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class allocation.
11/14	05-376-EL-UNC	OH	Ohio Energy Group	Ohio Power Company	Refund of IGCC CWIP financing cost recoveries.
11/14	14AL-0660E	CO	Climax, CF&I Steel	Public Service Company of Colorado	Historic test year v. future test year; AFUDC v. current return; CACJA rider, transmission rider; equivalent availability rider; ADIT; depreciation; royalty income; amortization.
12/14	EL14-026	SD	Black Hills Industrial Intervenors	Black Hills Power Company	Revenue requirement issues, including depreciation expense and affiliate charges.
12/14	14-1152-E-42T	WV	West Virginia Energy Users Group	AEP-Appalachian Power Company	Income taxes, payroll, pension, OPEB, deferred costs and write offs, depreciation rates, environmental projects surcharge.
01/15	9400-YO-100 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
01/15	14F-0336EG 14F-0404EG	CO	Development Recovery Company LLC	Public Service Company of Colorado	Line extension policies and refunds.
02/15	9400-YO-100 Rebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
03/15	2014-00396	KY	Kentucky Industrial Utility Customers, Inc.	AEP-Kentucky Power Company	Base, Big Sandy 2 retirement rider, environmental surcharge, and Big Sandy 1 operation rider revenue requirements, depreciation rates, financing, deferrals.
03/15	2014-00371 2014-00372	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	Revenue requirements, staffing and payroll, depreciation rates.
04/15	2014-00450	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	AEP-Kentucky Power Company	Allocation of fuel costs between native load and off-system sales.
04/15	2014-00455	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	Big Rivers Electric Corporation	Allocation of fuel costs between native load and off-system sales.

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04/15	ER2014-0370	MO	Midwest Energy Consumers' Group	Kansas City Power & Light Company	Affiliate transactions, operation and maintenance expense, management audit.
05/15	PUE-2015-00022	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting; change in FAC Definitional Framework.
05/15 09/15	EL10-65 Direct, Rebuttal Complaint	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Accounting for AFUDC Debt, related ADIT.
07/15	EL10-65 Direct and Answering Consolidated Bandwidth Dockets	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback ADIT, Bandwidth Formula.
09/15	14-1693-EL-RDR	OH	Public Utilities Commission of Ohio	Ohio Energy Group	PPA rider for charges or credits for physical hedges against market.
12/15	45188	TX	Cities Served by Oncor Electric Delivery Company	Oncor Electric Delivery Company	Hunt family acquisition of Oncor; transaction structure; income tax savings from real estate investment trust (REIT) structure; conditions.
12/15 01/16	6680-CE-176 Direct, Surrebuttal, Supplemental Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Need for capacity and economics of proposed Riverside Energy Center Expansion project; ratemaking conditions.
03/16 03/16 04/16 05/16 06/16	EL01-88 Remand Direct Answering Cross-Answering Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Bandwidth Formula: Capital structure, fuel inventory, Waterford 3 sale/leaseback, Vidalia purchased power, ADIT, Blythesville, Spindletop, River Bend AFUDC, property insurance reserve, nuclear depreciation expense.
03/16	15-1673-E-T	WV	West Virginia Energy Users Group	Appalachian Power Company	Terms and conditions of utility service for commercial and industrial customers, including security deposits.
04/16	39971 Panel Direct	GA	Georgia Public Service Commission Staff	Southern Company, AGL Resources, Georgia Power Company, Atlanta Gas Light Company	Southern Company acquisition of AGL Resources, risks, opportunities, quantification of savings, ratemaking implications, conditions, settlement.
04/16	2015-00343	KY	Office of the Attorney General	Atmos Energy Corporation	Revenue requirements, including NOL ADIT, affiliate transactions.
04/16	2016-00070	KY	Office of the Attorney General	Atmos Energy Corporation	R & D Rider.

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05/16	2016-00026 2016-00027	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Need for environmental projects, calculation of environmental surcharge rider.
05/16	16-G-0058 16-G-0059	NY	New York City	Keyspan Gas East Corp., Brooklyn Union Gas Company	Depreciation, including excess reserves, leak prone pipe.
06/16	160088-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Fuel Adjustment Clause Incentive Mechanism re: economy sales and purchases, asset optimization.
07/16	160021-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Revenue requirements, including capital recovery, depreciation, ADIT.
07/16	16-057-01	UT	Office of Consumer Services	Dominion Resources, Inc. / Questar Corporation	Merger, risks, harms, benefits, accounting.
08/16	15-1022-EL-UNC 16-1105-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power Company	SEET earnings, effects of other pending proceedings.
9/16	2016-00162	KY	Office of the Attorney General	Columbia Gas Kentucky	Revenue requirements, O&M expense, depreciation, affiliate transactions.
09/16	E-22 Sub 519, 532, 533	NC	Nucor Steel	Dominion North Carolina Power Company	Revenue requirements, deferrals and amortizations.
09/16	15-1256-G-390P (Reopened) 16-0922-G-390P	WV	West Virginia Energy Users Group	Mountaineer Gas Company	Infrastructure rider, including NOL ADIT and other income tax normalization and calculation issues.
10/16	10-2929-EL-UNC 11-346-EL-SSO 11-348-EL-SSO 11-349-EL-SSO 11-350-EL-SSO 14-1186-EL-RDR	OH	Ohio Energy Group	AEP Ohio Power Company	State compensation mechanism, capacity cost, Retail Stability Rider deferrals, refunds, SEET.
11/16	16-0395-EL-SSO Direct	OH	Ohio Energy Group	Dayton Power & Light Company	Credit support and other riders; financial stability of Utility, holding company.
12/16	Formal Case 1139	DC	Healthcare Council of the National Capital Area	Potomac Electric Power Company	Post test year adjust, merger costs, NOL ADIT, incentive compensation, rent.
01/17	46238	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company	Next Era acquisition of Oncor; goodwill, transaction costs, transition costs, cost deferrals, ratemaking issues.
02/17	16-0395-EL-SSO Direct (Stipulation)	OH	Ohio Energy Group	Dayton Power & Light Company	Non-unanimous stipulation re: credit support and other riders; financial stability of utility, holding company.
02/17	45414	TX	Cities of Midland, McAllen, and Colorado City	Sharyland Utilities, LP, Sharyland Distribution & Transmission Services, LLC	Income taxes, depreciation, deferred costs, affiliate expenses.

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03/17	2016-00370 2016-00371	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	AMS, capital expenditures, maintenance expense, amortization expense, depreciation rates and expense.
06/17	29849 (Panel with Philip Hayet)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics.
08/17	17-0296-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, The Potomac Edison Power Company	ADIT, OPEB.
10/17	2017-00179	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Weather normalization, Rockport lease, O&M, incentive compensation, depreciation, income taxes.
10/17	2017-00287	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Fuel cost allocation to native load customers.
12/17	2017-00321	KY	Attorney General	Duke Energy Kentucky (Electric)	Revenues, depreciation, income taxes, O&M, regulatory assets, environmental surcharge rider, FERC transmission cost reconciliation rider.
12/17	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics, tax abandonment loss.
01/18	2017-00349	KY	Kentucky Attorney General	Atmos Energy Kentucky	O&M expense, depreciation, regulatory assets and amortization, Annual Review Mechanism, Pipeline Replacement Program and Rider, affiliate expenses.
06/18	18-0047	OH	Ohio Energy Group	Ohio Electric Utilities	Tax Cuts and Jobs Act. Reduction in income tax expense; amortization of excess ADIT.
07/18	T-34695	LA	LPSC Staff	Crimson Gulf, LLC	Revenues, depreciation, income taxes, O&M, ADIT.
08/18	48325	TX	Cities Served by Oncor	Oncor Electric Delivery Company	Tax Cuts and Jobs Act; amortization of excess ADIT.
08/18	48401	TX	Cities Served by TNMP	Texas-New Mexico Power Company	Revenues, payroll, income taxes, amortization of excess ADIT, capital structure.
08/18	2018-00146	KY	KIUC	Big Rivers Electric Corporation	Station Two contracts termination, regulatory asset, regulatory liability for savings
09/18 10/18	20170235-EI 20170236-EU Direct Supplemental Direct	FL	Office of Public Counsel	Florida Power & Light Company	FP&L acquisition of City of Vero Beach municipal electric utility systems.

**Expert Testimony Appearances
of
Lane Kollen
As of September 2023**

Date	Case	Jurisdict.	Party	Utility	Subject
09/18 10/18	2017-370-E Direct 2017-207, 305, 370-E Surrebuttal Supplemental Surrebuttal	SC	Office of Regulatory Staff	South Carolina Electric & Gas Company and Dominion Energy, Inc.	Recovery of Summer 2 and 3 new nuclear development costs, related regulatory liabilities, securitization, NOL carryforward and ADIT, TCJA savings, merger conditions and savings.
12/18	2018-00261	KY	Attorney General	Duke Energy Kentucky (Gas)	Revenues, O&M, regulatory assets, payroll, integrity management, incentive compensation, cash working capital.
01/19	2018-00294 2018-00295	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas & Electric Company	AFUDC v. CWIP in rate base, transmission and distribution plant additions, capitalization, revenues generation outage expense, depreciation rates and expenses, cost of debt.
01/19	2018-00281	KY	Attorney General	Atmos Energy Corp.	AFUDC v. CWIP in rate base, ALG v. ELG depreciation rates, cash working capital, PRP Rider, forecast plant additions, forecast expenses, cost of debt, corporate cost allocation.
02/19 04/19	UD-18-17 Direct Surrebuttal and Cross-Answering	New Orleans	Crescent City Power Users Group	Entergy New Orleans, LLC	Post-test year adjustments, storm reserve fund, NOL ADIT, FIN48 ADIT, cash working capital, depreciation, amortization, capital structure, formula rate plans, purchased power rider.
03/19	2018-00358	KY	Attorney General	Kentucky American Water Company	Capital expenditures, cash working capital, payroll expense, incentive compensation, chemicals expense, electricity expense, water losses, rate case expense, excess deferred income taxes.
03/19	48929	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company LLC, Sempra Energy, Sharyland Distribution & Transmission Services, L.L.C.., Sharyland Utilities, L.P.	Sale, transfer, merger transactions, hold harmless and other regulatory conditions.
06/19	49421	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Prepaid pension asset, accrued OPEB liability, regulatory assets and liabilities, merger savings, storm damage expense, excess deferred income taxes.
07/19	49494	TX	Cities Served by AEP Texas	AEP Texas, Inc.	Plant in service, prepaid pension asset, O&M, ROW costs, incentive compensation, self-insurance expense, excess deferred income taxes.
08/19	19-G-0309 19-G-0310	NY	New York City	National Grid	Depreciation rates, net negative salvage.

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
10/19	42315	GA	Atlanta Gas Light Company	Public Interest Advocacy Staff	Capital expenditures, O&M expense, prepaid pension asset, incentive compensation, merger savings, affiliate expenses, excess deferred income taxes.
10/19	45253	IN	Duke Energy Indiana	Office of Utility Consumer Counselor	Prepaid pension asset, inventories, regulatory assets and labilities, unbilled revenues, incentive compensation, income tax expense, affiliate charges, ADIT, riders.
12/19	2019-00271	KY	Attorney General	Duke Energy Kentucky	ADIT, EDIT, CWC, payroll expense, incentive compensation expense, depreciation rates, pilot programs
05/20	202000067-EI	FL	Office of Public Counsel	Tampa Electric Company	Storm Protection Plan.
06/20	20190038-EI	FL	Office of Public Counsel	Gulf Power Company	Hurricane Michael costs.
07/20 09/20	PUR-2020-00015 Direct Surrebuttal	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Coal Amortization Rider, storm damage, prepaid pension and OPEB assets, return on joint-use assets.
07/20 09/20	2019-226-E Direct Surrebbutal	SC	Office of Regulatory Staff	Dominion Energy South Carolina	Integrated Resource Plan.
10/20	2020-00160	KY	Attorney General	Water Service Corporation of Kentucky	Return on rate base v. operating ratio.
10/20	2020-00174	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Rate base v. capitalization, Rockport UPA, prepaid pension and OPEB, cash working capital, incentive compensation, Rockport 2 depreciation expense, EDIT, AMI, grid modernization rider.
11/20 12/20	2020-125-E Direct Surrebuttal	SC	Office of Regulatory Staff	Dominion Energy South Carolina	Summer 2 and 3 cancelled plant and transmission cost recovery; TCJA; regulatory assets.
12/20	2020172-EI	FL	Office of Public Counsel	Florida Power & Light Company	Hurricane Dorian costs.
12/20	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM23, Vogtle 3 and 4 rate impact analyses.
02/21 04/21	2019-224-E 2019-225-E Direct Surrebuttal	SC	Office of Regulatory Staff	Duke Energy Carolinas, LLC, Duke Energy Progress, LLC	Integrated Resource Plans.
03/21	51611	TX	Steering Committee of Cities Served by Oncor	Sharyland Utilities, L.L.C.	ADIT, capital structure, return on equity.

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
03/21	2020-00349 2020-00350	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	Rate base v. capitalization, retired plant costs, depreciation, securitization, staffing + payroll, pension + OPEB, AMI, off-system sales margins.
04/21 Direct 07/21	18-857-EL-UNC 19-1338-EL-UNC 20-1034-EL-UNC 20-1476-EL-UNC Supplemental Direct	OH	The Ohio Energy Group	First Energy Ohio Companies	Significantly Excessive Earnings Test; legacy nuclear plant costs.
05/21 06/21	2021-00004 Direct Supplemental Direct	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	CPCN for CCR/ELG Projects at Mitchell Plant.
06/21	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM24, Vogtle 3 and 4 rate impact analyses.
06/21	2021-00103	KY	Attorney General and Nucor Steel Gallatin	East Kentucky Power Cooperative, Inc.	Revenues, depreciation, interest, TIER, O&M, regulatory asset.
07/21 08/21 10/21	U-35441 Direct Cross-Answering Surrebuttal	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Company	Revenues, O&M expense, depreciation, retirement rider.
09/21	2021-00190	KY	Attorney General	Duke Energy Kentucky	Revenues, O&M expense, depreciation, capital structure, cost of long-term debt, government mandate rider.
09/21	43838	GA	Public Interest Advocacy Staff	Georgia Power Company	Vogtle 3 base rates, NCCR rates; deferrals.
09/21	2021-00214	KY	Attorney General	Atmos Energy Corp.	NOL ADIT, working capital, affiliate expenses, amortization EDIT, capital structure, cost of debt, accelerated replacement Aldyl-A pipe, PRP Rider, Tax Act Adjustment Rider.
12/21	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM25, Vogtle 3 and 4 rate impact analyses.
01/22	2021-00358	KY	Attorney General	Jackson Purchase Energy Corporation	Revenues, nonrecurring expenses, normalized expenses, interest expense, TIER.
01/22	2021-00421	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Proposed Mitchell Plant Operations and Maintenance and Ownership Agreements; sale of Mitchell Plant interest.

Expert Testimony Appearances
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As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
02/22	2021-00481	kY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Proposed Liberty Utilities, Inc. acquisition of Kentucky Power Company; harm to customers; conditions to mitigate harm.
03/22	2021-00407	KY	Attorney General	South Kentucky Rural Electric Cooperative Corporation	Revenues, interest income, interest expense, TIER, payroll.
03/22 04/22	U-36190 Direct Cross-Answering	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC	Certification of solar resources.
05/22	20200241-EI 20210078-EI 20210079-EI	FL	Office of Public Counsel	Florida Power & Light Company, Gulf Power Company	Hurricanes Sally, Zeta, Isaias; Tropical Storm Eta, pre-planning, restoration and repair, costs, ratemaking recovery.
05/22	U-36268	LA	Louisiana Public Service Commission Staff	1803 Electric Cooperative, Inc.	Wholesale power contracts, wholesale rate tariffs, wholesale rates.
06/22	20220048-EI 20220049-EI 20220050-EI 20220051-EI	FL	Office of Public Counsel	Tampa Electric Company, Florida Public Utilities Company, Duke Energy Florida, LLC, Florida Power & Light Company	Storm Protection Plans. prudence, reasonableness, cost recovery, including deferred return on CWIP.
06/22	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM26, Vogtle 3 and 4 rate impact analyses.
07/22	S-36267	LA	Louisiana Public Service Commission Staff	1803 Electric Cooperative, Inc.	Non-opposition to establish revolving LOC and supporting guarantees by member cooperatives.
08/22	53601	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company, LLC	Vendor financing, customer advances, cash working capital, ADFIT and temporary differences, depreciation expense, amortization expense.
09/22	20220010-EI	FL	Office of Public Counsel	Tampa Electric Company, Florida Public Utilities Company, Duke Energy Florida, LLC, Florida Power & Light Company	Storm Protection Plan, Cost Recovery Clause, prudence, reasonableness, deferred return on CWIP.
10/22	5-UR-110	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Levelized recovery of retired plan costs, securitization financing.
10/22	2022-00283	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Rockport deferrals and recoveries.
12/22	2022-00263	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Fuel adjustment clause methodology and disallowances.

Expert Testimony Appearances
of
Lane Kollen
As of September 2023

Date	Case	Jurisdict.	Party	Utility	Subject
01/23	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM27, Vogtle 3 and 4 rate impact analyses.
1/23 02/23	2022-256-E Direct Surrebuttal	SC	Office of Regulatory Staff	Duke Energy Progress, LLC	Storm response process, costs, deferrals, deferred carrying costs.
03/23	2022-00372	KY	Attorney General	Duke Energy Kentucky, Inc.	Cash working capital, depreciation, decommissioning, regulatory asset amortization, retired generation asset recovery, modifications to existing tariffs, proposed new tariffs.
06/23	20230023-GU	FL	Office of Public Counsel	Peoples Gas System, Inc.	Restructuring, staffing, O&M expenses, storm expense, depreciation expense, amortization of theoretical depreciation surplus.
07/23	2022-00402	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	CPCNs for combined cycle and owned solar resources, acquisition of PPA solar resources, retirement of coal resources.
07/23 08/23	2023-89-E Direct Surrebuttal	SC	Office of Regulatory Staff	Duke Energy Progress, LLC	Securitization financing, quantifiable net benefits, regulatory liability for return on ADIT, financing order and tariff language for calculation of storm recovery charges.
09/23	6680-UR-124 Direct Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Ratemaking alternatives for recovery of retired plant costs, including securitization financing.
09/23	05-UR-110 (Reopener) Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Ratemaking alternatives for recovery of retired plant costs, including securitization financing.

EXHIBIT___(LK-2)

DATA REQUEST

AG-KIUC 1_25 Provide a copy of the currently effective AEP Tax Allocation Agreement.

a. Confirm that the AEP Tax Allocation Agreement was approved by the FERC and is a FERC tariff. If this is not correct, then provide a corrected statement and a copy of all support relied on for your response. In addition, provide a cite to each FERC docket and each FERC order wherein the AEP Tax Allocation Agreement initially was approved and each subsequent modification was approved.

b. Provide the date at which the initial AEP Tax Allocation Agreement was effective and the date at which it was effective for the Company, if different. Confirm also that the AEP Tax Allocation Agreement has been in effect continuously since the initial version, albeit subject to modification throughout its existence.

c. Confirm that neither AEP nor any other party has sought or has pending an Application before the FERC either to withdraw the AEP Tax Allocation Agreement altogether or to remove or otherwise modify the provision whereby AEP reimburses the other parties to the agreement for the tax effects of each party's taxable losses.

d. Confirm that the Company historically has incurred taxable losses (net operating losses or "NOLs") on a standalone separate return basis and confirm that AEP historically has reimbursed the Company for the tax effect of those tax losses through the AEP Tax Allocation Agreement.

e. Confirm that the Company historically has recorded an asset NOL ADIT on its accounting books for the tax effects of the taxable loss in the tax year on a standalone separate return basis, but then records a reduction to that asset NOL ADIT for AEP's reimbursement for the tax effects of the taxable loss pursuant to the AEP Tax Allocation Agreement.

f. Confirm that the Company has never before sought to include the standalone separate NOL ADIT in rate base without the subtraction of the AEP reimbursement from rate base.

g. Confirm that the Company will continue to record the AEP reimbursement of the tax effects of the taxable loss pursuant to the AEP

Tax Allocation Agreement and confirm that it will not record an increase in the NOL ADIT on its accounting books if the Commission allows the Company to include the standalone separate NOL ADIT in rate base. Explain your response and provide all support relied on for your response.

h. Confirm that the Company will record for the first time on its accounting books a regulatory asset if the Commission allows the Company to include the standalone separate deficient NOL ADIT without the subtraction of the actual prior AEP reimbursement of this amount in the calculation of rate base.

i. Provide a schedule in live Excel format with all formulas intact that shows for each calendar year 2013 through 2022: i) the calculation of the Company's standalone separate return annual taxable income or loss, including all income and deduction items, ii) straight line book depreciation, iii) straight line tax depreciation, iv) bonus tax depreciation, v)non-bonus accelerated tax depreciation, vi) utilization of the NOL carryforwards from prior years by vintage year, vii) NOL and deficient NOL carryforward balances at the end of each year, viii) NOL ADIT and deficient NOL ADIT at end of year before reimbursement from AEP, and ix) NOL ADIT and deficient NOL ADIT at end of year after reimbursement from AEP.

j. Confirm that the reimbursements from AEP pursuant to the AEP Tax Allocation Agreement reduce or displace the Company's financing requirements by the amount of the reimbursement compared to the Company's financing requirements if it was not a party to the AEP Tax Allocation Agreement. Explain your response and provide all support relied on for your response. Confirm further that the Company does not incur financing costs on equity and debt financing that is avoided due to the reimbursements from AEP pursuant to the AEP Tax Allocation Agreement. Explain your response and provide all support relied on for your response.

RESPONSE

The Company objects to this request on the grounds that it seek legal analysis and a legal opinion, which are not the appropriate subject of discovery. The Company further objects to this request to the extent it seeks information not under the custody and control of the Company, and also to the extent it purports to require providing information about affiliates of the Company that are not subject to the jurisdiction of the Kentucky Public Service Commission and are subject to the jurisdiction of regulatory commission in other state jurisdictions and regulated by the Federal Energy Regulatory Commission ("FERC"). The Company further objects to the extent the request is not reasonably calculated to lead to the discovery of admissible evidence. The Company further states on the grounds that the request is ambiguous, overly broad, speculative, and argumentative. Without Waiving these objections, the Company states as follows:

Please see attachment KPCO_R_AG_KIUC_1_25_Attachment1 for a copy of the currently effective AEP Tax Allocation Agreement.

a. The statement calls for a legal conclusion and it is therefore not the appropriate subject of discovery.

b. The statement calls for a legal conclusion and it is therefore not the appropriate subject of discovery. The Company further refers to the Direct Testimony of Company Witness Schlessman for a discussion of the relevant time period for tax attributes discussed in her testimony and relevant to the test year in the present case. The Tax Allocation Agreement has been in force throughout the period during which the tax attributes have accumulated, including from 2017 to the present.

c. The statement calls for legal analysis and a legal conclusion and it is therefore not the appropriate subject of discovery. The Company further states that it is not aware of an application pending before FERC to withdraw, remove, or modify, the AEP Tax Allocation Agreement.

d. Please see Exhibit LMS-8 filed with Company Witness Schlessman's Direct Testimony for the historical detail of standalone taxable losses and income. AEP historically has reimbursed the Company for the tax effect of those tax losses through the AEP Tax Allocation Agreement to the extent that those tax losses can be offset by income of other AEP affiliates.

e. The Company has not recorded a standalone NOL ADIT historically. Please see page 29 of Company Witness Schlessman's Direct Testimony regarding the Company's books.

f. Kentucky Power Company has not historically sought to include the standalone NOL ADIT in rate base. Other AEP affiliates have sought to include the standalone NOL ADIT in rate base in the next available opportunity per IRS notice 2017-47. This case is the next available opportunity to include the standalone NOL ADIT for Kentucky Power Company.

g. The statement seeks legal analysis and a legal conclusion, which are not the appropriate subject of discovery.

h. The Company will not record a regulatory asset. Instead, it will reduce the existing regulatory liability for excess ADIT.

i. The analysis requested has not been performed in the manner requested. Please see KPCO_R_AG_KIUC_1_25_Attachment2 for the information that is available.

- Excel version of standalone taxable loss and income as detailed in Exhibit LMS-8
- Tax and book depreciation detail for the taxable loss and income years as indicated in Exhibit LMS-8
- Consolidated NOL ADIT at end of year 2013-2022 after reimbursement from AEP

j. The Company objects to this request as calling for speculation, and because it is not reasonably calculated to lead to the discovery of admissible evidence.

September 8, 2023 Supplemental Response

a. The questions of whether the AEP Tax Allocation Agreement was approved by the FERC and whether the AEP Tax Allocation Agreement is a FERC tariff are legal questions that require a legal opinion about whether the AEP Tax Allocation Agreement is FERC-jurisdictional.

The Company is not aware of a FERC docket in which FERC has ruled the agreement to be FERC jurisdictional, or has approved the agreement as a FERC-jurisdictional tariff. The Company does not consider the AEP Tax Allocation Agreement to be FERC-jurisdictional, and instead deems it to be governed by the provisions of the Unites States Internal Revenue Code.

b. The Company is unable to provide the requested information. Consistent with its document retention policies, the Company does not maintain copies of prior agreements that are no longer effective for longer than 10 years. The Company can confirm that the AEP Tax Allocation Agreement has been effective since at least May 2000, and that it has been in effect continuously, albeit subject to modification, since that date.

f. The Company confirms that it has never before sought to include in the standalone NOL ADIT in Kentucky retail rate base and states that it is taking the first available opportunity to do so in this case, based on normalization guidelines and Revenue Procedure 2017-47. The Company has sought to include the standalone NOL ADIT in FERC formula rates.

g. The Company confirms that it will continue to record the AEP reimbursement of the tax effects of the taxable loss pursuant to the AEP Tax Allocation Agreement and that it will not record an increase in the NOL ADIT on its accounting books if the Commission allows the Company to include the standalone separate NOL ADIT in rate base because the accounting books are required to follow GAAP.

i.

- i) Please see KPCO_SR_AG-KIUC_1_25_ConfidentialAttachment1 for the 2013 – 2021 information. The Company has not finalized its 2022 tax return and, therefore, 2022 data is not available.
- ii) See KPCO_R_AG_KIUC_1_25_Attachment2.
- iii) See KPCO_R_AG_KIUC_1_25_Attachment2.
- iv) Included in line for form 4562 of the attached proforma tax returns provided in subpart i., (i)
- v) Included in line for form 4562 of the attached proforma tax returns provided in subpart i., (i)
- vi) See KPCO_R_AG_KIUC_1_25_Attachment2.
- vii) See KPCO_R_AG_KIUC_1_25_Attachment2.
- viii) See KPCO_R_AG_KIUC_1_25_Attachment2.
- ix) See KPCO_R_AG_KIUC_1_25_Attachment2.

j. The Company objects to this request as calling for speculation, and because it is not reasonably calculated to lead to the discovery of admissible evidence. The Company also objects to the request as compound. Subject to and without waiving the foregoing objections, the Company states:

Not confirmed. The Company's cash needs vary and at any point in time are determined by many factors, including level of capital investment, expenses, revenues, dividends, long-term debt issuances and maturities. The Company does not and cannot know whether, absent its participation in the Tax Allocation Agreement, it would have had different financing or cash needs. If the Company has outstanding short-term debt and receives cash, all else equal, the amount of short-term debt would be reduced. However, if the Company has no outstanding short-term debt and receives cash, all else equal, there would be no impact on short-term debt.

Witness: Linda M. Schlessman

Witness: Franz Messner (subpart j)

KPCO_SR_AG-KIUC_1_25_ConfidentialAttachment1 has been redacted in its entirety.

AMERICAN ELECTRIC POWER COMPANY, INC. AND ITS CONSOLIDATED AFFILIATES --- 2022 TAX AGREEMENT REGARDING METHOD OF ALLOCATING CONSOLIDATED INCOME TAXES

The below listed affiliated companies, joining in the annual filing of a consolidated federal income tax return with American Electric Power Company, Inc., under the provisions of sections 1501 and 1502 of the Internal Revenue Code (the "Code") and the Treasury Regulations thereunder, agree to allocate the consolidated annual net current federal income tax liability and/or benefit to the members of the consolidated group in accordance with the following procedures:

(1) The consolidated regular federal income tax, exclusive of capital gains and preference taxes and before the application of general business credits including foreign tax credits, shall be apportioned among the members of the consolidated group based on corporate taxable income. Loss companies shall be included in the allocation, receiving a negative tax allocation which is similar to a separate return carryback refund, before considering general business credits, which would have resulted had the loss company historically filed a separate return.

(2) The corporate taxable income of each member of the group shall be first reduced by its proportionate share of American Electric Power Company, Inc.'s (the holding company) tax loss (excluding the effects of extraordinary items which do not apply to the regulated business) in arriving at adjusted corporate taxable income for each member of the group with positive taxable income.

(3) To the extent that the consolidated and corporate taxable incomes include material items taxed at rates other than the statutory tax rate (such as capital gains and preference items), the portion of the consolidated tax attributable to these items shall be apportioned directly to the members of the group giving rise to such items.

(4) General business credits, other tax credits, and foreign tax credits shall be equitably allocated to those members whose investments or contributions generates the tax credit.

(5) If the tax credits can not be entirely utilized to offset the consolidated tax liability, the tax credit carryover shall be equitably allocated to those members whose investments or contributions generated the credit.

(6) Should the consolidated group generate a net operating tax loss for a calendar year, the tax benefits of any resultant carryback refund shall be allocated proportionately to member companies that generated corporate tax losses in the year the consolidated net operating loss was generated.

Any related loss of general business credits, shall be allocated to the member companies that utilized the credits in the prior year in the same proportion that the credit lost is to the total credit utilized in the prior year. A consolidated net operating tax loss carryfoward shall be allocated proportionately to member companies that generated the original tax losses that gave rise to the consolidated net operating tax loss carryforward.

(7) A member with a net positive tax allocation shall pay the holding company the net amount allocated, while a tax loss member with a net negative tax allocation shall receive current payment from the holding company in the amount of its negative allocation. The payment made to a member with a tax loss should equal the amount by which the consolidated tax is reduced by including the member's net corporate tax loss in the consolidated tax return. The holding company shall pay to the Internal Revenue Service the consolidated group's net current federal income tax liability from the net of the receipts and payments.

(8) No member of the consolidated group shall be allocated a federal income tax which is greater than the federal income tax computed as if such member had filed a separate return.

(9) In the event the consolidated tax liability is subsequently revised by Internal Revenue Service audit adjustments, amended returns, claims for refund, or otherwise, such changes shall be allocated in the same manner as though the adjustments on which they are based had formed part of the original consolidated return using the tax allocation agreement which was in effect at that time.

Any current state tax liability and/or benefit associated with a state tax return involving more than one member of the consolidated group, shall be allocated to such members following the principles set forth above for current federal income taxes. Due to certain states utilizing a unitary approach, the consolidated return liability may exceed the sum of the liabilities computed for each company on a separate return basis. If this occurs, the excess of the consolidated liability over the sum of the separate return liabilities shall be allocated proportionally based on each member's contribution to the consolidated apportionment percentage. If additional tax is attributable to a significant transaction or event, such additional tax shall be allocated directly to the members who are party to said transaction or event.

This agreement is subject to revision as a result of changes in federal and state tax law and relevant facts and circumstances.

The above procedures for apportioning the consolidated annual net current federal and state tax liabilities and expenses of American Electric Power Company, Inc. and its consolidating affiliates have been agreed to by each of the below listed members of the consolidated group as evidenced by the signature of an officer of each company.

Any additional company that becomes a member of the consolidated group, within the meaning of section 1504 of the Code, shall become a party to this agreement by amendment thereto. This agreement shall cease to apply with respect to any company that is a party hereto that ceases to be a member of the consolidated group, effective for all tax years of such company beginning after the company ceases to be a member of the consolidated group.

COMPANY	OFFICER'S SIGNATURE
American Electric Power Company, Inc.	/S/
American Electric Power Service Corporation	/S/
Abstract Digital, LLC	/S/
AEP Appalachian Transmission Company, Inc.	/S/
AEP Clean Energy Resources, LLC	/S/
AEP Coal, Inc.	/S/
AEP Credit, Inc.	/S/
AEP Cyber Risk, LLC	/S/
AEP Energy, Inc.	/S/
AEP Energy Partners, Inc.	/S/
AEP Investments Holding Company, Inc.	/S/
AEP Energy Services LLC	/S/
AEP Energy Services Gas Holding Company	/S/

AEP Energy Supply LLC	/S/
AEP Generating Company	/S/
AEP Generation Resources, Inc.	/S/
AEP Indiana Michigan Transmission Company, Inc.	/S/
AEP Investments, Inc.	/S/
AEP Kentucky Coal, LLC	/S/
AEP Kentucky Transmission Company, Inc.	/S/
AEP Nonutility Funding, LLC	/S/
AEP Ohio Transmission Company, Inc.	/S/
AEP Oklahoma Transmission Company, Inc.	/S/
AEP OnSite Partners, LLC	/S/
AEP Pro Serv, Inc.	/S/
AEP Properties, LLC	/S/
AEP Renewables, LLC	/S/
AEP Retail Energy Partners, LLC	/S/
AEP Renewables Procurement Services, LLC	/S/
AEP Southwestern Transmission Company, Inc.	/S/
AEP Storage Holding Company, LLC	/S/

AEP Storage New York, LLC	/S/
AEP T & D Services, LLC	/S/
AEP Texas Central Transition Funding, LLC	/S/
AEP Texas Central Transition Funding III, LLC	/S/
AEP Texas Inc.	/S/
AEP Texas North Generation Company, LLC	/S/
AEP Texas Restoration Funding LLC	/S/
AEP Transmission Company, LLC	/S/
AEP Transmission Holding Company, LLC	/S/
AEP Utility Funding, LLC	/S/
AEP Ventures, LLC	/S/
AEP West Virginia Transmission Company, Inc.	/S/
AEP Wind Holdings, LLC	/S/
Appalachian Consumer Rate Relief Funding LLC	/S/
Appalachian Power Company	/S/
Blackhawk Coal Company	/S/
Blue Star Energy, LLC	/S/

Bold Transmission, LLC	/S/
Boulder Solar II, LLC	/S/
Brainerd Solar LLC	/S/
Broad Street Fuel Cell, LLC	/S/
BSE Solutions, LLC	/S/
Cedar Coal Company	/S/
Central Appalachian Coal Company	/S/
Central Coal Company	/S/
Century West PNL LLC	/S/
Clyde OnSite Generation, LLC	/S/
Conesville Coal Preparation Company	/S/
CSW Energy, Inc.	/S/
Desert Sky Wind Farm LLC	/S/
Dolet Hills Lignite Company, LLC	/S/
Dynasty PNL LLC	/S/
Exeter Solar Power 1, LLC	/S/
Franklin Real Estate Company	/S/

Garnet Solar Partners, LLC	/S/
Great Bend Solar, LLC	/S/
Imboden II Solar, LLC	/S/
Imboden III Solar, LLC	/S/
Indiana Franklin Realty, Inc.	/S/
Indiana Michigan Power Company	/S/
Jacumba Solar, LLC	/S/
Kamaaha PNL LLC	/S/
Kentucky Power Company	/S/
Kingsport Power Company	/S/
Kyte Works, LLC	/S/
Kona CE, LLC	/S/

Midwest Energy Finance, LLC	/S/
Mutual Energy SWEPCO LLC	/S/
North Smithfield Solar Power 1, LLC	/S/
Northwest Jacksonville Solar Partners, LLC	/S/
Ogdensburg Solar Partners, LLC	/S/
Ohio Franklin Realty, LLC	/S/
Ohio Power Company	/S/
Pavant Solar III LLC	/S/
Prairie Hills 3 Wind, LLC	/S/
Price River Coal Company, Inc.	/S/
Public Service Company of Oklahoma	/S/
Quincy II Solar Garden LLC	/S/
Rutland Renewable Energy LLC	/S/

Snowcap Coal Company, Inc.	/S/
SoCore Sherburne 1 LLC	/S/
Southern Appalachian Coal Company	/S/
Southwest Arkansas Utilities Corp.	/S/
Southwestern Electric Power Company	/S/
SSLV PNL LLC	/S/
Trent Wind Farm LLC	/S/
Trout Creek Solar, LLC	/S/
Twin Lantern Solar Partners, LLC	/S/
United Sciences Testing, Inc.	/S/
Wheeling Power Company	/S/

EXHIBIT___(LK-3)

Contains Only Narrative Portion of the Supplemental Response to AG-KIUC DR 1-26 That Was Filed Publicly

The Three Confidential Attachments to Kentucky Power Co.'s Responses Have Been Filed Separately as Confidential Attachments to Exhibit___(LK-3)

DATA REQUEST

AG-KIUC 1_26 Identify each AEP utility and jurisdiction for which AEP and/or the utility has/have requested a private letter ruling from the IRS regarding whether the subtraction of the AEP reimbursement of the tax effects of net operating losses from rate base constitutes a normalization violation.

a. Provide a copy of each request, supporting documents, and comments from the regulatory commission staff in that jurisdiction and/or other parties, if any.

b. Provide a status report on all activities with respect to each request, including any conversations with the IRS by the Company and/or tax counsel.

c. Indicate if AEP/Company expects the IRS to consolidate the requests and issue a single letter ruling or whether it will consider facts and circumstances unique to the utility and/or jurisdiction.

d. Indicate if AEP/Company expects the IRS to offer a conference of right prior to issuing the ruling and provide the date at which such conference has taken place or is expected to take place.

RESPONSE

The Company objects to this request to the extent it seek legal analysis and a legal opinion, which are not the appropriate subject of discovery. The Company further objects to this request to the extent it seeks information not under the custody and control of the Company, and also to the extent it purports to require providing information about affiliates of the Company that are not subject to the jurisdiction of the Kentucky Public Service Commission and are subject to the jurisdiction of regulatory commission in other state jurisdictions and regulated by the Federal Energy Regulatory Commission ("FERC"). The Company further objects to the extent the request is not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks communications, documents, and information protected by the attorney-client privilege or the attorney work product doctrine. The Company further objects on the grounds that the request is ambiguous, overly broad, speculative, and argumentative. Without waiving these objections, the Company states as follows:

a. The United States Internal Revenue Service ("IRS") has not published the requested private letter rulings.

b. Please refer to the Company's response to subpart a.

c. The IRS has not made a determination about the consolidation of the referenced requests.

d. The IRS has not made a determination about a conference related to the referenced requests.

September 8, 2023 Supplemental Response

The Company objects to this request to the extent it seek legal analysis and a legal opinion, which are not the appropriate subject of discovery. The Company further objects to this request to the extent it seeks information not under the custody and control of the Company, and also to the extent it purports to require providing information about affiliates of the Company that are not subject to the jurisdiction of the Kentucky Public Service Commission and are subject to the jurisdiction of regulatory commission in other state jurisdictions and regulated by the Federal Energy Regulatory Commission ("FERC"). The Company further objects to the extent the request is not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks communications, documents, and information protected by the attorney-client privilege or the attorney work product doctrine. The Company further objects on the grounds that the request is ambiguous, overly broad, speculative, and argumentative. Without waiving these objections, the Company states as follows:

b. The private letter ruling requests were filed in March 2022. Shortly after the IRS requested additional information, which was provided in August 2022. Since then no further additional information requests have been received.

c. The Company does know and cannot speculate whether the IRS will consolidate the requests. The IRS has not made a determination about the consolidation of the referenced requests.

d. The Company does not know and cannot speculate whether the IRS will offer a conference of right prior to issuing the ruling. The IRS has not made a determination about a conference related to the referenced requests.

September 19, 2023 Supplemental Response

The Company objects to this request to the extent it seek legal analysis and a legal opinion, which are not the appropriate subject of discovery. The Company further objects to this request to the extent it seeks information not under the custody and control of the Company, and also to the extent it purports to require providing information about affiliates of the Company that are not subject to the jurisdiction of the Kentucky Public Service Commission and are subject to the jurisdiction of regulatory commission in other state jurisdictions and regulated by the Federal Energy Regulatory Commission ("FERC"). The Company further objects to the extent the request is not reasonably calculated to lead to the discovery of admissible evidence. The Company further objects to the extent the request seeks communications, documents, and information protected by the attorney-client privilege or the attorney work product doctrine. The Company further objects on the grounds that the request is ambiguous, overly broad, speculative, and argumentative. Without waiving these objections, the Company states as follows:

a. The requested confidential private letter ruling requests are confidential, highly sensitive, and non-public. Please see KPCO_SR_AG-KIUC_1_26_ConfidentialAttachment1 through KPCO_SR_AG-KIUC_1_26_ConfidentialAttachment3 for the requested information. The Company is filing the attachments confidentially with the Commission via email, and the Company will make the attachment available for viewing by appointment at the offices of counsel for the Company to intervenors and their representatives that have signed a non-disclosure agreement with the Company. If separately arranged with counsel for the Company and on terms agreeable to the Company, the Company will also make the attachments available electronically on a read-only (non-downloadable) basis to intervenors and their representatives that have signed a non-disclosure agreement with the Company. Counsel for Kentucky Power will work with counsel for those intervenors to arrange for viewing at counsel for Kentucky Power's offices in Frankfort, KY or Lexington, KY, or electronically as described. The remaining documents requested in this subpart are equally and publicly available to AG-KIUC on the relevant state regulatory commission dockets. The Company, therefore, has no obligation to produce them.

c. It is the Company's understanding that the respective taxpayers that have submitted private letter ruling requests have not requested that the requests be consolidated. The Company does know and cannot speculate whether the IRS will consolidate the requests. The IRS has not made a determination about the consolidation of the referenced requests.

d. It is the Company's understanding that the respective taxpayers that have submitted private letter ruling requests have requested a conference of right, but the IRS has not indicated whether such a conference is needed or whether such a request would be granted. The Company does not know and cannot speculate whether the IRS will offer a conference of right prior to issuing the ruling. The IRS has not made a determination about a conference related to the referenced requests.

<u>September 29, 2023 Supplemental Response</u>

a. The Company reiterates its previous objections. Subject to and without waiving those objections, the Company states that on September 28, 2023, the Company provided KPCO_SR_AG-KIUC_1_26_ConfidentialAttachment1 through KPCO_SR_AG-KIUC_1_26_ConfidentialAttachment3 electronically on a confidential basis to intervenors and their representatives that have signed a non-disclosure agreement with the Company.

c. It is the Company's understanding that the respective taxpayers that have submitted private letter ruling requests have not requested that the requests be consolidated. The Company does not know and cannot speculate whether the IRS will consolidate the requests. The IRS has not made a determination about the consolidation of the referenced requests.

Witness: Linda M. Schlessman

EXHIBIT___(LK-4)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's Second Set of Data Requests
Dated September 11, 2023

DATA REQUEST

AG-KIUC 2-23 Confirm that AEP has never filed Schedule UTP with the IRS to self-report its newly discovered belief that the AEP reimbursements of the tax effects of the Company's tax losses pursuant to the AEP Tax Allocation Agreement recorded as an offset to the standalone NOL ADIT for accounting purposes is a normalization violation if also reflected for ratemaking purposes.

RESPONSE

Confirmed. See response to AG-KIUC 2_22 regarding the safe harbor for inadvertent normalization violations.

Witness: Linda M. Schlessman

EXHIBIT___(LK-5)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's Second Set of Data Requests
Dated September 11, 2023

DATA REQUEST

AG-KIUC 2-22 Confirm that AEP has never disclosed for GAAP or FERC USOA financial reporting purposes, and signed by an officer of either AEP or the Company, its newly discovered belief that the AEP reimbursements of the tax effects of the Company's tax losses pursuant to the AEP Tax Allocation Agreement recorded as an offset to the standalone NOL ADIT for accounting purposes is a normalization violation if also reflected for ratemaking purposes.

RESPONSE

AEP has not disclosed the inadvertent normalization violation in its GAAP or FERC financial reporting, as AEP is taking advantage of the safe harbor provided by the IRS in Revenue Procedure 2014-47. This safe harbor states that the IRS will not assert a normalization violation has occurred so long as a practice or procedure is corrected at the next available opportunity. This case is Kentucky Power Company's next available opportunity to correct the treatment of NOL ADIT and stay within the safe harbor.

Witness: Linda M. Schlessman

EXHIBIT___(LK-6)

DATA REQUEST

AG-KIUC 2-12 Provide all journal entries to record the AEP reimbursement for the tax effects of the net operating losses for each year 2013 through 2016 and for each month January 2017 through March 2023 and each additional month in 2023 for which actual information is available, including, but not limited to, all entries to the cash, income tax payable, ADIT, and other balance sheet accounts, and all entries to the current and deferred income tax expense and other income statement accounts. For each journal entry, indicate the tax year associated with the reimbursement.

RESPONSE

The Company objects to the request as seeking the creation of information in a form in which it does not exist, as imposing an obligation that is unduly burdensome, and because it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving these objections, the Company states:

The payments received by Kentucky Power are included in journal entries which include other activity outside of the requested cash receipts. Providing the journal entries with the extraneous data would misrepresent the activity being requested. If the Company could isolate from the journal entries only the activity related to the cash movement resulting from Kentucky Power's NOL and the tax allocation agreement the resulting journal entry would be as follows:

KYPCO Affiliate Companies
Debit – Income Taxes Payable (Account 236) $xxx
Credit – Cash $xxx

AEP Inc.
Debit – Cash (From KYPCO Affiliates) $xxx
Credit – Income Taxes Payable (Account 236) $xxx

Debit – Income Taxes Payable (Account 236) $xxx
Credit – Cash (To SWEPCO) $xxx

KYPCO

Debit – Cash $xxx
Credit – Income Taxes Payable (Account 236) $xxx

Witness: Linda M. Schlessman

EXHIBIT___(LK-7)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's Second Set of Data Requests
Dated September 11, 2023

DATA REQUEST

AG-KIUC 2-27 Identify the open tax years that the IRS has yet to audit or is in the process of audit for AEP and/or the Company.

RESPONSE

Please see the below footnote section regarding audits from the Q2 2023 Form 10-Q (which is publicly available at http://www.aep.com/investors):

> Federal and State Income Tax Audit Status
>
> The statute of limitations for the IRS to examine AEP and subsidiaries originally filed federal return has expired for tax years 2016 and earlier. AEP has agreed to extend the statute of limitations on the 2017-2019 tax returns to October 31, 2024, to allow time for the current IRS audit to be completed including a refund claim approval by the Congressional Joint Committee on Taxation. The statute of limitations for the 2020 return is set to naturally expire in October 2024 as well. The current IRS audit and associated refund claim evolved from a net operating loss carryback to 2015 that originated in the 2017 return. AEP has received and agreed to two IRS proposed adjustments on the 2017 tax return, which were immaterial. The exam is nearly complete, and AEP is currently working with the IRS to submit the refund claim to the Congressional Joint Committee on Taxation for resolution and final approval. AEP and subsidiaries file income tax returns in various state and local jurisdictions. These taxing authorities routinely examine the tax returns, and AEP and subsidiaries are currently under examination in several state and local jurisdictions. Generally, the statutes of limitations have expired for tax years prior to 2017. In addition, management is monitoring and continues to evaluate the potential impact of federal legislation and corresponding state conformity.

Witness: Linda M. Schlessman

EXHIBIT___(LK-8)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_54	Provide a copy of the Company's receivables financing agreement that will be applicable to the resumption of the sales of receivables.

RESPONSE

Please refer to KPCO_R_AG_ KIUC_1_54_Attachment1 for the requested information.

Witness: Brian K. West

Witness: Franz D. Messner

EXECUTION COPY

AMENDMENT NO. 6
TO
FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

THIS AMENDMENT NO. 6 TO FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (this "Amendment") is entered into as of May 22, 2020 by and among AEP CREDIT, INC., a Delaware corporation, as Transferor (the "Transferor"), AMERICAN ELECTRIC POWER SERVICE CORPORATION, a New York corporation, as Servicer (the "Servicer"), the Committed Purchasers signatory hereto and JPMORGAN CHASE BANK, N.A., as Administrative Agent (the "Administrative Agent").

PRELIMINARY STATEMENT

A. The parties hereto are parties to that certain Fourth Amended and Restated Receivables Purchase Agreement dated as of June 25, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the "RPA"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the RPA.

B. The parties hereto have agreed to amend the RPA subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises set forth above, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Amendment to the RPA. Effective as of the date hereof, subject to the satisfaction of the conditions precedent set forth in Section 2 below, the RPA is hereby amended as set forth in Exhibit A to this Amendment, with text marked in **underline** indicating additions to the RPA and with text marked in ~~strikethrough~~ indicating deletions to the RPA.

SECTION 2. Condition Precedent. This Amendment shall become effective as of the date first above written upon the receipt by the Administrative Agent of counterparts of this Amendment, duly executed by the parties hereto.

SECTION 3. Covenants, Representations and Warranties of the Transferor and Servicer.

(a) Upon the effectiveness of this Amendment, each of the Transferor and the Servicer hereby reaffirms all covenants, representations and warranties made by it, to the extent the same are not amended hereby, in the RPA and agrees that all such covenants, representations and warranties shall be deemed to have been re-made as of the effective date of this Amendment.

(b) Each of the Transferor and the Servicer hereby represents and warrants (i) that this Amendment constitutes the legal, valid and binding obligation of such Person enforceable against such Person in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general principles of equity which may limit the availability of equitable remedies and (ii) upon the effectiveness of this Amendment, no event shall have occurred and be continuing which constitutes an Amortization Event or an event that with the passage of time or the giving of notice, or both, would constitute an Amortization Event.

SECTION 4. Reference to and Effect on the RPA.

(a) Upon the effectiveness of this Amendment, each reference in the RPA to "this Agreement," "hereunder," "hereof," "herein," "hereby" or words of like import shall mean and be a reference to the RPA as amended hereby, and each reference to the RPA in any other document, instrument or agreement executed and/or delivered in connection with the RPA shall mean and be a reference to the RPA as amended hereby.

(b) Except as specifically amended hereby, the RPA and other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy under the RPA or any of the other Transaction Documents, nor constitute a waiver of any provision contained therein, except as specifically set forth herein.

SECTION 5. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page by facsimile or electronic mail (in ".pdf" or ".tif" format) shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 7. Fees, Costs and Expenses. The Transferor agrees to pay on demand all reasonable fees and out-of-pocket expenses of Morgan, Lewis & Bockius LLP, counsel for the Administrative Agent, the Funding Agents and the Purchasers in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered in connection herewith.

SECTION 8. Headings. Section headings in this Amendment are included herein for convenience or reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 9. Electronic Signatures. Each party agrees that this Amendment and any other documents to be delivered in connection herewith may be electronically signed, and that any electronic signatures appearing on this Amendment or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

Signature Pages Follow

CONFORMED COPY

Amendment No. 1 dated as of October 3, 2014
Amendment No. 2 dated as of June 24, 2015
Amendment No. 3 dated as of June 23, 2016
Amendment No. 4 dated as of June 22, 2017
Amendment No. 5 dated as of July 26, 2018
Amendment No. 6 dated as of May 22, 2020

FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

dated as of June 25, 2014

Among

AEP CREDIT, INC.,
as Transferor,

AMERICAN ELECTRIC POWER SERVICE CORPORATION,
as Servicer,

The Persons Parties hereto as
Conduit Purchasers,
Committed Purchasers
and Funding Agents

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

Exhibits

Schedules

AEP CREDIT, INC.

FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

This Fourth Amended and Restated Receivables Purchase Agreement dated as of June 25, 2014, is among AEP Credit, Inc., a Delaware corporation (the "Transferor"), American Electric Power Service Corporation, a New York corporation, as initial Servicer (in such capacity, the "Servicer"), the several commercial paper conduits identified on Schedule 1 and their respective permitted successors and assigns, the several financial institutions identified on Schedule 1 as "Committed Purchasers" and their respective permitted successors and assigns, the funding agent set forth opposite the name of each Conduit Purchaser and Committed Purchaser in the related Purchaser Group on Schedule 1 and its permitted successors and assigns, and JPMorgan Chase Bank, N.A., as administrative agent for the Purchasers hereunder or any successor agent hereunder (together with its successors and assigns hereunder, the "Administrative Agent"). Unless defined elsewhere herein, capitalized terms used in this Agreement shall have the meanings assigned to such terms in Exhibit A.

PRELIMINARY STATEMENTS

WHEREAS the parties hereto are parties to that certain Third Amended and Restated Receivables Purchase Agreement dated as of July 23, 2010 (as amended heretofore, the "Existing RPA");

WHEREAS the parties hereto have, on the terms and conditions set forth herein, agreed to amend and restate the Existing RPA in its entirety;

WHEREAS, the Transferor desires to transfer and assign Purchaser Interests to the Purchasers from time to time;

WHEREAS, subject to the terms and conditions of this Agreement, the Conduit Purchasers may, in their sole discretion, purchase Purchaser Interests from the Transferor from time to time;

WHEREAS, in the event that any Conduit Purchaser in a Purchaser Group declines to make any purchase, the Committed Purchasers in such Purchaser Group shall, at the request of Transferor, purchase Purchaser Interests from time to time; and

WHEREAS, JPMorgan Chase Bank, N.A., has been requested and is willing to act as Administrative Agent on behalf of the Conduit Purchasers and the Committed Purchasers in accordance with the terms hereof;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
PURCHASE ARRANGEMENTS

SECTION 1.1 Purchase Facility.

Upon the terms and subject to the conditions hereof, Transferor may, at its option, sell and assign Purchaser Interests to the Administrative Agent for the benefit of the Purchasers at any time on and after the date hereof until the Amortization Date. In accordance with the terms and conditions set forth herein, (i) the Funding Agent on behalf each Committed Purchaser in a Balance Sheet Purchaser Group shall purchase in accordance with their respective Committed Purchaser Percentages and (ii) each Conduit Purchaser in a CP Funding Purchaser Group that is not a Committed Purchaser may, in its sole discretion, instruct its related Funding Agent to purchase on its behalf, or, if any such Conduit Purchaser shall decline to so purchase, its related Funding Agent, on behalf of each Committed Purchaser in the related Purchaser Group, shall purchase in accordance with their respective Committed Purchaser Percentages, such Purchaser Interest through the Administrative Agent of the related Purchaser Group's Funding Percentage of the amount of the Capital of such Purchaser Interest; provided, that in no event shall (i) the Aggregate Capital exceed the Purchase Limit, (ii) the aggregate Capital of the Purchasers in any Purchaser Group exceed the applicable Purchaser Group Limit or (iii) the Capital of any Committed Purchaser exceed the amount of its Commitment.

SECTION 1.2 Incremental Purchases.

(a) Transferor shall provide the Administrative Agent and each Funding Agent with prior notice in a form set forth as Exhibit B of each Incremental Purchase (a "Purchase Notice") no later than 3:00 p.m. (New York time) on the Business Day prior to the date of such Incremental Purchase. Each Purchase Notice shall be subject to Section 5.2 hereof and, except as set forth below, shall be irrevocable and shall specify the requested Purchase Price (which shall not be less than $5,000,000 or an integral multiple of $1,000,000 in excess thereof) and date of purchase and, in the case of an Incremental Purchase to be funded by the Committed Purchasers, the requested Discount Rate and Tranche Period. Each Purchaser Group shall fund each Incremental Purchase *pro rata* based on the respective Funding Percentage of such Purchaser Group. The Conduit Purchasers of each CP Funding Purchaser Group may, in their discretion, fund the Purchaser Group's Funding Percentage of such Incremental Purchase (such amount of the Incremental Purchase allocated to such Purchaser Group being referred to as the "Funding Amount") and the Funding Agent of each CP Funding Purchaser Group shall allocate the portions of the Funding Amount, if any, to be funded by each such Conduit Purchaser in its sole discretion. The Committed Purchasers in each Balance Sheet Funding Group shall fund the related Funding Amount *pro rata* based on their respective Committed Purchaser Percentages and, in the event that all of the Conduit Purchasers of any CP Funding Purchaser Group elect not to fund the Funding Amount, then the Committed Purchasers in such CP Funding Purchaser Group shall fund such Funding Amount *pro rata* based on their respective Committed Purchaser Percentages; provided that no Committed Purchaser shall be required to fund any portion of an Incremental Purchase if, after giving effect thereto, the aggregate Capital of the Purchaser Interests of the Purchasers in its Purchaser Group would exceed the amount of the Commitments of the Committed Purchasers in its Purchaser Group. Each applicable Purchaser shall transfer the portion of such Incremental Purchase to be funded by it in immediately available funds to the account and on the date of Incremental Purchase specified in the related Purchase Notice.

(b) The obligations of the Committed Purchasers to fund Incremental Purchases are several and not joint, and the failure of any Committed Purchaser to fund its Committed Purchaser Percentage of any Funding Amount shall not relieve any other Committed Purchaser of its obligation, if any, hereunder to fund an amount equal to its Committed Purchaser Percentage of such Funding Amount, but no Committed Purchaser shall be responsible for the failure of any other Committed Purchaser to fund its Committed Purchaser Percentage of such Funding Amount.

(c) Notwithstanding the forgoing, no Incremental Purchases shall be made by any Purchaser if a Terminating Amount exists with respect to any Purchaser Group.

SECTION 1.3 Reductions.

(a) Transferor shall provide the Administrative Agent and each Funding Agent with prior written notice in the form of Exhibit F hereto (a "Reduction Notice") in conformity with the Required Notice Period of any proposed reduction of Aggregate Capital (the "Aggregate Reduction") from Collections. Such Reduction Notice shall designate (i) the date upon which any such reduction of Aggregate Capital shall occur (which date shall be a Business Day), and (ii) the amount of the Aggregate Reduction which shall be paid to the Funding Agents of the Purchaser Groups in accordance with the Pro Rata Share of each such Purchaser Group. Each Funding Agent shall distribute such amount to the Purchasers in its Purchaser Group in accordance with each Purchaser's Purchaser Share or in such other proportions acceptable to the Purchasers in such Purchaser Group. If the Purchaser Interests of the Purchasers exceed in the aggregate 100% on any Capital Payment Date, the Aggregate Reduction shall not be less than the amount such that after giving effect to such Aggregate Reduction the aggregate of the Purchaser Interests equals or is less than 100%.

(b) In addition to any reduction to be made pursuant to Section 1.3(a), on any Capital Payment Date prior to the Amortization Date on which any Terminating Amount remains outstanding, such Terminating Amount shall be reduced by applying Collections retained by the Transferor pursuant to Section 2.2(a) in an amount equal to the lesser of the aggregate outstanding Terminating Amounts and the aggregate Terminating Share of all Purchaser Groups of all Collections received by the Transferor since the immediately preceding Capital Payment Date (less any amounts described in clauses (i) or (iii) of Section 2.2(a)). Any such payments of any Terminating Amounts shall be allocated to each applicable Purchaser Group pro rata based on the aggregate Terminating Amounts of all Purchaser Groups and Transferor shall distribute such amounts to the Funding Agent of each applicable Purchaser Group. Each Funding Agent shall distribute such amount to the Purchasers in its Purchaser Group in such portions as it deems appropriate.

(c) In the event that the amounts retained by the Transferor pursuant to Section 2.2(a) to be distributed on any Capital Payment Date are less than the sum of (A) the amount to be distributed pursuant to Section 1.3(b), and (B) the amount of any Aggregate

Reduction on such Capital Payment Date pursuant to Section 1.3(a), such amounts shall be applied to the reduction of the Terminating Amounts and to the reduction of the Aggregate Capital pursuant to Section 1.3(a) on a pro rata basis.

SECTION 1.4 Payments. All amounts to be paid or deposited by the Transferor pursuant to any provision of this Agreement shall be paid or deposited in accordance with the terms hereof no later than 11:00 a.m. (Chicago time) on the day when due in immediately available funds, and if not received before 11:00 a.m. (Chicago time) shall be deemed to be received on the next succeeding Business Day. If any amount hereunder shall be payable on a day which is not a Business Day, such amount shall be payable on the next succeeding Business Day.

SECTION 1.5 Commitments. Transferor shall have the right upon not less than three (3) Business Days' prior written notice to the Administrative Agent to permanently reduce the Aggregate Commitment, provided, that (a) each partial reduction of the Aggregate Commitment shall be in an integral multiple of $5,000,000, (b) no reduction shall be made on any date if, after giving effect to such reduction, the Purchase Limit will be reduced to an amount less than the Aggregate Capital on such date and (c) each such reduction shall, other than in connection with a reduction made pursuant to Section 1.6 (d) or (e), (i) reduce the Commitments of all Committed Purchasers in a Purchaser Group pro rata based on the Funding Percentage of such Purchaser Group, (ii) reduce the Commitment of each Committed Purchaser pro rata based on the amounts of such commitments and (iii) reduce the Commitment of each Committed Purchaser pro rata based on the Commitment Percentage of such Committed Purchaser. Each such written notice shall be irrevocable.

SECTION 1.6 Extension of the Commitment Termination Dates.

(a) Transferor may, by notice to a Funding Agent (which shall promptly notify the Committed Purchasers in their respective Purchaser Groups) not less than 60 days and not more than 90 days prior to the applicable Commitment Termination Date for such Purchaser Group (as to each Purchaser Group, the "Existing Commitment Termination Date"), request that the related Committed Purchasers extend such Commitment Termination Date. A Committed Purchaser, acting in its sole discretion, shall, by notice to its related Funding Agent given on or before the date that is 30 days prior to such Existing Commitment Termination Date, advise such Funding Agent whether or not such Committed Purchaser agrees to such extension; provided, however that failure to give any notice by any Committed Purchaser shall constitute rejection thereof by such Committed Purchaser. Such Funding Agent shall notify Transferor, the Servicer, the Administrative Agent and each other Funding Agent of each Committed Purchaser which has elected not to extend (each, a "Non-extending Committed Purchaser") not later than the 25th day preceding such Existing Commitment Termination Date; provided, however that no failure to give any such notice shall constitute acceptance of any Committed Purchaser of any such extension. The election of any Committed Purchaser to agree to such extension shall not obligate any other Committed Purchaser to so agree.

EXHIBIT___(LK-9)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_22 Reference the West testimony at 31-32 regarding the expectation that the sale of receivables will resume in mid-July 2023. Reference also the lead/lag study performed and summarized in the Adams testimony.

a. Provide an update to the table on page 8 of Mr. Adams's testimony showing the changes to the breakdown of the revenue lag components related to resuming the sale of receivables.
b. Provide an updated lead/lag study that includes the assumption that the sale of receivables will resume. Provide in electronic format with all formulas in place.

RESPONSE

a.
Under the assumption the Company has access to the funds from the accounts receivables factoring on the business day after the electricity is used.

Service Lag	0.50
Billing Lag	1.46
Collections Lag	1.46
Payment Processing Lag	0.00
Bank Float	1.10
Total Lag Days	4.52

b. An Excel spreadsheet documenting the calculation of the collection lag, reflecting the sale of receivables, is provided in the file entitled KPCO_R_AG_KIUC_1_22_Attachment1.

Witness: Michael J. Adams

EXHIBIT___(LK-10)

DATA REQUEST

AG-KIUC 1_29 Refer to the prepaid pension asset and prepaid OPEB asset table that the Company provided in response to AG-KIUC 2-17 in Case No. 2020-00174.

a. Provide a table in similar format and level of detail for the Company at December 31, 2022.

b. Provide a table in similar format and level of detail for the Company at March 31, 2023.

c. Confirm that the Company did not include the amounts in accounts/subaccounts 1290000, 1290001, 2283016, 1823165, 1823166, 1900010, 1900011, 2190006, and 219007 in its calculation of rate base in this proceeding. If confirmed, provide a detailed explanation as to why each account should not be included in rate base. If denied, then provide a schedule that demonstrates the amounts in the referenced accounts/subaccounts were included in the calculation of rate base in this proceeding.

d. Confirm that the Company agrees that any amounts in account 1823165 and 1823166 should not be included in rate base because these regulatory assets were not financed; the amounts simply balance the pension/OPEB funding position and the pension/OPEB amounts in accumulated other comprehensive income. If this is not correct, then provide a corrected statement and provide all authoritative support for your corrected statement, including all support for the proposition that the amounts in these accounts were financed specifically with equity and debt, not some other combination of assets and liabilities, such as those shown on the tables provided in response to parts (a) and (b) of this question.

RESPONSE

a. and b. Please refer to KPCO_R_AG_KIUC_1_29_Attachment1 for the requested information.

c. and d. The Company is unable to provide the confirmation as requested for these subparts. The prepaid assets related to pension and OPEB are recorded on the Company's books under FASB ASC 715, Compensation - Retirement Benefits. The Company has recorded the cash prepaid pension balance in Account 1650010 and cash prepaid OPEB balance in Account 1650035. The balances in Account 1650010 and 1650035 reflect the Companies' cumulative cash contributions in excess of cumulative pension and OPEB cost. There are also non-cash ASC 715 accrual adjustment balances recorded in Accounts 1290000, 1290001, 1290002, 1290003, 1650014, 1650037, 1823165, 1823166, 2190006, 2190007, 1900010, 1900011, 2283006 and 2283016 that result from entries required by ASC 715 to separate the calculated prepayment into two separate components. The first component is the funded status and second component is other comprehensive income (or a regulatory asset) for gains and losses that have not yet been recognized as components of net periodic benefit cost.

As can be seen in the tables within KPCO_R_AG_KIUC_1_29_Attachment1, the ASC 715 entries zero out leaving the cash prepayment that is the Company's cumulative contributions in excess of cumulative pension and OPEB cost, which is included in the Company's calculation of rate base in this proceeding. The non-cash ASC 715 accounting entries are made for financial reporting purposes and do not impact the cost of service.

Witness: Katharine I. Walsh

Witness: Heather M. Whitney

Kentucky Power Company
Pension and OPEB Balances as of March 31, 2023

Account	Description	Pension	OPEB
1650010/ 1650035	Prepayment - Contributions	$13,594,831	$28,069,873
1650014/ 1650037	ASC 715 Prepayment Reclass	(13,594,831)	(28,069,873)
1290000/ 1290001/ 1290002/ 1290003	ASC 715 Trust Funded Positions (Assets)	-	20,999,603
2283016/ 2283006	ASC 715 Trust Funded Position (Liabilities)	(3,495,658)	-
1823165/ 1823166	ASC 715 - Regulatory Asset	17,090,489	7,070,270
1900010/ 1900011	ASC 715 - ADFIT Asset	-	-
2190006/ 2190007	ASC – 715 Other Comprehensive Income	-	-
	Total ASC 715 Entries	-	-
	Total Prepayment Contributions	13,594,831	28,069,873
	Total Excluding 165 Accounts	$ 13,594,831	$ 28,069,873

Kentucky Power Company
Pension and OPEB Balances as of December 31, 2022

Account	Description	Pension	OPEB
1650010/ 1650035	Prepayment - Contributions	$13,383,444	$27,248,416
1650014/ 1650037	ASC 715 Prepayment Reclass	(13,383,444)	(27,248,416)
1290000/ 1290001/ 1290002	ASC 715 Trust Funded Positions (Assets)	-	20,531,281
2283016/ 2283006	ASC 715 Trust Funded Position (Liabilities)	(3,707,045)	-
1823165/ 1823166	ASC 715 - Regulatory Asset	17,090,489	6,717,135
1900010/ 1900011	ASC 715 - ADFIT Asset	-	-
2190006/ 2190007	ASC – 715 Other Comprehensive Income	-	-
	Total ASC 715 Entries	0	(0)
	Total Prepayment Contributions	13,383,444	27,248,416
	Total Excluding 165 Accounts	$ 13,383,444	$ 27,248,416

EXHIBIT___(LK-11)

Kentucky Power Company
KPSC Case No. 2020-00174
AG-KIUC Second Set of Data Requests
Dated September 16, 2020

DATA REQUEST

AG_KIUC_2_016 Refer to the Company's response to Staff 2-11, which provides a detailed reconciliation between rate base and capitalization. Confirm that the Company excluded the prepaid pension contra-asset (account 1650014) and the prepaid OPEB contra-asset (account 1650037) from the rate base amounts shown in the column entitled "Section V Exhibit 1 Schedule 4 Rate Base." Confirm and provide all evidence that the Company also excluded the related asset ADIT amounts from the rate base amounts in that same column. If it did not exclude the related asset ADIT amounts from the rate base amounts in that same column, confirm that the Company agrees that if the Commission allows the two prepaid assets in rate base with no offset for the two related contra-assets, then the asset ADIT related to the two contra-assets also should be excluded from rate base. If denied, then explain why the Commission should exclude the two contra-assets from rate base, which would reduce rate base if included, but should include the related asset ADIT amounts, which increase rate base if not excluded.

RESPONSE

The Company has excluded the prepaid pension contract-asset (account 1650014) and the OPEB contra-asset (account 1650037) from the rate base amounts shown in the column "Section V Exhibit 1 Schedule 4 Rate Base." The ADIT related to the net prepaid pension and OPEB contra-assets of $1,686,711 is included in rate base; therefore, if the Commission allows the two prepaid assets to be included in rate base with no offset for the two related contra-assets, then the asset ADIT related to the two contra-assets also should be excluded from rate base.

Witness: Allyson L. Keaton

Witness: Jaclyn N. Cost

EXHIBIT___(LK-12)

Kentucky Power Company
KPSC Case No. 2023-00159
Staff's First Set of Data Responses
Dated May 31, 2023

DATA REQUEST

KPSC 1_10 Provide the following monthly account balances and a calculation of the average (13-month) account balances for the test year for the total company and Kentucky operations:

a. Plant in service (Account No. 101);
b. Plant purchased or sold (Account No. 102);
c. Property held for future use (Account No. 105);
d. Completed construction not classified (Account No. 106);
e. Construction work in progress (Account No. 107);
f. Depreciation reserve (Account No. 108);
g. Materials and supplies (include all accounts and subaccounts);
h. Computation and development of minimum cash requirements;
i. Balance in accounts payable applicable to amounts included in utility plant in service (if actual is indeterminable, give a reasonable estimate);
j. Balance in accounts payable applicable to amounts included in plant under construction (if actual is indeterminable, give a reasonable estimate); and
k. Balance in accounts payable applicable to prepayments by major category or subaccount.

RESPONSE

Please refer to KPCO_R_KPSC_ 1_10_Attachment1 for the requested information.

Witness: Heather M. Whitney

Description	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total Company 13 Month Average	13 Month Kentucky Jurisdictional Amount
a. Plant in service (101)	2,963,531,094	3,015,248,231	3,032,876,634	3,045,214,663	3,096,750,709	3,104,047,568	3,115,539,432	3,117,336,380	3,122,274,427	3,123,217,332	3,127,489,066	3,142,011,697	3,152,880,200	3,089,109,033	3,045,861,507
b. Plant purchased or sold (102)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c. Property held for future use (105)	556,145	801,671	801,671	801,671	801,671	801,671	801,671	801,671	801,671	801,671	801,671	801,671	801,671	782,785	782,002
d. Completed construction not classified (106)	207,985,198	167,309,531	154,749,397	154,869,877	113,612,365	118,311,101	112,931,240	122,060,050	128,269,841	143,835,349	155,746,715	145,060,795	140,385,501	143,471,305	141,319,235
e. Construction work in progress (107)	102,938,716	105,276,153	111,167,535	119,531,706	129,581,843	137,232,323	136,303,226	139,622,560	142,216,588	138,936,649	134,868,338	138,758,309	144,447,404	129,298,565	126,195,400
f. Depreciation reserve (108)	(1,151,457,214)	(1,156,376,840)	(1,162,869,701)	(1,168,984,573)	(1,168,541,749)	(1,175,198,026)	(1,181,755,745)	(1,186,336,802)	(1,196,466,392)	(1,201,250,028)	(1,205,707,045)	(1,210,467,356)	(1,214,805,384)	(1,183,093,604)	(1,164,164,107)
g. Materials and supplies															
M&S - Regular (1540001)	17,600,718	17,853,486	18,525,618	19,190,810	19,445,702	19,962,767	20,640,434	20,698,033	21,682,907	21,782,196	21,994,387	22,437,359	18,649,425	20,035,680	19,835,323
M&S - Material in Transit (1540003)	17,928	-	66,052	15,807	63,009	84,628	4,833	63,499	2,947	16,707	96,412	94,164	20,347	42,025	41,983
M&S - Exempt Materials (1540004)	85,472	85,472	85,472	85,472	85,472	85,472	85,727	85,727	85,839	85,839	85,839	85,839	85,727	85,644	84,359
M&S - Lime and Limestone (1540006)	997,834	908,331	936,292	1,119,980	1,179,661	1,138,219	1,286,941	1,394,058	1,576,761	1,585,195	1,577,945	1,446,589	1,769,531	1,301,333	1,283,115
M&S - Urea (1540012)	419,346	380,200	279,595	150,318	48,002	371,622	306,341	306,341	352,442	268,829	688,963	537,431	306,089	339,655	334,900
M&S - Transportation Inventory (1540013)	494,821	494,821	494,821	494,821	494,821	494,821	494,821	695,927	695,927	695,927	695,927	695,927	695,927	587,639	585,876
M&S - Lime and Limestone Intransit (1540022)	-	59,852	145,814	149,075	57,487	96,760	58,749	37,324	88,454	237,236	-	101,340	101,178	87,175	85,867
M&S - Urea Intransit (1540023)	1,002,490	1,002,490	1,486,237	1,486,237	1,486,237	903,881	1,381,108	1,381,108	1,381,108	1,381,108	960,973	960,973	1,192,701	1,231,281	1,214,043
M&S - Inventory Pending Inspection (1540033)	-	1,686	1,686	1,686	1,686	1,686	6,676	6,676	1,686	8,636	8,636	8,636	8,636	4,462	4,396
h. Kentucky Power, as part of the AEP System, is a borrower under the corporate borrowing program, which is used to meet the short-term borrowing needs of its subsidiaries. As such, it relies on the liquidity available to the AEP System and does not have a minimum cash requirement.															
i. Accounts Payable applicable to Utility Plant in Service (101) *	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
j. Accounts Payable applicable to Plant under Constuction (107) *	13,464,148	11,823,521	12,006,108	13,894,514	8,021,454	13,960,727	14,155,757	9,223,422	8,046,872	7,089,634	10,043,170	3,320,833	9,274,020	10,332,629	10,084,646
k. Accounts Payable applicable to Prepayments (165) *															
Taxes (1650002)	-	-	-	924,284	-	-	-	-	-	-	-	-	-	71,099	70,103
Sales Taxes (1650011)	(61,082)	(40,055)	(22,911)	29,693	62,086	9,399	(3,362)	(77,463)	12,354	20,334	69,478	45,530	(36,144)	604	596
Use Taxes (1650012)	(44,032)	5,134	(2,191)	1,710	2,426	10,936	25,348	(13,145)	9,458	(10,612)	21,121	(17,588)	(11,251)	(1,745)	(1,721)
Prepaid Lease (1650023)	-	-	32,578	1,629	-	-	-	-	-	-	-	-	-	2,631	2,594

*Note: Items i, j and k are based on vouchered invoices paid.

EXHIBIT___(LK-13)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_35 Reference Adjustment #27 in Exhibit 2 that reduces incentive compensation expense to the level of 1.0 of the incentive target for the Incentive Compensation Plan ("ICP") and the Long-Term Incentive Plan ("LTIP"). Indicate whether these amounts are attributable only to the Company's employees or whether the amounts also include the amounts attributable to AEPSC employees that are charged to the Company and attributable to Wheeling Power Company employees that are charged to the Company. If just for Company employees, explain why the Company excluded the incentive compensation expense for AEPSC and Wheeling Power Company employees. In addition, provide the AEPSC and Wheeling Power Company incentive compensation expense charged to the Company in the same format as provided for the Company's employees.

RESPONSE

Company's Adjustment #27 represents an adjustment for ICP and LTIP costs attributable to the Company's employees and its ownership percentage of the Mitchell facility costs of Wheeling employees that are billed to the Company.

AEPSC billings to Kentucky Power are considered to be billings for outside services. Those services vary from year to year depending upon the needs of Kentucky Power Company. This is consistent with most of our O&M expenses, such that they vary year to year depending upon the needs of the Company. Therefore, the Company did not make any test year cost of service adjustments related to incentive compensation expense for AEPSC employees. Please refer to the Company's response to AG-KIUC_1_44 for additional information regarding the Company's rationale not to propose ratemaking adjustments related to AEPSC billings.

Please refer to KPCO_R_KIUC_AG_1_35_Attachment1 for AEPSC ICP and LTIP (RSU and PSI) expense charged to the Company during the test year ended March 31, 2023. In addition to the PSI expense shown in adjustment W27 in Exhibit 2, KPCO_R_KIUC_AG_1_35_Attachment1 includes AEPSC RSU expense charged to the Company for completeness. Note that the share of AEPSC billings to KPCo are not reflective of any billing of charges to or from the Co-Owner of Mitchell Plant.

Witness: Heather M. Whitney

AEPSC Billings to Kentucky Power
Incentive Comp Plan (ICP) and Long-Term Incentive Plan (LTIP)
Test Year ended March 2023

Account Type	FERC	ICP Annual Incentive Plan	Long Term Incentive (LTIP) Performance Shares	Restricted Stock Units	Total LTIP
Cost of Servcie	5000	324,952	68,080	21,581	89,661
	5010	21,807	4,431	1,405	5,836
	5020	3,734	852	103	955
	5060	37,461	15,925	5,577	21,502
	5100	13,208	2,961	1,133	4,094
	5110	2,663	517	139	656
	5120	10,912	2,223	1,079	3,302
	5130	82,950	10,516	4,976	15,491
	5140	5,668	1,212	173	1,385
	5280	350	62	14	75
	5560	27,027	5,431	1,684	7,115
	5570	91,053	23,121	8,581	31,702
	5600	315,844	47,065	15,842	62,907
	5612	34,046	3,220	1,006	4,227
	5615	6,344	601	183	784
	5620	22,929	2,096	630	2,726
	5630	1,030	96	25	120
	5660	85,260	29,614	10,681	40,294
	5680	237	17	2	20
	5690	496	45	13	58
	5691	481	44	14	57
	5692	3,080	303	93	396
	5700	47,466	4,587	1,476	6,063
	5710	79,024	8,582	2,701	11,283
	5730	104	16	4	20
	5800	34,080	5,665	2,133	7,798
	5820	27,814	3,304	1,211	4,515
	5830	5	1	0	1
	5840	4,508	829	303	1,132
	5860	4,952	422	143	565
	5870	484	93	72	165
	5880	34,037	6,145	2,096	8,241
	5900	422	40	12	52
	5910	1,579	78	12	90
	5920	43,009	4,488	918	5,406
	5930	48,585	8,525	1,741	10,266
	5970	34	3	0	4
	9010	1,343	97	38	135
	9020	3,825	268	98	366
	9030	239,399	20,461	7,960	28,422
	9050	1,061	108	65	173
	9070	1,451	175	62	237
	9080	1,874	409	121	531
	9100	1,091	136	57	193
	9120	19	9	3	12
	9200	1,266,739	647,033	276,942	923,975
	9230	150	25	7	33
	9250	28	12	5	17
	9260	132	15	5	19
	9280	37,584	9,430	4,473	13,903
	9302	24,913	22,616	7,051	29,667
	9350	45,685	8,242	2,837	11,078
Cost of Service Total		**3,042,927**	**970,243**	**387,483**	**1,357,726**
Non-Cost of Service	1070	1,998,019	275,699	91,634	367,333
	1080	77,825	11,244	2,236	13,479
	1220	460	143	46	188
	1520	30,112	8,207	3,029	11,236
	1630	166,506	35,448	15,123	50,572
	1830	1,677	347	83	429
	1860	8,761	1,477	302	1,779
	1880	10,799	2,184	753	2,938
	4210	7	1	0	1
	4264	24,447	29,453	6,483	35,935
	4265	15,900	4,220	1,643	5,863
Non-Cost of Service Total		**2,334,514**	**368,422**	**121,332**	**489,754**
Grand Total		**5,377,441**	**1,338,665**	**508,815**	**1,847,480**

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_36 Provide the amount of incentive compensation expense pursuant to the LTIP included in the test year revenue requirement for each target metric used for this plan during the test year. Separately provide the costs incurred directly by the Company and the costs incurred through AEPSC affiliate charges and Wheeling Power Company, the operator of the Mitchell plant. In addition, provide these amounts by FERC O&M and/or A&G expense account.

RESPONSE

See KPCO_R_AG_KIUC_1_36_Attachment1 for the KPCO direct costs and its portion of the costs related to the Mitchell facility for the long-term incentive PSI expense included in the test year revenue requirement by FERC account and PSI plan target matric.

Please refer to KPCO_R_AG_KIUC_AG_1_36_Attachment2 for AEPSC PSI expense by target metric included in the test year revenue requirement. Note that the share of AEPSC billings to the Company are not reflective of any subsequent billing of charges to or from the Co-Owner of Mitchell Plant.

Witness: Heather M. Whitney

Kentucky Power Company including billings for Mitchell facility
LTIP - PSI Expense by Target Metrics
Test Year ended March 2023

	LTIP - PSI Expense in Test Year by Target Metric			
FERC account	**AEP Operating Earnings per Share**	**AEP Relative Total Shareholder Return vs. Comparator Group**	**AEP Strategic Goal**	**Total**
5000	1,800	1,440	360	3,600
5010	2,707	2,166	541	5,415
5020	1,656	1,325	331	3,313
5050	109	87	22	218
5060	1,654	1,323	331	3,308
5100	1,432	1,146	286	2,864
5110	167	133	33	333
5120	2,005	1,604	401	4,009
5130	877	702	175	1,754
5140	416	333	83	833
5800	1,075	860	215	2,149
5830	2,651	2,121	530	5,301
5840	9	8	2	19
5850	10	8	2	19
5860	4,224	3,379	845	8,449
5870	729	583	146	1,459
5880	8,758	7,006	1,752	17,517
5900	13	10	3	25
5930	23,047	18,422	4,599	46,068
5940	9	7	2	18
5950	59	47	12	118
5960	69	55	14	138
5970	108	86	22	215
5980	36	29	7	73
9020	400	320	80	799
9030	3,680	2,944	736	7,361
9080	718	575	144	1,436
9200	8,419	6,686	1,486	16,591
9260	0	0	0	0
9280	307	246	61	614
9302	52	42	10	104
9350	2	1	0	3
Grand Total	**67,200**	**53,693**	**13,231**	**134,124**

AEPSC Billings to Kentucky Power
LTIP - PSI Expesne by Target Metrics
Test Year ended March 2023

	LTIP - PSI Expense in Test Year by Target Metric			
FERC account	**AEP Operating Earnings per Share**	**AEP Relative Total Shareholder Return vs. Comparator Group**	**AEP Strategic Goal**	**Total of Metrics**
5000	34,040	27,232	6,808	68,080
5010	2,215	1,772	443	4,431
5020	426	341	85	852
5060	7,962	6,370	1,592	15,925
5100	1,480	1,184	296	2,961
5110	259	207	52	517
5120	1,111	889	222	2,223
5130	5,258	4,206	1,052	10,516
5140	606	485	121	1,212
5280	31	25	6	62
5560	2,715	2,172	543	5,431
5570	11,560	9,248	2,312	23,121
5600	23,533	18,826	4,707	47,065
5612	1,610	1,288	322	3,220
5615	301	240	60	601
5620	1,048	838	210	2,096
5630	48	38	10	96
5660	14,807	11,845	2,961	29,614
5680	9	7	2	17
5690	22	18	4	45
5691	22	18	4	44
5692	151	121	30	303
5700	2,293	1,835	459	4,587
5710	4,291	3,433	858	8,582
5730	8	6	2	16
5800	2,832	2,266	566	5,665
5820	1,652	1,321	330	3,304
5830	0	0	0	1
5840	414	332	83	829
5860	211	169	42	422
5870	46	37	9	93
5880	3,072	2,458	614	6,145
5900	20	16	4	40
5910	39	31	8	78
5920	2,244	1,795	449	4,488
5930	4,262	3,410	852	8,525
5970	2	1	0	3
9010	48	39	10	97
9020	134	107	27	268
9030	10,231	8,185	2,046	20,461
9050	54	43	11	108
9070	88	70	18	175
9080	205	164	41	409
9100	68	54	14	136
9120	4	3	1	9
9200	323,517	258,813	64,703	647,033
9230	13	10	3	25
9250	6	5	1	12
9260	7	6	1	15
9280	4,715	3,772	943	9,430
9302	11,308	9,047	2,262	22,616
9350	4,121	3,297	824	8,242
Grand Total	**485,122**	**388,097**	**97,024**	**970,243**

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_38	Provide the expense related to the Restricted Stock Units (RSU) for Kentucky Power employees included in the test year by FERC account. Be sure to include amounts charged by AEPSC to Kentucky Power and charged by Wheeling Power Company to Kentucky Power as the operator of the Mitchell plant.

RESPONSE

See KPCO_R_AG-KIUC_1_38_Attachment1 for the test year RSU costs by FERC account for the test year including the cost associated with the Mitchell facility.

Please refer to Company response to AG-KIUC 1_35 for AEPSC RSU expense charge to Kentucky Power in the test year by FERC Account.

Witness: Heather M. Whitney

KPCO LTIP Dollars for Restricted Stock Plan
By FERC Account
April 2022 through March 2023

FERC Account	Non-Mitchell	Mitchell	Total
1070	34,974	139	35,113
1080	5,010	76	5,086
1520	-	1,499	1,499
1850	139	-	139
1860	38	-	38
4264	28	-	28
4265	8	-	8
5000	1,197	363	1,560
5010	-	3,092	3,092
5020	-	1,852	1,852
5050	-	88	88
5060	768	818	1,586
5100	245	1,240	1,485
5110	75	74	149
5120	39	2,049	2,088
5130	86	861	947
5140	6	547	553
5800	650	-	650
5830	1,171	-	1,171
5840	8	-	8
5860	2,295	-	2,295
5870	433	-	433
5880	6,345	-	6,345
5900	9	-	9
5930	14,708	-	14,708
5940	15	-	15
5960	11	-	11
5970	32	-	32
5980	54	-	54
9020	237	-	237
9030	2,602	-	2,602
9080	484	-	484
9200	5,968	(211)	5,756
9280	198	(0)	197
9302	41	-	41
9350	-	(1)	(1)
Total	77,871	12,488	90,359

EXHIBIT___(LK-14)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_39 Provide the amount of Supplemental Executive Retirement Plan ("SERP") expense incurred in the test year and the amount included in the revenue requirement. Provide the SERP expense directly incurred by Kentucky Power Company and the SERP expense charged to the Company from each other affiliate.

RESPONSE

Adjustment W21 at Section V, Exhibit 2, page 22 adjusts pension and other post-retirement benefit costs (including SERP costs) for known changes from the test year, and is attributable only to Kentucky Power employees. Please refer to KPCO_R_AG_KIUC_1_39_Attachment1 for the amount of SERP expense attributable to Kentucky Power employees incurred in the test year (Line No. 12) and the amount included in the revenue requirement (Line No. 6)

SERP expense charged to the Company by AEPSC during the test year ended March 31, 2023 and included in the revenue requirement was $145,009.

Witness: Andrew R. Carlin

Witness: Heather M. Whitney

Kentucky Power Company
Adjust SERP Expense to Proforma Level
For the Twelve Months Ended March 31, 2023

Line No.	Description (a)	Total Company (b)
1	**Expected SERP Costs (Actuarial Estimates)**	
2	Service Cost	$ 1,943
3	Non-Service Cost	921
4		2,864
5	KPCo O&M% (FERC Form 1, pp. 354 & 355) (Service Only)	58.03%
6	Expected SERP Expense	2,048
7	**Test Year Period Per Books (Income) Expense:**	
8	Account 9260037 (Supplemental Pension)	3,542
9	Account 9260042 (SERP Pension - Non-Service)	4,435
10	Less Transfers:	
11	KPCo O&M% (FERC Form 1, pp. 354 & 355) (Service Only)	(2,055)
12	Total Test Period Per Books	5,922
13	Change in SERP O&M expense	$ (3,874)
14	KYJurisdictional Factor - OML	0.991
15	KPSC Jurisdictional Adjustment to Increase O&M Expense for SERP Actuarial Estimates	$ (3,839)

EXHIBIT___(LK-15)

DATA REQUEST

KPSC_PH_003 Refer to the response to Commission Staff's Fourth Request for Information, Item 106.
a. Provide the amount of 401(k) matched contributions by Kentucky Power during the test period.
b. Provide the amount of Kentucky Power's defined benefit pension expense for the test period.
c. Provide the amount of 401(k) matched contributions Kentucky Power provided during the test period for employees that participate in a defined benefit pension plan.

RESPONSE

a. Please refer to KPCO_R_KPSC_PH_3_Attachment1 for the requested information

b. Please refer to KPCO_R_KPSC_PH_3_Attachment2 for Kentucky Power Company's cash balance formula pension expense during the test year.

c. The Commission recognized the Company's cash balance pension benefit was based on a 'defined contribution' formula, rather than a traditional final average pay formula, in its January 18, 2018 order in Case No. 2017-00179 [1]. The cash balance formula provides a contribution of 3% to 8.5% (depending on age and years of service) of each participant's eligible earnings to an individual cash balance pension account that grows with interest. In this order, the Commission also recognized that participation in the Company's traditional final average pay pension formula was frozen in 2000 and that benefits from this formula were frozen in 2010. The Company meets both its cash balance and frozen final average pay pension obligations with contributions to a pension trust. The Company, not the participant, bears the investment and other risks associated with the trust and its pension obligations and both pension formulas are considered to be a defined benefits under ERISA.

The Company's 401k and cash balance formula pension contributions were designed together to provide reasonable and market competitive benefits in total. Each of these contributions is less than would be needed to provide market competitive retirement benefits to participants using a single stand-alone benefit formula. This is presumably a large part of the reason the Commission allowed the Company to recover the cost of both types of plans in the Company's previous rate case. In accordance with this 'swirl cone' design, all employees who participate in the 401(k) plan also participate in the cash balance pension formula and the entire amount of 401(k) matching contributions shown in a. above was provided for employees who also participated in the cash balance pension formula.

[1] Order, Case No. 2017-00179, at 15 (Jan. 18, 2018).

Witness: Heather M. Whitney

Witness: Andrew R. Carlin

Line No.		Amount	Description	Reference
		401(k) Savings Plan Contribution Expense During Test Year Ended 3/31/2020		
1	A	1,757,680	Expense per Books - Account 9260027	KPCO_R_KPSC_2_1_Attachment 1
2	B	0.985	A&G Kentucky Jurisdictional Allocation Factor	Application Section V, Exhibit 1, Page 86 of 87, Line 15
3	A x B = C	1,731,315	Unadjusted Kentucky Jurisdictional Amount	
4	D	(57,469)	Kentucky Jurisdictional Savings Plan Expense Adjustment	Application, Section V, Exhibit 2, Adjustment W30 on Page 31 of 66, Line 10
5	C + D = E	**1,673,846**	**Adjusted Kentucky Jurisdictional Amount**	

Commission Staff's Post Hearing Data Requests
Item No. 3b
Attachment 2

			Cash Balance Formula Pension Expense Test Year Ended 3/31/2020				
Line No.		**Description**	**110 - Dist**	**117 - Gen**	**180 - Tran**	**Total**	**Reference**
1	A	2020 Expected - Account 9260003 (Pension Plan - Service)	1,535,362	880,508	-	2,415,870	KPCO_R_KPSC_3_1_Attachment10_WhitneyWP1, Tab W21_PG_1_of_2
2	B	2020 Expected - Account 9260062 (Pension Plan - Non-Service)	462,944	(633,605)	96,459	(74,202)	KPCO_R_KPSC_3_1_Attachment10_WhitneyWP1, Tab W21_PG_1_of_2
3	C	2020 Expected - Account 9260037 (Supplemental Pension - Service)	2,880	256	-	3,136	KPCO_R_KPSC_3_1_Attachment10_WhitneyWP1, Tab W21_PG_1_of_2
4	D	2020 Expected - Account 9260042 (SERP Pension - Non-Service)	4,093	166	-	4,259	KPCO_R_KPSC_3_1_Attachment10_WhitneyWP1, Tab W21_PG_1_of_2
5	A + B + C + D = E	2020 Expected Cash Balance Formula Pension Cost (Actuarial Estimates)	2,005,279	247,326	96,459	2,349,064	
6	F	KPCo O&M%	58.71%	58.71%	58.71%	58.71%	Application, Section V, Exhibit 2, Adjustment W21 on Page 22 of 66, Line 5
7	((A+C) x F) + B + D = G	**2020 Expected Cash Balance Formula Pension Expense (Actuarial Estimates)**	1,370,139	(116,342)	96,459	**1,350,256**	
8	H	KY Jurisdictional Factor - OML				0.990	Application, Section V, Exhibit 2, Adjustment W21 on Page 22 of 66, Line 19
9	G x H = I	**Kentucky Jurisdictional Amount - Cash Balance Formula Pension Expense**				**1,336,753**	Note
10							
11							
12	Note:	As described in the Direct Testimony of Company Witness Whitney, the company made one cost of service adjustment (Section V, Exhibit 2 W21), "for known changes from test year pension and OPEB costs related to both active and inactive Company employees. This adjustment is based on 2020 forecasts, as provided by the Company's actuaries, Willis, Towers and Watson, less actual costs for the test year ended March 31, 2020. After applying corresponding O&M and retail allocation factors, the retail jurisdictional share of the cost of service decrease for pension and OPEB expense is $(8,840)." See "Reconciliation to W21" tab for a reconciliation that ties the test year Cash Balance Formula Pension Expense shown above into the Company's cost of service adjustment at Section V, Exhibit 2 W21, which included both pension and OPEB expense/(benefit) for the test year ended March 31, 2020.					

EXHIBIT___(LK-16)

Kentucky Power Company
KPSC Case No. 2023-00159
Staff's First Set of Data Responses
Dated May 31, 2023

DATA REQUEST

KPSC 1_33 Provide, in the format provided in Schedule I, the following information for Kentucky Power's compensation and benefits for the test period and the three most recent calendar years preceding the test period. Provide information individually for each corporate officer and by category for Directors, Managers, Supervisors, Exempt, Non- Exempt, Union, and Non-Union Hourly employees. Provide the amounts, in gross dollars, separately for total company operations and jurisdictional operations.

a. Regular salary or wages.
b. Overtime pay.
c. Excess vacation payout.
d. Standby/Dispatch pay.
e. Bonus and incentive pay.
f. Any other forms of incentives, including stock options or forms of deferred compensation.
g. Other amounts paid and reported on the employees' W-2 (specify).
h. Healthcare benefit cost.
(1) Amount paid by Kentucky Power. (2) Amount paid by employee.
i. Dental benefits cost.
(1) Amount paid by Kentucky Power. (2) Amount paid by employee.
j. Vision benefits cost.
(1) Amount paid by Kentucky Power.(2) Amount paid by employee.
k. Life insurance cost.
(1) Amount paid by Kentucky Power. (2) Amount paid by employee.
l. Accidental death and disability benefits.
(1) Amount paid Kentucky Power. (2) Amount paid by employee.
m. Defined Benefit Retirement.
(1) Amount paid by employer. (2) Amount paid by employee.
n. Defined Contribution – 401(k) or similar plan cost. Provide the amount paid by Kentucky Power.
o. Cost of any other benefit available to an employee (specify).

RESPONSE

a.-o.) Please refer to KPCO_R_KPSC_1-33_ConfidentialAttachment1 for the requested information.

Witness: Andrew R. Carlin

Kentucky Power Company
Case No. 2023-00159
Salary & Benefit Data by Employee - *Year =>* ***4/1/2022-3/31/2023***

Employee Name	Title	Regular	Overtime	Excess Vacation Payout	Standby	Incentive	Other	Sub-Total	KPCo % Share	KPCo's Share	Health Benefits Cost (1)		Dental B
											KPCO	Employee	KPCO
Officers													
(Provide Individually)													
[redacted]		$ 1,433,846				$ 12,095,049	$ 5,670	$ 13,534,565	3.16%	$ 428,290			
		$ 580,933				$ 1,349,273	$ -	$ 1,930,205	3.38%	$ 65,195			
		$ 277,442				$ 777,205	$ 44,852	$ 1,099,500	2.75%	$ 30,287			
		$ 551,500				$ 1,765,718	$ -	$ 2,317,218	4.37%	$ 101,235			
		$ 720,769				$ 2,138,323	$ 20,000	$ 2,879,092	1.99%	$ 57,159			
		$ 210,000				$ 55,780	$ 284,564	$ 550,344	2.82%	$ 15,502			
		$ 224,712				$ 90	$ 10,000	$ 234,802	59.89%	$ 140,625			
		$ 221,988				$ 3,283,828	$ 2,040,022	$ 5,545,838	3.38%	$ 187,336			
		$ 643,231				$ 774,785	$ -	$ 1,418,016	3.37%	$ 47,739			
		$ 277,442				$ 606,538	$ 20,000	$ 903,980	2.79%	$ 25,244			
		$ 883,423				$ 1,035,908	$ -	$ 1,919,331	3.16%	$ 60,654			
		$ 496,308				$ 552,909	$ 2,938	$ 1,052,154	4.42%	$ 46,493			
		$ 410,000				$ 604,338	$ 14,214	$ 1,028,552	1.84%	$ 18,966			
		$ 497,942				$ 550,000	$ 1,375	$ 1,049,317	3.16%	$ 33,168			
		$ 347,789				$ 377,411	$ -	$ 725,200	3.31%	$ 23,976			
		$ 434,250				$ 627,386	$ -	$ 1,061,636	2.56%	$ 27,182			
		$ 332,164				$ 215,921	$ -	$ 548,085	1.49%	$ 8,172			
		$ 246,216				$ 165,654	$ -	$ 411,870	2.54%	$ 10,474			
		$ 251,478				$ 208,135	$ -	$ 459,614	7.37%	$ 33,885			
		$ 215,719				$ 111,018	$ -	$ 326,737	1.56%	$ 5,081			
		$ 267,284				$ 240,235	$ -	$ 507,519	5.17%	$ 26,235			
		$ 151,423				$ 235,844	$ -	$ 387,267	0.50%	$ 1,933			
		$ 196,523				$ 89,701	$ -	$ 286,225	7.55%	$ 21,611			
		$ 253,640				$ 235,080	$ 17,500	$ 506,220	35.17%	$ 178,015			
		$ 264,660				$ 240,625	$ -	$ 505,285	2.14%	$ 10,801			
		$ 360,000				$ 447,339	$ -	$ 807,339	3.44%	$ 27,812			
		$ 337,010				$ 339,896	$ -	$ 676,906	1.87%	$ 12,690			
		$ 176,332				$ 89,300	$ -	$ 265,632	2.81%	$ 7,472			
		$ 220,448				$ 109,578	$ -	$ 330,025	61.93%	$ 204,374			
		$ 262,022				$ 243,391	$ -	$ 505,414	3.87%	$ 19,562			
		$ 360,500				$ 503,946	$ -	$ 864,445	3.26%	$ 28,160			
		$ 377,748				$ 495,955	$ -	$ 873,703	2.54%	$ 22,192			
		$ 435,000				$ 656,898	$ -	$ 1,091,898	2.46%	$ 26,838			
		$ 199,171				$ 90,948	$ -	$ 290,119	86.03%	$ 249,576			
		$ 173,080				$ 68,564	$ 22,000	$ 263,644	100.00%	$ 263,644			
		$ 598,606				$ 1,847,828	$ -	$ 2,446,434	3.46%	$ 84,602			
										$ -			
Subtotal for Officers Only		$ 13,890,599	$ -	$ -	$ -	$ 33,230,396	$ 2,483,134	$ 49,604,129		$ 2,552,180			
Total for All - KY Jurisdictional Retail Amount		$ 1,092,424	$ -	$ -	$ -	$ 1,309,306	$ 112,167	$ 2,513,898		$ 791,183			
Directors													
(Provide in Total as a Category)													
Provide the Total Amount		$ 179,525	$ -	$ -	$ -	$ 168,702	$ 29,860	$ 378,087	100.00%	$ 378,087			
Provide the KY Jurisdictional Retail Amount		$ 176,832	$ -	$ -	$ -	$ 166,171	$ 29,412	$ 372,415	100.00%	$ 372,415			
Managers													
(Provide in Total as a Category)													
Provide the Total Amount		$ 1,795,235	$ 57,351	$ 20,067	$ -	$ 578,083	$ 295,159	$ 2,745,895	100.00%	$ 2,745,895			
Provide the KY Jurisdictional Retail Amount		$ 1,768,306	$ 56,491	$ 19,766	$ -	$ 569,412	$ 290,732	$ 2,704,706	100.00%	$ 2,704,706			
Supervisors													
(Provide in Total as a Category)													
Provide the Total Amount		$ 5,278,990	$ 1,375,077	$ -	$ -	$ 1,098,480	$ 1,148,019	$ 8,900,565	100.00%	$ 8,900,565			
Provide the KY Jurisdictional Retail Amount		$ 5,199,805	$ 1,354,451	$ -	$ -	$ 1,082,003	$ 1,130,799	$ 8,767,057	100.00%	$ 8,767,057			
Exempt (not including Directors, Supervisors and Managers)													
(Provide in Total as a Category)													

Kentucky Power Company
Case No. 2023-00159
Salary & Benefit Data by Employee -

Employee Name	Title	enefits[1]	Vision[1]		Life Insurance[1 & 2]		AD&D[1 & 2]		401k[1]		Pension and OPEB[1 & 3]		Other Wage, Salary, Compensation or Benefit Not Listed[1 & 4]		Totals[1]	
		Employee	KPCO	Employee	KPCO	Employee	KPCO	Emp	KPCO	Employee	KPCO	Emp	KPCO	Employee	KPCO	Emp
Officers																
(Provide Individually)																
[redacted]																
Subtotal for Officers Only																
Total for All - KY Jurisdictional Retail Amount																
Directors																
(Provide in Total as a Category)																
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Managers																
(Provide in Total as a Category)																
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Supervisors																
(Provide in Total as a Category)																
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Exempt (not Including Directors, Supervisors and Managers)																
(Provide in Total as a Category)																

Kentucky Power Company
Case No. 2023-00159
Salary & Benefit Data by Employee - *Year =>* ***4/1/2022-3/31/2023***

Employee Name	Title	Regular	Overtime	Excess Vacation Payout	Standby	Incentive	Other	Sub-Total	KPCo % Share	KPCo's Share	Health Benefits Cost[1]		Dental B
											KPCO	Employee	KPCO
Provide the Total Amount		$ 5,372,138	$ 405,229	$ 26,992	$ -	$ 1,103,904	$ 886,087	$ 7,794,350	100.00%	$ 7,794,350			
Provide the KY Jurisdictional Retail Amount		$ 5,291,555	$ 399,151	$ 26,587	$ -	$ 1,087,345	$ 872,796	$ 7,677,435	100.00%	$ 7,677,435			
Non-Exempt (not including Supervisors and Managers)													
(Provide in Total as a Category)													
Provide the Total Amount		$ 15,878,053	$ 7,120,222	$ 79,768	$ -	$ 1,480,712	$ 3,619,263	$ 28,178,018	100.00%	$ 28,178,018			
Provide the KY Jurisdictional Retail Amount		$ 15,639,882	$ 7,013,419	$ 78,572	$ -	$ 1,458,501	$ 3,564,974	$ 27,755,348	100.00%	$ 27,755,348			
Union													
(Provide in Total as a Category)													
Provide the Total Amount		$ 11,063,641	$ 4,866,102	$ 65,668	$ -	$ 1,020,746	$ 2,666,113	$ 19,682,270	100.00%	$ 19,682,270			
Provide the KY Jurisdictional Retail Amount		$ 10,897,686	$ 4,793,110	$ 64,683	$ -	$ 1,005,435	$ 2,626,121	$ 19,387,036	100.00%	$ 19,387,036			
Non-Union Hourly													
(Provide in Total as a Category)													
Provide the Total Amount		$ 2,759,498	$ 1,779,915	$ -	$ -	$ 191,410	$ 584,520	$ 5,315,343	100.00%	$ 5,315,343			
Provide the KY Jurisdictional Retail Amount		$ 2,718,106	$ 1,753,216	$ -	$ -	$ 188,539	$ 575,752	$ 5,235,613	100.00%	$ 5,235,613			
Total for All Categories													
Total Amount		$ 56,217,678	$ 15,603,896	$ 192,495	$ -	$ 38,872,433	$ 11,712,156	$ 122,598,658		$ 75,546,708	$ 5,651,350	$ 1,682,711	$ 218,252
Total KY Jurisdictional Retail Amount		$ 42,784,597	$ 15,369,837	$ 189,607	$ -	$ 6,866,712	$ 9,202,754	$ 74,413,508		$ 72,690,793	$ 5,566,579	$ -	$ 214,978

[1] Actual benefit costs are not recorded by employee or group of employee.

[2] Life Insurance and AD&D are recorded together.

[3] This includes any remaining costs related to the defined benefit retirement plan being phased out that is not recorded separately.

[4] This includes Long Term Disability.

Kentucky Power Company
Case No. 2023-00159
Salary & Benefit Data by Employee -

Employee Name	Title	enefits [1]	Vision [1]		Life Insurance [1 & 2]		AD&D [1 & 2]		401k [1]		Pension and OPEB [1 & 3]		Other Wage, Salary, Compensation or Benefit Not Listed [1 & 4]		Totals [1]	
		Employee	KPCO	Employee	KPCO	Employee	KPCO	Emp	KPCO	Employee	KPCO	Emp	KPCO	Employee	KPCO	Emp
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Non-Exempt (not including Supervisors and Managers)																
(Provide in Total as a Category)																
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Union																
(Provide in Total as a Category)																
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Non-Union Hourly																
(Provide in Total as a Category)																
Provide the Total Amount																
Provide the KY Jurisdictional Retail Amount																
Total for All Categories																
Total Amount		$ 161,864		$ 62,036	$ 181,106	$ 302,114	$ -	$ -	$ 1,804,684	$ 5,717,842	$ (4,241,173)	$ -	$ 281,347	$ 23,668	$ 79,442,275	$ 7,950,235
Total KY Jurisdictional Retail Amount		$ -	$ -	$ -	$ 178,390	$ -	$ -	$ -	$ 1,777,614	$ -	$ (4,177,555)	$ -	$ 277,127	$ -	$ 76,527,926	$ -

[1] Actual benefit costs are not recorded by employee or group of employee.
[2] Life Insurance and AD&D are recorded together.
[3] This includes any remaining costs related to the defined benefit retirement plan being
[4] This includes Long Term Disability.

EXHIBIT___(LK-17)

DATA REQUEST

AG-KIUC 2-6 Refer to the response to AG-KIUC 1-50 and further to the workpaper attachment for the calculation of proforma property taxes expense KPCO_R_AG_KIUC_1_50_Attachment1.

a. Provide the basis for the proforma increases in property valuations used for each state. In other words, provide the amount of increases in expense associated with changes in net plant, net operating income, tax rate increases, and all other components of the proforma increases.

b. Provide the net plant used for each state jurisdiction as of December 31, 2021, December 31, 2022, and March 31, 2023.

c. Provide the Company's net operating income for the year ended December 31, 2021 and December 31, 2022 as well as the test year ended March 31, 2023.

d. Provide the average effective tax rate used in the determination of property tax expense for the year ended December 31, 2021 and December 31, 2022 as well as the test year ended March 31, 2023.

RESPONSE

a. The Kentucky historic year-over-year increase for the state assessment was found to be about 2% rounded. This increase was applied to the most recent final assessment issued by the state and carried forward. Kentucky and West Virginia use a unit value approach to determine the overall value of the Company. Unit valuation uses a blend of cost, income, and stock and debt approaches. The states rely on FERC Form 1 reporting for net utility plant, net utility operating income, and stock and debt detail. They use the information from each approach and apply a correlation to determine the overall value of the Company as a whole. Each state will then apply a state-specific allocator to determine the state-only value for final assessments.

b. Net plant is reported on the annual returns using the year-end financials and FERC Form 1. Each state uses this information in their determination of value. Please see

KPCO_R_AG_KIUC_2_6_Attachment1 for the December 31, 2021 balance sheet, KPCO_R_AG_KIUC_2_6_Attachment2 for the December 31, 2022 balance sheet, and KPCO_R_AG_KIUC_2_6_Attachment3 for the March 31, 2023 balance sheet.

c. Net utility operating income is reported on the annual returns using the year-end financials and FERC Form 1. Each state uses this information in their determination of value. Please see KPCO_R_AG_KIUC_2_6_Attachment4 for December 31, 2021 income statement, KPCO_R_AG_KIUC_2_6_Attachment5 for December 31, 2022 income statement, and KPCO_R_AG_KIUC_2_6_Attachment6 for the March 31, 2023 income statement.

d. The average effective tax rate was provided in the supplemental response to AG-KIUC 1_50; however, the average effective tax rate is not used to determine property tax expense. Effective tax rate is calculated on the state issued property assessment and not cost.

Witness: Linda M. Schlessman

EXHIBIT___(LK-18)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's First Set of Data Requests
Dated August 14, 2023

DATA REQUEST

AG-KIUC 1_50 Reference Section V Exhibit 2 page 50 which details the annualization adjustment W49 for property taxes expense.

a. Provide the calculation of the estimated test year property tax expense based on the December 31, 2022 Assessed Property Tax Value reflected on Line 1, including the calculation or other source of the property tax rates. Provide in electronic format with all formulas in place.

b. Provide the calculation of the estimated test year property tax expense based on the December 31, 2021 Assessed Property Tax Value. Provide in electronic format with all formulas in place.

c. Indicate the amounts of property tax costs in the test year that were expensed, capitalized, or charged to other. In addition, indicate whether the allocation of property tax costs to these categories were changed in any way in the estimation of property tax expense based on the December 31, 2022 Assessed Property Tax Value.

d. Indicate all known reasons for the estimated increases in property tax expenses based on the December 31, 2022 Assessed Property Tax Value compared to actual test year amounts. Include such expected changes in net plant, operating income, tax rate increases, and all other component increases as part of the response.

RESPONSE

a.-d. Please see KPCO_R_AG_KIUC_1_50_Attachment1 for the estimated property expense calculation.

Witness: Linda M. Schlessman

Kentucky Power Company
Annualization of Property Taxes
Twelve Months Ended 3/31/2023
W49

Line No.	Description		Amount
1	Net Estimated Property Tax Based on December 31, 2022 Assessible Property Value and Latest Actual Property Rates		$18,211,651
2	Net Property Tax Charged 4081005, 4081029 & 4081036 12 Months Ended 03/31/2023		$15,587,676
3	Adjustment to Property Tax Expense (Ln 3 - Ln 6)		$2,623,974
	Allocation Factor - Gross Plant Total	0.986	$2,587,239

Witness: Linda Schlessman

Owned Property Calculation:

	12/31/2021	12/31/2022	
KY Total Expense Amount		**$18,429,439**	Utility Expense Amount KY, 408.1
Less KY Generation		**$760,780**	Less KY Generation, 408.1
TY2022 Expense Amt Total		$17,668,659	TY2020 Expense Amt Total
Per month Amt		$1,472,388	Per month Amt
Apr-Dec 202 KY T&D (plus adjs)	$11,213,820	$3,923,271	Jan-Mar 2023 KY T&D
		$15,137,091	**Total KY Def Amt for Period Ending 12/31/2022**

Leased PP Calculation:

	12/31/2021	12/31/2022	
KY Total Expense Amount		**$540,499**	Expense Amount KY
Less KY Generation		**$11,108**	Less KY Generation, 408.1
TY2022 Expense Amt Total		$529,391	TY2020 Expense Amt Total
Per month Amt		$44,116	Per month Amt
Apr-Dec 202 KY T&D (plus adjs)	$438,395	$0	Jan-Mar 2023 KY T&D
		$438,395	**Total KY Def Amt for Period Ending 12/31/2022**

Leased RE Calculation:

	12/31/2021	12/31/2022	
Annual Amount		**$13,600**	All KY, no generation, Leased RE
Per month Amt		$1,133	Per month Amt
Apr-Dec 202 KY T&D (plus adjs)	$10,210	$0	Jan-Mar 2023 KY T&D
		$10,210	**Total KY Def Amt for Period Ending 12/31/2022**
		$15,585,696	Ties to Bus Obj Pivot w_BU T&D only (12 months exp, ending 12/31/2022)

Total Annual Amt.	$18,211,651	TY2023 Full Year Expense, T&D only
KY Overaccrual (T&D only)	$0	2020 (none)
Total 2023 T&D Accrual revised	$18,211,651	TY2023 Revised Full Year Expense, T&D only

Sum of Debit / (Credit)			Column Labels			
Row Labels	JE ID	JE Date	110	117	180	Grand Total
408100521	TXAMTABA	Apr	827,136.00	30,628.00	418,845.00	1,276,609.00
		May	827,136.00	30,628.00	418,845.00	1,276,609.00
		Jun	827,136.00	30,628.00	418,845.00	1,276,609.00
		Jul	827,136.00	30,628.00	418,845.00	1,276,609.00
		Aug	827,136.00	30,628.00	418,845.00	1,276,609.00
		Sep	827,136.00	30,628.00	418,845.00	1,276,609.00
		Oct	827,136.00	30,628.00	418,845.00	1,276,609.00
		Nov	827,136.00	30,628.00	418,845.00	1,276,609.00
		Dec	827,126.88	30,629.00	418,845.12	1,276,601.00
408100521 Total			**7,444,214.88**	**275,653.00**	**3,769,605.12**	**11,489,473.00**
408100522	TXAMTABA	Jan	804,756.00	161,709.00	503,001.00	1,469,466.00
		Feb	804,756.00	161,709.00	503,001.00	1,469,466.00
		Mar	804,756.00	161,709.00	503,001.00	1,469,466.00
408100522 Total			**2,414,268.00**	**485,127.00**	**1,509,003.00**	**4,408,398.00**
408102922	TXACCABA	Jul	7,910.33			7,910.33
	TXAMTABA	Jan	44,695.00	1,509.00	1,113.00	47,317.00
		Apr	23,040.00	1,066.00	19,702.00	43,808.00
		May	23,040.00	1,066.00	19,702.00	43,808.00
		Jun	23,040.00	1,066.00	19,702.00	43,808.00
		Jul	23,040.00	1,066.00	19,702.00	43,808.00
		Aug	23,040.00	1,066.00	19,702.00	43,808.00
		Sep	23,040.00	1,066.00	19,702.00	43,808.00
		Oct	23,040.00	1,066.00	19,702.00	43,808.00
		Nov	23,040.00	1,066.00	19,702.00	43,808.00
		Dec	23,038.00	1,071.00	19,703.00	43,812.00
408102922 Total			**259,963.33**	**11,108.00**	**178,432.00**	**449,503.33**
408103622	TXACCABA	Apr	1,133.00			1,133.00
		May	1,133.00			1,133.00
		Jun	1,133.00			1,133.00
		Jul	1,133.00			1,133.00
		Aug	1,133.00			1,133.00
		Sep	1,133.00			1,133.00
		Oct	1,133.00			1,133.00
		Nov	1,133.00			1,133.00
		Dec	1,137.00			1,137.00
	TXOUAABA	Feb	9.00			9.00
408103622 Total			**10,210.00**			**10,210.00**
Grand Total			**10,128,656.21**	**771,888.00**	**5,457,040.12**	**16,357,584.33**
					15,585,696.33	
Prior Year Adjusts made in 202			7,919.33		0.00	$7,919.33
Portion of prior year adjs-9/12-in period (Apr-Dec 2019)			-$5,939.50		$0.00	-$5,939.50
adjusting out prior period portion of full-year adjustment			$10,130,636.04		$5,457,040.12	$1,979.83
					$15,587,676.16	

EXHIBIT___(LK-19)

Kentucky Power Company
KPSC Case No. 2023-00159
AG-KIUC's Second Set of Data Requests
Dated September 11, 2023

DATA REQUEST

AG-KIUC 2_5 Refer to the response to AG-KIUC 1-50 and further to the workpaper attachment for the calculation of proforma property taxes expense KPCO_R_AG_KIUC_1_50_Attachment1. Refer further to worksheet tab Est. Tax Calc at Excel cells C4, C13, and C22, which provide value inputs for test year related expenses and no indication how these amounts were determined. Provide all workpapers, including all source documents, used to determine the amounts associated with test year proforma expense in these cell references. Provide in electronic format with all formulas intact.

RESPONSE

Please see KPCO_R_AG_KIUC_2_5_Attachment1 for the year end 2021 forecast support and the KPCO_R_AG_KIUC_2_5_Attachment2 for the year end 2022 forecast support.

Witness: Linda M. Schlessman

STATE RECAP & WORKSHEET
ESTIMATED AD VALOREM TAX BUDGET
Kentucky Power Company
TY2023

Kentucky
State

Status: Completed

	2023 Forecast	2023 Accrual
EXPENSE:	$18,691,708	$1,557,642
CASH:	$19,175,298	$1,597,941

Comments/Notes:

Forecast notes:
-TY2018 assessment brought a much lower capitalization rate, creating upward pressure on the final assessed value.
-TY2019-upward cap rate pressure, combined with income increasing 25% and plant increasing over 2%, will likely cause the TY2019 assessment to be significantly higher than prior year. JAS 09/11/2019
-TY2020-not settled yet, assuming lower increase due to drop in income

Expense Forecast Estimate, Calculations & Notes

Year	State Final Assessment	% Change	State Taxes	Local Taxes	FRECo	Total Taxes	% Change
2014	$1,320,000,000		3,833,133	7,525,404	5,949	11,364,486	
2015	$1,335,000,000	1.14%	4,053,981	8,300,767	5,725	12,360,473	8.76%
2016	$1,100,000,000	-17.60%	3,476,976	7,728,268	5,790	11,211,033	-9.30%
2017	$1,100,000,000	0.00%	3,348,283	7,782,103	6,033	11,136,419	-0.67%
2018	$1,150,000,000	4.55%	3,539,191	8,485,477	6,128	12,030,796	8.03%
2019	$1,300,000,000	13.04%	4,135,434	9,997,190	6,164	14,138,788	17.52%
2020	$1,403,071,870	7.93%	4,487,396	11,331,463	6,200	15,825,059	11.93%
2021	$1,650,300,526	17.62%	5,357,408	13,328,000	6,300	18,691,708	18.11%
2022	$1,683,000,000	2.00%	5,464,000	13,592,000	6,300	19,062,300	1.98%
2023	$1,717,000,000	2.00%	5,574,000	13,867,000	6,300	19,447,300	2.02%

	Utility Taxes	Non-Utility	Leased PP	Total Taxes	
TY2022	18,519,400	17,200	525,700	19,062,300	525.7
TY2023	18,862,000	17,500	567,800	19,447,300	567.8

Estimated Deferral for 2023:	
Owned Deferral:	$18,862,000
Leased Deferral:	$567,800
Non-Utility Deferral:	$17,500
Total Owned Deferral:	$18,879,500
Sum: All Deferrals	$19,447,300

Expense Forecast Recap:	
Forecast for Owned:	$18,188,008
Forecast for Leased:	$486,800
Forecast for Non-Util:	$16,900
Total Owned:	$18,204,908
Sum: All Expense	$18,691,708

Cash Forecast Estimate, Calculations and Notes

Based on TY2019 taxes paid, the following payment %'s will be applied for the 2021 cash forecast.
(See 'Historical Taxes Paid' tab)

			Applied to
Feb 2023	70.65%	$13,467,515	TY2022
Nov 2023	29.35%	$5,707,783	TY2023
		$19,175,298	

Tax Payment Estimates for: 2023	
Month / Year	Amount
January	
February	$13,467,515
March	
April	
May	
June	
July	
August	
September	
October	
November	$5,707,783
December	
TOTAL	$19,175,298

Rate History

Tax Year	Taxes Paid	Avg. Tax Rate	% Change
			#DIV/0!
			#DIV/0!
			#DIV/0!

Signatures and Dates

Prepared by:

Approved by:

EXHIBIT___(LK-20)

DATA REQUEST

AG-KIUC 1_20 Reference Exhibit LMK-7, Sheets 34-1 and 34-2 for the proposed DRR. The formula set forth in the proposed tariff sheets simply identifies categories of costs and then refers to "the capital expenditure and operations and maintenance to support that capital to enhance customer reliability."

a. Confirm that the Company has provided no details regarding the specific costs that will be included, how the return on and of the capital investment will be calculated, how the Company will reflect capital investment and operations and maintenance expense that otherwise would have been included in the base revenue requirement. If this is not correct, then provide a corrected statement and provide citations to the direct testimony, exhibits, schedules, workpapers, and/or all other sources of these details.

b. Provide a template for the Company's specific calculations in an Excel workbook in live format and with all formulas intact that it will use to calculate the DRR revenue requirements, allocations, and rates. Populate the template for illustrative purposes with the forecast information provided in response to Question 18 for 2024, assuming that the DRR goes into effect on January 1, 2024.

c. Provide a detailed description and listing of the costs that will be included in each of the categories of costs, separately addressing the capital expenditures and each of the operating expenses.

d. Explain how the Company's plan will ensure that the costs included in each of the listed categories sought for recovery through the DRR are, in fact, incremental, and will not simply displace the costs that otherwise would be incurred and recovered, albeit on a delayed basis, through base rates. Provide specific details, tests, thresholds, other metrics, and all other information for each of the listed categories of costs the Company proposes be used for this purpose.

RESPONSE

a. Denied. Specific costs and descriptions of the DRR program for the proposed DRR are included in the Direct Testimony and Exhibits of Company Witness Phillips. Please see pages 30-37 of Company Witness Phillips' Direct Testimony, Exhibit EGP-4, and Workpaper KPCO_R_KPSC_2_1_Attachment11_PhillipsWP1

b. See KPCO_AG-KIUC_R_1_20_Attachment1for the DRR revenue requirement calculation and rate development based on the DRR workplan. Year-end 2022 class revenue sales and March 2023 customer count were used for illustrative purposes in KPCO_AG-KIUC_R_1_20_Attachment1 because the Company does not forecast revenue sales and customer count for rate design purposes.

c. See the Company's response to subpart a.

d. Each program included in the DRR Work Plan and recovered through the DRR will have a specific work order to track all costs. These work orders will be unique from similar work performed and to be recovered through base rates. All programs included in the DRR Work Plan will be incremental to work performed and to be recovered through base rates. See also the Company's response to KPSC 2-6.

Witness: Everett G. Phillips

Witness: Brian K. West

Witness: Michael Spaeth

EXHIBIT___(LK-21)

Kentucky Power Company
KPSC Case No. 2023-00159
Commission Staff's Second Set of Data Requests
Dated August 14, 2023

DATA REQUEST

KPSC 2_23 Refer to the Phillips Direct Testimony, page 25. Provide the vegetation management budget from 2018 through July 2023. Include the portion of the budget for clearing of vegetation including trees outside the ROW as a part of the total vegetation management budget.

RESPONSE

Please see KPCO_R_KPSC_2_23_Attachment1 for O&M and capital budgets from 2018 through July 2023.

Witness: Everett G. Phillips

Witness: Brian K. West

Budget	2018	2019	2020	2021	2022	2023 Budget through July
Capital Budget per year (Total)	$7,389,537	$9,107,070	$8,599,668	$9,333,038	$8,512,317	$4,907,415
Capital Budget per year (TOR)	$6,100,000	$6,500,000	$6,500,000	$6,500,000	$6,500,000	$3,791,667
O&M Vegetation Management Budget Per year	$21,638,766	$21,283,946	$21,472,777	$21,733,094	$21,577,961	$12,528,298