### DATA REQUEST

### **KPSC 1\_1** Refer to Application, Exhibit 2.

- a. Provide a breakdown of the estimated costs for each of the other contractors used related to the January 5, 2025 storm.
- b. Provide a breakdown of the estimated costs for each of the other contractors used related to the February 15, 2025 storm.
- c. Provide a breakdown of the miscellaneous incremental costs totaling \$650,189 related to the January 5, 2025 storm.
- d. Explain how Kentucky Power approximated \$1,000,000 in miscellaneous incremental expenses related to the February 15, 2025 distribution costs

#### **RESPONSE**

- a. and b. Please see KPCO\_R\_KPSC\_1\_1\_Attachment1 for a breakdown of estimated costs for each of the other contractors used related to the January 5, 2025 and February 15, 2025 storms.
- c. and d. The miscellaneous expense provided for both the January 5, 2025 and February 15, 2025 storms relates to any expenses other than labor that has not yet been reflected within actuals. These amounts (\$650,189 and \$1,000,000 respectively) are derived by taking the cost estimate less actuals. Accordingly, each month as actuals are booked and these costs are allocated to a designated category, the miscellaneous category is reduced.

### **DATA REQUEST**

**KPSC 1\_2** Provide the year-to-date storm damage operating and maintenance expenses exclusive of the January 5, 2025 and February 15, 2025 storms.

# **RESPONSE**

The estimated year-to-date storm damage operating and maintenance expenses, exclusive of the January 5, 2025 and February 15, 2025 storms, is \$236,000 as of February 28, 2025.

### **DATA REQUEST**

**KPSC 1\_3** Provide the storm damage operating and maintenance expenses for the calendar year 2024.

# **RESPONSE**

The estimated total year-to-date operations and maintenance expense related to storms for calendar year 2024 is \$13.8M as of February 28, 2025.

#### **DATA REQUEST**

- **KPSC 1\_4** Refer to Case No. 2023-00159, January 19, 2024 Order.
  - a. Confirm that the level of total distribution major and non-major storm project expense used in the 12-month period ending March 31, 2023, was \$7.3 million.
  - b. Explain how Kentucky Power determines when to seek a regulatory asset for storm or other weather-related expenses, including any monetary thresholds.

#### **RESPONSE**

- a. In Case No. 2023-00159, the test year ending March 31, 2023 did have an actual level of \$7.3M in distribution storm expense and \$0.1M in transmission storm expense. The Company also evaluated the three-year average total storm expense level of \$9.4M (excluding February 2021 Ice Storm and July 2022 Flood expenses) for inclusion in base rates. Ultimately, in an effort to mitigate the customer rate impact in that case, the Company decided to reduce the distribution storm expense level in base rates to \$1.0M and maintain the transmission expense level of \$0.1M.
- b. There is no set monetary threshold that determines whether or not Kentucky Power will seek a regulatory asset for storm damage expenses. The Company evaluates each weather event independently. If the damage expenses are deemed extraordinary and the Company's financial health requires it, the Company will seek deferral authority for those storms.

#### **DATA REQUEST**

**KPSC 1\_5** Refer to Application at 5, paragraph 23. Provide an approximate age for the equipment damaged.

### **RESPONSE**

The Company does not generally replace its distribution equipment based on age and thus does not maintain its records in a manner that would allow the Company to provide the requested data for cross arms and conductors.

Nonetheless, this information is available for Poles and Transformers. Accordingly, the approximate age of damage was 45-years for Poles and 36-years for Transformers.

Notably, regardless of the age of equipment, the January 5, 2025 storm brought 5-10 inches of snowfall with ice accumulation totals of 0.10-0.47 inches across the Company's service territory which would have been indiscriminate to the Company's facilities regardless of age.

#### **DATA REQUEST**

**KPSC 1\_6** Refer to Application at 7, paragraph 36. Provide an approximate age for the equipment damaged.

### **RESPONSE**

The Company assumes that the question is specific to the equipment noted at 5 of the Application, paragraph 23 and is not for entire substations which are comprised of hundreds of various components of equipment. Additionally, the Company does not generally replace its distribution equipment based on age and thus does not maintain its records in a manner that would allow the Company to provide the requested data for cross arms and conductors.

Nonetheless, this information is available for Poles and Transformers. Accordingly, the approximate age of damage was 50-years for Poles and 39-years for Transformers.

Notably, regardless of the age of equipment, the February 15, 2025 storm brought a total of 2 to 4 inches of rainfall to already saturated soils compounded by wind gusts of 40-50 mph across the Company's service territory. Much of the damage experienced during this storm was the result of mudslides causing trees outside the ROW to fall into the Company's assets. As noted in the Company's response to KPSC 1\_5, such damage is indiscriminate to age.

### **VERIFICATION**

The undersigned, Tanner S. Wolffram, being duly sworn, deposes and says he is the Director of Regulatory Services for Kentucky Power, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Tamos & Walnu
Tanner S. Wolffram
Commonwealth of Kentucky )
Subscribed and sworn to before me, a Notary Public in and before said County and State, by Tanner S. Wolffram, on March 14, 2025
Marilyon Micheller Caldwell
Notary Public
MARILYN MICHELLE CALDWELL Notary Public Commonwealth of Kentucky Commission Number KYNP71841 My Commission Expires May 5, 2027
My Commission Expires <u>May 5, 2027</u>
Notary ID Number <u>KYNP71841</u>