

Kentucky Power Company
KPSC Case No. 2025-00036
Commission Staff's Second Set of Data Requests
Dated April 16, 2025

DATA REQUEST

KPSC 2_1 Refer to Kentucky Power's response to Commission Staff's First Request for Information (Staff's First Request), Item 1, Attachment 1 at column "Jul-24," line 9 and Environmental Surcharge (ES) Form 4.00, for the Expense Month Ending September 2024 (filed Oct. 18, 2024), Over/(Under Recovery Adjustment at line 1. The correct amount for ES Form 4.00 appears to be \$1,220,437. Provide the calculation of the Surcharge Amount to Be Collected of \$1,515,692 shown on ES Form 4.00 and explain the reasons for the difference.

RESPONSE

The Amount To Be Collected of \$1,515,692 shown on ES Form 4.00 of the September 2024 filing is inclusive of the \$295,255 approved for recovery in Case No. 2023-00372. This under-recovery amount is discussed in Company Witness Cullop's Direct Testimony on page 7, line 18 through page 8, line 2. That amount is also included on lines 12 and 18 of Item 1, Attachment 1 in the column "Jul-24".

Witness: John D. Cullop

Kentucky Power Company
KPSC Case No. 2025-00036
Commission Staff's Second Set of Data Requests
Dated April 16, 2025

DATA REQUEST

KPSC 2_2 Refer to ES Form 3.10, for the Expense Month Ending October 2024. The \$225,145 Monthly Legacy CCR Rule – ARO Depreciation and Accretion Expense is included in Non-FGD Costs but excluded from Total Costs. Update the form to include the \$225,145 in the Total Costs or explain why it should not be included.

RESPONSE

The inclusion of the Monthly Legacy CCR Rule - ARO Depreciation and Accretion expense line in the Total column on Form 3.10 is for presentation only. This column does not carry through to any other forms and does not impact any calculations.

Please see KPCO_R_KPSC_2_2_Attachment1 for the updated version of Form 3.10 for the October 2024 through December 2024 expense months. The Company has corrected this issue going forward as of the Company's environmental surcharge filed on April 21, 2025 (for March expense month).

Witness: John D. Cullop

KENTUCKY POWER COMPANY
Environmental Surcharge
Form 3.10 - Mitchell Environmental Costs
October 2024

Ln. No.	Cost Component		Non-FGD Costs	FGD Costs	Total Costs
1	Utility Plant at Original Cost		\$ 408,730,389	\$ 329,625,099	\$ 738,355,488
2	Less Accumulated Depreciation		\$ 176,132,340	\$ 164,088,840	\$ 340,221,180
3	Less Accumulated Deferred Income Tax		\$ 54,469,758	\$ 44,373,495	\$ 98,843,253
4	Net Utility Plant		\$ 178,128,290	\$ 121,162,765	\$ 299,291,055
5	*SO2 Emission Allowance Inventory		\$ 8,420,282	\$ -	\$ 8,420,282
6	*CSAPR SO2 Emission Allowance Inventory		\$ 20,075	\$ -	\$ 20,075
7	*CSAPR NOx Emission Allowance Inventory (Seasonal)		\$ -	\$ -	\$ -
8	*CSAPR AN Emission Allowance Inventory (Annual)		\$ -	\$ -	\$ -
9	Limestone Inventory (1540006)		\$ -	\$ 1,089,348	\$ 1,089,348
10	Urea Inventory (1540012)		\$ 410,860	\$ -	\$ 410,860
11	Limestone In-Transit Inventory (1540022)		\$ -	\$ 115,407	\$ 115,407
12	Urea In-Transit Inventory (1540023)		\$ 497,141	\$ -	\$ 497,141
13	Construction Work in Progress (CWIP)		\$ -	\$ -	\$ -
14	Cash Working Capital Allowance		\$ 220,129	\$ 154,964	\$ 375,093
15	Non-FGD Rate Base as of 3/31/2023		\$ 196,186,892		
16	Additional Non-FGD Rate Base Post 3/31/2023		\$ (8,490,115)		
17	Total Rate Base		\$ 187,696,776	\$ 122,522,484	\$ 310,219,260
18	***WACC for Non-FGD Rate Base as of 3/31/2023	8.21%	0.68%		0.68%
19	***WACC for FGD and Non-FGD Additions to 3/31/2023 Rate Base	8.16%	0.68%	0.68%	0.68%
20	Monthly Return for Non-FGD Rate Base as of 3/31/2023		\$ 1,342,245		\$ 1,342,245
21	Monthly Return for FGD and Non-FGD Additions to 3/31/2023 Rate Base		\$ (57,733)	\$ 833,153	\$ 775,420
22	Monthly Disposal (5010000)		\$ -	\$ 51,061	\$ 51,061
23	Monthly Fly Ash Sales (5010012)		\$ 584	\$ -	\$ 584
24	Monthly Urea Expense (5020002)		\$ 95,425	\$ -	\$ 95,425
25	Monthly Trona Expense (5020003)		\$ -	\$ -	\$ -
26	Monthly Lime Stone Expense (5020004)		\$ -	\$ 187,378	\$ 187,378
27	Monthly Polymer Expense (5020005)		\$ -	\$ -	\$ -
28	Monthly Lime Hydrate Expense (5020007)		\$ -	\$ -	\$ -
29	Monthly WV Air Emission Fee		\$ 3,448	\$ -	\$ 3,448
30	SO2 Consumption **		\$ 4,250	\$ -	\$ 4,250
31	CSAPR SO2 Consumption **		\$ 20	\$ -	\$ 20
32	CSAPR Annual NOx Consumption		\$ -	\$ -	\$ -
33	CSAPR Seasonal NOx consumption		\$ -	\$ -	\$ -
34	Total Monthly Operation Costs		\$ 1,388,240	\$ 1,071,592	\$ 2,459,832
35	Monthly FGD Maintenance Expense		\$ -	\$ 169,377	\$ 169,377
36	Monthly Non-FGD Maintenance Expense		\$ 166,559	\$ -	\$ 166,559
37	Total Monthly Maintenance Expense		\$ 166,559	\$ 169,377	\$ 335,936
38	Monthly Depreciation Expense		\$ 934,179	\$ 813,075	\$ 1,747,255
39	Monthly Catalyst Amortization Expense		\$ 98,347	\$ -	\$ 98,347
40	Monthly CCR Depreciation Expense****		\$ 342,795	\$ -	\$ 342,795
41	Monthly Legacy CCR Rule - ARO Depreciation and Accretion Expense		\$ 225,145	\$ -	\$ 225,145
42	Monthly Installment of ELG Regulatory Asset Amortization****		\$ -	\$ -	\$ -
43	Monthly Property Tax		\$ 20,269	\$ 16,346	\$ 36,615
44	Total Monthly Other Expenses		\$ 1,620,735	\$ 829,421	\$ 2,450,157
45	Total Monthly Operation, Maintenance, and Other Expenses		\$ 1,891,022	\$ 1,237,238	\$ 3,128,260
46	O&M for corresponding month of test year		\$ 1,720,813	\$ 1,096,895	\$ 2,817,708
47	Difference in Test Year Month O&M & Current Month O&M		\$ 170,209	\$ 140,343	\$ 310,553
48	Gross-up for Uncollectible Expense & KPSC Maint Fee	0.005523	\$ 940	\$ 775	\$ 1,715.18
49	Total Revenue Requirement		\$ 3,176,475	\$ 2,071,166	\$ 5,247,641

* Inventory Includes Total Kentucky Power allowances inventory.

** Includes Consumption for Mitchell only.

*** In accordance with the Commission's January 19, 2024 Order in Case No. 2023-00159 Mitchell Non-FGD rate base as of 3/31/2023 is to utilize an ROE of 9.75 percent and the return on additional Mitchell Non-FGD plant an ROE of 9.65 percent.

**** In accordance with the Commission's July 15, 2021 and May 3, 2022 Orders in Case No. 2021-00004.

KENTUCKY POWER COMPANY
Environmental Surcharge
Form 3.10 - Mitchell Environmental Costs
November 2024

Ln. No.	Cost Component		Non-FGD Costs	FGD Costs	Total Costs
1	Utility Plant at Original Cost		\$ 408,728,017	\$ 329,625,445	\$ 738,353,462
2	Less Accumulated Depreciation		\$ 176,963,833	\$ 164,753,950	\$ 341,717,783
3	Less Accumulated Deferred Income Tax		\$ 54,620,308	\$ 44,564,580	\$ 99,184,888
4	Net Utility Plant		\$ 177,143,876	\$ 120,306,915	\$ 297,450,791
5	*SO2 Emission Allowance Inventory		\$ 8,417,044	\$ -	\$ 8,417,044
6	*CSAPR SO2 Emission Allowance Inventory		\$ 20,059	\$ -	\$ 20,059
7	*CSAPR NOx Emission Allowance Inventory (Seasonal)		\$ -	\$ -	\$ -
8	*CSAPR AN Emission Allowance Inventory (Annual)		\$ -	\$ -	\$ -
9	Limestone Inventory (1540006)		\$ -	\$ 1,222,032	\$ 1,222,032
10	Urea Inventory (1540012)		\$ 383,942	\$ -	\$ 383,942
11	Limestone In-Transit Inventory (1540022)		\$ -	\$ 88,998	\$ 88,998
12	Urea In-Transit Inventory (1540023)		\$ 497,141	\$ -	\$ 497,141
13	Construction Work in Progress (CWIP)		\$ -	\$ -	\$ -
14	Cash Working Capital Allowance		\$ 195,772	\$ 137,839	\$ 333,611
15	Non-FGD Rate Base as of 3/31/2023		\$ 196,186,892		
16	Additional Non-FGD Rate Base Post 3/31/2023		\$ (9,529,058)		
17	Total Rate Base		\$ 186,657,834	\$ 121,755,784	\$ 308,413,617
18	***WACC for Non-FGD Rate Base as of 3/31/2023	8.21%	0.68%		0.68%
19	***WACC for FGD and Non-FGD Additions to 3/31/2023 Rate Base	8.16%	0.68%	0.68%	0.68%
20	Monthly Return for Non-FGD Rate Base as of 3/31/2023		\$ 1,342,245		\$ 1,342,245
21	Monthly Return for FGD and Non-FGD Additions to 3/31/2023 Rate Base		\$ (64,798)	\$ 827,939	\$ 763,142
22	Monthly Disposal (5010000)		\$ -	\$ 10,007	\$ 10,007
23	Monthly Fly Ash Sales (5010012)		\$ 1,944	\$ -	\$ 1,944
24	Monthly Urea Expense (5020002)		\$ 115,114	\$ -	\$ 115,114
25	Monthly Trona Expense (5020003)		\$ -	\$ -	\$ -
26	Monthly Lime Stone Expense (5020004)		\$ -	\$ 277,619	\$ 277,619
27	Monthly Polymer Expense (5020005)		\$ -	\$ -	\$ -
28	Monthly Lime Hydrate Expense (5020007)		\$ -	\$ -	\$ -
29	Monthly WV Air Emission Fee		\$ 3,448	\$ -	\$ 3,448
30	SO2 Consumption **		\$ 3,238	\$ -	\$ 3,238
31	CSAPR SO2 Consumption **		\$ 16	\$ -	\$ 16
32	CSAPR Annual NOx Consumption		\$ -	\$ -	\$ -
33	CSAPR Seasonal NOx consumption		\$ -	\$ -	\$ -
34	Total Monthly Operation Costs		\$ 1,401,208	\$ 1,115,565	\$ 2,516,774
35	Monthly FGD Maintenance Expense		\$ -	\$ 44,215	\$ 44,215
36	Monthly Non-FGD Maintenance Expense		\$ 37,924	\$ -	\$ 37,924
37	Total Monthly Maintenance Expense		\$ 37,924	\$ 44,215	\$ 82,138
38	Monthly Depreciation Expense		\$ 933,974	\$ 813,076	\$ 1,747,050
39	Monthly Catalyst Amortization Expense		\$ 98,347	\$ -	\$ 98,347
40	Monthly CCR Depreciation Expense****		\$ 344,142	\$ -	\$ 344,142
41	Monthly Legacy CCR Rule - ARO Depreciation and Accretion Expense		\$ 225,716	\$ -	\$ 225,716
42	Monthly Installment of ELG Regulatory Asset Amortization****		\$ -	\$ -	\$ -
43	Monthly Property Tax		\$ 20,269	\$ 16,346	\$ 36,615
44	Total Monthly Other Expenses		\$ 1,622,448	\$ 829,422	\$ 2,451,870
45	Total Monthly Operation, Maintenance, and Other Expenses		\$ 1,784,132	\$ 1,161,263	\$ 2,945,395
46	O&M for corresponding month of test year		\$ 1,266,616	\$ 1,096,895	\$ 2,363,510
47	Difference in Test Year Month O&M & Current Month O&M		\$ 517,516	\$ 64,368	\$ 581,885
48	Gross-up for Uncollectible Expense & KPSC Maint Fee	0.005523	\$ 2,858	\$ 356	\$ 3,213.75
49	Total Revenue Requirement		\$ 3,064,438	\$ 1,989,558	\$ 5,053,996

* Inventory Includes Total Kentucky Power allowances inventory.

** Includes Consumption for Mitchell only.

*** In accordance with the Commission's January 19, 2024 Order in Case No. 2023-00159 Mitchell Non-FGD rate base as of 3/31/2023 is to utilize an ROE of 9.75 percent and the return on additional Mitchell Non-FGD plant an ROE of 9.65 percent.

**** In accordance with the Commission's July 15, 2021 and May 3, 2022 Orders in Case No. 2021-00004.

KENTUCKY POWER COMPANY
Environmental Surcharge
Form 3.10 - Mitchell Environmental Costs
December 2024

Ln. No.	Cost Component		Non-FGD Costs	FGD Costs	Total Costs
1	Utility Plant at Original Cost		\$ 409,686,093	\$ 329,648,198	\$ 739,334,291
2	Less Accumulated Depreciation		\$ 177,874,208	\$ 165,492,320	\$ 343,366,528
3	Less Accumulated Deferred Income Tax		\$ 54,750,833	\$ 44,730,434	\$ 99,481,267
4	Net Utility Plant		\$ 177,061,052	\$ 119,425,444	\$ 296,486,496
5	*SO2 Emission Allowance Inventory		\$ 8,413,846	\$ -	\$ 8,413,846
6	*CSAPR SO2 Emission Allowance Inventory		\$ 20,044	\$ -	\$ 20,044
7	*CSAPR NOx Emission Allowance Inventory (Seasonal)		\$ -	\$ -	\$ -
8	*CSAPR AN Emission Allowance Inventory (Annual)		\$ -	\$ -	\$ -
9	Limestone Inventory (1540006)		\$ -	\$ 1,358,741	\$ 1,358,741
10	Urea Inventory (1540012)		\$ 233,886	\$ -	\$ 233,886
11	Limestone In-Transit Inventory (1540022)		\$ -	\$ 37,063	\$ 37,063
12	Urea In-Transit Inventory (1540023)		\$ 497,141	\$ -	\$ 497,141
13	Construction Work in Progress (CWIP)		\$ -	\$ -	\$ -
14	Cash Working Capital Allowance		\$ 195,727	\$ 132,389	\$ 328,116
15	Non-FGD Rate Base as of 3/31/2023		\$ 196,186,892		
16	Additional Non-FGD Rate Base Post 3/31/2023		\$ (9,765,197)		
17	Total Rate Base		\$ 186,421,695	\$ 120,953,637	\$ 307,375,332
18	***WACC for Non-FGD Rate Base as of 3/31/2023	8.21%	0.68%		0.68%
19	***WACC for FGD and Non-FGD Additions to 3/31/2023 Rate Base	8.16%	0.68%	0.68%	0.68%
20	Monthly Return for Non-FGD Rate Base as of 3/31/2023		\$ 1,342,245		\$ 1,342,245
21	Monthly Return for FGD and Non-FGD Additions to 3/31/2023 Rate Base		\$ (66,403)	\$ 822,485	\$ 756,081
22	Monthly Disposal (5010000)		\$ -	\$ 8,948	\$ 8,948
23	Monthly Fly Ash Sales (5010012)		\$ 1,236	\$ -	\$ 1,236
24	Monthly Urea Expense (5020002)		\$ 158,104	\$ -	\$ 158,104
25	Monthly Trona Expense (5020003)		\$ -	\$ -	\$ -
26	Monthly Lime Stone Expense (5020004)		\$ -	\$ 320,072	\$ 320,072
27	Monthly Polymer Expense (5020005)		\$ -	\$ -	\$ -
28	Monthly Lime Hydrate Expense (5020007)		\$ -	\$ -	\$ -
29	Monthly WV Air Emission Fee		\$ 3,448	\$ -	\$ 3,448
30	SO2 Consumption **		\$ 3,117	\$ -	\$ 3,117
31	CSAPR SO2 Consumption **		\$ 15	\$ -	\$ 15
32	CSAPR Annual NOx Consumption		\$ -	\$ -	\$ -
33	CSAPR Seasonal NOx consumption		\$ -	\$ -	\$ -
34	Total Monthly Operation Costs		\$ 1,441,762	\$ 1,151,504	\$ 2,593,266
35	Monthly FGD Maintenance Expense		\$ -	\$ 80,703	\$ 80,703
36	Monthly Non-FGD Maintenance Expense		\$ 42,037	\$ -	\$ 42,037
37	Total Monthly Maintenance Expense		\$ 42,037	\$ 80,703	\$ 122,740
38	Monthly Depreciation Expense		\$ 936,181	\$ 813,132	\$ 1,749,313
39	Monthly Catalyst Amortization Expense		\$ 98,347	\$ -	\$ 98,347
40	Monthly CCR Depreciation Expense****		\$ 345,199	\$ -	\$ 345,199
41	Monthly Legacy CCR Rule - ARO Depreciation and Accretion Expense		\$ 226,290	\$ -	\$ 226,290
42	Monthly Installment of ELG Regulatory Asset Amortization****		\$ -	\$ -	\$ -
43	Monthly Property Tax		\$ 20,316	\$ 16,347	\$ 36,664
44	Total Monthly Other Expenses		\$ 1,626,334	\$ 829,479	\$ 2,455,813
45	Total Monthly Operation, Maintenance, and Other Expenses		\$ 1,834,291	\$ 1,239,202	\$ 3,073,493
46	O&M for corresponding month of test year		\$ 1,333,813	\$ 1,096,895	\$ 2,430,708
47	Difference in Test Year Month O&M & Current Month O&M		\$ 500,478	\$ 142,307	\$ 642,785
48	Gross-up for Uncollectible Expense & KPSC Maint Fee	0.005523	\$ 2,764	\$ 786	\$ 3,550.10
49	Total Revenue Requirement		\$ 3,112,897	\$ 2,062,473	\$ 5,175,370

* Inventory Includes Total Kentucky Power allowances inventory.

** Includes Consumption for Mitchell only.

*** In accordance with the Commission's January 19, 2024 Order in Case No. 2023-00159 Mitchell Non-FGD rate base as of 3/31/2023 is to utilize an ROE of 9.75 percent and the return on additional Mitchell Non-FGD plant an ROE of 9.65 percent.

**** In accordance with the Commission's July 15, 2021 and May 3, 2022 Orders in Case No. 2021-00004.

VERIFICATION

The undersigned, John D. Cullop, being duly sworn, deposes and says he is the Regulatory Consultant Senior 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.

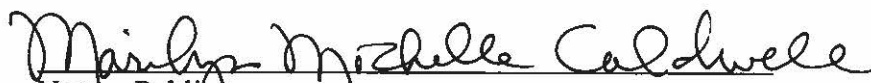


John D. Cullop

Commonwealth of Kentucky)
)
County of Boyd)

Case No. 2025-00036

Subscribed and sworn to before me, a Notary Public in and before said County
and State, by John D. Cullop, on April 29, 2025.



Notary Public

My Commission Expires May 5, 2027

Notary ID Number KYNP71841

