# **DATA REQUEST**

**KPSC 1\_1** Refer to Application, Exhibit 2. Provide a breakdown of the estimated costs for each of the other contractors used related to the May 16, 2025 storm.

## **RESPONSE**

Please see KPCO\_R\_KPSC\_1\_1\_Attachment1.

## **DATA REQUEST**

**KPSC 1\_2** Provide the year-to-date, through August 31, 2025, storm damage operating and maintenance expenses, exclusive of storm damage arising from the May 16, 2025 and May 17, 2025 storms.

## **RESPONSE**

Please see KPCO\_R\_KPSC\_1\_2\_Attachment1 for the requested information.

### **DATA REQUEST**

## **KPSC 1\_3** Refer to the Application, page 7, Item 21:

- a. Confirm that 25 transformers, 41 sets of cross arms, 53 broken poles, and 446 spans of conductor were damaged due to the May 16, 2025 and May 17, 2025 storms. If not confirmed, explain the response.
- b. If confirmed, state the reasoning for not having these costs separated in Exhibit 2 (Excel file).
- c. Provide an approximate age for each piece of the equipment damaged, by type of equipment.

#### **RESPONSE**

- a. Confirmed.
- b. Material costs were not separated out in the cost exhibit because Exhibit 2 to the Application is an estimate that was developed at a higher level, prior to detailed itemization that takes place in the months after the storm event. This is because during storm events, materials are frequently checked out through the stores process and subsequently returned, resulting in fluctuations in actual usage. As a result, we rely on an average cost approach for estimating material expenses, which reflects typical usage patterns across all items rather than item-specific costs.
- c. 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 average age of damaged poles was 44 years and the approximate average age of damaged transformers was 39 years.

## **DATA REQUEST**

**KPSC 1\_4** Refer to Application, Exhibit 2 (Excel file), JMED\_May 16 Thunderstorm Dist, line 67. Provide a breakdown for the \$1,501,277 expensed amount for Other Contractor Services.

## **RESPONSE**

Please refer to KPCO\_R\_KPSC\_1\_1\_Attachment1.

### **DATA REQUEST**

**KPSC 1\_5** Explain how Kentucky Power determines when to seek a regulatory asset for storm or other weather-related expenses, including how it establishes any monetary thresholds.

### RESPONSE

The Company does not set monetary or asset thresholds to determine when to seek approval to create a regulatory asset for weather-related expenses. The Company evaluates whether to seek such approval independently and considers multiple factors, including but not limited to the Company's financial condition, the total storm restoration cost, the level of storm expenses approved in base rates at the time, the amount of storm restoration costs that are incremental to the level of storm expense approved in base rates, the total and incremental amount of storm expenses incurred year-to-date, and the timing of the storm(s) and expense incurred.

#### **DATA REQUEST**

**KPSC 1\_6** Explain what efforts Kentucky Power is taking to harden its distribution and transmission systems against future storms. Provide any documentation demonstrating these efforts

### **RESPONSE**

Kentucky Power has implemented various projects to harden the distribution and transmission systems make the system more resilient to storms, the primary ones include but are not necessarily limited to:

### Distribution – Heavy Loading

Beginning in January 2014 the Company has been systematically upgrading overhead line support structures such as poles and cross arms to heavy strength loading standards. This upgrade is also consistent with the Commission's September 2009 report, after the September 2008 Wind Storm and January 2009 Ice Storm recommending that "...utilities consider upgrading to heavy loading standards in some circumstances. For example, it may be beneficial to shorten span lengths when building lines in treed areas, thus improving the ability of those lines to sustain the weight of fallen vegetation."

The hardening of the distribution system through the heavy loading standard improves system resilience during major storm events, aiding in withstanding the impacts of severe weather. The Company's Vegetation Management Programs work in conjunction with this loading standard to harden the system.

#### Distribution – Vegetation Management Programs

The Company's Trees Inside the Rights-of-Ways ("TIR") and Trees Outside the Rights-of-Ways ("TOR") programs widen existing clearance zones, remove large trees inside and outside the rights-of-way, or establish new clearance zones for new construction. The Company's files an annual report on its distribution vegetation management by April 1st of each year which provides information on both the TIR and TOR programs. Based on the success of these programs, the Company is proposing to expand the programs in its current rate case, Case No. 2025-00257.

<sup>&</sup>lt;sup>1</sup> See The Kentucky Public Service Commission Report on the September 2008 Wind Storm and the January 2009 Ice Storm, "Ike and Ice Report," November 19, 2009, Finding and Recommendation B1, at page 83.

### Transmission – Vegetation Management Programs

The Company's TIR and TOR programs remove large trees inside the rights-of-way, remove identified hazard trees outside of the rights-of-way, and widen select rights-of-way uphill to reduce the potential of tree fall-ins in high-risk areas.

## <u>Transmission – Standards and Equipment</u>

Kentucky Power, as part of the AEP system, adopts the latest National Electric Safety Code ("NESC") standards as they are released and accepted by the states that govern AEP. These standards establish rules for the practical safeguarding of persons during the installation, operation and maintenance of electric lines and associated equipment. Updates and line design changes are programmed into AEP's computer line design programs in a timely manner and rolled out to each operating company for engineering design work. Any area that requires a higher grade of construction is identified in the software and is automatically available for use.

Additionally, Kentucky Power leverages the materials and process standards accredited by the American National Standards Institute ("ANSI") for new construction and system maintenance and applies local knowledge when appropriate. The Company also adheres to standards set forth through North American Electric Reliability Corporation ("NERC") and the guidelines of PJM.

### **DATA REQUEST**

**KPSC 1\_7** Refer to Application, page 7, paragraph 20. Explain how Kentucky Power plans for these major weather related events, and how it chooses contract employees to participate in storm damage restoration efforts.

### RESPONSE

The 729 internal and contract employees referenced in paragraph 20 of the Application includes internal employees, base load contractors, and mutual assistance crews. Please see paragraphs 23-33 of the Application for a description of how the Company plans for major weather events and selects mutual assistance crews. Base load contractors are personnel contracted to perform normal distribution activities including addressing existing outages (not caused by a major event), performing vegetation management activities, and making normal reliability upgrade work. During storm damage restoration efforts, those base load contractors will be reassigned to the restoration efforts.

Furthermore, all expense reports received from contract labor are internally audited for prudence and accuracy. The Company tracks the historic hours, cost, and performance of mutual assistance crews to ensure reasonableness of the costs and quality of work.

### **DATA REQUEST**

- **KPSC 1\_8** Refer to Application, page 8, paragraph 27 and 28.
  - a. Explain whether this process occurs prior to the beginning to the beginning of the storm event.
  - b. Explain whether using this application mitigates cost associated with storm repair

### **RESPONSE**

- a. The process occurs before and during the event.
- b. The use of the application in conjunction with continuous weather monitoring can mitigate storm costs. More importantly, the process described in paragraphs 27 and 28 of the Application helps to more quickly restore outages for customers.

## **DATA REQUEST**

- **KPSC 1\_9** Refer to Application, page 9.
  - a. Provide the Edison Electric Institute governing principles for emergency assistance.
  - b. Explain whether this is the standard is utilized by American Electric Power (AEP) or other utilities.

### **RESPONSE**

- a. Please see KPCO\_R\_KPSC\_1\_9\_Attachment1.
- b. The governing principles are utilized by AEP and multiple investor-owned utilities.

KPSC Case No. 2025-00264 Commission Staff's First Set of Data Requests Dated September 12, 2025 Item No. 9 Attachment 1 Page 1 of 5



### Edison Electric Institute Mutual Assistance Agreement

Edison Electric Institute ("EEI") member companies have established and implemented an effective system whereby member companies may receive and provide assistance in the form of personnel and equipment to aid in restoring and/or maintaining electric utility service when such service has been disrupted by acts of the elements, equipment malfunctions, accidents, sabotage, or any other occurrence for which emergency assistance is deemed to be necessary or advisable ("Emergency Assistance"). This Mutual Assistance Agreement sets forth the terms and conditions to which the undersigned EEI member company ("Participating Company") agrees to be bound on all occasions that it requests and receives ("Requesting Company") or provides ("Responding Company") Emergency Assistance from or to another Participating Company who has also signed the EEI Mutual Assistance Agreement; provided, however, that if a Requesting Company and one or more Responding Companies are parties to another mutual assistance agreement at the time of the Emergency Assistance is requested, such other mutual assistance agreement shall govern the Emergency Assistance among those Participating Companies.

In consideration of the foregoing, the Participating Company hereby agrees as follows:

- 1. When providing Emergency Assistance to or receiving Emergency Assistance from another Participating Company, the Participating Company will adhere to the written principles developed by EEI members to govern Emergency Assistance arrangements among member companies ("EEI Principles"), that are in effect as of the date of a specific request for Emergency Assistance, unless otherwise agreed to in writing by each Participating Company.
- 2. With respect to each Emergency Assistance event, Requesting Companies agree that they will reimburse Responding Companies for all costs and expenses incurred by Responding Companies in providing Emergency Assistance as provided under the EEI Principles, unless otherwise agreed to in writing by each Participating Company; provided, however, that Responding Companies must maintain auditable records in a manner consistent with the EEI Principles.
- 3. During each Emergency Assistance event, the conduct of the Requesting Companies and the Responding Companies shall be subject to the liability and indemnification provisions set forth in the EEI Principles.
- 4. A Participating Company may withdraw from this Agreement at any time. In such an event, the company should provide written notice to EEI's Vice President of Security and Preparedness or his/her designee.

KPSC Case No. 2025-00264 Commission Staff's First Set of Data Requests Dated September 12, 2025 Item No. 9 Attachment 1 Page 2 of 5

5.	EEI's Senior Director of Preparedness and Recovery Policy or his/her designee who shall maintain a list of each Mutual Assistance Agreement Participating Company Signatory which shall be posted in the RestorePower Workroom on <a href="http://engage.eei.org">http://engage.eei.org</a> .
	Company Name
	Signature
	Officer Name:
	Title:
	Date:



# SUGGESTED GOVERNING PRINCIPLES COVERING EMERGENCY ASSISTANCE ARRANGEMENTS BETWEEN EDISON ELECTRIC INSTITUTE MEMBER COMPANIES

Electric companies have occasion to call upon other companies for emergency assistance in the form of personnel or equipment to aid in maintaining or restoring electric utility service when such service has been disrupted by acts of the elements, equipment malfunctions, accidents, sabotage or any other occurrences where the parties deem emergency assistance to be necessary or advisable. While it is acknowledged that a company is not under any obligation to furnish such emergency assistance, experience indicates that companies are willing to furnish such assistance when personnel or equipment are available.

In the absence of a continuing formal contract between a company requesting emergency assistance ("Requesting Company") and a company willing to furnish such assistance ("Responding Company"), the following principles are suggested as the basis for a contract governing emergency assistance to be established at the time such assistance is requested:

- 1. The emergency assistance period shall commence when personnel and/or equipment expenses are initially incurred by the Responding Company in response to the Requesting Company's needs. (This would include any request for the Responding Company to prepare its employees and/or equipment for transport to the Requesting Company's location but to await further instructions before departing). The emergency assistance period shall terminate when such employees and/or equipment have returned to the Responding Company, and shall include any mandated DOT rest time resulting from the assistance provided and reasonable time required to prepare the equipment for return to normal activities (e.g. cleaning off trucks, restocking minor materials, etc.).
- 2. To the extent possible, the companies should reach a mutual understanding and agreement in advance on the anticipated length in general of the emergency assistance period. For extended assistance periods, the companies should agree on the process for replacing or providing extra rest for the Responding Company's employees. It is understood and agreed that if; in the Responding Company's judgment such action becomes necessary the decision to terminate the assistance and recall employees, contractors, and equipment lies solely with the Responding Company. The Requesting Company will take the necessary action to return such employees, contractors, and equipment promptly.
- 3. Employees of Responding Company shall at all times during the emergency assistance period continue to be employees of Responding Company and shall not be deemed employees of Requesting Company for any purpose. Responding Company shall be an independent Contractor of Requesting Company and wages, hours and other terms and conditions of employment of Responding Company shall remain applicable to its employees during the emergency assistance period.
- 4. Responding Company shall make available upon request supervision in addition to crew leads. All instructions for work to be done by Responding Company's crews shall be given by

KPSC Case No. 2025-00264 Commission Staff's First Set of Data Requests Dated September 12, 2025 Item No. 9 Attachment 1 Page 4 of 5

Requesting Company to Responding Company's supervision; or, when Responding Company's crews are to work in widely separate areas, to such of Responding Company's crew lead as may be designated for the purpose by Responding Company's supervision.

- 5. Unless otherwise agreed by the companies, Requesting Company shall be responsible for supplying and/or coordinating support functions such as lodging, meals, materials, etc. As an exception to this, the Responding Company shall normally be responsible for arranging lodging and meals en route to the Requesting Company and for the return trip home. The cost for these in transit expenses will be covered by the Requesting Company.
- 6. Responding Company's safety rules shall apply to all work done by their employees. Unless mutually agreed otherwise, the Requesting Company's switching and tagging rules should be followed to ensure consistent and safe operation. Any questions or concerns arising about any safety rules and/or procedures should be brought to the proper level of management for prompt resolution between management of the Requesting and Responding Companies.
- 7. All time sheets and work records pertaining to Responding Company's employees furnishing emergency assistance shall be kept by Responding Company.
- 8. Requesting Company shall indicate to Responding Company the type and size of trucks and other equipment desired as well as the number of job function of employees requested but the extent to which Responding Company makes available such equipment and employees shall be at responding Company's sole discretion.
- 9. Requesting Company shall reimburse Responding Company for all costs and expenses incurred by Responding Company as a result of furnishing emergency assistance. Responding Company shall furnish documentation of expenses to Requesting Company. Such costs and expenses shall include, but not be limited to, the following:
  - a. Employees' wages and salaries for paid time spent in Requesting Company's service area and paid time during travel to and from such service area, plus Responding Company's standard payable additives to cover all employee benefits and allowances for vacation, sick leave and holiday pay and social and retirement benefits, all payroll taxes, workmen's compensation, employer's liability insurance and other contingencies and benefits imposed by applicable law or regulation.
  - b. Employee travel and living expenses (meals, lodging and reasonable incidentals).
  - c. Replacement cost of materials and supplies expended or furnished.
  - d. Repair or replacement cost of equipment damaged or lost.
  - e. Charges, at rates internally used by Responding Company, for the use of transportation equipment and other equipment requested.
  - f. Administrative and general costs, which are properly allocable to the emergency assistance to the extent such costs, are not chargeable pursuant to the foregoing subsections.
- 10. Requesting Company shall pay all costs and expenses of Responding Company within sixty days after receiving a final invoice therefor.

KPSC Case No. 2025-00264
Commission Staff's First Set of Data Requests
Dated September 12, 2025
Item No. 9
Attachment 1
Page 5 of 5

- 11. Requesting Company shall indemnify, hold harmless and defend the Responding Company from and against any and all liability for loss, damage, cost or expense which Responding Company may incur by reason of bodily injury, including death, to any person or persons or by reason of damage to or destruction of any property, including the loss of use thereof, which result from furnishing emergency assistance and whether or not due in whole or in part to any act, omission, or negligence of Responding Company except to the extent that such death or injury to person, or damage to property, is caused by the willful or wanton misconduct and / or gross negligence of the Responding Company. Where payments are made by the Responding Company under a workmen's compensation or disability benefits law or any similar law for bodily injury or death resulting from furnishing emergency assistance, Requesting Company shall reimburse the Responding Company for such payments, except to the extent that such bodily injury or death is caused by the willful or wanton misconduct and / or gross negligence of the Responding Company.
- 12. In the event any claim or demand is made or suit or action is filed against Responding Company alleging liability for which Requesting Company shall indemnify and hold harmless Responding Company under paragraph (11) above, Responding Company shall promptly notify Requesting Company thereof, and Requesting Company, at its sole cost and expense, shall settle, compromise or defend the same in such manner as it in its sole discretion deems necessary or prudent. Responding Company shall cooperate with Requesting Company's reasonable efforts to investigate, defend and settle the claim or lawsuit.
- 13. Non-affected companies should consider the release of contractors during restoration activities. The non-affected company shall supply the requesting companies with contact information of the contactors (this may be simply supplying the contractors name). The contractors will negotiate directly with requesting companies.

Date	Description
October 2014	Sections 4, 5, and 10
September 2005	Sections 11 and 12

### **DATA REQUEST**

**KPSC 1\_10** Refer to Application, page 13, paragraph 44. Explain when Kentucky Power incurred the \$1.1 million in storm expense this year.

### **RESPONSE**

Kentucky Power incurred the \$1.1 million in storm-related expenses in connection with the January and February 2025 JMED storm events included in the table in paragraph 6 of the Application. The Company sought authority to defer the incremental net O&M expenses associated with those storms (approximately \$10.7 million) in Case No. 2025-00031. The Commission instead authorized Kentucky Power to defer only the "the amount of jurisdictional incremental storm-related O&M expense to the extent it exceeds the \$1.1 million embedded in Kentucky Power's base rates." The deferral amount was accordingly reduced to reflect the removal of the \$1.1 million base storm expense.

Witness: Tanner S. Wolffram

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<sup>&</sup>lt;sup>2</sup> Order at 5, In The Matter Of: Electronic Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With The January 5, 2025 And February 15, 2025 Major Event Storms, Case No. 2025-00031 (Ky. P.S.C. March 31, 2025).

### **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.

Commonwealth of Kentucky ) County of Boyd )	Tanner S. Wolffram  Case No. 2025-00264
	efore me, a Notary Public in and before said County on Suptember 30,2025.
Notary Public  My Commission ExpiresMay 5.	MARILYN MICHELLE CALDWELL Notary Public Commonwealth of Kentucky Commission Number KYNP71841 My Commission Expires May 5, 2027

Notary ID Number <u>KYNP71841</u>