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) AN ORDER APPROVING ITS 2017 ENVIRONMENTAL COMPLIANCE PLAN; (3) AN ORDER APPROVING ITS TARIFFS AND RIDERS; (4) AN ORDER APPROVING ACCOUNTING PRACTICES TO ESTABLISH REGULATORY ASSETS AND LIABILITIES; AND (5) AN ORDER GRANTING ALL OTHER REQUIRED APPROVALS AND RELIEF

CASE NO. 2017-00179

COMMISSION STAFF'S SECOND REHEARING REQUEST FOR INFORMATION TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested is due on or before May 18, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and
accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky Power shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Kentucky Power fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to respond completely and precisely.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Kentucky Power shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Exhibit AEV-S4, Tab PPA Form 5.0, Line 10 and the Commission's January 18, 2018 Order in this proceeding at 54, regarding Purchase Power limitation.
   a. Explain why the description for this line item references the Purchase Power Limitation.
   b. Refer also to Kentucky Power's response to Commission Staff's First Rehearing Request for Information ("Staff's First Rehearing Request"), Item 3,
Attachment 1. Explain why the amount for this item should be $372,542 and not $1,350,550 ($372,542 + $979,008).

2. Refer to Kentucky Power’s response to Staff’s First Rehearing Request, Item 3. Explain how the forced outage expense incurred in the test year was excluded from the test year.

3. Explain whether, in its application and supplemental filing dated August 7, 2017, Kentucky Power adjusted the total federal income tax expense included in the adjusted test year to reflect the statutory rate. If not, provide a reconciliation between the test-year amount of federal income taxes and the normalized amount.

4. For tax normalization purposes, explain whether accumulated deferred income taxes are assumed to be included at zero cost or excluded from the proposed test-year capitalization.

Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED MAY 08 2018

cc: Parties of Record

Case No. 2017-00179
*Honorable Matthew R Malone  
Attorney at Law  
Hurt, Deckard & May  
The Equus Building  
127 West Main Street  
Lexington, KENTUCKY  40507

*Honorable Mark R Overstreet  
Attorney at Law  
Stites & Harbison  
421 West Main Street  
P. O. Box 634  
Frankfort, KENTUCKY  40602-0634

*Morgain Sprague  
Kentucky League of Cities  
101 East Vine Street  
Suite 800  
Lexington, KENTUCKY  40507

*Rebecca W Goodman  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY  40601-8204

*Ranie Wohnhas  
Managing Director  
Kentucky Power Company  
855 Central Avenue Suite 200  
Ashland, KENTUCKY  41101

*M. Todd Osterloh  
Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street  
Suite 1400  
Lexington, KENTUCKY  40507

*Denotes Served by Email  
Service List for Case 2017-00179