

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	
CLAUSE OF KENTUCKY POWER)	CASE NO.
COMPANY FROM NOVEMBER 1, 2016)	2019-00002
THROUGH OCTOBER 31, 2018)	

COMMISSION STAFF'S SECOND 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 and an electronic version of the following information. The information requested herein is due on March 25, 2019. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable and shall be appropriately bookmarked.

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 they obtain information which 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 their failure to completely and precisely respond.

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 the response to Commission Staff's First Request for Information (Staff's First Request), Item 2, Attachment 1.

- a. Describe how often long-term coal contracts result in a shortfall.
- b. Explain how these shortfalls affect coal procurement for Kentucky

Power.

2. Refer to the response to Staff's First Request, Item 3, page 1 of 2. Explain why the actual inventory days' supply has fallen below the target level for the last six months of the period under review.

3. Refer to the response to Staff's First Request, Item 4, Attachment 3. Explain how Kentucky Power handled the lack of responses for coal deliveries for the November 1, 2018–March 31, 2019 requested period.

4. Refer to the response to Staff's First Request, Item 9. Provide details on when Kentucky Power last audited any of its fuel or transportation contracts.

5. Refer to the response to Staff's First Request, Item 21. Explain if Kentucky Power has any future plans to utilize the rail as a form of coal delivery following the required amount of maintenance needed.

6. Refer to the Direct Testimony of Raine Wohnhas, page 5, Table 1, Fuel Rate Comparison.

a. Refer to the February 2018 Final Cost in column 2. Confirm that \$14,803,119 is the correct amount.

b. Refer also to Kentucky Power's Form B filings for the January 2018 expense month,¹ page 5 of 5, final fuel cost schedule. Explain why the grand total fuel cost of \$12,414,155 listed for line F was not used.

c. Refer to the May 2018 Final Cost in column 2. Confirm that \$13,965,876 is the correct amount.

d. Refer also to Kentucky Power's Form B filings for the June 2018 expense month,² page 5 of 5, final fuel cost schedule. Explain why the grand total fuel cost of \$12,425,877 listed for line F was not used.

7. For the period under review, describe how often the severance tax on Kentucky coal affects Kentucky Power's decision to purchase coal mined in Kentucky.

¹ Monthly Fuel Adjustment Clause filing of Kentucky Power (filed Dec. 26, 2018)

² Monthly Fuel Adjustment Clause filing of Kentucky Power (filed Apr. 24, 2018)


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DATED MAR 11 2019

cc: Parties of Record

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