

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR AN ORDER)	
APPROVING ACCOUNTING PRACTICES TO)	
ESTABLISH A REGULATORY ASSET RELATED)	CASE NO.
TO THE EXTRAORDINARY EXPENSES)	2020-00034
INCURRED BY KENTUCKY POWER COMPANY)	
IN CONNECTION WITH CHARGES RELATED TO)	
GREENHAT ENERGY, LLC DEFAULT)	

COMMISSION STAFF'S INITIAL 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 April 3, 2020. The Commission directs Kentucky Power to the Commission's March 16, 2020 Order in Case No. 2020-00085,¹ regarding the filing of physical documents with the Commission. The Commission expects that original documents will be filed with the Commission within 30 days of the lifting of the current state of emergency.² Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020) Order at 5–6. The Commission has suspended the filing of original paper documents with the Commission, except for the filing of confidential information, with the expectation that a physical copy be filed when the state of emergency has ceased.

² Any electronic email filed in this matter should be sent to PSCED@ky.gov, and each message should include the case number in the subject line of the message and a read receipt to ensure the Commission received the message and documents.

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 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, Kentucky Power shall provide a written explanation of the specific grounds for its 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 application, page 2, paragraph 5. State whether PJM Interconnection, LLC (PJM) has revised its tariff regarding policies and procedures for

member defaults. If so, provide the policies and procedures effective as of June 21, 2018, and those currently effective.

2. Refer to the application, pages 2 and 4, paragraphs 8 and 14, and the Direct Testimony of Ranie K. Wohnhas (Wohnhas Testimony), page 4, line 11. Provide the expense and billing periods for which GreenHat Energy, LLC (GreenHat) default charges will be billed to Kentucky Power.

3. Refer to the application, page 3, paragraph 9. Provide a monthly breakdown of the estimated \$335,261 in GreenHat default charges.

4. Refer to the application, page 4, paragraph 15, and the Wohnhas Testimony, page 10, Table 1.

a. Further explain why Kentucky Power recorded “an offsetting provision in FERC account 1823000 in December 2019,” and why it contends that this offsetting provision is “consistent with Financial Accounting Standards Board Accounting 19 Standards Codification 980-340-25-1.”

b. Provide the journal entries Kentucky Power would record if its request in this case is granted.

5. Refer to the application, page 5, paragraph 18. For each of the past five calendar years, provide the annual costs recorded by Kentucky Power in Federal Energy Regulatory Commission (FERC) Account Nos. 560–576.5, by account.

6. Refer to the Wohnhas Testimony, page 4, lines 16–18. Explain how PJM determined how the GreenHat default liquidation costs were to be allocated to its PJM members.

7. Refer to the Wohnhas Testimony, page 6, lines 12–14. Explain why Kentucky Power elected not to include the portion of GreenHat default charges associated with its off-system sales when it updated its System Sales Clause factor in August 2019. Include in the explanation a description of the relationship of the expenses included in Kentucky Power’s Fuel Adjustment Clause and its System Sales Clause.



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DATED MAR 19 2020

cc: Parties of Record

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