

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY TO AMEND THE)	
SETTLEMENT AGREEMENT APPROVED IN)	
CASE NO. 2018-00035 TO PROVIDE FOR THE)	
ONE-TIME AMORTIZATION OF)	CASE NO.
UNPROTECTED ACCUMULATED DEFERRED)	2020-00176
FEDERAL INCOME TAX IN AN AMOUNT)	
SUFFICIENT TO ELIMINATE CUSTOMER)	
DELINQUENCIES GREATER THAN 30 DAYS)	
AS OF MAY 28, 2020)	

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 an electronic version of the following information. The information requested herein is due on July 30, 2020. The Commission directs Kentucky Power to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses 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.

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID19*, Order at 5-6 (Ky. PSC Mar. 16, 2020); Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, Order at 1-3 (Ky. PSC Mar. 24, 2020).

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 Kentucky Power's response to the Attorney General of the Commonwealth of Kentucky's First Request for Information, Item 1, KPCO_R_AG_1_1_ConfidentialAttachment1.xlsx.

a. State whether Kentucky Power maintains records of customers who receive assistance in the payment of electric bills from the Low Income Home Energy Assistance Program (LIHEAP), and if so, provide a version of KPCO_R_AG_1_1_ConfidentialAttachment1 identifying each residential account identified as being delinquent in the attachment that received assistance from LIHEAP in 2019.

b. Provide a version of KPCO_R_AG_1_1_ConfidentialAttachment1 that includes the outstanding balance as of the most recent bill for each residential account identified as being delinquent in the attachment.

c. Provide a version of KPCO_R_AG_1_1_ConfidentialAttachment1 that includes the following information for each industrial account identified as being delinquent in the attachment:

(1) The most recent date on which the account was not 30 or more days past due;

(2) The average monthly bill for the account for each of the last 12 months in which service was provided to the account; and

(3) The outstanding balance of the account as of the most recent bill.

d. Provide a version of KPCO_R_AG_1_1_ConfidentialAttachment1 that includes the following information for each commercial account identified as being delinquent in the attachment:

(1) The outstanding balance of the account as of the most recent bill; and

(2) The most recent date on which the account was not 30 or more days past due if the account was shown as having a delinquent balance of more than \$5,000 in the attachment as originally filed.

2. Explain every reason for the significant increase in net-charge offs for industrial customers in 2019 as compared to the four proceeding years as shown in the table provided by Kentucky Power in its response to Commission Staff's First Request for Information (Staff's First Request), Item 4.

3. State whether any account balances included as a charge-off in the table showing the net-charge offs in 2015 through 2019 provided in response to Staff's First Request, Item 4, are included in KPCO_R_AG_1_1_ConfidentialAttachment1 as delinquent amounts that will be forgiven, and if so, identify those amounts and the accounts.

4. Provide the total dollar amount of residential, commercial, or industrial bills that are currently 30 or more days past due.

5. Identify the total dollar amount of LIHEAP funds that Kentucky Power's customers received to assist with payment of their electric bills in each of the last four years and the percentage of LIHEAP funds Kentucky Power's customers received to

assist with payment of their electric bills as compared to the total LIHEAP funds available to residents of Kentucky.

6. Explain what percentage of Kentucky Power's residential customers would typically meet the income requirement for LIHEAP funding to assist with electric bills, which permits benefits to be paid to persons at or at below 130 percent of the poverty level.

7. Confirm that the Coronavirus Aid, Relief, and Economic Security (CARES) Act increased LIHEAP funding by approximately \$900 million nationally of which \$13,745,001 was released to Kentucky to provide assistance with heating and air conditioning bills, and if Kentucky Power is not able to confirm, explain why.

8. State whether the additional LIHEAP funding provided to Kentucky through the CARES Act will provide sufficient relief to Kentucky Power's residential customers having difficulty paying their bills due to the coronavirus and its economic effects, and explain each basis for Kentucky Power's response.

9. Explain whether Kentucky Power's proposal would prevent the delinquent residential customers from obtaining relief from LIHEAP funds allocated to Kentucky.

10. Refer to the eligibility requirements for receiving LIHEAP funds in Kentucky in 921 KAR 4:116 indicating that benefits may be paid to maintain electric service for heating or cooling if a customer, among other things, receives notice that their service will be disconnected within 48 hours. Without regard to Kentucky Power's proposal in this matter, explain Kentucky Power's position, if any, on the most prudent process for lifting

the moratorium on residential disconnections to allow its residential customers to obtain LIHEAP funds without overwhelming the agencies processing the applications and preventing them from awarding funds before disconnections occur.



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DATED JUL 20 2020

cc: Parties of Record

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