

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) APPROVAL OF TARIFFS AND)	
RIDERS; (3) APPROVAL OF ACCOUNTING)	CASE NO.
PRACTICES TO ESTABLISH REGULATORY)	2020-00174
ASSETS AND LIABILITIES; (4) APPROVAL OF A)	
CERTIFICATE OF PUBLIC CONVENIENCE AND)	
NECESSITY; AND (5) ALL OTHER REQUIRED)	
APPROVALS AND RELIEF)	

NOTICE OF FILING

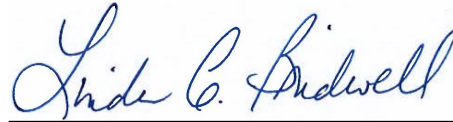
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on April 7, 2021 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on April 7, 2021 in this proceeding;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on April 7, 2021.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at https://youtu.be/VWiYV-rrk_0.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 15th day of April 2021.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style with a horizontal line underneath it.

Linda C. Bridwell
Executive Director
Public Service Commission of Kentucky

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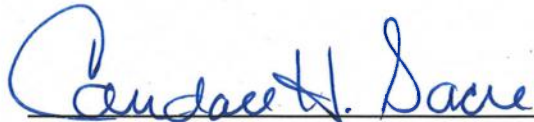
CASE NO.
2020-00174

CERTIFICATION

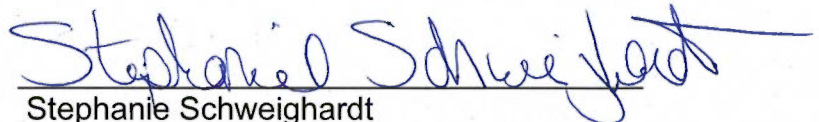
I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on April 7, 2021. The Formal Hearing Log, Exhibits, and Exhibit List are included with the recording on April 7, 2021;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of April 7, 2021; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of April 7, 2021, and the time at which each occurred.

Signed this 9th day of April, 2021.



Candace H. Sacre
Administrative Specialist III



Stephanie Schweighardt
Notary Public State at Large ID#: 614400
Commission Expires: January 14, 2023



Date:	Type:	Location:	Department:
4/7/2021	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Stephen Baron; Joshua Bills; Benjamin D. Inskeep; Richard J. McCann; Karl Rabago; Alex Vaughan
 Judge: Kent Chandler; Talina Mathews
 Clerk: Candace Sacre

Event Time	Log Event
9:09:36 AM	Session Started
9:09:42 AM	Vice Chairman Chandler Note: Sacre, Candace
9:10:02 AM	Vice Chairman Chandler Note: Sacre, Candace
9:10:43 AM	Vice Chairman Chandler Note: Sacre, Candace
9:11:40 AM	Vice Chairman Chandler Note: Sacre, Candace
9:11:46 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace
9:11:53 AM	Vice Chairman Chandler Note: Sacre, Candace
9:12:03 AM	Vice Chairman Chandler - witness Bills Note: Sacre, Candace
9:12:17 AM	Atty Fitzgerald Joint Intervenors - witness Bills Note: Sacre, Candace
9:12:43 AM	Atty Fitzgerald Joint Intervenors - witness Bills Note: Sacre, Candace
9:12:56 AM	Atty Fitzgerald Joint Intervenors - witness Bills Note: Sacre, Candace
9:13:35 AM	Atty Fitzgerald Joint Intervenors - witness Bills Note: Sacre, Candace
9:13:44 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace
9:13:50 AM	Vice Chairman Chandler Note: Sacre, Candace
9:13:58 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace
9:14:53 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace
9:16:11 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace
9:16:20 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace
9:16:36 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace

9:16:56 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Kentucky Power Response to Staff Tenth Request for Information, Item 14, testimony Roush filed in different case, discussing experimental residential tariff, read lines 15-19?
9:18:39 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Fair characterization KP based experimental residential time of day rate on cost causation?
9:19:08 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Would say based on cost causation including hourly market prices?
9:19:33 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Agree market prices vary by season and by intra day periods?
9:19:47 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Also agree exported energy from net metering customers, solar generating systems could avoid different magnitude of costs depending on season/day?
9:20:19 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Export rate NMS II not vary by season?
9:20:31 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Say proposed export comp rate NMS II varies based on time of day generation exported?
9:22:04 AM	Asst Gen Counsel Vinsel PSC - witness Bills Note: Sacre, Candace	Export rate not reflect variety in the intra day?
9:22:26 AM	Asst Gen Counsel Vinsel PSC Note: Sacre, Candace	No further.
9:22:53 AM	Vice Chairman Chandler Note: Sacre, Candace	Mr. Overstreet?
9:23:04 AM	Atty Blend Kentucky Power Note: Sacre, Candace	Wait until last.
9:23:53 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
9:25:16 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Cross Examination. Company experimental residential time of day tariff, recall?
9:25:34 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Previously reviewed tariff?
9:25:59 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Aware in existence since 2009?
9:26:04 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	No customer in place since 2009?
9:26:48 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Aware whether rates in experimental residential time of day cost rate based?
9:27:08 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Rates set forth in T.O.D. tariff?
9:27:21 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Aware cost based?
9:27:36 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Fair do not know whether cost based?
9:28:18 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Prepared utility tariff?
9:28:24 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Establishing rates to be put in tariff?
9:28:52 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Asked about market pricing, experience with regard to PJM market?

9:29:51 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Know if on peak power costs \$190 per megawatt hour?
9:30:08 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Yes, it does?
9:30:14 AM	Atty Blend Kentucky Power - witness Bills Note: Sacre, Candace	Testified familiar PJM market, on peak power in PJM \$190 megawatt hour?
9:30:58 AM	Atty Blend Kentucky Power Note: Sacre, Candace	No further.
9:31:17 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness excused.
9:31:25 AM	Vice Chairman Chandler Note: Sacre, Candace	Mr. Fitzgerald?
9:31:29 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace	Karl R. Rabago.
9:31:38 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness is sworn.
9:33:16 AM	Vice Chairman Chandler - witness Rababo Note: Sacre, Candace	Examination. Name and address?
9:33:40 AM	Atty Fitzgerald Joint Intervenors - witness Rabago Note: Sacre, Candace	Direct Examination. Where employed, what capacity?
9:34:17 AM	Atty Fitzgerald Joint Intervenors - witness Rabago Note: Sacre, Candace	Testimony and Responses to Data Requests?
9:34:44 AM	Atty Fitzgerald Joint Intervenors - witness Rabago Note: Sacre, Candace	Same questions, same answers?
9:34:55 AM	Atty Fitzgerald Joint Intervenors - witness Rabago Note: Sacre, Candace	Corrections or changes?
9:35:07 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace	Witness available.
9:35:09 AM	Vice Chairman Chandler - witness Rababo Note: Sacre, Candace	Examination. Materials in front of you?
9:35:38 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Cross Examination. Supplemental national standard practice manual, call manual?
9:36:06 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Correct consider manual contain best practices net metering rate design?
9:37:25 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Consider manual contain best practices net metering benefit cost analysis?
9:37:50 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Fair say supplemental implies KP proposed Tariff NMS II fails to align with best practices set forth in manual?
9:38:56 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Guiding principles discussed need to conduct forward looking long term incremental analysis, expand upon why important when design net metering tariffs/benefit cost analysis?
9:42:02 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Based on experience, utilities factor in future environmental costs when evaluating energy cost procurements?
9:45:03 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Yesterday's Phillips testimony, avoided distribution capacity costs, your testimony avoided distribution capacity value?

9:45:40 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	KP did not include avoid distribution capacity costs?
9:45:59 AM	Asst Gen Counsel Vinsel PSC - witness Rabago Note: Sacre, Candace	Distribution costs unique to specific locations, avoided distribution capacity costs locational and specific, benefits created at specific substation?
9:49:32 AM	Asst Gen Counsel Vinsel PSC Note: Sacre, Candace	No further.
9:49:44 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
9:50:15 AM	Vice Chairman Chandler - witness Rabago Note: Sacre, Candace	Examination. Electricity Journal article, Brattle Group, impact on rest of system nonparticipating customers, cost benefit perspective rather than cost of service, benefits not avoided costs?
9:54:00 AM	Vice Chairman Chandler Note: Sacre, Candace	All questions.
9:54:14 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
9:54:27 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Cross Examination. Not an attorney?
9:55:38 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Avoid legal questions, familiar with KRS 278.192, describes Kentucky practice rate cases test years?
9:56:12 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Statute provides utility filing rate case use historical test year or future test year?
9:56:58 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Aware in filing application, KP filed based on historical test year?
9:57:25 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Purposes of application, accept KP using historical test year?
9:57:43 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	True Commission approving rates Jan 13 2021 Order relied on historical test year data?
9:58:35 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Aware aspect of Order where Commission looked 25 years out in making adjustments?
9:59:25 AM	Atty Overstreet Kentucky Power - witness Rabago Note: Sacre, Candace	Clarify, direct adjustment 25 years out?
9:59:41 AM	Atty Overstreet Kentucky Power Note: Sacre, Candace	All questions.
9:59:57 AM	Atty Fitzgerald Joint Intervenors - witness Rabago Note: Sacre, Candace	Redirect Examination. Brattle Group report?
10:00:22 AM	Atty Fitzgerald Joint Intervenors - witness Rabago Note: Sacre, Candace	Agree methodology and conclusion reached?
10:02:40 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace	No further.
10:02:44 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness excused.
10:03:05 AM	Vice Chairman Chandler Note: Sacre, Candace	Mr. West?
10:03:14 AM	Asst Atty General West Note: Sacre, Candace	Stephen Baron.
10:03:28 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness is sworn.

10:03:37 AM	Vice Chairman Chandler - witness Baron Note: Sacre, Candace	Examination. Name and address?
10:03:58 AM	Asst Atty General West - witness Baron Note: Sacre, Candace	Direct Examination. Role in this proceeding?
10:05:01 AM	Asst Atty General West - witness Baron Note: Sacre, Candace	Responses, changes or corrections?
10:05:14 AM	Asst Atty General West - witness Baron Note: Sacre, Candace	Same questions, same answers?
10:05:21 AM	Asst Atty General West Note: Sacre, Candace	Witness available.
10:05:23 AM	Vice Chairman Chandler - witness Baron Note: Sacre, Candace	Examination. Materials in front of you?
10:06:07 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
10:07:05 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness excused.
10:07:23 AM	Vice Chairman Chandler Note: Sacre, Candace	Mr. Spenard?
10:07:52 AM	Atty Spenard KYSEIA Note: Sacre, Candace	Benjamin D. Inskeep.
10:08:00 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness is sworn.
10:08:09 AM	Vice Chairman Chandler - witness Inskeep Note: Sacre, Candace	Examination. Name and address?
10:08:32 AM	Atty Spenard KYSEIA - witness Inskeep Note: Sacre, Candace	Direct Examination. Who represent and role?
10:08:53 AM	Atty Spenard KYSEIA - witness Inskeep Note: Sacre, Candace	Same questions, same answers?
10:09:34 AM	Atty Spenard KYSEIA - witness Inskeep Note: Sacre, Candace	Responded to DR?
10:09:45 AM	Atty Spenard KYSEIA - witness Inskeep Note: Sacre, Candace	Same questions, same answers?
10:09:55 AM	Atty Spenard KYSEIA - witness Inskeep Note: Sacre, Candace	Materials in front of you?
10:10:15 AM	Atty Spenard KYSEIA Note: Sacre, Candace	Witness available.
10:10:23 AM	Asst Gen Counsel Vinsel PSC - witness Inskeep Note: Sacre, Candace	Cross Examination. Testimony discussed legacy rights, more prospective, Commission were to approve certain rates today, what happens in future, call legacy rights more prospective?
10:11:55 AM	Asst Gen Counsel Vinsel PSC - witness Inskeep Note: Sacre, Candace	Expand upon concept of legacy rights, issues, benefits for customers and utility?
10:15:04 AM	Asst Gen Counsel Vinsel PSC - witness Inskeep Note: Sacre, Candace	Statute sets forth 25 year time period protection, time period that makes more sense?
10:16:02 AM	Asst Gen Counsel Vinsel PSC - witness Inskeep Note: Sacre, Candace	Legacy rights two components, rate amount and rate structure?
10:18:21 AM	Asst Gen Counsel Vinsel PSC Note: Sacre, Candace	Nothing further.
10:18:28 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?

10:19:01 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep Examination. California net metering, subsequent version 2, aware of instances specific utilities rather than statewide programs created legacy rights?
10:21:59 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep Rate customers charged provision of service from utility, applies to residential customers, NMS customers, compensation rate net exports certain time periods, kilowatt hour denominated value, two part rate design, time differentiated kilowatt hour denominated value, proposing legacy rights for all components not just amounts but also same attributes?
10:25:30 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep Propose maintain current structure or structure identical to residential or commercial customer?
10:28:12 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep Rate structure in effect at time?
10:28:34 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep Not proposing be part of group for rate design purposes?
10:29:42 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep For exports, proposal exact structure maintained and rate be maintained or structure and inputs into rate be maintained?
10:31:25 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep Structure and rate?
10:31:39 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep QF, company treating net metering customers, QF without buy or sell off energy charge, amount paid on energy front updates new data, different what proposing net metering customers, concern with consistency difference in those rates?
10:34:32 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Inskeep FERC orders on QFs, in terms of net metering changes, basis for proposal on energy charge?
10:37:20 AM	Vice Chairman Chandler Note: Sacre, Candace	All questions.
10:37:24 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
10:37:41 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness excused.
10:37:50 AM	Vice Chairman Chandler Note: Sacre, Candace	Recess, back at 10:50.
10:38:11 AM	Session Paused	
10:51:08 AM	Session Resumed	
10:51:17 AM	Vice Chairman Chandler Note: Sacre, Candace	Back on record 2020-00174, roll call. (Click on link for further comments.)
10:51:47 AM	Vice Chairman Chandler Note: Sacre, Candace	Mr. Spenard?
10:51:51 AM	Atty Spenard KYSEIA Note: Sacre, Candace	Richard McCann.
10:51:58 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness is sworn.
10:52:06 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	McCann Examination. Name and address?
10:52:25 AM	Atty Spenard KYSEIA - witness Note: Sacre, Candace	McCann Direct Examination. Who represent and role in proceeding?

10:52:56 AM	Atty Spenard KYSEIA - witness McCann Note: Sacre, Candace	Testimony?
10:53:06 AM	Atty Spenard KYSEIA - witness McCann Note: Sacre, Candace	Corrections, modifications, changes?
10:53:33 AM	Atty Spenard KYSEIA - witness McCann Note: Sacre, Candace	Same questions, same answers?
10:53:43 AM	Atty Spenard KYSEIA - witness McCann Note: Sacre, Candace	Responses to DRs?
10:53:51 AM	Atty Spenard KYSEIA - witness McCann Note: Sacre, Candace	Same questions, same answers?
10:54:04 AM	Atty Spenard KYSEIA - witness McCann Note: Sacre, Candace	Materials in front of you?
10:54:33 AM	Atty Spenard KYSEIA Note: Sacre, Candace	Witness available.
10:54:40 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
10:55:17 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Examination. Parallels NMS II and customers and purchase power agreement in or out of wholesale markets?
10:55:57 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	NMS II customer a generator, ratepayer, or user?
10:57:35 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Example, purchaser or counter party to PPA existing in a monopsony situation?
10:58:53 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Utility under obligation to accept applications for net metering that meet qualifications, no willing buyer or seller in this situation?
11:01:08 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Parallels between PPA probably not monopsony versus where is monopsony obligation to buy and sell, why should NEM customer be treated identically and markets different?
11:06:11 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Proposal effectively convert current kilowatt charge and make compensation rate?
11:06:48 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	What is recommendation as relates to Commission's decision in this case to create compensation rates for net exports NMS II customers?
11:08:25 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Company proposal, decided cost to serve continue charge net imports rates charging other nonparticipating customers?
11:08:53 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Net exports produced compensation rate time differentiated between two periods based determined avoided cost?
11:09:18 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Determination made use cost benefit analysis compensation rate, net compensation rate netting cost of net metering customers, or cost benefit analysis change rate customers charged for net increase or usage?
11:10:32 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	How conclude same cost in determination cost benefit analysis and then also imbedded cost of service study?
11:11:19 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Other states cost benefit, maintained residential rate for usage?

11:11:41 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Considering costs and benefits, by off/sell off situation or customer retain ability to retain net usage rate?
11:13:04 AM	Vice Chairman Chandler - witness McCann Note: Sacre, Candace	Still propose treat excess generation or usage as energy efficiency reducing loads, net exports use compensation rate in cost benefit analysis?
11:13:43 AM	Vice Chairman Chandler Note: Sacre, Candace	All questions.
11:13:47 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
11:13:59 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	Cross Examination. Monopsony net metering construct, certified territories law in Kentucky?
11:14:37 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	Generally familiar?
11:14:45 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	Law in Kentucky prohibited retail electric service in territory other than utility, monopsony exist result of statutory construct?
11:15:38 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	Reference market power, net metering customer, recall?
11:16:00 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	Agree state, federal, local regulations exist ensure provision of service all customers including net metering customer generators reasonable?
11:17:38 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	Agree rate KP charges net metering services approved by this Commission?
11:18:06 AM	Atty Blend Kentucky Power - witness McCann Note: Sacre, Candace	No reason believe Commission not properly authorize rate ensures fair, just, and reasonable?
11:18:26 AM	Atty Blend Kentucky Power Note: Sacre, Candace	No further.
11:18:31 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
11:18:40 AM	Vice Chairman Chandler Note: Sacre, Candace	Witness excused.
11:18:47 AM	Vice Chairman Chandler Note: Sacre, Candace	Procedural discussion. (Click on link for further comments.)
11:19:15 AM	Atty Blend Kentucky Power Note: Sacre, Candace	Company request recall Alex Vaughn.
11:19:42 AM	Vice Chairman Chandler Note: Sacre, Candace	What basis?
11:19:48 AM	Atty Blend Kentucky Power Note: Sacre, Candace	First basis, experimental residential time of day tariff, facts regarding that tariff, and testimonies avoided distribution capacity costs, not addressed yesterday, correct record.
11:20:16 AM	Atty Blend Kentucky Power Note: Sacre, Candace	Secondarily, testimony Rabago Company considered avoided distribution capacity cost net metering capacity cost, not raised/addressed yesterday, Vaughan rebuttal correct record.
11:20:43 AM	Vice Chairman Chandler Note: Sacre, Candace	Second one, just ask, bring back Vaughan rebutting Rabago about case in chief, case in chief doesn't clearly state?

11:20:49 AM	Atty Blend Kentucky Power Note: Sacre, Candace	Case in chief, but questioning Rabago implied/stated Company did not consider avoided distribution capacity costs, clarity of record appropriate respond.
11:21:30 AM	Vice Chairman Chandler Note: Sacre, Candace	Objection?
11:21:33 AM	Asst Gen Counsel Vinsel PSC Note: Sacre, Candace	Brief break?
11:21:40 AM	Vice Chairman Chandler Note: Sacre, Candace	Objection?
11:21:48 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace	Object to something in record can be taken care of in brief.
11:22:40 AM	Vice Chairman Chandler Note: Sacre, Candace	Any other objections?
11:22:49 AM	Vice Chairman Chandler Note: Sacre, Candace	Short recess.
11:23:09 AM	Session Paused	
11:30:53 AM	Session Resumed	
11:31:16 AM	Vice Chairman Chandler Note: Sacre, Candace	Recall Mr. Vaughan, end with redirect.
11:31:42 AM	Atty Blend Kentucky Power Note: Sacre, Candace	Alex Vaughan.
11:33:41 AM	Vice Chairman Chandler Note: Sacre, Candace	Still under oath.
11:33:51 AM	Vice Chairman Chandler Note: Sacre, Candace	Ms. Vinsel?
11:33:58 AM	Asst Gen Counsel Vinsel PSC - witness Vaughan Note: Sacre, Candace	Recross Examination. Rebuttal testimony, pg R-28, line 13 through R-29, line 5, read R-29 line13 through R-29 line 5?
11:36:02 AM	Asst Gen Counsel Vinsel PSC - witness Vaughan Note: Sacre, Candace	Avoided distribution capacity costs are included in Tariff NMS II?
11:37:09 AM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Examination. Imbedded COS basis for proposed compensation rate?
11:37:25 AM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Proposed compensation rate during two time differentiated periods?
11:37:45 AM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Compensation rate residential and separate one for commercial?
11:37:53 AM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Basis of either of those imbedded COS?
11:38:46 AM	Asst Gen Counsel Vinsel PSC - witness Vaughan Note: Sacre, Candace	Recross Examination (cont'd). Some substations peak in summer?
11:40:09 AM	Asst Gen Counsel Vinsel PSC Note: Sacre, Candace	No further.
11:40:16 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
11:40:43 AM	Atty Fitzgerald Joint Intervenors - witness Vaughan Note: Sacre, Candace	Recross Examination. Customer reducing load self generation reduce loading on distribution system?
11:41:09 AM	Atty Fitzgerald Joint Intervenors - witness Vaughan Note: Sacre, Candace	Analysis look at local distribution/local noncoincident peaks when evaluated impact net metering distribution costs?
11:42:17 AM	Atty Fitzgerald Joint Intervenors - witness Vaughan Note: Sacre, Candace	Based on actual data collected noncoincident peaks or actual load research net metering customers?

11:42:50 AM	Atty Fitzgerald Joint Intervenors Note: Sacre, Candace	No further.
11:42:54 AM	Vice Chairman Chandler Note: Sacre, Candace	Questions?
11:43:16 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Examination. Company Exhibit 1?
11:44:25 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan COS allocate distribution for demand, allocate based on 12 CP basis?
11:45:04 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Distribution system planning individual circuits peaks and need and load, your understanding?
11:45:31 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan COS purposes not allocated that way?
11:46:21 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Clarify, saying allocate distribution costs based off system peak or off distribution peak?
11:47:19 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Other side, may have circuits peaking completely different times than system?
11:47:36 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Not taken into account allocation of costs in COS?
11:48:14 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Included insofar looking at aggregate peak that month?
11:48:28 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Single peak each month ????
11:48:43 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan In summer, may have distribution peaking in morning and every other distribution peaking in afternoon?
11:49:11 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan In July, 3 o'clock in afternoon?
11:49:22 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan So 8 am for 3 3 3 3 3 7 8 8 8 8, times of peak using 12 CT allocates distribution expenses imbedded COS?
11:49:42 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Taking that and knowing costs allocated on this basis, distribution system, whole system distribution peaks, how compare rebuttal testimony company's peak cold winter mornings when dark?
11:52:05 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Rebuttal testimony, second sentence, reading. (Click on link for further comments.) Agree more accurate sentence?
11:53:14 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Rebuttal testimony, next sentence, reading. (Click on link for further comments.) QFs paid same kilowatt price for capacity regardless one, three, five megawatts?
11:54:11 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Calculation based on deferring 80 megwatt generation, none actually defer entirety of calculation used to ????
11:54:41 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Why distribution costs here rather than portion only be reasonable defer entirety of investment?
11:56:31 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Vaughan Did that imbedded COS months after this testimony, reading. (Click on link for further comments.) Not basis for determination avoided cost rate capacity, why for distribution to defer entire investment?

11:58:49 AM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Chicken and egg situation, price signal incent people come there and reduce load, or wait around until big load comes and pay them. Avoided capacity sending price signal ahead of time?
12:00:14 PM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Made decision include this load side prior to conducting cost of imbedded COS?
12:00:42 PM	Vice Chairman Chandler - witness Vaughan Note: Sacre, Candace	Cost or benefit exists not included in compensation rate explicitly included imbedded COS?
12:01:30 PM	Vice Chairman Chandler Note: Sacre, Candace	Ms. Blend?
12:01:39 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	Redirect Examination. PSC Staff Exhibit 3, copy in front of you?
12:02:14 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	Listened testimony of Bills?
12:02:27 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	State when Tariff RS T.O.D. II put in place?
12:02:45 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	Since approved 2009 rate case, how many customers taking service under tariff?
12:03:12 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	Address question whether rates in tariff are cost based rates?
12:04:03 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	Recall discussion Bills fact this tariff seasonally differentiated compared to NMS II?
12:04:20 PM	Atty Blend Kentucky Power - witness Vaughan Note: Sacre, Candace	Commission were to set avoided cost rate NMS II at LMP, would rate be seasonally differentiated?
12:04:42 PM	Atty Blend Kentucky Power Note: Sacre, Candace	No further.
12:04:50 PM	Vice Chairman Chandler Note: Sacre, Candace	Witness excused.
12:04:58 PM	Vice Chairman Chandler Note: Sacre, Candace	Any more witnesses? Any requests, any motions?
12:05:26 PM	Vice Chairman Chandler Note: Sacre, Candace	Statutory due date of May 14, data requests, propose data requests due tomorrow April 8 at 12 o'clock, responses due April 14 at 12 o'clock. (Click on link for further comments.)
12:07:47 PM	Vice Chairman Chandler Note: Sacre, Candace	Briefing schedule, initial briefs due on April 16 with responses due on April 21, and reply on April 26. (Click on link for further comments.)
12:09:44 PM	Vice Chairman Chandler Note: Sacre, Candace	Would ask initial brief on April 21, all parties, and all parties reply brief on April 26. (Click on link for further comments.)
12:10:39 PM	Vice Chairman Chandler Note: Sacre, Candace	Order entered today data requests due by end of day 12 midnight on April 8, responses on April 14. Initial briefs all parties on April 21 with responses all parties on April 26. No reply briefs. (Click on link for further comments.)
12:13:18 PM	Vice Chairman Chandler Note: Sacre, Candace	Submit case on April 26, order May 14.
12:13:30 PM	Vice Chairman Chandler Note: Sacre, Candace	Any other matters?

12:13:54 PM

Vice Chairman Chandler

Note: Sacre, Candace

Hearing adjourned.

12:14:00 PM

Session Ended



Exhibit List Report

2020-00174 07Apr2021

**Kentucky Power Company
(Kentucky Power)**

Name:**Description:**

PSC Staff Exhibit 3

Experimental Residential Service Time-of-Day 2

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 3RD REVISED SHEET NO. 6-8
CANCELLING P.S.C. KY. NO. 11 2ND REVISED SHEET NO. 6-8

TARIFF R.S. - T.O.D.2
(Experimental Residential Service Time-of-Day 2)

AVAILABILITY OF SERVICE.

Available on a voluntary, experimental basis to individual residential customers for residential electric service through a multi-register meter capable of measuring electrical energy consumption during variable pricing periods. Availability is limited to the first 500 customers applying for service under this tariff.

RATE. (Tariff Code 027)

Service Charge \$16.00 per month
Energy Charge:
All KWH used during Summer on-peak billing period 18.005¢ per KWH
All KWH used during Winter on-peak billing period 15.508¢ per KWH
All KWH used during off-peak billing period 8.241¢ per KWH

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For the purpose of this tariff, the on-peak and off-peak billing periods shall be defined as follows:

<u>Months</u>	<u>On-Peak</u>	<u>Off-Peak</u>
Approximate Percent (%) Of Annual Hours <u>Winter</u> <u>Period:</u>	16%	84%
November 1 to March 31	7:00 A.M. to 11:00 A.M. 6:00 P.M. to 10:00 P.M.	11:00 AM. to 6:00 P.M. 10:00 P.M. to 7:00 A.M.
<u>Summer Period:</u> May 15 to September 15	Noon to 6:00 P.M.	6:00 P.M. to Noon
<u>All Other Calendar Periods</u>	None	Midnight to Midnight

NOTE: All KWH consumed during Saturday and Sunday are billed at the off-peak level.

MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the Service Charge.

ADJUSTMENT CLAUSES.

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
Residential Energy Assistance	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

(Cont'd on Sheet No. 6-9)

DATE OF ISSUE: January 24, 2020
DATE EFFECTIVE: Service Rendered On And After January 30, 2020
ISSUED BY: /s/ Ranie K. Wohnhas
TITLE: Managing Director, Regulatory & Finance
By Authority of an Order of the Public Service Commission
In Case No. 2019-00002 Dated December 26, 2019 as modified on January 23, 2020

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Kent A. Chandler
Executive Director



**EFFECTIVE
1/30/2020**

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

TARIFF R.S. - T.O.D.2
(Residential Service Time-of-Day 2)

DELAYED PAYMENT CHARGE.

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

SPECIAL TERMS AND CONDITIONS.

This tariff is subject to the Company's Terms and Conditions of Service.

This tariff is available for single-phase, residential service. Where the residential customer requests three-phase service, this tariff will apply if the residential customer pays to the Company the difference between constructing single-phase service and three-phase service. Where motors or heating equipment are used for commercial or industrial purposes, the applicable general service tariff will apply to such service.

Customers with PURPA Section 210 qualifying cogeneration and/or small power production facilities shall take service under

Tariff COGEN/SPP I or by special agreement with the Company.

(Cont'd on Sheet No. 6-10)

DATE OF ISSUE: February 7, 2018


DATE EFFECTIVE: Service Rendered On And After January 19, 2018

ISSUED BY: /s/ Ranie K. Wohnhas

TITLE: Managing Director, Regulatory & Finance

By Authority Of an Order of the Public Service Commission

In Case No. 2017-00179 Dated January 18, 2018

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director 
EFFECTIVE 1/19/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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