

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	CASE NO.
SERVICE, RATES AND FACILITIES OF)	2021-00370
KENTUCKY POWER COMPANY)	

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

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on February 7, 2024. The Commission directs Kentucky Power to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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 Kentucky Power obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete 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 and scanned 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. Explain in detail all of the different inspection processes for Kentucky Power's transmission system, including but not limited to poles (wood and steel), lines, transformers, substation equipment, and all other equipment. Identify whether an outside contractor or Kentucky Power personnel conduct the different inspections, or to what extent a combination of each is used.

a. By circuit, for each year beginning in 2019 to the present, provide the inspection report for each transmission system related inspection.

b. For each inspection report, explain what actions were taken or initiated to address each report finding.

c. For each year beginning in 2020 to the present, provide the annual Kentucky Power five-year capital work plan and capital budget, including O&M costs as related to transmission projects. Identify any changes between the plans by year and explain why the changes were made.

2. Refer to Kentucky Power's Response to Commission Staff's Second Request for Information (Staff's Second Request), Item 20, in Case No. 2023-00159.²

a. Explain in detail all the different inspection processes for Kentucky Power's distribution system, including but not limited to poles (wood and steel), lines, transformers, substation equipment (including but not limited to the Capacitor and Regulator Inspection Maintenance Program, the Recloser Maintenance/Replacement Program, the Overhead Conductor Program), and all other equipment.

b. Identify whether an outside contractor or Kentucky Power personnel conduct the different inspections or to what extent a combination of the two is used.

3. By circuit for each year beginning in 2019 to the present, provide the inspection report for each distribution system related inspection.

² Case No. 2023-00159, *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 Practices to establish Regulatory Assets and Liabilities; (4) A Securitization Financing Order; and (5) All Other Required Approvals and Relief* (filed July 14, 2023).

a. For each inspection report, explain what actions were taken or initiated to address each report finding.

b. For each year beginning in 2020 to the present, provide the annual Kentucky Power five-year capital work plan and capital budget, including O&M costs as related to distribution projects. Identify any changes between the plans by year, and explain why the changes were made.

4. Provide a status update on the Mitchell Unit 1 outage referenced in the summary report filed on January 4, 2024.

5. Refer to Kentucky Power's Response to Commission Staff's First Request for Information (Staff's First Request), Item 6. Also refer to Case No. 2023-00159, the Direct Testimony of Cynthia G. Wiseman, page 12; the Direct Testimony of Brian K. West (West Direct Testimony), page 18; Brian K. West's Hearing Video Testimony (HVT) of the November 28, 2023 through November 30, 2023 Hearing, on November 28, 2023, at 3:07:07–3:07:31; and Kentucky Power's Post-Hearing Brief, footnote 154 at 33.

a. Identify the amount of dividend each year for the last ten years that Kentucky Power has provided to AEP. Identify the years for which Kentucky Power has not provided a dividend to AEP.

b. For each of beginning in 2013, state whether Kentucky Power has received less capital to undertake distribution projects and improve reliability and service from AEP than Kentucky Power requested from AEP, quantify the requested amount versus the amount received, and provide the feedback received by Kentucky Power from AEP supporting AEP's funding decision.

6. Refer to Kentucky Power's Response to Staff's First Request, Item 9. Provide the annual amounts of total energy purchases, energy purchases not recovered through the fuel adjustment clause and energy purchases recovered through Tariff PPA from 2016 to the present. Separately, identify energy purchases made for each of the following: forced outages, maintenance outages, and reserve shutdowns.

7. Refer to the West Direct Testimony, page 7.

a. Provide documentation of and explain the date at which Kentucky Power made the decision to not renew the Rockport Unit Power Agreement (UPA).

b. Prior to the expiration of the Rockport UPA, explain whether Kentucky Power had sufficient capacity to satisfy both its PJM obligations as well as its Kentucky statutory obligations.

c. As of the date provided above, explain when Kentucky Power made the decision to fulfill the capacity deficit created by the expiration of the Rockport UPA with an actual physical generation facility as opposed to annual bilateral unforced capacity purchase agreements.

8. Refer to the West Direct Testimony, pages 8–9.

a. Considering that Kentucky Power joined PJM in 2004, explain how many years Kentucky Power has relied on PJM to cover its native load requirements with capacity purchases during the winter season.

b. Provide a breakdown in a table of Kentucky Power's current generation load, any PPA's that it is currently involved in, and its current market capacity purchases. Include in the response its current summer and winter native load requirements.

9. Refer to the West Direct Testimony, pages 7–12. Explain whether the 152.4 MW and subsequent years' contracted capacity amounts satisfy Kentucky Power's PJM summer capacity obligations or Kentucky Power's own forecast peak winter capacity requirement obligations.

10. Refer to the Direct Testimony of Alex Vaughan (Vaughan Direct Testimony), page 10. Also refer to Kentucky Power's response to Staff's First Request, Item 9. In Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible, provide monetary calculations of the savings mentioned by joining the PJM pool for the years 2017 through 2023. Provide an additional detailed description of how Kentucky Power derived the calculation.

11. Refer Staff's First Request, Item 1. Provide all responses to the Request for Proposals (RFPs), all of the evaluation criteria used by Kentucky Power and an update as to the internal evaluation process.

12. Refer to Staff's First Request, Item 5. Provide the specific language in the May 3, 2022 Order referenced by Kentucky Power in this response, requiring termination of the interest.

13. Refer to Vaughan's Direct Testimony, page 34, Figure AEV-2. Confirm that the Replacement Energy and Capacity Cost is for the year 2023 and identify the time frame in 2023. If not for the year 2023, identify the period referenced for that cost.



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DATED JAN 17 2024

cc: Parties of Record

Case No. 2021-00370

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