

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF KENTUCKY)	CASE NO.
POWER COMPANY TO UPDATE ITS PURCHASE)	2023-00318
POWER ADJUSTMENT RATES)	

ORDER

On March 21, 2025, Kentucky Power Company (Kentucky Power) filed a motion to clarify¹ the Commission’s March 4, 2025, Order on Rehearing (Order on Rehearing).² This motion for clarification is submitted pursuant to 807 KAR 5:001 Section 5(1), which authorizes parties to file motions seeking procedural or substantive relief from the Commission. Kentucky Power seeks clarification and amendment of the Order on Rehearing to allow the Company to recover the difference between the interim rates it charged and the final rates approved by the Commission.³ Specifically, Kentucky Power requests authorization to include an under-recovery amount of \$1,029,116 in the over/under-recovery mechanism in its next Tariff Purchase Power Adjustment (Tariff P.P.A.) filing, due on or before August 15, 2025. Kentucky Power further proposes amendments to the Tariff P.P.A. to reflect this adjustment.⁴

¹ Kentucky Power’s Motion to Clarify (Motion) (filed Mar. 21, 2025).

² Order on Rehearing (Ky. PSC Mar. 4, 2025).

³ Motion at 1.

⁴ Motion at 2.

DISCUSSION AND FINDINGS

The Order on Rehearing explicitly stated that under-recovery amounts will be addressed in the 2025 true-up filing, and Kentucky Power has been directed to submit necessary data at that time, including the impact of securitization and forecasted billing determinants.⁵ In addition, KRS 278.400 is not intended to allow parties to continue to relitigate the same matter.

Further, the Commission finds that Kentucky Power's assertion that the Order on Rehearing was "silent" on the issue of interim rates is incorrect. Kentucky Power voluntarily implemented interim rates subject to refund under KRS 278.190(2).⁶ The Commission did not approve or authorize the implementation of interim rates, nor does the Order on Rehearing suggest any entitlement to recover any difference between interim rates and final rates outside of the established true-up process.

The Commission's prior rulings have been clear and consistent: any under-recovery claim must be substantiated and reviewed in the August 2025 true-up filing.⁷ Allowing Kentucky Power to recover an amount certain outside of that process would contradict the Commission's prior findings and compromise the integrity of the approved rate mechanism.

Based on the foregoing, the Commission finds that Kentucky Power's Motion to Clarify should be denied. The Commission has issued the Order on Rehearing, which clearly addressed the over recovery or under recovery for this rate mechanism. Any

⁵ Order on Rehearing (Ky. PSC Mar. 4, 2025) at 6.

⁶ Kentucky Power's Notice of Intent to Place Proposed Rates into Effect (filed Sep. 29, 2023).

⁷ Order (Ky. PSC June 14, 2024). Order on Rehearing (Ky. PSC Mar. 4, 2025).

potential under-recovery must be quantified and will be reviewed in the 2025 true-up filing in accordance with the established regulatory framework and prior Commission Orders.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's motion to clarify is denied.
2. Kentucky Power shall address any claimed under-recovery in its August 2025 Tariff P.P.A. true-up filing in accordance with the directives outlined in the March 4, 2025 Order on Rehearing.

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PUBLIC SERVICE COMMISSION



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Vice Chairman



Commissioner

ATTEST:



Executive Director



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