

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)
POWER COMPANY FOR: (1) APPROVAL TO)
EXPAND ITS TARGETED ENERGY EFFICIENCY)
PROGRAM; (2) APPROVAL OF A HOME)
ENERGY IMPROVEMENT PROGRAM AND A)
COMMERCIAL ENERGY SOLUTIONS)
PROGRAM; (3) AUTHORITY TO RECOVER)
COSTS AND NET LOST REVENUES, AND TO)
RECEIVE INCENTIVES ASSOCIATED WITH THE)
IMPLEMENTATION OF ITS DEMAND-SIDE)
MANAGEMENT/ENERGY EFFICIENCY)
PROGRAMS; (4) APPROVAL OF REVISED)
TARIFF D.S.M.C.; (5) ACCEPTANCE OF ITS)
ANNUAL DSM STATUS REPORT; AND (6) ALL)
OTHER REQUIRED APPROVALS AND RELIEF)

CASE NO.
2024-00115

COMMISSION STAFF'S FIRST 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 July 8, 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.

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).

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 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. Refer to the Direct Testimony of Barrett L. Nolen (Nolen Direct Testimony), page 7. Provide the data for the three sample homes served by the Targeted Energy Efficiency (TEE) Program that were used to calculate the amount, on average (per MWh), that customers saved.

a. Explain what actions each customer took in order to produce the energy savings.

b. Provide what incentives each customer received from Kentucky Power.

c. If the same data is available for the other TEE participants, please provide.

2. Refer to Nolen Direct Testimony, page 15. Explain how the company would monitor the supplemental funding for the Weatherization Readiness Fund if the proposed \$1,000 per home for 15 total homes in 2025, 20 total homes in 2026, and 25 total homes in 2027 were approved.

3. Refer to Nolen Direct Testimony, page 16. Provide cost justification for the \$100 increase in administration fees and explain how it will be used.

4. Refer to Nolen Direct Testimony, page 17. Explain how many more customers are expected to qualify for the TEE program if the Commission approves the expansion. Provide the supporting calculations.

5. Refer to Nolen Direct Testimony, page 19. Provide the incentive, or rebate, amount a customer would be eligible to receive under the program for:

a. Qualifying HVAC equipment such as air-source heat pumps, central air conditioning (A/C) systems, ductless heat pumps and A/C units, heat pump water heaters, and smart thermostats.

b. Qualifying weatherization measures such as attic and floor insulation, air sealing, and duct sealing.

6. Refer to Nolen Direct Testimony, page 20. Provide the incentive, or rebate, amount a commercial customer would receive under the program for:

a. Lighting incentives, such as LED lighting, network lighting controls, occupancy, sensors, and daylighting controls.

b. HVAC incentives for commercial A/C systems packaged terminal heat pumps, air-source heat pumps, heat pump water heaters, and smart thermostats.

c. Food service equipment, including combination oven fryers, steam cookers, and dishwashers.

7. Refer to Nolen Direct Testimony, Table 1, page 23. Provide the underlying assumptions used to calculate the Total Resource Cost (TRC) for the new demand-side management (DSM) programs.

8. Refer to Nolen Direct Testimony, Table 3, page 26 and Exhibit BLN-2.

a. Explain why the Administration budget significantly decreases in 2026 but then increases in 2027 considering the number of participants is expected to increase every year from 2025–2027.

b. Explain why the Administration budget increases in 2026 but then drastically decreases in 2027 considering the number of participants is expected to increase every year from 2025–2027.

c. Refer also to the Direct Testimony of Scott Bishop, Exhibit SEB-1, page 2. In Table 3, the total Residential budget is listed as \$1,022,866 and the total Commercial budget is \$710,011. In Exhibit SEB-1, the total Residential cost is \$1,189,701 and the Commercial cost is \$785,907. Explain why there is a difference of costs being used to calculate the DSM rate.

9. Refer to Nolen Direct Testimony, page 29. Provide the request for proposal (RFP) that Kentucky Power used for the implementation of the Home Energy Improvement Program and Commercial Energy Solutions Program.

10. Refer to Nolen Direct Testimony, Exhibit BLN-3. Provide specific examples of which commercial customers Kentucky Power anticipates would enroll in the Commercial Energy Solutions Program. If Kentucky Power cannot provide specific examples, provide a general customer profile.

11. Refer to Nolen Direct Testimony, page 30.

a. Provide the roles for these two local employees as well as their salaries including benefits, if applicable.

b. Explain whether the two local employees hired by TRC are included in the administration costs estimate proposed. If not, then explain how Kentucky Power plans on recovering these salary costs.



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DATED JUN 21 2024

cc: Parties of Record

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