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 CERTAIN REGULATORY AND ACCOUNTING TREATMENTS; AND (4) ALL OTHER REQUIRED APPROVALS AND RELIEF	))))))))	CASE NO. 2025-00257

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 October 9, 2025. The Commission directs Kentucky Power to the Commission's July 22, 2021 Order in Case No. 2020-00085[1] 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

[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).

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. For the historical test year and the five preceding calendar years, provide a schedule detailing all nonrecurring charges by customer class, including:

   a. Type of charge;

   b. Amount billed;

c. Amount recovered; and

d. Number of times the charge was assessed.

2. Refer to the Application, Section II, Exhibit E, pages 41, 45, 48, and 49 of 199. Given that residential customers are not subject to the delayed payment charge, explain why the following language in the residential rate schedules is necessary: "Delayed payment charges applicable to this rate schedule are found in Terms and Conditions of Service, Section 5.C., Sheet No. 2–5."

3. Refer to the Application, Section II, Exhibit E, page 143 of 199. Explain why the lower limit for the net power production capacity of a cogeneration or small power production facility is set at 45 kW.

4. Refer to the Application, Section II, Exhibit E, page 143 of 199. Explain the revision to the Monthly Charges for Delivery from the Company to the Customer section given that the lower limit for a cogeneration and/or small power production facility to take service under Tariff COGEN/SPP was set at 45 kW.

5. Refer to the Application, Section II, Exhibit E, page 146 of 199.

a. Explain how disputes will be resolved when there is disagreement between Kentucky Power and a prospective COGEN/SPP customer over whether the customer has satisfactorily met all the applicable criteria to establish a legally enforceable obligation.

b. Explain whether meeting the proposed criteria will automatically trigger a legally enforceable obligation or if further steps will be required.

c. Explain the type of documentation that will be required to show that meaningful steps have been taken to obtain site control adequate to commence construction of the project at the proposed location.

6. Refer to Application, Section V, Exhibit 2 at 28. Provide an explanation of the $4,074,991 included as expected return on Prepaid Pension and OPEB Assets.

7. Refer to Application, Section V, Exhibit 2 at 33.

a. Provide the number of hours of overtime worked to reach the test-year Overtime Payroll of $6,966,589.

b. Provide the Overtime Payroll expense related to allocation of wages from the Mitchell Plant.

8. Refer to the Direct Testimony of Cynthia Wiseman, page 11. Explain how "reducing customer bill variability by increasing the percentage of fixed costs collected through fixed charges" supports Kentucky Power's commitment to its customers.

9. Refer to the Direct Testimony of Jeffrey D. Newcomb (Newcomb Direct Testimony), page 9, lines 3–10. Explain the impact using a historical test period has on Kentucky Power's ability to earn its authorized return.

10. Refer to the Newcomb Direct Testimony, page 13. Provide a discussion of whether, if the Commission were to approve the proposed 10.00 percent return on equity (ROE), Kentucky Power would be likely to earn that return. In the response, explain the other factors that would determine Kentucky Power's ability to earn its awarded return, and, more specifically, the impact that being awarded a higher ROE would have.

11. Refer to the Newcomb Direct Testimony, page 15, lines 9–15. State whether any of the costs of the $82.5 million short-term debt balance that was repaid from

the proceeds of the securitization were included in the calculation of Kentucky Power's projected cost of short-term debt.

12. Refer to the Newcomb Direct Testimony, page 16.

a. Identify a common equity ratio range that Kentucky Power believes would neither improve nor reduce its credit rating.

b. Provide an estimate of the effect on revenue requirement of increasing Kentucky Power's common equity ratio above the estimated range identified as increasing Kentucky Power's credit rating.

c. Provide an estimate of the effect on revenue requirement of decreasing Kentucky Power's common equity ratio below the estimated range identified as decreasing Kentucky Power's credit rating.

d. Identify how Kentucky Power has determined that estimate in parts a, b, and c above.

13. Refer to the Newcomb Direct Testimony at page 16, lines 7–10. Elaborate on the equity reduction of the remaining securitization proceeds in the amount of approximately $83.1 million. In the response, explain the basis for the equity reduction, as well as the anticipated use of the $83.1 million, such that it would not be included in Kentucky Power's equity balance moving forward.

14. Refer to the Direct Testimony of Tanner S. Wolffram (Wolffram Direct Testimony), page 5, lines 20–22. Explain how the 15 percent was ultimately decided upon. Additionally, explain why a lower increase of 10–12 percent was not decided on.

15. Refer to the Wolffram Direct Testimony, page 5.

a. Explain how interclass subsidization is impacted by the limited increase.

b. Provide current and proposed subsidization amounts in table format.

c. Explain whether Kentucky Power has plans to eliminate the remaining interclass subsidization in future filings.

16. Refer to the Wolffram Direct Testimony, page 7, lines 13–16. Provide multiple examples of proposed bill impacts for the average and low energy users. The examples should include a range of kWh that classify the customer as “average” or “low” energy users.

17. Refer to the Wolffram Direct Testimony, page 8, lines 1–7. Provide three examples of proposed bill impacts for high energy users, ranging from the low-high to high-high.

18. Refer to the Wolffram Direct Testimony, page 9, line 6. Explain how a tier 2 residential customer charge of $40.00 is gradual.

19. Refer to the Wolffram Direct Testimony, page 9, lines 7–10. Provide further explanation on the determination and supporting calculations of the declining block rate energy charges.

20. Refer to the Wolffram Direct Testimony, page 9, lines 19–21. Explain how the new residential rate design may impact users who cannot lower their energy usage due to poorly weatherized structures.

21. Refer to the Wolffram Direct Testimony, page 10, lines 2–4. Provide a side-by-side bill comparison for high energy users with the current residential rate design,

proposed rate design, and a hypothetical single customer charge and single energy rate design that achieves the same revenue increase as the proposed rate design.

22. Refer to the Wolffram Direct Testimony, page 11, lines 7–10. Provide any updates and related data to the expanded Targeted Energy Efficiency program.

23. Refer to the Wolffram Direct Testimony, page 13. Explain whether a customer will be automatically eligible for the "$0" remote reconnect fee at the point in which the AMI meter is installed.

24. Refer to the Wolffram Direct Testimony, page 14, lines 12–13. Explain what Kentucky Power means by "virtually no cost."

25. Refer to the Wolffram Direct Testimony, page 15, lines 2–5. Explain how Kentucky Power's proposed special charges align with the Commission's findings in Case No. 2020-00349.[2]

26. Refer to the Wolffram Direct Testimony, page 16, lines 18–21. Explain whether meter tests are performed through in-house employees or through a third-party contract.

27. Refer to the Wolffram Direct Testimony, page 23, lines 18-21. Explain how the per kWh factor or per kW factor is determined for each customer.

28. Refer to Wolffram Direct Testimony, page 24, lines 15–18.

a. Confirm, pending approval for the CPCN and the generation rider, that the filing to recover the non-ELG capital balance and related regulatory balance of

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[2] Case No. 2020-00349, *Electronic Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit* (Ky. PSC Sept. 24, 2021), Order.

approximately $60.4 million would be separate from the annual true-up proposed in lines 3–5 of the same page.

b. Provide the annual revenue requirement inclusive of the approximate $60.4 million in non-ELG capital and related regulatory asset balance.

29. Refer to the Wolffram Direct Testimony, page 38, regarding the Turbine Reservation Fee.

a. State whether the Turbine Reservation Fee acts as a deposit to be applied to the balance of the turbine purchase or if it is an additional cost on top of the cost of the turbine.

b. Provide a copy of the reservation contract.

c. State whether the Turbine Reservation Fee was a requirement for contracting with the vendor.

d. Explain why the Turbine Reservation Fee was a necessary expenditure.

30. Refer to the Wolffram Direct Testimony, Exhibit TSW-1, page 2 of 4.

a. Provide support for the transportation hourly rate of $12.56.

b. Provide support for the bank fees of $6.60.

31. Refer to the Direct Testimony of Michele Ross, page 15.

a. Provide a historical cost/benefit analysis of the TIR and TOR programs from 2017 to 2024 based on estimated repair cost savings for these programs. Explain how estimated savings were calculated.

b. Provide a forward-looking cost/benefit analysis of the TIR and TOR programs, explaining how estimated repair cost savings were calculated.

c. Explain why the TIR and TOR program expenses are being capitalized.

32. Refer to the Direct Testimony of Robert A. Jessee, pages 13–14.

a. Identify any Commission case approving the Mitchell Plant Dry Sorbent Injection (DSI) Lime Conversion Upgrades project.

b. If no approval or CPCN was obtained, explain why this project was exempt from CPCN requirements.

c. Provide a cost-benefit analysis for the project.

33. Refer to the Direct Testimony of Stevi N. Cobern (Cobern Direct Testimony), page 4. Provide any research materials used to ascertain the demand for a program such as FlexPay.

34. Refer to the Cobern Direct Testimony, page 5, lines 5–9. Explain the purpose for not requiring a deposit for FlexPay but still requiring a deposit for a standard payment customer.

35. Refer to the Cobern Direct Testimony, page 6, lines 14-17. Explain how the $7.00 average daily payment was determined.

36. Refer to the Cobern Direct Testimony, page 11, lines 10-21. Refer also to page 12, lines 3-7. Explain whether a customer can reconnect service outside of business hours in the same time frame as regular business hours.

37. Refer to the Cobern Direct Testimony, page 12, lines 1–14. Explain whether reconnections of FlexPay customer accounts will occur after hours if a FlexPay customer restores their account to a positive balance after hours following disconnection.

38. Refer to the Cobern Direct Testimony, page 14, lines 14–17. Explain whether FlexPay customers will have a way to see the riders, taxes, and adjustments applied to their account.

39. Refer to the Cobern Direct Testimony, page 16. Figure SNC-3 depicts Commission-Approved prepay programs. However, the utilities listed are all distribution cooperatives. State whether any investor-owned utilities in other states offer similar programs to that proposed by Kentucky Power.

40. Refer to the Cobern Direct Testimony, page 19, lines 3–10. Kentucky Power expressed concern about federal Low Income Home Energy Assistance Program (LIHEAP) funding for the fiscal year 2026. Explain why more Home Energy Assistance funding from Kentucky Power is not necessary in light of the uncertainties surrounding federal funding for LIHEAP.

41. Refer to the Cobern Direct Testimony, page 24, lines 8–11. Explain why a maximum contract term of 20 years is reasonable.

42. Refer to the Cobern Direct Testimony, page 25, lines 7–13. Explain whether customers seeking a curtailment program that have chosen to participate under Tariff Contract Service – Interruptible Power (Tariff C.S. – Interruptible Power) have expressed their reasoning for choosing Tariff C.S. – Interruptible Power over Tariff Voluntary Curtailment Service.

43. Refer to the Cobern Direct Testimony, Exhibit SNC-1 at 2. Tariff F.P. does not mention the 1,500-kWh threshold warning mentioned on page 8 of the testimony. Explain why language regarding the threshold was excluded.

44. Refer to the Direct Testimony of John D. Cullop (Cullop Direct Testimony), page 6.

a. Mr. Cullop stated that Kentucky Power used a 9.14 percent pre-tax WACC, but in Kentucky Power's last environmental surcharge case before the Commission, Case No. 2025-00036, Kentucky Power requested and was approved for a WACC of 6.79 percent. Provide support for this change.

b. Mr. Cullop stated that Kentucky Power used a 10.0 percent ROE in this case, but in Kentucky Power's last environmental surcharge case before the Commission, 2025-00036, Kentucky Power requested and was approved for a ROE of 9.65 percent. Provide support for this change.

45. Refer to Cullop Direct Testimony, page 3, Exhibit JDC-2. Explain what caused the $180,714 gain on sale of allowances September 2024 in this table compared to the zero values or close to zero values of the other months.

46. Refer to Cullop Direct Testimony, page 8, line 3. If Kentucky Power is "proposing to continue excluding Mitchell FGD costs from the base environmental revenue calculation," explain why adjustment W57 for $113,080,671 is justified. If the Mitchell FGD costs were never included, what is the change between the past and the future that calls for an adjustment?

47. Refer to Cullop Direct Testimony, page 10, adjustment W09. Refer to Attachment 18, cell E38. Provide the missing referenced Source: Revenue Proof, tab "Fuel Summary."

48. Refer to Cullop Direct Testimony, page 13. Provide support for the $54,804 of expenses that were removed from operating expenses in adjustment W24.

49. Refer to the Cullop Direct Testimony, page 16. Provide any evidence regarding calculation of the allocation of membership fees used toward lobbying activities.

50. Refer to the Direct Testimony of Jaclyn N. Cost (Cost Direct Testimony). Confirm that the methodologies used in the proposed jurisdictional cost of service study (COSS) are consistent with the methodologies used in the prior rate case, Case No. 2023-00159.[3]

51. Refer to the Cost Direct Testimony, page 15. Provide the calculation of the Total Net Income Impact of $4.6 million and a total Rate Base increase of $18.2 million resulting from the wholesale customer load adjustment.

52. Refer to the Direct Testimony of Nicole M. Coon (Coon Direct Testimony), page 9, lines 15-18. Explain whether, if any, changes were made to the methodologies used in the proposed class COSS from the methodologies used in the prior rate case, Case No. 2023-00159.

53. Refer to the Coon Direct Testimony, page 19. Provide the subsidy for each rate class after the proposed rate revisions.

54. Refer to the Coon Direct Testimony, Exhibit NMC-2 at 3. Refer also to the Wolffram Direct Testimony, page 6, Figure TSW-1. The values for the mitigated percent increase, generation rider increase, and total impact differ from the values listed in TSW- 1. Explain and reconcile the discrepancy.

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[3] 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* (Application filed June 29, 2023).

55. Refer to the Coon Direct Testimony, Exhibit NMC-2 at 3. Provide an update table with the addition of the missing Public Schools and second Large General Service classes.

56. Refer to the Coon Direct Testimony, Exhibit NMC-2 at 2. Explain the differences between the two Large General Service classes and how revenues are allocated between the two. Additionally, provide the associated tariff classes for each of the Large General Service classes listed in the exhibit.

57. Refer to the Coon Direct Testimony. Provide the cost-based rates in table format for all classes applicable.

58. Refer to the Direct Testimony of Michael M. Spaeth (Spaeth Direct Testimony), page 8. He stated that

> [a]pproximately 39% of the Company's adjusted test year usage (and associated billing units) was for customers taking service at voltage levels above distribution. Therefore, 28% of the Company's cost-of-service (distribution function) is paid by distribution level customers that make up about 61% of adjusted test year billing units.

Explain with greater clarity and detail how distribution differs from transmission and generation in terms of cost of service allocation.

59. Refer to the Spaeth Direct Testimony, pages 13–14. Provide a figure similar to figures MMS-2 and MMS-3 reflecting cost-based rates supported by the COSS.

60. Refer to Spaeth Direct Testimony, page 16. Clarify whether the blocked energy charge refers to charging customers $26 or $40 and provide an example of how the blocked energy charge is calculated for each usage tier of customer.

61. Refer to the Direct Testimony of Franz D. Messner (Messner Direct Testimony), generally. Provide any updates or new credit reports that become available throughout this proceeding. Consider this an ongoing request.

62. Refer to the Messner Direct Testimony, page 8, lines 1–12. Barring the securitization, Kentucky Power's equity ratio would be approximately 40 percent. Considering that, even with the adjustments to the capital structure due to the securitization, Kentucky Power's proposed capital structure reflects approximately 7.74 percent more debt than equity, explain what options Kentucky Power is exploring to maintain a more balanced capital structure on a long-term basis.

63. Refer to the Messner Direct Testimony, page 10, lines 5–10.

a. Explain how Kentucky Power's cost of debt calculation not excluding the two $150 million term loans that were excluded from the capital structure accurately projects its cost of debt.

b. Further, explain how the cost of debt projection is reasonable, considering known changes to the cost of debt were not considered.

c. Confirm that no other adjustments were made to Kentucky Power's cost of debt calculation for the inclusion of debt obligations that were not included in Kentucky Power's capital structure, or the exclusion of debt obligations that were included in Kentucky Power's capital structure.

64. Refer to the Messner Direct Testimony, page 13, lines 19–20, and page 14, lines 12–14. Confirm whether Kentucky Power's credit rating from S&P currently reflects a stable or negative outlook.

65. Refer to the Direct Testimony of Adrien M. McKenzie (McKenzie Direct Testimony), generally.

a. Provide an electronic copy of all ROE workpapers in Excel format with all formulas, columns, and rows intact and fully accessible.

b. Provide a list of all current authorized ROE for each of the AEP operating companies, the effective date of the ROE, and whether the ROE was the result of a settlement or fully litigated rate case.

66. Refer to the McKenzie Direct Testimony, page 4.

a. Explain how Kentucky Power decided to propose a 10.0 percent ROE considering the midpoint of its range of reasonableness was 10.50 percent, and Kentucky Power stated that a 10.0 percent ROE significantly understates investors' required return for Kentucky Power.

67. Refer to the McKenzie Direct Testimony, page 14, question 23.

a. If available, provide the factors of Kentucky Power that have the largest negative effect on its credit standing.

b. Provide information on any equity infusions Kentucky Power has received from its parent company in the past five calendar years. In the response, include the date, the amount, and any terms of the infusions.

c. Provide the Moody's Investor Services (Moody's) issuer rating analysis that supports the Baa3 issuer rating.

d. Provide the Standard & Poor's (S&P) issuer rating analysis that supports the BBB issuer rating.

e. Provide the Fitch Rating, Inc. (Fitch) issuer rating analysis that supports the BBB issuer rating.

68. Refer to the McKenzie Direct Testimony, page 14, question 24.

a. Explain how Kentucky Power anticipates it will fund the referenced capital investment.

b. Explain if these expected capital investments are projected in this present case, whether in its long-term debt projections or elsewhere.

69. Refer to the McKenzie Direct Testimony, page 21, question 32. State whether Kentucky Power considered excluding companies from its proxy group based on mergers and acquisition agreements, or any other internal activity known to cause short-term price volatility.

70. Refer to the McKenzie Direct Testimony, page 23, question 34. Provide a discussion of how Kentucky-Power's risk measures compare to its parent company's. Provide also whether those differences change the results of this analysis.

71. Refer to the McKenzie Direct Testimony, pages 32-33, question 48. Explain the advantages and disadvantages of having a below average common equity ratio, both in general and specifically for Kentucky Power.

72. Refer to the McKenzie Direct Testimony, pages 42–43, question 65. Elaborate on the statement that growth in earnings is far more influential than trends in dividend per share growth for utilities specifically. If available, provide the referenced surveys.

73. Refer to the McKenzie Direct Testimony, page 46, question 73. Provide whether any data was used as a proxy for unavailable data in the analyses. If proxy data was used, identify the proxy data and its source.

74. Refer to the McKenzie Direct Testimony, pages 46–47, question 74. Confirm that, other than the highlighted values in Exhibit AMM-5, no other outliers were removed. If other outliers were removed, identify them and provide the data in the analysis that was removed.

75. Refer to the McKenzie Direct Testimony, pages 48–49, question 78. Provide how the calculated ROE for the market as a whole of 12.0 percent compares to analysts' estimates of the market return. In the response, provide the sources of the data used in the requested comparison.

76. Refer to the McKenzie Direct Testimony, page 49, question 79. Explain why multiple sources of beta values were not considered.

77. Refer to the McKenzie Direct Testimony, Exhibit AMM-2 through Exhibit AMM-11. Provide each of the Value Line Investment Survey company profile sheets supporting the ROE analysis.

78. Refer to Direct Testimony of Brian C. Ciborek (Ciborek Direct Testimony), page 8, lines 9–12. Provide an explanation for how the estimated Rockport Offset Revenues were devised.

79. Refer to Ciborek Direct Testimony, page 11, lines 10–20.

a. Confirm allocations from Wheeling Power for all labor costs associated for Mitchell Plant are 50 percent regardless of position.

b. Provide a copy of the September 1, 2022 Written Consent Action of the Mitchell Operating Committee Document.

80. Refer to Ciborek Direct Testimony, pages 14 and 15, lines 18–20 and 1–7, respectively.

a. Provide board of directors' minutes approving the 2025 and 2026 merit increases and promotions.

b. Provide an explanation of why 2026 merit increases should be included as an adjustment to a 2025 adjusted test year.

81. Refer to Ciborek Direct Testimony, page 16, lines 15–20.

a. Confirm there are no employees who currently are compensated between the 2024 tax base of $168,600 and the 2025 tax base of $176,100.

b. Confirm there are no additional employees who would reach the 2025 base after not reaching the 2024 tax base.

82. Refer to Ciborek Direct Testimony, page 19, lines 14–17. Provide an explanation of how the $8,425,896 in annualized depreciation expense was calculated.

83. Refer to Ciborek Direct Testimony, page 22, lines 16–23. Provide an explanation why Kentucky Power requested a regulatory asset for the pension settlement amount of $1,689,276 but also requested immediate amortization of proposed regulatory asset to be included in the rate case.

84. Refer to Ciborek Direct Testimony page 24, lines 3–6. Provide an explanation for the increase in lease expenses related to the test year.

85. Refer to the Direct Testimony of Andrew Carlin (Carlin Direct Testimony), pages 39 and 51. Confirm that no part of Kentucky Power's variable annual Incentive

Compensation (STI) plan or Long-Term Incentive Compensation (LTI) plan are tied to financial measures. If not confirmed, provide the monetary amount that is associated with the STI plan and the LTI plan tied to financial measures that Kentucky Power included in the revenue requirement.

86. Refer to the Carlin Direct Testimony generally. Provide the following information for Kentucky Power's executive staff employees, as well as all executive staff employees whose costs are allocated to Kentucky Power and separate each response by company/utility.

a. Provide the position, title, and salary for each executive staff employee for the years 2020-2025

b. Provide the average raise that the executive staff employees received, or will receive, for the years 2020–2025. Ensure to explain whether the annual raise is directly connected to a performance review.

c. Provide the average bonus that each executive staff employee received, or will receive, for the years 2020–2025

d. Provide all awards given to the executive staff employees for the years 2020–2025.

e. Provide all vehicle allowances given to the executive staff employees for the years 2020-2025.

f. Provide all incentive compensation given to the executive staff employees for the years 2020–2025.

g. Provide the average raise, if any, which will be given to executive staff employees for 2025.

h. Provide a detailed explanation of the insurance benefits provided to Kentucky Power's executive staff employees, including but not limited to health, dental, vision, life insurance, etc. Include all premiums paid by Kentucky Power or its parent company on the executive staff employees' behalf, as well as copays, deductibles, and maximum out of pocket amounts.

i. Provide a detailed explanation of retirement benefits provided to Kentucky Power's executive staff employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.

j. Explain whether any of the executive staff employees are members of a union.

87. Refer to the Carlin Direct Testimony generally. Provide the following information for Kentucky Power's salaried employees, as well as all salaried employees whose costs are allocated to Kentucky Power and separate each response by company/utility.

a. Provide the position, title, and salary for each salaried employee for the years 2020–2025

b. Provide the average raise that the salaried employees received, or will receive, for the years 2020–2025. Explain whether the annual raise is directly connected to a performance review.

c. Provide the average bonus that each salaried employee received, or will receive, for the years 2020–2025

d. Provide all awards given to the salaried employees for the years 2020–2025.

e. Provide all vehicle allowances given to the salaried employees for the years 2020–2025.

f. Provide all incentive compensation given to the salaried employees for the years 2020–2025.

g. Provide the average raise, if any, which will be given to salaried employees for 2025.

h. Provide a detailed explanation of the insurance benefits provided to Kentucky Power's salaried employees, including but not limited to health, dental, vision, life insurance, etc. Include all premiums paid by Kentucky Power or its parent company on the salaried employees' behalf, as well as copays, deductibles, and maximum out of pocket amounts.

i. Provide a detailed explanation of retirement benefits provided to Kentucky Power's salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.

j. Explain whether any of the salaried employees are members of a union.

88. Refer to the Carlin Direct Testimony generally. Provide the following information for Kentucky Power's non-salaried employees, as well as all non-salaried employees whose costs are allocated to Kentucky Power and separate each response by company/utility.

a. Provide the position, title, and salary for each non-salaried employee for the years 2020–2025

b. Provide the average raise that the non-salaried employees received, or will receive, for the years 2020–2025. Ensure to explain whether the annual raise is directly connected to a performance review.

c. Provide the average bonus that each non-salaried employee received, or will receive, for the years 2020–2025

d. Provide all awards given to the non-salaried employees for the years 2020–2025.

e. Provide all vehicle allowances given to the non-salaried employees for the years 2020–2025.

f. Provide all incentive compensation given to the non-salaried employees for the years 2020–2025.

g. Provide the average raise, if any, which will be given to non-salaried employees for 2025.

h. Provide a detailed explanation of the insurance benefits provided to Kentucky Power's non-salaried employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by Kentucky Power or its parent company on the non-salaried employees' behalf, as well as copays, deductibles, and maximum out of pocket amounts.

i. Provide a detailed explanation of retirement benefits provided to Kentucky Power's non-salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.

j. Explain whether any of the non-salaried employees are members of a union.

89. Refer to the Direct Testimony of John Wolfram (Wolfram Direct Testimony), pages 10–11, lines 18–3. Explain whether allocating poles based upon the allocation of overhead conductor is consistent with Commission precedent. If not, explain further why that allocation method is reasonable.

90. Refer to Case No. 2023-00159,[4] January 19, 2024 final Order at 41. Explain how Kentucky Power mitigated the issues with the zero-intercept study from the prior rate case in preparation for this case.

91. Refer to the Wolfram Direct Testimony, Exhibit JW-2 at 3 and 9. Explain how the customer-related and demand-related allocations are reasonable compared to the allocations provided in Case No. 2023-00159.

92. Refer to the Wolfram Direct Testimony, Exhibit JW-2, pages 1–3. Explain whether all equipment listed in the analysis are currently in service. If not, explain why Kentucky Power still has equipment not in service on its books and whether removing that equipment would impact the results. Provide the results with such equipment removed.

93. Refer to the Wolfram Direct Testimony, page 6, lines 3–5 and 7–10.

a. Confirm whether the equipment costs used were embedded costs or marginal costs.

b. Confirm that no equipment was double counted in the analysis. If the equipment was double counted, explain and reconcile the discrepancy.

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[4] 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* (Ky. PSC Jan. 19, 2024), final Order at 41.

c. Provide a class COSS utilizing the minimum-system method in place of the zero-intercept method.

94. Refer to the Direct Testimony of Clinton M. Stutler, pages 4–10.

a. Provide a copy of Kentucky Power's natural gas hedging manual or policy if it has one.

b. Provide a monthly breakdown of Kentucky Power's natural gas net hedging gains or losses since the filing of Kentucky Power's last rate case.

c. Provide a yearly breakdown of Kentucky Power's natural gas net hedging gains or losses since 2015.

95. Refer to the Direct Testimony of Timothy S. Lyons at 5, Exhibit TSL-2 at 1 and KPCO_R_KPSC_1_55_Attachment38_LyonsWP1, the Excel spreadsheet file.

a. Confirm Kentucky Power's reported revenue lag of 1.44 days is only comprised of billing lag as shown in the A Tab of the LyonsWP1 Excel document.

b. If confirmed, explain why the collection lag days have not been included in calculating the Revenue Lag days.

c. Provide an explanation of Kentucky Power's accounts receivables factoring process stated on page 5 of Lyons Direct Testimony.

96. Confirm the most recent depreciation study performed for Kentucky Power, not including the one done for the current case, was prepared as part of Case No. 2014-00396 and was based on year ended December 31, 2013 (2013 Depreciation Study).[5]

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[5] *See* Case No. 2014-00396, *Application of Kentucky Power Company for: (1) a General Adjustment of Its Rates for Electric Service; (2) an Order Approving Its 2014 Environmental Compliance Plan; (3) an Order Approving Its Tariffs and Riders; and (4) an Order Granting all other Required Approvals and Relief.*

a. If confirmed, explain why Kentucky Power has not performed a depreciation study since the 2013 Depreciation study.

b. If not confirmed, explain why Kentucky Power did not use the study in its prior rate cases.

97. Refer to the Direct Testimony of John Spanos (Spanos Direct Testimony), Exhibit JJS-1, General Plant.

a. Explain what investments were made to Transportation Equipment that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

b. Provide the justification for the composite remaining life of Transportation Equipment declining from 16.46 in the 2013 Depreciation Study to 12.4 in the 2025 Depreciation Study.

c. Provide the justification for the composite remaining life of Office Furniture and Equipment declining from 27.15 in the 2013 Depreciation Study to 9.8 in the 2025 Depreciation Study.

d. Explain what investments were made to Power Operated Equipment that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

98. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Distribution Plant.

a. Explain what investments were made to Structures and Improvements that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

b. Explain what investments were made to Station Equipment that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

c. Explain what investments were made to Poles, Towers, & Fixtures that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

d. Explain what investments were made to Overhead Conductors and Devices that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

99. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Transmission Plant.

a. Explain what investments were made to Structures & Improvements that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

b. Explain what investments were made to Station Equipment that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

c. Explain what investments were made to Poles & Fixtures that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

d. Explain what investments were made to Underground Conduit that resulted in the increase in original cost and book depreciation reserve since the 2013 Depreciation Study.

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DATED **SEP 24 2025**

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