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APR 03 2017

PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

Application Of Kentucky Power Company )  
For (1) Authority To Amend Temporarily )  
Tariff C.S. - I.R.P. And Tariff E.D.R.; )  
(2) To Establish Temporarily Tariff C.S. - Coal; )  
(3) For Leave To Deviate From The Notice )  
Requirements Of 807 KAR 5:011, Section 8; )  
(4) For Related Accounting Relief; And 5) For )  
All Other Required Approvals and Relief )

Case No. 2017-00099

**Proof of Publication**

In accordance with 807 KAR 5:011, Section 8, Kentucky Power Company files with the Public Service of Kentucky the March 31, 2017 affidavit of Rachel McCarty, Advertising Assistant, Kentucky Press Service, Inc., and accompanying newspaper "tear sheets," verifying the contents of the required notice of hearing, that the notice was published, and the dates of publication.

Respectfully submitted,

Mark R. Overstreet  
STITES & HARBISON PLLC  
421 West Main Street  
P. O. Box 634  
Frankfort, Kentucky 40602-0634  
Telephone: (502) 223-3477  
Facsimile: (502) 223-4124  
[moverstreet@stites.com](mailto:moverstreet@stites.com)

COUNSEL FOR KENTUCKY POWER  
COMPANY

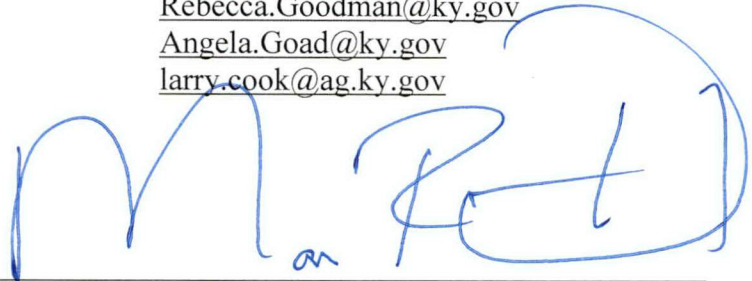
**Certificate of Service**

I hereby certify the foregoing (other than the newspaper tear sheets) was served on the persons below by First Class United States Mail

Michael L. Kurtz  
Kurt J. Boehm  
Jody Kyler Cohn  
Boehm, Kurtz & Lowry  
36 East Seventh Street, Suite 1510  
Cincinnati, Ohio 45202  
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[kBoehm@bkllawfirm.com](mailto:kBoehm@bkllawfirm.com)  
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Rebecca W. Goodman  
Angela M. Goad  
Lawrence W. Cook  
Assistant Attorneys General  
Office for Rate Intervention  
Capitol Building, Suite 118  
Frankfort, KY 40601  
[Rebecca.Goodman@ky.gov](mailto:Rebecca.Goodman@ky.gov)  
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this 3<sup>rd</sup> day of April, 2017



Mark R. Overstreet

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PUBLIC SERVICE  
COMMISSION

NOTARIZED PROOF OF PUBLICATION

COMMONWEALTH OF KENTUCKY

COUNTY OF Franklin

Before me, a Notary Public, in and for said county and state, this 30<sup>th</sup> day of March, 2017 came RACHEL McCarty, personally known to me, who, being duly sworn, states as follows: that she is the Advertising Assistant of the Kentucky Press Service, Inc.; that she has personal knowledge of the contents of this affidavit; and that the publications included on the attached list published the Legal Notice for Kentucky Power Company.

Rachel McCarty  
Signature

Bonnie J. Howard

Notary Public

My Commission Expires: 9-18-20

(SEAL) Id. #563384

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# KENTUCKY PRESS SERVICE

101 Consumer Lane  
(502) 223-8821

Frankfort, KY 40601  
FAX (502) 875-2624

*Rachel McCarty Advertising Dept.*

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PUBLIC SERVICE  
COMMISSION

List of newspapers running the Notice to Kentucky Power Company Customers. Attached tearsheets provide proof of publication:

Ashland Daily Independent -- 2-28, 3-7, 3-14  
Booneville Sentinel -- 3-1, 3-8, 3-15  
Grayson Journal -- 3-1, 3-8, 3-15  
Greenup News -- 3-2, 3-9, 3-16  
Hazard Herald -- 3-1, 3-8, 3-15  
Hindman Troublesome Creek Times -- 3-2, 3-9, 3-23  
Hyden Leslie Co. News -- 3-2, 3-23, 3-30  
Inez Mt. Citizen -- 3-1, 3-8, 3-15  
Jackson Times Voice -- 3-1, 3-8, 3-15  
Louisa Big Sandy News -- 3-1, 3-8, 3-15  
Manchester Enterprise -- 3-1, 3-8, 3-15  
Morehead News -- 2-28, 3-7, 3-14  
Paintsville Herald -- 3-1, 3-8, 3-15  
Pikeville Appalachian News -- 3-1, 3-8, 3-15  
Prestonsburg Floyd Co. -- 3-1, 3-8, 3-15  
Salyersville Independent -- 3-2, 3-9, 3-16  
Sandy Hook Elliott Co. News -- 3-3, 3-10, 3-17  
Vanceburg Lewis Herald-- 2-28, 3-7, 3-14  
West Liberty Licking Valley -- 3-2, 3-9, 3-16  
Whitesburg Mt. Eagle -- 3-1, 3-8, 3-15



**NOTICE**

Please Take Notice that on February 23, 2017 Kentucky Power Company (Kentucky Power or the Company) filed with the Public Service Commission of Kentucky the new Contract Service – Coal Power tariff (Tariff C.S. – Coal) and related revisions to its existing Contract Service – Interruptible Power tariff (Tariff C.S.-I.R.P.) and Economic Development Rider tariff (Tariff E.D.R.). Kentucky Power's tariff filing does not propose to change the published rates for service under any of the Company's tariffs. The Company proposes that the tariffs become effective March 25, 2017. If approved by the Commission, new Tariff C.S. – Coal and the revisions to Tariff C.S. – I.R.P. and Tariff E.D.R. will remain in effect until December 31, 2017.

**PROPOSED CHANGES**

New Tariff C.S. – Coal

Tariff C.S. – Coal (Sheets 11-1 through 11-3) is a new tariff that creates a special category of contract service for customers engaged in the extraction or processing of coal. The tariff is available for new customers and for expansions by existing customers. The Company reserves the right to limit the total contract capacity for all customers served under Tariff C.S. – Coal to 60,000 kW.

Eligible customers wishing to take service under Tariff C.S. – Coal must enter into a contract with the Company that establishes the terms and conditions of service. Contracts for service under Tariff C.S. – Coal will be filed with the Commission and are subject to approval by the Commission. The Company will work with eligible customers to provide limited exceptions to tariff provisions in areas of, but not limited to, demand charges and hours or days of operation. In the event a new or additional deposit is required pursuant to the Company's terms and conditions, customers receiving service under Tariff C.S. – Coal have the option of paying the deposit in twelve equal monthly payments during the first year of service under the tariff. The minimum contract capacity for customers electing to take service under Tariff C.S. – Coal is 1,000 kW. Tariff C.S. – Coal will expire on December 31, 2017.

Revised Tariff C.S. – I.R.P.

Tariff C.S. – I.R.P. will be amended by adding the following provision to Sheet 12-1:

**SPECIAL PROVISION FOR CUSTOMERS ENGAGED IN COAL EXTRACTION OR PROCESSING ACTIVITIES.**

*Notwithstanding other provisions of this Tariff, customers engaged in the extraction or processing of coal must be able to provide interruptible load (not including behind the meter diesel generation) of at least one (1) MW at a single site and commit to a minimum two (2) year contract term. Following the permanent cessation of coal extraction or processing activity, or both as applicable, for a continuous period of six (6) months, the contract may be terminated by the Customer upon written notice to the Company. The minimum period for the Customer to give written notice of termination following the permanent cessation of coal extraction or processing activity, or both as applicable, for a continuous period of six (6) months shall be the lesser of: (a) the remaining term of the contract; or (b) two months.*

*This Special Provision for Customers Engaged In Coal Extraction Or Processing Activities shall expire on December 31, 2017.*

Tariff C.S. – I.R.P. will also be amended as follows to identify the tariff codes associated with the voltage under which service is delivered. The Company is not changing the amount of the credit received under Tariff C.S. – I.R.P.

**RATE (Tariff Code 321)**

Credits under this tariff of \$3.68/kW/month will be provided for interruptible load that qualifies under PJM's rules as capacity for the purpose of the Company's Fixed Resource Requirement (FRR) obligation.

<u>Tariff</u>	<u>Tariff Type</u>	<u>Tariff Code Description</u>	<u>Tariff Description</u>
321	IR	CS-IRP SEC	IRP-IGS SECONDARY
330	IR	CS-IRP PR	IRP-IGS PRIMAR
331	IR	CS-IRP-ST	IRP-IGS SUBTRANSMSN
332	IR	CS-IRP TR	IRP-IGS TRANSMISSION

Revised Tariff E.D.R.

Tariff E.D.R. will be amended by adding the following provision to Sheet 37-6:

**SPECIAL PROVISION FOR CUSTOMERS ENGAGED IN COAL EXTRACTION OR PROCESSING ACTIVITIES.**

*Customers engaged in coal extraction or processing activities may receive IBDD for a one-year period or a two-year period upon the terms and conditions of this tariff, except as expressly provided below, by executing a special economic development rider agreement:*

One-Year Economic Development Rider Agreement	
Contract Year	IBDD
1	10%

Two-Year Economic Development Rider Agreement	
Contract Year	IBDD
1	20%
2	10%

*Customers may reduce in whole or part the incremental billing demand that is the subject of the Economic Development Rider agreement at the expiration of the term of the Economic Development Rider agreement without further obligation. Customers wishing to maintain in whole or part the Economic Development Rider agreement billing demand following the expiration of the agreement shall enter into a new agreement for the incremental billing demand. Such incremental billing demand shall be subject to the applicable full tariff billing demand rate.*

*Nothing in this provision shall prevent the Company from entering into a special contract, subject to Commission approval, addressing requests to maintain existing load.*

*This Special Provision for Customers Engaged In Coal Extraction Or Processing Activities shall expire on December 31, 2017.*

None of the changes proposed by the Company in this tariff filing affect the published tariffed rates applicable to any customer class.

Kentucky Power's application, tariff filings, and any related filings are available for public inspection at Kentucky Power's offices located at 855 Central Avenue, Suite 200, Ashland, KY 41101 with a phone number of 606-327-2600; 101A Enterprise Drive, Frankfort, KY 40601 with a phone number of 502-696-7011; 1400 E. Main St. Hazard, KY 41701 with a phone number of 606-436-1322; and 3249 North Mayo Trail, Pikeville, KY 41501 with a phone number of 606-437-3827. Additionally, the application and other related filings are available for public inspection on the Company's website: [www.kentuckypower.com](http://www.kentuckypower.com).

The application and other related filings are also available for public inspection between the hours of 8:00 a.m. to 4:30 p.m., Monday through Friday, at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky. The application, tariff filings, and related filings may also be found on the Commission's website: <http://psc.ky.gov>.

Written comments on Kentucky Power's application and the proposed tariff changes may be submitted to the Commission by mail to Public Service Commission, P. O. Box 615, Frankfort, Kentucky 40602-0615 or via the Commission's website: <http://psc.ky.gov>.

The Company is not proposing to modify any tariffed rates in its application. The Public Service Commission may order rates to be charged or terms and conditions that differ from the application. Such action by the Commission may result in rates or terms and conditions for customers other than the rates and terms and conditions contained in this notice.