

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER)
COMPANY FOR (1) A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY)
AUTHORIZING THE TRANSFER TO THE)
COMPANY OF AN UNDIVIDED FIFTY PERCENT)
INTEREST IN THE MITCHELL GENERATING)
STATION AND ASSOCIATED ASSETS; (2))
APPROVAL OF THE ASSUMPTION BY)
KENTUCKY POWER COMPANY OF CERTAIN) CASE NO.
LIABILITIES IN CONNECTION WITH THE) 2012-000578
TRANSFER OF THE MITCHELL GENERATING)
STATION; (3) DECLARATORY RULINGS; (4))
DEFERRAL OF COSTS INCURRED IN)
CONNECTION WITH THE COMPANY'S)
EFFORTS TO MEET FEDERAL CLEAN AIR ACT)
AND RELATED REQUIREMENTS; AND (5) ALL)
OTHER REQUIRED APPROVALS AND RELIEF)

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO THE SIERRA CLUB

The Sierra Club, pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due by April 22, 2013. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response 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 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.

The Sierra Club shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made, or though correct when made, is now incorrect in any material respect. For any request to which The Sierra Club fails or refuses to furnish all or part of the requested information, The Sierra Club shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied 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.

1. Refer to page 6, lines 5 through 6 of the Direct Testimony of Tim Woolf ("Woolf Testimony"). Quantify the impact of the recommended resource options, including:

- a. Purchase of power from the PJM system.
- b. Competitively bidding new generation.
- c. Natural gas construction.
- d. DSM.
- e. Renewables.

2. Refer to page 29, lines 13 through 26 of the Woolf Testimony, which makes three recommendations regarding Demand-Side Management. For each

recommendation, provide a proposed timeline and series of steps that would be needed to accomplish the recommendations.

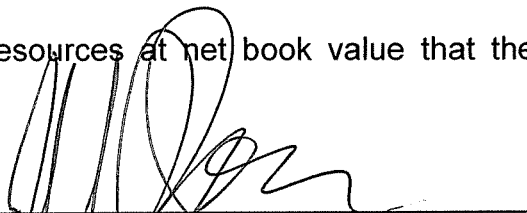
3. Refer to pages 30 through 32 of the Woolf Testimony. Provide Mr. Woolf's recommendation for Kentucky Power and the Commission regarding renewable resources.

4. Refer to page 32, lines 29 through 31 of the Woolf Testimony, which states, ". . . the Company used an out-of-date gas price forecast, which significantly overstates the prices of natural gas and overstates the economic value of the Mitchell purchase."

- a. Provide the amount by which the price of natural gas is overstated.
- b. Provide the amount by which the economic value of the Mitchell

Plant purchase is overstated.

5. Refer to page 48, lines 10 through 19 of the Woolf Testimony. State whether one could infer from the PUCO decision allowing Ohio Power Company to transfer the Mitchell units to AEP Generation Resources at net book value that the market value is less than the net book value.



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Dated APR 10 2013

cc: Parties of Record

Case No. 2012-00578

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