

June 28, 2012

HAND DELIVERED

Jeff R. Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

JUN 28 2012

PUBLIC SERVICE
COMMISSION

Mark R. Overstreet
(502) 209-1219
(502) 223-4387 FAX
moverstreet@stites.com

RE: Kentucky Power Company 2012 Integrated Resource Plan

Dear Mr. Derouen:

Under the provisions of 807 KAR 5:058, Section 1(2), Kentucky Power Company is obligated to file its triennial Integrated Resource Plan on or before August 17, 2012. Prior to the Company's May 30, 2012 withdrawal of its application in Case No. 2011-00401, Kentucky Power anticipated that the 800 MW of Big Sandy Unit 2 would form a part of the Company's 2012 Integrated Resource Plan. Now that Kentucky Power has withdrawn its application to retro-fit Big Sandy Unit 2, the continued operating life of the Big Sandy units remains unresolved.

As the Company indicated in its May 30, 2012 motion to withdraw its application in Case No. 2012-00401, Kentucky Power is re-evaluating its alternatives to meet the Company's obligations under the Consent Decree, the Cross-State Air Pollution Rule, the Mercury and Air Toxic Standards, and other environmental standards in connection with the continued operation of the Big Sandy units. That re-evaluation currently is being conducted. Such a re-evaluation necessarily involves much of the same sort of analysis required by an Integrated Resource Plan. Moreover, because the Big Sandy units constitute 73 % of the Company's owned and contracted capacity, an Integrated Resource Plan that is prepared and filed before the re-analysis is completed may not provide meaningful information to the Commission or the Company. Finally, the Company believes that the Integrated Resource Plan should reflect the outcome of any Commission proceeding growing out of the on-going re-evaluation.

Kentucky Power Company anticipates completing its re-evaluation and filing any required application by the close of the fourth quarter of 2012. The Company requests that the requirement it file an Integrated Resource Plan on or before August 17, 2012 be abated until after the Commission issues its Order with respect to the anticipated fourth quarter 2012 application. Kentucky Power further suggests that an informal conference be held within 30 days of the

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Commission's issuance of the final Order with respect to the anticipated fourth quarter 2012 application. At the informal conference, the Company, Staff, and interested parties can address the date for Kentucky Power to file its next Integrated Resource Plan.

Kentucky Power is filing this letter application because there is no open Company Integrated Resource Plan proceeding. Please let me know if you or the staff have any questions.

Very truly yours,

STITES & HARBISON, PLLC


Mark R. Overstreet

MRO

cc: Dennis G. Howard II
Michael L. Kurtz