COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SETTING RATES AND TERMS AND CONDITIONS OF)
PURCHASE OF ELECTRIC POWER FROM SMALL) CASE NO. 8566-A
POWER PRODUCERS AND COGENERATORS BY)
REGULATED ELECTRIC UTILITIES)

<u>O R D E R</u>

On June 28, 1984, in this proceeding, the Commission ordered American Electric Power/Kentucky Power ("AEP/Kentucky") to file by April 1, 1985, and annually thereafter, a report providing the hourly system lambdas for the previous calendar year. On March 15, 2000, AEP/Kentucky filed a Motion to Deviate from the Commission's June 28, 1984 Order. Therein, AEP/Kentucky states that it has recently learned that the hourly system lambda data it had been filing may no longer be of benefit to the Commission and that if that is the case, it would ultimately benefit its ratepayers, due to the reduction in costs, if it were granted leave to discontinue the annual filing of its system lambda report.

AEP/Kentucky indicates that its records are maintained, and will continue to be maintained, so that the information necessary to create the hourly system lambda report will be available even if the report is not produced or filed with the Commission. Therefore, AEP/Kentucky requests that it be relieved of the obligation to file its hourly system lambda report April 1st of each year, contingent upon its maintaining its records so that the information necessary to create the hourly system report is available even if the report is not produced or filed.

AEP/Kentucky is correct in its understanding that the hourly system lambda data

is not of as great a benefit to the Commission as it was when such information was first

required in 1985. The information contained in the major electric utilities' Integrated

Resource Plans, which are filed with the Commission on a triennial basis, along with the

changing nature of the electric industry, make the information less beneficial than it was

at one time. As long as AEP/Kentucky maintains its records so that the information

necessary to create the hourly system lambda report is available in the event the

Commission determines that it has a need for the information, we find that

AEP/Kentucky's request is reasonable and should be granted.

IT IS THEREFORE ORDERED that:

1. AEP/Kentucky shall be relieved of the obligation imposed in this

proceeding that it file its hourly system lambda report April 1st of each year.

2. AEP/Kentucky shall maintain its records so that the information necessary

to create the hourly system lambda report is available in the event the Commission

determines that it has a need for such information in the future.

Done at Frankfort, Kentucky, this 31st day of March, 2000.

By the Commission

ATTEST:

May Julan
Executive Director