

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER COMPANY )	
FOR APPROVAL OF AN AMENDED COMPLIANCE )	
PLAN FOR PURPOSES OF RECOVERING )	
ADDITIONAL COSTS OF POLLUTION CONTROL )	CASE NO.
FACILITIES AND TO AMEND ITS )	2005-00068
ENVIRONMENTAL COST RECOVERY )	
SURCHARGE TARIFF )	

THIRD DATA REQUEST OF COMMISSION STAFF TO  
KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 6 copies of the following information, with a copy to all parties of record. The information requested herein is due May 23, 2005. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately.

1. Refer to the response to the Commission Staff's Second Data Request dated April 18, 2005 ("Staff's Second Request"), Item 1. Page 2 of 79 in the response addresses the options available concerning the electrostatic precipitator ("ESP") controls upgrade at Tanners Creek Plant Unit No. 4. Page 7 of 79 in the response establishes that continuous emission monitors ("CEMs") were required by the provisions of the Clean Air Act Amendments of 1990. The ESP controls upgrade at Tanners Creek Plant Unit No. 4 and the CEMs constitute 8 of the 53 projects shown on Exhibit JMM-1. However, the analyses provided in the response generally do not adequately describe the options, alternative technologies, and evaluation processes used at the time the remaining projects shown on Exhibit JMM-1 were selected.

a. For each of the remaining 45 projects, did American Electric Power Company ("AEP") or the AEP Pool Surplus Companies perform an analysis similar to the ones that were done for the environmental projects installed at Kentucky Power's Big Sandy Generating Station (as shown in the response to Item 1 of the Staff's Second Request, pages 18 through 45 and 69 through 77 of 79)?

b. If yes to part (a), provide copies of the analyses performed.

c. If no to part (a), for each project explain in detail why an analysis similar to the analyses submitted in the response to Item 1 was not performed.

2. If AEP or the AEP Pool Surplus Companies did not perform written evaluation analyses that identified options and alternative technologies, and no utility regulatory commission approvals were sought, for the projects listed in Exhibit JMM-1, explain in detail how the Commission can determine that the proposed amendments to

Kentucky Power's environmental compliance plan are reasonable and cost-effective for compliance with applicable environmental requirements.

3. Assume for purposes of this question that in 2005 Kentucky Power did not file this application for an amendment to its environmental surcharge, but instead filed an application for an adjustment to its base rates. Could the costs associated with the projects identified in Exhibit JMM-1 be included in the determination of Kentucky Power's base rate revenue requirements? Explain the response.

4. Refer to Exhibit EKW-1 and the response to the Staff's Second Request, Item 5. For each of the projects listed below, show how the information provided in the response to Item 5 reflects the amount shown as "New Environmental Facilities Cost" on Exhibit EKW-1.

a. Line 10, Gavin Plant Unit Common, SCR Associated SO<sub>3</sub> Mitigation System, page 1 of 4.

b. Line 12, Kammer Plant Unit 2, Over Fire Air and Duct Modification, page 1 of 4.

c. Line 13, Kammer Plant Unit 3, Over Fire Air and Duct Modification, page 1 of 4.

d. Line 43, Rockport Unit 2, Low NOx Burners, page 4 of 4.

e. Line 53, Tanners Creek Plant Common, Continuous Emissions Monitoring System, page 4 of 4.

DATED \_\_\_\_\_

cc: All Parties



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Case No. 2005-00068