

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENTS IN )  
ELECTRIC RATES OF )  
KENTUCKY POWER COMPANY)

CASE NO. 2005-00341

O R D E R

On September 26, 2005, Kentucky Power Company ("Kentucky Power") tendered for filing an application for a general adjustment in electric rates. The new rates proposed in the application would increase annual revenues by 19.2 percent and the new rates were proposed to be effective for service rendered on and after October 27, 2005. A review of the application revealed that it did not meet the minimum filing requirements set forth in 807 KAR 5:001, Section 10, and a notice of the filing deficiencies was issued.

Kentucky Power subsequently tendered an amendment to its rate application to cure the filing deficiencies. By Order dated October 26, 2005, the Commission determined that Kentucky Power's application as amended satisfied the minimum filing requirements as of October 11, 2005, and the application was accepted for filing as of October 11, 2005. That Order also denied Kentucky Power's request to shorten the 30-day notice that must be given to the Commission, pursuant to KRS 278.180(1), prior to implementing any change in rates. Thus, the earliest date that Kentucky Power's proposed rates could be effective is November 10, 2005.

Based on a review of Kentucky Power's rate application, the Commission finds that an investigation is necessary to determine the reasonableness of the proposed

rates and that investigation cannot be concluded by November 10, 2005. Therefore, pursuant to KRS 278.190(2), Kentucky Power's proposed rates should be suspended for the maximum time allowed and a procedural schedule should be established to conduct the investigation.

The Commission expects the parties to use their best efforts to informally resolve any discovery disputes or requests for extensions of time. Any such informal resolution should be promptly reduced to writing and filed with the Commission and all parties of record. Absent informal resolution, an objection or motion should be filed at least 4 business days prior to the established due date or should explain why it could not have been filed upon 4 business days' notice.

On October 12, 2005, Kentucky Power filed a motion to supplement its application to include workpapers which had been inadvertently omitted when the application was being prepared. The Commission finds that the omitted workpapers should be included with Kentucky Power's application and that the motion should be granted.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's proposed rates are suspended for 5 months from November 10, 2005, up to and including April 9, 2006.
2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.
3. All requests for information and responses thereto shall be appropriately indexed and 8 copies shall be filed with the Commission, with copies to all parties of record. Any request for information from the Commission Staff shall be responded to as

if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions at any hearing in this proceeding related to the information provided.

4. Any party filing testimony shall file an original and 11 copies.

5. Kentucky Power shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, Kentucky Power shall forward a duplicate of the notice and request to the Commission.

6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

7. Any objections or motions relating to discovery or procedural dates shall be filed upon 4 business days' notice or shall include an explanation why such notice was not possible.

8. Kentucky Power's October 12, 2005 motion to supplement its application is granted.

9. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 3<sup>rd</sup> day of November, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2005-00341 DATED November 3, 2005

All initial requests for information to Kentucky Power shall  
be filed no later than..... 11/10/05

Kentucky Power shall file responses to initial requests for  
information no later than..... 11/23/05

All supplemental requests for information to Kentucky Power  
shall be filed no later than ..... 12/06/05

Kentucky Power shall file responses to supplemental requests  
for information no later than ..... 12/16/05

Intervenor testimony, if any, in verified prepared form  
shall be filed no later than ..... 12/29/05

All requests for information to Intervenors shall be  
filed no later than..... 01/13/06

Intervenors shall file responses to request for  
information no later than..... 01/25/06

Kentucky Power shall file rebuttal testimony, in verified  
form no later than ..... 02/01/06

Last day for Kentucky Power to publish notice of hearing ..... To be scheduled

Public Hearing is to begin at 9:00 a.m., Eastern  
Time, in Hearing Room 1 of the Commission's  
offices at 211 Sower Boulevard, Frankfort, Kentucky,  
for the purpose of cross-examination of witnesses of  
Kentucky Power and Intervenors ..... To be scheduled

Briefs, if any, shall be filed by ..... To be scheduled