

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER)	
COMPANY FOR APPROVAL OF ITS 2011)	
ENVIRONMENTAL COMPLIANCE PLAN, FOR)	
APPROVAL OF ITS AMENDED)	CASE NO.
ENVIRONMENTAL COST RECOVERY)	2011-00401
SURCHARGE TARIFF, AND FOR THE GRANT)	
OF A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY FOR THE)	
CONSTRUCTION AND ACQUISITION OF)	
RELATED FACILITIES)	

COMMISSION STAFF'S FOURTH INFORMATION REQUEST
TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 12 copies of the following information, with a copy to all parties of record and three copies to the Commission's consultant. The information requested herein is due within 14 days of the date of this request. 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 the 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.

Kentucky Power 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 Kentucky Power fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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. Provide a revised version of the least-cost analysis used in all of Kentucky Power's original testimony and data responses to date to reflect *current conditions within the industry*. Provide supporting details and sources for all assumptions, data, and regulatory requirements that drive specific alternatives. Include support for capital costs. Indicate timing issues that may arise with certain alternatives, including environmental requirements. Consider and account for any recent regulatory changes in Ohio or other states that may change the supply chain or availability of materials, equipment, or services. Include at a minimum:

- a. PJM energy and capacity costs going forward;
- b. Gas prices going forward;
- c. Coal prices going forward;

- d. Current energy and peak demand projections;
- e. Current capital costs for all projects under consideration;
- f. Include all previous alternatives, if still available, as well as any new alternatives that may now be available;
- g. Consider any recent regulatory changes in Ohio or other states that may change the supply mix or availability;
- h. Consider a range of costs for CO₂;
- i. Consider a five-year purchased power approach, as well as any longer periods that may be optimum.

2. Kentucky Power's Application, filed December 5, 2011, indicated that notice of its proposed environmental surcharge was to be published once a week for three consecutive weeks in newspapers of general circulation in Kentucky Power's service territory. Kentucky Power further stated that proof of publication would be filed upon the completion of such publication. Provide an affidavit from the publishers verifying the notice was published, including the dates of publication, with an attached copy of the published notices.

3. Refer to Kentucky Power's response to the Commission Staff's Third Information Request ("Staff's Third Request"), Item No. 13. Provide the following:

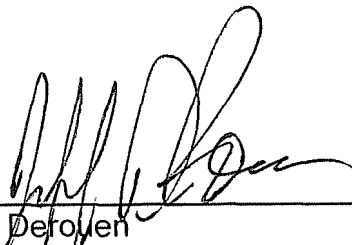
- a. The January 1, 2000 (or closest available date) dispatch order of the AEP East Pool by generating unit.
- b. Confirm that the Cook Units are nuclear; the Dresden, Waterford and Lawrenceburg units are natural gas; and that Rockport Units 1 & 2 are coal-fired.

c. Identify the four generating stations in the AEP East Pool at which new generating units have been most recently placed in service.

4. Refer to Kentucky Power's response to Staff's Third Request, Item No. 8. Provide the following:

a. Identify where in the 2010 AEP East Integrated Resource Plan ("2010 IRP") the economic viability of continuing to operate the existing generation fleet under present and anticipated regulations is addressed.

b. Identify the type of fuel that was anticipated in the 2010 IRP for capacity additions in the 2018-2019 timeframe.



Jeff DeFolien
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DATED: APR 02 2012

cc: Parties of Record

Case No. 2011-00401

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