COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER COMPANY TO WITHDRAW ITS TARIFF RTP PENDING SUBMISSION BY THE COMPANY AND APPROVAL BY THE COMMISSION OF A NEW REAL-TIME PRICING TARIFF

CASE NO. 2012-00226

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<u>ORDER</u>

On June 1, 2012, Kentucky Power Company ("Kentucky Power") filed an application ("June 1 Application"), pursuant to KRS 278.180 and 807 KAR 5:011, requesting: (1) Authority to withdraw its experimental Real Time Pricing Tariff ("Tariff RTP") effective June 28, 2012; and (2) An interim Order suspending Tariff RTP, or otherwise prohibiting customers from taking service under Tariff RTP, if the Commission does not approve its withdrawal by June 27, 2012, or delays the withdrawal until the effective date of a new real-time pricing tariff that Kentucky Power will file by June 11, 2012. On June 8, 2012, the Commission entered an Order which granted the petition of Kentucky Industrial Utility Customers, Inc. ("KIUC") to intervene.

On June 11, 2012, Kentucky Power filed a second Application (June 11 Application), also pursuant to KRS 278.180 and 807 KAR 5:011, for approval of a new real-time pricing tariff. This new tariff, named the Experimental Real-Time Pricing Rider ("Rider RTP"), had an effective date of July 1, 2012, and was filed "contingent upon the Commission's approval of the Company's application to withdraw Tariff R.T.P. If

Kentucky Power's application to withdraw Tariff R.T.P. is denied the Company will withdraw its request for approval of Rider RTP."¹

On June 21, 2012, the Commission entered an Order that: (1) Consolidated the two applications for investigation in this case; (2) Suspended Kentucky Power's new Rider RTP, as proposed in its June 11 Application, from July 1, 2012 up to and including November 30, 2012; (3) Took under advisement the portion of Kentucky Power's June 1 Application requesting the Commission to prohibit any customers from taking service under existing Tariff RTP after July 1, 2012; and (4) Established a procedural schedule.

On June 28, 2012, the Commission entered an Order that found Kentucky Power's existing Tariff RTP had not been suspended, that it remains in full force and effect, that if any customer believes that it is eligible for service under Tariff RTP, or under any other tariff, and its request for that service has been denied, that customer has recourse by filing a complaint under KRS 278.260. The June 28, 2012 Order also denied Kentucky Power's request to suspend its existing Tariff RTP after July 1, 2012 during the pendency of this proceeding.

Based on the evidence and the record and being otherwise sufficiently advised, the Commission finds that a hearing in this matter is necessary in order to determine the reasonableness of Kentucky Power's request to withdraw its Tariff RTP and for approval of its proposed Rider RTP, and to determine whether any customers should be prohibited from taking service under Tariff RTP after July 1, 2012.

The Commission HEREBY ORDERS that:

¹ Application, paragraph 13, page 5, filed June 11, 2012.

1. A hearing in the matter shall be held on November 1, 2012 at 10:00 a.m. Eastern Standard Time, in Hearing Room 1 of the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky.

2. Kentucky Power Company shall publish notice of this hearing in compliance with 807 KAR 5:011, Section 8(5).

3. The official record of these proceedings shall be by video only.

4. Any request to cancel or postpone this hearing shall be made by motion filed with the Commission at least one week before the hearing is scheduled to commence.

By the Commission

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ATT Director

Case No. 2012-00226

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