COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY POWER COMPANY'S MOTION) CASE NO.
FOR EXTENSION OF TIME TO FILE ITS) 2012-00344
INTEGRATED RESOURCE PLAN	j

ORDER

On June 28, 2012, Kentucky Power Company ("Kentucky Power") submitted a letter to the Commission requesting an extension to file its 2012 Integrated Resource Plan ("IRP"). Kentucky Power notes in its letter that, pursuant to 807 KAR 5:058, Section 1(2), its triennial IRP is due to be filed on or before August 17, 2012. As a result of its May 30, 2012 request to withdraw its application in Case No. 2011-00401, Kentucky Power is currently re-evaluating its alternatives to meet its obligations under a federal court consent decree, the Cross-State Air Pollution Rule, the Mercury and Air Toxics Standards, and other environmental standards in connection with the continued operation of its Big Sandy generating plant. Kentucky Power notes that this reevaluation involves much of the same analysis required by an IRP and that an IRP

¹ Case No. 2011-00401, Application of Kentucky Power Company for Approval of its 2011 Environmental Compliance Plan, for Approval of its Amended Environmental Cost Recovery Surcharge Tariff, and for the Grant of a Certificate of Public Convenience and Necessity for the Construction and Acquisition of Related Facilities (Ky. PSC May 31, 2012).

² Kentucky Power's Big Sandy Units 1 and 2 are subject to requirements entered by the United States District Court for the Southern District of New York in an action arising under the Federal Clean Air Act and styled *U.S. v. American Electric Power Service Corp.*, Civil Action C2-99-1250 (S.D.N.Y. Oct. 9, 2007).

prepared and filed prior to the re-evaluation being completed would provide insufficient information to the Commission.

Kentucky Power states that its re-evaluation of alternative environmental compliance options should be completed by the close of the fourth quarter of 2012 and that it would be filing any required application by that time. Accordingly, Kentucky Power requests that the deadline for the filing of its 2012 IRP be extended until such time as the Commission has completed its review of Kentucky Power's anticipated environmental compliance plan application.

Having reviewed Kentucky Power's June 28, 2012 letter, the Commission will treat the letter as a motion to extend the time in which to file its 2012 IRP. The Commission finds it reasonable to allow Kentucky Power to delay filing its 2012 IRP until six months after a final decision in its anticipated environmental compliance application. Based on Kentucky Power's representation that a new environmental compliance application will be filed by the end of 2012, and the requirement under KRS 278.183(2) that our review of such an application be concluded within six months of the filing, Kentucky Power's 2012 IRP should be filed no later than December 31, 2013. The Commission further finds that Kentucky Power's next environmental compliance application should include a load forecast analysis in conformance with the IRP regulation, 807 KAR 5:058, Section 7.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's request for an extension of time to file its 2012 IRP is granted as provided herein, but not to extend beyond December 31, 2013.

2. Kentucky Power's next environmental compliance application shall include a load forecast analysis in accordance with the IRP regulation, 807 KAR 5:058, Section 7.

By the Commission

ENTERED

JUL 3 0 2012

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

Case No. 2012-00344

Honorable Mark R Overstreet Attorney at Law Stites & Harbison 421 West Main Street P. O. Box 634 Frankfort, KENTUCKY 40602-0634