

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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OCT 25 2012

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER COMPANY)
TO AMEND ITS DEMAND-SIDE MANAGEMENT)
PROGRAM AND FOR AUTHORITY TO IMPLEMENT A) CASE NO. 2012-00367
TARIFF TO RECOVER COSTS AND NET LOST REVENUES)
AND TO RECEIVE INCENTIVES ASSOCIATED WITH THE)
IMPLEMENTATION OF THE PROGRAMS)

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Requests for Information to Kentucky Power Co. ["KPCo"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following instructions:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness(es) who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for KPCO with an electronic version of these data requests, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or 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.

(6) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts

thereof) and if the original is not available, the best copy available. These terms include all information regardless of the medium or media in which they are recorded (including electronic media and e-mail), in any written, graphic or other tangible form including, but not necessarily limited to: all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards / records, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing,

drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

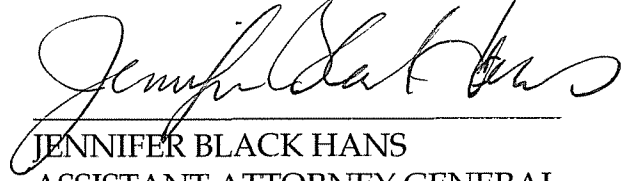
(12) In the event any document called for has been destroyed or transferred beyond the control of the company:

(a) please identify: (i) the person by whom it was destroyed and/or transferred; (ii) the transferee; and (iii) the person authorizing the destruction or transfer; and

(b) state: (i) the time, place, and method of destruction or transfer; and, (ii) the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

Respectfully submitted,
JACK CONWAY
ATTORNEY GENERAL



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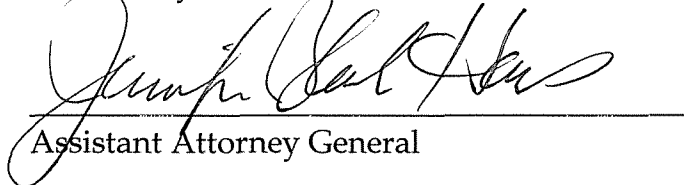
Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Lila P. Munsey
Manager, Regulatory Services
Kentucky Power
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Frankfort, KY 40601

Mark R. Overstreet
Stites & Harbison, PLLC
P.O. Box 634
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this 25 day of October, 2012



Assistant Attorney General

Application of Kentucky Power Company Regarding Collaborative
Demand-Side Management Programs
Case No. 2012-00367
Attorney General's Supplemental Data Requests

- (1) Reference KPCo Response to Attorney General's Initial Set of Data Requests, Item AG 1-1. Regarding the application by Kentucky Power Company ("KPCo") to increase the proposed monthly customer cost for DSM by nearly 150% for an average residential customer and by 67% for an average commercial customer, what portion of this increase may be directly attributed to a true-up of the \$508,711 under-collection during the first half of 2012? Please explain fully.
 - (a) What portion of this proposed increase may be attributed to changes to existing programs and/or the extension of five (5) existing programs as described in the Application?
 - (b) What portion of this proposed increase relates to KPCO's proposal to seek a third-party vendor to supply program administration services for KPCO's DSM programs?
 - (c) What portion of this proposed increase relates to KPCO's plans to renegotiate and extend contracts with its current vendors, including but not limited to Applied Proactive Technologies, Inc. and Applied Energy Group, Inc.?

- (2) Reference KPCo Response to AG 1-2(b). In order to evaluate the ability of Community Action Kentucky ("CAK") to produce cost-effective results using the National Energy Audit Tool (NEAT), would KPCo agree to the following as applied to the final two (2) year period for the TEE Program, subject to the approval of the Commission:
 - (a) Accept from CAK its NEAT-produced recommendations for a pilot sample of participating homes (provide the number of homes for such a pilot);
 - (b) Permit an exemption from per participant dollar limit if NEAT recommends measures for the pilot sample of homes;
 - (c) Retain at least two years of post-weatherization usage and payment history for each customer's residence that is weatherized within this pilot sample; and
 - (d) Conduct post rate analysis on the pilot number of homes receiving services to determine if the NEAT estimated savings achieve actual/materialized results.

- (3) Reference KPCo Response to Commission Staff's First Set of Data Requests, Item PSC 1-7(b). Regarding the "88 completed projects" required for the Commercial Incentive Program ("CIP") to be cost-effective, clarify whether there would need to be 88 projects completed *per year* or 88 projects completed over the current three (3) year term (2010-2012) of the program in order to achieve cost-effectiveness?

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Attorney General's Initial Data Requests

- (4) Reference KPCo Response to PSC 1-9.
- (a) Please provide names, titles and primary office location for AEPSC personnel assisting with KPCo's DSM programs.
 - (b) Please identify the source material for the "best known practices" utilized by KPCo to manage its DSM program. If not publicly available, please provide copies of source material referenced.
 - (c) What percentage of the proposed increase to the DSM surcharge will apply directly to the proposed third-party contract "to provide turn-key project management and incentive processing for five DSM programs"?
- (5) For the current true-up portfolio of DSM programs pending for KPCo, please provide levelized cost of saving energy ("CSE"), including the total levelized cost, the kWh and the resulting cost per kWh. Please supply reference to the data source and methodology utilized, including the measure life to calculate the levelized cost.
- (6) For the proposed portfolio of DSM programs, including those scheduled to continue to 2014 and those proposed in this application to extend to 2015, please provide levelized cost of saving energy ("CSE"), including the total levelized cost, the kWh and the resulting cost per kWh. Please supply reference to the data source and methodology utilized, including the measure life to calculate the levelized cost.