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COMMISSION

December 4, 2014

Via Personal Delivery

Mr. Jeff Derouen, Executive Director
Case No. 2013-00475
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Case No. 2013-00475 Beverly May, Alexander Desha, and Sierra Club's
Initial Requests for Information to Kentucky Power Company

Dear Mr. Derouen,

Enclosed, please find one (1) original and ten (10) copies of Beverly May, Alexander Desha, and Sierra Club's Initial Requests for Information to Kentucky Power Company, filed today in the above-referenced matter via personal delivery. By copy of this letter, all parties listed on the Certificate of Service have been served via USPS and e-mail. Please file this document with the Commission.

Sincerely,

Kristin A. Henry
Senior Attorney
Sierra Club
85 Second Street
San Francisco, CA 94105
Phone: (415) 977-5716
kristin.henry@sierraclub.org

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF)
KENTUCKY POWER COMPANY'S INTEGRATED) CASE NO. 2013-00475
RESOURCE PLANNING REPORT)**

**BEVERLY MAY, ALEXANDER DESHA, AND SIERRA CLUB'S
INITIAL REQUESTS FOR INFORMATION TO
KENTUCKY POWER COMPANY**

Proposed Intervenor Beverly May, Alexander DeSha, and Sierra Club (collectively "Environmental Intervenor") pursuant to the Kentucky Public Service Commission's ("Commission") January 17, 2014 Order ("January 17 Order"), propound the following requests for information on the Kentucky Power Company's ("KPC") integrated resource planning ("IRP") report filed in the above captioned proceeding.

KPC shall answer these requests for information in the manner set forth in the January 17 Order and by no later than the February 20, 2014 deadline set forth in the Appendix of the January 17 Order. Please produce the requested documents in electronic format to:

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kristin.henry@sierraclub.org

Shannon Fisk
Earthjustice
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Philadelphia, PA 19103
sfisk@earthjustice.org

Wherever the response to a request consists of a statement that the requested information is already available to the Environmental Intervenor, provide a detailed citation to the document that contains the information. This citation shall include the title of the document, relevant page number(s), and to the extent possible paragraph number(s) and/or chart/table/figure number(s).

In the event that any document referred to in response to any request for information has been destroyed, specify the date and the manner of such destruction, the reason for such destruction, the person authorizing the destruction and the custodian of the document at the time of its destruction.

The Environmental Intervenors reserve the right to serve supplemental, revised, or additional discovery requests as permitted in this proceeding.

DEFINITIONS

Unless otherwise specified in each individual interrogatory or request, "you," "your," "KPC," or "Company" refers to Kentucky Power Company, and its affiliates, employees, and authorized agents.

"And" and "or" shall be construed either conjunctively or disjunctively as required by the context to bring within the scope of these interrogatories and requests for production of documents any information which might be deemed outside their scope by another construction.

"Any" means all or each and every example of the requested information.

"CO₂" means carbon dioxide

"Communication" means any transmission or exchange of information between two or more persons, whether orally or in writing, and includes, without limitation, any conversation or discussion by means of letter, telephone, note, memorandum, telegraph, telex, telecopy, cable, email, or any other electronic or other medium.

"Document" refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software, and includes all copies, drafts, proofs, both originals and copies either (1) in the possession, custody or control of the Companies regardless of where located, or (2) produced or generated by, known to or seen by the Companies, but now in their possession, custody or control, regardless of where located whether or still in existence.

Such "documents" shall include, but are not limited to, applications, permits, monitoring reports, computer printouts, contracts, leases, agreements, papers, photographs, tape recordings, transcripts, letters or other forms of correspondence, folders or similar containers, programs, telex, TWX and other teletype communications, memoranda, reports, studies, summaries, minutes, minute books, circulars, notes (whether typewritten, handwritten or otherwise), agenda, bulletins, notices, announcements, instructions, charts, tables, manuals, brochures, magazines, pamphlets, lists, logs, telegrams, drawings, sketches, plans, specifications, diagrams, drafts, books and records, formal records, notebooks, diaries, registers, analyses, projections, email correspondence or communications and other data compilations from which information can be obtained (including matter used in data processing) or translated, and any other printed, written, recorded, stenographic, computer-generated, computer-stored, or electronically stored matter, however and by whomever produced, prepared, reproduced, disseminated or made.

Without limitation, the term "control" as used in the preceding paragraphs means that a document is deemed to be in your control if you have the right to secure the document or a copy

thereof from another person or public or private entity having actual possession thereof. If a document is responsive to a request, but is not in your possession or custody, identify the person with possession or custody. If any document was in your possession or subject to your control, and is no longer, state what disposition was made of it, by whom, the date on which such disposition was made, and why such disposition was made.

For purposes of the production of "documents," the term shall include copies of all documents being produced, to the extent the copies are not identical to the original, thus requiring the production of copies that contain any markings, additions or deletions that make them different in any way from the original

"DSM" means demand-side management programs including demand-response, interruptible load, and energy efficiency programs.

"Identify" means:

- (a) With respect to a person, to state the person's name, address and business relationship (e.g., "employee") to Big Rivers;
- (b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

"IRP" means the Integrated Resource Plan, and all supporting exhibits and appendices, filed by KPC in this proceeding

"NAAQS" means National Ambient Air Quality Standard

"Relating to" or "concerning" means and includes pertaining to, referring to, or having as a subject matter, directly or indirectly, expressly or implied, the subject matter of the specific request.

"RFI" means the Request For Information that was issued on behalf of KPC on October 18, 2013

"SO₂" means sulfur dioxide

"Workpapers" are defined as original, electronic, machine-readable, unlocked, Excel format (where possible) with formulas intact

PRIVILEGE

If you claim a privilege including, but not limited to, the attorney-client privilege or the work product doctrine, as grounds for not fully and completely responding to any interrogatory

or request for production, describe the basis for your claim of privilege in sufficient detail so as to permit the Environmental Intervenors or the Commission to evaluate the validity of the claim. With respect to documents for which a privilege is claimed, produce a "privilege log" that identifies the author, recipient, date and subject matter of the documents or interrogatory answers for which you are asserting a claim of privilege and any other information pertinent to the claim that would enable the Environmental Intervenors or the Commission to evaluate the validity of such claims.

To the extent that you can legitimately claim that any response or responsive document is entitled to confidentiality, the Environmental Intervenors are willing to enter into a confidentiality agreement that would protect such response or document from public disclosure

TIME

Unless otherwise provided, the applicable time period for each of these requests for information is January 1, 2009 to the present.

REQUESTS FOR INFORMATION

1. Produce all discovery responses to any other party in this proceeding.
2. Produce a non-redacted, color, electronic version of the IRP filing, including all exhibits and appendices.
3. Produce any workpaper, source document, and, in machine readable format with formulas intact, input and output files, used in or developed in the evaluation of supply-side resources for the IRP.
4. Produce any workpaper, source document, and, in machine readable format with formulas intact, input and output files, used in or developed in the evaluation of demand-side resources for the IRP.
5. Produce in machine readable format with formulas intact the input and output files for each sensitivity analysis that you considered as part of this resource planning process.

6. Refer to page 2, footnote 6 of the IRP (Volume A).
 - a. Produce the Power Coordination Agreement
 - b. Explain the off-system sales allocation methodology referenced therein
 - c. If the Power Coordination Agreement is not approved by FERC, state whether KPC's resource plan would be impacted.
 - i. If so, explain how
 - ii. If not, explain why not

7. Refer to page 5 of the IRP (Volume A). With regards to the agreement to purchase 393MW of capacity from the Rockport plant
 - a. Produce the unit power agreement with AEP Generating Company
 - b. State whether KPC has the option to terminate the unit power agreement before December 7, 2022.
 - i. If so, identify any penalties or costs that could result from such early termination.
 - c. Identify and explain the bases for assuming that the unit power agreement would be extended beyond the end of the planning period.
 - d. Explain how costs of environmental capital expenditures to the Rockport Plant are allocated to KPC
 - e. State whether you modeled or evaluated any scenarios in which KPC ends the purchase of 393MW of capacity from the Rockport plant before 2028
 - i. If so, produce and explain the results of such scenario
 - ii. If not, explain why not

8. Refer to page 7 of the IRP (Volume A). With regards to the load forecast:
 - a. State whether the experience for the summer season of 2013 is consistent or inconsistent with the load forecast. Explain your answer.
 - b. Identify and explain each of the "other relevant changes" not reflected in the load forecast.

9. Refer to "Figure 9: Solar Dynamic Effects" on page 97 of the IRP (Volume A):
 - a. Please describe and quantify the components of the "PJM Value of Solar."
 - b. Please provide the "full retail net metering rate."
 - c. Produce any workpapers, source documents, and, in machine readable format with formulas intact, input and output files, used in or developed as part of the analysis of distributed generation reflected in Figure 9.

10. Refer to page 98 of the IRP (Volume A). Identify and produce any analysis or study regarding the statement that utility-owned (or purchased) solar generation is expected to become economic around 2020.
11. Please state whether the Company evaluated increasing the projected load impacts of existing EE programs during the planning period. If yes, please explain how the Company conducted such evaluation. If no, please explain why not.
12. Please provide the socket saturation rate for CFLs in KPC's service territory.
13. Referring to page 85 of the IRP (Volume A), please describe the process the Collaborative undertook to decide which DSM programs were to be screened for potential implementation in Kentucky Power's service territory.
14. Referring to page 87 of the IRP (Volume A), please provide all assessments of EE/DR achievable potential conducted by or for the Company.
15. Referring to page 89 of the IRP (Volume A), please provide the data underlying "Figure 4: Relationship of Incentive Percentage to Participation."
16. Please explain what "mandates" the Company is referring in the first paragraph of page 90 of the IRP.
17. Please provide any analyses, workpapers or other supporting documents concerning the potential for demand response in KPC's service territory.
18. Referring to pages 91-92 of the IRP (Volume A):
 - a. Please provide the survey given to demand response participants of Kentucky Power affiliate companies.
 - b. Please provide the survey results, including any compilations thereof.
19. Referring to page 95 of the IRP (Volume A):
 - a. Please provide the information from Efficiency Vermont that the Company examined concerning end-uses and efficiency measures.
 - b. Please describe in detail how Kentucky Power "adapted [the Efficiency Vermont] measures to fit the climate of Kentucky."

20. Referring to page 94 of the IRP (Volume A), please provide the Company's incremental EE cost assumptions and the source(s) of such assumptions.
21. Referring to page 18 of the IRP (Volume A), please produce all of the proposals received in response to the RFI referenced therein.
22. When does the Company expect to decide whether to pursue one or more of the twenty-five wind PPA proposals it has received?
23. Please identify and produce any evaluation created or reviewed by KPC of the cost, feasibility, or availability in the KPC service territory, Kentucky, or any neighboring state of any of the following resources:
 - a. Wind
 - b. Solar
 - c. Hydro
 - d. Combined heat and power
24. Refer to page 112 of the IRP (Volume A). With regards to the decision to opt out of the RPM capacity auction:
 - a. Explain why KPC has decided to continue to opt out of the RPM capacity auction through the 2016/2017 deliverability year
 - b. State whether KPC has decided yet whether to continue to utilize FRR for another year, or to opt-in to the RPM auction starting in 2017/2018
 - i. If so, identify KPC's decision and explain the basis for that decision
 - ii. If not, identify by when that decision will be made.
 - c. State whether KPC has performed or reviewed any evaluation of whether opting out of the RPM capacity auction has a lower cost impact on ratepayers than opting in.
 - i. If so, produce such evaluation
 - ii. If not, explain why not.
 - d. Explain how opting in to the RPM auction would impact KPC's resource plan
25. Refer to page 116 of the IRP (Volume A). In the event that the U.S. Supreme Court reinstates the Cross State Air Pollution Rule ("CSAPR"):
 - a. Identify and explain any impacts that CSAPR is expected to have on the Rockport plant or the Mitchell plant.
 - b. Produce any analysis of the impact of CSAPR on the Rockport plant or the Mitchell plant.

26. Refer to page 120 of the IRP (Volume A). With regards to the Coal Combustion Residuals (CCR) Rule:

- a. Identify the “plant modifications and capital expenditures” that KPC anticipates will be needed at each of the Rockport and Mitchell units to comply with the CCR Rule.
- b. For each of the “plant modifications and capital expenditures” for each of the Rockport and Mitchell units, identify:
 - i. The capital cost
 - ii. The annual O&M costs
 - iii. The date by which such modifications are anticipated to be needed
- c. Produce any study or evaluation of the potential impact of the CCR Rule on each of the Rockport and Mitchell units.

27. Refer to page 120 of the IRP (Volume A). With regards to the Effluent Limitation Guidelines and Standards (“ELGs”):

- a. Identify the wastewater treatment projects that KPC anticipates will be needed at each of the Rockport and Mitchell units to comply with the ELGs
- b. For each of the wastewater treatment projects for each of the Rockport and Mitchell units, identify:
 - i. The capital cost
 - ii. The annual O&M costs
 - iii. The date by which such projects are anticipated to be needed
- c. Produce any study or evaluation of the potential impact of the ELGs on each of the Rockport and Mitchell units.

28. Refer to page 121 of the IRP (Volume A). With regards to the NAAQS that have been recently revised or are under review:

- a. State whether KPC anticipates that such NAAQS revisions or reviews will end up resulting in the need for additional pollution control investments at any of the Rockport or Mitchell units.
 - i. If so, identify each such additional pollution control investment, the estimated capital and O&M cost of each such pollution control, and the date by which such control is anticipated to be needed.
 - ii. If not, explain why not.
- b. Produce any air quality modeling or other evaluations created or reviewed by KPC or its agents of whether emissions from the Rockport or Mitchell Plants cause or contribute to violations of the 1-hour SO₂ NAAQS

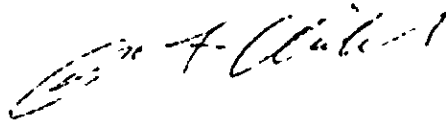
29. Refer to page 123 of the IRP (Volume A). With regards to the statement that “renewable energy options are expected to compete economically with traditional supply-side options in the future”:
- a. Identify each such renewable energy option
 - b. Identify the date by which each such option is expected to compete economically with traditional supply-side options
 - c. Produce any evaluation or study regarding the economic competitiveness of renewable energy options.
30. Refer to page 134 of the IRP (Volume A).
- a. Produce the summary of cost and performance parameters of the wind resource opportunities provided in response to the RFI.
 - b. Identify the “generic” cost and performance parameters used in evaluating wind resources for periods beyond 2017.
31. Identify and explain any correlation assumed in your modeling between any of the following:
- a. Natural gas prices
 - b. Carbon prices
 - c. Coal prices
 - d. Energy prices
 - e. Load
32. Refer to page 157 of the IRP (Volume A). With regards to CO₂ prices assumed in the IRP:
- a. Explain the basis for and assumptions behind your base case CO₂ price projection
 - b. Explain the basis for and assumptions behind your lower band and higher band CO₂ price projections
 - c. Produce any studies or evaluations upon which your base case, lower band, or higher band CO₂ price projections are based
33. Refer to page 158 of the IRP (Volume A). For each of the base, lower band, and higher band capacity prices projected therein:
- a. Explain the basis for each projection
 - b. Identify each important assumption incorporated in such projection
 - c. Identify the level of coal plant retirements (in MWs of capacity) assumed in each projection

- d. Explain how the projected capacity prices compares to the Cost of New Entry in PJM
- e. Produce any studies or evaluations upon which the capacity price projection is based.

34. Refer to page 164 of the IRP (Volume A).

- a. Identify the "currently-developed wind investment" referenced therein, and the cost of such investment.
- b. Explain what "additional analysis" of this investment is needed.

Respectfully submitted,



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Dated: February 4, 2014

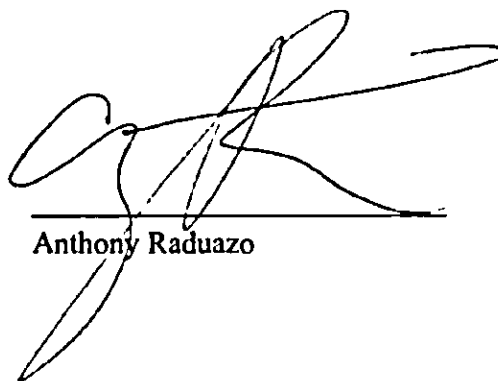
CERTIFICATE OF SERVICE

I certify that I had filed with the Commission and served via U.S. Mail the foregoing Initial Requests for Information to Kentucky Power Company on February 4, 2013 to the following:

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