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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

June 10, 2014

PARTIES OF RECORD

Re: Case No. 2014-00052

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum please do so within five days of receipt of this letter. If you have any questions, please contact Jonathan Beyer, Commission Counsel, at 502/782-2581.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File – Case No. 2014-00052

FROM: Jonathan Beyer, Staff Attorney

DATE: June 10, 2014

RE: Informal Conference of May 22, 2014

Pursuant to the Commission Staff's May 14, Notice, an informal conference was held in this matter on May 22, 2014. A list of attendees is attached.

Beginning the conference, Staff inquired into entries regarding the PJM ancillary services to clarify filed testimony. Staff requested Kentucky Power Company ("Kentucky Power") provide corrected Forms 3.30 to support its response to item 1 of Staff's Request for Information, as well as additional supporting documentation for its response to item 8. Kentucky Power agreed to provide the requested information by June 5, 2014.

The parties discussed how adjustments made to environmental costs in this case and in case 2013-00325 impacted the environmental costs assigned to off system sales, and whether the impacts were reflected in the System Sales Clause monthly calculations. Kentucky Power indicated that it would check to verify whether the appropriate adjustments were made to reflect the environmental surcharge adjustments.

The parties also discussed the format of the emission allowance inventory forms used in the monthly environmental surcharge filings and discussed the possibility of Kentucky Power providing revised forms or working with Staff to revise the forms for possible improvement and clarification. The parties agreed to revise the forms by the commencement of the next six-month environmental surcharge review.

Finally, the parties discussed the impact of the Mitchell acquisition in relation to the monthly environmental surcharge filings. Kentucky Power indicated their intent was to include Mitchell environmental costs in the monthly filings beginning with the June expense month.

Finding that no party had any further questions, the conference was adjourned.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE ENVIRONMENTAL) CASE NO.
SURCHARGE MECHANISM OF KENTUCKY) 2014-00052
POWER COMPANY FOR THE SIX-MONTH)
BILLING PERIOD ENDING DECEMBER 31, 2013)

May 22, 2014

Please sign in:

NAME

REPRESENTING

Jonathan Beyer

PSC

Rame Wolkas

KY Power

MARK R. OVERSTREET

STITES' MARSHALL F

Amy Elliott

KPCo

John Regness

KY Co

Eriol Wagner

KPCo

Ron Handziak

PSC