

**BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY**

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PUBLIC SERVICE
COMMISSION

In The Matter Of:

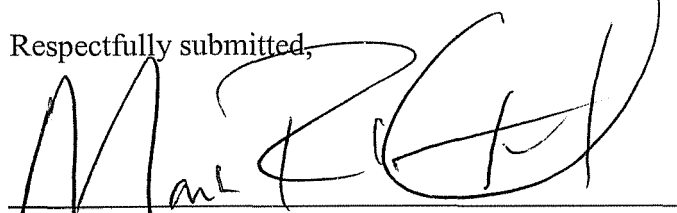
GENERAL ADJUSTMENT IN)	
ELECTRIC RATES OF)	CASE NO. 2005-00341
KENTUCKY POWER COMPANY)	

**Motion to Substitute Response To
KIUC Data Request (Second Set) No. 49**

Kentucky Power Company moves the Commission pursuant to 807 KAR 5:001, Section 3(5) for leave to substitute the attached revised response to KIUC Data Request (Second Set) No. 49 for the Response originally filed and served on December 22, 2005. It appears Kentucky Power provided the response to the Attorney General's Data Request (Second Set) No. 49 in lieu of the Response to the KIUC request of the same number. The proper Response was served on all parties on January 4, 2006.

Wherefore, Kentucky Power Company respectfully requests that the attached be substituted for its previously filed Response to KIUC Data Request (Second Set) No. 49.

Respectfully submitted,



Bruce F. Clark
Mark R. Overstreet
Judith A. Villines
STITES & HARBISON, PLLC
421 West Main Street
P.O. Box 634
Frankfort, Kentucky 40602-0634
Telephone: 502-223-3477
COUNSEL FOR:
KENTUCKY POWER COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served by United States Mail, Postage Pre-paid, upon:

Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Elizabeth E. Blackford
Dennis Howard II
Kentucky Attorney General's Office
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601-8204


Richard G. Raff
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Joe F. Childers
201 West Short Street
Suite 310
Lexington, Kentucky 40507

Gardner F. Gillespie
Hogan & Hartson L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004-1109

Frank F. Chuppe
Wyatt, Tarrant & Combs LLP
500 West Jefferson Street, Suite 2800
Louisville, Kentucky 40202-2898

on this the 10th day of January, 2006.



Mark R. Overstreet

Kentucky Power Company

REQUEST

Please refer to data files provided in the Company's response to Item No. 105 of the Attorney General's First Set of Data Requests.

- a. Please refer to the file PSALV.DAT. Please provide a detailed explanation of why the removal costs charged to the reserve account in 10810000 in 2004 of \$4,362,183 were so high and in fact higher than the original plant costs of \$3,134,846 retired in 2004. Please describe any special events in that year that contributed to these removal costs, such as severe storms.
- b. Please refer to the file PSALV.DAT. Please provide a detailed explanation of why the removal costs for reserve account 10810000 in 1998 of \$2,094,579 were so high and in fact higher than the original plant costs of \$1,885,004 retired in 1998. Please describe any special events in that year that contributed to these removal costs, such as severe storms.
- c. Please refer to the file PSALV.DAT. Please provide a detailed explanation of why the removal costs for reserve account 10810000 in 1996 of \$2,268,116 were so high in comparison to the original plant costs of \$2,883,635 retired in 1996. Please describe any special events in that year that contributed to these removal costs, such as severe storms.
- d. Please refer to the file TSALV.DAT. Please provide a detailed explanation of why the removal costs for reserve account 10850000 in 2003 of \$1,074,786 were so high and in fact almost double the original plant costs of \$590,516 retired in 2003. Please describe any special events in that year that contributed to these removal costs, such as severe storms.
- e. Please refer to the file TSALV.DAT. Please provide a detailed explanation of why the removal costs for reserve account 10850000 in 2001 of \$823,970 were so high and in fact almost triple the original plant costs of \$243,225 retired in 2001. Please describe any special events in that year that contributed to these removal costs, such as severe storms.
- f. Please refer to the files TranNetSal.xls and TSALV.DAT. Please explain why the total retirements for each year listed in column J of file TranNetSal.xls do not always match the yearly retirement amounts listed in the third column of file TSALV.DAT. Please include a reconciliation of any differences in the two amounts for each year.

g. Please refer to the files DistNetSal.xls and DSALV.DAT. Please explain why the total retirements for each year listed in column M of file DistNetSal.xls do not always match the yearly retirement amounts listed in the third column of file DSALV.DAT. Please include a reconciliation of any differences in the two amounts for each year.

h. Please refer to the files GeneralPltSalvTest.xls and GSALV.DAT. Please explain why the total retirements for each year listed in column K of file DistNetSal.xls do not always match the yearly retirement amounts listed in the third column of file GSALV.DAT. Please include a reconciliation of any differences in the two amounts for each year.

RESPONSE

a. The replacement of the reheater on Big Sandy Unit 2 accounted for \$2.3 million of the \$4.3 million total removal costs.

b. The following projects contributed to the high removal cost:

Description of retirement	Orig Cost	Removal Cost
Replace Low Nox Burners	556,000	510,518
Unit 1 Heating Boiler	23,008	91,687
Insulation on hot air ducts to pulverizer	5,854	61,307
Insulation on turbine crossover	7,275	38,459
Expansion joints in gas duct	9,652	28,672
Air duct insulation	16,853	377,187
Precipitator wiring	2,928	28,898
Air heater cleaning device	11,900	24,913

c. The following projects contributed to the high removal cost:

Description of retirement	Orig Cost	Removal Cost
Retube Main Condenser & replace expansion joints	884,834	636,909
Replace flyash slurry piping and pumps	82,000	68,534
Replace reheater and outlet banks Unit 1	1,130,000	1,314,556

d. Of the \$1million removal cost in 2003, \$555,000 related to upgrade work done on the Beaver Creek-John's Creek 138KV line.

e. \$341,000 removal costs were related to upgrade work done on the John's Creek-Sprigg 138KV line and \$180,000 was related to work on 46KV subtransmission lines.

f. The reason for the difference is the total retirements in TSALV.DAT include retirement work in progress that has not been classified to the individual plant accounts. A reconciliation has not been prepared.

g. The reason for the difference is the total retirements in DSALV.DAT include retirement work in progress that has not been classified to the individual plant accounts. A reconciliation has not been prepared.

h. The reason for the difference is the total retirements in GSALV.DAT include retirement work in progress that has not been classified to the individual plant accounts. A reconciliation has not been prepared.

WITNESS: James E Henderson