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March 3, 2006

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Ms. Beth O'Donnell
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

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PUBLIC SERVICE COMMISSION

RE: P.S.C. Case No. 2005-494 (FAC)

Dear Ms. O'Donnell

Enclosed please find and accept for filing the original and four copies of Kentucky Power Company's updated Response to Item No. 2 of the Staff's Second Data Requests. The Response is being updated as directed in the Commission's February 13, 2006 Order.

By copy of this letter, copies of the Response are being served on counsel for the Attorney General and Kentucky Industrial Utility Customers, Inc.

Sincerely yours

STITES & HARBISON.

Mark R. Overstreet

Enclosure

cc: Elizabeth E. Blackford

Michael L. Kurtz

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UPDATE as of February 28, 2006

KENTUCKY POWER COMPANY

REQUEST:

Refer to Item 9 of AEP/Kentucky Power's response to the December 27, Order. In Case No. 2005-00341, AEP/Kentucky Power indicated that, as of December 15, 2005, its coal inventory level was a 21-day supply. AEP/Kentucky Power also indicated that it did not expect to reach its target inventory of 35 days until March of 2006.

- a. Provide AEP/Kentucky Power's coal inventory, stated in days' burn, as of January 31, 2006.
- b. By March 10, 2006, provide AEP/Kentucky Power's coal inventory, stated in days' burn, as of February 28, 2006.

RESPONSE:

- a. As of January 31, 2006, Kentucky Power's actual coal inventory level was 165,576 tons, or 21 days of supply.
- b. As of February 28, 2006, Kentucky Power's actual coal inventory level was 167,806 tons, or 21 days of supply.

WITNESS: S. D. Baker