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PUBLIC SERVICE COMMISSION

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HAND DELIVERED

July 18, 2007

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

RE: P.S. Case No. 2006-0507

Dear Ms. O'Donnell:

Kentucky Power Company recently discovered metering problems at its 69 kV Leach to South Neal tie line with Appalachian Power Company ("APCo") and its Bellefonte 69 kV tie line with Ohio Power Company ("OPCo"). Kentucky Power continues to evaluate the situation and determine the effect of the metering problems.

In light of the effect the metering problems may have on the issues before the Commission in this proceeding, Kentucky Power recommends this case be continued generally until Kentucky Power can conclude its inquiry. Once the impact is fully evaluated, probably within four to six weeks, Kentucky Power will move the Commission for an informal conference to discuss steps to address the issue further.

Please do not hesitate to contact me if you have any questions in the interim.

Mark R. Overstreet

cc: Michael L. Kurtz

Dennis G. Howard, II

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