

RECEIVED

MAY 11 2007

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter Of:

Request for Deviation By Kentucky Power)
Company From The Requirements Of) P.S.C. Case No. 2007- 00191
807 KAR 5:006, Section 13(1)(c))

Kentucky Power Company moves the Public Service Commission of Kentucky pursuant to 807 KAR 5:001, Section 14 for a deviation, to the extent required, from the requirements of 807 KAR 5:006, Section 13(b)(1)(c) regarding the posting of the Customer Bill of Rights. In support thereof Kentucky Power states:

1. 807 KAR 5:006, Section 13(b)(1)(c) provides:

Display of customer rights. Each utility shall prominently display in each office in which payment is received a summary, to be prepared by the Commission, of the customer's rights under this section and Section 15 of this administrative regulation. If a customer indicates to any utility personnel that he is experiencing difficulty in paying a current bill, that employee shall refer the customer to the designated representative for explanation of the customer's rights.

2. Kentucky Power does not maintain any "office[s] in which payment is received." 807 KAR 5:006, Section 13(b)(1)(c). Instead, Kentucky Power contracts with independent parties to receive payments from those customers desiring to pay in person. These locations are not offices of Kentucky Power and Kentucky Power has no ability to supervise or control either the personnel or the premises of these independent third-parties. As a result, neither the letter nor the spirit of the regulation requires the posting of the Customer Bill of Rights in independent third-party bill payment locations.

3. In connection with its January 23, 2007 inspection of the Ashland Office Commission Staff indicated that Kentucky Power's failure to post the Customer Bill of Rights on the premises of independent third-party payment locations was a "possible violation" of 807 KAR 5:006 Section 13(b)(1)(c).

4. In its February 28, 2007 response to the inspection report and at the April 27, 2007 informal conference convened at Kentucky Power's request in connection with the inspection report, Kentucky Power indicated it respectfully disagreed with Staff's finding of a possible violation of 807 KAR 5:006 Section 13(b)(1)(c).

5. At the April 27, 2007 informal conference Staff and representatives of Kentucky Power discussed the practical impediments to Kentucky Power being able to require its independent contractors to post the Customer Bill of Rights and the fact that the imposition of such a requirement might result in some or all of the independent contractors refusing to continue to receive payments.

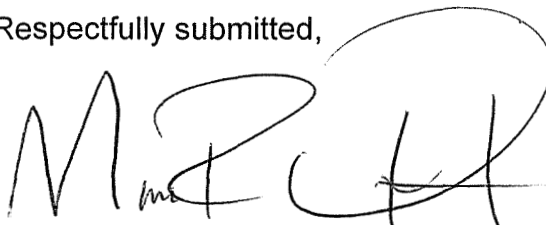
6. To the extent the regulation is designed to make customers aware of their rights under Sections 13 and 15 of 807 KAR 5:006, the inclusion of a copy of the Customer Bill of Rights as an insert mailed to residential customers once a year along with that month's bill is a more effective means of furthering the purpose of the regulation. Only a small portion of Kentucky Power's customers utilize in person payment locations but all residential customers receiving bills during the month the insert is included with the bill will receive a copy of the Customer Bill of Rights. Moreover, unlike a posted copy the insert can be reviewed by the customer at his or her convenience and can be retained for future reference. Finally, substituting the bill insert for the posting of the Customer Bill of Rights at third-party locations is likely to result in a

greater number of such in-person payment locations. As a result, good cause exists to permit Kentucky Power to substitute the bill inserts for the public posting the Customer Bill of Rights.

7. If the deviation is granted, Kentucky Power anticipates including the insert in the bills mailed to residential customers during the September billing cycle of each year.

Wherefore, Kentucky Power respectfully requests that to the extent 807 KAR 5:006 Section 13(b)(1)(c) requires it to post a copy of the Customer Bill of Rights at third-party locations where payments are received that it be permitted to deviate from such a requirement by once a year including a copy of the Customer Bill of Rights as an insert to be included with the bills mailed to all residential customers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Overstreet', written over a horizontal line.

Mark R. Overstreet
STITES & HARBISON PLLC
421 West Main Street
P.O. Box 634
Frankfort, Kentucky 40602
Telephone: (502) 223-3477
COUNSEL FOR KENTUCKY POWER
COMPANY