

421 West Main Street Post Office Box 634 Frankfort, KY 40602-0634 [502] 223-3477 [502] 223-4124 Fax www.stites.com

March 23, 2009

FECEWED

MAR 23 2009

PUBLIC SERVICE COMMISSION

Mark R. Overstreet (502) 209-1219 (502) 223-4387 FAX moverstreet@stites.com

Jeff R. Derouen Executive Director Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602-0615

HAND DELIVERED

RE: Kentucky Public Service Commission Case No. 2008-00518

Dear Mr. Derouen:

Please find enclosed and accept for filing an original and six copies of Kentucky Power Company's responses to the data requests propounded by Staff at the March 17, 2009 hearing in the above matter.

Copies are being served on the Attorney General and counsel for Kentucky Industrial Utility Customers, Inc.

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

Very truly yours,

Mark R. Overstreet

cc: Dennis Howard
Michael L. Kurtz

Alexandria, VA Atlanta, GA Frankfort, KY Jeffersonville, IN Lexington, KY Louisville, KY Nashville, TN Washington, DC

COMMONWEALTH OF KENTUCKY

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF

AN EXAMINATION OF THE APPLICATION)
OF THE FUEL ADJUSTMENT CLAUSE OF)
KENTUCKY POWER COMPANY) CASE NO. 2008-00518
FROM NOVEMBER 1, 2006 THROUGH)
OCTOBER 31, 2008)

KENTUCKY POWER COMPANY

RESPONSES TO COMMISSION STAFF'S SUPPLEMENTAL DATA REQUESTS OF MARCH 17, 2009 HEARING

Kentucky Power Company

REQUEST

Please refer to Item Nos. 7 and 8 of the Commission Staff's 1st Set of Data Request dated January 23, 2009. Please provide the following information:

- (a) Please provide separately, by company, the amounts of power purchases, including Interchange-In, used in the calculation of sales provided in response to Commission Staff's 1st Set of data requests, Item No. 3.
- (b) Please provide separately, by company, the amounts of intersystem sales, including Interchange-Out, used in the calculation of sales provided in response to Commission Staff's 1st Set of data requests, Item No. 3.

RESPONSE

- a. Please see Page 2 of 4 for the Purchase Power Transaction Schedule for the month of June 2008.
- b. Please see Pages 3 and 4 of 4 for the Inter-System Sales Transaction Schedule for the month of June 2008.

WITNESS: Errol K Wagner

Kentucky Power Company Purchased Power Transaction Schedule Month of June 2008

Company	Amount KWH
Associated Elect Cooperative	121,000
Calpine Power Service Company	54,000
Duke Power Company	46,000
Edison Mission Mktg & Trading	5,232,000
Entergy Power Serv	27,000
Exelon Generation - Power Team	2,464,000
Kansas City Power & Light Co	34,000
LG&E Utilities Power Sales	269,000
Midwest ISO	48,000
National Power Cooperative Inc	598,000
No Carolina Muni Pwr Agency #1	1,000
OVEC Power Scheduling	8,091,000
PJM Interconnection	29,573,000
PSEG Energy Resources & Trade	336,000
South Carolina Electric & Gas	48,000
Strategic Energy Ltd.	320,000
The Energy Authority	63,000
TVA Bulk Power Trading	128,000
Union Electric Company	7,000
Westar Energy Inc.	38,000
Power Purchased from AEP Pool	296,697,000
Power Purchased from Rockport Plant	225,490,000
Power Purchased from Associated Companies	498,000
Total	570,183,000

Kentucky Power Company Inter-System Sales Transaction Schedule Month of June 2008

Company	KWH Amount
Ameren Energy Fuels & Services	52,000
Ameren Energy Marketing	1,664,000
Ameren-Illinois Power	8,000
AmerenCILCO,CIPS,Ameren IP	8,000
American Municipal Power-Ohio	803,000
Associated Elect Cooperative	152,000
B.P. Energy Company	(18,000)
Baltimore Gas & Electric	4,044,000
Barclays Bank PLC	5,011,000
Buckeye Rural Electric Admin	1,607,000
Calpine Power Service Company	470,000
Carolina Power & Light	139,000
Citigroup Energy Inc.	128,000
City of Columbus	5,556,000
City of Dowagiac, MI	423,000
City of Lebanon	1,197,000
City of New Martinsville	224,000
City of Philippi, West Virgini	188,000
Cleveland Public Power	1,440,000
ComEd Wholesale Marketing	(94,000)
Commonwealth Edison Co Auctio2	12,613,000
Conoco Inc.	(1,106,000)
Constellation Engy Commodities	43,224,000
Credit Suisse Energy	3,735,000
DP&L Power Services	1,335,000
DTE Energy Trading Inc.	(1,242,000)
Delmarva Power & Light	1,569,000
Duke Energy Carolinas, LLC	284,000
Duke Energy Trading	(1,162,000)
Duquesne Power, L.P.	2,914,000
Eagle Energy Partner I, L.P.	(28,000)
East KY Power Co-Op Power Mktg	4,000,000
Edison Mission Mktg & Trading	(8,467,000)
Eng Mktg, div of Amerada Hess	320,000
Entergy Power Serv	145,000
Exelon Generation - Power Team	(32,638,000)
FirstEnergy Trading Services	16,000
Harrison Rural Electrification	460,000
Hoosier Power Market	941,000
Indiana Municipal Power Agency	2,026,000
Integrys Energy Services, Inc	7,658,000
J ARON & Company	(1,529,000)
Kansas City Power & Light Co	44,000
LG&E Utilities Power Sales	26,000
Lehman Brothers Commodity Svcs	(5,382,000)

Kentucky Power Company Inter-System Sales Transaction Schedule Month of June 2008

Company	KWH Amount
Michigan Public Power Agency	1,155,000
Midwest ISO	(19,131,000)
Morgan Stanley Capt.	4,576,000
NC Electric Membership Corp.	15,128,000
NRG Power Marketing Inc.	3,011,000
OVEC Power Scheduling	1,481,000
Old Dominion Elec.	7,860,000
PEPCO Services Inc.	5,110,000
PJM Interconnection	120,719,000
PP&L Energy Plus Co.	16,558,000
PSEG Energy Resources & Trade	(2,498,000)
Pennsylvania Power Company	1,233,000
Sempra Energy Solutions, LLC	5,943,000
Sempra Energy Trading	238,000
Shell Energy N America (US) LP	(1,200,000)
Southen Maryland Elec Coop Inc	256,000
Southern Company	(1,240,000)
Strategic Energy Ltd.	883,000
TVA Bulk Power Trading	114,000
The Borough of Pitcairn, PA	26,000
The Energy Authority	257,000
The Potomac Edison Company	4,958,000
Town of Front Royal	902,000
UBS AG, London Branch	336,000
Wabash Valley Power Assn Inc.	(1,380,000)
Washington Gas Energy Services	384,000
Westar Energy Inc.	(70,000)
Wisconsin Power & Light	3,652,000 5,040,000
Wolverine Power Supply Coop	164,671,000
Sales to Associated Companies	104,071,000
Total	391,730,000

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KPSC Case No. 2008-00518 March 17, 2009 Hearing Supplemental Data Requests Item No. 2 Page 1 of 4

Kentucky Power Company

REQUEST

Please refer to Item No. 16 of the Commission Staff's 1st Set of Data Requests dated January 23, 2009. Please provide a schedule of the present and proposed rates that Kentucky Power seeks to change pursuant to 807KAR5:056, shown in comparative form, side-by-side.

RESPONSE

Attached is a schedule with the present rates, the proposed increase and the proposed rates for each tariff code, side-by-side, shown in comparative format.

WITNESS: Errol K Wagner

Kentucky Power Company Two Year Fuel Review Case No. 2008-00518 Energy Rate Calculations

PSC Case No. 2008-00518 March 17, 2009 Hearing Data Request No. 2 Page 2 of 4

Base Fuel	Increase	\$0.007160
Current Base	Fuel	\$0.021240
 New Base 	Fuel	\$0.028400

Ln. <u>No.</u> (1)	Tariff <u>Code</u> (2)	Tariff <u>Name</u> (3)	Current Monthly kWh Rate (4)	Change in Base <u>Fuel</u> (5)	Changed Monthly Base <u>kWh Rate</u> (6)
1	015,017,022	Residential Service	\$0.06475	\$0.007160	\$0.07191
2	012,013,014	Storage Water Heating	\$0.03137	\$0.007160	\$0.03853
3	011	Load Management Water-Heating	\$0.03137	\$0.007160	\$0.03853
4	028 - 034	R S Load Management T-O-D On-Peak	\$0.10650	\$0.007160	\$0.11366
5	028 - 034	R S Load Management T-O-D Off-Peak	\$0.03137	\$0.007160	\$0.03853
	036	R S T-O-D On-Peak	\$0.10650	\$0.007160	\$0.11366
7	036	R S T-O-D Off-Peak	\$0.03137	\$0.007160	\$0.03853
8	211,212	S G S First 500 kWh	\$0.09297	\$0.007160	\$0.10013
9	211,212	S G S All Over 500 kWh	\$0.05278	\$0.007160	\$0.05994
10	225	SGS Load Management on-Peak	\$0.12700	\$0.007160	\$0.13416
11	225	SGS Load Management off-Peak	\$0.03137	\$0.007160	\$0.03853
12	204,213	SGS Unmetered First 500 kWh	\$0.09297	\$0.007160	\$0.10013
13	204,213	SGS Unmetered All Over 500 kWh	\$0.05278	\$0.007160	\$0.05994
14	215,216,218	M G S Secondary kWh equal to 200 times KW	\$0.07461	\$0.007160	\$0.08177
15	215,216,218	M G S Secondary kWh in excess of 200 times KW	\$0.06299	\$0.007160	\$0.07015
16	217,220	M G S Primary Secondary kWh equal to 200 times KW	\$0.06791	\$0.007160	\$0.07507
7	217,220	M G S Primary Secondary kWh in excess of 200 times KW	\$0.05999	\$0.007160	\$0.06715

8	236	M G S Subtran. kWh equal to 200 times KW	\$0.06217	\$0.007160	\$0.06933	PSC Case No. 2008-00518 March 17, 2009 Hearing
19	236	M G S Primary Subtran kWh in excess of 200 times KW	\$0.05794	\$0.007160	\$0.06510	Data Request No. 2
20	214	MGS Recreational Lighting	\$0.06992	\$0.007160	\$0.07708	Page 3 of 4
21	223	MGS Load Management Time-of- Day On-Peak	\$0 .11864	\$0.007160	\$0.12580	
22	223	MGS Load Management Time-of- Day Off-Peak	\$0.03254	\$0.007160	\$0.03970	
23	229	MGS T-O-D On Peak	\$0.11864	\$0.007160	\$0.12580	
24	229	MGS T-O-D Off Peak	\$0.03254	\$0.007160	\$0.03970	
25	240,242	LGS Secondary	\$0.05593	\$0.007160	\$0.06309	
26	244,246	LGS Primary	\$0.04888	\$0.007160	\$0.05604	
27	248	LGS Sub Transmission	\$0.03823	\$0.007160	\$0.04539	
28	250	LGS Transmission	\$0.03438	\$0.007160	\$0.04154	
9	251	LGS Load Management Time - Of-Day On-Peak	\$0.10065	\$0.007160	\$0.10781	
30	251	LGS Load Management Time -of- Day Off - Peak	\$0.03226	\$0.007160	\$0.03942	
31	356	Q.P. Secondary	\$0.02569	\$0.007160	\$0.03285	
32	357,358	Q.P. Primary	\$0.02517	\$0.007160	\$0.03233	
33	359	Q.P. SubTransmission	\$0.02485	\$0.007160	\$0.03201	
34	360	Q.P. Transmission	\$0.02460	\$0.007160	\$0.03176	
35	370	CIP-TOD Primary	\$0.02158	\$0.007160	\$0.02874	
36	371	CIP-TOD Subtransmission	\$0.02133	\$0.007160	\$0.02849	
37	372	CIP - TOD Transmission	\$0.02113	\$0.007160	\$0.02829	
38	540	Municipal Waterworks	\$0.06150	\$0.007160	\$0.06866	

* Fuel	<u>June 2008</u>	<u>\$16,138,627</u> =	\$0.02840
Sales	June 2008	568 162 000	

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Kentucky Power Company Two Year Fuel Review Case No. 2008-00518 OL and SL Rate Calculation

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	Base Fuel Current Base New Base	increase Fuel Fuel	\$0.007160 \$0.021240 \$0.028400				
Ln. <u>No.</u> (1)	Tariff <u>Code</u> (2)	Tariff <u>Name</u> (3)	Annual <u>kWh *</u> (4)	Average Monthly <u>kWh</u> (5=4/12)	Change in Base <u>Fuel</u> (6)	Existing Lamp <u>Rate</u> (7)	New Lamp <u>Rate</u> (8=5X6+7)
1	94	100 watt HPS	484	40.333333	\$0.007160	\$6.89	\$7.18
2	113	150 watt HPS	704	58.666667	\$0.007160	\$7.78	\$8.20
3	97	200 watt HPS	1012	84.333333	\$0.007160	\$9.45	\$10.05
4	98	400 watt HPS	2000	166.66667	\$0.007160	\$15.14	\$16.33
5	93	175 watt MV	864	72	\$0.007160	\$7.29	\$7.81
6	95	400 watt MV	1896	158	\$0.007160	\$12.35	\$13.48
7	111	100 watt HPS	484	40.333333	\$0.007160	\$10.24	\$10.53
8	122	150 watt HPS	704	58.666667	\$0.007160	\$16.73	\$17.15
9	99	175 watt MV	864	72	\$0.007160	\$8.44	\$8.96
10	107	200 watt HPS	1012	84.333333	\$0.007160	\$10.70	\$11.30
11	109	400 watt HPS	2000	166.66667	\$0.007160	\$14.89	\$16.08
12	110	250 watt MH	1204	100.33333	\$0.007160	\$16.62	\$17.34
13	116	400 watt MH	1896	158	\$0.007160	\$21.80	\$22.93
14	131	1000 watt MH	4540	378.33333	\$0.007160	\$46.99	\$49.70
15 16 17 18	528	100 watt HPS 150 watt HPS 200 watt HPS 400 watt HPS	484 704 1012 2000	40.333333 58.666667 84.333333 166.66667	\$0.007160 \$0.007160 \$0.007160 \$0.007160	\$5.64 \$6.43 \$8.05 \$11.69	\$5.93 \$6.85 \$8.65 \$12.88
19 20 21 22		100 watt HPS 150 watt HPS 200 watt HPS 400 watt HPS	484 704 1012 2000	40.333333 58.666667 84.333333 166.66667	\$0.007160 \$0.007160 \$0.007160 \$0.007160	\$8.94 \$9.78 \$11.30 \$14.94	\$9.23 \$10.20 \$11.90 \$16.13
23 24 25 26		100 watt HPS 150 watt HPS 200 watt HPS 400 watt HPS	484 704 1012 2000	40.333333 58.666667 84.333333 166.66667	\$0.007160 \$0.007160 \$0.007160 \$0.007160	\$14.84 \$15.48 \$19.60 \$20.79	\$15.13 \$15.90 \$20.20 \$21.98

^{*} Source: Tariff Sheet Nos 14-2 and 15-2

KPSC Case No. 2008-00518 March 17, 2009 Hearing Supplemental Data Requests Item No. 3 Page 1 of 7

Kentucky Power Company

REQUEST

Please refer to Item No. 22 of the Commission Staff's 1st Set of Data Requests dated January 23, 2009. During the March 17, 2009 Hearing, the Company referenced customer complaints involving high bill amount and/or the fuel adjustment clause. For the fuel adjustment clause specific complaints, please provide the following information: customer name, date of complaint, and the Company's response.

RESPONSE

Attached you will find the date of the complaint, the customer name, a narrative of the complaint and the Company's narrative portion of the response to the complaint. There are portions of the company's response such as the customer's payment history, customer's usage history information, customer's account number, customer's address and customer's phone number, that have not been included in this response due to there confidential nature.

WITNESS: Errol K Wagner

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Kentucky Power Company Fuel Adjustment Clause Specific Customer Complaints November 2008 through February 2009

12/17/08 **Customer Name** Joel Easterling

Complaint Narrative Mrs. Easterling claims that her bill is double what it was last month. She does not understand why her bill and all of her neighbor's bills are so much higher. Please review account and send the PSC a two year consumption history. Also, please advise the customer of why the fuel adjustment cost is so high.

Company Response 12/17/08 @ 1:12 pm - Customer Services Representative, called to arrange an appointment to met with the customer, Joel Easterling. Ms. Easterling answered the phone; representative explained he was calling in reference to commission complaint... Ms. Easterling indicated that she had called the KY Public Service Commission to ask if a recent electric rate increase had been implemented. She was told that no rate increase had been requested nor approved recently. She indicated to the representative that she did not file a Commission Complaint and was surprised that a Commission Complaint was filed on her behalf. Representative understands that Ms. Easterling was inquiring as to why the electric rate for December 2008 was so high compared to recent months.

Representative inquired if Ms. Easterling would be at home or could meet the at her home to discuss complaint. Customer inquired if the discussion could be conducted over the phone. Representative discussed the early cold winter weather temperatures and high degree-day levels in November and December that have impacted her recent December 10 electric bill, other facts such as cost of coal which affects fuel surcharge factor and higher electric usage this December. A usage summary sheet was reviewed with Ms. Easterling that outlined the usage for the past 3-year time span and the monthly daily average for the December billing covering a 34-day time span. After a through discussion about the many aspects that impacted the electric costs on the December billing, Ms. Easterling indicated that there was no need to meet face to face. Representative will provide Ms. Easterling a copy of the usage history summary sheet, (see below) the

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monthly temperature sheets and info on the electric costs during this early winter weather. Ms. Easterling indicated that this was definitely acceptable. Customer stated she would contact the KY Public Service Commission to withdraw this complaint issued on her behalf.

12/22/08 Customer Name Clyde Napier

Complaint Narrative Mr. Napier is not happy over the fuel adjustment charge on his bill. He believes that he should be getting money back. Please have a billing supervisor contact him with an explanation of his bill.

Company Response This response is for two different locations; Mr. Napier is the account holder for both locations.

Customer service representative contacted customer to discuss his concerns. Customer stated he did not fully understand the fuel adjustment charge. Representative explained to customer his month by month usage and explained in the past the fuel adjustment was reflected as a credit on his billing and due to the cost of coal the fuel adjustment is now reflected as a charge. Customer was satisfied with my explanation of fuel adjustment.

12/22/08 Customer Name Phillip Stanton

Complaint Narrative Mr. Stanton states that his bill went from \$114.35 last month to \$259.97 this month. When he called AEP to find out why, no one could give him a good explanation besides the fact that the fuel adjustment costs had gone up. Customer wants a better explanation.

Company Response KPC Supervisor Customer Operations contacted Mr. Stanton at 1:15 pm by phone. They discussed the colder temperatures in late November and early December and customer realized the usage would increase. Representative also reviewed the fuel clause rate cost with the customer for 1 year ago and the previous month, also discussed the usage for the same periods. Customer agreed with the explanation but still upset with the increase in the fuel clause rate. Representative explained the increase in the fuel clause rate was based on the increased cost of coal. Representative explained the 2 month lag time in reflecting the cost of coal, representative also explained the company's test meter policy; customer was not interested in testing the meter.

Mr. Stanton realized the increase in usage and the fuel clause rate was the reason for the increase in his electric bill. Customer thank representative for the contact,

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representative gave customer his phone number should he have other questions or inquiries in the future...

12/30/08

Customer Name Mandy Walters

Complaint Narrative Ms. Walters is upset over her electric bill. In Oct., her bill was \$80, in November it jumped to \$450 and this month it is \$643. The customer contends that her home is new and that the downstairs is entirely heated by two large fireplaces. Please contact the customer to discuss energy audit if available. Also, please advise the PSC of why the large jump from October to November billing. Also provide a two year billing history on this account to the PSC.

Company Response 01/02/2009 - KP Customer Service Representative contacted customer concerning her electric bill. Since the Revenue Class did not show all-electric, representative inquired if customer had a heat pump and she said "Yes". Customer said that she keeps her thermostat on 68 degrees in the winter. Representative also asked her questions to verify the heat pump was working correctly and told her some things to check when she got home. e.g. listen to see if the outdoor compressor was running. Customer mentioned that she had two fireplaces that are used when they are home. Representative asked if she closed the dampers when not in use and she said "Yes". Customer has only lived in the home since September 2008 and this was the second heating bill she had received. Representative explained that the unusually colder weather was a contributing factor for her usage increase. Also the fuel clause was \$124.51 on her 12/22/08 bill. Customer thanked representative for explaining her electric service bill and said she understands her bill better now.

12/31/08

Customer Name Denver Thompson

Complaint Narrative Mr. Thompson does not understand why his bill is so high. Last month, it was \$208 but this month his bill is \$534.00. His fuel adjustment cost is \$103.19. Please have a billing supervisor contact Mr. Thompson to review his billing. Please send the PSC a two year billing history.

Company Response KPC Customer Service representative reviewed usage with customer. Customer's usage this year is slightly less than in the same period last year. (See Below) Representative also explained the recent escalation in the Fuel Adjustment Clause (FAC), stressing that on the 12/07 bill the FAC was a credit and on the current bill for 12/08, the FAC was a charge. The Customer

KPSC Case No. 2008-00518 Commission Staff March 17, 2009 Hearing Data Request Item No. 3 Page 5 of 7

remains very upset with the amount of his bill and is not satisfied with our explanation.

1/5/09

Customer Name Lynn Melton

Complaint Narrative Customer said his bill increased to \$212 and \$40.35 is for the fuel adjustment. Customer has remodeled his 1200 sq. ft. home and doesn't see how it could be that much. He has new windows and has even re-wired his house. His wife is blind so they don't cook and they only wash once a week. Customer keeps his thermostat low. Customer is interest in energy audit.

Company Response KP Customer Service Representative contacted customer to discuss complaint. Customer stated that his bill is higher even though nothing changed in his home. Representative reviewed customer's usage (see below) which is consistent with past years. Discussed increase in his bill is a combination of colder than normal temperatures during the months of November and December, billing cycle has more days and the fuel adjustment charge is a debit versus a credit during this time period last year. Customer stated he had heard that electric company had a 20% increase, informed customer this was not true. Customer was offered our fitness energy program, customer declined as he was sure that his home was energy efficient. Customer was satisfied with call and understood charges.

1/12/09

Customer Name Carroll Coleman

Complaint Narrative The KY Attorney General's Office forwarded customer's complaint to PSC. He believes AEP is gouging customers in the County. Ever since the digital read meters were installed and the analog readers were removed, the bills have increased. He wants to know when the digital meters were calibrated prior to installation and how often after installation they should be calibrated. Customer's previous bill was \$215.44 and this bill was \$355.12. Customer stated oil was \$62 a barrel and falling to \$26 a barrel each day. He believes the charge for the fuel adjustment is ridiculous. Also, please provide PSC a usage history for this account.

Company Response Customer service representative contacted customer to discuss complaint. Customer stated he wrote letter due to other people talking with him about the bills being higher. Customer stated he did not contact AEP for an explanation prior to contacting the Attorney General's office.

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Representative reviewed customer's usage (customer has only been at this location since May 2008, see usage history below) and explained the fuel adjustment clause, colder than normal temperatures for the months of November and December and the longer billing cycle. Explained that the reading on 1-9-09

indicates that his usage has gone down this month so far. Explained how the cost of coal impacts the price of electricity versus gasoline prices. Customer said he thought it was gas prices and that is really why he wrote in. Also explained the company follows the Meter Testing requirements prescribed by Public Service Commission Regulations in Title 807, Chapter 5, Section 15 and 16. Prior to installation all new meters are tested for accuracy by the manufacturer or by an AEP lab, both of which have been approved by the PSC. Once removed from service, for any reason, all meters are tested for accuracy prior to being placed back into service. In lieu of the periodic testing of all meters in service, customer billing meters are tested using a Sample Testing Plan approved by the PSC.

Representative asked customer to call us anytime should he have additional questions. Representative gave customer information about the energy fitness program available to all our customers free of charge. Customer stated he was satisfied with the explanations given and appreciated the call.

2/10/09

Customer Name James Tibbs

Complaint Narrative Mrs. Tibbs claims she contacted AEP and they couldn't explain to her why the fuel adjustment and environmental surcharges change all the time. Please have a billing supervisor contact this customer to explain ASAP.

Company Response KPC Customer Service Representative tried contacting customer by phone on 2/10/09 at 4:00 PM, no one answered, representative left his name and number with a message stating he was calling in regard to the complaint customer filed with the PSC and ask that customer return his call.

Representative called customer again on 2/11/09 at 8:00 AM and left another message asking that the customer return his call.

2/12/2009 Customer contacted KP Frankfort Office and spoke with Errol Wagner, Rate Director. Mr. Wagner explained fuel adjustment and environmental surcharge to Mrs. Tibbs. Customer stated she understood explanation.

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2/17/09

Customer Name Deborah Sturm

Complaint Narrative Rec'd email through Governor's Office. Customer expressed concern about the FAC charge - explained the FAC charge. Then customer expressed concern about the high usage. According to customer bills are much higher this year - explained weather, comparing \$ to \$ does not work, needs to compare the kWh's. Does AEP provide an energy audit for customers? Please provide billing/payment/usage history for customer.

Company Response KP Customer Service Representative contacted customer to discuss complaint in regard to her high usage and questions about the Fuel Adjustment Clause on her bill. Customer stated that her primary source of heat in her residence was a heat pump, and that she had problems with it in the first part of winter; but that the landlord had the heat pump repaired. Representative explained the Fuel Adjustment Clause and its fluctuation over different months. Customer said she now knew what that amount was on her electric bill and requested a copy of her Usage History Screen (see below) to show her landlord. Representative will mail customer a copy of the usage history tomorrow morning. Representative inquired if customer had any other concerns pertaining to her bill, and she said no.

Representative gave the customer his name and office number to contact him should she have questions after she receives the copy of the usage history. Representative will also change the coding on customer's account to indicate the use of electric heat as the heating source.