COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

MAR 11 2010

PUBLIC SERVICE COMMISSION

APPLICATION OF KENTUCKY POWER) COMPANY FOR A GENERAL ADJUSTMENT) OF ELECTRIC RATES)

Case No. 2009-00459

ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR INFORMATION

PUBLIC REDACTED VERSION

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Requests for Information to Kentucky Power Company [hereinafter referred to as "KP"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for KP with an electronic version of these questions, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to

2

whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(11) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(12) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response.

Respectfully submitted, JACK CONWAY ATTORNEY GENERAL

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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Hon. Mark R. Overstreet Stites & Harbison P. O. Box 634 Frankfort, KY 40602-0634

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Stephen A. Sanders Appalachian Citizens Law Center, Inc. 317 Main St. Whitesburg, KY 41858

this day of March, 2010

Assistant Attorney General

CONFIDENTIAL SUPPLEMENTAL DATA REQUESTS

- 1. Confirm that pursuant to the document entitled "KPCo Regulatory Plan," included in KP's confidential response to AG 1-47, at **Confidential**, the company
- Reference the company's confidential response to AG 1-47. Confirm that in
 it will
 it is seeking in the instant case.
- 3. Confirm that the company's group of the next few years.
- 4. Reference the company's materials provided in response to AG 1-51, Confirm that
- 5. Confirm that on **of** the company's materials provided in response AG 1-51,

NON-CONFIDENTIAL DATA REQUESTS

- 1. The Attorney General's initial data requests at § (5) required the company's officials responding to those requests to do so under oath or certification. State why the company officials who responded failed to do so under oath or certification.
- 2. Confirm that pursuant to the materials filed in the public record in response to AG 1-47, at p. 6 of 39, the amount of additional revenues the company is seeking through the instant proceeding is \$55 million. If so, does KP plan to amend its petition to correct the amount of additional revenue sought? If not, why not?
- 3. Reference the company's response to AG 1-1 (a). Why has the company not performed any such studies? Will the company commit to conducting such a study? If not, state in complete detail why not.
- 4. Reference the company's response to AG 1-1 (d). By stating that such measures also must be economic "on an AEP-East System basis," is the company

acknowledging that the interests of its ratepayers are secondary to those of the AEP-East System?

- 5. Reference the company's response to AG 1-4. Did any of the costs for which KP seeks recovery in the instant case originate in other out-of-state AEP affiliated companies? If so, break down the costs by type and amount. Distinguish those costs from costs which are attendant with Kentucky-based plant, O & M, etc.
- 6. Reference the company's response to AG 1-5. Answer the question. State what percentage of the total costs are due to increased PJM costs.
- 7. Reference the company's response to AG 1-8. Answer the question. State why the company is not seeking additional revenue from cable attachment rates.
- 8. Reference the company's response to AG 1-20. No response was given to the question "Of the seven (7) transmission-related cost components identified, state whether any component is new since the company's last rate case." Answer the question.
- 9. Reference the company's response to AG 1-22. Answer the question. State what percentage of the proposed rate increment will go toward increased costs the company pays to PJM. State the exact manner in which the company will recover the projected 26% increase in PJM costs that the company pays to PJM.
- 10. Reference the company's response to AG 1-30. Identify in complete detail the "inflationary pressures and limited funding" stated in the company's response. Identify the person(s) in the company responsible for "limit[ing the] funding" necessary to maintain the desired inspection cycle. Provide any and all documents in the company's possession, including internal memoranda of any type or sort indicating the "inflationary pressures and limited funding." With reference to your response to subpart (a), state in complete detail why the company is "unable" to identify the kind of inspection cycle that would be supported based upon levels of O & M and capital built into the company's base rates since the last rate case.
 - a. Explain in complete detail why the company could not have sought additional "funding" from the AEP conglomerate of companies to

institute all or at least a portion of the company's enhanced vegetation management plans during the test year, and then seek recovery for those sums so expended in the instant proceeding. Do not refer to the company's response to any other prior data request.

- 11. Reference the company's response to AG 1-32. The question required the company to provide copies "... of all studies, analyses and correspondence." No such documents were provided. Why not?
 - a. Provide all documentation and actual facts upon which you base the assertion that "it has been proven that moving from a performance based approach to a cycle based approach . . . significantly improves reliability." Is Public Service Co. of Oklahoma an AEP affiliate? Does any such documentation from a non-AEP affiliate exist? If so, provide copies.
- 12. Reference the company's response to AG 1-41. The question required the company to provide copies of "any and all" applicable declarations pages. The company admitted that it has such policies, yet failed to produce the items it was required to produce. Why? Please provide the documents the company was required to produce.
- 13. Reference the company's response to AG 1-51. The company indicated correspondence was attached, but there were no attachments. Were the documents included in the CD the company attached to its responses? Please provide any additional documents necessary to fully respond to this request.
- 14. Reference the materials the company produced in response to AG 1-51, at the bottom of p. 30 of 79. On that page (which contains no redactions) it is indicated that "[r]atings could be downgraded due to contagion risks associated with the parent company, AEP." Identify the type and nature of "contagion risks" to which this document refers. Discuss fully whether any such risks actually exist at the present time, and the likelihood (if any) that they may materialize within the next three (3) years. If necessary, provide a confidential response.

15. Identify all regulatory assets and cost tracking mechanisms for which the company is seeking recovery and/ or approval in the instant proceeding. The company's response will be deemed all-inclusive.