COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FEB 26 2010

PUBLIC SERVICE COMMISSION

THE ADDITION FOR ADDROVAL OF		
THE APPLICATION FOR APPROVAL OF)	
RENEWABLE ENERGY PURCHASE AGREEMENT)	
FOR WIND ENERGY RESOURCES BETWEEN)	CASE NO. 2009-00545
KENTUCKY POWER COMPANY AND FPL ILLINOIS)	
WIND, LLC)	

ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR INFORMATION

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 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

DENNIS G. HOWARD, II LAWRENCE W. COOK PAUL D. ADAMS

ASSISTANT ATTORNEYS GENERAL 1024 CAPITAL CENTER DRIVE, STE. 200 FRANKFORT KY 40601-8204

(502) 696-5453

FAX: (502) 573-8315

CERTIFICATE OF SERVICE AND NOTICE OF 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:

Mark R. Overstreet Stites & Harbison, PLLC P.O. Box 634 Frankfort, KY 40602-0634 Counsel for Kentucky Power Company

Michael L. Kurtz Boehm, Kurtz & Lowry 2110 CBLD Center 36 E. 7th St. Cincinnati, OH 45202 Counsel for KIUC

Errol K. Wagner Dir., Regulatory Services American Electric Power P. O. Box 5190 Frankfort, KY 40602

This ___day

2010

Assistant Attorney General

APPLICATION OF KENTUCKY POWER COMPANY FOR APPROVAL OF RENEWABLE ENERGY PURCHASE AGREEMENT FOR WIND ENERGY Case No. 2009-00545

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

- 1. With regard to the company's response to AG 1-2, is it conceivable that the company could incur incremental generation-related maintenance costs or reliability-related costs associated with this contract? If so, identify the types of costs.
 - a. If the company has prepared any estimates, predictions or model runs of any type or sort related to this subject, please provide copies of any and all relevant data.
- 2. Regarding the company's response to AG 1-4, has AEP ever incurred any such costs for any of its prior wind-generated power projects? Explain in detail.
 - a. Will the company agree to supplement its response and provide to the parties herein copies of any and all projections regarding any potential costs for congestion and / or line loss that may result from entering the contemplated contracts?
- 3. Is the company aware that ecoPower Generation, LLC ["ecoPower"] has filed an application with the Kentucky State Board on Electric Generation and Transmission Siting seeking approval for construction of a 50 MW merchant generation plant that would utilize low grade wood and wood waste for fuel? In your response, please consider the company's response to KIUC 1-9.
 - a. Is the company aware that ecoPower proposes to sell its generation to AEP?
 - b. If AEP agrees to purchase such generation, will the need for the windgenerated power which is the subject of the instant case decrease or be eliminated?
 - c. Does the company have any cost projections for the power that would be generated from ecoPower's plant contrasted with the cost for the windgenerated power? If not, will the company agree to supplement its response to this request in the event any such cost projections are made? Please include in your calculations the difference in transmission costs in the ecoPower option as contrasted with transmission costs for the windgenerated power.
 - d. In the event the cost for power from ecoPower's facility is less expensive than the wind-generated power the company proposes to purchase under the subject contracts, does the company foresee any possibility of cancelling the

APPLICATION OF KENTUCKY POWER COMPANY FOR APPROVAL OF RENEWABLE ENERGY PURCHASE AGREEMENT FOR WIND ENERGY

Case No. 2009-00545

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

- wind contracts and replacing it with the power from ecoPower? Why or why not? Explain in detail.
- e. Can the company negotiate any provisions with the owners of the wind generation farm allowing the company to terminate the wind contracts in the event the price for ecoPower's generation is less expensive than the wind-generated power? Why or Why not? Explain in detail.
- f. Would it be more feasible for the PSC to wait for additional information regarding ecoPower's proposals before approving the contracts which are the subject of the instant case?
- g. Do AEP, Kentucky Power, or any of its officers, employees or other principals have any affiliation or financial interest of any type or sort with ecoPower?
- h. In the event Kentucky Power does not utilize ecoPower's generation output, is it conceivable that other AEP subsidiaries will use it? If so, do Kentucky Power and/or any other AEP subsidiary stand to receive any financial gain of any type or sort, including but not limited to transmission costs and offsystem sales, from ecoPower's sale of power to AEP?