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PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter 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 )

**MOTION FOR LEAVE TO FILE REBUTTAL TESTIMONY**

Kentucky Power Company (“Kentucky Power” or “Company”), by counsel, respectfully requests leave of the Commission to file the rebuttal testimony of Scott Weaver, Thomas Myers and Marc Reitter.<sup>1</sup> Rebuttal testimony is not provided for in the procedural schedule entered by the Commission. However, Kentucky Power believes that it is appropriate in this instance to address issues raised by Kentucky Industrial Utility Customers, Inc. (“KIUC”) through the filed testimony of Lane Kollen. Specifically, Mr. Weaver’s testimony focuses on the following issues:

- The fact that the life cycle costs associated with the Renewable Energy Purchase Agreement with FPL Energy Illinois Wind, LLC (“REPA”) are “least cost” when compared to other supply-side resources.
- The availability of other renewable energy options in lieu of the REPA, and the likely cost of those options during the period covered by the REPA.
- The prospect of the enactment of State or Federal renewable energy mandates, and the likelihood of State Renewable Portfolio Standards (“RPS”) requiring use of in-state renewable resources only.
- The fact that the need for the renewable energy under the REPA was not based on requirements set forth in the AEP Interconnection Agreement, but rather on the Company’s position with respect to the establishment of a renewable energy portfolio.

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<sup>1</sup> The testimony is attached as Exhibits 1-3.

- The fact that there will be no incremental transmission costs associated with energy received under the REPA, and that the forecast of energy pricing utilized in the economic analysis of the REPA used a proxy PJM Locational Marginal Price.
- The fact that there are incremental benefits associated with the REPA, and its implementation will not result in “harm” to the Company’s customers.

The rebuttal testimony from Mr. Myers focuses on the effect, if any, that the REPA will have on the Company’s off-system sales and the absence of any relationship between the REPA and the structure of the System Sales Clause. The rebuttal testimony from Mr. Reitter addresses the manner in which debt might be imputed for the REPA and the errors relied upon in KIUC witness Kollen’s testimony.

The tendered rebuttal testimony from Mr. Weaver, Mr. Myers and Mr. Reitter addresses important substantive issues in this case, and Kentucky Power believes that it will aid the Commission in its resolution of this matter. Moreover, the filing of the rebuttal testimony will not harm or prejudice other parties. Accordingly, Kentucky Power moves that the Commission accept for filing the tendered rebuttal testimony.

Respectfully submitted,



Bruce F. Clark  
Mark R. Overstreet  
R. Benjamin Crittenden  
STITES & HARBISON PLLC  
421 West Main Street  
P.O. Box 634  
Frankfort, Kentucky 40602-0634  
Telephone: (502) 223-3477

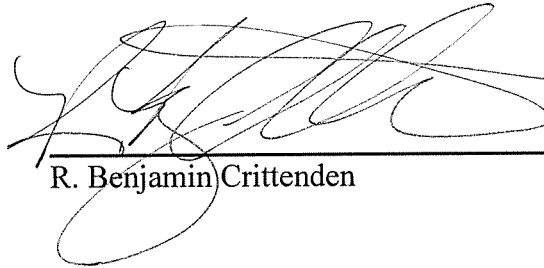
COUNSEL FOR:  
KENTUCKY POWER COMPANY

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served by first class mail, postage prepaid, upon the following parties, this 30th day of April, 2010.

Dennis G. Howard, II  
Lawrence W. Cook  
Paul D. Adams  
Office of the Attorney General  
1024 Capital Center Drive, Suite 200  
Frankfort, KY 40601-8204

Michael L. Kurtz  
Boehm, Kurtz & Lowry  
36 East Seventh Street  
Suite 1510  
Cincinnati, OH 45202



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R. Benjamin Crittenden