

ATTORNEYS

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MAR 1 2 2013

P' SERVICE USSION 421 West Main Street Post Office Box 634 Frankfort, KY 40602-0634 15021 223-3477 15021 223-4124 Fax www.stites.com

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

HAND DELIVERED

March 12, 2013

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

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and eight copies of Kentucky Power Company's March 11, 2013 Supplemental Responses to KIUC 1-89, 1-90, 1-93, and Sierra Club 1-21.

Also enclosed are the original and eight copies of the Company's Amended Response to Sierra Club 1-21. In preparing its supplemental response to Sierra Club 1-21, the Company discovered that a duplicate of the data request and response to Sierra Club 1-24 had been provided for Sierra Club 1-21. The Company apologizes for its error.

A copy of this letter and the Company's responses is being served on the individuals indicated below and their associated counsel. Further, in accordance with Mr. Nguyen's request, a copy of the responses also is being served on Messrs. Drabinski, Boismenu, and Buechel.

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

STITES & HARBISON PLLC

ATTORNEYS

Jeff R. Derouen March 12, 2013 Page 2

Mark R. Overstreet

MRO

Enclosures

cc: Michael L. Kurtz

Jennifer Black Hans

Shannon Fisk Joe F. Childers Robb Kapla

RECEIVED

COMMONWEALTH OF KENTUCKY

MAR 1 2 2013

PUBLIC SERVICE COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

| THE APPLICATION OF KENTUCKY POWER COMPANY FOR: |) |
|--|-----------------------|
| (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY |) |
| AUTHORIZING THE TRANSFER TO THE COMPANY OF AN |) |
| UNDIVIDED FIFTY PERCENT INTEREST IN THE MITCHELL |) |
| GENERATING STATION AND ASSOCIATED ASSETS; (2) APPROVAL | ,) |
| OF THE ASSUMPTION BY KENTUCKY POWER COMPANY OF |) |
| CERTAIN LIABILITIES IN CONNECTION WITH THE TRANSFER OF | ') |
| THE MITCHELL GENERATING STATION; (3) DECLARATORY |) CASE NO. 2012-00578 |
| RULINGS; (4) DEFERRAL OF COSTS INCURRED IN CONNECTION |) |
| WITH THE COMPANY'S EFFORTS TO MEET FEDERAL CLEAN AIR |) |
| ACT AND RELATED REQUIREMENTS; 5) FOR ALL OTHER |) |
| REQUIRED APPROVALS AND RELIEF |) |

KENTUCKY POWER COMPANY SUPPLEMENTAL RESPONSE TO ALEXANDER DESHA, TOM VIERHELLER, BEVERLY MAY, AND SIERRA CLUB'S INITIAL SET OF DATA REQUESTS ITEM NO. 2

VERIFICATION

The undersigned, John M. McManus, being duly sworn, deposes and says he is Vice President Environmental Services for American Electric Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge and belief

| | John Millethous |
|--------------------|----------------------------|
| | Jóhn M. McManus |
| STATE OF OHIO |)) CASE NO. 2012-00578 |
| COUNTY OF FRANKLIN |) |

Subscribed and sworn to before me, a Notary Public in and before said County and State, by John M. McManus, this the _______ day of March 2013.

Notary Public / Sanet : White

Motory Public, State of Otho

My Commission Expires: My Commission Expires 03-07-2013

KPSC Case No. 2012-00578
Sierra Club Initial Set of Data Requests
Dated February 6, 2013
Item No. 21
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Kentucky Power Company

REQUEST

Refer to p. 5 lines 7-9 of the testimony of John McManus.

- a. Explain the basis for your contention that the Mitchell units are expected to be able to comply with the MATS limits without needing to install additional pollution controls or improve existing controls.
 - i Produce any analysis or document supporting that contention.
- b. For each of the years 2008 through 2012, identify the emissions rate for Mitchell Unit 1 and Unit 2 for each of the following pollutants:
 - i. Sulfur dioxide
 - ii. Particulate matter
 - iii. Mercury
 - iv. Hydrochloric acid
 - v. Nitrogen oxides
- c. For each of the emission rates identified in response to 18.b, state whether the rate is based on data collected through continuous emissions monitoring, or through stack testing.

RESPONSE

- a. Based on experience in operating flue gas desulfurization equipment, consideration of emissions data obtained by the EPA per its MACT Information Collection Request, and a review of other technical reports, it was concluded that the Mitchell units are expected to meet the MATS limits.
 - i.) Data submitted to the EPA Clean Air Markets Division can be used to compare historic SO2 emission rates for the Mitchell Plant to the MATS SO2 limit. (see: http://ampd.epa.gov/ampd/) Emissions data obtained by EPA as part of their Information Collection Request provides information on the performance of comparable units relative to the MATS mercury and particulate limits. (www.epa.gov/ttn/atw/utility/utilitypg.html and www.epa.gov/airquality/powerplanttoxics/actions.html) ICR stack test reports submitted for the Mitchell Plant are found in SC 1-21 Attachment 1.

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b.

| | 2008 | 2009 | 2010 | 2011 | 2012 |
|--------------------|-----------|-----------|-----------|-----------|-------------|
| | (tons/yr) | (tons/yr) | (tons/yr) | (tons/yr) | (tons/yr) |
| SO2 | 3,019 | 3,173 | 4,448 | 4,519 | 3,455 |
| Particulate Matter | 316 | 286 | 246 | 729 | *** *** *** |
| Mercury | 0.16 | 0.14 | 0.17 | 0.09 | *** *** *** |
| Hydrochloric Acid | 117 | 87 | 95 | 16 | |
| NOx | 16,970 | 2,245 | 2,714 | 2,282 | 1,866 |

2008 through 2011 emission rates are from the annual emissions inventory report submitted to the West Virginia Department of Environmental Protection. The annual inventory for 2012 is due April 30, 2013 and has not been completed. However, 2012 SO2 and NOx emissions have been reported to EPA as required by the Title IV Acid Rain Rule and other programs. The Company will supplement this response when the 2012 annual emissions inventory is complete.

c. SO2 and NOx emissions are based on the use of continuous emissions monitoring systems. Particulate matter, mercury, and hydrochloric acid emissions are estimated based on emission factors and stack testing.

March 11, 2013 Supplemental Response

b. The following table has been updated to include 2012 values:

| | 2008 | 2009 | 2010 | 2011 | 2012 |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| | (tons/yr) | (tons/yr) | (tons/yr) | (tons/yr) | (tons/yr) |
| SO2 | 3,019 | 3,173 | 4,448 | 4,519 | 3,455 |
| Particulate Matter | 316 | 286 | 246 | 729 | 59 |
| Mercury | 0.16 | 0.14 | 0.17 | 0.09 | 0.07 |
| Hydrochloric Acid | 117 | 87 | 95 | 16 | 14 |
| NOx | 16,970 | 2,245 | 2,714 | 2,282 | 1,866 |

Emission rates are based on the annual emissions inventory report submitted to the West Virginia Department of Environmental Protection.

WITNESS: John M. McManus

COMMONWEALTH OF KENTUCKY



BEFORE THE PUBLIC SERVICE COMMISSION

MAR 12 2013

PUTED SERVICE COMMISSION

IN THE MATTER OF:

| THE APPLICATION OF KENTUCKY POWER COMPANY FOR: |) | |
|---|------------|---------------------|
| (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY |) | |
| AUTHORIZING THE TRANSFER TO THE COMPANY OF AN |) | |
| UNDIVIDED FIFTY PERCENT INTEREST IN THE MITCHELL |) | |
| GENERATING STATION AND ASSOCIATED ASSETS; (2) APPROVA | L) | |
| OF THE ASSUMPTION BY KENTUCKY POWER COMPANY OF |) | |
| CERTAIN LIABILITIES IN CONNECTION WITH THE TRANSFER O | F) | |
| THE MITCHELL GENERATING STATION; (3) DECLARATORY |) | CASE NO. 2012-00578 |
| RULINGS; (4) DEFERRAL OF COSTS INCURRED IN CONNECTION |) | |
| WITH THE COMPANY'S EFFORTS TO MEET FEDERAL CLEAN AI | R) | |
| ACT AND RELATED REQUIREMENTS; 5) FOR ALL OTHER |) | |
| REQUIRED APPROVALS AND RELIEF |) | |

KENTUCKY POWER COMPANY SUPPLEMENTAL RESPONSES TO KIUC FIRST SET OF DATA REQUESTS ITEM NO. 89, 90 AND 93

March 11, 2013

VERIFICATION

The undersigned, Ranie K. Wohnhas, being duly sworn, deposes and says he is the Managing Director Regulatory and Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge, and belief

| | Karie K. Wuhn |
|--------------------------|----------------------------|
| | Ranie K. Wohnhas |
| COMMONWEALTH OF KENTUCKY |)) CASE NO. 2012-00578 |
| COUNTY OF FRANKLIN |) |

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Ranie K. Wohnhas, this the _//ic day of March 2013.

Hotary Public 1 181393

My Commission Expires: Juliany 23,2017

KPSC Case No. 2012-00578 KIUC First Set of Data Requests Dated February 6, 2013 Item No. 89 Page 1 of 1 Supplemental Response filed March 11, 2013

Kentucky Power Company

REQUEST

Please provide the amount of the Company's capacity equalization payments pursuant to the Interconnection Agreement by month for the period January 2011 through the most recent month for which actual information is available. Provide all assumptions and all calculations, including electronic workpapers in live format with cell formulas intact and a copy of all source documents relied on for the assumptions or other inputs to the calculations and workpapers. Please consider this request continuing in nature and supplement the response each month as actual information for that month is available.

RESPONSE

Please see the Company's response to KPSC 1-7, for the amount of the Company's capacity equalization payments pursuant to the Interconnection Agreement by month for the period January 2011 through December 2012, as calculated and recorded in the monthly Interchange Power Statements. Please see the Company's response to KIUC 1-93 for the respective Interchange Power Statements.

March 11, 2013 Supplemental Response

The capacity equalization payment for January 2013 was \$(1,713,770). Please see also the March 11, 2013 supplemental response to KIUC 1-93 for an electronic copy of the January 2013 Interchange Power Statement.

WITNESS: Ranie K Wohnhas

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KPSC Case No. 2012-00578
KIUC First Set of Data Requests
Dated February 6, 2013
Item No. 90
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Supplemental Response filed March 11, 2013

Kentucky Power Company

REQUEST

Please provide the amount of the Company's capacity equalization payments pursuant to the Interconnection Agreement included in ECR rates by month for the period January 2011 through the most recent month for which actual information is available. Provide all assumptions and all calculations, including electronic workpapers in live format with cell formulas intact and a copy of all source documents relied on for the assumptions or other inputs to the calculations and workpapers. Please consider this request continuing in nature and supplement the response each month as actual information for that month is available.

RESPONSE

Please see KIUC 1-90 Attachment 1 on the enclosed CD for the Company's capacity payments pursuant to the Interconnection Agreement included in the ECR rates for January 2011 through December 2012.

March 11, 2013 Supplemental Response

Please see KIUC 1-90, Attachment 1 on the enclosed CD for the Company's capacity payments pursuant to the Interconnection Agreement included in the ECR rates for January 2011 through January 2013.

WITNESS: Ranie K Wohnhas

KPSC Case No. 2012-00578 KIUC First Set of Data Requests Dated February 6, 2013 Item No. 93 Page 1 of 1 Supplemental Response filed March 11, 2013

Kentucky Power Company

REQUEST

Please provide a copy of the AEP monthly reports detailing the Interconnection Agreement allocations and payments and receipts for the period January 2011 through the most recent month for which the reports are available.

RESPONSE

Please see KIUC 1-93, Attachment 1 on the enclosed CD.

March 11, 2013 Supplemental Response

Please see KIUC 1-93, Attachment 1 on the enclosed CD for a copy of the January 2013 Interchange Power Statement.

WITNESS: Ranie K Wohnhas