

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF)	
AMERICAN ELECTRIC POWER)	CASE NO. 2001-00263
TO REVISE ITS CAPACITY AND)	
ENERGY CONTROL PROGRAM)	

COMMISSION STAFF S DATA REQUEST TO
AMERICAN ELECTRIC POWER/KENTUCKY POWER COMPANY

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that American Electric Power/Kentucky Power Company (Kentucky Power) file the original and 5 copies of the following information with the Commission on or before February 6, 2002, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to the proposed Capacity and Energy Control Program, 2nd Revised Sheet No. 3-2. The tariff states that the purpose of the Program is, to provide a plan for full utilization of emergency capacity resources and for orderly reduction in the

aggregate customer demand on the American Electric Power (AEP) Eastern System in the event of a capacity deficiency.

a. Provide a detailed explanation of the phrase aggregate customer demand, and specifically discuss whether that demand includes or excludes the load of retail customers that are to be served by generating assets that are proposed to be transferred to an exempt wholesale generator.

b. Provide a detailed explanation of the phrase AEP Eastern System, and specifically discuss whether this will include or exclude the generating assets of Ohio Power Company and Columbus Southern Power Company after those assets are transferred to an exempt wholesale generator.

c. Does the AEP Eastern System include retail customers who will be provided generation-only service from AEP-owned generating assets that are to be transferred to an exempt wholesale generator?

d. Does the AEP Eastern System include retail customers who receive distribution service from Ohio Power Company and Columbus Southern Power Company, but generation service from another entity?

2. On Sheet No. 3-2, Section II,c, Introduction and Definitions, it states that, a capacity deficiency exists on the AEP Eastern System when AEP cannot meet its internal load obligations and its reliability reserve requirements by use of its own generation or purchases from interconnections.

a. Provide a detailed explanation of what is included in AEP s internal load obligations, and whether that definition includes retail customers in Ohio who can choose their generation supplier.

b. Do AEP's internal load obligations include retail customers who are supplied generation in accordance with a state customer choice program, but who are not provided distribution service? If yes, explain in detail why those customers are proposed to be treated in the same manner as retail customers of Kentucky Power.

c. Provide a detailed explanation of AEP's reliability reserve requirements. State the reserve requirements (expressed as a percent of load) used for planning purposes by each of the AEP utilities that provide bundled retail service and for each AEP affiliate that will provide unbundled generation service to wholesale or retail customers.

3. Refer to Tariff Sheet No. 3-4, II,C,14, Mandatory Load Curtailment. Provide a detailed definition of the following terms as used in Paragraph 14a:

a. AEP generation. Also explain whether this term will include generating assets after they have been transferred to an exempt wholesale generator.

b. Systems.

c. Pools.

4. Explain in detail the terms and conditions of electric service provided to Century Aluminum, including the name of the AEP entity that provides that service and the name of the entity that owns the generating assets used to provide that service.

a. Explain whether Century Aluminum is a retail or wholesale customer of AEP. If Century Aluminum does not buy and pay for generation directly from AEP, provide the names of each intermediary entity and explain its duties and obligations.

b. Is Century Aluminum provided electric service from any generating assets that, prior to January 1, 2001, were also used by one or more of the AEP operating companies to provide bundled retail electric service? If yes, provide the names of the operating companies.

c. Will Century Aluminum be provided firm service for the remainder of its contract from generating assets that are owned by one or more of the three remaining members of the AEP power pool? If yes, explain in detail how the profits from firm sales to Century Aluminum will be reflected in the cost of service of each pool member. If no, explain why wholesale service to Century Aluminum should have the same curtailment priority as service to retail bundled load customers.

5. Explain in detail the reserve margin used for planning purposes for the AEP generation used to serve each system, as that term is used in Tariff Sheet No. 3-4, Paragraph 14a. The response should include the reserve margin expressed as a percentage of the load served by each system. Also provide the same information for each pool served by AEP generation.

6. Under the proposed tariff, would it be possible for Kentucky Power's retail customers to be curtailed if there is an unexpected outage of generation operated by AEP as an exempt wholesale generator and there is no other capacity available? Explain the response with references to the specific provisions of the proposed tariff that would be applicable.


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DATED: January 25, 2002

cc: Parties of Record