COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF) THE FUEL ADJUSTMENT CLAUSE OF) AMERICAN ELECTRIC POWER COMPANY) CASE NO. 2004-00211 FROM NOVEMBER 1, 2003 TO APRIL 30, 2004)

COMMISSION STAFF'S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO AMERICAN ELECTRIC POWER COMPANY

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that American Electric Power Company ("AEP/Kentucky Power") file the original and 5 copies of the following information with the Commission within 14 days of the date of this request, with a copy to all parties of record. Each copy of the information requested shall 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 shall 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 Item 6 of the response to the Commission's June 23, 2004 Order. AEP/Kentucky Power's long-term contract with Beech Fork Processing is scheduled to expire in December 2004. Does AEP/Kentucky Power plan to replace the tonnage that will be lost with contract coal or spot coal? Explain the reasons for AEP/Kentucky Power's choice of coal. 2. Refer to Item 12 of the response to the June 23, 2004 Order. Concerning the litigation with AEI Coal Sales Company, Inc., state whether approval by the bankruptcy court has been received to date and, if not, whether AEP/Kentucky Power has been given a date by which a decision is to be rendered.

3. Refer to Item 13 of the response to the June 23, 2004 Order, which states that "AEP is in the process of revising its Coal Procurement Policy." Explain whether the decision to revise the policy is due to recent personnel changes in the area responsible for coal procurement, or if the policy is being changed for other reasons.

4. Refer to Item 15 of the response to the June 23, 2004 Order, which states that "J.D. Henry's former supervisor, K.J. McGowan, Vice President-Energy Trading, is no longer employed by AEP." Explain whether AEP/Kentucky Power anticipates filling Mr. McGowan's position, or whether the organizational structure of the area responsible for fuel procurement could change as a result of the revisions to the coal procurement policy referred to in Item 3 of this request.

5. Refer to Item 18 of the response to the June 23, 2004 Order, which states that AEP/Kentucky Power received notice from Pevler Coal Company stating its inability to deliver contract base quantities for March through June 2004 and thereafter. Since the contract runs through December 2005, explain whether AEP/Kentucky Power will pursue legal or other remedies to address Pevler Coal Company's non-delivery.

Beth O'Donnell Executive Director Public Service Commission P. O. Box 615 Frankfort, KY 40602

DATED: <u>August 6, 2004</u>

cc: Parties of Record