

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER	)	
COMPANY FOR AN ORDER APPROVING	)	
A PILOT REAL-TIME PRICING PROGRAM	)	CASE NO.
FOR LARGE COMMERCIAL AND INDUSTRIAL	)	2007-00166
CUSTOMERS	)	

FIRST DATA REQUEST OF COMMISSION STAFF TO  
KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power") is requested, pursuant to 807 KAR 5:001, to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on June 5, 2007. Each copy of the data requested should be placed in a bound volume with each item tabbed. Responses to requests for information shall be appropriately indexed, for example, Item 1(a), Sheet 2 of 6, and shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be under oath or, for representatives of a public or private corporation, a partnership, an association or a governmental agency, 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.

Kentucky Power shall make timely amendment to any prior response if it obtains information upon the basis of which it knows that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any

request to which Kentucky Power fails to furnish all or part of the requested information, Kentucky Power shall provide a written explanation of the specific grounds for its failure to furnish.

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 page 3 of the April 20, 2007 testimony of Larry C. Foust which states that customers who participate in the real-time pricing ("RTP") program will designate the amount of load to be billed under the standard tariff and that the remaining load will be billed at real time rates.

a. How often will the designated amount (subject to the standard tariff) change?

b. Will the first usage each month be assumed to be the designated amount subject to the standard tariff?

c. Provide a sample actual usage for one month for a participating customer and the total amount that would be billed. Show the calculation of each part of the bill separately. Provide all information used to perform the calculations including the designated amount and all components of the sample prices obtained on a real-time basis.

2. Refer to page 3 of Mr. Foust's testimony where he states that customers qualifying under the QP and CIP TOD tariffs will be eligible to participate in the RTP.

a. How many customers qualify for the RTP pilot under the QP and CIP TOD tariffs?

b. Explain why Kentucky Power wishes to limit the number of participants in the pilot RTP program to ten.

c. If the total number of customers served under these two tariffs that may wish to participate in the RTP pilot exceeds the 10 customer limit that Kentucky Power proposes, how does Kentucky Power intend to choose the 10 customers that will be allowed to participate?

d. Explain how the real-time pricing program will be communicated and explained to those customers that are potentially eligible.

3. Why is Kentucky Power asking for 4 to 6 months to implement the RTP program? Provide a detailed discussion of the activities Kentucky Power will perform in the 4 months from the Commission's Order approving the tariff to implementation.

4. Refer to page 4 of Mr. Foust's testimony which states that "[c]ustomers must enroll by each May 15 to commence service beginning June 1 and must stay with the service for the entire planning year. . . ." Provide the amount of notice customers must give in order to discontinue participation in the program.

5. Provide the calculation for the proposed program charge of \$150 per month to contribute to incremental billing, administration and communication cost for the program.

6. Will upgrades to customer metering or other equipment be necessary in order to participate in the program? If so, provide a detailed listing of the costs and state who will pay these costs.

7. On page 5 of his testimony, Mr. Foust states that Kentucky Power will track the incremental costs incurred to implement and administer the program and seek recovery of any costs that exceed the amounts recovered from the participating customers in the next rate proceeding.

a. Explain whether Kentucky Power believes that the program charge was developed to cover the incremental costs. If incremental costs are not covered, explain why Kentucky Power does not believe the program charge should be put at a sufficient level to cover the incremental costs.

b. If the program charge will not cover the incremental costs, approximately what level of program charge would be necessary?

8. In their Application, Kentucky Utilities Company and Louisville Gas and Electric Company state that their program was designed to be bill neutral with respect to a customer's historical usage. Will Kentucky Power's RTP pilot be bill neutral to customers that do not change consumption patterns? Explain.



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Beth O'Donnell  
Executive Director  
Public Service Commission  
P. O. Box 615  
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Dated: May 21, 2007

cc: Parties of Record