

September 27, 2013

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

RE: <u>Case No. 2013-00325</u>

Dear Mr. Derouen:

This letter constitutes the Read1st file required by 807 KAR 5:001, Section 8(5):

- (a) <u>General Description of the Filing</u> Kentucky Power is electronically filing herewith:
 - (i) The Read1st file required by 807 KAR 5:001, Section 8(5); and
- (ii) The Company's motion for a modification of the procedural schedule and for an informal conference.
- (b) <u>Materials Not Included In The Electronic Filing</u> Kentucky Power is filing in paper only:
- (i) The paper medium copy of the electronic mail message required to be filed by 807 KAR 5:001, Section 13(12(2)(b).
- (c) <u>Attestation</u> The electronically-filed documents are a true representation of the original documents.
 - (d) <u>Service</u> There are no other parties to this proceeding.



Jeff R. Derouen September 27, 2013 Page 2

Very truly yours,

Mark R. Overstreet

MRO

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

An Examination Of By The Public Service)	
Commission Of The Environmental)	
Surcharge Mechanism Of Kentucky Power)	Case No. 2013-00325
Company For The Two-Year Billing Period)	
Ending June 30, 2013)	

Motion To Amend Procedural Schedule And For An Informal Conference

Kentucky Power Company moves the Commission pursuant to 807 KAR 5:001, Section 5 for an order amending the Commission's September 11, 2013 procedural schedule. The Company also moves the Commission pursuant to 807 KAR 5:001, Section 9(4) for an informal conference to address an accounting development that may affect the Company's monthly environmental surcharge filings and calculations during the review period.

- 1. By Order entered September 11, 2013 the Commission established a procedural schedule in this proceeding. Under the schedule the Company is required to file its prepared direct testimony and responses to information requests no later than October 4, 2013.
- 2. The Company recently determined that the PJM marginal losses and credits, congestion costs and credits, and financial transmission rights were misallocated between the Company's jurisdictional customers and off-system sales during the period July 2011 through June 2013. As a result, the Company's calculation of Kentucky jurisdictional revenues as a percentage of total revenues used in the calculation of the environmental surcharge may have been miscalculated.

- 3. Kentucky Power estimates that an additional three weeks will provide sufficient time for the Company to review and confirm the revised allocations, to make and review the necessary re-calculations, and to prepare the testimony and data request responses. Accordingly, the Company requests that the September 11, 2013 procedural schedule be modified to extend the date for each event on the schedule by three weeks.
- 4. An informal conference would allow the Company to brief the Staff on the misallocation of the PJM costs and credits, and its likely effect during the review period on the Company's Tariff ES filings and the environmental surcharage. The Company is available to attend an informal conference October 7, 8, or 10, 2013, or at some other mutually convenient time.
- 5. By separate motion, the Company is requesting an informal conference in Case No. 2013-00261, In the Matter of: An Examination Of The Application Of The Fuel Adjustment Clause Of Kentucky Power Company From November 1, 2012 Through April 30, 2013 to address the misallocation issue and its effect on the Company's fuel adjustment clause billings. The Company suggests that the two informal conferences be held together.

Wherefore, Kentucky Power Company respectfully requests that:

- (1) September 11, 2013 procedural schedule in this case be modified to extend the date for each event by three weeks; and
- (2) An informal conference in this case be convened and held in conjunction with the informal conference being requested in Case No. 2013-00261.

This 27th day of September, 2013.

Respectfully submitted,

Mark R. Overstreet

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COUNSEL FOR KENTUCKY POWER

COMPANY