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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Application of Kentucky Power Company)
For Approval Of A Stipulation And) Case No. 2004-00420
Settlement Agreement Resolving)
State Regulatory Matters)

Motion For Extension Of Time To File
2009 Integrated Resource Plan

Kentucky Power Company moves the Public Service Commission of Kentucky to extend the deadline for Kentucky Power to file its 2009 Integrated Resource Plan until August 17, 2009, and in support thereof states:

1. On October 25, 2004 Kentucky Power filed an application with the Commission seeking approval of the October 20, 2004 Stipulation and Settlement Agreement between it and the Office of the Attorney General and Kentucky Industrial Utility Customers, Inc. Under the Settlement Agreement Kentucky Power agreed to an 18-year extension through 2022 of the Unit Power Supply Agreement whereby Kentucky Power retained the ability to purchase 15 percent of the generation (390 MW) of Rockport Unit No. 1 and Rockport Unit No. 2.

2. Also part of the October 20, 2004 Settlement Agreement Kentucky Power agreed to file no later than June 30, 2009 an Integrated Resource Plan reflecting the resources available to Kentucky Power on a stand-alone basis and as part of the AEP-East Power Pool.

3. By Order dated December 13, 2004, the Commission approved the Settlement Agreement. In approving the Settlement Agreement the Commission found that “[e]xtending the purchase of 390 MW of power from Rockport, when combined with the 1,060 MW from Big Sandy, will provide Kentucky Power sufficient capacity ... to meet its native load during most of

the hours throughout the decade ... [at prices that are] favorable compared to today's [2004] cost to construct new coal-fired generation."¹ The December 13, 2004 also directed Kentucky Power to "file its next IRP no later than June 30,2009, reflecting both the resources available to it as a stand-alone company, as well as the resources available to it as a member of any then-anticipated pool."²

4. In preparing an Integrated Resource Plan, Kentucky Power uses the most recent forecast and planning information available to it. American Electric Power Company has begun the planning process required for a new Integrated Resource Plan. Kentucky Power anticipates that the planning process incorporating the 2009 forecast information will be completed no later than July 15, 2009, or 15 days after the current deadline for Kentucky Power to submit an Integrated Resource Plan.

5. Even though the planning process incorporating the 2009 load forecast is not completed, Kentucky Power anticipates any IRP utilizing the 2009 load forecast will differ materially from one using the 2008 load forecast in the following respects:

- (a) The 2009 load forecast to be used in the 2009 Integrated Resource Plan is expected to provide a more in-depth evaluation of the impact on demand of the Energy Independence and Security Act of 2007 (EISA). At the time the 2008 load forecast was prepared information was not available from the Energy Information Administration. The 2009 load forecast captures the effects of these policy changes;
- (b) The economy has undergone a significant downturn since the economic forecasts used to prepare the 2008 load forecast were received. Accordingly, the economic forecasts to be used in connection with the preparation of the 2009 load forecast were adjusted downward. The Company believes the use of a load forecast that reflects these more recent expectations will provide a more meaningful Integrated Resource Plan; and

¹ Order, *Application of Kentucky Power Company For Approval Of A Stipulation And Settlement Agreement Resolving State Regulatory Matters*, Case No. 2004-00420 at 7 (Ky. P.S.C. December 13, 2004).

² Order, *Application of Kentucky Power Company For Approval Of A Stipulation And Settlement Agreement Resolving State Regulatory Matters*, Case No. 2004-00420 at 9 (Ky. P.S.C. December 13, 2004).

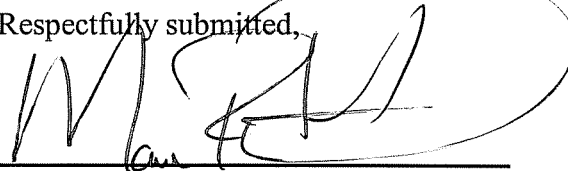
(c) An important component of the Company's load forecasts are then-current loads of large customers. The 2009 load forecast will reflect the more recent data on those loads.

6. Kentucky Power does not believe the 47-day extension of time will adversely affect the Commission or the parties to this matter. The Company's intention is to provide the most accurate Integrated Resource Plan. The extension will permit the Company to submit a more current Integrated Plan based on the updated forecasts.

7. Counsel for Kentucky Power notified counsel for the two parties to this case, Office of the Attorney General, Office of Rate Intervention, and Kentucky Industrial Utility Customers, Inc., of its intent to request this extension. Counsel for both parties indicated they have no objection to the requested extension.

Wherefore, Kentucky Power Company respectfully requests that the Commission's December 13, 2004 in this matter be amended to extend to no later than August 17, 2009 the date for Kentucky Power to file its next Integrated Resource Plan.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark R. Overstreet', is written over a horizontal line. The signature is enclosed within a hand-drawn oval.

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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served by United States Mail, Postage Pre-paid, upon:

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on this the 10th day of February, 2009.



Mark R. Overstreet