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January 12, 2010

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RECEIVED

JAN 12 2010

PUBLIC SERVICE
COMMISSION

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

Re: Kentucky Power Company
PSC Case Number 2009-00545

Dear Mr. Derouen:

In response to your letter dated January 7, 2010 in the above-referenced case, Kentucky Power Company ("Kentucky Power") states that the purchased power costs associated with the Renewable Energy Purchase Agreement will be recorded in Account 5550047 (Purchased Power Wind Energy).

Enclosed with this letter are the original and ten copies of Kentucky Power's Verified Amended Application For Approval of Renewable Energy Purchase Agreement between Kentucky Power Company and FPL Illinois Wind, LLC ("Application"), which has been revised to include this information. Specifically, the information is now included in Paragraph 15 of the amended application. This filing includes a copy of the verification of Timothy C. Mosher, Kentucky Power's Chief Operating Officer. The original of this verification will be filed with the Commission on January 13, 2010. In filing the amended application, Kentucky Power incorporates all testimony, exhibits and other documents filed with the Application on December 29, 2009.

If you have any questions concerning this response and filing, please do not hesitate to contact me at (502) 209-1216 or bcrittenden@stites.com.

Sincerely,

R. Benjamin Crittenden

cc: Dennis G. Howard, II
Michael L. Kurtz

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JAN 12 2010

PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION FOR APPROVAL OF RENEWABLE ENERGY PURCHASE AGREEMENT FOR WIND ENERGY RESOURCES BETWEEN KENTUCKY POWER COMPANY AND FPL ILLINOIS WIND, LLC	)	Case No. 2009-00545

*** *** *** *** ***

VERIFIED AMENDED APPLICATION FOR APPROVAL OF RENEWABLE ENERGY PURCHASE AGREEMENT FOR WIND ENERGY RESOURCES BETWEEN KENTUCKY POWER COMPANY AND FPL ILLINOIS WIND, LLC

Kentucky Power Company ("Kentucky Power" or "Company") applies to the Public Service Commission of Kentucky ("Commission") pursuant to KRS 278.300 and 807 KAR 5:001, Section 11 for approval of the Renewable Energy Purchase Agreement ("REPA") between Kentucky Power and FPL Illinois Wind, LLC ("FPL Wind"). In filing this amended application, Kentucky Power incorporates all testimony, exhibits and other documents filed with the original application on December 29, 2009. In support of its application, Kentucky Power states:

APPLICANT

1. Kentucky Power is an electric utility organized as a corporation under the laws of the Commonwealth of Kentucky in 1919. A certified copy of Kentucky Power's Articles of Incorporation and all amendments thereto was attached to the Joint Application in Case No. 99-

149[1] as Exhibit 1. The post office address of Kentucky Power is 101A Enterprise Drive, P.O. 5190, Frankfort, Kentucky 40602-5190. Kentucky Power is engaged in the generation, purchase, transmission, distribution and sale of electric power. Kentucky Power serves approximately 175,000 customers in the following 20 counties of eastern Kentucky: Boyd, Breathitt, Carter, Clay, Elliott, Floyd, Greenup, Johnson, Knott, Lawrence, Leslie, Letcher, Lewis, Magoffin, Martin, Morgan, Owsley, Perry, Pike and Rowan. Kentucky Power also supplies electric power at wholesale to other utilities and municipalities in Kentucky for resale. Kentucky Power is a utility as that term is defined at KRS 278.010.

2. Kentucky Power is a wholly-owned subsidiary of American Electric Power Company, Inc. ("AEP"). The AEP System is a multi-state public utility holding company system that provides electric service to customers in parts of eleven states – Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia.

FACTS

A. The Transaction And Relief Requested.

3. On December 21, 2009, Kentucky Power entered into the REPA with FPL Wind for the purchase by Kentucky Power from FPL Wind of a 100 MW share of the electrical output and environmental attributes of FPL Wind's Lee-DeKalb Wind Energy Center ("LDWEC") for a 20-year term. The contract is expressly subject to approval by this Commission. A summary of terms and conditions of the REPA is attached as Exhibit JFG-1 to the testimony of Jay F. Godfrey filed in support of this Application. The REPA is attached as Exhibit JFG-2 to Mr. Godfrey's testimony.

[1] *In the Matter of: The Joint Application Of Kentucky Power Company, American Electric Power Company, Inc. And Central And South West Corporation Regarding A Proposed Merger*, P.S.C. Case No. 99-149.

4. Kentucky Power is seeking approval of the REPA pursuant to KRS 278.300 in accordance with the Commission's December 22, 2004 Order in Case No. 2004-00459.[2] In accordance with the Commission's October 21, 2009 Order in Case No. 2009-00353,[3] Kentucky Power is seeking to recover the costs associated with the REPA in connection with its application for general adjustment of rates, Case No. 2009-00459.[4]

B. FPL Wind and LDWEC.

5. FPL Wind is a subsidiary of NextEra Energy Resources, LLC, which in turn is an affiliate of FPL Group, Inc. NextEra is the largest generator of wind power in the United States, with over 6,200 MW of wind generation resources in operation at the end of 2008.

6. The LDWEC primarily is located approximately 80 miles west of Chicago on contiguous tracts in Lee and DeKalb Counties, Illinois. The primary location of LDWEC generally is acknowledged as having the best wind resources within the 13 states plus the District of Columbia that comprise the PJM Grid. The LDWEC initially is expected to consist of 145 GE 1.5 XLE Wind Turbines, each rated at 1,500 kW, and associated equipment. The LDWEC is expected to have an initial nameplate capacity of approximately 217.5 MW. FPL Wind projects the LDWEC will begin commercial operations on or before December 31, 2009.

C. The RFP.

7. On June 1, 2009, American Electric Power Service Corporation ("AEPSC"), as agent for Kentucky Power and the other six AEP operating companies, issued a Request For

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[2] *In the Matter of: Application of Louisville Gas and Electric Company for Approval of New Rate Tariffs Containing a Mechanism for the Pass-Through of MISO-Related Revenues and Costs Not Already Contained In Base Rates*, P.S.C. Case No. 2004-00459 (Ky. P.S.C. December 22, 2004).

[3] *In the Matter of: Application of Louisville Gas & Electric Company and Kentucky Utilities Company for Approval of Purchased Power Agreements and Recovery of Associated Costs*, Case No. 2009-00353 (Ky. P.S.C. October 21, 2009).

[4] *In the Matter of: Application of Kentucky Power Company for General Adjustment of Electric Rates of Kentucky Power Company*, P.S.C. Case No. 2009-00459

Proposal to acquire up to 1,100 MW (nameplate) of additional renewable resources by the end of 2011.[5] The RFP included engineering specifications, and required bidders to document their financial and technical capabilities to construct and operate any project bid. Bidders also were required to provide detailed data on project locations and construction plans.

8. AEPSC conducted two pre-bid "webinars" to facilitate responses. In addition, the RFP was distributed to all renewable generation developers known to AEP and was announced on the United States Department of Energy's "The Green Power Network" website. A press release announcing the RFP also was distributed to renewable and energy industry publications.

9. Twenty-two bids from renewable energy developers for projects interconnected to PJM and located in Illinois, Pennsylvania, Indiana, West Virginia, Ohio, and Maryland were received in response to the RFP. No bids were received for projects located in Kentucky. A summary comparison of the qualified bids received in response to the RFP is attached as Exhibit JFG-3 to the testimony of Jay F. Godfrey filed in support of this Application.

10. AEPSC ranked the proposals using price and non-price (risk-related) factors. The price-related factors, which were weighted approximately 60%, included energy pricing and the cost to transmit and deliver the energy to Kentucky Power's load. Non-price factors were weighted 40%, and included the location of the project in relation to Kentucky Power's service territory, the developer's experience, the reasonableness of the schedule, the time to full-operation, the developer's credit-worthiness and financing plan, proximity to and availability of transmission for the project, the time required for required transmission upgrades, the status of land rights, the feasibility of future expansion, nameplate capacity, the technology used, and production forecasts.

[5] The renewable resources subject to the RFP included wind, commercial-scale solar, biomass, geothermal, biologically-derived methane gas, and hydroelectric (as certified by the Low Impact Hydro Institute).

11. Based upon its evaluation of these factors, AEPSC selected FPL Illinois Wind's proposal for further negotiations. On December 21, 2009 Kentucky Power and FPL Illinois Wind executed the REPA.

D. Significant Contract Terms.

12. The start date for the REPA is the earlier of: (a) October 1, 2010; or (b) three days after FPL receives notice of (i) a final and non-appealable order of the Commission approving the conditions and terms of the REPA; and (ii) a final and non-appealable order of the Commission authorizing Kentucky Power to recover all of the jurisdictional costs associated with the REPA through the Company's base rates. REPA Article 2; ¶ 6.1; Definition of "Contract Start Date."

13. Kentucky Power's obligations under the REPA are expressly contingent upon Kentucky Power's receipt of final and non-appealable orders from this Commission authorizing Kentucky Power to (a) enter in the REPA; and (b) recover all of the jurisdictional costs associated with the REPA through the Company's base rates. REPA ¶ 6.1.

14. Under the REPA, Kentucky Power is obligated to take and pay for the electrical output of its 100 MW share of the LDWEC, as adjusted under the terms of the agreement. REPA ¶ 5.1.

15. The prices paid by Kentucky Power for its share of the LDWEC vary depending on the day of the week, the time-of-day, and the month during which the energy is produced. The REPA provides for three pricing periods: Off-peak, Peak, and Premium-peak. The Premium-peak period includes all weekdays that occur during the winter months (December-February) and two summer months (July and August). The Premium-peak price is equal to 120% of the Peak price. The Off-peak price represents approximately a 27% discount from the

Peak-price. The actual prices for each of the pricing periods are set out at Exhibit C to the REPA. The REPA also provides for 2.25% annual increase in the contract prices. The prices to be paid by Kentucky Power are among the lowest received in the RFP process for a 100 MW block. The purchase power costs associated with the wind energy will be recorded by Kentucky Power in Account 5550047 (Purchased Power Wind Energy).

16. The REPA provides that Kentucky Power is to receive all current and future environmental attributes of its 100 MW share of the LDWEC, including the associated Renewable Energy Certificates ("REC"). RECs are tradable, non-tangible, energy commodities in the United States that represent proof that one MWh of electricity was generated from an eligible renewable energy resource.

17. The term of the REPA is 20 years.

18. Under the REPA, FPL Wind Illinois is required to establish and maintain a Seller Performance Fund to secure its financial obligations under the REPA.

THE FINANCIAL OBLIGATIONS ASSUMED BY KENTUCKY POWER UNDER THE REPA ARE FOR A LAWFUL OBJECT WITHIN ITS CORPORATE PURPOSES; ARE NECESSARY AND APPROPRIATE FOR, AND CONSISTENT WITH, ITS PROVISION OF ELECTRICAL SERVICE; WILL NOT IMPAIR KENTUCKY POWER'S ABILITY TO PROVIDE ELECTRICAL SERVICE; AND ARE REASONABLY NECESSARY TO THE PROVISION OF SUCH SERVICE

A. Kentucky Power's Need For Additional Capacity.

19. Although a winter-peaking utility, Kentucky Power experiences peaks during both the summer and winter seasons. Kentucky Power's peak of 1,685 MW was recorded in January, 2005. Its most recent winter weak was 1,673 MW in January, 2008. Kentucky Power's highest recorded summer peak was 1,358 MW in July, 2005. The Company's 2008 energy sales to retail and internal wholesale customers were 7,342 GWh. Kentucky Power's forecasted retail energy sales in 2013 and 2020 are 7,602 GWh and 7,956 GWh, respectively.

20. Kentucky Power is a party to the 1951 AEP Interconnection Agreement ("Pool Agreement"). Along with the other parties to the Pool Agreement, Appalachian Power Company, Indiana Michigan Power Company, Columbus Southern Power Company and Ohio Power Company, Kentucky Power is required to provide generating facilities (or resources) to meet its firm load requirement.

21. Kentucky Power's Big Sandy Power Plant consists of two steam-electric generating units having an aggregate net capacity of 1,060 MW. In addition, Kentucky Power has a long term purchase agreement for 393 MW of Rockport Units No. 1 and 2. Because its peak demand exceeds its capacity resources, Kentucky Power is a "deficit" member of the AEP-East Pool.

21. To meet the needs of its customers in excess of its own resources, Kentucky Power historically has relied upon capacity and energy purchases from the generating resources of other AEP operating companies in the AEP-East Pool.

22. Kentucky Power's future capacity and energy requirements are determined through an integrated and coordinated resource planning program with the other AEP-East Companies. As part of this planning process the AEP system considers both demand and supply-side options.

B. <u>The Role Of Renewable Generation</u>.

23. AEP has included reasonably priced renewable generation within the supply side options it considers in planning for the future capacity and energy needs of its operating companies.. In 2007, AEP developed an overall plan to reduce CO_2 emissions by acquiring by 2020 a renewable energy portfolio equal to five percent of its energy sales. Specifically, AEP established a goal of acquiring 1,000 MW (nameplate) of additional wind generation resources

through long-term power purchase agreements by the end of 2010. More recently, these goals were expanded to the acquisition of 2,000 MW (nameplate) of renewable resources by the end of 2011, and the acquisition by 2020 of renewable energy resources equal to 10% of its retail energy sales. In its 2009 Integrated Resource Plan, Kentucky Power assumed that AEP would seek to acquire by the close of 2012 renewable resources equal to at least seven percent of AEP's energy sales.

24. Driving these goals in part has been increasing scrutiny by regulators, state and federal legislatures, and policy makers of electric generating plant CO_2 emissions. Recently, this scrutiny has resulted in efforts to control such emissions through governmental mandate, including the imposition of Renewable Portfolio Standards ("RPS") for electric generation:

- On June 26, 2009, the U.S. House of Representatives approved H.R. 2454, the American Clean Energy and Security Act. The legislation requires electric utilities to meet 20% of their electricity demand through renewable energy sources (15%) and energy efficiency (5%) by 2020.

- The Senate Energy and Natural Resources Committee reported the American Clean Energy Leadership Act (S 1462) out of committee on June 17, 2009. The bill requires that by 2020 sellers of electricity produce at least 15% of their energy sales from renewable generation (four percent of the requirement can be met through energy efficiency improvements.)

- According to the United States Department of Energy, 24 states, plus the District of Columbia, have adopted RPS. Five other states have non-binding goals for the implementation of renewable generation. http://apps1.eere.energy.gov/states/maps/renewable_portfolio_states.cfm#map

25. Even those states, such as Kentucky, that have yet to adopt RPS are considering mandates. For example, on November 20, 2008, Governor Steve Beshear announced his comprehensive energy plan, entitled, *Intelligent Energy Choices for Kentucky's Future*. Among the seven strategies included in the plan was an increase in Kentucky's renewable energy generation to 1000 MW by 2025. http://www.governor.ky.gov/NR/rdonlyres/32B6DCAF-57F5

-49DC-B9F3-4E889746CBB0/0/20081120energyFactSheet.pdf

26. Similarly, in the 2009 General Assembly, House Majority Leader, Representative Adkins, introduced HB 537. Under the bill a Renewable Energy and Efficiency Standard would be established for Kentucky. Among the requirements that would have been imposed by the standard was to increase Kentucky's renewable generation to 1000 MW by 2025. http://www.lrc.ky.gov/record/09RS/HB537/bill.doc The bill was not enacted.

27. On December 7, 2009, the Administrator of the Environmental Protection Agency found under Section 202(a) of the Clean Air Act that the emission of six "greenhouse gases," including CO_2,[6] in the atmosphere may be reasonably anticipated to endanger the public health and to endanger the public welfare. http://www.epa.gov/climatechange/endangerment/downloads/FinalFindings.pdf Although the finding does not impose any requirements on operators of coal-fired electric generating plants, it is a prerequisite to further regulation of CO_2 by the EPA.[7]

C. The Financial Obligations Assumed By Kentucky Power Under The REPA Are For A Lawful Object Within Kentucky Power's Corporate Purposes.

28. Kentucky Power is a corporation organized under the laws of the Commonwealth of Kentucky. It is regulated by the Commission and, pursuant to Kentucky's Certified Territory Statutes, KRS 278.016-278.018, possesses the exclusive right and obligation to provide retail electric service within its certified territory in parts of 20 counties in Kentucky.

29. The financial obligations assumed by Kentucky Power under the REPA are in connection with a long-term contract for the purchase of capacity and energy to meet Kentucky

[6] The other five gases were methane, nitrous oxide, hydroflurocarbons, perflurocarbons, and sulfur hexafluoride.

[7] On September 30, 2009, the EPA issued a proposed rule that defines when Clean Air Act permits under the New Source Review and Title V operating permits programs would be required in connection with the emission of six

Power's obligation, as an electric utility providing service within its certified territory within the Commonwealth of Kentucky, to provide adequate, efficient and reasonable service to its Kentucky customers. KRS 278.030. As such, the REPA, and Kentucky Power's financial obligations under the REPA, are for a lawful object within the Company's corporate purpose.

D. The Financial Obligations Assumed By Kentucky Power Under the REPA Are Necessary And Appropriate For, And Consistent With, The Provision Of Electric Service By Kentucky Power In Its Certified Territory.

30. Kentucky Power's peak demand (1685 MW) exceeds its installed and contractual capacity (1353 MW) by 353 MW. Although Kentucky Power has historically relied upon capacity and energy purchases from the generating resources of other AEP operating companies in the AEP-East Pool, it can not prudently (or contractually) do so for an extended period. The capacity available to Kentucky Power under the REPA enables Kentucky Power partially to reduce its capacity deficit. The capacity and energy made available to Kentucky Power under the REPA likewise will enable the Company to provide adequate, efficient and reasonable service at a reasonable cost.

31. Capacity and resource planning for the AEP-East operating companies is conducted on a joint and coordinated basis. The joint planning process identified the need for Kentucky Power to acquire at least 100 MW of renewable energy generation. The REPA enables Kentucky Power to meet that need.

32. As a result, the financial obligations assumed by Kentucky Power under the REPA are necessary and appropriate for, and consistent with, Kentucky Power's provision of electric service.

"greenhouse gases," including CO_2. http://www.epa.gov/NSR/documents/FinalRule2009.pdf Although the proposed rule does not enact RPS, it evinces efforts by the United States to restrict the emission of CO_2.

E. The Financial Obligations Assumed By Kentucky Power Under The REPA Will Not Impair Its Ability To Provide Adequate, Efficient and Reasonable Electric Service In The Commonwealth Of Kentucky.

33. A condition precedent to Kentucky Power's financial obligations under the REPA is the entry by this Commission of a final and non-appealable order authorizing Kentucky Power to recover through the Company's base rates all of the jurisdictional costs associated with the REPA. Thus, the financial obligations associated with the REPA will be recovered through the Company's base rates and will not impair Kentucky Power's ability to provide electric service .

F. The Financial Obligations Assumed By Kentucky Power Under The REP Are Reasonably Necessary And Appropriate For The Provision Of Electric Service By The Company.

34. Kentucky Power is a deficit company in the AEP-East Pool. It is entering into the REPA to obtain capacity and energy to serve its customers.

35 Given the scrutiny on the state and federal level over the past five years of CO_2 emissions, the implementation by 24 states and the District of Columbia of RPS, legislative efforts in the United States Congress and the Kentucky General Assembly to enact such standards, the inclusion by Governor Beshear of renewable goals in his comprehensive energy plan, and the EPA's recent endangerment finding, it is increasingly likely that within the 20-year term of the REPA Kentucky Power will be subject to RPS or other limitations on its use of coal-fired generation to meet its capacity and energy needs. It thus is reasonably necessary and appropriate for Kentucky Power to begin to acquire reasonably-priced renewable energy resources such as wind power

36. The acquisition of renewable generation resources now, instead of waiting until Kentucky Power becomes subject to RPS, or other limitations on its use of coal-fired generation to meet its energy and capacity needs, will result in significant financial advantages to the

Company and its customers. In particular, by acting now Kentucky Power and its customers will avoid the higher prices likely to result from the increased demand from any national RPS. In addition, the sites offering the most reasonably-priced energy in PJM likely will be built-out first.

37. The federal production tax credit ("PTC") for wind developers is scheduled to expire on December 31, 2012. The PTC for wind energy offers tax credit benefits to wind developers equal to 2.1 cents per KWh of renewable energy generated over the ten-year credit eligibility period. This equates to a pre-tax benefit of approximately 3 cents per KWh or $30 MWh. The REPA, if approved by the Commission, will capture this benefit for Kentucky Power's customers for the 20-year term of the agreement. Following the expiration of the production tax credits it is likely there will be a significant incremental increase in the cost of purchased or self-developed wind energy.

38. Wind is a clean, inexhaustible, indigenous energy source. Wind farms do not use fuel for their operations; as a result the price of wind power does not vary in accordance with fuel costs. Wind energy currently is acknowledged as the most economical new source of renewable energy in the United States. Recent RFPs have established that wind energy is cheaper than hydro, biomass, biogas, or solar power.

39. The RFP process was fair, open and widely publicized in an effort to encourage the largest number of qualified and competitive responses, and to obtain the best price. The prices to be paid by Kentucky Power under the REPA are the lowest offered in the responses to the RFP for a 100 MW block of wind energy.

40. Kentucky Power performed separate dispatch emulations using the Promod model comparing AEP-East Member Company – including Kentucky Power – production cost profiles that both included *and* excluded the assignment of this 100 MW of wind energy to KPCo. Based

on this comparison, all Kentucky Power variable *energy* costs directly associated with the REPA, as well as all avoided internal generation and AEP-East Pool-related variable and energy costs, were identified. In addition, the incremental reductive impact on KPCo's AEP Pool capacity settlement charges also was determined. Based upon these analyses, Kentucky estimates that the REPA will increase the Company's production-related costs by approximately 0.07 (seven one-hundredths) of a cent per kWh over the ten-year average period (2010-2020). Stated another way, a residential customer utilizing 1,000 kWh per month would pay approximately 70 cents more on his or her monthly electric bill with the REPA. A schedule illustrating the relative change in Kentucky Power's annual revenue requirement as a result of the REPA is attached as Exhibit SCW-3 to the testimony of Scott C. Weaver filed in support of this Application.

41. Based upon these considerations, the financial obligations associated with the REPA are reasonably necessary and appropriate for the provision of electric service by Kentucky Power.

EXHIBITS AND SUPPORTING INFORMATION[8]

42. The following information and testimony is appended to this Application in conformity with the Commission's regulations[9] and in support of the Company's requested relief:

(a) A general description of Kentucky Power's property and other information required by 807 KAR 5:001, Section 11(1)(a). **EXHIBIT 1**.

(b) A map and plan of LDWEC. **EXHIBIT 2**.[10]

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[8] Kentucky Power has no outstanding trust deeds or mortgages. KRS 807 KAR 5:001, Section 11

[9] 807 KAR 5:001, Section 11(1)(b) (except to the filing of the REPA as the evidence of indebtedness), 807 KAR 5:001, Section 11(1)(d), and 807 KAR 5:001, Section 11(1)(e) are not applicable to this Application. As set forth above in the introductory paragraph of this application, Kentucky Power incorporates all of the testimony, exhibits and other documents filed with the original application on December 29, 2009. All of the Exhibits referenced in this re-filed application are identical to those included in the original application.

[10] A general description of LDWEC is provided in paragraph 6 of this Application.

(c) The testimony and supporting exhibits of Jay F. Godfrey. **EXHIBIT 3**.[11]

(d) The testimony and supporting exhibits Scott C. Weaver. **EXHIBIT 4**.

(e) The financial exhibit required by 807 KAR 5:001, Section 6. **EXHIBIT 5**.

Wherefore, Kentucky Power Company respectfully requests that the Commission issue an Order:

1. Approving the Renewable Energy Purchase Agreement between Kentucky Power Company and FPL Illinois Wind, LLC.

2. Granting the Company all other relief to which it may appear entitled.

Respectfully submitted,

Bruce F. Clark
Mark R. Overstreet
R. Benjamin Crittenden
STITES & HARBISON PLLC
421 West Main Street
P. O. Box 634
Frankfort, Kentucky 40602-0634

COUNSEL FOR KENTUCKY POWER COMPANY

[11] A copy of the REPA is filed as Exhibit JFG-2 to Mr. Godfrey's testimony.

VERIFICATION

Timothy C. Mosher, President and Chief Operating Officer, Kentucky Power Company, first being duly sworn, and having knowledge of the matters set forth herein, and further having been duly designated by Kentucky Power Company to provide this verification, states that the factual matters set forth in the Application For Approval Of Renewable Energy Purchase Agreement For Wind Energy Resources Between Kentucky Power Company And FPL Illinois Wind, LLC are true.

T.C. Mosher
Timothy C. Mosher

COMMONWEALTH OF KENTUCKY)
)SS
COUNTY OF ~~FRANKLIN~~ Johnson)

Subscribed and sworn to before me, a Notary Public, by Timothy C. Mosher, President and Chief Operating Officer, Kentucky Power Company, this 12th day of January, 2010.

Sallie Holbrook
Notary Public

My Commission Expires 8/18/11

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Verified Amended Application was served by first class mail, postage prepaid, upon the following parties of record, this 12th day of January, 2010.

Michael L. Kurtz
Boehm, Kurtz & Lowry
2110 CBLD Center
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Cincinnati, OH 45202

Dennis G. Howard II
Assistant Attorney General
Office for Rate Intervention
P. O. Box 2000
Frankfort, KY 40602-2000

R. Benjamin Crittenden