

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION PURSUANT TO 1994 HOUSE)
BILL NO. 501 FOR THE APPROVAL OF KENTUCKY)
POWER COMPANY COLLABORATIVE DEMAND-)
SIDE MANAGEMENT PROGRAMS AND FOR)
AUTHORITY TO RECOVER COSTS, NET LOST)
REVENUES AND RECEIVE INCENTIVES) CASE NO. 2010-00198
ASSOCIATED WITH THE IMPLEMENTATION OF)
ONE NEW RESIDENTIAL, ONE COMBINED)
RESIDENTIAL/COMMERCIAL AND TWO)
COMMERCIAL DEMAND-SIDE MANAGEMENT)
PROGRAMS BEGINNING AUGUST 2, 2010)

INITIAL DATA REQUEST OF COMMISSION STAFF
TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due on or before July 9, 2010. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or 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 which indicates 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 or refuses to furnish all or part of the requested information, Kentucky Power shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the Application, Item 1, Part 3-Participation Goals. Provide an estimate of participants by the incentive programs listed in Part 6 for each year indicated.

2. Refer to the Application, Item 1, Part 6-Incentives, Direct Install. In the second paragraph, Kentucky Power describes a "simple payback" method.

a. State whether the incentives in this part of the program are to be paid back by the customer and, if so, what is the incentive paid directly to the customer.

b. Kentucky Power states that "the total incentive per project can not exceed \$20,000 annually." State whether there is a limit per customer and the amount.

3. Refer to the Application, Item 1, Part 7-Implementation Plan.

a. State whether Kentucky Power has started the bidding process for the program implementation contractor. If so, provide a copy of the Request for Proposal.

b. In the second paragraph, Kentucky Power refers to outreach activities. Provide a description of the activities anticipated to be used to market the program.

c. In the sixth paragraph, Kentucky Power indicates that it will implement post-installation inspections and documentation review.

(1) What will be the frequency of these inspections and reviews and will they cover the entire payback period of the project?

(2) If savings and incentives are modified downward, explain how Kentucky Power anticipates recouping incentives already paid.

4. Refer to the Application, Item 2, Part 3-Participation Goals. Is Kentucky Power prepared to offer this program to more customers if interest exceeds expectations?

5. Refer to the Application, Item 2, Part 5-Incentives. In the second paragraph, Kentucky Power states that the program will not be available to customers in areas where communication infrastructure is not available.

a. Explain what is meant by "necessary communication infrastructure."

b. State whether Kentucky Power has knowledge of those affected areas or if that will only be determined at the delivery point identified in Part B-Delivery.

c. If Kentucky Power knows the areas affected, will its marketing of

the program be limited to only those areas known to have the necessary communication infrastructure?

6. The Application does not include a proposed revision to Kentucky Power's Demand-Side Management tariff and makes no mention of cost recovery. If the company is not planning to initiate recovery upon the implementation of the two proposed programs in August 2010, when does Kentucky Power plan to do so?

7. Provide the calculations, spreadsheets, or other work papers used to derive the expected savings and benefits and benefit/cost ratios associated with each of the proposed programs.

8. Provide the assumptions, calculations, schedules or other work papers used to derive the annual budgets for each of the proposed programs.



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DATED: JUN 30 2010

cc: Parties of Record

Case No. 2010-00198

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