

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the Matter of:

FEB 08 2012

APPLICATION OF KENTUCKY POWER)
COMPANY FOR APPROVAL OF ITS 2011)
ENVIRONMENTAL COMPLIANCE PLAN,)
FOR APPROVAL OF ITS AMENDED)
ENVIRONMENTAL COST RECOVERY)
SURCHARGE TARIFF, AND FOR THE)
GRANT OF A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY FOR THE)
CONSTRUCTION AND ACQUISITION OF)
RELATED FACILITIES)

PUBLIC SERVICE
COMMISSION

CASE NO. 2011-00401

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Requests for Information to Kentucky Power Company ["KPCo"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following instructions:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness(es) who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for KPCo with an electronic version of these data requests, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, 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.

(6) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms include all information regardless of the medium or media in which they are recorded (including electronic media and e-mail), in any written, graphic or other tangible form including, but not necessarily limited to: all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche;

videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards / records, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

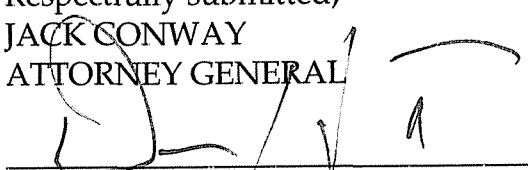
(12) In the event any document called for has been destroyed or transferred beyond the control of the company:

(a) please identify: (i) the person by whom it was destroyed and/or transferred; (ii) the transferee; and (iii) the person authorizing the destruction or transfer; and

(b) state: (i) the time, place, and method of destruction or transfer; and, (ii) the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

Respectfully submitted,
JACK CONWAY
ATTORNEY GENERAL



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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

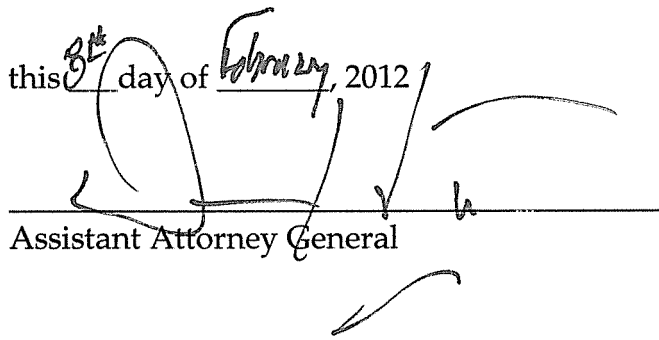
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this 31st day of February, 2012



Assistant Attorney General

Application Of Kentucky Power Co. for Approval of 2011
Environmental Compliance Plan, Amended Environmental Cost Recovery
Surcharge Tariff, and Certificate Of Public Convenience and Necessity for the
Construction and Acquisition of Related Facilities
Case No. 2011-00401
Attorney General's Supplemental Data Requests

1. With respect to the response to AG 1-25, please provide details of the 2009 private placement agreement, including all documentation on the agreement, the methodology and calculations used in the pricing of the agreement, and the providers of capital for the placement.
2. With respect to the response to AG 1-28, please indicate why the capital structure and capital cost rates as of April 30, 2010 were used in the development of revenue model.
3. With respect to the responses to AG 1-32, 1-33, and 1-34, please: (1) update the responses to include the capital structure and capital cost data as of December 31, 2011; and (2) provide copies of the data, source documents, and work papers used in subpart (1), above, in both hard copy and electronic (Microsoft Excel) formats, with all data and formulas intact.
4. Refer to pages 40-41 of Weaver Testimony, lines 21 thru 23 and lines 1 thru 3.
 - a. In the absence of a request for quotes or other quantitative material, how did the AEP commercial experts reach such a conclusion?
5. Explain the extent to which Kentucky Power has reviewed publically available information of simple and combined cycle plants in PJM since 2005?
 - a. How do the prices paid for simple and combined cycle plants in PJM compare to AEP's estimate of the cost of construction of a new combined cycle plant?
6. Please describe in detail (including age, year acquired, technology and whether facility was operational) any natural gas-fired power plants that AEP or Kentucky Power has purchased since 2005?
 - a. For the natural gas-fired power plants AEP or Kentucky Power has purchased since 2005, were these plants purchased at or below the cost of new construction?
 - b. For the natural gas-fired power plants AEP or Kentucky Power has purchased since 2005, what was the process administered in the purchase of these plants? Was a request for quotes administered?
7. Refer to page 41 of Weaver Testimony, lines 15 thru 20.

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- a. Explain the extent to which a power purchase agreement with an availability adjustment would not address concerns associated with the timing of major plant maintenance?
 - b. Explain why this concern wouldn't be the concern of the power producer and not Kentucky Power under a power purchase agreement?
8. Is Kentucky Power familiar with the technology employed at Riverside?
- a. Does AEP or Kentucky Power have any similar resources within its generation fleet?
9. Was the combustion turbine technology and combined cycle conversion capability of Riverside (including existing natural gas and transmission infrastructure) considered by Kentucky Power when available alternatives were identified to address impending environmental requirements at the Big Sandy facility?
- a. If so, what does Kentucky Power believe the cost would have been to replace the combined capacity of Big Sandy Units 1 & 2 with Riverside as a combined cycle?
 - b. If not, why was Riverside not considered as an alternative to address impending environmental requirements at the Big Sandy facility?
 - c. Is there any reason to believe that Riverside would not be capable of being converted to combined cycle and supplied to Kentucky Power under a power purchase agreement by January 1, 2016?
 - d. Is there any reason to believe that Riverside would not be willing to offer Kentucky Power a 10+ year power purchase agreement below cost of new entry for a combined cycle?