

September 21, 2012

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HAND DELIVERED

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

RECEIVED
SEP 21 2012
PUBLIC SERVICE
COMMISSION

RE: Case No. 2012-00226

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of Kentucky Power Company's Responses to Staff's Third Data Requests.

By copy of this letter I am serving the Response on counsel for Kentucky Industrial Utility Customers, Inc. and the Attorney General.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

STITES & HARBISON, PLLC


Mark R. Overstreet

MRO

cc: Michael L. Kurtz
Dennis G. Howard II

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF

APPLICATION OF KENTUCKY POWER COMPANY)
TO WITHDRAW ITS TARIFF RTP PENDING)
SUBMISSION BY THE COMPANY AND APPROVAL) CASE NO. 2012-00226
BY THE COMMISSION OF A NEW REAL-TIME)
PRICING TARIFF)

KENTUCKY POWER COMPANY RESPONSES TO COMMISSION STAFF'S
THIRD SET OF DATA REQUESTS

September 21, 2012

VERIFICATION

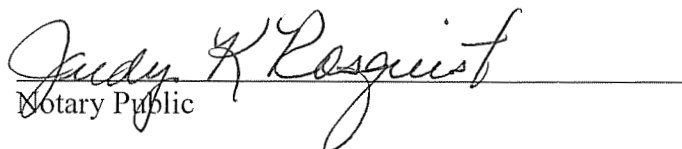
The undersigned, Ranie K. Wohnhas, being duly sworn, deposes and says he is the Managing Director Regulatory and Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge, and belief



Ranie K. Wohnhas

COMMONWEALTH OF KENTUCKY)
)
)
COUNTY OF FRANKLIN)
)
)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Ranie K. Wohnhas, this the 18th day of September 2012.


Notary Public

My Commission Expires: January 13, 2013

Kentucky Power Company

REQUEST

Refer to Kentucky Power's Supplemental Response to Commission Staff's Second Set of Data Requests Item No. 5, filed August 20, 2012. Item 5.d., requested the following: "In reviewing the Tariff RTP customer usage patterns, explain whether those customers have shifted any portion of their load from higher-priced periods to lower-priced periods or whether those customers have added any new load in low price periods." Kentucky Power's response at page 3 stated the following:

The July 2012 data suggests that that none of the ten RTP customers shifted any portion of their load from higher-priced periods to lower-periods. The one month of data, however, is not a sufficient basis for the Company to resolve the question conclusively. Kentucky Power will continue to analyze future usage data and supplement this response as appropriate. Kentucky Power has concluded that none of the RTP customers added new load in lower-priced periods.

- a. How many months of data does Kentucky Power believe are necessary to determine whether any customers have shifted any portion of their load from higher-priced periods to lower-priced periods?
- b. With respect to the customers receiving service under Tariff RTP in the month of August 2012, is Kentucky Power aware of any load being shifted or any new load being added in the lower-priced periods?

RESPONSE

- a. The July, 2012 and August, 2012 data provide an adequate basis to determine whether the customers taking service under Tariff R.T.P. have shifted any portion of their load from higher-priced periods to lower-priced periods.
- b. There is no evidence of any load being shifted from higher-priced periods to lower-priced periods, or any new load being added in lower-priced periods, by customers receiving service under Tariff R.T.P. in the month of August, 2012. To the contrary, the data demonstrate that customers taking load under Tariff R.T.P. are not responding to price signals.

WITNESS : Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Refer to the Kentucky Power's Response to Commission Staff's Second Set of Data Requests, filed August 10, 2012, Item 6.b. It states the following:

The ten customers currently taking service under Tariff R.T.P. met the minimum qualifications for contracting to take service under the tariff and were allowed to enroll. The four qualifications are necessary but not sufficient conditions for participation under Tariff R.T.P. Also required, as set out in the first sentence of the tariff excerpt, is that once enrolled the customer utilize the tariff to "manage their electric costs by shifting load from higher cost to lower cost pricing periods or by adding new load during lower price periods." This cannot be determined until the customer begins operating under the Tariff and thus the ten customers were allowed to enroll.

Explain how long it will take for Kentucky Power to determine whether the RTP customers currently taking service under Tariff R.T.P.:

- a. Have shifted any load from the high-priced period to a lower-priced period; and
- b. Have added any new load during the lower-priced time period. If the response is different from the response in Item 1 above, explain.

RESPONSE

- a. Based on the July, 2012 and August, 2012 data, Kentucky Power has determined that no customers taking service under Tariff R.T.P. have shifted load from high-priced periods to lower-priced periods.
- b. Based on the July, 2012 and August, 2012 data, Kentucky Power has determined that no customers taking service under Tariff R.T.P. have added any new load to a lower-priced period.

WITNESS : Ranie K. Wohnhas