

American Electric Power
1701 Central Avenue
P.O. Box 1428
Ashland, KY 41105-1428

AEP
AMERICAN
ELECTRIC
POWER
RECEIVED
AUG - 7 1997
PUBLIC SERVICE
COMMISSION

Mr. Don R. Mills, Executive Director
Public Service Commission
Post Office Box 615
Frankfort, KY 40602

30 July 1997

Dear Mr. Mills:

On Tuesday, July 29, 1997, Kentucky Power Company d/b/a American Electric Power submitted by mail to the Public Service Commission a special Contract for Operating Reserve Interruptible Electric Service for Kentucky Electric Steel, Inc. This agreement is the result of extensive, arms-length negotiations with this customer. Article 14.1 of the contract states that ... the effective date of this contract shall be the later of August 1, 1997 or approval by the Commission.

As you are aware, Kentucky Electric Steel, Inc. is currently served on Tariff I.R.P. with a temporary Addendum which provides a buy-through provision. The effective date of this Addendum was extended through July 31, 1997 pursuant to "Extension No. 2 to Addendum Filed With Kentucky Public Service Commission" dated June 27, 1997 and approved by the Commission on July 2, 1997.

Because it is possible that a buy-through situation might arise during the period of time between August 1, 1997 and the date of final Commission action on the Contract for Operating Reserve Interruptible Electric Service, Kentucky Power requests an extension of the currently-effective Addendum for a period of 30 days, or until Commission approval of the special contract, whichever occurs earlier.

If you have any questions, please call me at 606/327-1261.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Sincerely,

Timothy C. Mosher
Kentucky State President

AUG 31 1997

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION