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PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

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 GRANTING OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION AND ACQUISITION OF RELATED FACILITIES	CASE NO. 2011-00401

Notice of Filing of Certain Data Request Responses

Kentucky Power Company files herewith its Responses to the following Hearing Data Request: KPSC H-12.

The Company also is filing its corrected Response to Sierra Club 1-16.

Respectfully submitted,

Mark R. Overstreet
R. Benjamin Crittenden
STITES & HARBISON PLLC
421 West Main Street
P. O. Box 634
Frankfort, Kentucky 40602-0634
Telephone: (502) 223-3477

COUNSEL FOR KENTUCKY POWER COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by e-mail transmission and first class mail upon the following parties of record on this 9th day of May, 2012.

Michael L. Kurtz
Boehm, Kurtz & Lowry
Suite 1510
36 East Seventh Street
Cincinnati, Ohio 45202

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

Shannon Fisk
745 N. 24th St.
Philadelphia, PA 19130

Joe F. Childers
Joe F. Childers & Associates
300 The Lexington Building
201 West Short Street
Lexington, Kentucky 40507

Kristin Henry
Sierra Club
85 Second Street
San Francisco, California 94105

Counsel for Kentucky Power Company

Kentucky Power Company

REQUEST

Please provide an estimated net impact on the retail customers for the Big Sandy Unit 2 DFGD additions less any environmental retirements that would have to be made in connection with the project.

RESPONSE

The projected retirements associated with the DFGD project would produce an estimated reduction to Electric Plant In Service of $19.3 million and associated accumulated depreciation and ADIT of $10.2 and $3.2 million respectively. The net utility plant would be reduced by $5.9 million. This reduction and the estimated associated expense reductions of $13 million would reduce the impact on customers from 28.5% to 26.6% or approximately 2%. Using 1,000 kWh per month, the customer's monthly increase would decrease from $28.75 to $26.94 or $1.81. Using 1376 kWh per month (the 12-month ended August 2011 average residential usage), the customer's monthly increase would decrease from $38.63 to $36.20 or $2.43.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Direct Testimony of Ranie Wohnhas, page 10, lines 18 to 22.

a. Please confirm that if the Company used a 50/50 blend of either NAPP or ILB coals with CAPP coals at Big Sandy Unit 2 the Company would reduce the quantity of Kentucky coal it would purchase for Big Sandy Unit 2 by 50 percent. If Mr. Wohnhas cannot confirm this, please explain why not.

b. Is it the Company's position that if the Company reduces the quantity of Kentucky coal it purchases for Big Sandy Unit 2 by 50 percent it would reduce the direct and indirect economic impact of sales of Kentucky coal to the Big Sandy plant presented by Mr. Wohnhas on page 8, lines 19 to 21, by 50 percent. If no, please explain why not.

ORIGINAL RESPONSE

a. Use of a 50/50 blend of either NAPP or ILB coals with CAPP coal would not necessarily reduce the quantity of Kentucky coal that KPCo purchases by 50 percent. In 2011 KPCo purchased roughly 30% of its total coal (CAPP) from sources within Kentucky, with the balance coming from West Virginia. If KPCo moves to a blend of 50/50 NAPP or ILB and CAPP coal, the percentage of CAPP coal from Kentucky could increase or decrease depending on future prices offered to the Company by sources within Kentucky.

   Moreover, Western Kentucky also has sources of high sulfur coal that could potentially be used to increase the amount of Kentucky coal that the plant will consume when going to a 50% blend of NAPP/ILB coal.

b. Kentucky Power does not have a position on this hypothetical. As explained above, a 50/50 blend of either NAPP or ILB coals with CAPP coal would not necessarily reduce its purchases of Kentucky coal by 50%.

CORRECTED RESPONSE

Upon further review, the Company found that the original response was inaccurate. The response should have provided:

a. Use of a 50/50 blend of either NAPP or ILB coals with CAPP coal would not necessarily reduce the quantity of Kentucky coal that KPCo purchases by 50 percent. In 2011 KPCo purchased roughly 70% of its total coal (CAPP) from sources within Kentucky, with the balance coming from West Virginia. If KPCo moves to a blend of 50/50 NAPP or ILB and CAPP coal, the percentage of CAPP coal from Kentucky could increase or decrease depending on future prices offered to the Company by sources within Kentucky.

   Moreover, Western Kentucky also has sources of high sulfur coal that could potentially be used to increase the amount of Kentucky coal that the plant will consume when going to a 50% blend of NAPP/ILB coal.

b. Kentucky Power does not have a position on this hypothetical. As explained above, a 50/50 blend of either NAPP or ILB coals with CAPP coal would not necessarily reduce its purchases of Kentucky coal by 50%.

WITNESS: Ranie K Wohnhas