

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 6 2006

PUBLIC SERVICE  
COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE )  
COMMISSION OF THE ENVIRONMENTAL )  
SURCHARGE MECHANISM OF KENTUCKY )  
POWER COMPANY FOR THE SIX-MONTH )  
BILLING PERIODS ENDING DECEMBER 31, 2002, )  
DECEMBER 31, 2003, JUNE 30, 2004, )  
DECEMBER 31, 2004 AND DECEMBER 31, 2005, )  
AND FOR THE TWO-YEAR BILLING PERIODS )  
ENDING JUNE 30, 2003 AND JUNE 30, 2005 )

CASE NO. 2006-00128

ATTORNEY GENERAL'S NOTICE AND RESERVATION OF RIGHTS

The Attorney General hereby gives notice that he will not file testimony in this action and, with the exception of reserving his objections to the inclusion of any costs relating to out of state generating facilities not qualifying for environmental surcharge recovery pursuant to KRS 278.183 (an issue now on appeal before the Franklin Circuit Court in Consolidated Cases No. 05-CI-1534, -1543, and -1544) does not object to submission of the case for decision on the current record.

Respectfully submitted,

GREGORY D. STUMBO  
ATTORNEY GENERAL



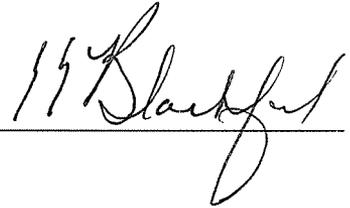
Elizabeth E. Blackford  
Assistant Attorney General  
1024 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601-8204  
(502) 696-5453

NOTICE OF FILING AND CERTIFICATION OF SERVICE

I hereby give notice that I have filed the original and nine true copies of the foregoing with the Executive Director of the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 this the 6th day of July, 2006, and certify that this same day I have served the parties by mailing a true copy, postage prepaid, to the following:

TIMOTHY C MOSHER  
AMERICAN ELECTRIC POWER  
P O BOX 5190  
FRANKFORT KY 40602

MICHAEL L KURTZ ESQ  
BOEHM KURTZ & LOWRY  
36 EAST SEVENTH STREET  
SUITE 1510  
CINCINNATI OH 45202



A handwritten signature in cursive script, appearing to read "J. Blawie", is written over a horizontal line.