

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

**RECEIVED**

OCT 10 2006

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 )

**PUBLIC SERVICE  
COMMISSION**

CASE NO.  
2006-00128

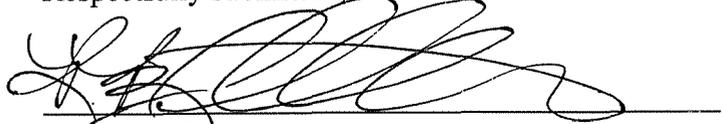
**KENTUCKY POWER COMPANY'S RESPONSE TO THE  
COMMISSION'S ORDER OF SEPTEMBER 8, 2006**

Kentucky Power Company, by counsel, submits this response to the Commission's Order of September 8, 2006. In its Order, the Commission instructed Kentucky Power to file by October 10, 2006 "either a statement that this case may be submitted for adjudication based on the existing record without a hearing or a request for a hearing." Kentucky Power does not believe there are material issues of fact that warrant a hearing. Accordingly, it is Kentucky Power's position that this case should be submitted for adjudication based on the existing record.

The Commission's Order further provided that "[i]f all parties agree the case may be submitted for adjudication based on the existing record without a hearing, all parties shall file comments, if any, no later than [October 10, 2006]." Kentucky Power is unaware of whether the other parties to this case will agree that adjudication is appropriate without a hearing. Accordingly, Kentucky Power is not filing any comments at this time. However, Kentucky Power respectfully requests that it be provided the opportunity to file comments within ten (10)

days of the filing of this Response in the event other parties agree that a hearing is unnecessary and file comments of their own.

Respectfully submitted;



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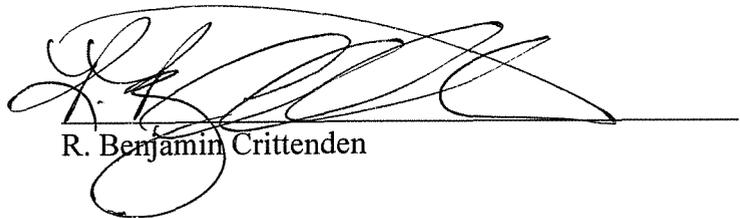
**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing Kentucky Power's Response to the Commission's Order Of September 8, 2006 was served first class mail, postage prepaid, upon the following:

Michael L. Kurtz  
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Suite 1510  
36 East Seventh Street  
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Elizabeth E. Blackford  
Assistant Attorney General  
Suite 200  
1024 Capital Center Drive  
Frankfort, Kentucky 40601-8204

on this 10<sup>th</sup> day of October, 2006.



R. Benjamin Crittenden