

FA Whelan



A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

February 18, 2014

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

RECEIVED

FEB 18 2014

PUBLIC SERVICE  
COMMISSION

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated January 2014 fuel costs with an adjustment reflecting actual December 2013 fuel costs.

The fuel adjustment clause factor of  $(\$0.00197)/\text{kWh}$  (credit) will be applied to the March 2014 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Orders dated June 28, 2010, in Case No. 2009-00459. In accordance with the Commission's Order dated October 7, 2013 in Case No. 2012-00578, the net system sales factor of  $\$0.0000000/\text{kWh}$  will also be applied to the March 2014 billing.

The March 2014 billing will use the combined factor of  $(\$0.00197)/\text{kWh}$  (credit) for all usage billed.

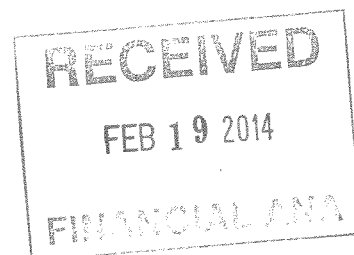
If you have any questions, please contact me at 502-696-7004.

Sincerely,

A handwritten signature in black ink that reads 'Ranie K. Wohnhas'.

Ranie K. Wohnhas  
Managing Director, Regulatory & Finance

Attachments



**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    January 2014**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00197)
2	System Sales Clause Factor (Page 1 of 2)	(+)	<u>.0000000</u>
3	Total Adjustment Clause Factors		<u><u>(\$0.0019700)</u></u>

Effective Date for Billing

February 28, 2014

Submitted by:

  
(Signature)

Title:

Managing Director, Regulatory and Finance

Date Submitted:

February 18, 2014

KENTUCKY POWER COMPANY  
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: January 2014

Fuel Fm (Fuel Cost Schedule)	<u>\$19,958,870</u>		
Sales Sm (Sales Schedule)	755,082,000	(+)	0.02643
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u>(0.00197)</u> (\$/KWH)

Effective Date for Billing February 28, 2014

Submitted by:   
(Signature)

Title: Managing Director, Regulatory and Finance

Date Submitted: February 18, 2014

\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: January 2014

A. Company Generation				
Coal Burned	(+)	\$28,827,383		
Oil Burned	(+)	1,080,903		
Gas Burned	(+)	0		
Fuel (jointly owned plant)	(+)	0		
Fuel (assigned cost during F. O. )	(+)	0		
Fuel (substitute for F. O. )	(-)			
Sub Total			<u>29,908,286</u>	
B. Purchases				
Net Energy Cost - Economy Purchases	(+)	0		
Identifiable Fuel Cost - Other Purchases	(+)	11,370,936		*
Identifiable Fuel Cost (substitute for F. O. )	(-)	0		
Sub Total			<u>11,370,936</u>	
C. Inter-System Sales Fuel Costs			<u>16,999,446</u>	*
Sub Total			16,999,446	
D. Total Fuel Cost (A + B - C)			<u><u>\$24,279,776</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>December 2013</u> and the estimated cost originally reported.				
		<u>\$14,540,946</u>	-	<u>\$22,939,296</u>
		(actual)		(estimated)
			=	<u>(8,398,350)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>313,415</u>	
G. Grand Total Fuel Cost (D + E - F)			<u>\$15,568,011</u>	
H. Net Transmission Marginal Line Loss for month of <u>January 2014</u> (Accounts 4470207 and 447208)			4,390,859	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$19,958,870</u></u>	

\* Estimated - based on Kentucky generation unit costs in  
January 2014 \$29,908,286  
970,180,000 0.03083 /KWH

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: January 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	970,180,000
Purchases Including Interchange In	(+)	<u>368,827,000</u>
Sub Total		1,339,007,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	551,393,000
System Losses	(+)	<u>32,532,000</u> *
Sub Total		<u>583,925,000</u>
Total Sales (A - B)		<u><u>755,082,000</u></u>

\* Does not include 564,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            January 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00213
2	Retail KWH Billed at Above Rate	( x )	<u>716,275,476</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,525,667</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	579,155,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>7,869,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>571,285,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,216,838
8	Over or (Under) Recovery (L3 - L7)		308,829
9	Total Sales (Page 3)	( + )	755,082,000
10	Kentucky Jurisdictional Sales	( / )	<u>744,034,900</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01485
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>313,415</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: December 2013

A. Company Generation			
Coal Burned	(+)	\$19,788,472	
Oil Burned	(+)	330,880	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
( 272,738,000 KWH X \$0.021950 )	(+)	5,986,599	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>26,105,951</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	7,103,131	(1)
Identifiable Fuel Cost (substitute for F. O.)			
( 272,738,000 KWH X \$0.021950 )	(-)	<u>5,986,599</u>	
Sub-total		<u>1,116,532</u>	
C. Inter-System Sales Fuel Costs		<u>12,681,537</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$14,540,946</u>	
E. Net Transmission Marginal Line Loss for month	<u>December 2013</u>	685,698	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$15,226,644</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:            January 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	18,376,806	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>528,886</u>	
3	Increase/(Decrease) of System Sales Net Revenue		17,847,920	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		10,708,752	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>755,082,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0141822)	*
8	System Sales Clause Factor		<u><u>.0000000</u></u>	**

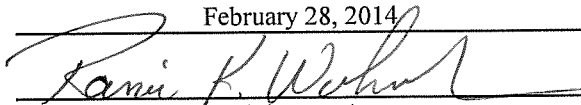
\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

February 28, 2014

Submitted by:

  
\_\_\_\_\_  
(Signature)

Title:

\_\_\_\_\_  
Managing Director, Regulatory and Finance

Date Submitted:

\_\_\_\_\_  
February 18, 2014



**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended:    January 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$37,402,005	\$11,547	\$37,413,552
2	-0-	-0-	-0-
3	37,402,005	11,547	37,413,552
4	\$19,422,523	\$32,602	\$19,455,125
5	-0-	-0-	-0-
6	(418,379)	0	(418,379)
7	19,004,144	32,602	19,036,746
8	<u>\$18,397,861</u>	<u>(\$21,055)</u>	<u>\$18,376,806</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA: Whelan.



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MAR 24 2014

PUBLIC SERVICE  
COMMISSION

**HAND DELIVERED**

March 21, 2014

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

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated February 2014 fuel costs with an adjustment reflecting actual January 2014 fuel costs.

The fuel adjustment clause factor of .00865/kWh will be applied to the April 2014 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Orders dated June 28, 2010, in Case No. 2009-00459. In accordance with the Commission's Order dated October 7, 2013 in Case No. 2012-00578, the net system sales factor of \$0.0000000/kWh will also be applied to the April 2014 billing.

The April 2014 billing will use the combined factor of \$.00865/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7004.

Sincerely,

Ranie K. Wohnhas  
Managing Director, Regulatory & Finance

Attachments

MAR 25 2014

bcc: (via email – all w/attachment)  
Brian Elswick, Columbus  
Brian Hamborg, Columbus

Ellen McAninch, Columbus

O. J. Sever, Jr., Columbus  
Steve M. Trammell, Tulsa  
KPCo Regulatory File Book  
Deborah Snyder, Columbus  
John Lowry, Columbus


Jeff Brubaker, Columbus  
Brian Lysiak, Columbus

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: February 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$23,228,140</u>		
Sales Sm (Sales Schedule)	626,869,000	(+)	0.03705
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00865</u></u> (\$/KWH)

Effective Date for Billing March 31, 2014

Submitted by:   
(Signature)

Title: Managing Director, Regulatory and Finance

Date Submitted: March 21, 2014

\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: February 2014

A.	Company Generation			
	Coal Burned	(+)	\$26,180,925	
	Oil Burned	(+)	271,204	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)		
	Sub Total		<u>26,452,129</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,571,725	*
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>7,571,725</u>	
C.	Inter-System Sales Fuel Costs		<u>14,366,919</u>	*
	Sub Total		14,366,919	
D.	Total Fuel Cost (A + B - C)		<u><u>\$19,656,935</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>January 2014</u> and the estimated cost originally reported.			
			<u>\$26,043,135</u>	-
			(actual)	
			<u>\$24,279,776</u>	-
			(estimated)	
		=	<u>1,763,359</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(115,609)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$21,535,903</u>	
H.	Net Transmission Marginal Line Loss for month of <u>February 2014</u> (Accounts 4470207 and 447208)		1,692,237	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$23,228,140</u></u>	

\* Estimated - based on Kentucky generation unit costs in February 2014

	<u>\$26,452,129</u>		
	881,910,000	0.02999	/KWH

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: February 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	881,910,000
Purchases Including Interchange In	(+)	<u>252,475,000</u>
Sub Total		1,134,385,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	479,057,000
System Losses	(+)	<u>28,459,000</u> *
Sub Total		<u>507,516,000</u>
Total Sales (A - B)		<u><u>626,869,000</u></u>

\* Does not include 552,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:        February 2014**

Line No.			
1	FAC Rate Billed	( + )	(0.00177)
2	Retail KWH Billed at Above Rate	( x )	<u>689,583,205</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(1,220,562)</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	634,238,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>9,017,200</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>625,220,800</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(1,106,641)
8	Over or (Under) Recovery (L3 - L7)		(113,921)
9	Total Sales (Page 3)	( + )	626,869,000
10	Kentucky Jurisdictional Sales	( / )	<u>617,712,500</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01482
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(115,609)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: January 2014

A. Company Generation			
Coal Burned	(+)	\$35,155,432	
Oil Burned	(+)	1,107,811	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
( 2,144,000 KWH X \$0.031908 )	(+)	68,411	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>36,331,653</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	7,100,285	(1)
Identifiable Fuel Cost (substitute for F. O.)			
( 2,144,000 KWH X \$0.034137 )	(-)	<u>73,190</u>	
Sub-total		<u>7,027,095</u>	
C. Inter-System Sales Fuel Costs		<u>17,315,613</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$26,043,135</u>	
E. Net Transmission Marginal Line Loss for month	<u>January 2014</u>	4,390,859	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$30,433,994</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.



**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended: February 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	( + )	11,561,261	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	( - )	<u>335,167</u>	
3	Increase/(Decrease) of System Sales Net Revenue		11,226,094	
4	Customer 60% Sharing	( x )	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		6,735,656	
6	Current Month (Sm) Sales Level (Page 3 of 5)	( / )	<u>626,869,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0107449)	*
8	System Sales Clause Factor		<u>.0000000</u>	**

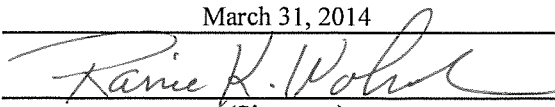
\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

March 31, 2014

Submitted by:

  
(Signature)

Title:

Managing Director, Regulatory and Finance

Date Submitted:

March 21, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: February 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1 Sales For Resale Revenues	\$26,588,562	\$17,996	\$26,606,558
2 Interchange-Delivered Revenues	-0-	-0-	-0-
3 Total System Sales Revenues	26,588,562	17,996	26,606,558
4 Sales For Resale Expenses	\$15,594,293	(\$280,587)	\$15,313,706
5 Interchange-Delivered Expenses	-0-	-0-	-0-
6 Non-Associated Utilities Monthly Environmental Costs*	(268,409)	0	(268,409)
7 Total System Sales Expenses	15,325,884	(280,587)	15,045,297
8 Total System Sales Net Revenues	<u>\$11,262,678</u>	<u>\$298,583</u>	<u>\$11,561,261</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

**HAND DELIVERED**

April 21, 2014

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

**RECEIVED**

**APR 21 2014**

**PUBLIC SERVICE  
COMMISSION**

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated March 2014 fuel costs with an adjustment reflecting actual February 2014 fuel costs.

The fuel adjustment clause factor of \$0.00623/kWh will be applied to the May 2014 billing. Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Orders dated June 28, 2010, in Case No. 2009-00459. In accordance with the Commission's Order dated October 7, 2013 in Case No. 2012-00578, the net system sales factor of \$0.00000/kWh will also be applied to the May 2014 billing.

The May 2014 billing will use the combined factor of \$0.00623/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,



John A. Rogness III  
Director, Regulatory Services

Attachments

**RECEIVED**  
APR 23 2014  
**FINANCIAL ANA**

**KENTUCKY POWER COMPANY**

**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: March 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$18,353,423</u>		
Sales Sm (Sales Schedule)	530,008,000	( + )	0.03463
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	( - )	<u>0.02840</u> *
			<u><u>0.00623</u></u> (\$/KWH)

Effective Date for Billing April 30, 2014

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: April 21, 2014

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: March 2014

A.	Company Generation				
	Coal Burned	(+)	\$20,678,284		
	Oil Burned	(+)	476,059		
	Gas Burned	(+)	0		
	Fuel (jointly owned plant)	(+)	0		
	Fuel (assigned cost during F. O. )	(+)	0		
	Fuel (substitute for F. O. )	(-)			
	Sub Total		<u>21,154,343</u>		
B.	Purchases				
	Net Energy Cost - Economy Purchases	(+)	0		
	Identifiable Fuel Cost - Other Purchases	(+)	9,316,828	*	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0		
	Sub Total		<u>9,316,828</u>		
C.	Inter-System Sales Fuel Costs		<u>14,453,858</u>	*	
	Sub Total		14,453,858		
D.	Total Fuel Cost (A + B - C)		<u><u>\$16,017,313</u></u>		
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>February 2014</u> and the estimated cost originally reported. <u>\$20,359,584</u> - <u>\$19,656,935</u> = <u>702,649</u> (actual) (estimated)				
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>263,996</u>		
G.	Grand Total Fuel Cost (D + E - F)		<u>\$16,455,966</u>		
H.	Net Transmission Marginal Line Loss for month of <u>March 2014</u> (Accounts 4470207 and 447208)		1,897,456		
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$18,353,423</u></u>		
	* Estimated - based on Kentucky generation unit costs in March 2014		<u>\$21,154,343</u>		
			726,552,000	0.02912	/KWH

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: March 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	726,552,000
Purchases Including Interchange In	(+)	<u>319,946,000</u>
Sub Total		1,046,498,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	496,355,000
System Losses	(+)	<u>20,135,000</u> *
Sub Total		<u>516,490,000</u>
Total Sales (A - B)		<u><u>530,008,000</u></u>

\* Does not include 506,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            March 2014**

Line No.			
1	FAC Rate Billed	( + )	(0.00197)
2	Retail KWH Billed at Above Rate	( x )	<u>612,201,841</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(1,206,038)</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	755,082,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>11,047,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>744,034,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(1,465,749)
8	Over or (Under) Recovery (L3 - L7)		259,711
9	Total Sales (Page 3)	( + )	530,008,000
10	Kentucky Jurisdictional Sales	( / )	<u>521,403,000</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01650
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>263,996</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: February 2014

A. Company Generation			
Coal Burned	(+)	\$31,002,965	
Oil Burned	(+)	447,646	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
( 0 KWH X \$0.000000 )	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>31,450,611</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	3,210,163	(1)
Identifiable Fuel Cost (substitute for F. O.)			
( 0 KWH X \$0.000000 )	(-)	<u>0</u>	
Sub-total		<u>3,210,163</u>	
C. Inter-System Sales Fuel Costs		<u>14,301,190</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$20,359,584</u>	
E. Net Transmission Marginal Line Loss for month	<u>February 2014</u>	1,692,237	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$22,051,821</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.



**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:            March 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	9,428,842	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,530,489</u>	
3	Increase/(Decrease) of System Sales Net Revenue		7,898,353	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		4,739,012	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>530,008,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0089414)	*
8	System Sales Clause Factor		<u><u>.0000000</u></u>	**

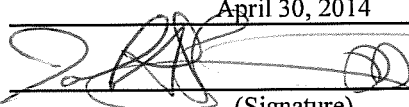
\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

April 30, 2014

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

April 21, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended:      March 2014**

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$22,586,174	(\$814,140)	\$21,772,034
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	22,586,174	(814,140)	21,772,034
4	Sales For Resale Expenses	\$12,847,908	(\$133,241)	\$12,714,667
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(371,475)	0	(371,475)
7	Total System Sales Expenses	12,476,433	(133,241)	12,343,192
8	Total System Sales Net Revenues	<u>\$10,109,741</u>	<u>(\$680,899)</u>	<u>\$9,428,842</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA Whelan



Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

RECEIVED

MAY 20 2014

PUBLIC SERVICE  
COMMISSION

**HAND DELIVERED**

May 20, 2014

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

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated April 2014 fuel costs with an adjustment reflecting actual March 2014 fuel costs.

The fuel adjustment clause factor of \$0.00936/kWh will be applied to the June 2014 billing. Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Orders dated June 28, 2010, in Case No. 2009-00459. In accordance with the Commission's Order dated October 7, 2013 in Case No. 2012-00578, the net system sales factor of \$0.00000/kWh will also be applied to the June 2014 billing.

The June 2014 billing will use the combined factor of \$0.00936/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

John A. Rogness III  
Director, Regulatory Services

Attachments

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MAY 20 2014  
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**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:** April 2014

Fuel Fm (Fuel Cost Schedule)	<u>\$17,722,956</u>		
Sales Sm (Sales Schedule)	469,384,000	( + )	0.03776
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	( - )	<u>0.02840</u> *
			<u>0.00936</u> (\$/KWH)

Effective Date for Billing May 30, 2014

Submitted by: John A. Rogness / JR  
(Signature)

Title: Director, Regulatory Services

Date Submitted: May 20, 2014

\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: April 2014

A. Company Generation				
Coal Burned	(+)	\$23,388,360		
Oil Burned	(+)	612,386		
Gas Burned	(+)	0		
Fuel (jointly owned plant)	(+)	0		
Fuel (assigned cost during F. O.)	(+)	0		
Fuel (substitute for F. O.)	(-)			
Sub Total				<u>24,000,747</u>
B. Purchases				
Net Energy Cost - Economy Purchases	(+)	0		
Identifiable Fuel Cost - Other Purchases	(+)	7,490,962	*	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0		
Sub Total				<u>7,490,962</u>
C. Inter-System Sales Fuel Costs				<u>17,652,111</u> *
Sub Total				<u>17,652,111</u>
D. Total Fuel Cost (A + B - C)				<u><u>\$13,839,598</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>March 2014</u> and the estimated cost originally reported.				
		<u>\$18,011,638</u>	-	<u>\$16,017,313</u>
		(actual)		(estimated)
			=	<u>1,994,325</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12				<u>(857,318)</u>
G. Grand Total Fuel Cost (D + E - F)				<u>\$16,691,240</u>
H. Net Transmission Marginal Line Loss for month of <u>April 2014</u> (Accounts 4470207 and 447208)				1,031,716
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)				<u><u>\$17,722,956</u></u>

\* Estimated - based on Kentucky generation unit costs in April 2014

<u>\$24,000,747</u>			
847,054,000	0.02833	/KWH	

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: April 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	847,054,000
Purchases Including Interchange In	(+)	<u>264,418,000</u>
Sub Total		1,111,472,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	623,089,000
System Losses	(+)	<u>18,999,000</u> *
Sub Total		<u>642,088,000</u>
Total Sales (A - B)		<u><u>469,384,000</u></u>

\* Does not include 336,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            April 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00865
2	Retail KWH Billed at Above Rate	( x )	<u>519,950,667</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>4,497,573</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	626,869,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>9,156,500</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>617,712,500</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		5,343,213
8	Over or (Under) Recovery (L3 - L7)		(845,640)
9	Total Sales (Page 3)	( + )	469,384,000
10	Kentucky Jurisdictional Sales	( / )	<u>462,992,300</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01381
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(857,318)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: March 2014

A. Company Generation			
Coal Burned	( + )	\$26,976,557	
Oil Burned	( + )	492,112	
Gas Burned	( + )	0	
Fuel (jointly owned plant)	( + )	0	
Fuel (assigned cost during F. O. )			
( 0 KWH X \$0.000000 )	( + )	0	
Fuel (substitute for F. O. )	( - )	<u>0</u>	
Sub-total		<u>27,468,669</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	( + )	0	
Identifiable Fuel Cost - Other Purchases	( + )	2,740,092	(1)
Identifiable Fuel Cost (substitute for F. O. )			
( 0 KWH X \$0.000000 )	( - )	<u>0</u>	
Sub-total		<u>2,740,092</u>	
C. Inter-System Sales Fuel Costs		<u>12,197,123</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$18,011,638</u>	
E. Net Transmission Marginal Line Loss for month	<u>March 2014</u>	1,897,456	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$19,909,094</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.



**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:            April 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	8,895,629	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,371,521</u>	
3	Increase/(Decrease) of System Sales Net Revenue		7,524,108	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		4,514,465	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>469,384,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0096179)	*
8	System Sales Clause Factor		<u>.0000000</u>	**

\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

May 30, 2014

Submitted by:

*Johanna A. Rogness /ae*  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

May 20, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended:      April 2014**

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$25,662,472	(\$662,318)	\$25,000,154
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	25,662,472	(662,318)	25,000,154
4	Sales For Resale Expenses	\$16,064,148	\$307,680	\$16,371,827
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(267,303)	0	(267,303)
7	Total System Sales Expenses	15,796,845	307,680	16,104,524
8	Total System Sales Net Revenues	<u>\$9,865,627</u>	<u>(\$969,997)</u>	<u>\$8,895,629</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

June 20, 2014

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

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JUN 20 2014

PUBLIC SERVICE  
COMMISSION

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated April 2014 fuel costs with an adjustment reflecting actual March 2014 fuel costs.

The fuel adjustment clause factor of \$0.00936/kWh will be applied to the July 2014 billing. Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Orders dated June 28, 2010, in Case No. 2009-00459. In accordance with the Commission's Order dated October 7, 2013 in Case No. 2012-00578, the net system sales factor of \$0.00000/kWh will also be applied to the July 2014 billing.

The July 2014 billing will use the combined factor of \$0.00699/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

John A. Rogness III  
Director, Regulatory Services

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JUN 23 2014  
FINANCIAL ANA

Attachments

bcc: (via email – all w/attachment)

Brian Elswick, Columbus

Brian Hamborg, Columbus

Ellen McAninch, Columbus

O. J. Sever, Jr., Columbus

Steve M. Trammell, Tulsa

KPCo Regulatory File Book

Deborah Snyder, Columbus

John Lowry, Columbus

Jeff Brubaker, Columbus

Brian Lysiak, Columbus

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**


**Month Ended:    May 2014**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00699
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>.000000</u>
3 Total Adjustment Clause Factors		<u><u>\$0.006990</u></u>

Effective Date for Billing

June 30, 2014

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

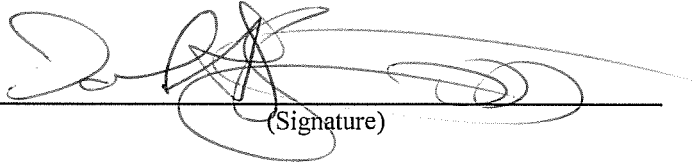
June 20, 2014

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      May 2014**

Fuel Fm (Fuel Cost Schedule)	\$17,055,704			
Sales Sm (Sales Schedule)	481,881,000	(+)		0.03539
Fuel (Fb)	\$16,138,627			
Sales (Sb)	568,162,000	(-)		0.02840 *
				0.00699 (\$/KWH)

Effective Date for Billing June 30, 2014

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: June 20, 2014

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: May 2014

A.	Company Generation			
	Coal Burned	(+)	\$19,638,964	
	Oil Burned	(+)	663,613	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)		
	Sub Total		<u>20,302,577</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	6,001,303	*
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		<u>6,001,303</u>	
C.	Inter-System Sales Fuel Costs		<u>11,736,871</u>	*
	Sub Total		11,736,871	
D.	Total Fuel Cost (A + B - C)		<u><u>\$14,567,009</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>April 2014</u> and the estimated cost originally reported.			
			<u>\$16,377,686</u>	-
			(actual)	
			<u>\$13,839,598</u>	-
			(estimated)	
		=	<u>2,538,088</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(277,183)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$17,382,280</u>	
H.	Net Transmission Marginal Line Loss for month of <u>May 2014</u> (Accounts 4470207 and 447208)		-285,645	(1)
H1.	Refund due to misallocated PJM charges and credits		40,931	(2)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H - H1)		<u><u>\$17,055,704</u></u>	

\* Estimated - based on Kentucky generation unit costs in  
 May 2014 \$20,302,577  
 696,162,000 0.02916 /KWH

(1) A correcting entry was booked during May for an improper allocation of congestion and losses associated with the Mitchell Plant for January 2014 through March 2014. The misallocation issue was corrected for the April actual cycle.

(2) In accordance with Order Dated June 2, 2014 in Case No. 2013-00444

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: May 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	696,162,000
Purchases Including Interchange In	(+)	<u>205,806,000</u>
Sub Total		901,968,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	402,499,000
System Losses	(+)	<u>17,588,000</u> *
Sub Total		<u>420,087,000</u>
Total Sales (A - B)		<u><u>481,881,000</u></u>

\* Does not include 223,000 KWH of company usage.



**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:            **May 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00623
2	Retail KWH Billed at Above Rate	( x )	<u>477,529,226</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>2,975,007</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	530,008,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>8,605,000</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>521,403,000</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,248,341
8	Over or (Under) Recovery (L3 - L7)		(273,334)
9	Total Sales (Page 3)	( + )	481,881,000
10	Kentucky Jurisdictional Sales	( / )	<u>475,190,900</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01408
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(277,183)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: April 2014

A. Company Generation			
Coal Burned	( + )	\$28,453,557	
Oil Burned	( + )	689,762	
Gas Burned	( + )	0	
Fuel (jointly owned plant)	( + )	0	
Fuel (assigned cost during F. O. )			
( 0 KWH X \$0.000000 )	( + )	0	
Fuel (substitute for F. O. )	( - )	<u>0</u>	
Sub-total		<u>29,143,319</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	( + )	0	
Identifiable Fuel Cost - Other Purchases	( + )	2,042,947	(1)
Identifiable Fuel Cost (substitute for F. O. )			
( 0 KWH X \$0.000000 )	( - )	<u>0</u>	
Sub-total		<u>2,042,947</u>	
C. Inter-System Sales Fuel Costs		<u>14,808,581</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$16,377,686</u>	
E. Net Transmission Marginal Line Loss for month	<u>April 2014</u>	1,031,716	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$17,409,402</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:            May 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	(122,079)	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,307,472</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,429,551)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(857,731)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>481,881,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0017800	*
8	System Sales Clause Factor		<u>.0000000</u>	**

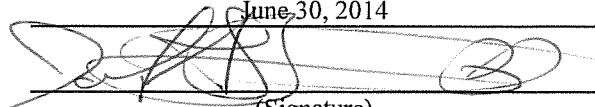
\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

June 30, 2014

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

June 20, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended:      May 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$12,344,997	(\$629,911)	\$11,715,086
2	-0-	-0-	-0-
3	12,344,997	(629,911)	11,715,086
4	\$11,838,930	\$301,499	\$12,140,429
5	-0-	-0-	-0-
6	(303,264)	0	(303,264)
7	11,535,666	301,499	11,837,165
8	<u>\$809,331</u>	<u>(\$931,410)</u>	<u>(\$122,079)</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



**KENTUCKY  
POWER**

A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602 5190  
KentuckyPower.com

**HAND DELIVERED**

July 21, 2014

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

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the August 2014 billing month are attached. These calculations are based on estimated June 2014 fuel costs with an adjustment reflecting actual May 2014 fuel costs.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

John A. Rogness III  
Director, Regulatory Services

Attachments

RECEIVED  
JUL 21 2014  
PUBLIC SERVICE  
COMMISSION

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: June 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$17,994,542</u>		
Sales Sm (Sales Schedule)	517,352,000	(+)	0.03478
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u>0.00638</u> (\$/KWH)

Effective Date for Billing July 30, 2014

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: July 21, 2014

\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: June 2014

A. Company Generation			
Coal Burned	(+)	\$26,080,036	
Oil Burned	(+)	343,115	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total			<u>26,423,151</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,213,416	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>8,213,416</u>
C. Inter-System Sales Fuel Costs			<u>19,346,025</u> *
Sub Total			<u>19,346,025</u>
D. Total Fuel Cost (A + B - C)			<u>\$15,290,542</u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>May 2014</u> and the estimated cost originally reported. <u>\$16,747,249</u> - <u>\$14,567,009</u> = <u>2,180,240</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>260,266</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$17,210,516</u>
H. Net Transmission Marginal Line Loss for month of <u>June 2014</u> (Accounts 4470207 and 447208)			784,026
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u>\$17,994,542</u>

\* Estimated - based on Kentucky generation unit costs in  
June 2014

<u>\$26,423,151</u>		
923,595,000	0.02861	/KWH

**KENTUCKY POWER COMPANY****SALES SCHEDULE**Month Ended: **June 2014**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	923,595,000
Purchases Including Interchange In	(+)	<u>287,082,000</u>
Sub Total		1,210,677,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	676,198,000
System Losses	(+)	<u>17,127,000</u> *
Sub Total		<u>693,325,000</u>
Total Sales (A - B)		<u><u>517,352,000</u></u>

\* Does not include 249,000 KWHI of company usage.



**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:            June 2014

Line No.			
1	FAC Rate Billed	( + )	0.00936
2	Retail KWH Billed at Above Rate	( x )	<u>490,398,982</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>4,590,134</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	469,384,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,391,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>462,992,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		4,333,608
8	Over or (Under) Recovery (L3 - L7)		256,526
9	Total Sales (Page 3)	( + )	517,352,000
10	Kentucky Jurisdictional Sales	( / )	<u>509,917,300</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01458
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>260,266</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: May 2014

A. Company Generation			
Coal Burned	(+)	\$19,638,964	
Oil Burned	(+)	663,613	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
( 0 KWH X \$0.000000 )	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub-total		<u>20,302,577</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	7,601,139	(1)
Identifiable Fuel Cost (substitute for F. O.)			
( 0 KWH X \$0.000000 )	(-)	<u>0</u>	
Sub-total		<u>7,601,139</u>	
C. Inter-System Sales Fuel Costs			
		<u>11,156,467</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)			
		<u>\$16,747,249</u>	
E. Net Transmission Marginal Line Loss for month			
		<u>May 2014</u>	
			-285,645
F. GRAND TOTAL FUEL COSTS (D + E)			
		<u>\$16,461,604</u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

Month Ended:            **June 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	8,300,309	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>767,124</u>	
3	Increase/(Decrease) of System Sales Net Revenue		7,533,185	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		4,519,911	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>517,352,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0087366)	•
8	System Sales Clause Factor		<u>.0000000</u>	**


\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

July 30, 2014

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

July 21, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended:      June 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$26,187,067	\$57,112	\$26,244,179
2	-0-	-0-	-0-
3	26,187,067	57,112	26,244,179
4	\$18,066,720	\$180,858	\$18,247,578
5	-0-	-0-	-0-
6	(303,708)	0	(303,708)
7	17,763,012	180,858	17,943,870
8	<u>\$8,424,055</u>	<u>(\$123,746)</u>	<u>\$8,300,309</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA - Whelan



Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

August 18, 2014

**RECEIVED**

**AUG 18 2014**

**PUBLIC SERVICE  
COMMISSION**

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

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the September 2014 billing month are attached. These calculations are based on estimated July 2014 fuel costs with an adjustment reflecting actual June 2014 fuel costs.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

John A. Rogness III  
Director, Regulatory Services

Attachments

**RECEIVED**  
**AUG 20 2014**  
**FINANCIAL ANA**

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended: July 2014**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$0.00730
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>.0000000</u>
3 Total Adjustment Clause Factors	<u><u>\$0.0073000</u></u>

Effective Date for Billing

August 28, 2014

Submitted by:

*John A. Rogness III/ae*  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

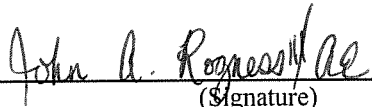
August 18, 2014

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: July 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$19,049,860</u>		
Sales Sm (Sales Schedule)	533,564,000	(+)	0.03570
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u>0.00730</u> (\$/KWH)

Effective Date for Billing August 28, 2014

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: August 18, 2014

\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: July 2014

A. Company Generation				
Coal Burned	(+)	\$24,325,723		
Oil Burned	(+)	560,349		
Gas Burned	(+)	0		
Fuel (jointly owned plant)	(+)	0		
Fuel (assigned cost during F. O.)	(+)	0		
Fuel (substitute for F. O.)	(-)			
Sub Total			<u>24,886,071</u>	
B. Purchases				
Net Energy Cost - Economy Purchases	(+)	0		
Identifiable Fuel Cost - Other Purchases	(+)	8,071,313		*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0		
Sub Total			<u>8,071,313</u>	
C. Inter-System Sales Fuel Costs			<u>17,667,397</u>	*
Sub Total			<u>17,667,397</u>	
D. Total Fuel Cost (A + B - C)			<u><u>\$15,289,987</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>June 2014</u> and the estimated cost originally reported.				
		<u>\$18,585,084</u>	-	<u>\$15,290,542</u>
		(actual)		(estimated)
			=	<u>3,294,542</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>288,161</u>	
G. Grand Total Fuel Cost (D + E - F)			<u>\$18,296,369</u>	
H. Net Transmission Marginal Line Loss for month of <u>July 2014</u> (Accounts 4470207 and 447208)			753,491	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$19,049,860</u></u>	
* Estimated - based on Kentucky generation unit costs in July 2014		<u>\$24,886,071</u>		
		898,247,000	0.02771	/KWH



**KENTUCKY POWER COMPANY****SALES SCHEDULE****Month Ended: July 2014**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	898,247,000
Purchases Including Interchange In	(+)	<u>291,278,000</u>
Sub Total		1,189,525,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	637,582,000
System Losses	(+)	<u>18,379,000</u> *
Sub Total		<u>655,961,000</u>
Total Sales (A - B)		<u><u>533,564,000</u></u>

\* Does not include 266,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:            **July 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00699
2	Retail KWH Billed at Above Rate	( x )	<u>515,817,995</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>3,605,568</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	481,881,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,690,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>475,190,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,321,584
8	Over or (Under) Recovery (L3 - L7)		283,984
9	Total Sales (Page 3)	( + )	533,564,000
10	Kentucky Jurisdictional Sales	( / )	<u>525,830,600</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01471
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>288,161</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: June 2014

A. Company Generation			
Coal Burned	( + )	\$26,080,036	
Oil Burned	( + )	343,115	
Gas Burned	( + )	0	
Fuel (jointly owned plant)	( + )	0	
Fuel (assigned cost during F. O. )			
( 0 KWH X \$0.000000 )	( + )	0	
Fuel (substitute for F. O. )	( - )	<u>0</u>	
Sub-total		<u>26,423,151</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	( + )	0	
Identifiable Fuel Cost - Other Purchases	( + )	8,971,788	(1)
Identifiable Fuel Cost (substitute for F. O. )			
( 0 KWH X \$0.000000 )	( - )	<u>0</u>	
Sub-total		<u>8,971,788</u>	
C. Inter-System Sales Fuel Costs		<u>16,809,854</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$18,585,084</u>	
E. Net Transmission Marginal Line Loss for month	<u>June 2014</u>	784,026	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$19,369,111</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE SCHEDULE**  
**Case No. 9061 and**  
**Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended: July 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	7,356,364	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>616,234</u>	
3	Increase/(Decrease) of System Sales Net Revenue		6,740,130	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		4,044,078	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>533,564,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0075794)	*
8	System Sales Clause Factor		<u><u>.0000000</u></u>	**

\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

August 28, 2014

Submitted by:

John A. Rogness III/ae  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

August 18, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: July 2014**

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$23,077,383	(\$15,030)	\$23,062,353
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	23,077,383	(15,030)	23,062,353
4	Sales For Resale Expenses	\$15,852,291	\$202,870	\$16,055,161
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(349,172)	0	(349,172)
7	Total System Sales Expenses	15,503,119	202,870	15,705,989
8	Total System Sales Net Revenues	<u>\$7,574,264</u>	<u>(\$217,900)</u>	<u>\$7,356,364</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

September 19, 2014

**RECEIVED**  
**SEP 19 2014**  
**PUBLIC SERVICE**  
**COMMISSION**

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

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

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If you have any questions, please contact me at 502-696-7010.

Sincerely,

John A. Rogness III  
Director, Regulatory Services

Attachments

**RECEIVED**  
**SEP 22 2014**  
**FINANCIAL ANA**

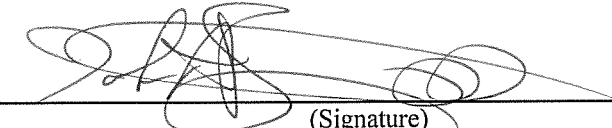
**KENTUCKY POWER COMPANY**

**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: August 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$18,957,360</u>		
Sales Sm (Sales Schedule)	531,707,772	( + )	0.03565
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	( - )	<u>0.02840</u> *
			<u><u>0.00725</u></u> (\$/KWH)

Effective Date for Billing September 29, 2014

Submitted by:   
 \_\_\_\_\_  
 (Signature)

Title: Director, Regulatory Services

Date Submitted: September 19, 2014

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: August 2014

A. Company Generation			
Coal Burned	(+)	\$26,087,110	
Oil Burned	(+)	588,118	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O. )	(+)	0	
Fuel (substitute for F. O. )	(-)		
Sub Total		<u>26,675,228</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,322,687	*
Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
Sub Total		<u>8,322,687</u>	
C. Inter-System Sales Fuel Costs		<u>19,723,951</u>	*
Sub Total		<u>19,723,951</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$15,273,964</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>July 2014</u> and the estimated cost originally reported. <u>\$18,252,552</u> - <u>\$15,289,987</u> = <u>2,962,565</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(34,796)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$18,271,325</u>	
H. Net Transmission Marginal Line Loss for month of <u>August 2014</u> (Accounts 4470207 and 447208)		686,036	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$18,957,360</u></u>	

\* Estimated - based on Kentucky generation unit costs in  
August 2014 \$26,675,228

964,140,000

0.02767

/KWH



## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: August 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	964,140,000
Purchases Including Interchange In	(+)	<u>300,783,772</u>
Sub Total		1,264,923,772
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	712,828,000
System Losses	(+)	<u>20,388,000</u> *
Sub Total		<u>733,216,000</u>
Total Sales (A - B)		<u><u>531,707,772</u></u>

\* Does not include 255,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            August 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00638
2	Retail KWH Billed at Above Rate	( x )	<u>504,544,321</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>3,218,993</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	517,352,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>7,434,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>509,917,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,253,272
8	Over or (Under) Recovery (L3 - L7)		(34,279)
9	Total Sales (Page 3)	( + )	531,707,772
10	Kentucky Jurisdictional Sales	( / )	<u>523,813,172</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01507
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(34,796)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: July 2014

A. Company Generation			
Coal Burned	(+)	\$24,325,723	
Oil Burned	(+)	560,349	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
( 0 KWH X \$0.000000 )	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>24,886,071</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,211,064	(1)
Identifiable Fuel Cost (substitute for F. O.)			
( 0 KWH X \$0.000000 )	(-)	<u>0</u>	
Sub-total		<u>8,211,064</u>	
C. Inter-System Sales Fuel Costs		<u>14,844,584</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$18,252,552</u>	
E. Net Transmission Marginal Line Loss for month	<u>July 2014</u>	753,491	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$19,006,043</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended: August 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	7,968,722	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	2,136,652	
3	Increase/(Decrease) of System Sales Net Revenue		5,832,070	
4	Customer 60% Sharing	(x)	60%	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		3,499,242	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	531,707,772	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0065811)	*
8	System Sales Clause Factor		.0000000	**

\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

September 29, 2014

Submitted by:

(Signature)

Title:

Director, Regulatory Services

Date Submitted:

September 19, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: August 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$25,659,263	(\$124,480)	\$25,534,784
2	-0-	-0-	-0-
3	25,659,263	(124,480)	25,534,784
4	\$17,643,857	\$356,498	\$18,000,355
5	-0-	-0-	-0-
6	(434,293)	0	(434,293)
7	17,209,564	356,498	17,566,062
8	<u>\$8,449,699</u>	<u>(\$480,977)</u>	<u>\$7,968,722</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

October 20, 2014

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

RECEIVED

OCT 20 2014

PUBLIC SERVICE  
COMMISSION

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the September 2014 billing month are attached. These calculations are based on estimated September 2014 fuel costs with an adjustment reflecting actual August 2014 fuel costs.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

A handwritten signature in black ink, appearing to read 'John A. Rogness III', written over a horizontal line.

John A. Rogness III  
Director, Regulatory Services

Attachments

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

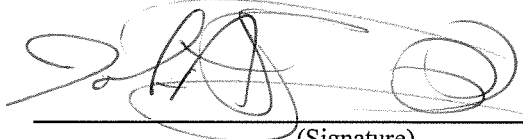
**Month Ended:     September 2014**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00852
2	System Sales Clause Factor (Page 1 of 2)	(+)	<u>.0000000</u>
3	Total Adjustment Clause Factors		<u><u>\$0.0085200</u></u>

Effective Date for Billing

October 28, 2014

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

October 20, 2014

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      September 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$17,026,696</u>		
Sales Sm (Sales Schedule)	461,160,000	(+)	0.03692
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00852</u></u> (\$/KWH)

Effective Date for Billing October 28, 2014

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: October 20, 2014

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*



## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: September 2014

A.	Company Generation				
	Coal Burned	(+)	\$16,792,929		
	Oil Burned	(+)	239,408		
	Gas Burned	(+)	0		
	Fuel (jointly owned plant)	(+)	0		
	Fuel (assigned cost during F. O. )	(+)	0		
	Fuel (substitute for F. O. )	(-)			
	Sub Total				<u>17,032,338</u>
B.	Purchases				
	Net Energy Cost - Economy Purchases	(+)	0		
	Identifiable Fuel Cost - Other Purchases	(+)	7,330,337	*	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0		
	Sub Total				<u>7,330,337</u>
C.	Inter-System Sales Fuel Costs				<u>11,407,601</u> *
	Sub Total				11,407,601
D.	Total Fuel Cost (A + B - C)				<u><u>\$12,955,074</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>August 2014</u> and the estimated cost originally reported. <u>\$18,487,775</u> - <u>\$15,273,964</u> = <u>3,213,811</u> (actual) (estimated)				
F.	Total Company Over or (Under) Recovery from Page 4, Line 12				<u>(254,927)</u>
G.	Grand Total Fuel Cost (D + E - F)				<u>\$16,423,811</u>
H.	Net Transmission Marginal Line Loss for month of <u>September 2014</u> (Accounts 4470207 and 447208)				602,885
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)				<u><u>\$17,026,696</u></u>

\* Estimated - based on Kentucky generation unit costs in  
September 2014

\$17,032,338  
630,285,000

0.02702 /KWH

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: September 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	630,285,000
Purchases Including Interchange In	(+)	<u>271,293,000</u>
Sub Total		901,578,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	422,191,000
System Losses	(+)	<u>18,227,000</u> *
Sub Total		<u>440,418,000</u>
Total Sales (A - B)		<u><u>461,160,000</u></u>

\* Does not include 210,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:      **September 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00730
2	Retail KWH Billed at Above Rate	( x )	<u>491,421,155</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>3,587,374</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	533,564,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>7,733,400</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>525,830,600</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,838,563
8	Over or (Under) Recovery (L3 - L7)		(251,189)
9	Total Sales (Page 3)	( + )	461,160,000
10	Kentucky Jurisdictional Sales	( / )	<u>454,397,200</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01488
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(254,927)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: August 2014

A. Company Generation			
Coal Burned	( + )	\$26,087,110	
Oil Burned	( + )	588,118	
Gas Burned	( + )	0	
Fuel (jointly owned plant)	( + )	0	
Fuel (assigned cost during F. O. )			
( 0 KWH X \$0.000000 )	( + )	0	
Fuel (substitute for F. O. )	( - )	<u>0</u>	
Sub-total		<u>26,675,228</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	( + )	0	
Identifiable Fuel Cost - Other Purchases	( + )	8,328,746	(1)
Identifiable Fuel Cost (substitute for F. O. )			
( 0 KWH X \$0.000000 )	( - )	<u>0</u>	
Sub-total		<u>8,328,746</u>	
C. Inter-System Sales Fuel Costs		<u>16,516,199</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$18,487,775</u>	
E. Net Transmission Marginal Line Loss for month	<u>August 2014</u>	686,036	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$19,173,810</u></u>	

( 1 ) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:      September 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	4,190,174	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,850,577</u>	
3	Increase/(Decrease) of System Sales Net Revenue		2,339,597	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		1,403,758	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>461,160,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0030440)	*
8	System Sales Clause Factor		<u><u>.0000000</u></u>	**

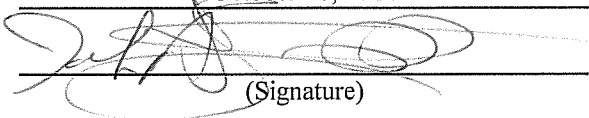
\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

October 28, 2014

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

October 20, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: September 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$14,207,876	\$157,636	\$14,365,512
2	-0-	-0-	-0-
3	14,207,876	157,636	14,365,512
4	\$10,372,121	\$172,864	\$10,544,985
5	-0-	-0-	-0-
6	(369,646)	0	(369,646)
7	10,002,475	172,864	10,175,339
8	<u>\$4,205,401</u>	<u>(\$15,228)</u>	<u>\$4,190,174</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

November 17, 2014

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

RECEIVED

NOV 17 2014

PUBLIC SERVICE  
COMMISSION

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the December 2014 billing month are attached. These calculations are based on estimated October 2014 fuel costs with an adjustment reflecting actual September 2014 fuel costs.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John A. Rogness III', with a long horizontal line extending to the right.

John A. Rogness III  
Director, Regulatory Services

Attachments

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**


**Month Ended:    October 2014**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00204
2	System Sales Clause Factor (Page 1 of 2)	(+)	<u>.0000000</u>
3	Total Adjustment Clause Factors		<u><u>\$0.0020400</u></u>

Effective Date for Billing

November 26, 2014

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

November 16, 2014



**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      October 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$13,967,688</u>			
Sales Sm (Sales Schedule)	458,919,000	(+)		0.03044
Fuel (Fb)	<u>\$16,138,627</u>			
Sales (Sb)	568,162,000	(-)		<u>0.02840</u> *
				 <u><u>0.00204</u></u> (\$/KWH)

Effective Date for Billing November 26, 2014

Submitted by:  \_\_\_\_\_  
(Signature)

Title: Director, Regulatory Services

Date Submitted: November 16, 2014

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: October 2014

A.	Company Generation			
	Coal Burned	(+)	\$6,081,594	
	Oil Burned	(+)	146,049	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)		
	Sub Total		<u>6,227,643</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,926,495	*
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		<u>7,926,495</u>	
C.	Inter-System Sales Fuel Costs		<u>1,966,929</u>	*
	Sub Total		1,966,929	
D.	Total Fuel Cost (A + B - C)		<u><u>\$12,187,209</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>September 2014</u> and the estimated cost originally reported.			
			<u>\$13,578,133</u> - <u>\$12,955,074</u>	= <u>623,060</u>
			(actual) (estimated)	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(673,097)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$13,483,366</u>	
H.	Net Transmission Marginal Line Loss for month of <u>October 2014</u> (Accounts 4470207 and 447208)		484,322	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$13,967,688</u></u>	

\* Estimated - based on Kentucky generation unit costs in  
October 2014

<u>\$6,227,643</u>		
242,417,000	0.02569	/KWH

**KENTUCKY POWER COMPANY****SALES SCHEDULE****Month Ended:        October 2014**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	242,417,000
Purchases Including Interchange In	(+)	<u>308,544,000</u>
Sub Total		550,961,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	76,564,000
System Losses	(+)	<u>15,478,000</u> *
Sub Total		<u>92,042,000</u>
Total Sales (A - B)		<u><u>458,919,000</u></u>

\* Does not include 215,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            October 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00725
2	Retail KWH Billed at Above Rate	( x )	<u>432,303,844</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>3,134,203</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	531,708,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>7,894,600</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>523,813,400</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,797,647
8	Over or (Under) Recovery (L3 - L7)		(663,444)
9	Total Sales (Page 3)	( + )	458,919,000
10	Kentucky Jurisdictional Sales	( / )	<u>452,335,391</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01455
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(673,097)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: September 2014

A. Company Generation			
Coal Burned	( + )	\$16,792,929	
Oil Burned	( + )	239,408	
Gas Burned	( + )	0	
Fuel (jointly owned plant)	( + )	0	
Fuel (assigned cost during F. O. )			
( 0 KWH X \$0.000000 )	( + )	0	
Fuel (substitute for F. O. )	( - )	<u>0</u>	
Sub-total		<u>17,032,338</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	( + )	0	
Identifiable Fuel Cost - Other Purchases	( + )	6,155,885	(1)
Identifiable Fuel Cost (substitute for F. O. )			
( 0 KWH X \$0.000000 )	( - )	<u>0</u>	
Sub-total		<u>6,155,885</u>	
C. Inter-System Sales Fuel Costs		<u>9,610,089</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$13,578,133</u>	
E. Net Transmission Marginal Line Loss for month	<u>September 2014</u>	602,885	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$14,181,018</u></u>	

( 1 ) Per KPSC Order dated October 3, 2002 in Case No. 2000-495-B, includes a credit of \$94,945.53, as the Peaking Unit Equivalent was needed for calculation of the non-economy purchases for the actual cycle month of May.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:            October 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	503,624	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	1,739,665	
3	Increase/(Decrease) of System Sales Net Revenue		(1,236,041)	
4	Customer 60% Sharing	( x )	60%	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(741,624)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	( / )	458,919,000	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0016160	*
8	System Sales Clause Factor		.0000000	**

\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

November 26, 2014

Submitted by:

(Signature)

Title:

Director, Regulatory Services

Date Submitted:

November 16, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended:    October 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL	
1	Sales For Resale Revenues	\$2,827,968	\$13,136	\$2,841,104
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	2,827,968	13,136	2,841,104
4	Sales For Resale Expenses	\$2,330,063	\$105,343	\$2,435,406
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(97,926)	0	(97,926)
7	Total System Sales Expenses	2,232,137	105,343	2,337,480
8	Total System Sales Net Revenues	<u>\$595,832</u>	<u>(\$92,207)</u>	<u>\$503,624</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

**HAND DELIVERED**

December 22, 2014

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

RECEIVED  
DEC 22 2014  
PUBLIC SERVICE  
COMMISSION

**Attention: Chris Whelan**

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the January 2015 billing month are attached. These calculations are based on estimated November 2014 fuel costs with an adjustment reflecting actual October 2014 fuel costs.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

John A. Rogness III  
Director, Regulatory Services

Attachments

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DEC 23 2014  
FINANCIAL ANA



**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    November 2014**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)    (\$0.00138)
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>          .0000000          </u>
3 Total Adjustment Clause Factors	<u>                                  (\$0.0013800)                                  </u>

Effective Date for Billing

December 31, 2014

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

December 22, 2014

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      November 2014**

Fuel Fm (Fuel Cost Schedule)	<u>\$15,575,662</u>		
Sales Sm (Sales Schedule)	576,463,000	(+)	0.02702
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>(0.00138)</u></u> (\$/KWH)

Effective Date for Billing December 31, 2014

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: December 22, 2014

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: November 2014

A.	Company Generation			
	Coal Burned	(+)	\$11,885,563	
	Oil Burned	(+)	266,390	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)		
	Sub Total		<u>12,151,953</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	6,134,855	*
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		<u>6,134,855</u>	
C.	Inter-System Sales Fuel Costs		<u>2,778,104</u>	*
	Sub Total		<u>2,778,104</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$15,508,704</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>October 2014</u> and the estimated cost originally reported.			
			<u>\$12,019,985</u>	-
			(actual)	
			<u>\$12,187,209</u>	-
			(estimated)	
		=	<u>(167,224)</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>291,834</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$15,049,646</u>	
H.	Net Transmission Marginal Line Loss for month of <u>November 2014</u> (Accounts 4470207 and 447208)		526,016	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$15,575,662</u></u>	

\* Estimated - based on Kentucky generation unit costs in November 2014

\$12,151,953  
466,845,000

0.02603 /KWH

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: November 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	466,845,000
Purchases Including Interchange In	(+)	<u>235,684,000</u>
Sub Total		702,529,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	106,727,000
System Losses	(+)	<u>19,339,000</u> *
Sub Total		<u>126,066,000</u>
Total Sales (A - B)		<u><u>576,463,000</u></u>

\* Does not include 275,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:      November 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00852
2	Retail KWH Billed at Above Rate	( x )	<u>488,157,436</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>4,159,101</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	461,160,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,762,800</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>454,397,200</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,871,464
8	Over or (Under) Recovery (L3 - L7)		287,637
9	Total Sales (Page 3)	( + )	576,463,000
10	Kentucky Jurisdictional Sales	( / )	<u>568,170,607</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01459
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>291,834</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended:            October 2014

A. Company Generation			
Coal Burned	( + )	\$6,081,594	
Oil Burned	( + )	146,049	
Gas Burned	( + )	0	
Fuel (jointly owned plant)	( + )	0	
Fuel (assigned cost during F. O. )			
( 2,585,017 KWH X \$0.025612 )	( + )	66,207	
Fuel (substitute for F. O. )	( - )	<u>0</u>	
Sub-total		<u>6,293,850</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	( + )	0	
Identifiable Fuel Cost - Other Purchases	( + )	8,205,392	(1)
Identifiable Fuel Cost (substitute for F. O. )			
( 2,585,017 KWH X \$0.046593 )	( - )	120,444	
Purchase Adjustment for Peaking Unit Equivalent	( - )	128,460	
Sub-total		<u>7,956,489</u>	
C. Inter-System Sales Fuel Costs		<u>2,230,354</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$12,019,985</u>	
E. Net Transmission Marginal Line Loss for month	<u>October 2014</u>	484,322	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$12,504,307</u></u>	

( 1 ) Per KPSC Order dated October 3, 2002 in Case No. 2000-495-B, includes a credit of \$94,945.53, as the Peaking Unit Equivalent was needed for calculation of the non-economy purchases for the actual cycle month of May.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:            November 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	706,413	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	1,538,455	
3	Increase/(Decrease) of System Sales Net Revenue		(832,042)	
4	Customer 60% Sharing	(x)	60%	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(499,225)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	576,463,000	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0008660	*
8	System Sales Clause Factor		.0000000	**

\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

December 31, 2014

Submitted by:

(Signature)

Title:

Director, Regulatory Services

Date Submitted:

December 22, 2014

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: November 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$3,906,730	\$30,536	\$3,937,267
2	-0-	-0-	-0-
3	3,906,730	30,536	3,937,267
4	\$3,270,868	\$43,389	\$3,314,257
5	-0-	-0-	-0-
6	(83,403)	0	(83,403)
7	3,187,465	43,389	3,230,854
8	<u>\$719,265</u>	<u>(\$12,852)</u>	<u>\$706,413</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs





A unit of American Electric Power

HAND DELIVERED

January 27, 2015

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

**Attention: Chris Whelan**

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE FILING—Revised in accordance with KPSC Order Dated January 22, 2015 in Case No. 2014-00225

Dear Ms. Whelan:

Please find attached Kentucky Power's revised fuel adjustment clause calculation for billing on and after January 30, 2015. These calculations are based on estimated December 2014 fuel costs with an adjustment reflecting actual November 2014 fuel costs.

Should you have any questions, please call me at (502) 696-7010.

Sincerely,

A handwritten signature in black ink, appearing to read 'John A. Rogness III', with a long horizontal line extending to the right.

John A. Rogness III  
Director, Regulatory & Finance

Attachment

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

RECEIVED

JAN 27 2015

PUBLIC SERVICE  
COMMISSION

RECEIVED  
JAN 28 2015  
FINANCIAL ANA

RECEIVED

JAN 27 2015

PUBLIC SERVICE  
COMMISSION

**KENTUCKY POWER COMPANY**

**SUMMARY OF ADJUSTMENT CLAUSES**

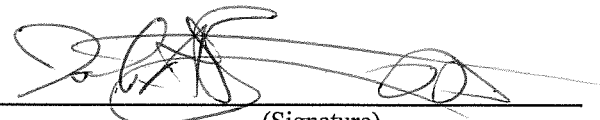
**Month Ended: December 2014**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.01201)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>.0000000</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0120100)</u></u>

Effective Date for Billing

January 30, 2015

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

January 27, 2015

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      December 2014**

Fuel Fm (Fuel Cost Schedule)	\$9,970,738		
Sales Sm (Sales Schedule)	608,186,000	(+)	0.01639
Fuel (Fb)	\$16,138,627		
Sales (Sb)	568,162,000	(-)	0.02840 *
			(0.01201) (\$/KWH)

Effective Date for Billing January 30, 2015

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: January 27, 2015

*\*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

## KENTUCKY POWER COMPANY

## FUEL COST SCHEDULE

Month Ended: December 2014

A.	Company Generation			
	Coal Burned	(+)	\$19,333,162	
	Oil Burned	(+)	778,820	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)		
	Sub Total		<u>20,111,982</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	8,829,802	*
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		<u>8,829,802</u>	
C.	Inter-System Sales Fuel Costs		<u>10,813,442</u>	*
	Sub Total		10,813,442	
C1.	Mitchell Plant No-Load Costs		2,214,825	(1)
D.	Total Fuel Cost (A + B - C - C1)		<u>\$15,913,517</u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>November 2014</u> and the estimated cost originally reported.			
			<u>\$12,627,991</u>	-
			(actual)	
			<u>\$15,508,704</u>	-
			(estimated)	
		=	<u>(2,880,713)</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>333,075</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$12,699,728</u>	
H.	Net Transmission Marginal Line Loss for month of <u>December 2014</u> (Accounts 4470207 and 447208)		580,732	
H1.	Mitchell No-Load Costs & Power Purchases in Excess of Peaking Unit Equivalent		\$ 3,309,723	(2)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H - H1)		<u>\$9,970,738</u>	

\* Estimated - based on Kentucky generation unit costs in December 2014

<u>\$20,111,982</u>		
697,010,000	0.02885	/KWH

(1) In accordance with Paragraph 5 of KPSC Order Dated January 22, 2015 in Case No. 2014-00225.

(2) In accordance with Paragraph 4 of KPSC Order Dated January 22, 2015 in Case No. 2014-00225.

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: December 2014

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	697,010,000
Purchases Including Interchange In	(+)	<u>306,059,000</u>
Sub Total		1,003,069,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	374,816,000
System Losses	(+)	<u>20,067,000</u> *
Sub Total		<u>394,883,000</u>
Total Sales (A - B)		<u><u>608,186,000</u></u>

\* Does not include 420,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:      December 2014**

Line No.			
1	FAC Rate Billed	( + )	0.00204
2	Retail KWH Billed at Above Rate	( x )	<u>613,257,682</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,251,046</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	458,919,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,583,600</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>452,335,400</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		922,764
8	Over or (Under) Recovery (L3 - L7)		328,282
9	Total Sales (Page 3)	( + )	608,186,000
10	Kentucky Jurisdictional Sales	( / )	<u>599,431,800</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01460
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>333,075</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: November 2014

A. Company Generation		
Coal Burned	( + )	\$11,885,563
Oil Burned	( + )	266,390
Gas Burned	( + )	0
Fuel (jointly owned plant)	( + )	0
Fuel (assigned cost during F. O. )		
( 29,071,625 KWH X \$0.027872 )	( + )	810,284
Fuel (substitute for F. O. )	( - )	<u>0</u>
Sub-total		<u>12,962,237</u>
B. Purchases		
Net Energy Cost - Economy Purchases	( + )	0
Identifiable Fuel Cost - Other Purchases	( + )	7,146,388
Identifiable Fuel Cost (substitute for F. O. )		
( 29,071,625 KWH X \$0.040416 )	( - )	1,174,959
Purchase Adjustment for Peaking Unit Equivalent	( - )	225,392 (1)
Sub-total		<u>5,746,037</u>
C. Inter-System Sales Fuel Costs		<u>3,130,670</u>
C1. Mitchell Plant No-Load Costs	( - )	2,949,614 (2)
D. SUB-TOTAL FUEL COST (A + B - C - C1)		<u>\$12,627,991</u>
E. Net Transmission Marginal Line Loss for month	<u>November 2014</u>	526,016
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$13,154,007</u></u>

( 1 ) As calculated in accordance with KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

(2) In accordance with Paragraph 5 of KPSC Order Dated January 22, 2015 in Case No. 2014-00225.

**KENTUCKY POWER COMPANY  
SYSTEM SALES CLAUSE SCHEDULE  
Case No. 9061 and  
Settlement Agreements in Case Nos. 2009-00459 and 2012-00578**

**Month Ended:        December 2014**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	(+)	2,757,216	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,568,121</u>	
3	Increase/(Decrease) of System Sales Net Revenue		1,189,095	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		713,457	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>608,186,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0011731)	*
8	System Sales Clause Factor		<u>.0000000</u>	**

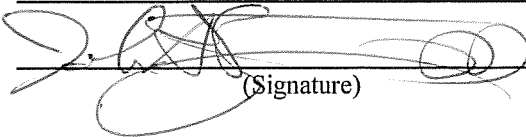
\* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

\*\*In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

January 30, 2015

Submitted by:

  
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

January 20, 2015



**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: December 2014**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$11,947,191	\$10,889	\$11,958,080
2	-0-	-0-	-0-
3	11,947,191	10,889	11,958,080
4	\$9,345,651	\$32,458	\$9,378,109
5	-0-	-0-	-0-
6	(177,245)	0	(177,245)
7	9,168,406	32,458	9,200,864
8	<u>\$2,778,785</u>	<u>(\$21,569)</u>	<u>\$2,757,216</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs