



January 23, 2018



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

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

RECEIVED

JAN 23 2018

PUBLIC SERVICE
COMMISSION

Attention: Matthew S. Baer

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

The Company received the Commission's order in Case No. 2017-00179 on January 18, 2018 ("Rate Case Order.") The order approved the Company's revised Fuel Adjustment Clause Tariff (Tariff FAC) and System Sales Clause Tariff (Tariff SSC) for service rendered on and after January 19, 2018. Therefore, for the expense month of December 2017 for billing in February 2018, the factor reflects the previously approved Tariff FAC and Tariff SSC as approved by the Commission's Order dated August 11, 2015 in Case No. 2014-00450 and June 22, 2015 Order in Case No. 2014-00396. Doing so is consistent with the past practice.

However, for the Fuel Adjustment Clause and System Sales Clause factors for the January 2018 expense month billed in March 2018, the Company must calculate the factor using both the Company's previous Tariffs FAC SSC and the recently-approved revised Tariffs FAC and SSC. Thus, and consistent with past practice and the Rate Case Order, the Fuel Adjustment Clause and System Sales Clause factors for bills rendered for the March 2018 billing cycle (January 2018 expense month) will be prorated to reflect the January 19, 2018 effective date for the Company's recently-approved revised Tariffs FAC and SSC. This proration is consistent with the manner by which the Company implemented rates following the Commission's Orders in the last three rate cases. The proration also reflects the provision of the Rate Case Order making the order effective for service rendered on and after January 19, 2018.

If you have any questions, please contact me at 606-327-2605 or Amy Elliott at 502-696-7013.

Sincerely,

Ranie K. Wohnhas
Managing Director, Regulatory & Finance

Attachments

RECEIVED

JAN 23 2018

PUBLIC SERVICE
COMMISSION

KENTUCKY POWER COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: December 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00026
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0002317</u>
3 Total Adjustment Clause Factors		\$0.0004917

Effective Month for Billing

February 2018

Submitted by:


(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

January 23, 2018

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: December 2017

Fuel Fm (Fuel Cost Schedule)	<u>\$16,035,503</u>		
Sales Sm (Sales Schedule)	582,926,000	(+)	0.02751
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>0.00026</u>

Effective Month for Billing February 2018

Submitted by: 
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: January 23, 2018

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **December 2017**

A.	Company Generation		
	Coal Burned	(+)	\$8,437,950
	Oil Burned	(+)	57,804
	Gas Burned	(+)	2,046,069
	Fuel (jointly owned plant)	(+)	0
	Fuel (assigned cost during F. O.)	(+)	0
	Fuel (substitute for F. O.)	(-)	0
	Sub Total		10,541,823
B.	Purchases		
	Net Energy Cost - Economy Purchases	(+)	0
	Identifiable Fuel Cost - Other Purchases	(+)	8,305,595
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0
	Sub Total		8,305,595
C.	Inter-System Sales Fuel Costs		3,781,208
	Sub Total		3,781,208
D.	Total Fuel Cost (A + B - C)		\$15,066,210
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>November 2017</u> and the estimated cost originally reported.		
	<u>\$10,941,183</u>	-	<u>\$10,991,390</u>
	(actual)		(estimated)
		=	(50,207)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(36,166)
G.	Grand Total Fuel Cost (D + E - F)		\$15,052,169
H.	Net Transmission Marginal Line Loss for month of <u>December 2017</u> (Accounts 5550326 and 5550327)		983,334
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$16,035,503

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: December 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	426,568,000
Purchases Including Interchange In	(+)	<u>314,197,000</u>
Sub Total		740,765,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	133,709,000
System Losses	(+)	<u>24,130,000</u> *
Sub Total		<u>157,839,000</u>
Total Sales (A - B)		<u><u>582,926,000</u></u>

* Does not include 425,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: December 2017

Line No.			
1	FAC Rate Billed	(+)	(0.00030)
2	Retail KWH Billed at Above Rate	(x)	<u>535,679,909</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(160,704)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	422,652,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,782,834</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>416,869,166</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(125,061)
8	Over or (Under) Recovery (L3 - L7)		(35,643)
9	Total Sales (Page 3)	(+)	582,926,000
10	Kentucky Jurisdictional Sales	(/)	<u>574,504,062</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01466
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(36,166)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: **November 2017**

A. Company Generation			
Coal Burned		(+)	\$7,521,899
Oil Burned		(+)	48,158
Gas Burned		(+)	2,103,350
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	0
(0 KWH X \$0.000000)		(+)	0
Fuel (substitute for F. O.)		(-)	<u>0</u>
	Sub-total		<u>9,673,408</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	4,192,670
Identifiable Fuel Cost (substitute for F. O.)		(-)	0
(0 KWH X \$0.000000)		(-)	0
Purchase Adjustment for Peaking Unit Equivalent		(-)	13,568 (1)
	Sub-total		<u>4,179,102</u>
C. Inter-System Sales Fuel Costs			<u>2,911,326</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$10,941,183</u>
E. Net Transmission Marginal Line Loss for month	<u>November 2017</u>		435,706
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$11,376,889</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: December 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	956,416	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,136,496</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(180,080)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(135,060)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>582,926,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0002317	*

* 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.

Effective Month for Billing:

February 2018

Submitted by:

Ranie L. Whitaker/AE
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

January 23, 2018

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: December 2017

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$5,484,132	(\$32,286)	\$5,451,846
2	-0-	-0-	-0-
3	5,484,132	(32,286)	5,451,846
4	\$3,989,906	\$90,730	\$4,080,636
5	-0-	-0-	-0-
6	414,795	0	414,795
7	4,404,700	90,730	4,495,430
8	<u>\$1,079,432</u>	<u>(\$123,016)</u>	<u>\$956,416</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA



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

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December 20, 2017

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DEC 20 2017

PUBLIC SERVICE
COMMISSION

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

Attention: Matthew S. Baer

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the January 2018 billing month are attached. These calculations are based on estimated November 2017 fuel costs with an adjustment reflecting actual October 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

If you have any questions, please contact Amy Elliott at 502-696-7013.

Sincerely,

Ranie K. Wohnhas
Managing Director, Regulatory & Finance

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: November 2017

- | | |
|---|-----------------------------|
| 1 Fuel Adjustment Clause Factor (Page 1 of 5) | (+) (\$0.00337) |
| 2 System Sales Clause Factor (Page 1 of 2) | (+) <u>\$0.0004264</u> |
| 3 Total Adjustment Clause Factors | <u><u>(\$0.0029436)</u></u> |

Effective Month for Billing

January 2018

Submitted by:

Ranice K. Nohakos / a2
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

December 20, 2017

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **November 2017**

Fuel Fm (Fuel Cost Schedule)	<u>\$11,335,234</u>		
Sales Sm (Sales Schedule)	474,769,000	(+)	0.02388
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>(0.00337)</u></u> (\$/KWH)

Effective Month for Billing January 2018

Submitted by: _____
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: December 20, 2017

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **November 2017**

A.	Company Generation		
	Coal Burned	(+)	\$7,521,899
	Oil Burned	(+)	48,158
	Gas Burned	(+)	2,103,350
	Fuel (jointly owned plant)	(+)	0
	Fuel (assigned cost during F. O.)	(+)	0
	Fuel (substitute for F. O.)	(-)	0
	Sub Total		<u>9,673,408</u>
B.	Purchases		
	Net Energy Cost - Economy Purchases	(+)	0
	Identifiable Fuel Cost - Other Purchases	(+)	4,192,670
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0
	Sub Total		<u>4,192,670</u>
C.	Inter-System Sales Fuel Costs		<u>2,874,687</u>
	Sub Total		<u>2,874,687</u>
D.	Total Fuel Cost (A + B - C)		<u><u>\$10,991,390</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>October 2017</u> and the estimated cost originally reported.		
	<u>\$10,802,064</u>	-	<u>\$10,889,955</u>
	(actual)		(estimated)
		=	<u>(87,891)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>3,972</u>
G.	Grand Total Fuel Cost (D + E - F)		<u>\$10,899,528</u>
H.	Net Transmission Marginal Line Loss for month of <u>November 2017</u> (Accounts 5550326 and 5550327)		435,706
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$11,335,234</u></u>

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: November 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	450,179,000
Purchases Including Interchange In	(+)	<u>162,126,000</u>
Sub Total		612,305,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	117,259,000
System Losses	(+)	<u>20,277,000</u> *
Sub Total		<u>137,536,000</u>
Total Sales (A - B)		<u><u>474,769,000</u></u>

* Does not include 312,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: November 2017

Line No.			
1	FAC Rate Billed	(+)	0.00089
2	Retail KWH Billed at Above Rate	(x)	<u>415,730,257</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>370,000</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	417,090,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,760,266</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>411,329,734</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		366,083
8	Over or (Under) Recovery (L3 - L7)		3,917
9	Total Sales (Page 3)	(+)	474,769,000
10	Kentucky Jurisdictional Sales	(/)	<u>468,177,173</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>3,972</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: October 2017

A. Company Generation					
Coal Burned			(+)	\$7,966,882	
Oil Burned			(+)	130,304	
Gas Burned			(+)	3,445,508	
Fuel (jointly owned plant)			(+)	0	
Fuel (assigned cost during F. O.)					
(1,559,173	KWH X	\$0.023041)	(+)	35,925	
Fuel (substitute for F. O.)			(-)	<u>0</u>	
	Sub-total				<u>11,578,619</u>
B. Purchases					
Net Energy Cost - Economy Purchases			(+)	0	
Identifiable Fuel Cost - Other Purchases			(+)	5,601,349	
Identifiable Fuel Cost (substitute for F. O.)					
(1,559,173	KWH X	\$0.027397)	(-)	42,717	
Purchase Adjustment for Peaking Unit Equivalent			(-)	713 (1)	
	Sub-total				<u>5,557,919</u>
C. Inter-System Sales Fuel Costs					<u>6,334,474</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$10,802,064</u>
E. Net Transmission Marginal Line Loss for month				<u>October 2017</u>	457,817
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$11,259,881</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: November 2017

Line
No.

1	Current Month (Tm) Net Revenue Level	(+)	918,833	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,188,760</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(269,927)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(202,445)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>474,769,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0004264	*

* 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.

Effective Month for Billing:

January 2018

Submitted by:

Ramiro A. Nolasco / aE

(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

December 20, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: November 2017

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1 Sales For Resale Revenues	\$4,435,852	\$6,524	\$4,442,377
2 Interchange-Delivered Revenues	-0-	-0-	-0-
3 Total System Sales Revenues	4,435,852	6,524	4,442,377
4 Sales For Resale Expenses	\$3,011,479	\$151,969	\$3,163,448
5 Interchange-Delivered Expenses	-0-	-0-	-0-
6 Non-Associated Utilities Monthly Environmental Costs*	360,096	0	360,096
7 Total System Sales Expenses	3,371,575	151,969	3,523,544
8 Total System Sales Net Revenues	<u>\$1,064,278</u>	<u>(\$145,445)</u>	<u>\$918,833</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

November 22, 2017

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

RE: The Standard Fuel Adjustment Clause

Dear Ms. Pinson,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the December 2017 billing month are attached. These calculations are based on estimated October 2017 fuel costs with an adjustment reflecting actual September 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

If you have any questions, please contact Amy Elliott at 502-696-7013.

Sincerely,

Ranie Wohnhas
Managing Director, Regulatory & Finance

Attachments

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PUBLIC SERVICE
COMMISSION

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NOV 27 2017

FINANCIAL ANA

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: October 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) (\$0.00030)
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>(\$0.0009952)</u>
3 Total Adjustment Clause Factors	<u><u>(\$0.0012952)</u></u>

Effective Month for Billing

December 2017

Submitted by:


(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

November 22, 2017

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **October 2017**

Fuel Fm (Fuel Cost Schedule)	<u>\$11,391,517</u>		
Sales Sm (Sales Schedule)	<u>422,652,000</u>	(+)	0.02695
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	<u>458,919,000</u>	(-)	<u>0.02725</u> *
			<u>(0.00030)</u> (\$/KWH)

Effective Month for Billing

December 2017

Submitted by:


(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

November 22, 2017

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **October 2017**

A.	Company Generation		
	Coal Burned	(+)	\$7,966,882
	Oil Burned	(+)	130,304
	Gas Burned	(+)	3,445,508
	Fuel (jointly owned plant)	(+)	0
	Fuel (assigned cost during F. O.)	(+)	0
	Fuel (substitute for F. O.)	(-)	0
	Sub Total		<u>11,542,695</u>
B.	Purchases		
	Net Energy Cost - Economy Purchases	(+)	0
	Identifiable Fuel Cost - Other Purchases	(+)	5,601,349
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0
	Sub Total		<u>5,601,349</u>
C.	Inter-System Sales Fuel Costs		<u>6,254,089</u>
	Sub Total		6,254,089
D.	Total Fuel Cost (A + B - C)		<u><u>\$10,889,955</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>September 2017</u> and the estimated cost originally reported. <u>\$11,027,739</u> - <u>\$11,050,300</u> =		<u>(22,561)</u>
	(actual)	(estimated)	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(14,976)</u>
G.	Grand Total Fuel Cost (D + E - F)		<u>\$10,882,370</u>
H.	Net Transmission Marginal Line Loss for month of <u>October 2017</u> (Accounts 5550326 and 5550327)		457,817
HI.	Forced Outage Calculation Under Collection		\$51,330.50 (1)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$11,391,517</u></u>

(1) In accordance with Paragraph 4 of KPSC Order Dated July 31, 2017 in Case No. 2017-00001.

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: October 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	476,401,000
Purchases Including Interchange In	(+)	<u>249,905,000</u>
Sub Total		726,306,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	285,113,000
System Losses	(+)	<u>18,541,000</u> *
Sub Total		<u>303,654,000</u>
Total Sales (A - B)		<u><u>422,652,000</u></u>

* Does not include 263,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **October 2017**

Line No.			
1	FAC Rate Billed	(+)	0.00026
2	Retail KWH Billed at Above Rate	(x)	<u>413,424,405</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>107,490</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	477,094,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,860,738</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>470,233,262</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		122,261
8	Over or (Under) Recovery (L3 - L7)		(14,771)
9	Total Sales (Page 3)	(+)	422,652,000
10	Kentucky Jurisdictional Sales	(/)	<u>416,869,166</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01387
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(14,976)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: September 2017

A. Company Generation					
Coal Burned				(+)	\$6,919,066
Oil Burned				(+)	93,342
Gas Burned				(+)	2,042,559
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)				(+)	155,981
(6,773,527	KWH X	\$0.023028)		(-)	<u>0</u>
Fuel (substitute for F. O.)					
	Sub-total				<u>9,210,948</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	4,785,664
Identifiable Fuel Cost (substitute for F. O.)				(-)	186,082
(6,773,527	KWH X	\$0.027472)		(-)	0 (1)
Purchase Adjustment for Peaking Unit Equivalent					
	Sub-total				<u>4,599,582</u>
C. Inter-System Sales Fuel Costs					<u>2,782,791</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$11,027,739</u>
E. Net Transmission Marginal Line Loss for month				September 2017	521,339
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$11,549,078</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: October 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,712,567	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,151,741</u>	
3	Increase/(Decrease) of System Sales Net Revenue		560,826	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		420,620	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>422,652,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0009952)	*

* 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.

Effective Month for Billing:

December 2017

Submitted by:


(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

November 22, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: October 2017

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$8,862,741	\$387,510	\$9,250,251
2	-0-	-0-	-0-
3	8,862,741	387,510	9,250,251
4	\$6,713,398	\$112,079	\$6,825,477
5	-0-	-0-	-0-
6	712,207	0	712,207
7	7,425,604	112,079	7,537,683
8	<u>\$1,437,136</u>	<u>\$275,431</u>	<u>\$1,712,567</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

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OCT 20 2017

October 19, 2017

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

RECEIVED
OCT 19 2017
PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause

Dear Ms. Pinson,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the November 2017 billing month are attached. These calculations are based on estimated September 2017 fuel costs with an adjustment reflecting actual August 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

If you have any questions, please contact me at 502-696-7013.

Sincerely,

Ranie Wohnhas
Managing Director, Regulatory & Finance

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: September 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00089
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0000410</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0009310</u></u>

Effective Month for Billing

November 2017

Submitted by:

Rame K. Nohaboo/AE
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:


October 19, 2017

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

	Month Ended:	September 2017	
Fuel Fm (Fuel Cost Schedule)	<u>\$11,736,586</u>		
Sales Sm (Sales Schedule)	417,090,000	(+)	0.02814
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>0.00089</u></u> (\$/KWH)

Effective Month for Billing November 2017

Submitted by: 
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: October 19, 2017

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **September 2017**

A.	Company Generation		
	Coal Burned	(+)	\$6,919,066
	Oil Burned	(+)	93,342
	Gas Burned	(+)	2,042,559
	Fuel (jointly owned plant)	(+)	0
	Fuel (assigned cost during F. O.)	(+)	0
	Fuel (substitute for F. O.)	(-)	0
	Sub Total		9,054,967
B.	Purchases		
	Net Energy Cost - Economy Purchases	(+)	0
	Identifiable Fuel Cost - Other Purchases	(+)	4,785,664
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0
	Sub Total		4,785,664
C.	Inter-System Sales Fuel Costs		2,790,331
	Sub Total		2,790,331
D.	Total Fuel Cost (A + B - C)		\$11,050,300
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>August 2017</u> and the estimated cost originally reported.		
	<u>\$12,645,249</u>	-	<u>\$12,734,710</u>
	(actual)		(estimated)
		=	(89,461)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(203,077)
G.	Grand Total Fuel Cost (D + E - F)		\$11,163,916
H.	Net Transmission Marginal Line Loss for month of <u>September 2017</u> (Accounts 5550326 and 5550327)		521,339
HI.	Forced Outage Calculation Under Collection		\$51,330.50 (1)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$11,736,586

(1) In accordance with Paragraph 4 of KPSC Order Dated July 31, 2017 in Case No. 2017-00001.

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: September 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	355,101,000
Purchases Including Interchange In	(+)	<u>195,908,000</u>
Sub Total		551,009,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	116,551,000
System Losses	(+)	<u>17,368,000</u> *
Sub Total		<u>133,919,000</u>
Total Sales (A - B)		<u><u>417,090,000</u></u>

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

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: September 2017

Line No.			
1	FAC Rate Billed	(+)	0.00343
2	Retail KWH Billed at Above Rate	(x)	<u>432,841,604</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,484,647</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	498,506,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,275,691</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>491,230,309</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,684,920
8	Over or (Under) Recovery (L3 - L7)		(200,273)
9	Total Sales (Page 3)	(+)	417,090,000
10	Kentucky Jurisdictional Sales	(/)	<u>411,329,734</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01400
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(203,077)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: August 2017

A. Company Generation					
Coal Burned				(+)	\$9,308,931
Oil Burned				(+)	51,759
Gas Burned				(+)	1,808,026
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)				(+)	0
(0 KWH X \$0.000000)				(-)	0
Fuel (substitute for F. O.)				(-)	0
					<u>11,168,716</u>
Sub-total					
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	5,557,730
Identifiable Fuel Cost (substitute for F. O.)				(-)	0
(0 KWH X \$0.000000)				(-)	0
Purchase Adjustment for Peaking Unit Equivalent				(-)	0 (1)
					<u>5,557,730</u>
Sub-total					
C. Inter-System Sales Fuel Costs					<u>4,081,197</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$12,645,249</u>
E. Net Transmission Marginal Line Loss for month					
			<u>August 2017</u>		462,304
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$13,107,553</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: September 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,076,752	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	1,099,550	
3	Increase/(Decrease) of System Sales Net Revenue		(22,798)	
4	Customer 75% Sharing	(x)	75%	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(17,098)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	417,090,000	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0000410	*

* 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.

Effective Month for Billing:

November 2017

Submitted by:

Ranu K. Nohrman /ae
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

October 19, 2017

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: September 2017

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$4,465,888	\$57,281	\$4,523,169
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	4,465,888	57,281	4,523,169
4	Sales For Resale Expenses	\$2,956,028	\$145,967	\$3,101,995
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	344,422	0	344,422
7	Total System Sales Expenses	3,300,450	145,967	3,446,417
8	Total System Sales Net Revenues	<u>\$1,165,438</u>	<u>(\$88,686)</u>	<u>\$1,076,752</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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

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September 21, 2017

John S. Lyons, Acting Executive Director
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED

SEP 21 2017

PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause

Dear Mr. Lyons,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the October 2017 billing month are attached. These calculations are based on estimated August 2017 fuel costs with an adjustment reflecting actual July 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

If you have any questions, please contact me at 502-696-7013.

Sincerely,

A handwritten signature in blue ink that reads 'Ranie K. Wohnhas /ac'.

Ranie K. Wohnhas
Managing Director, Regulatory & Finance

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: August 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$0.00026
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>(\$0.0002802)</u>
3 Total Adjustment Clause Factors	<u><u>(\$0.0000202)</u></u>

Effective Month for Billing

October 2017

Submitted by:

Ranice A. Wehaver / AE
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

September 21, 2017

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: August 2017

Fuel Fm (Fuel Cost Schedule)	<u>\$13,123,767</u>		
Sales Sm (Sales Schedule)	477,094,000	(+)	0.02751
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>0.00026</u></u> (\$/KWH)

Effective Month for Billing October 2017

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: September 21, 2017

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: August 2017

A.	Company Generation			
	Coal Burned	(+)	\$9,308,931	
	Oil Burned	(+)	51,759	
	Gas Burned	(+)	1,808,026	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		<u>11,168,715</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	5,557,730	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>5,557,730</u>	
C.	Inter-System Sales Fuel Costs		<u>3,991,735</u>	
	Sub Total		<u>3,991,735</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$12,734,710</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>July 2017</u> and the estimated cost originally reported.			
			<u>\$14,178,736</u>	-
			(actual)	
			<u>\$14,329,340</u>	=
			(estimated)	
				<u>(150,604)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(26,027)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$12,610,133</u>	
H.	Net Transmission Marginal Line Loss for month of <u>August 2017</u> (Accounts 5550326 and 5550327)		462,304	
H1.	Forced Outage Calculation Under Collection		\$51,330.50	(1)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$13,123,767</u></u>	

(1) In accordance with Paragraph 4 of KPSC Order Dated July 31, 2017 in Case No. 2017-00001.

KENTUCKY POWER COMPANY**SALES SCHEDULE**Month Ended: **August 2017**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	453,439,000
Purchases Including Interchange In	(+)	<u>221,977,000</u>
Sub Total		675,416,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	176,148,000
System Losses	(+)	<u>22,174,000</u> *
Sub Total		<u>198,322,000</u>
Total Sales (A - B)		<u><u>477,094,000</u></u>

* Does not include 278,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: August 2017

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	(0.00079)
2	Retail KWH Billed at Above Rate	(x)	<u>475,648,636</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(375,762)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	449,586,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,410,162</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>443,175,838</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(350,109)
8	Over or (Under) Recovery (L3 - L7)		(25,653)
9	Total Sales (Page 3)	(+)	477,094,000
10	Kentucky Jurisdictional Sales	(/)	<u>470,233,262</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>(26,027)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: July 2017

A. Company Generation					
Coal Burned			(+)	\$10,616,450	
Oil Burned			(+)	83,462	
Gas Burned			(+)	2,978,650	
Fuel (jointly owned plant)			(+)	0	
Fuel (assigned cost during F. O.)			(+)	0	
(0 KWH X \$0.000000)			(-)	0	
Fuel (substitute for F. O.)			(-)	0	
	Sub-total				<u>13,678,561</u>
B. Purchases					
Net Energy Cost - Economy Purchases			(+)	0	
Identifiable Fuel Cost - Other Purchases			(+)	6,081,667	
Identifiable Fuel Cost (substitute for F. O.)			(-)	0	
(0 KWH X \$0.000000)			(-)	0	
Purchase Adjustment for Peaking Unit Equivalent			(-)	0 (1)	
	Sub-total				<u>6,081,667</u>
C. Inter-System Sales Fuel Costs					<u>5,581,491</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$14,178,736</u>
E. Net Transmission Marginal Line Loss for month				<u>July 2017</u>	664,096
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$14,842,832</u></u>

(1) As calculated in accordance with 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 2014-00396

Month Ended: August 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,269,836	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,091,614</u>	
3	Increase/(Decrease) of System Sales Net Revenue		178,222	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		133,666	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>477,094,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0002802)	*

* 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.

Effective Month for Billing:

October 2017

Submitted by:

Ranice K. Wolakhas /ae
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

September 21, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: August 2017

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$6,395,358	(\$112,255)	\$6,283,103
2	-0-	-0-	-0-
3	6,395,358	(112,255)	6,283,103
4	\$4,340,131	\$185,172	\$4,525,303
5	-0-	-0-	-0-
6	487,964	0	487,964
7	4,828,095	185,172	5,013,267
8	<u>\$1,567,263</u>	<u>(\$297,428)</u>	<u>\$1,269,836</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

(1) Includes \$4,342 prior period adjustment



A unit of American Electric Power

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

HAND DELIVERED

August 21, 2017

John S. Lyons, Acting Executive Director
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED
AUG 21 2017
PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause

Dear Mr. Lyons,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the September 2017 billing month are attached. These calculations are based on estimated July 2017 fuel costs with an adjustment reflecting actual June 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

Sincerely,

Ranie K. Wohnhas
Managing Director, Regulatory & Finance

Attachments

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **July 2017**

Fuel Fm (Fuel Cost Schedule)	\$15,291,846		
Sales Sm (Sales Schedule)	498,506,000	(+)	0.03068
Fuel (Fb)	\$12,504,307		
Sales (Sb)	458,919,000	(-)	0.02725 *
			0.00343 (\$/KWH)

Effective Month for Billing September 2017

Submitted by: *Rani K. Nohak/ae*
(Signature)

Title: Director, Regulatory Services

Date Submitted: August 21, 2017

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **July 2017**

A.	Company Generation			
	Coal Burned	(+)	\$10,616,450	
	Oil Burned	(+)	83,462	
	Gas Burned	(+)	2,995,496	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		13,695,407	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	6,081,666	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		6,081,666	
C.	Inter-System Sales Fuel Costs		5,447,733	
	Sub Total		5,447,733	
D.	Total Fuel Cost (A + B - C)		\$14,329,340	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>June 2017</u> and the estimated cost originally reported. <u>\$11,600,058</u> - <u>\$11,600,329</u> = <u>(271)</u> (actual) (estimated)			
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(247,350)	
G.	Grand Total Fuel Cost (D + E - F)		\$14,576,420	
H.	Net Transmission Marginal Line Loss for month of <u>July 2017</u> (Accounts 5550326 and 5550327)		664,096	
H1.	Forced Outage Calculation Under Collection		\$51,330.50 (1)	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$15,291,846	

(1) In accordance with Paragraph 4 of KPSC Order Dated July 31, 2017 in Case No. 2017-00001.

KENTUCKY POWER COMPANY**SALES SCHEDULE**

Month Ended: July 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	513,259,000
Purchases Including Interchange In	(+)	<u>242,039,000</u>
Sub Total		755,298,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	233,717,000
System Losses	(+)	<u>23,075,000</u> *
Sub Total		<u>256,792,000</u>
Total Sales (A - B)		<u><u>498,506,000</u></u>

* Does not include 307,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: July 2017

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	(0.00512)
2	Retail KWH Billed at Above Rate	(x)	<u>468,565,291</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,399,054)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	426,798,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,838,291</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>420,959,709</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(2,155,314)
8	Over or (Under) Recovery (L3 - L7)		(243,740)
9	Total Sales (Page 3)	(+)	498,506,000
10	Kentucky Jurisdictional Sales	(/)	<u>491,230,309</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01481
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(247,350)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: June 2017

A. Company Generation					
Coal Burned				(+)	\$7,733,693
Oil Burned				(+)	79,400
Gas Burned				(+)	1,707,293
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>9,520,386</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	5,526,982
Identifiable Fuel Cost (substitute for F. O.)					
(0	KWH X	\$0.000000)	(-)	0
Purchase Adjustment for Peaking Unit Equivalent				(-)	721 (1)
	Sub-total				<u>5,526,261</u>
C. Inter-System Sales Fuel Costs					<u>3,446,589</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$11,600,058</u>
E. Net Transmission Marginal Line Loss for month				June 2017	385,021
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$11,985,080</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: July 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,723,453	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,399,696</u>	
3	Increase/(Decrease) of System Sales Net Revenue		323,757	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		242,818	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>498,506,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0004871)	*

* 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.

Effective Month for Billing:

September 2017

Submitted by:

Rance T. Johnson /ae
(Signature)

Title:

Director, Regulatory Services

Date Submitted:

August 21, 2017

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Line No.	Month Ended:	July 2017		
		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$8,385,903	(\$132,366)	\$8,253,537
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	8,385,903	(132,366)	8,253,537
4	Sales For Resale Expenses	\$5,898,226	\$22,441	\$5,920,667
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs* (1)	609,417	0	609,417
7	Total System Sales Expenses	6,507,643	22,441	6,530,084
8	Total System Sales Net Revenues	<u>\$1,878,260</u>	<u>(\$154,807)</u>	<u>\$1,723,453</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

(1) Includes \$4,342 prior period adjustment

FA



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JUL 19 2017
FINANCIAL ANA

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

HAND DELIVERED

July 18, 2017

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

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JUL 18 2017

PUBLIC SERVICE
COMMISSION

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 2017 billing month are attached. These calculations are based on estimated June 2017 fuel costs with an adjustment reflecting actual May 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

Sincerely,

Ranie K. Wohnhas
Managing Director, Regulatory & Finance

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: June 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) (\$0.00079)
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>\$0.0010408</u>
3 Total Adjustment Clause Factors	<u><u>\$0.0002508</u></u>

Effective Month for Billing

August 2017

Submitted by:

Ranice K. Nohakoo/AE
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

July 18, 2017

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **June 2017**

Fuel Fm (Fuel Cost Schedule)	<u>\$11,894,520</u>		
Sales Sm (Sales Schedule)	449,586,000	(+)	0.02646
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>(0.00079) (\$/KWH)</u>

Effective Month for Billing August 2017

Submitted by: *Rene H. Nohales JAE*
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: July 18, 2017

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **June 2017**

A.	Company Generation			
	Coal Burned	(+)	\$7,733,693	(1)
	Oil Burned	(+)	79,400	
	Gas Burned	(+)	1,707,293	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		9,520,386	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	5,526,982	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		5,526,982	
C.	Inter-System Sales Fuel Costs		3,447,039	
	Sub Total		3,447,039	
D.	Total Fuel Cost (A + B - C)		\$11,600,329	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>May 2017</u> and the estimated cost originally reported.			
	<u>\$9,004,901</u>	-	<u>\$9,081,874</u>	=
	(actual)		(estimated)	(76,973)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		13,857	
G.	Grand Total Fuel Cost (D + E - F)		\$11,509,499	
H.	Net Transmission Marginal Line Loss for month of <u>June 2017</u> (Accounts 5550326 and 5550327)		385,021	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$11,894,520	

(1) Amount includes a coal pile survey adjustment

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: June 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	399,396,000
Purchases Including Interchange In	(+)	<u>215,798,000</u>
Sub Total		615,194,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	142,936,000
System Losses	(+)	<u>22,672,000</u> *
Sub Total		<u>165,608,000</u>
Total Sales (A - B)		<u><u>449,586,000</u></u>

* Does not include 242,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: June 2017

Line No.			
1	FAC Rate Billed	(+)	0.00049
2	Retail KWH Billed at Above Rate	(x)	<u>436,685,672</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>213,976</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	414,368,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,559,769</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>408,808,231</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		200,316
8	Over or (Under) Recovery (L3 - L7)		13,660
9	Total Sales (Page 3)	(+)	449,586,000
10	Kentucky Jurisdictional Sales	(/)	<u>443,175,838</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01446
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>13,857</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: **May 2017**

A. Company Generation					
Coal Burned				(+)	\$5,393,690
Oil Burned				(+)	106,137
Gas Burned				(+)	691,670
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
(3,497,837	KWH X	\$0.010600)	(+)	37,077
Fuel (substitute for F. O.)				(-)	<u>0</u>
	Sub-total				<u>6,228,575</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	5,137,776
Identifiable Fuel Cost (substitute for F. O.)					
(3,497,837	KWH X	\$0.027780)	(-)	97,170
Purchase Adjustment for Peaking Unit Equivalent				(-)	0 (1)
	Sub-total				<u>5,040,606</u>
C. Inter-System Sales Fuel Costs					<u>2,264,280</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$9,004,901</u>
E. Net Transmission Marginal Line Loss for month				<u>May 2017</u>	325,170
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$9,330,071</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: June 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	547,285	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,171,190</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(623,905)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(467,929)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>449,586,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0010408	*

* 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.

Effective Month for Billing:

August 2017

Submitted by:

Ranis K. Vohdara / AE
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

July 18, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: June 2017

<u>Line No.</u>	<u>CURRENT MONTH</u>	<u>PRIOR MO. TRUE-UP ADJUSTMENT</u>	<u>TOTAL</u>
1 Sales For Resale Revenues	\$4,780,736	(\$79,783)	\$4,700,953
2 Interchange-Delivered Revenues	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
3 Total System Sales Revenues	4,780,736	(79,783)	4,700,953
4 Sales For Resale Expenses	\$3,686,550	\$65,893	\$3,752,443
5 Interchange-Delivered Expenses	-0-	-0-	-0-
6 Non-Associated Utilities Monthly Environmental Costs* (1)	401,225	0	401,225
7 Total System Sales Expenses	4,087,775	65,893	4,153,668
8 Total System Sales Net Revenues	<u>\$692,961</u>	<u>(\$145,676)</u>	<u>\$547,285</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

(1) Includes \$4,342 prior period adjustment



A unit of American Electric Power

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

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June 21, 2017

JUN 21 2017

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JUN 21 2017

PUBLIC SERVICE
COMMISSION

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

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 July 2017 billing month are attached. These calculations are based on estimated May 2017 fuel costs with an adjustment reflecting actual April 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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".

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

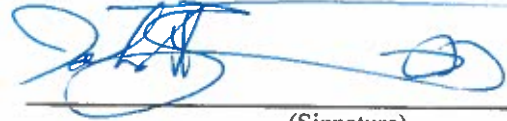
Month Ended: May 2017

- | | |
|---|-----------------------------|
| 1 Fuel Adjustment Clause Factor (Page 1 of 5) | (+) (\$0.00512) |
| 2 System Sales Clause Factor (Page 1 of 2) | (+) <u>\$0.0015287</u> |
| 3 Total Adjustment Clause Factors | <u><u>(\$0.0035913)</u></u> |

Effective Month for Billing

July 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

June 21, 2017

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **May 2017**

Fuel Fm (Fuel Cost Schedule)	<u>\$9,445,533</u>		
Sales Sm (Sales Schedule)	426,798,000	(+)	0.02213
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u>(0.00512) (\$/KWH)</u>

Effective Month for Billing July 2017

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: June 21, 2017

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: May 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	342,337,000
Purchases Including Interchange In	(+)	<u>198,522,000</u>
Sub Total		540,859,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	91,859,000
System Losses	(+)	<u>22,202,000</u> *
Sub Total		<u>114,061,000</u>
Total Sales (A - B)		<u><u>426,798,000</u></u>

* Does not include 217,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: May 2017

Line No.			
1	FAC Rate Billed	(+)	0.00035
2	Retail KWH Billed at Above Rate	(x)	<u>393,616,836</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>137,766</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	498,010,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,062,338</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>490,947,662</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		171,832
8	Over or (Under) Recovery (L3 - L7)		(34,066)
9	Total Sales (Page 3)	(+)	426,798,000
10	Kentucky Jurisdictional Sales	(/)	<u>420,959,709</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01387
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(34,538)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: April 2017

A. Company Generation					
Coal Burned				(+)	\$4,550,407
Oil Burned				(+)	79,845
Gas Burned				(+)	1,215,150
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>5,845,402</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	6,392,957
Identifiable Fuel Cost (substitute for F. O.)					
(0	KWH X	\$0.000000)		(-)	0
Purchase Adjustment for Peaking Unit Equivalent				(-)	288 (1)
	Sub-total				<u>6,392,669</u>
C. Inter-System Sales Fuel Costs					<u>616,660</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$11,621,410</u>
E. Net Transmission Marginal Line Loss for month				<u>April 2017</u>	193,116
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$11,814,526</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: May 2017

Line
No.

1	Current Month (Tm) Net Revenue Level	(+)	368,956	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,238,911</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(869,955)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(652,466)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>426,798,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0015287	*

* 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.

Effective Month for Billing:

July 2017

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

June 21, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: May 2017

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1 Sales For Resale Revenues	\$3,084,003	\$164	\$3,084,167
2 Interchange-Delivered Revenues	-0-	-0-	-0-
3 Total System Sales Revenues	3,084,003	164	3,084,167
4 Sales For Resale Expenses	\$2,410,982	\$2,081	\$2,413,063
5 Interchange-Delivered Expenses	-0-	-0-	-0-
6 Non-Associated Utilities Monthly Environmental Costs* (1)	302,148	0	302,148
7 Total System Sales Expenses	2,713,130	2,081	2,715,211
8 Total System Sales Net Revenues	<u>\$370,873</u>	<u>(\$1,917)</u>	<u>\$368,956</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

(1) Includes \$4,342 prior period adjustment



A unit of American Electric Power

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

HAND DELIVERED

May 22, 2017

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

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 June 2017 billing month are attached. These calculations are based on estimated April 2017 fuel costs with an adjustment reflecting actual March 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

RECEIVED

MAY 22 2017

**PUBLIC SERVICE
COMMISSION**

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

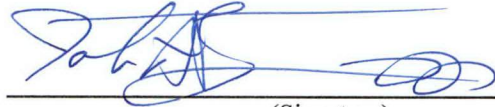
Month Ended: April 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00049
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0020333</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0025233</u></u>

Effective Month for Billing

June 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

May 22, 2017

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: April 2017

Fuel Fm (Fuel Cost Schedule)	<u>\$11,496,434</u>		
Sales Sm (Sales Schedule)	414,368,000	(+)	0.02774
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>0.00049</u></u> (\$/KWH)

Effective Month for Billing June 2017

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: May 22, 2017

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY

ESTIMATED FUEL COST SCHEDULE

Month Ended: April 2017

A. Company Generation			
Coal Burned	(+)	\$4,550,407	
Oil Burned	(+)	79,845	
Gas Burned	(+)	1,215,150	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total			<u>5,845,402</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	6,392,957	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>6,392,957</u>
C. Inter-System Sales Fuel Costs			<u>620,899</u>
Sub Total			<u>620,899</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$11,617,460</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>March 2017</u> and the estimated cost originally reported. <u>\$13,177,121</u> - <u>\$13,499,069</u> = <u>(321,948)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(7,806)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$11,303,318</u>
H. Net Transmission Marginal Line Loss for month of <u>April 2017</u> (Accounts 4470207, 447208, 5550326, and 5550327)			193,116
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$11,496,434</u></u>

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: April 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	222,386,000
Purchases Including Interchange In	(+)	<u>235,214,000</u>
Sub Total		457,600,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	20,762,000
System Losses	(+)	<u>22,470,000</u> *
Sub Total		<u>43,232,000</u>
Total Sales (A - B)		<u><u>414,368,000</u></u>

* Does not include 307,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: April 2017

Line No.			
1	FAC Rate Billed	(+)	0.00044
2	Retail KWH Billed at Above Rate	(x)	<u>437,325,962</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>192,423</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	461,262,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,435,030</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>454,826,970</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		200,124
8	Over or (Under) Recovery (L3 - L7)		(7,701)
9	Total Sales (Page 3)	(+)	414,368,000
10	Kentucky Jurisdictional Sales	(/)	<u>408,808,231</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01360
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(7,806)</u></u>

KENTUCKY POWER COMPANY**FINAL
FUEL COST SCHEDULE****Month Ended: March 2017**

A. Company Generation			
Coal Burned		(+)	\$5,506,367
Oil Burned		(+)	17,043
Gas Burned		(+)	2,502,930
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	503,670
(19,704,622 KWH X \$0.025561)		(-)	<u>0</u>
Fuel (substitute for F. O.)		(-)	<u>0</u>
	Sub-total		<u>8,530,009</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	6,596,101
Identifiable Fuel Cost (substitute for F. O.)		(-)	594,528
(19,704,622 KWH X \$0.030172)		(-)	237,807 (1)
Purchase Adjustment for Peaking Unit Equivalent		(-)	
	Sub-total		<u>5,763,767</u>
C. Inter-System Sales Fuel Costs			<u>1,116,655</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$13,177,121</u>
E. Net Transmission Marginal Line Loss for month	<u>March 2017</u>		428,134
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$13,605,255</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: April 2017

**Line
No.**

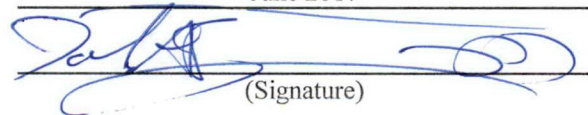
1	Current Month (Tm) Net Revenue Level	(+)	96,490	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,219,883</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,123,393)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(842,545)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>414,368,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0020333	*

* 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.

Effective Month for Billing:

June 2017

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

May 22, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: April 2017

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$803,389	(\$5,196)	\$798,193
2	-0-	-0-	-0-
3	803,389	(5,196)	798,193
4	\$631,570	(\$556)	\$631,014
5	-0-	-0-	-0-
6	70,689	0	70,689
7	702,259	(556)	701,703
8	<u>\$101,130</u>	<u>(\$4,640)</u>	<u>\$96,490</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

(1) Includes \$2,171 adjustment as described in the testimony of Witness Elliott in Case No. 2016-00336.

FA



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

HAND DELIVERED

April 18, 2017

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

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 May 2017 billing month are attached. These calculations are based on estimated March 2017 fuel costs with an adjustment reflecting actual February 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

RECEIVED

APR 18 2017

PUBLIC SERVICE
COMMISSION

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APR 19 2017

FINANCIAL ANA

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: March 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00035
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0017305</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0020805</u></u>

Effective Month for Billing

May 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

April 18, 2017

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: March 2017

Fuel Fm (Fuel Cost Schedule)	<u>\$13,746,469</u>		
Sales Sm (Sales Schedule)	498,010,000	(+)	0.02760
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u><u>0.00035</u></u> (\$/KWH)

Effective Month for Billing May 2017

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: April 18, 2017

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **March 2017**

A. Company Generation			
Coal Burned	(+)	\$5,506,367	
Oil Burned	(+)	17,043	
Gas Burned	(+)	2,502,930	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total			<u>8,026,339</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	6,596,101	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>6,596,101</u>
C. Inter-System Sales Fuel Costs			<u>1,123,371</u>
Sub Total			<u>1,123,371</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$13,499,069</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>February 2017</u> and the estimated cost originally reported.			
		<u>\$12,610,474</u>	-
	(actual)		<u>\$12,852,574</u>
			(estimated)
			=
			<u>(242,099)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(61,365)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$13,318,335</u>
H. Net Transmission Marginal Line Loss for month of <u>March 2017</u> (Accounts 4470207, 447208, 5550326, and 5550327)			428,134
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$13,746,469</u></u>

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: March 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	310,714,000
Purchases Including Interchange In	(+)	<u>252,170,000</u>
Sub Total		562,884,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	41,741,000
System Losses	(+)	<u>23,133,000</u> *
Sub Total		<u>64,874,000</u>
Total Sales (A - B)		<u><u>498,010,000</u></u>

* Does not include 371,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: March 2017

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0.00093
2	Retail KWH Billed at Above Rate	(x)	<u>476,011,375</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>442,691</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	548,930,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,869,911</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>541,060,089</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		503,186
8	Over or (Under) Recovery (L3 - L7)		(60,495)
9	Total Sales (Page 3)	(+)	498,010,000
10	Kentucky Jurisdictional Sales	(/)	<u>490,947,662</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01439
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(61,365)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: February 2017

A. Company Generation					
Coal Burned				(+)	\$4,317,262
Oil Burned				(+)	321,897
Gas Burned				(+)	1,015,601
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
(166,564,501	KWH X	\$0.023758)	(+)	3,957,239
Fuel (substitute for F. O.)				(-)	<u>0</u>
	Sub-total				<u>9,611,999</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	7,849,621
Identifiable Fuel Cost (substitute for F. O.)					
(166,564,501	KWH X	\$0.025155)	(-)	4,189,930
Purchase Adjustment for Peaking Unit Equivalent				(-)	0 (1)
	Sub-total				<u>3,659,691</u>
C. Inter-System Sales Fuel Costs					<u>661,216</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$12,610,474</u>
E. Net Transmission Marginal Line Loss for month					
			February 2017		295,081
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$12,905,555</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: March 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	223,586	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,372,664</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,149,078)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(861,808)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>498,010,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0017305	*

* 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.

Effective Month for Billing:

May 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

April 18, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: March 2017

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$1,552,570	(\$13,690)	\$1,538,879
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	1,552,570	(13,690)	1,538,879
4	Sales For Resale Expenses	\$1,170,936	\$22,921	\$1,193,857
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	121,436	0	121,436
7	Total System Sales Expenses	1,292,372	22,921	1,315,293
8	Total System Sales Net Revenues	<u>\$260,198</u>	<u>(\$36,611)</u>	<u>\$223,586</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

March 28, 2017

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED
MAR 28 2017
PUBLIC SERVICE
COMMISSION

RE: REVISED Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the April 2017 billing month are attached. These calculations are based on estimated February 2017 fuel costs with an adjustment reflecting actual January 2017 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

Please substitute these schedules for the schedules that were filed on March 20, 2017. Kentucky Power revised its environmental surcharge calculation, and a corresponding revision was required for the non-associated utilities costs included in the calculation of the System Sales Clause.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

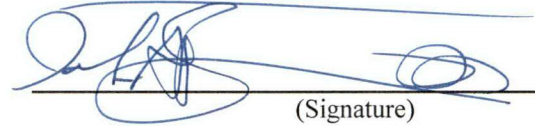
Month Ended: February 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00044
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0020296</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0024696</u></u>

Effective Month for Billing

April 2017

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

March 28, 2017

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: February 2017

Fuel Fm (Fuel Cost Schedule)	<u>\$12,771,984</u>		
Sales Sm (Sales Schedule)	461,262,000	(+)	0.02769
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>0.00044</u> (\$/KWH)

Effective Month for Billing April 2017

Submitted by:  (Signature)

Title: Director, Regulatory Services

Date Submitted: March 28, 2017

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY

ESTIMATED FUEL COST SCHEDULE

Month Ended: February 2017

A.	Company Generation			
	Coal Burned	(+)	\$4,317,262	
	Oil Burned	(+)	321,897	
	Gas Burned	(+)	1,015,601	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		<u>5,654,760</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,849,621	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>7,849,621</u>	
C.	Inter-System Sales Fuel Costs		<u>651,807</u>	
	Sub Total		<u>651,807</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$12,852,574</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>January 2017</u> and the estimated cost originally reported. <u>\$14,833,214</u> - <u>\$15,271,572</u> = <u>(438,358)</u> (actual) (estimated)			
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(62,688)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$12,476,903</u>	
H.	Net Transmission Marginal Line Loss for month of <u>February 2017</u> (Accounts 4470207, 447208, 5550326, and 5550327)		<u>295,081</u>	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$12,771,984</u></u>	

KENTUCKY POWER COMPANY**SALES SCHEDULE****Month Ended: February 2017**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	203,783,000
Purchases Including Interchange In	(+)	<u>311,148,000</u>
Sub Total		514,931,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	28,573,000
System Losses	(+)	<u>25,096,000</u> *
Sub Total		<u>53,669,000</u>
Total Sales (A - B)		<u><u>461,262,000</u></u>

* Does not include 413,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: February 2017

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0.00103
2	Retail KWH Billed at Above Rate	(x)	<u>503,088,824</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>518,181</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	571,200,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,098,782</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>563,101,218</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		579,994
8	Over or (Under) Recovery (L3 - L7)		(61,813)
9	Total Sales (Page 3)	(+)	461,262,000
10	Kentucky Jurisdictional Sales	(/)	<u>454,826,970</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01415
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(62,688)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: January 2017

A. Company Generation					
Coal Burned			(+)	\$5,123,275	
Oil Burned			(+)	183,357	
Gas Burned			(+)	1,486,872	
Fuel (jointly owned plant)			(+)	0	
Fuel (assigned cost during F. O.)			(+)	2,460,421	
(99,302,634	KWH X	\$0.024777)			
Fuel (substitute for F. O.)			(-)	<u>0</u>	
	Sub-total			<u>9,253,926</u>	
B. Purchases					
Net Energy Cost - Economy Purchases			(+)	0	
Identifiable Fuel Cost - Other Purchases			(+)	10,104,479	
Identifiable Fuel Cost (substitute for F. O.)			(-)	2,900,034	
(99,302,634	KWH X	\$0.029204)			
Purchase Adjustment for Peaking Unit Equivalent			(-)	6,682 (1)	
	Sub-total			<u>7,197,762</u>	
C. Inter-System Sales Fuel Costs				<u>1,618,475</u>	
D. SUB-TOTAL FUEL COST (A + B - C)				<u>\$14,833,214</u>	
E. Net Transmission Marginal Line Loss for month				<u>626,974</u>	
					<u>January 2017</u>
F. GRAND TOTAL FUEL COSTS (D + E)				<u>\$15,460,187</u>	

(1) As calculated in accordance with 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 2014-00396**

Month Ended: February 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	165,657	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	1,413,908	
3	Increase/(Decrease) of System Sales Net Revenue		(1,248,251)	
4	Customer 75% Sharing	(x)	75%	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(936,188)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	461,262,000	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0020296	*

* 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.

Effective Month for Billing:

April 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

March 28, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: February 2017

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$926,139	\$18,522	\$944,661
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	926,139	18,522	944,661
4	Sales For Resale Expenses	\$701,364	\$1,012	\$702,376
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	76,628	0	76,628
7	Total System Sales Expenses	777,992	1,012	779,004
8	Total System Sales Net Revenues	<u>\$148,147</u>	<u>\$17,509</u>	<u>\$165,657</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

Hand

FA

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

HAND DELIVERED

February 20, 2017

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED
FEB 21 2017
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FEB 20 2017
PUBLIC SERVICE
COMMISSION

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 March 2017 billing month are attached. These calculations are based on estimated January 2017 fuel costs with an adjustment reflecting actual December 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: January 2017

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00093
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0025266</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0034566</u></u>

Effective Month for Billing

March 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

February 20, 2017

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

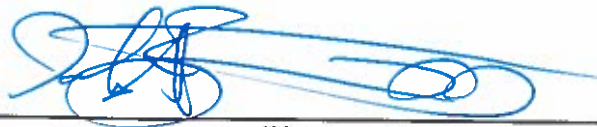
Month Ended: **January 2017**

Fuel Fm (Fuel Cost Schedule)	<u>\$15,471,284</u>		
Sales Sm (Sales Schedule)	548,930,000	(+)	0.02818
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u>0.00093 (\$/KWH)</u>

Effective Month for Billing

March 2017

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

February 20, 2017

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **January 2017**

A.	Company Generation			
	Coal Burned	(+)	\$5,123,275	
	Oil Burned	(+)	183,357	
	Gas Burned	(+)	1,486,872	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		6,793,505	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	10,104,479	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		10,104,479	
C.	Inter-System Sales Fuel Costs		1,626,412	
	Sub Total		1,626,412	
D.	Total Fuel Cost (A + B - C)		\$15,271,572	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>December 2016</u> and the estimated cost originally reported.			
	<u>\$15,563,212</u>	-	<u>\$15,708,342</u>	=
	(actual)		(estimated)	
			(145,130)	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		282,132	
G.	Grand Total Fuel Cost (D + E - F)		\$14,844,310	
H.	Net Transmission Marginal Line Loss for month of <u>January 2017</u> (Accounts 4470207, 447208, 5550326, and 5550327)		626,974	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$15,471,284	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: January 2017

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	253,570,000
Purchases Including Interchange In	(+)	<u>372,623,000</u>
Sub Total		626,193,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	47,812,000
System Losses	(+)	<u>29,451,000</u> *
Sub Total		<u>77,263,000</u>
Total Sales (A - B)		<u><u>548,930,000</u></u>

* Does not include 515,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: January 2017

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0.00236
2	Retail KWH Billed at Above Rate	(x)	<u>577,279,581</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,362,380</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	465,829,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,382,412</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>459,446,588</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,084,294
8	Over or (Under) Recovery (L3 - L7)		278,086
9	Total Sales (Page 3)	(+)	548,930,000
10	Kentucky Jurisdictional Sales	(/)	<u>541,060,089</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>282,132</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: December 2016

A. Company Generation					
Coal Burned				(+)	\$9,692,450
Oil Burned				(+)	72,036
Gas Burned				(+)	1,672,421
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
(33,615,062	KWH X	\$0.023418)		(+)	787,198
Fuel (substitute for F. O.)				(-)	<u>0</u>
	Sub-total				<u>12,224,104</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	7,852,995
Identifiable Fuel Cost (substitute for F. O.)					
(33,615,062	KWH X	\$0.028111)		(-)	944,953
Purchase Adjustment for Peaking Unit Equivalent				(-)	2,640 (1)
	Sub-total				<u>6,905,402</u>
C. Inter-System Sales Fuel Costs					<u>3,566,294</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$15,563,212</u>
E. Net Transmission Marginal Line Loss for month					
			<u>December 2016</u>		872,311
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$16,435,523</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: January 2017

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	(197,660)
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,651,587</u>
3	Increase/(Decrease) of System Sales Net Revenue		(1,849,247)
4	Customer 75% Sharing	(x)	<u>75%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(1,386,936)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>548,930,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0025266 *

* 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.

Effective Month for Billing:

March 2017

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

February 20, 2017

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: January 2017

<u>Line No.</u>	<u>CURRENT MONTH</u>	<u>PRIOR MO. TRUE-UP ADJUSTMENT</u>	<u>TOTAL</u>
1 Sales For Resale Revenues	\$2,071,204	(\$443,807)	\$1,627,397
2 Interchange-Delivered Revenues	-0-	-0-	-0-
3 Total System Sales Revenues	2,071,204	(443,807)	1,627,397
4 Sales For Resale Expenses	\$1,687,565	\$12,041	\$1,699,606
5 Interchange-Delivered Expenses	-0-	-0-	-0-
6 Non-Associated Utilities Monthly Environmental Costs*	125,452	0	125,452
7 Total System Sales Expenses	1,813,017	12,041	1,825,058
8 Total System Sales Net Revenues	<u>\$258,188</u>	<u>(\$455,848)</u>	<u>(\$197,660)</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs