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September 11, 2013

HAND DELIVERED

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

RE: Case No. 2013-00197

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of the following:

(a) Kentucky Power's Response to Staff's Second Set of Data Requests; and

(b) Kentucky Power's Response to Kentucky Industrial Utility Customers, Inc. Initial Data Requests.

Also being filed is an original and ten copies of the Company's motion for confidential treatment of the identified portions of Attachment 1 to its response to Commission Staff Data Request 2-42, and Attachments 1 and 2 to its response to KIUC Data request 1-15.

A copy of this letter, the responses, and the motion are being served by overnight delivery on counsel of record.

Very truly yours,

Mark R. Overstreet

MRO
cc: Michael L. Kurtz
Jennifer B. Hans
Don C.A. Parker

COMMONWEALTH OF KENTUCKY

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

APPLICATION OF KENTUCKY POWER COMPANY)
FOR ADJUSTMENT OF ELECTRIC RATES) CASE NO. 2013-00197

KENTUCKY POWER COMPANY RESPONSE TO COMMISSION STAFF'S SECOND SET OF DATA REQUESTS

September 11, 2013

VERIFICATION

Dr. William E. Avera being duly sworn deposes and says he is the President of FINCAP, Inc., and that he has personal knowledge of the matters set forth in the forgoing data requests and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Dr. William E. Avera

STATE OF TEXAS)
) CASE NO. 2013-00197
COUNTY OF HAYS)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by, Dr. William E. Avera this 10 day of September 2013.

Notary Public

Robert Middelton Avera
Notary Public,
State of Texas
Comm. Exp. 06-17-14

My Commission Expires: _____

VERIFICATION

The undersigned, Jeffrey B. Bartsch, being duly sworn, deposes and says he is the Director, Tax Accounting and Regulatory Services for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing responses for which he is identified as the witness and the information contained therein is true and correct to the best of his information, knowledge and belief.

Jeffrey B. Bartsch

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Jeffrey B. Bartsch, this the 3rd day of September, 2013.

Notary Public

My Commission Expires:

PAULINE A LUTZ
NOTARY PUBLIC - OHIO
MY COMM. EXP. 9-12-16

VERIFICATION

The undersigned, Douglas R. Buck, being duly sworn, deposes and says he is Senior Regulatory Consultant for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief.

Douglas R. Buck

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Douglas R. Buck, this the 29th day of August, 2013.

Notary Public

My Commission Expires: May 11th, 2016

NOTARIAL SEAL STATE OF OHIO

ELLEN A. MCANINCH
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Franklin County
My Comm. Exp. 5/11/16

VERIFICATION

The undersigned, Andrew R. Carlin, being duly sworn, deposes and says he is the Director, Compensation and Executive Benefits for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing responses for which he is identified as the witness and the information contained therein is true and correct to the best of his information, knowledge and belief.

Andrew R. Carlin

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Andrew R. Carlin, this the 4th day of September, 2013.

Notary Public

My Commission Expires: 2.27.17

Terry Jo Smith
Notary Public-State of Ohio
My Commission Expires
February 27, 2017

VERIFICATION

The undersigned, David A. Davis, being duly sworn, deposes and says he is the Manager, Property Accounting Policy and Research that he has personal knowledge of the matters set forth in the forgoing responses for which he is identified as the witness contained therein is true and correct to the best of his information, knowledge and belief.

David A Davis

David A. Davis

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by David A. Davis, this the 6th day of September, 2013.

Kathy L Mussay

Notary Public

My Commission Expires: Aug 18, 2017

VERIFICATION

The undersigned, Hugh E. McCoy, being duly sworn, deposes and says he is the Director, Accounting Policy and Research for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth set forth in the forgoing responses for which he is identified as the witness and information contained therein is true and correct to the best of his information, knowledge and belief.

Hugh E. McCoy

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Hugh E. McCoy, this the 6th day of September, 2013.

Notary Public

My Commission Expires: Aug 18, 2017

VERIFICATION

The undersigned, Thomas E. Mitchell, being duly sworn, deposes and says he is Managing Director, Regulatory Accounting Services for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief.

Thomas E. Mitchell

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Thomas E. Mitchell, this the 6th day of September, 2013.

Notary Public

My Commission Expires: Aug. 18, 2017

VERIFICATION

The undersigned, Lila P. Munsey, being duly sworn, deposes and says she is the Manager, Regulatory Services for Kentucky Power, that she has personal knowledge of the matters set forth in the forgoing responses for which she is the identified witness and that the information contained therein is true and correct to the best of her information, knowledge, and belief

Lila P Munsey
Lila P. Munsey

COMMONWEALTH OF KENTUCKY)
) Case No. 2013-00197
COUNTY OF FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Lila P. Munsey, this 9th day of September 2013.

Judy K. Gasgeist 481393
Notary Public

My Commission Expires: January 23, 2017

VERIFICATION

The undersigned, Gregory G. Pauley, being duly sworn, deposes and says he is the President and Chief Operating Officer for Kentucky Power Company, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge and belief

Gregory G. Pauley

COMMONWEALTH OF KENTUCKY)
) Case No. 2013-00197
COUNTY OF FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Gregory G. Pauley, this the 9th day of September 2013.

Judy K Rogers 481393
Notary Public

My Commission Expires: January 23, 2017

VERIFICATION

The undersigned, Marc D. Reitter, being duly sworn, deposes and says he is the Director, Corporate Finance for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief.

Marc D. Reitter

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Marc D. Reitter, this the 24th day of September, 2013.

Josephine Coner
Notary Public

JOSEPHINE CONER
Notary Public, State of Ohio
My Commission Expires 09-20-16

My Commission Expires: 09-20-2016

VERIFICATION

The undersigned, Jason M. Stegall, being duly sworn, deposes and says he is the a Regulatory Consultant for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing response and the information contained therein is true and correct to the best of his information, knowledge and belief.

Jason M. Stegall

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Jason M. Stegall, this the 4th day of September, 2013.

Notary Public

Cheryl L. Strawser
Notary Public, State of Ohio
My Commission Expires 10-01-2016

My Commission Expires: October 1, 2016

VERIFICATION

The undersigned, Alex E. Vaughan, being duly sworn, deposes and says he is the Manager, Regulatory Pricing and Analysis that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief.

Alex E. Vaughan

STATE OF OHIO)
) Case No. 2013-00197
County of FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Alex E. Vaughan, this the 10th day of September, 2013.

Ellen A. McAninch
Notary Public

My Commission Expires: May 11th, 2016

NOTARIAL SEAL STATE OF OHIO

ELLEN A. MCANINCH
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Franklin County
My Comm. Exp. 5/11/16

VERIFICATION

The undersigned, Ranie K. Wohnhas, being duly sworn, deposes and says he is the Managing Director Regulatory and Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge, and belief

Ranie K. Wohnhas

COMMONWEALTH OF KENTUCKY)
) Case No. 2013-00197
COUNTY OF FRANKLIN)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Ranie K. Wohnhas, this the 9th day of September 2013.

Judy K. Rasquist 481393
Notary Public

My Commission Expires: January 23, 2017

Kentucky Power Company

REQUEST

Refer to page 13 of the Direct Testimony of William E. Avera ("Avera Testimony"). Provide the most current information available to update the "Current" interest rates on 30-year Treasury bonds, triple-A rated corporate bonds, and double-A rated utility bonds as shown on Figure WEA-2, which is based on monthly average bond yields for the six-month period ending February 2013.

RESPONSE

Please see KPSC 2-1 Attachment 1.

WITNESS: Dr. William E. Avera

6-MONTH AVERAGE BOND YIELDS

	(a) Public Utility Bonds				(b)	(b)	(a)
	BBB	A	AA	AVG.	30-Yr. Treas.	10-Yr. Treas.	AAA Corp.
Mar. 2013	4.72%	4.20%	3.95%	4.29%	3.16%	1.96%	3.93%
Apr. 2013	4.49%	4.00%	3.74%	4.08%	2.93%	1.76%	3.73%
May 2013	4.65%	4.17%	3.91%	4.24%	3.11%	1.93%	3.89%
Jun. 2013	5.08%	4.53%	4.27%	4.63%	3.40%	2.30%	4.27%
Jul. 2013	5.21%	4.68%	4.44%	4.78%	3.61%	2.58%	4.34%
Aug. 2013	5.28%	4.73%	4.53%	4.85%	3.76%	2.74%	4.54%
Average	**4.91%**	**4.39%**	**4.14%**	**4.48%**	**3.33%**	**2.21%**	**4.12%**

(a) Moody's Investors Service.
(b) http://www.federalreserve.gov/releases/h15/data.htm.

Kentucky Power Company

REQUEST

Refer to pages 16-17 of the Avera Testimony. State whether NV Energy should be excluded from the proxy group based on its involvement in an acquisition, as reported by the August 2, 2013 issue of Value Line. If so, provide the Return on Equity ("ROE") analyses based on this exclusion.

RESPONSE

The data used in Dr. Avera's analyses predated the announcement of the merger with MidAmerican Energy. As a result, there is no basis to conclude that these projections would be distorted by the results of the subsequent merger announcement or to exclude NV Energy from the analyses contained in Dr. Avera's testimony.

WITNESS: Dr. William E. Avera

Kentucky Power Company

REQUEST

For each utility covered by Value Line that was excluded from the proxy group, explain why it was not chosen.

RESPONSE

The four criteria used to create the proxy group are detailed at page 16 of Dr. Avera's testimony. The companies that comprise the proxy group satisfy each of these criteria and are highlighted in green on Attachment 1 to KPSC 2-3. Those companies excluded from the proxy group are not highlighted. The metric resulting in the exclusion of a particular company is illustrated in red on Attachment 1 to KPSC 2-3. For example, CenterPoint Energy (CNP) was excluded because its S&P credit rating fell outside of the BBB+, BBB, and BBB- ratings used to define the comparable risk proxy group.

WITNESS: William E. Avera

VALUE LINE ELECTRIC UTILITIES

	SYM	Company	(1) S&P Credit Rating	(2) Moody's Isssuer Rating	(3) Value Line Safety Rank	(3) Value Line Financial Strength	(3) Value Line Beta	Market Cap	Comments
1	ALE	ALLETE	BBB+	Baa1	2	A	0.70	$1,968	
2	LNT	Alliant Energy	A-	Baa1	2	A	0.70	$5,803	
3	AEE	Ameren Corp.	BBB	Baa3	3	B++	0.80	$8,714	
4	AEP	American Elec Pwr	BBB	Baa2	3	B++	0.65	$23,838	
5	AVA	Avista Corp.	BBB	Baa2	2	A	0.70	$1,731	
6	BKH	Black Hills Corp.	BBB-	Baa3	3	B+	0.80	$2,180	
7	CNP	CenterPoint Energy	A-	Baa3	2	B++	0.80	$10,301	
8	CHG	CH Energy Group	A	A3	1	A	0.60	$961	Acquisition by Fortis
9	CNL	Cleco Corp.	BBB	Baa3	1	A	0.65	$2,869	
10	CMS	CMS Energy Corp.	BBB	Baa3	3	B+	0.75	$7,615	
11	ED	Consolidated Edison	A-	Baa1	1	A+	0.60	$17,625	
12	D	Dominion Resources	A-	Baa2	2	B++	0.65	$34,880	
13	DTE	DTE Energy Co.	BBB+	Baa1	2	B++	0.75	$12,356	
14	DUK	Duke Energy Corp.	BBB+	Baa2	2	A	0.60	$50,097	
15	EIX	Edison International	BBB-	Baa2	2	B++	0.75	$15,867	
16	EE	El Paso Electric	BBB	Baa2	2	B++	0.70	$1,512	
17	EDE	Empire District Elec	BBB	Baa2	2	B++	0.65	$967	
18	ETR	Entergy Corp.	BBB	Baa3	3	B++	0.70	$12,388	Sale of transmission assets to ITC Holdings
19	EXC	Exelon Corp.	BBB	Baa2	3	B++	0.80	$29,745	
20	FE	FirstEnergy Corp.	BBB-	Baa3	3	B+	0.75	$18,025	
21	GXP	Great Plains Energy	BBB	Baa3	3	B+	0.75	$3,694	
22	HE	Hawaiian Elec.	BBB-	Baa2	2	B++	0.70	$2,738	
23	IDA	IDACORP, Inc.	BBB	Baa2	3	B+	0.70	$2,474	
24	TEG	Integrys Energy Group	A-	Baa1	2	B++	0.90	$4,761	
25	ITC	ITC Holdings Corp.	BBB+	Baa2	2	B++	0.75	$4,630	Purchase of transmission assets from Entergy
26	MGEE	MGE Energy	AA-	A1	1	A	0.60	1301.32	
27	NEE	NextEra Energy, Inc.	A-	Baa1	2	A	0.70	$34,154	
28	NU	Northeast Utilities	A-	Baa2	2	B++	0.70	$13,877	
29	NWE	NorthWestern Corp.	BBB	Baa1	3	B+	0.70	1592.73	
30	NVE	NV Energy, Inc.	BBB-	Ba1	3	B+	0.85	$4,849	
31	OGE	OGE Energy Corp.	A-	Baa1	2	A	0.75	$7,026	
32	OTTR	Otter Tail Corp.	BBB-	A3	3	B+	0.90	1067.53	
33	POM	Pepco Holdings	BBB+	Baa3	3	B	0.75	$5,027	
34	PCG	PG&E Corp.	BBB	Baa1	3	B+	0.50	$20,346	
35	PNW	Pinnacle West Capital	BBB+	Baa2	1	A	0.70	$6,603	
36	PNM	PNM Resources	BBB	Ba1	3	B	0.95	$1,838	
37	POR	Portland General Elec.	BBB	Baa2	2	B++	0.75	$2,434	
38	PPL	PPL Corp.	BBB	Baa3	3	B++	0.65	$18,628	
39	PEG	Pub Sv Enterprise Grp	BBB+	Baa2	1	A	0.75	$17,528	
40	SCG	SCANA Corp.	BBB+	Baa3	2	B++	0.65	$6,985	
41	SRE	Sempra Energy	BBB+	Baa1	2	A	0.80	$20,191	
42	SO	Southern Company	A	Baa1	1	A	0.55	$40,299	
43	TE	TECO Energy	BBB+	Baa2	2	B++	0.85	$4,078	
44	UIL	UIL Holdings	BBB	Baa3	2	B++	0.70	$2,097	
45	UNS	UNS Energy	BB+	Ba1	3	B+	0.70	$2,074	
46	VVC	Vectren Corp.	A-	A3	2	A	0.70	$2,962	
47	WR	Westar Energy	BBB	Baa2	2	B++	0.70	$4,241	
48	WEC	Wisconsin Energy	A-	A3	1	A	0.60	$9,892	
49	XEL	Xcel Energy, Inc.	A-	Baa1	2	B++	0.60	$14,912	

(1) Corporate credit rating from www.standardandpoors.com (retrieved May 14, 2013).
(2) Long-term rating from www.moodys.com (retrieved May 14, 2013)
(3) The Value Line Investment Survey (Mar. 22, May 3, & May 24, 2013).

Criteria

1 Pay common dividends
2 S&P Credit Rating of "BBB-" to "BBB+"
3 Safety Rank of "2" or "3"
4 Financial Strength Rating of "B+" or higher
5 Market capitalization of $1.6 billion or greater

Kentucky Power Company

REQUEST

Refer to page 42 of the Avera Testimony.

a. Explain why a historical risk premium was not calculated as an additional element of the Empirical Capital Asset Pricing Model ("ECAPM") analysis.

b. State whether companies with negative growth rates and excessive growth rates were excluded from the Discounted Cash Flow ("DCF") analysis. If not, explain why.

c. Explain why Earnings Per Share ("EPS") growth projections were not taken from Value Line, which provided the dividend yields.

d. Explain the need for a size adjustment, given that American Electric Power ("AEP"), Kentucky Power's parent company, is sufficiently large as to require a negative size adjustment, as shown on Exhibit WEA-6.

RESPONSE

a. Dr. Avera did not rely on an historical equity risk risk premium in applying the ECAPM or CAPM approaches. While investors undoubtedly consider historical information as one facet in their evaluation of future expectations, the cost of capital is a forward-looking concept. Because the CAPM is focused solely on the perceptions of today's capital market investors, it should not be applied using historical rates of return. Moreover, the CAPM cost of common equity estimate is calibrated from investors' required risk premium between Treasury bonds and common stocks. In response to heightened uncertainties, investors have repeatedly sought a safe haven in U.S. government bonds and the Federal Reserve has continued to employ various policy measures in order to effect a reduction in long-term borrowing costs. These policy measures and the "flight to safety" have pushed Treasury yields significantly below historical levels. This distortion not only impacts the absolute level of the CAPM cost of equity estimate, but it affects estimated risk premiums. Meanwhile, backward-looking approaches incorrectly assume that investors' assessment of the required risk premium between Treasury bonds and common stocks is constant, and equal to some historical average. At no time in recent history has the fallacy of this assumption been demonstrated more concretely.

b. The growth rates used to apply the DCF model to estimate the cost of equity for the 390 dividend paying companies in the S&P 500 reflect the published values from the Institutional Brokers Estimate System (IBES). This recognizes the far greater breadth of expectations for the market group versus a narrowly focused proxy group of utilities. Eliminating negative growth rates would increase the market return by 10 basis points. Screening upper-end cost of equity estimates for the market as a whole is complicated due to the wide range of investment risks represented by the individual companies. Based on the 17.7% upper-end screen used by FERC and the average beta for the electric utility industry of 0.71, this would imply an upper-end threshold for the market rate of return under the CAPM of 19.3%. [(17.7% - 3.3%) / 0.71]. Consistent with the disparities between the individual firms in the market group, beta values also vary considerably. Based on the 1.85 beta assigned to Bank of America for example, this would imply an upper-end threshold for a firm in the market group of 32.9%. [3.3% + 1.85*(19.3% - 3.3%)]. Eliminating companies with negative growth rates as well as cost of equity estimates above 32.9% would result in a market rate of return of 12.4%. Of course, this would tend to be understated because low-end estimates that do not materially exceed corresponding yields on long-term bonds should also be eliminated. Considering the fact that many firms in the market as a whole have ratings that fall below investment grade, this implies a far higher low-end cut off for illogical results.

c. Dr. Avera relied on the consensus EPS growth projections from IBES because this source is widely referenced in the financial literature in applying a forward-looking DCF approach to estimate the market cost of equity. *See, e.g.*, Robert S. Harris and Felicia C. Marston, "The Market Risk Premium: Expectational Estimates Using Analysts' Forecasts," *Journal of Applied Finance* (2001). A copy of this article is attached as KPSC 2-4 Attachment 1.

d. The size adjustment required to implement the ECAPM and CAPM approaches is not designed to account for the relative size of AEP versus other firms in the proxy group. Rather, it is necessary to address the findings of empirical research published in the financial literature, which demonstrate that the beta risk measure does not fully capture the relationship between a firm's relative size and investors' required return. The size adjustment modifies the ECAPM and CAPM results in order to account for this increment of return related to firm size that is not captured by beta, and which can be positive or negative. In the case of larger firms, such as AEP, the adjustment has the effect of lowering the indicated ECAPM and CAPM results. The sole purpose of the adjustment is to produced cost of equity estimates that better reflect the true values required by investors.

WITNESS: William E. Avera

The Market Risk Premium: Expectational Estimates Using Analysts' Forecasts

Robert S. Harris and Felicia C. Marston

Using expectational data from financial analysts, we estimate a market risk premium for US stocks. Using the S&P 500 as a proxy for the market portfolio, the average market risk premium is found to be 7.14% above yields on long-term US government bonds over the period 1982-1998. This risk premium varies over time; much of this variation can be explained by either the level of interest rates or readily available forward-looking proxies for risk. The market risk premium appears to move inversely with government interest rates suggesting that required returns on stocks are more stable than interest rates themselves. [JEL: G31, G12]

The notion of a market risk premium (the spread between investor required returns on safe and average risk assets) has long played a central role in finance. It is a key factor in asset allocation decisions to determine the portfolio mix of debt and equity instruments. Moreover, the market risk premium plays a critical role in the Capital Asset Pricing Model (CAPM), the most widely used means of estimating equity hurdle rates by practitioners. In recent years, the practical significance of estimating such a market premium has increased as firms, financial analysts, and investors employ financial frameworks to analyze corporate and investment performance. For instance, the increased use of Economic Value Added (EVA®) to assess corporate performance has provided a new impetus for estimating capital costs.

The most prevalent approach to estimating the market risk premium relies on some average of the historical spread between returns on stocks and bonds.[1] This choice has some appealing characteristics but is subject to many arbitrary assumptions such as the relevant period for taking an average. Compounding the difficulty of using historical returns is the well noted fact that standard models of consumer choice would predict much lower spreads between equity and debt returns than have occurred in US markets—the so called equity risk premium puzzle (see Welch, 2000 and Siegel and Thaler, 1997). In addition, theory calls for a forward-looking risk premium that could well change over time.

This paper takes an alternate approach by using expectational data to estimate the market risk premium. The approach has two major advantages for practitioners. First, it provides an independent estimate that can be compared to historical averages. At a minimum, this can help in understanding likely ranges for risk premia. Second, expectational data allow investigation of changes in risk premia over time. Such time variations in risk premia serve as important signals from investors that should affect a host of financial decisions. This paper provides new tests of whether changes in risk premia over time are linked to forward-looking measures of risk. Specifically, we look at the

Robert S. Harris is the C. Stewart Sheppard Professor of Business Administration and Felicia C. Marston is an Associate Professor at the University of Virginia, Charlottesville, VA 22906.

The authors thank Erik Benrad, an anonymous reviewer, and seminar participants at the University of Virginia, the University of Connecticut and at the SEC for comments. Thanks to Darden Sponsors, EVA, the Walker Family Fund, and McIntire Associates for support of this research and to IBES, Inc. for supplying data.

[1] Bruner, Eades, Harris, and Higgins (1998) provide survey evidence on both textbook advice and practitioner methods for estimating capital costs. As testament to the market for cost of capital estimates, Ibbotson Associates (1998) publishes a "Cost of Capital Quarterly."

relationship between the risk premium and four *ex-ante* measures of risk: the spread between yields on corporate and government bonds, consumer sentiment about future economic conditions, the average level of dispersion across analysts as they forecast corporate earnings, and the implied volatility on the S&P500 Index derived from options data.

Section I provides background on the estimation of equity required returns and a brief discussion of current practice in estimating the market risk premium. In Section II, models and data are discussed. Following a comparison of the results to historical returns in Section III, we examine the time-series characteristics of the estimated market premium in Section IV. Finally, conclusions are offered in Section V.

I. Background

The notion of a "market" required rate of return is a convenient and widely used construct. Such a rate (k) is the minimum level of expected return necessary to compensate investors for bearing the average risk of equity investments and receiving dollars in the future rather than in the present. In general, k will depend on returns available on alternative investments (e.g., bonds). To isolate the effects of risk, it is useful to work in terms of a market risk premium (rp), defined as

$$rp = k - i, \tag{1}$$

where i = required return for a zero risk investment.

Lacking a superior alternative, investigators often use averages of historical realizations to estimate a market risk premium. Bruner, Eades, Harris, and Higgins (1998) provide recent survey results on best practices by corporations and financial advisors. While almost all respondents used some average of past data in estimating a market risk premium, a wide range of approaches emerged. "While most of our 27 sample companies appear to use a 60+ year historical period to estimate returns, one cited a window of less than ten years, two cited windows of about ten years, one began averaging with 1960, and another with 1952 data" (p. 22). Some used arithmetic averages, and some used geometric. This historical approach requires the assumptions that past realizations are a good surrogate for future expectations and, as typically applied, that the risk premium is constant over time. Carleton and Lakonishok (1985) demonstrate empirically some of the problems with such historical premia when they are disaggregated for different time periods or groups of firms. Siegel (1999) cites additional problems of using historical returns and argues that equity premium estimates from past data are likely too high. As Bruner et al. (1998) point out, few respondents cited use of expectational data to supplement or replace historical returns in estimating the market premium.

Survey evidence also shows substantial variation in empirical estimates. When respondents gave a precise estimate of the market premium, they cited figures from 4% to over 7% (Bruner et al., 1998). A quote from a survey respondent highlights the range in practice. "In 1993, we polled various investment banks and academic studies on the issue as to the appropriate rate and got anywhere between 2 and 8%, but most were between 6% and 7.4%." (Bruner et al., 1998). An informal sampling of current practice also reveals large differences in assumptions about an appropriate market premium. For instance, in a 1999 application of EVA analysis, Goldman Sachs Investment Research specifies a market risk premium of "3% from 1994-1997 and 3.5% from 1998-1999E for the S&P Industrials" (Goldman Sachs, 1999). At the same time, an April 1999 phone call to Stern Stewart revealed that their own application of EVA typically employed a market risk premium of 6%. In its application of the CAPM, Ibbotson Associates (1998) uses a market risk premium of 7.8%. Not surprisingly, academics do not agree on the risk premium either. Welch (2000) surveyed leading financial economists at major universities. For a 30-year horizon, he found a mean risk premium of 7.1% but a range from 1.5% to 15% with an interquartile range of 2.4% (based on 226 responses).

To provide additional insight on estimates of the market premium, we use publicly available expectational data. This expectational approach employs the dividend growth model (hereafter referred to as the discounted cash flow (DCF) model) in which a consensus measure of financial analysts' forecasts (FAF) of earnings is used as a proxy for investor expectations. Earlier work has used FAF in DCF models[2] but generally has covered a span of only a few years due to data availability.

II. Models and Data

The simplest and most commonly used version of the DCF model is employed to estimate shareholders' required rate of return, k, as shown in Equation (2):

[2] See Malkiel (1982), Brigham, Vinson, and Shome (1985), Harris (1986), and Harris and Marston (1992). The DCF approach with analysts' forecasts has been used frequently in regulatory settings. Ibbotson Associates (1998) use a variant of the DCF model with forward-looking growth rates; however, they do this as a separate technique and not as part of the CAPM. For their CAPM estimates, they use historical averages for the market risk premium.

$$k = \left(\frac{D_1}{P_0} \right) + g, \qquad (2)$$

where D_1 = dividend per share expected to be received at time one, P_0 = current price per share (time 0), and g = expected growth rate in dividends per share.[3] A primary difficulty in using the DCF model is obtaining an estimate of g, since it should reflect market expectations of future performance. This paper uses published FAF of long-run growth in earnings as a proxy for g. Equation (2) can be applied for an individual stock or any portfolio of companies. We focus primarily on its application to estimate a market premium as proxied by the S&P500.

FAF comes from IBES Inc. The mean value of individual analysts' forecasts of five-year growth rate in EPS is used as the estimate of g in the DCF model. The five-year horizon is the longest horizon over which such forecasts are available from IBES and often is the longest horizon used by analysts. IBES requests "normalized" five-year growth rates from analysts in order to remove short-term distortions that might stem from using an unusually high or low earnings year as a base. Growth rates are available on a monthly basis.

Dividend and other firm-specific information come from COMPUSTAT. D_1 is estimated as the current indicated annual dividend times $(1+g)$. Interest rates (both government and corporate) are from Federal Reserve Bulletins and *Moody's Bond Record*. Exhibit 1 describes key variables used in the study. Data are used for all stocks in the *Standard and Poor's 500* stock (S&P500) index followed by IBES. Since five-year growth rates are first available from IBES beginning in 1982, the analysis covers the period from January 1982-December 1998.

The approach used is generally the same approach as used in Harris and Marston (1992). For each month, a market required rate of return is calculated using each dividend-paying stock in the S&P500 index for which data are available. As additional screens for reliability of data, in a given month we eliminate a firm if there are fewer than three analysts' forecasts or if the standard deviation around the mean forecast exceeds 20%. Combined, these two screens eliminate fewer than 20 stocks a month. Later we report on the sensitivity of the results to various screens. The DCF model in Equation (2) is applied to each stock and the results weighted by market value of equity to produce the market-required return. The risk premium is constructed by subtracting the interest rate on government bonds.

We weighted 1998 results by year-end 1997 market values since the monthly data on market value did not extend through this period. Since data on firm-specific dividend yields were not available for the last four months of 1998 at the time of this study, the market dividend yield for these months was estimated using the dividend yield reported in the *Wall Street Journal* scaled by the average ratio of this figure to the dividend yield for our sample as calculated in the first eight months of 1998. Adjustments were then made using growth rates from IBES to calculate the market required return. We also estimated results using an average dividend yield for the month that employed the average of the price at the end of the current and prior months. These average dividend yield measures led to similar regression coefficients as those reported later in the paper.

For short-term horizons (quarterly and annual), past research (Brown, 1993) finds that on average analysts' forecasts are overly optimistic compared to realizations. However, recent research on quarterly horizons (Brown, 1997) suggests that analysts' forecasts for S&P500 firms do not have an optimistic bias for the period 1993-1996. There is very little research on the properties of five-year growth forecasts, as opposed to shorter horizon predictions. Boebel (1991) and Boebel, Harris, and Gultekin (1993) examine possible bias in analysts' five-year growth rates. These studies find evidence of optimism in IBES growth forecasts. In the most thorough study to date, Boebel (1991) reports that this bias seems to be getting smaller over time. His forecast data do not extend into the 1990s.

Analysts' optimism, if any, is not necessarily a problem for the analysis in this paper. If investors share analysts' views, our procedures will still yield unbiased estimates of required returns and risk premia. In light of the possible bias, however, we interpret the estimates as "upper bounds" for the market premium.

This study also uses four very different sources to create *ex ante* measures of equity risk at the market

[3] Our methods follow Harris (1986) and Harris and Marston (1992) who discuss earlier research and the approach employed here, including comparisons of single versus multistage growth models. Since analysts' forecast growth in earnings per share, their projections should incorporate the anticipated effects of share repurchase programs. Dividends per share would grow at the same rate as EPS as long as companies manage a constant ratio of dividends to earnings on a per share basis. Based on S&P500 figures (see the Standard and Poor's website for their procedures), the ratio of DPS to EPS was .51 during the period 1982-89 and .52 for the period 1990-98. Lamdin (2001) discusses some issues if share repurchases destroy the equivalence of EPS and DPS growth rates. Theoretically, r is a risk-free rate, though its empirical proxy is only a "least risk" alternative that is itself subject to risk. For instance, Asness (2000) shows that over the 1946-1998 period, bond volatility (in monthly realized returns) has increased relative to stock volatility, which would be consistent with a drop in the equity market premium.

Exhibit 1. Variable Definitions

k	=	Equity required rate return.
P_0	=	Price per share.
D_1	=	Expected dividend per share measured as current indicated annual dividend from COMPUSTAT multiplied by $(1 + g)$.
g	=	Average financial analysts' forecast of five-year growth rate in earnings per share (from IBES).
i	=	Yield to maturity on long-term US government obligations (source: Federal Reserve, 30-year constant maturity series).
rp	=	Equity risk premium calculated as $rp = k - i$.
BSPREAD	=	spread between yields on corporate and government bonds, BSPREAD = yield to maturity on long-term corporate bonds (Moody's average across bond rating categories) minus i.
CON	=	Monthly consumer confidence index reported by the Conference Board (divided by 100).
DISP	=	Dispersion of analysts' forecasts at the market level.
VOL	=	Volatility for the S+P500 index as implied by options data.

level. The first proxy comes from the bond market and is calculated as the spread between corporate and government bond yields (BSPREAD). The rationale is that increases in this spread signal investors' perceptions of increased riskiness of corporate activity that would be translated to both debt and equity owners. The second measure, CON, is the consumer confidence index reported by the Conference Board at the end of the month. While the reported index tends to be around 100, we rescale CON as the actual index divided by 100. We also examined use of CON as of the end of the prior month; however, in regression analysis, this lagged measure generally was not statistically significant in explaining the level of the market risk premium.[3] The third measure, DISP, measures the dispersion of analysts' forecasts. Such analyst disagreement should be positively related to perceived risk since higher levels of uncertainty would likely generate a wider distribution of earnings forecasts for a given firm. DISP is calculated as the average of firm-specific standard deviations for each stock in the S&P500 covered by IBES. The firm-specific standard deviation is calculated based on the dispersion of individual analysts' growth forecasts around the mean of individual forecasts for that company in that month. DISP also was estimated using a value-weighted measure of analyst dispersion for the firms in our sample. The results reported use the equally weighted version but similar patterns were obtained with both constructions.[4] Our final measure, VOL, is the implied volatility on the S&P500 index. As of the beginning of the month, a dividend-adjusted Black Scholes Formula is used to estimate the implied volatility in the S&P500 index option contract, which expires on the third Friday of the month. The call premium, exercise price, and the level of the S&P500 index are taken from the *Wall Street Journal*, and treasury yields come from the Federal Reserve. Dividend yield comes from DRI. The option contract that is closest to being at the money is used.

III. Estimates of the Market Premium

Exhibit 2 reports both required returns and risk premia by year (averages of monthly data). The estimated risk premia are positive, consistent with equity owners demanding additional rewards over and above returns on debt securities. The average expectational risk premium (1982 to 1998) over

[3] We examined two other proxies for Consumer Confidence. The Conference Board's Consumer Expectations Index yielded essentially the same results as those reported. The University of Michigan's Consumer Sentiment Indices tended to be less significantly linked to the market risk premium, though coefficients were still negative.

[4] For the regressions reported in Exhibit 6, the value-weighted dispersion measure actually exhibited more explanatory power. For regressions using the Prais-Winsten method (see footnote 7), the coefficient on DISP was not significant in 2 of the 4 cases.

Exhibit 2. Bond Market Yields, Equity Required Return, and Equity Risk Premium, 1982-1998

Values are averages of monthly figures in percent. *i* is the yield to maturity on long-term government bonds, *k* is the required return on the S&P500 estimated as a value weighted average using a discounted cash flow model with analysts' growth forecasts. The risk premium *rp* = *k* − *i*. The average of analysts' growth forecasts is *g*. *Div yield* is expected dividend per share divided by price per share.

Year	Div. Yield	*g*	*k*	*i*	*rp* = *k* - *i*
1982	6.89	12.73	19.62	12.76	6.86
1983	5.24	12.60	17.86	11.18	6.67
1984	5.55	12.02	17.57	12.39	5.18
1985	4.97	11.45	16.42	10.79	5.63
1986	4.08	11.05	15.13	7.80	7.34
1987	3.64	11.01	14.65	8.58	6.07
1988	4.27	11.00	15.27	8.96	6.31
1989	3.95	11.08	15.03	8.45	6.58
1990	4.03	11.69	15.72	8.61	7.11
1991	3.64	11.99	15.63	8.14	7.50
1992	3.35	12.13	15.47	7.67	7.81
1993	3.15	11.63	14.78	6.60	8.18
1994	3.19	11.47	14.66	7.37	7.29
1995	3.04	11.51	14.55	6.88	7.67
1996	2.60	11.89	14.49	6.70	7.79
1997	2.18	12.60	14.78	6.60	8.17
1998	1.80	12.95	14.75	5.58	9.17
Average	3.86	11.81	15.67	8.53	7.14

government bonds is 7.14%, slightly higher than the 6.47% average for 1982 to 1991 reported by Harris and Marston (1992). For comparison purposes, Exhibit 3 contains historical returns and risk premia. The average expectational risk premium reported in Exhibit 2 is approximately equal to the arithmetic (7.5%) long-term differential between returns on stocks and long-term government bonds.[9]

[9]Interestingly, for the 1982-1996 period the arithmetic spread between large company stocks and long-term government bonds was only 3.3% per year. The downward trend in interest rates resulted in average annual returns of 14.1% on long-term government bonds over this horizon. Some (e.g., Ibbotson, 1997) argue that only the income (not total) return on bonds should be subtracted in calculating risk premia.

Exhibit 2 shows the estimated risk premium changes over time, suggesting changes in the market's perception of the incremental risk of investing in equity rather than debt securities. Scanning the last column of Exhibit 2, the risk premium is higher in the 1990s than earlier and especially so in late 1997 and 1998. Our DCF results provide no evidence to support the notion of a declining risk premium in the 1990s as a driver of the strong run up in equity prices.

A striking feature in Exhibit 2 is the relative stability of the estimates of *k*. After dropping (along with interest rates) in the early and mid-1980s, the average annual value of *k* has remained within a 75 basis point range around 15% for over a decade. Moreover, this stability arises despite some variability in the

Exhibit 3. Average Historical Returns on Bonds, Stocks, Bills, and Inflation in the US, 1926-1998

Historical Return Realizations	Geometric Mean	Arithmetic Mean
Common Stock (Large Company)	11.2%	13.2%
Long-term Government Bonds	5.3	5.7
Treasury Bills	3.8	3.8
Inflation Rate	3.1	3.2

Source: Ibbotson Associates, Inc., *1999 Stocks, Bonds, Bills and Inflation*, 1999 Yearbook.

underlying dividend yield and growth components of k as Exhibit 2 illustrates. The results suggest that k is more stable than government interest rates. Such relative stability of k translates into parallel changes in the market risk premium. In a subsequent section, we examine whether changes in our market risk premium estimates appear linked to interest rate conditions and a number of proxies for risk.

We explored the sensitivity of the results to our screening procedures in selecting companies. The reported results screen out all non-dividend paying stocks on the premise that use of the DCF model is inappropriate in such cases. The dividend screen eliminates an average of 55 companies per month. In a given month, we also screen out firms with fewer than three analysts' forecasts, or if the standard deviation around the mean forecast exceeds 20%. When the analysis is repeated without any of the three screens, the average risk premium over the sample period increased by only 40 basis points, from 7.14% to 7.54%. The beta of the sample firms also was estimated and the sample average was one, suggesting that the screens do not systematically remove low or high-risk firms. (Specifically, using firms in the screened sample as of December 1997 (the last date for which we had CRSP return data), we used ordinary least squares regressions to estimate beta for each stock using the prior 60 months of data and the CRSP return (SPRTRN) as the market index. The value-weighted average of the individual betas was 1.00.)

The results reported here use firms in the S&P500 as reported by COMPUSTAT in September 1998. This could create a survivorship bias, especially in the earlier months of the sample. We compared our current results to those obtained in Harris and Marston (1992) for which there was data to update the S&P500 composition each month. For the overlapping period, January 1982-May 1991, the two procedures yield the same average market risk premium, 6.47%. This suggests that the firms departing from or entering the S&P500 index do so for a number of reasons with no discernable effect on the overall estimated S&P500 market risk premium.

IV. Changes in the Market Risk Premium Over Time

With changes in the economy and financial markets, equity investments may be perceived to change in risk. For instance, investor sentiment about future business conditions likely affects attitudes about the riskiness of equity investments compared to investments in the bond markets. Moreover, since bonds are risky investments themselves, equity risk premia (relative to bonds) could change due to changes in perceived riskiness of bonds, even if equities displayed no shifts in risk.

In earlier work covering the 1982-1991 period, Harris and Marston (1992) reported regression results indicating that the market premium decreased with the level of government interest rates and increased with the spread between corporate and government bond yields (BSPREAD). This bond yield spread was interpreted as a time series proxy for equity risk. In this paper, we introduce three additional *ex ante* measures of risk shown in Exhibit 1: CON, DISP, and VOL. The three measures come from three independent sets of data and are supplied by different agents in the economy (consumers, equity analysts, and investors (via option and share price data)). Exhibit 4 provides summary data on all four of these risk measures.

Exhibit 5 replicates and updates earlier analysis by Harris and Marston (1992).[7] The results confirm the earlier patterns. For the entire sample period, Panel A shows that risk premia are negatively related to interest rates. This negative relationship is also true for both

[7] OLS regressions with levels of variables generally showed severe autocorrelation. As a result, we used the Prais-Winsten method (on levels of variables) and also OLS regressions on first differences of variables. Since both methods yielded similar results and the latter had more stable coefficients across specifications, we report only the results using first differences. Tests using Durbin-Watson statistics from regressions in Exhibits 5 and 6 do not accept the hypothesis of autocorrelated errors (tests at .01 significance level, see Johnston, 1984). We also estimated the first difference model without an intercept and obtained estimates almost identical to those reported.

Exhibit 4. Descriptive Statistics on *Ex Ante* Risk Measures

Entries are based on monthly data. BSPREAD is the spread between yields on long-term corporate and government bonds, CON is the consumer confidence index, DISP measures the dispersion of analysts' forecasts of earnings growth, VOL is the volatility on the S&P500 index implied by options data. Variables are expressed in decimal form, (e.g., 12% = .12).

Panel A. Variables are Monthly Levels

	Mean	Standard Deviation	Minimum	Maximum
BSPREAD	.0123	.0040	.0070	.0254
CON	.9504	.2242	.473	1.382
DISP	.0349	.0070	.0285	.0687
VOL	.1599	.0697	.0765	.6085

Panel B. Variables are Monthly Changes

	Mean	Standard Deviation	Minimum	Maximum
BSPREAD	-.00001	.0011	-.0034	.0036
CON	.0030	.0549	-.2300	.2170
DISP	-.00002	.0024	-.0160	.0154
VOL	-.0008	.0592	-.2156	.4081

Panel C. Correlation Coefficients for Monthly Changes

	BSPREAD	CON	DISP	VOL
BSPREAD	1.00	-.16**	.054	.22*
CON	-.16**	1.00	.065	-.09
DISP	.054	.065	1.00	.027
VOL	.22*	-.09	.027	1.00

**Significantly different from zero at the .05 level.
*Significantly different from zero at the .01 level.

the 1980s and 1990s as displayed in Panels B and C. For the entire 1982 to 1998 period, the addition of the yield spread risk proxy to the regressions lowers the magnitude of the coefficient on government bond yields, as can be seen by comparing Equations (1) and (2) of Panel A. Furthermore, the coefficient of the yield spread (0.488) is itself significantly positive. This pattern suggests that a reduction in the risk differential between investment in government bonds and in corporate bonds is translated into a lower equity market risk premium.

In major respects, the results in Exhibit 5 parallel earlier findings. The market risk premium changes over time and appears inversely related to government interest rates but is positively related to the bond yield spread, which proxies for the incremental risk of investing in equities as opposed to government bonds. One striking feature is the large negative coefficients on government bond yields. The coefficients indicate the equity risk premium declines by over 70 basis points for a 100 basis point increase in government interest rates.[8] This inverse relationship suggests

[8]The Exhibit 5 coefficients on r are significantly different from -1, 0 suggesting that equity required returns do respond to interest rate changes. However, the large negative coefficients imply only minor adjustments of required returns to interest rate changes since the risk premium declines. In earlier work (Harris and Marston, 1992) the coefficient was significantly negative but not as large in absolute value. In that earlier work, we reported results using the Prais-Winsten estimators. When we use that estimation technique and recreate the second regression in Exhibit 5, the coefficient for r is -.584 (t 12.23) for the entire sample period 1982-1998.

Exhibit 5. Changes in the Market Equity Risk Premium Over Time

The exhibit reports regression coefficients (*t*-values). Regression estimates use all variables expressed as monthly changes to correct for autocorrelation. The dependent variable is the market equity risk premium for the S&P500 index. BSPREAD is the spread between yields on long-term corporate and government bonds. The yield to maturity on long-term government bonds is denoted as *i*. For purposes of the regression, variables are expressed in decimal form, (e.g., 12% = .12).

Time Period	Intercept	*i*	BSPREAD	R^2
A. 1982-1998	-.0002	-.869		.57
	(-1.49)	(-16.54)		
	-.0002	-.749	.488	.59
	(-1.11)	(-11.37)	(2.94)	
B. 1980s	-.0005	-.887		.56
	(-1.62)	(-10.97)		
	-.0004	-.759	.508	.57
	(-1.24)	(-7.42)	(1.99)	
C. 1990s	-.0000	-.840		.64
	(-0.09)	(-13.78)		
	-.0000	-.757	.347	.65
	(0.01)	(-9.85)	(1.76)	

Exhibit 6. Changes in the Market Equity Risk Premium Over Time and Selected Measures of Risk

The exhibit reports regression coefficients (*t*-values). Regression estimates use all variables expressed as monthly changes to correct for autocorrelation. The dependent variable is the market equity risk premium for the S&P500 index. BSPREAD is the spread between yields on long-term corporate and government bonds. The yield to maturity on long-term government bonds is denoted as *i*. CON is the consumer confidence index. DISP measures the dispersion of analysts' forecasts of earnings growth. VOL is the volatility on the S&P500 index implied by options data. For purposes of the regression, variables are expressed in decimal form, (e.g., 12% = .12)

Time Period		Intercept	*i*	BSPREAD	CON	DISP	VOL	Adj. R^2
A. 1982-1998								
	(1)	0.0002			-0.014			0.05
		(.97)			(-3.50)			
	(2)	-0.0001	0.737	0.453	-0.007			0.60
		(-.96)	(-11.31)	(2.76)	(-2.48)			
	(3)	0.0002				0.224		0.02
		(.79)				(2.38)		
	(4)	-0.0001	-0.733	0.433	-0.007	0.185		0.62
		(-.93)	(-11.49)	(2.69)	(-2.77)	(3.13)		
B. May 1986-1998	(5)	0.0000	-0.818	0.420	-0.005	0.378		0.68
		(.06)	(-11.21)	(2.52)	(-2.23)	(3.77)		
	(6)	0.0001					0.011	0.05
		(.53)					(2.89)	
	(7)	0.0000	-0.831	0.326	-0.005	0.372	0.006	0.69
		(.02)	(-11.52)	(1.95)	(-2.12)	(3.77)	(2.66)	

much greater stability in equity required returns than is often assumed. For instance, standard application of the CAPM suggests a one-to-one change in equity returns and government bond yields.

Exhibit 6 introduces three additional proxies for risk and explores whether these variables, either individually or collectively, are correlated with the market premium. Since the estimates of implied volatility start in May 1986, the exhibit shows results for both the entire sample period and for the period during which we can introduce all variables. Entered individually each of the three variables is significantly linked to the risk premium with the coefficient having the expected sign. For instance, in regression (1) the coefficient on CON is -.014, which is significantly different from zero (t = -3.50). The negative coefficient signals that higher consumer confidence is linked to a lower market premium. The positive coefficients on VOL and DISP indicate the equity risk premium increases with both market volatility and disagreement among analysts. The effects of the three variables appear largely unaffected by adding other variables. For instance, in regression (4) the coefficients on CON and DISP both remain significant and are similar in magnitude to the coefficients in single variable regressions.[9]

Even in the presence of the new risk variables, Exhibit 6 shows that the market risk premium is affected by interest rate conditions. The large negative coefficient on government bond rates implies large reductions in the equity premium as interest rates rise. One feature of our data may contribute to the observed negative relationship between the market risk premium and the level of interest rates. Specifically, if analysts are slow to report updates in their growth forecasts, changes in the estimated k would not adjust fully with changes in the interest rate even if the true risk premium were constant. To address the impact of "stickiness" in the measurement of k, we formed "quarterly" measures of the risk premium that treat k as an average over the quarter. Specifically, we take the value of k at the end of a quarter and subtract from it the average value of i for the months ending when k is measured. For instance, to form the risk premium for March 1998, the average value of i for January, February, and March is subtracted from the March value of k. This approach assumes that, in March, k still reflects values of g that have not been updated from the prior two months. The quarterly measure of risk premium then is paired with the average values of the other variables for the quarter. For instance, the March 1998 "quarterly" risk premium would be paired with averaged values of BSPREAD over the January through March period. To avoid overlapping observations for the independent variables, we use only every third month (March, June, September, December) in the sample.

As reported in Exhibit 7, sensitivity analysis using "quarterly" observations suggests that delays in updating may be responsible for a portion, but not all, of the observed negative relationship between the market premium and interest rates. For example, when quarterly observations are used, the coefficient on i in regression (2) of Exhibit 7 is -.527, well below the earlier estimates but still significantly negative.[10]

As an additional test, movements in the bond risk premium (BSPREAD) are examined. Since BSPREAD is constructed directly from bond yield data, it does not have the potential for reporting lags that may affect analysts' growth forecasts. Regression 3 in Exhibit 7 shows BSPREAD is negatively linked to government rates and significantly so.[11] While the equity premium need not move in the same pattern as the corporate bond premium, the negative coefficient on BSPREAD suggests that our earlier results are not due solely to "stickiness" in measurements of market required returns.

The results in Exhibit 7 suggest that the inverse relationship between interest rates and the market risk premium may not be as pronounced as suggested in earlier exhibits. Still, there appears to be a significant negative link between the equity risk premium and government interest rates. The quarterly results in Exhibit 7 would suggest about a 50 basis point change in risk premium for each 100 basis point movement in interest rates.

Overall, the *ex ante* estimates of the market risk premium are significantly linked to *ex ante* proxies for risk. Such a link suggests that investors modify their required returns in response to perceived changes in the environment. The findings provide some comfort that our risk premium estimates are capturing, at least

[9] Realized equity returns are difficult to predict out of sample (see Goyal and Welch, 1999). Our approach is different in that we look at expectational risk premia which are much more stable. For instance, when we estimate regression coefficients (using the specification shown in regression 7 of Exhibit 6) and apply them out of sample we obtain "predictions" of expectational risk premia that are significantly more accurate (better than the .01 level) than a no change forecast. We use a "rolling regression" approach using data through December 1991 to get coefficients to predict the risk premium in January 1992. We repeat the procedure moving forward a month and dropping the oldest month of data from the regression. Details are available from the authors.

[10] Sensitivity analysis for the 1982-1989 and 1990-1998 subperiods yields results similar to those reported.

[11] We thank Bob Conroy for suggesting use of BSPREAD. Regression 3 in Exhibit 7 appears to have autocorrelated errors: the Durbin-Watson (DW) statistic rejects the hypothesis of no autocorrelation. However, in subperiod analysis, the DW statistic for the 1990-98 period is consistent with no autocorrelation and the coefficient on i is essentially the same (-.24, $t = -8.05$) as reported in Exhibit 7.

Exhibit 7. Regressions Using Alternate Measures of Risk Premia to Analyze Potential Effects of Reporting Lags in Analysts' Forecasts

The exhibit reports regression coefficients (*t*-values). Regression estimates use all variables expressed as changes (monthly or quarterly) to correct for autocorrelation. BSPREAD is the spread between yields on long-term corporate and government bonds. *rp* is the risk premium on the S&P500 index. The yield to maturity on long-term government bonds is denoted as *i*. For purposes of the regression, variables are expressed in decimal form. (e.g., 12% = .12).

Dependent Variable	Intercept	*i*	BSPREAD	*Adj. R²*
(1) Equity Risk Premium (*rp*) Monthly Observations (same as Table V)	-.0002 (-1.11)	-.749 (-11.37)	.488 (2.94)	.59
(2) Equity Risk Premium (*rp*) "Quarterly" nonoverlapping observations to account for lags in analyst reporting	-.0002 (-.49)	-.527 (-6.18)	.550 (2.20)	.60
(3) Corporate Bond Spread (BSPREAD) Monthly Observations	-.0001 (-1.90)	-.247 (-11.29)		.38

in part, underlying changes in the economic environment. Moreover, each of the risk measures appears to contain relevant information for investors. The market risk premium is negatively related to the level of consumer confidence and positively linked to interest rate spreads between corporate and government debt, disagreement among analysts in their forecasts of earnings growth, and the implied volatility of equity returns as revealed in options data.

V. Conclusions

Shareholder required rates of return and risk premia should be based on theories about investors' expectations for the future. In practice, however, risk premia are typically estimated using averages of historical returns. This paper applies an alternate approach to estimating risk premia that employs publicly available expectational data. The resultant average market equity risk premium over government bonds is comparable in magnitude to long-term differences (1926 to 1998) in historical returns between stocks and bonds. As a result, our evidence does not resolve the equity premium puzzle; rather, the results suggest investors still expect to receive large spreads to invest in equity versus debt instruments.

There is strong evidence, however, that the market risk premium changes over time. Moreover, these changes appear linked to the level of interest rates as well as *ex ante* proxies for risk drawn from interest rate spreads in the bond market, consumer confidence in future economic conditions, disagreement among financial analysts in their forecasts and the volatility of equity returns implied by options data. The significant economic links between the market premium and a wide array of risk variables suggests that the notion of a constant risk premium over time is not an adequate explanation of pricing in equity versus debt markets.

These results have implications for practice. First, at least on average, the estimates suggest a market premium roughly comparable to long-term historical spreads in returns between stocks and bonds. Our conjecture is that, if anything, the estimates are on the high side and thus establish an upper bound on the market premium. Second, the results suggest that use of a constant risk premium will not fully capture changes in investor return requirements. As a specific example, our findings indicate that common application of models such as the CAPM will overstate changes in shareholder return requirements when government interest rates change. Rather than a one-for-one change with interest rates implied by use of constant risk premium, the results indicate that equity required returns for average risk stocks likely change by half (or less) of the change in interest rates. However, the picture is considerably more complicated as shown by the linkages between the risk premium and other attributes of risk.

Ultimately, our research does not resolve the answer to the question "What is the right market risk premium?" Perhaps more importantly, our work suggests that the answer is conditional on a number of features in the economy—not an absolute. We hope that future research will harness *ex ante* data to provide additional guidance to best practice in using a market premium to improve financial decisions.■

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Kentucky Power Company

REQUEST

Refer to the Avera exhibits containing Mr. Avera's proxy group.

a. Provide the most current ROEs awarded by their respective regulatory agencies and the dates of the awards for Mr. Avera's proxy group, or for their electric utility subsidiaries if the proxy company is a holding company.

b. Explain why it is appropriate to include Kentucky Power's parent company, AEP, in the ROE analysis.

RESPONSE

a. Dr. Avera has not conducted, nor does he typically conduct, any independent research to identify the most current ROEs awarded to individual utility operating companies by their respective regulatory agencies. Dr. Avera's testimony addresses earned or expected returns, which are different than awarded returns. The awarded ROE information is not necessary to support his analyses and conclusions.

b. Because Kentucky Power obtains its equity capital from AEP, estimates of investors' required return for AEP provide one benchmark, along with estimates for the other proxy companies, to evaluate a fair ROE. Because of the inherent difficulties in estimating the cost of equity and the potential for measurement error, it is important to consider the results of multiple methods for a group of risk-comparable utilities. AEP satisfies the proxy group screening criteria and is properly included in the analyses.

WITNESS: Dr. William E. Avera

Kentucky Power Company

REQUEST

Provide an electronic copy of the Excel spreadsheets supporting the Avera Testimony and the responses to items in this request for information for which Mr. Avera is responsible, where appropriate, with the underlying data and formulas intact.

RESPONSE

Please see the Company's response to KIUC 1-1 Attachment 14.

WITNESS: Dr. William E. Avera

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Jeffrey B. Bartsch ("Bartsch Testimony") at pages 3-4 and Section V, Workpaper S-2, page 2.

a. The KPSC maintenance fee shown on line 4 of the workpaper is 0.15 percent. On June 10, 2013, the Kentucky Revenue Department provided the new assessment rate of 0.1785 percent for state government's 2013-2014 fiscal year to the Commission. Provide a revised gross revenue conversion factor calculation using the new assessment rate.

b. Explain why income tax rates for Illinois and Michigan are included in calculating the gross revenue conversion factor.

RESPONSE

a. Please see KPSC 2-7 Attachment 1.

b. Kentucky Power files state income tax returns in Illinois and Michigan as a result of off-system sales in these states. As a result of the nexus or business presence in these states, KPCo must pay income tax on each dollar of taxable income earned on an apportioned basis. The apportionment of taxable income between all of the states in which KPCo has a presence has the impact of reducing the statutory Kentucky income tax rate of 6% to an overall effective state income tax rate of 5.3947%. In addition, KPCo customers share in the benefits of the off-system sales and these other state income taxes are a minor cost of entering into these off-system sale transactions.

WITNESS: Jeffrey B Bartsch

KENTUCKY POWER COMPANY

Computation of Gross Revenue Conversion Factor

		Tax Rates	Percentage of Incremental Gross Revenues
1	Operating Revenues		100.0000%
2	Less: Uncollectible Accounts Expense		0.2500%
3	Less: KPSC Maintenance Fee		0.1785%
4	Income Before Income Taxes		99.5715%
5	Less: State Income Taxes (Line 4 x State Tax Rate)	5.3947%	5.3716%
6	Income Before Federal Income Taxes		94.1999%
7	Less: Federal Income Taxes (Line 6 x Federal Tax Rate)	35.00%	32.9700%
8	Operating Income Percentage		61.2299%
9	Gross Revenue Conversion Factor (100% / Line 8)		1.6332

Kentucky Power Company

REQUEST

Refer to the Bartsch Testimony at pages 5-6 and Section V, Workpaper S-4, pages 63 and 65.

a. Explain why it was determined that an adjustment to Kentucky Power's test year Schedule M removal cost was necessary based on the average amount from the three most recent tax returns.

b. Explain why it was determined that the Mitchell plant test year Schedule M amount was appropriate for ratemaking purposes and did not require an adjustment based on a historical average.

RESPONSE

a. The removal cost Schedule M can vary significantly from year-to-year on the Federal income tax return. Since this Schedule M adjustment is treated as a flow-thru item for Kentucky rate-making purposes (i.e. no deferred income taxes are recorded), it can have a significant impact on the Federal income tax expense computation. The Company believes that a three year average is more representative of what this Schedule M would be in the future when the rates set in this proceeding would be in effect.

b. Unlike removal costs, the Mitchell plant depreciation Schedule M's are not as volatile and are fully normalized for Federal income tax purposes (i.e. full deferred Federal income taxes have been recorded on the books of Ohio Power and will be transferred to KPCo). Therefore, changing the Mitchell plant depreciation Schedule M's would have no impact on the Federal income tax expense computations.

WITNESS: Jeffrey B Bartsch

Kentucky Power Company

REQUEST

Refer to the Bartsch Testimony at pages 8-9 and Section V, Workpaper S-4, page 64.

a. Explain why three years was selected as the basis for determining an average amount for the Section 199 Manufacturing Deduction.

b. The three-year period shown in the workpaper ends with the 2011 tax return. Explain when Kentucky Power's 2012 tax return will be filed.

RESPONSE

a. As shown on Section V, Workpaper S-4, page 64, the Section 199 Manufacturing Schedule M deduction can vary significantly from year-to-year on the Federal income tax return. In fact, this Schedule M deduction was $42,781 on a separate stand-alone tax return in 2011. The three year average used by the Company in this proceeding was $124,538. Since this Schedule M adjustment is a permanent deduction for Kentucky rate-making purposes (-ie- no deferred income taxes are recorded), it can have a significant impact on the Federal income tax expense computation. The Company believes that a three year average is more representative of what this Schedule M would be in the future when the rates set in this proceeding would be in effect.

b. The 2012 Federal Income Tax Return was filed and accepted by the IRS on August 13, 2013. The 2012 return is available for review at the Kentucky Power office located in Frankfort, Kentucky.

WITNESS: Jeffrey B. Bartsch

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Douglas R. Buck, pages 2-7. For each rate class receiving a proposed change in monthly service charges, energy charges, and demand charges, explain how the changes in the various charges were determined and provide supporting analysis.

RESPONSE

The cost components developed by Witness Stegall in the Class Cost of Service Study provided the relative amounts of revenue to be recovered from customer charges, energy charges and demand charges for each rate class. Once determined, the initial rates were then compared to the current rates to determine which price changes would need to be moderated to mitigate price impacts on individual bills.

Please see KIUC 1-1 Attachment 12 for workpapers used for the detailed development of each proposed rate charge.

For this proceeding no rate design changes are being proposed, and rates were designed using the methods applied and approved in the previous KPCo rate case before this Commission, Case No. 2009-00459.

WITNESS: Douglas R. Buck

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Andrew R. Carlin at pages 19-28 and pages 28-32 and Section V, Workpaper S-4, pages 35 and 47.

a. Both sections of the testimony, 19-28, which covers annual incentive compensation, and 28-32, which covers long-term incentive compensation, reference the workpaper, pages 35 and 47. Page 35 has the adjustment for Kentucky Power while page 47 shows the calculation of the Mitchell plant adjustment.

(1) Provide a breakdown of the test year actual incentive plan payout for Kentucky Power of $5,778,275 (page 35) which shows the amounts related to annual incentive compensation and long-term incentive compensation separately.

(2) Provide a breakdown of the incentive plan payout at a 1.0 payout for Kentucky Power of $3,697,125 (page 35) which shows the amounts related to annual incentive compensation and long-term incentive compensation separately.

(3) Provide a breakdown of the test year actual incentive plan payout for the Mitchell plant of $1,843,172 (page 47) which shows the amounts related to annual incentive compensation and long-term incentive compensation separately.

(4) Provide a breakdown of the incentive plan payout at a 1.0 payout for the Mitchell plant of $1,085,424 (page 47) which shows the amounts related to annual incentive compensation and long-term incentive compensation separately.

b. Provide a further breakdown of the amounts provided in response to part a. of this request which shows, for each of the annual incentive payout amounts, the portion related to each component of the annual incentive compensation plan and, for each of the long-term incentive payout amounts, the portion related to each component of the long-term incentive compensation plan.

RESPONSE

a. For (1) - (4) see KPSC 2-11 Attachment 1.

b. The components and performance measures of AEP's annual and long-term incentive compensation plans are aggregated within these categories in AEP's accounting system and, therefore, a breakdown of these items is not available.

WITNESS: Andrew R Carlin

Kentucky Power Company
Incentive Compensation Breakdown
Test Year Twelve Months Ended 3/31/13

	Page 35 (KY)		Page 47 (Mitchell)	
LTIP	1,392,424	802,913	811,694	472,231
50% of Mitchell	n/a	n/a	405,847	236,115
CIP	4,385,851	2,894,212	2,874,650	1,698,617
50% of Mitchell	n/a	n/a	1,437,325	849,309
Total	5,778,275	3,697,125	1,843,172	1,085,424
Question	11 a. (1)	11 a. (2)	11 a. (3)	11 a. (4)

Kentucky Power Company

REQUEST

Refer to the Carlin Testimony at page 21 and Exhibit ARC-7, page 10.

a. Explain whether an improvement in Kentucky Power's System Average Incident Duration Index ("SAIDI") results in an increased incentive pay payout for its employees.

b. Explain whether improvements in Kentucky Power's SAIDI result in an increased incentive pay payout for AEP Service Corporation ("AEPSC") employees.

c. If the Commission-approved annual reliability spend were there to be increased by $10 million, explain whether Kentucky Power's SAIDI would be expected to improve over time.

d. Explain whether Kentucky Power and AEPSC employees would receive increased incentive pay because of an improved SAIDI if the improvement resulted from the Commission's having authorized an increase in Kentucky Power's annual reliability spend.

RESPONSE

a. Because SAIDI is a 15 percent component in Kentucky Power's annual incentive plan, an improvement in SAIDI generally results in increased incentive payouts for its employees, assuming earning thresholds are achieved and all else being equal.

b. Because Kentucky Power SAIDI was only a small component of overall AEP SAIDI for 2012 and because SAIDI is not a component of incentive compensation for many AEPSC employees for 2013, an improvement in Kentucky Power SAIDI generally will not result in significant increase in incentive payouts for its employees, assuming earning thresholds are achieved and all else being equal.

c. Generally, yes, depending on weather and other factors.

d. The increase in incentive payouts described for Kentucky Power employees described in response a. above would be expected to occur, assuming earning thresholds are achieved and all else being equal, if the Commission authorizes an increase in Kentucky Power's annual reliability spend. Since the score for each performance measure is capped at 200 percent of the target score for that measure and SAIDI has a 15 percent weight, the maximum impact would be to increase incentive payout for these employees by 30 percent of their target payout.

However, as stated in response b. above, an improvement in Kentucky Power SAIDI generally will not result in significant increase in incentive payouts for AEPSC employees, assuming earning thresholds are achieved and all else being equal. In addition, since AEP's overall incentive funding is determined by other annual incentive measures, any increase in incentive compensation payouts for Kentucky Power employees would be coupled with a reduction in incentive payouts in other AEP incentive groups, including AEPSC employees, if earnings thresholds are achieved and all else being equal.

Furthermore, if only the target level of incentive compensation is included in rates, as requested, then the expense associated with any increase in incentive compensation payouts above the target level would be borne by shareholders, not ratepayers.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of David A. Davis ("Davis Testimony") at page 7. The testimony indicates that Kentucky Power used the Average Remaining Life Method for the individual primary plant accounts. Provide the rational for using that methodology.

RESPONSE

The Average Remaining Life Method or Remaining Life Method is a widely used methodology for calculating utility depreciation rates. Public utility commissions in Arkansas, Indiana, Michigan, Louisiana, Oklahoma, Texas, Virginia and West Virginia all have accepted AEP operating company depreciation rates calculated using the Remaining Life Method. Kentucky's currently approved depreciation rates from Case No. 91-066 were calculated using the Remaining Life Method.

The Remaining Life Method recovers the original cost of the property, adjusted for net salvage over the remaining life of the investment. As noted by Public Utility Depreciation Practices published by the National Association of Regulatory Utility Commissioners, Page 65: "The desirability of using the remaining life technique is that any necessary adjustments of depreciation reserves, because of changes to the estimates of life or net salvage, are accrued automatically over the remaining life of the property."

WITNESS: David A Davis

Kentucky Power Company

REQUEST

Refer to the Davis Testimony at page 10. Mr. Davis recommends that the Commission authorize Kentucky Power to adopt and apply the proposed depreciation accrual rates at the primary plant account level and that accumulated depreciation by primary plant account be established as of the date of this order. Explain whether this approach is current in use by other AEP operating companies.

RESPONSE

Yes, this approach is currently in use in the following other AEP operating companies:

I. Appalachian Power Company
II. Indiana Michigan Power Company
III. Ohio Power Company
IV. Public Service of Oklahoma
V. Southwestern Electric Power Company
VI. AEP Texas Central Company
VII. AEP Texas North Company

WITNESS: David A Davis

Kentucky Power Company

REQUEST

Refer to the Davis Testimony and page 5 of Exhibit DAD-1. Item 1 of the exhibit indicates that Kentucky Power chose to use the group plan for all depreciable property included in the report and that it had previously used the remaining-life method of depreciation.

a. Explain why Kentucky Power chose to change methodologies.

b. Identify and describe the effects that using the group plan will have on the overall depreciation rates, compared with using the remaining life methodology.

RESPONSE

a. Kentucky Power did not change its depreciation methodology. The remaining life method is still being used to calculate Kentucky Power's depreciation rates as is noted on page 5 of Exhibit DAD-1, item 2. The group plan summarized in item 1 on page 5 of Exhibit DAD-1 notes that depreciation is accrued upon the basis of the original cost of all property included in each depreciable plant account which means that all of the property in each account is taken as a group for depreciation rate calculations. The remaining life method was used to calculate depreciation rates for each plant account considering all of the property in each account as a group.

b. There is no effect on depreciation rates by using the group plan. As explained in the Company's response to item a, above, the remaining life methodology is being used to calculate depreciation rates on each account where all of the property in each account is taken as a group (group plan). This is the same method that was previously used to calculate depreciation rates for Kentucky Power.

WITNESS: David A Davis

Kentucky Power Company

REQUEST

Refer to Exhibit DAD-1, page 8, wherein Mr. Davis indicates that a retirement date of 2015 is applicable for Big Sandy Units 1 and 2.

a. Explain whether Kentucky Power has made a decision to retire both units in 2015.

b. If the study were to be performed based on Big Sandy Unit 1's remaining in service beyond 2015, explain how that would affect the depreciation model runs.

RESPONSE

a. Kentucky Power has decided to retire Big Sandy Unit 2 in 2015 and Big Sandy Unit 1 as a coal fired unit in 2015.

b. If Big Sandy Unit 1 were to remain in service beyond 2015, the Company's production plant service life would be extended which would decrease annual depreciation expense.

WITNESS: David A Davis

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Hugh E. McCoy ("McCoy Testimony") at page 8 and Exhibit HEM-1.

a. Identify the causes of the increase in annual pension expense from $3,245,663 in calendar year 2012 to $4,061,812 in calendar year 2013.

b. Confirm that the amount shown in Exhibit HEM-1 as pension cost for the 12 months ended March 31, 2013 reflects the sum of nine times the average monthly amount for calendar year 2012 pension cost plus three times the average monthly amount for calendar year 2013 pension cost.

RESPONSE

a. Pension expense in calendar year 2013 increased versus calendar year 2012 because of (a) increased amortization of 2008 investment losses, which are phased-in as an increase in pension expense over five years, with the full effect first being recognized in 2013, (b) the decline in interest rates, and (c) the lower assumed long-term rate of return on plan investments, which reflects a more conservative allocation of trust fund investments.

b. Yes, the pension cost amount shown on Exhibit HEM-1 for the 12 months ended March 31, 2013 reflects nine-twelfths of calendar year 2012 cost plus three-twelfths of calendar year 2013 cost.

WITNESS: Hugh E McCoy

Kentucky Power Company

REQUEST

Refer to the McCoy Testimony at pages 17-21, Exhibit HEM-4, and Section V, Schedule 4, page 1. Exhibit HEM-4 shows a prepaid pension balance as of March 2013 of $26,308,055. However, Section V, Schedule 4, page 1, shows a March 31, 2013 prepayments balance of $1,455,069 and a rate case adjustment which adds the $26,308,055 for an adjusted amount of $27,763,124. Clarify what the correct March 2013 balance is for prepayments and, if the prepaid pension amount was not included in that balance, explain where and how it was recorded prior to being included as a rate case adjustment.

RESPONSE

The correct amount of prepayments to be included in rate base as of March 31, 2013 is $27,763,124, which includes a prepaid pension asset of $26,308,055 plus other prepayments of $1,455,069.

The $26,308,055 prepaid pension asset is the cumulative amount of additional cash contributions to the pension trust fund beyond the amount of FAS 87 pension cost. This additional cash investment is recorded on the Company's books in Account 1650010. Including this amount in rate base allows ratemaking recognition of the Company's cost of funds on the additional cash contributions, which benefit customers through reduced pension cost as a result of investment income on the additional pension funds.

Not included in rate base is the negative $26,308,055 (a credit) recorded in Account 1650014 as a FAS 158 mark-to-market adjustment, a non-cash accrual adjustment. As Witness McCoy discusses at the top of page 19 of his direct testimony, FAS 158 non-cash adjustments should be excluded from rate base because they have no effect on the Company's cash pension investment or its FAS 87 pension cost included in cost of service.

WITNESS: Hugh E McCoy

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Thomas E Mitchell ("Mitchell Testimony") at page 5 and Section V, Workpaper S-4, pages 56-59. Most of the adjustments related to the planned acquisition of a 50 percent ownership interest in the Mitchell generating capacity include a step showing a 50 percent calculation. However, the adjustments on pages 56-59 do not contain this step. Confirm that the amounts in these adjustments reflect 50 percent and not 100 percent of the Mitchell-related costs.

RESPONSE

The Company confirms that the adjustments on pages 56, 57 and 59 are at 50% of the total Mitchell-related costs.

However, the adjustments on page 58 of Workpaper S-4 were inadvertently computed at 100% of the Mitchell-related costs. Page 58 will be updated to reflect the adjustments on the page at 50% of the Mitchell-related costs and will be submitted as part of the supplemental response to KIUC 1-1.

WITNESS: Thomas E Mitchell

Kentucky Power Company

REQUEST

Refer to the Mitchell Testimony at pages 8-12. Kentucky Power proposes to recover the deferred costs shown on page 9 with no carrying charges. However, it is proposing to recover the deferred Big Sandy depreciation expense and operation and maintenance ("O&M") expense with an 11.66 carrying charge. Explain in detail why different approaches are proposed for the recovery of these deferred costs.

RESPONSE

Because the proposed deferral of Big Sandy depreciation and O&M expense was done only for rate mitigation purposes, the Company deemed it appropriate to include a carrying charge on the deferral of Big Sandy depreciation expense and O&M expense in order to recover the Company's related financing costs of the deferral. In the preparation of this base case, the Company inadvertently did not request a carrying charge on the deferred costs shown in the table on page 9 of Company witness Mitchell's testimony, although the Company believes in general it is entitled to a carrying charge for recovery of deferred costs beyond one year.

WITNESS: Thomas E. Mitchell / Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Refer to the Mitchell Testimony at page 11 and Section V, Workpaper S-4, page 61 regarding the depreciation adjustment for the Mitchell plant in service.

a. Confirm tliat the new depreciation rates shown in column 5 of the workpaper are the rates being proposed for Kentucky Power in this case based on the depreciation study performed by Mr. David Davis and discussed in the Davis Testimony.

b. If the answer to part a. of this request is affirmative, explain why it is appropriate to apply these rates to Kentucky Power's investment in the Mitchell plant accounts when the Davis Testimony states that the new depreciation rates reflect changes in average service lives due in large part to "the timing of the planned retirement of the Big Sandy units."

RESPONSE

a. Yes. The rates used are the rates being proposed for Kentucky Power in this case based on the depreciation study performed by Company witness Davis. See Exhibit DAD-1 pages 20 and 21.

b. As stated in Company witness Davis testimony - page 8 "Production Plant original cost, accumulated depreciation and terminal net salvage by plant account for Big Sandy and Mitchell plants (Mitchell Plant cost included at the proposed 50% Kentucky share) were combined in the depreciation study. The combined amounts were used to establish production plant depreciation rates by plant account that incorporate the 2015 retirement of Big Sandy Plant and fully depreciate each plant account by Mitchell Plant's estimated 2040 retirement year." Because the rates were combined, it is appropriate to apply these same depreciation rates to the Kentucky's investment in Mitchell plant.

WITNESS: David A. Davis/Gregory G. Pauley

Kentucky Power Company

REQUEST

Refer to the Mitchell Testimony at pages 11-12 and Section V, Workpaper S-4, page 66.

a. Explain whether the Big Sandy production depreciation expense that is being removed from the test year is the expense for both units or just for Unit No. 2.

b. Provide the calculation of the $24,151,805 in expense shown on line 1 of the workpaper.

RESPONSE

a. Yes. The depreciation expense removed from the adjustment on Section V, Workpaper S-4, page 67 includes both units.

b. The calculation of the amount was the depreciation expense recorded for the twelve months ended March 31, 2013 of $20,371,302 recorded in FERC account 403 plus the depreciation expense adjustment of $3,780,503 on Section V Workpaper S-4, page 46. This total of $24,151,805 is the total company depreciation expense that was included in the Company's test year ended March 31, 2013.

WITNESS: Thomas E Mitchell

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Lila P. Munsey ("Munsey Testimony") at page 17 and Section V, Workpaper S-4, page 1.

a. Provide the amount of interest expense on customer deposits recorded by Kentucky Power during the test year and the account(s) in which it was recorded.

b. The reduction in the interest rate on customer deposits to 0.18 percent took effect on January 1, 2013, meaning the historical rate of 6 percent was in effect for the first nine months of the test year. Explain why the proposed adjustment, based on the amount, of $42,860, of interest expense on the March 31, 2013 balance of customer deposits, calculated at 0.18 percent, is an addition to the cost of service.

RESPONSE

a. The amount of interest expense on customer deposits recorded by the Company during the test year was $395,818.48 and was recorded in account 4310002. Because the interest on customer expense is a "below-the-line" expense, the Company showed the customer expense interest amount as an adjustment calculated at the new reduced rate.

b. An adjustment was made to include interest on customer deposits (at the new 0.18 % interest rate) because no customer deposit interest was included in the O & M expenses recorded in Schedule 7.

WITNESS: Lila P. Munsey

Kentucky Power Company

REQUEST

Refer to the Munsey Testimony at page 18 and Section V, Workpaper S-4, page 2.

a. Provide the dates of all company-performed audits/surveys of pole attachments performed since calendar year 2000.

b. Provide the date of the next scheduled audit/survey.

RESPONSE

a. Please see KPSC 2-24 Attachment 1 for the most complete listing of pole audits and surveys available to the Company.

b. KPCo is currently in its third year of a five-year cycle of conducting a system pole audit of its service territory. In a system pole audit the Company inventories all poles and attachments in an identified area. The schedule for the system pole audits is set forth below, with the year the audit is scheduled to begin indicated to the left of the audit area. The Company projects it will complete the system pole audits identified below by the end of 2015. Beginning in 2016, a new five-year cycle will begin.

2011 Pike County
2012 Floyd, Knott, and Letcher County
2013 Clay, Leslie, Breathitt, Owsley, and Perry Counties
2014 Lewis, Rowan, Carter, Elliott, Morgan, Magoffin, Greenup, and Johnson Counties
2015 Lawrence, Boyd, and Martin Counties

WITNESS: Lila P. Munsey

Company-Performed
Pole Attachment Inventory

Agreement Type	OpCo	County	District	Agreement	PDS Code	Prior Field Check Years	Year Field Check Completed	Next Agreement Cycle (Year)	Next Planned Inventory Year	Field Check Completed (Year)
CATV	KTY	PIKE	PIKEVILLE	Altro TV Cable	3015	1999	2007	2012	2011	
ILEC	KTY	MARTIN	PIKEVILLE	Bell South (South Central Bell)	3002		2006	2011	2011	2012
ILEC	KTY	PIKE	PIKEVILLE	Bell South (South Central Bell)	3002		2006	2011	2011	2012
ILEC	KTY	PIKE	PIKEVILLE	Coalfields (Harold)	3003		2006	2011	2011	2012
CLEC	KTY	PIKE	PIKEVILLE	East Kentucky Network	3045	2001	2006	2011	2011	2012
CATV	KTY	PIKE	PIKEVILLE	Inter Mountain Cable Company	3033	2002	2008	2013	2011	2012
CATV	KTY	PIKE	PIKEVILLE	Mikrotec Cable LLC - KY NEW in 2007	3517A		new		2011	2012
CLEC	KTY	PIKE	PIKEVILLE	Southeast Telephone (Lightyear)	3508		new		2011	2012
CATV	KTY	PIKE	PIKEVILLE	Suddenlink Communications (Cebridge) KY	3040	2001	2008	2013	2011	2012
CATV	KTY	MARTIN	PIKEVILLE	Suddenlink Communications (ID #3600) KY	3024	2001	2008	2013	2011	2012
CATV	KTY	PIKE	PIKEVILLE	Suddenlink Communications (ID #3600) KY	3024	2001	2008	2013	2011	2012
CLEC	KTY	MARTIN	PIKEVILLE	Windstream (KDL-KY 3509)	3509A		new		2011	2012
CLEC	KTY	PIKE	PIKEVILLE	Windstream (KDL-KY 3509)	3509A		new		2011	2012
ILEC	KTY	MARTIN	PIKEVILLE	Windstream Communications (Alltel) 3001	3001		2006	2011	2011	2012
ILEC	KTY	PIKE	PIKEVILLE	Windstream Communications (Alltel) 3001	3001		2006	2011	2011	2012
ILEC	KTY	FLOYD	PIKEVILLE	Bell South (South Central Bell)	3002		2006	2011	2012	2012
ILEC	KTY	KNOTT	HAZARD	Bell South (South Central Bell)	3002		2006	2011	2012	2012
ILEC	KTY	LETCHER	HAZARD	Bell South (South Central Bell)	3002		2006	2011	2012	2012
CATV	KTY	FLOYD	PIKEVILLE	Big Sandy Broadband Inc	3017	2001	2007	2012	2012	2012
ILEC	KTY	FLOYD	PIKEVILLE	Coalfields (Harold)	3003		2006	2011	2012	2012
CATV	KTY	FLOYD	PIKEVILLE	East Kentucky Network	3045	2001	2006	2011	2012	2012
ILEC	KTY	FLOYD	PIKEVILLE	Foothills Rural--no Foothills in 2012--rem	3004		2006	2011	2012	na
CATV	KTY	FLOYD	PIKEVILLE	Inter Mountain Cable Company	3033	2002	2008	2013	2012	2012
CATV	KTY	KNOTT	HAZARD	Inter Mountain Cable Company	3033	2002	2008	2013	2012	2012
CATV	KTY	LETCHER	HAZARD	Mikrotec Cable LLC - KY NEW in 2007--not on 2012 DHH	3517A		new	2012	2012	2012
CATV	KTY	FLOYD	PIKEVILLE	Suddenlink Communications (ID #3600) KY	3024	2001	2008	2013	2012	2012
CATV	KTY	LETCHER	HAZARD	Suddenlink Communications (ID #3600) KY--not in Letcher	3024	2001	2008	2013	2012	2012
ILEC	KTY	FLOYD	PIKEVILLE	Thacker-Grigsby	3007	2003	2008	2013	2012	2012
ILEC	KTY	KNOTT	HAZARD	Thacker-Grigsby	3007	2003	2008	2013	2012	2012
CATV	KTY	LETCHER	HAZARD	Tri-Star Communications Inc	3042	2001	2007	2012	2012	2012
CATV	KTY	FLOYD	PIKEVILLE	TV Service Inc.	3041	2002	2008	2013	2012	2012
CATV	KTY	KNOTT	HAZARD	TV Service Inc.	3041	2002	2008	2013	2012	2012
CATV	KTY	LETCHER	HAZARD	TV Service Inc.	3041	2002	2008	2013	2012	2012
CLEC	KTY	FLOYD	PIKEVILLE	Windstream (KDL-KY 3509)	3509A		new		2012	2012
ILEC	KTY	KNOTT	HAZARD	Windstream Communications (Alltel) 3001	3001		2006	2011	2012	2012
ILEC	KTY	LETCHER	HAZARD	Windstream Communications (Alltel) 3001	3001		2006	2011	2012	2012
CATV	KTY	BREATHITT	HAZARD	Altro TV Cable	3015	1999	2007	2012	2013	
CATV	KTY	PERRY	HAZARD	Altro TV Cable	3015	1999	2007	2012	2013	
ILEC	KTY	BREATHITT	HAZARD	Bell South (South Central Bell)	3002		2006	2011	2013	2012
ILEC	KTY	MINGO	PIKEVILLE	Bell South (South Central Bell)	3002		2006	2011	2013	

Agreement Type	OpCo	County	District	Agreement	PDS Code	Prior Field Check Years	Year Field Check Completed	Next Agreement Cycle (Year)	Next Planned Inventory Year	Field Check Completed (Year)
ILEC	KTY	PERRY	HAZARD	Bell South (South Central Bell)	3002		2006	2011	2013	2012
CATV	KTY	LESLIE	HAZARD	Bowling Cable TV	3018	2001	2007	2012	2013	
CATV	KTY	PERRY	HAZARD	Community TV Inc.	3027	2001	2007	2012	2013	
CATV	KTY	BREATHITT	HAZARD	Crystal Broadband (Windjammer/TW/FV/Triax & Triax SE)	CBNK		new		2013	
CATV	KTY	LESLIE	HAZARD	Crystal Broadband (Windjammer/TW/FV/Triax & Triax SE)	CBNK		new		2013	
CATV	KTY	PERRY	HAZARD	Crystal Broadband (Windjammer/TW/FV/Triax & Triax SE)	CBNK		new		2013	
CATV	KTY	BREATHITT	HAZARD	East Kentucky Network	3045	2001	2006	2011	2013	2011
CATV	KTY	PERRY	HAZARD	East Kentucky Network	3045	2001	2006	2011	2013	2011
CATV	KTY	BREATHITT	HAZARD	Fields Cable Company	3029	2001	2007	2012	2013	
CATV	KTY	PERRY	HAZARD	Fields Cable Company	3029	2001	2007	2012	2013	
ILEC	KTY	BREATHITT	HAZARD	Foothills Rural	3004		2006	2011	2013	2011
CATV	KTY	CLAY	HAZARD	Galaxy Cable Company Inc.	3031	2001	2007	2012	2013	
CATV	KTY	LESLIE	HAZARD	Galaxy Cable Company Inc.	3031	2001	2007	2012	2013	
ILEC	KTY	BREATHITT	HAZARD	Leslie County Telephone	3005		2006	2011	2013	2012
ILEC	KTY	CLAY	HAZARD	Leslie County Telephone	3005		2006	2011	2013	2012
ILEC	KTY	LESLIE	HAZARD	Leslie County Telephone	3005		2006	2011	2013	2012
ILEC	KTY	OWSLEY	HAZARD	Leslie County Telephone	3005		2006	2011	2013	2012
ILEC	KTY	PERRY	HAZARD	Leslie County Telephone	3005		2006	2011	2013	2012
CATV	KTY	MINGO	PIKEVILLE	Suddenlink Communications (ID #3600) KY	3024	2001	2008	2013	2013	
ILEC	KTY	BREATHITT	HAZARD	Thacker-Grigsby	3007	2003	2008	2013	2013	2012
ILEC	KTY	PERRY	HAZARD	Thacker-Grigsby	3007	2003	2008	2013	2013	2012
CATV	KTY	PERRY	HAZARD	Tri-Star Communications Inc	3042	2001	2007	2012	2013	2012
CATV	KTY	BREATHITT	HAZARD	TV Service Inc.	3041	2002	2008	2013	2013	2012
CATV	KTY	LESLIE	HAZARD	TV Service Inc.	3041	2002	2008	2013	2013	2012
CATV	KTY	PERRY	HAZARD	TV Service Inc.	3041	2002	2008	2013	2013	2012
CLEC	KTY	BREATHITT	HAZARD	Windstream (KDL-KY 3509)	3509A		new	n/a	2013	2012
CLEC	KTY	LESLIE	HAZARD	Windstream (KDL-KY 3509)	3509A		new	n/a	2013	2012
CLEC	KTY	PERRY	HAZARD	Windstream (KDL-KY 3509)	3509A		new	n/a	2013	2012
ILEC	KTY	BREATHITT	HAZARD	Windstream Communications (Alltel) 3001	3001		2006	2011	2013	2012
ILEC	KTY	LESLIE	HAZARD	Windstream Communications (Alltel) 3001	3001		2006	2011	2013	2012
ILEC	KTY	PERRY	HAZARD	Windstream Communications (Alltel) 3001	3001		2006	2011	2013	2012
CATV	KTY	GREENUP	ASHLAND	Armstrong Utilities Inc.	3016	2001	2007	2012	2014	
CLEC	KTY	CARTER	ASHLAND	AT&T (CLEC)	3044	new 1996	2007	2012	2014	
CLEC	KTY	ROWAN	ASHLAND	AT&T (CLEC)	3044	new 1996	2007	2012	2014	
ILEC	KTY	JOHNSON	PIKEVILLE	Bell South (South Central Bell)	3002		2006	2011	2014	
ILEC	KTY	MAGOFFIN	PIKEVILLE	Bell South (South Central Bell)	3002		2006	2011	2014	
CATV	KTY	JOHNSON	PIKEVILLE	Big Sandy Broadband Inc	3017	2001	2007	2012	2014	
CATV	KTY	MORGAN	PIKEVILLE	Collins TV	3026	2001	2007	2012	2014	
ILEC	KTY	ELLIOTT	ASHLAND	Foothills Rural	3004		2006	2011	2014	
ILEC	KTY	JOHNSON	PIKEVILLE	Foothills Rural	3004		2006	2011	2014	

Agreement Type	OpCo	County	District	Agreement	PDS Code	Prior Field Check Years	Year Field Check Completed	Next Agreement Cycle (Year)	Next Planned Inventory Year	Field Check Completed (Year)
ILEC	KTY	MAGOFFIN	PIKEVILLE	Foothills Rural	3004		2006	2011	2014	
ILEC	KTY	WAYNE, WV	ASHLAND	Foothills Rural	3004		2006	2011	2014	
CATV	KTY	MAGOFFIN	PIKEVILLE	Frank Howard TV Cable	3030	1999	2006	2011	2014	
CATV	KTY	MORGAN	PIKEVILLE	Frank Howard TV Cable	3030	1999	2006	2011	2014	
CATV	KTY	JOHNSON	PIKEVILLE	Inter Mountain Cable Company	3033	2002	2008	2013	2014	2012
CATV	KTY	MAGOFFIN	PIKEVILLE	Inter Mountain Cable Company	3033	2002	2008	2013	2014	2012
ILEC	KTY	ELLIOTT	ASHLAND	Mountain Rural	3006		2006	2011	2014	2012
ILEC	KTY	MORGAN	PIKEVILLE	Mountain Rural	3006		2006	2011	2014	2012
CATV	KTY	MORGAN	PIKEVILLE	Mountain Telecommunication, Inc.	MTKY		new		2014	
CATV	KTY	JOHNSON	PIKEVILLE	P&W TV Cable System	3035	2001	2007	2012	2014	
CATV	KTY	JOHNSON	PIKEVILLE	Rick Howard TV Cable	3037	1999	2006	2011	2014	
CATV	KTY	CARTER	ASHLAND	Suddenlink Communications (Cebridge) KY	3040	2001	2008	2013	2014	
CATV	KTY	JOHNSON	PIKEVILLE	Suddenlink Communications (ID #3600) KY	3024	2001	2008	2013	2014	
CATV	KTY	GREENUP	ASHLAND	Time Warner (Century Ohio)	3010	2001	2006	2011	2014	
CATV	KTY	CARTER	ASHLAND	Time Warner (Frontiervision/Cox)	3012	2001	2006	2011	2014	
CATV	KTY	GREENUP	ASHLAND	Time Warner (Frontiervision/Cox)	3012	2001	2006	2011	2014	
CATV	KTY	WAYNE, WV	ASHLAND	Time Warner (Frontiervision/Cox)	3012	2001	2006	2011	2014	
CATV	KTY	CARTER	ASHLAND	Time Warner (Frontiervision/Simmons)	3011	2001	2006	2011	2014	
CATV	KTY	LEWIS	HAZARD	Time Warner (Frontiervision/Simmons)	3011	2001	2006	2011	2014	2012
CATV	KTY	ROWAN	ASHLAND	Time Warner (Frontiervision/Simmons)	3011	2001	2006	2011	2014	
CLEC	KTY	CARTER	ASHLAND	Windstream (KDL-KY 3509)	3509A		new		2014	
CLEC	KTY	JOHNSON	PIKEVILLE	Windstream (KDL-KY 3509)	3509A		new		2014	
ILEC	KTY	CARTER	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2014	
ILEC	KTY	ELLIOTT	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2014	
ILEC	KTY	GREENUP	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2014	
ILEC	KTY	LEWIS	HAZARD	Windstream Communications (Alltel) 3001	3001		2006	2011	2014	2012
ILEC	KTY	ROWAN	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2014	
ILEC	KTY	WAYNE, WV	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2014	
CLEC	KTY	BOYD	ASHLAND	Amtrak	3514		2007	2012	2015	
CATV	KTY	BOYD	ASHLAND	Armstrong Utilities Inc.	3016	2001	2007	2012	2015	
CLEC	KTY	BOYD	ASHLAND	AT&T (CLEC)	3044	new 1996	2007	2012	2015	
ILEC	KTY	LAWRENCE	ASHLAND	Bell South (South Central Bell)	3002		2006	2011	2015	
CLEC	KTY	BOYD	ASHLAND	Fibernet LLC	3216		new		2015	
ILEC	KTY	BOYD	ASHLAND	Foothills Rural	3004		2006	2011	2015	
ILEC	KTY	LAWRENCE	ASHLAND	Foothills Rural	3004				2015	
CATV	KTY	BOYD	ASHLAND	Lycom Comm (Lawrence & Greentree)	3034	1999	2007	2012	2015	
CATV	KTY	LAWRENCE	ASHLAND	Lycom Comm (Lawrence & Greentree)	3034	1999	2007	2012	2015	
CATV	KTY	BOYD	ASHLAND	Suddenlink Communications (Cebridge) KY	3040	2001	2008	2013	2015	
CATV	KTY	LAWRENCE	ASHLAND	Suddenlink Communications (Cebridge) KY	3040	2001	2008	2013	2015	
CATV	KTY	LAWRENCE	ASHLAND	Suddenlink Communications (ID #3600) KY	3024	2001	2008	2013	2015	

Agreement Type	OpCo	County	District	Agreement	PDS Code	Prior Field Check Years	Year Field Check Completed	Next Agreement Cycle (Year)	Next Planned Inventory Year	Field Check Completed (Year)
CATV	KTY	BOYD	ASHLAND	Time Warner (Frontiervision/Cox)	3012	2001	2006	2011	2015	
CATV	KTY	LAWRENCE	ASHLAND	Time Warner (Frontiervision/Cox)	3012	2001	2006	2011	2015	
CLEC	KTY	BOYD	ASHLAND	Windstream (KDL-KY 3509)	3509A		new		2015	
ILEC	KTY	BOYD	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2015	
ILEC	KTY	LAWRENCE	ASHLAND	Windstream Communications (Alltel) 3001	3001		2006	2011	2015	

Kentucky Power Company

REQUEST

Refer to the Munsey Testimony at page 22 and Section V, Workpaper S-4, page 9. On June 10, 2013, the Kentucky Revenue Department provided the new assessment rate of 0.1785 percent for state government's 2013-2014 fiscal year to the Commission. Provide a revised Workpaper S-4 based on the new assessment rate.

RESPONSE

Please see Attachment 1 to this response for a revised Commission maintenance assessment adjustment.

WITNESS: Lila P Munsey

Kentucky Power Company
Annualization of Public Service Commission
Maintenance Assessment to Reflect Assessment for
PSC Fiscal Year July 1, 2012 - 2013
Test Year Ended 3/31/2013
Revised September 2013

SECTION V
WORKPAPER S-4
PAGE 9

Line No. (1)	Month (2)	Year (3)	Restatement of Charges to Reflect Monthly Costs for Fiscal Year 7/1/2012 - 2013 (4)	Per Books Actual (5)	Difference (C4-C5) (6)
1	April	2012	$102,161	$68,810	$33,351
2	May	2012	$102,161	$68,810	$33,351
3	June	2012	$102,161	$68,810	$33,351
4	July	2012	$102,161	$85,849	$16,312
5	August	2012	$102,161	$85,849	$16,312
6	September	2012	$102,161	$85,849	$16,312
7	October	2012	$102,161	$85,849	$16,312
8	November	2012	$102,161	$85,849	$16,312
9	December	2012	$102,161	$85,849	$16,312
10	January	2013	$102,161	$85,849	$16,312
11	February	2013	$102,161	$85,849	$16,312
12	March	2013	$102,161	$85,849	$16,312
13	Total		$1,225,927 *	$979,071	$246,861
14	Allocation Factor - SPECIFIC				1.000
15	Kentucky Jurisdiction Amount (Ln 13 X Ln 14)				$246,861

* Per Office of the Secretary Memo, dated June 10, 2013.

Witness: L. P. Munsey

Kentucky Power Company

REQUEST

Refer to the Munsey Testimony at page 22 and Section V, Workpaper S-4, page 13. The effective date of the postage rate increase was January 27, 2013, yet the increase in the rate is applied to the total number of notices, letters, and bills mailed by Kentucky Power during the test year. Provide the number of notices, letters, and bills mailed from April 1, 2012 through January 26, 2013 and a revised adjustment based on that number of mailings.

RESPONSE

Please see Attachment 1 to this response for a revised postage rate increase adjustment.

WITNESS: Lila P Munsey

Kentucky Power Company
Adjustment for Postage Rate Increase
Effective January 27, 2013
Test Year Ended 3/31/2013
Revised September 2013

SECTION V
WORKPAPER S-4
PAGE 13

Line No. (1)	Description (2)	Amount (3)
	Number of Bills, Notices and Letters Mailed	
1	April 1, 2012 through January 26, 2013	1,693,986
2	Postage Rate Increase per Mailed Item 1/	$0.010
3	Adjustment to O&M for Postage Increase (Ln 1 X Ln 2)	$16,940
4	Allocation Factor - SPECIFIC	1.000
5	KPSC Jurisdictional Amount (Ln 3 X Ln 4)	$16,940

1/ Effective Date of Postage Increase was January 27, 2013
Rate of Increase was 2.48%
Current Average Postage Rate was $0.364
Increase Cost was $0.010

Witness: L. P. Munsey

Kentucky Power Company

REQUEST

Refer to the Munsey Testimony at page 24 and Section V, Workpaper S-4, page 32.

a. Explain whether the "Property Taxes Charged" for the test year of $9,502,813 shown on line 4 of the workpaper is before or after adjustments to the amounts initially assessed by the taxing authorities.

b. If the amount of $9,502,813 shown on line 4 is before adjustments to the amounts initially assessed by the taxing authorities, provide the amount charged after adjustments.

c. If the amount of $9,502,813 shown on line 4 is after adjustments to the amounts initially assessed by the taxing authorities, provide the amount charged before adjustments.

RESPONSE

a. KPCo uses accrual accounting, so the amount expensed in a given calendar year represents the amount expected to eventually be paid when all bills are received and paid. Due to the prolonged billing cycle from some of the local Kentucky jurisdictions, there is often a long gap between the normal expense period and when final adjustments to expense are made. The Test Year figure of $9,502,813 was primarily expenses from Tax Years 2012 (Apr-Dec) and 2013 (Jan-Mar). KPCo made no adjustments to Property Taxes Charged for either of those Tax Years during the Test Year.

b. There were adjustments made to Tax Years 2011 and 2012 subsequent to the Test Year, in the amount of $57,547.

c. The Test Year included Property Tax Charges for Tax Years 2009, 2010 and 2011. The amount included in the $9,502,813 that related to prior period charges was ($228,800).

WITNESS: Lila P. Munsey

Kentucky Power Company

REQUEST

Refer to the Munsey Testimony at page 24, Exhibit LPM-3, and Section V, Workpaper S 2, page 34.

a. On Exhibit LPM-3, column 9 is headed "Deferred Fuel." Explain what deferred fuel represents, how long the amount in a given month is deferred, and why there is no deferred fuel amount in either of the first two months of the test year.

b. During the test year customers took service under Tariff R.T.P. who, per the customer migration adjustment, are no longer served under that tariff. Rate R.T.P. is not subject to Kentucky Power's fuel adjustment clause. Explain whether the test year status and current status of these customers have any effect on the proposed fuel over/ (under) revenue adjustment.

RESPONSE

a. The Company's deferred fuel accounting defers fuel expense from one accounting period to an accounting period when the fuel revenues will be received, two months later. The first two months displayed on Exhibit LPM-3 do not have a deferred fuel amount as the spreadsheet calculates the under/over recovery during the test year only.

b. During the six months the ten customers took service under Tariff RTP, the Company calculated its FAC in the same manner as it would have if no customers had been taking service under Tariff RTP. As a result, the per kWh FAC rate for non-RTP customers during the six months was the same as if no customers had been taking service under Tariff RTP. Thus, there is no effect on the proposed fuel over/ (under) revenue adjustment.

WITNESS: Lila P Munsey

Kentucky Power Company

REQUEST

Refer to the Munsey Testimony at pages 26-27, Exhibit LPM-4, and Section V, Workpaper S-4, page 62.

a. The testimony refers to expenses that will no longer be paid due to the termination of the AEP Pool Agreement; however, the proposed adjustment eliminates revenues from the test year. Exhibit LPM-4 shows the expenses being reported in Kentucky Power's monthly environmental surcharge filings. Explain why termination of the pool agreement does not result in an adjustment to eliminate expenses and identify the account(s) in which the revenues being eliminated were recorded in the test year.

b. Exhibit LPM-4 indicates the adjustment to eliminate $7,320,077 in revenues is matched with a comparable reduction to Kentucky Power's environmental base costs. The exhibit also includes an adjustment which increases environmental base costs by $74,114,113 due to the proposed Mitchell acquisition. Explain why this increase in costs is not matched by an adjustment to increase revenues similar to the adjustment to decrease revenues related to termination of the pool agreement.

RESPONSE

a. Termination of the pool agreement does result in an adjustment to eliminate expenses which are identified in Section V, Workpaper S-4, page 60 supported by Witness Vaughan and in Exhibit LPM-4, column 4.

b. The addition to costs by the proposed Mitchell acquisition does result in an adjustment to increase revenues which are identified in Section V, Workpaper S-4, page 60 supported by Witness Vaughan.

WITNESS: Lila P Munsey

Kentucky Power Company

REQUEST

Refer to Exhibit LPM-5, page 1, of the Munsey Testimony.

a. Explain how the transportation hourly rate of $7.91 was determined.

b. Explain how the fringe benefit rates of 0.4220 and 0.1260 were determined.

RESPONSE

a. The hourly transportation rate of $7.91 was determined by dividing the total budgeted amount for the class of vehicles driven by KPCo meter servicers, $412,907, by the total number of vehicles in that class, 45, and then dividing that average cost per vehicle, $9,176, by 1,160 hours, the projected number of meter-servicing hours per meter service employee per year.

   The budgeted amount includes Lease, Fuel, Maintenance, License, Overheads, and Building Allocation expense.

b. The fringe benefit rate was developed by dividing the total fringe amount for Kentucky, $13,744,000 Power by the total Kentucky Power labor amount, $32,536,000.

   The Kentucky Power overtime fringe rate was developed by dividing the total Kentucky Power overtime fringe amount, $4,089,000 by the total Kentucky Power labor amount, $32,536,000.

WITNESS: Lila P. Munsey

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Marc D. Reitter ("Reitter Testimony") at page 6, Exhibit MDR-1, page 1, and Section V, Workpaper S-3, page 2.

a. Given the lower annual cost rate of short-term debt as compared with accounts receivable financing, explain why Kentucky Power did not make greater use of short term notes payable during the test period in lieu of some portion of its accounts receivable financing.

b. Identify and describe the circumstances that resulted in Kentucky Power's having no short-term debt balances at month's end for the first eight months of the test year and then having month-end balances for each of the last four months of the test year.

RESPONSE

a. Kentucky Power utilizes accounts receivable factoring to accelerate its recovery of accounts receivable, and thereby lower cash working capital requirements to the benefit of customers. If working capital requirements exceed the operating cash flows generated from accounts receivable factoring, the company will borrow from the utility money pool as part of the corporate borrowing program to manage working capital requirements. Furthermore, Kentucky Power is limited to $250 million dollars of short term debt in accordance with AEP's Utility Money Pool agreement. It would be imprudent to allow short-term debt to reach an elevated level for an extended period of time. Although we have been in a relatively low interest rate environment, it would be irresponsible to overlook in these challenging economic times the importance of liquidity as it allows a company to remain flexible as market conditions change. For example in September of 2008, access to the capital markets was essentially shut down following the collapse of Lehman Brothers.

b. Traditionally, utility companies experience fluctuating working capital requirements. Therefore in some months, the company may rely on the utility money pool to fund working capital needs while other months the company may be in an invested position (i.e. no short term debt borrowings from the utility money pool).

WITNESS: Marc D Reitter

Kentucky Power Company

REQUEST

Refer to the Reitter Testimony at pages 7-9 and Section V, Schedule 3 and Workpaper S-3, page 1.

a. The credit spread on the January 2013 debt issued by AEP Texas North Company ("TNC") was 1.45 percent. Explain how TNC's current credit profile compares to Kentucky Power's current credit profile.

b. The answer at the top of page 9 indicates that Kentucky Power will issue new long-term debt associated with the Mitchell acquisition "within approximately six months of the closing of the Transfer and Assumption Transaction if the debt capital markets are available to Kentucky Power." Explain whether there is a concern as to whether the debt capital markets will be available to Kentucky Power.

c. Clarify whether the term "new debt" in the aforementioned answer refers to the $225 million described on page 7 at line 6 as "newly issued indebtedness" or if it refers to the total debt amount of $290 million shown in column 4 of Schedule 3.

d. Six months after the planned closing on the Mitchell transfer will be approximately 15 months after the end of the test period in this case. The debt related to the Mitchell acquisition has not been authorized by the Commission pursuant to KRS 278.300, and the last sentence in the answer at the top of page 9 indicates that authorization will be sought "subsequent to the Transfer and Assumption Transaction." Given these circumstances, explain why it is appropriate for the cost of this debt to be included in Kentucky Power's revenue requirement at this time.

e. Kentucky Power has made a rate-mitigation proposal to defer and amortize the depreciation expense and operation and maintenance ("O&M") expense it projects for the period after the Mitchell acquisition but before the retirement of one or both Big Sandy units so that customers would not be paying for the full amount of its Big Sandy-related costs and the full amount of its Mitchell-related costs. Explain why a similar proposal was not made for the financing costs related to the Big Sandy plant.

RESPONSE

a. AEP Texas North's credit profile is considered slightly favorable compared to Kentucky Power. Moody's states that TNC's rating reflects its relatively low risk business and operating environment as a small, primarily T&D company.

b. There are currently no concerns that would limit Kentucky Power's access to debt capital markets.

c. The term "new debt" refers to the total debt amount of $290 million shown in column 4 of Schedule 3.

d. Upon approval without modification in Case No. 2012-00578 of the Mitchell Transfer (and related requests) the company intends to promptly submit its application pursuant to KRS 278.300 for the required financing authority. The Company anticipates receiving an Order in Case No. 2012-00578 in the third quarter of 2013. As such, the approval for the financing may be received before the requested rates become effective. In any event, the costs associated with the debt to be issued reflect known and measurable changes and result in fair, just and reasonable rates. Further, the pre-asset transfer capital structure of approximately fifty-five percent total debt to total capitalization, and which the proposed debt will restore, is consistent with the credit rating agencies' criteria for investment grade credit ratings. Finally, the recapitalization adjustments to the per books March 31, 2013 capital structure benefit Kentucky Power's customers by lowering the embedded cost of long-term debt by 0.50%.

e. The deferral and amortization of Big Sandy O&M expenses allows the Company to strike a fair and reasonable balance by providing reasonable rate mitigation for its customers without unduly impinging on the Company's ability to recover its Big Sandy-related O&M costs. Further rate mitigation in the form of the deferral and amortization of the financing costs for Big Sandy Unit 2 would be both unreasonable and could adversely affect the Company's finances.

WITNESS: Marc D. Reitter / Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Jason M. Stegall at pages 4-6, Exhibit JMS-1, and Section 111, Exhibit K, page 9 of the application. The customer annualization adjustment reflects a revenue reduction of $6,452,693. Page 9 of Exhibit K indicates a large portion of the reduction is related to lower revenues from customers served under tariffs "CIP Sub (371)" and "CIP Tran (372)."

a. Describe the changes in customers, demand, or energy usage that result in a reduction of $1,765,895 in "CIP Sub (371)" revenues.

b. Describe the changes in customers, demand, or energy usage that result in a reduction of $4,253,900 in "CIP Tran (372)" revenues.

RESPONSE

As discussed in the section of Company witness Stegall's testimony identified in the question, the customer annualization adjustment is the product of three items: customer growth, average kWh per customer and and test year average revenue per kWh. Witness Stegall defines customer growth as the difference between the number of customers in the test year (the sum of the 12 monthly customer counts) divided by twelve and the number of customers at the end of the test year.

a. As a result of the methods used, customer growth is calculated as a reduction of 0.25 customers per month, or three customers for the entire test year. This resulted in a decrease of 35,249,972 kilowatt-hours of billing energy, a decrease of 60,648 kilowatts of on-peak demand, a reduction of 63,364 kilowatts of off-peak demand and 7,006 kVAR of reactive demand. The specific billing determinants can be seen in Column (15) on Section III, Exhibit K, Page 33 of 67.

b. The primary driver of the reduction in the CIP Tran revenues is the adjustment made for a known and measurable change related to a specific customer. These changes are identified in Columns (6) through (9) of Page 1 of JMS-1, shown in detail in Column (13) on Section III, Exhibit K, Page 34 of 67 and further detailed in KPSC 2-42 Confidential Attachment 1. The result is a decrease of 65,681,838 kilowatt-hours of billing energy, a decrease of 227,535 kilowatts of on-peak billing demand, a decrease of 55,291 kVAR of reactive demand and $4,244,380 of revenues.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony and Exhibit JMS-2. State whether the cost-of-service study ("COSS") filed in this proceeding uses the same methodology and allocation factors as used in the COSS filed in Case No. 2009-00459.[1] If no, explain the differences.

[1]RESPONSE

The COSS filed in this proceeding was designed to replicate the methodology and used the same allocation factors used in the COSS filed in Case No. 2009-00459. This COSS was developed in Excel, however, while the one used in Case No. 2009-00459 was developed using a specialized software package.

WITNESS: Jason M Stegall

[1] Case No. 2009-00459, Application of Kentucky Power Company for a General Adjustment of Electric Rates (Ky. PSC June 28, 2010)

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at pages 6-7 which discuss an error in the operating ratio used in the customer annualization adjustment. Page 7 states the net impact on adjusted net operating income as $4,365. Provide the calculation of the $4,365.

RESPONSE

KPSC 2-35 Attachment 1 on the enclosed CD shows the comparison of the data provided in Section V, Workpaper S-4, Page 23 and the data resulting from the corrected O&M Operating Ratio discussed in the testimony of Company witness Stegall.

WITNESS: Jason M. Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at pages 13-14. Starting at the bottom of page 13, it states that the production demand allocation factor assigns costs based on the class contribution to the average of Kentucky Power's 12 monthly peaks on the production facilities. Starting at line 12 of page 14, it states that the transmission demand allocation factor assigns costs based on the class contribution to the average of Kentucky Power's 12 monthly peaks on transmission facilities. State whether the 12 monthly peaks for the production and transmission facilities would typically be the same or if they would differ. If they would differ, explain why.

RESPONSE

The 12 monthly peaks for the production facilities and the 12 monthly peaks for the transmission facilities are typically the same.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at page 14, line 16, where it states that distribution plant is classified as demand- and customer-related. Explain in detail how distribution plant was allocated between demand- and customer-related.

RESPONSE

As shown in Exhibit JMS-2, each FERC Distribution Plant account is allocated individually. Their allocators are identified below. A more detailed description of these allocators was provided in KPSC 2-43 Attachment 1.

FERC 360 (Land and Land Rights) - DIST_CPD
FERC 361 (Structures and Improvements) - DIST_CPD
FERC 362 (Station Equipment) - DIST_CPD
FERC 363 (Storage Battery Equipment) - DIST_POLES
FERC 364 (Poles) - DIST_POLES
FERC 365 (Overhead Lines) - DIST_OHLINES
FERC 366 (Underground Conduit) - DIST_UGLINES
FERC 367 (Underground Lines) - DIST_UGLINES
FERC 368 (Transformers) - DIST_TRANSF
FERC 369 (Services) - DIST_SERV
FERC 370 (Meters) - DIST_METERS
FERC 371 (Installations on Customer Premises) - DIST_OL
FERC 372 (Street Lighting) - DIST_SL

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at page 16. Starting at line 5, Mr. Stegall states that the first component of cash working capital is related to system sales and is split between demand and energy. Explain how the allocation between demand and energy was calculated.

RESPONSE

The split between demand and energy was provided in Schedule 15 of Section V of the Company's filing. The total Kentucky jurisdictional values from Schedule 15 were included in the O&M Expense section of Exhibit JMS-2, the Class Cost-of-Service Study, and 12.5% of those values are included in the Working Capital - Cash section of JMS-2.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at page 18. Beginning at line 13, Mr. Stegall states that Accounts 581 and 582 were allocated using the distribution demand allocation factor. Explain in detail how this factor was calculated.

RESPONSE

The distribution demand allocator is based on each class' contribution to the 12 monthly coincident peaks on the primary distribution system. This factor was calculated by determining each individual class' loss adjusted demand at the time of each monthly peak during the test year. The twelve monthly values were averaged and the allocator is calculated for each class by taking the ratio of the class' average to the primary distribution system average.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at page 19. Starting at line 11, Mr. Stegall states that Account 598, Maintenance of Miscellaneous Distribution Plant, was directly assigned to the outdoor lighting class. Explain why this was done.

RESPONSE

In regards to Account 598, the FERC Uniform System of Accounts states, "This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is recorded in accounts 371, Installations on Customers' Premises, and 372, Leased Property on Customers' Premises, and any other plant the maintenance of which is assignable to the distribution function and is not provided for elsewhere." The Class Cost-of-Service study assigned this account to the outdoor lighting class to be consistent with the assignment of the balance of FERC 371 to the outdoor lighting class. The Company did not report a balance in FERC 372.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to the Stegall Testimony at page 22. Starting at line 5, when asked to explain the guidelines followed in allocating the proposed revenue increase among the tariff classes, Mr. Stegall states that "as discussed by Company witness (Rainey K.) Wohnhas, the Company opted not to equalize returns across tariff classes."

a. Explain whether the discussion to which Mr. Stegall refers is at page 7 of Mr. Wohnhas' testimony which states, "While it is the Company's intention to gradually, over time, move towards equalized rates of return across customer classes, the Company is not proposing to make any progress towards that goal for the purposes of this proceeding to mitigate rate impacts on the residential customer class."

b. If the Stegall Testimony is referring to another part of Mr. Wohnhas' testimony, identify the part of the testimony to which he is referring.

c. The statement quoted in part a. of this request does not explain how the proposed revenue increase was allocated among the customer classes. If the Stegall Testimony was referring to this statement, explain how the increase was allocated to Kentucky Power's rate classes.

RESPONSE

a. Yes, the section of Company witness Stegall's testimony identified in the question refers to the section of Company witness Wohnhas' testimony identified in Part A of the question.

b. N/A

c. Exhibit JMS-3 provides the calculation of the allocation of the revenue increase to each customer class.

- The required net operating income, calculated in Section V, Schedule 2, Column (3), Line 3, is allocated to each customer class using the rate base of each class calculated in the class cost-of-service study (COSS). The results are presented in Column (9) on Page 3 of JMS-3.

- The current income for each class is subtracted from the required income to determine an income increase. The results are presented in Column (8) on Page 3 of JMS-3.

- The Gross Revenue Conversion Factor is applied to the income increase to determine the revenue increase for each class. The results are presented in Column (7) of Page 3 of JMS-3.

- The current subsidies, calculated on Page 2 of JMS-3 as the difference between the company's current rate of return of 3.66% and the rate of return for each class, are subtracted from the revenue increase. The subsidies are shown in Column (12) of Page 3 of JMS-3 and the proposed revenue increase less the subsidy is shown in Column (13).

- Finally, the revenue increases, net of subsidies, are adjusted for the Transmission OATT adjustment. On Page 1 of JMS-3, the revenue increase net of subsidies is shown in Column (9), the Transmission OATT adjustment is shown in Column (10) and the target sales revenue for each class is shown in Column (11).

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to Exhibit JMS-1, page 1. Identify the specific customers for whom the adjustments are being made in columns 6-9 and provide support for the amounts included in those columns.

RESPONSE

The customer's historic and adjusted billing determinant data is provided in KPSC 2-42 Attachment 1. Confidential treatment is being sought for portions of Attachment 1.

WITNESS: Jason M Stegall

Kentucky Power Company
Specific Customer Adjustment
For the Test Year Ended March 31, 2013

Customer [redacted]

Remove from CIP Tran	
Billing kWh	[redacted]
Metered kWh	[redacted]
Billing kW	
On-Peak	[redacted]
Off-Peak	[redacted]
Minimum	[redacted]
Maximum	0
Billing KVAR	[redacted]
Customer Charge	[redacted]
Number of Customers	[redacted]
Environmental Surcharge	[redacted]

Add to QP Tran	
Billing kWh	[redacted]
Metered Voltage Adjustment	0
Metered kWh	[redacted]
Billing kW	
On-Peak	[redacted]
Off-Peak Excess	
Billing KVAR	
Customer Charge	[redacted]
Number of Customers	[redacted]

NOTE: Customer Services has provided data for an average month

Kentucky Power Company
Historic Customer Data for Kentucky Electric Steel
For the Test Year Ended March 31, 2013

Customer [redacted]
Source: Utilities International Data

		Apr 2012	May	Jun	Jul	Aug
Billing kWh	$0.02880	[redacted]				
Metered kWh		[redacted]				
Billing kW						
On-Peak	$10.98					
Off-Peak	$1.10					
Minimum	$11.09	[redacted]				
Maximum						
Metered kVAR						
Billing KVAR	$0.69		[redacted]			
Customer Charge	$1,353	[redacted]				
Number of Customers		[redacted]				
Environmental Surcharge		[redacted]				

Kentucky Power Company
Historic Customer Data for Kentucky Electric Steel
For the Test Year Ended March 31, 2013

Customer [redacted]
Source: Utilities International Data

		Sep	Oct	Nov	Dec	Jan 2013
Billing kWh	$0.02880	[redacted]				
Metered kWh		[redacted]				
Billing kW						
On-Peak	$10.98					
Off-Peak	$1.10					
Minimum	$11.09	[redacted]				
Maximum						
Metered kVAR						
Billing KVAR	$0.69	[redacted]				
Customer Charge	$1,353	[redacted]				
Number of Customers		[redacted]				
Environmental Surcharge		[redacted]				

Kentucky Power Company
Historic Customer Data for Kentucky Electric Steel
For the Test Year Ended March 31, 2013

Customer [redacted]
Source: Utilities International Data

		Feb	Mar	Total
Billing kWh	$0.02880	[redacted]		[redacted]
Metered kWh		[redacted]		[redacted]
Billing kW				
On-Peak	$10.98			
Off-Peak	$1.10			
Minimum	$11.09	[redacted]	[redacted]	[redacted]
Maximum				
Metered kVAR				
Billing KVAR	$0.69	[redacted]	[redacted]	[redacted]
Customer Charge	$1,353	[redacted]	[redacted]	[redacted]
Number of Customers		[redacted]	[redacted]	[redacted]
Environmental Surcharge		[redacted]		[redacted]

KY 276 Rev 2/88

ESTIMATE OF CUSTOMER CHANGE

KES — Customer Name
May 3rd, 2013 — Date Prepared
Corporate Affiliation
Michael Hurley — Prepared by
Coalton, Ky — Service Address
Date Service Requested

A. Service Data:

	Present		New or Increased		
Demand		Kw	[redacted]	Kw	% Power Factor
Annual Energy Use		Kwh	[redacted]	Kwh	% Load Factor
Tariff:					Delivery Voltage
Annual Revenue	$	Present Capacity	0		

B. Estimated Revenue:

Service Charge			1,353.00	= $	[redacted]	
Demand Charge(onp)	[redacted]	x	9.00		[redacted]	
Demand Charge(ofp)		X		= $	-	
Energy Charge (Kwh)	[redacted]	x	0.03176	= $	[redacted]	
Energy Charge (Kwh)	-	X	-	= $	-	
Fuel/Env Adjustment	-	X	-	= $	-	
Reactive Charge	-	X	0.60	= $	-	
	Sub total	x	0.004480		-	
			Monthly Revenue	= $	[redacted] X 12 =	$ [redacted]
					Less Present	$ ( )
					New or increased	$ [redacted]

Annual Revenue

C. Facilities Cost Summary:

Local Facilities Cost Break Down

Transmission	$ -	Distribution	$	-	
Subtransmission	$	Metering	$	-	
Station	$	Service Drop	$	-	
		Total Local Facilities	$	-	

Temporary Service Cost Breakdown

Installation	$	
Removal	$	
Unsalvageable Material	$	
Total Cost	$	

D. Estimated Annual Cost of Service:

						Annual Cost
Generation & Transmission	-	Kw X	$34.93/Kw	=	$	-
Primary Distribution	-	Kwh X	$0.00433/Kwh	=	$	-
Secondary Distribution		Kwh X	$0.00367/Kwh	=	$	-
Local Facilities	-	X	0.2195 (CC)	=	$	-
Energy (Production Cost)	-	Kwh X	$0.01343/Kwh	=	$	-
			Total Annual Cost		$	-

E. Cost - Revenue Analysis:

(1) Loads over 25 - 500 Kw	Local Facilities Cost - Estimated Annual Revenue	$	
(2) Loads over 500Kw	Total Annual Cost - Estimated Annual Revenue / 0.2195 (CC)	$	-
	Less Service Drop + Metering	$ (	-)
	Excess Facilities Cost	$	
	Total Contribution In Aid of Construction Rqd.	$	-

F. Recommendation for Service:

This load is compensatory. This is an old mine and has been served before and the facility has been idle for two years at approximately 70KW and they have recently increased there demand back to 1200KW per month

Approved:

Kentucky Power Company

REQUEST

Refer to Exhibit JMS-2, pages 1-9. Explain in detail what the abbreviation of each of the allocation factors listed on these pages stands for.

RESPONSE

KPSC 2-43 Attachment 1 provides a list of the allocators used in the Class Cost-of-Service Study along with a description of each and an indication of whether the data was directly input in the study, calculated using data from a workpaper or calculated internally within the study.

WITNESS: Jason M Stegall

Cost-of-Service Study (COSS) Allocator	Source	Description
AFUDC_OFF	Internal Calculation	Allocator based on the Total Per Books AFUDC Offset line in the COSS
BULK_TRANS	Workpapers	Average individual class loss-adjusted demands at the 12 monthly coincident peaks on the transmission system
CUST_902	Workpapers	Customer-based allocator weighted for relative meter reading difficulty and meter location difficulty
CUST_903	Workpapers	Customer-based allocator of activity in FERC 903 weighted for customer call volumes to call centers
CUST_DEP	Workpapers	Balances of customer deposits by customer class
CUST_DEP_FXNL	Internal Calculation	Balances of customer deposits by customer class further allocated to the various utility functions using the RB_GUP allocator
CUST_TOTAL	Workpapers	Average monthly Customer Annualization adjusted customers
DIST_CPD	Workpapers	Average individual class loss-adjusted demands at the 12 monthly coincident peaks on the primary voltage distribution system
DIST_METERS	Workpapers	Customer-based allocator using average Year End Annualization adjusted customers weighted by average installed meter costs
DIST_OHLINES	Internal Calculation	Weighted distribution demand allocator where primary voltage overhead lines are allocated using the DIST_CPD allocator and secondary voltage lines are allocated using the DISTSEC allocator.
DIST_OL	Direct Input	Customer-based allocator where 100% of the charges are allocated to the Outdoor Lighting (OL) customer class
DIST_PCUST	Workpapers	Average monthly Year End Annualization adjusted customers served by the primary voltage distribution system
DIST_POLES	Internal Calculation	Weighted distribution demand allocator where primary voltage overhead lines are allocated using the DIST_CPD allocator and secondary voltage lines are allocated using the DISTSEC allocator.
DIST_SERV	Workpapers	Average monthly Year End Annualization adjusted customers served by the secondary voltage distribution system
DIST_SL	Direct Input	Customer-based allocator where 100% of the charges are allocated to the Street Lighting (SL) customer class
DIST_TRANSF	Internal Calculation	Weighted distribution demand allocator where primary voltage overhead lines are allocated using the DIST_CPD allocator and secondary voltage lines are allocated using the DISTSEC allocator.
DIST_UGLINES	Internal Calculation	Weighted distribution demand allocator where primary voltage overhead lines are allocated using the DIST_CPD allocator and secondary voltage lines are allocated using the DISTSEC allocator.
DISTSEC	Workpapers	Secondary distribution demand allocator calculated using the average of each class' non coincident peak and each class' sigma non coincident peak
EXP_OM	Internal Calculation	Allocator based on the Total O&M Expenses line in the COSS
EXP_OM_AG_REG	Internal Calculation	The REVSALES allocator functionalized based on the RB_GUP allocator
EXP_OM_CUSTACCT	Internal Calculation	Allocator based on the Total line in the Customer Accounts section of O&M in the COSS
EXP_OM_CUSTSERV	Internal Calculation	Allocator based on the Total Customer Services Expenses line in the COSS
EXP_OM_DIST	Internal Calculation	Allocator based on the Total Distribution O&M line in the COSS
EXP_OM_SS	Internal Calculation	Allocator based on the System Sales - Demand and System Sales - Energy lines in the O&M Expense - Production section of the COSS
EXP_OM_TRAN	Internal Calculation	Allocator based on the sum of the Total Transmission Expenses and the Regional Market Expenses lines in the COSS
EXP_OTHTAX_PSC	Internal Calculation	Allocator based on the Kentucky PSC Maintenance line in the COSS functionalized using the RATEBASE allocator
FORF_DISC	Workpapers	The class-by-class revenues earned from forfeited discounts
FORF_DISC_FXNL	Internal Calculation	The FORF_DISC allocator functionalized using the RSALE allocator
FUELREV	Workpapers	Class-by-class revenues from the FAC
LABOR_M	Internal Calculation	Allocator based on the Total line of the O&M Labor section in the COSS
LABOR_PROD	Internal Calculation	Allocator based on the Total Production line of the O&M Labor section in the COSS
PROD_DEMAND	Workpapers	Average individual class loss-adjusted demands at the 12 monthly coincident peaks on the generation system
PROD_ENERGY	Workpapers	Total loss-adjusted class energy usage during the test year measured at the generation point of the system

Cost-of-Service Study (COSS) Allocator	Source	Description
RATEBASE	Internal Calculation	Allocator based on the Total Rate Base line in the COSS
RB_GUP	Internal Calculation	Allocator based on the Total Electric Plant in Service line in the COSS
RB_GUP_CWIP	Internal Calculation	Allocator based on the Total Adjusted CWIP line in the COSS
RB_GUP_EPIS	Internal Calculation	Allocator based on the Total Electric Plant in Service line in the COSS
RB_GUP_EPIS_D	Internal Calculation	Allocator based on the Total line of the Distribution section in the P-T-D Plant in Service section of the COSS
RB_GUP_EPIS_G	Internal Calculation	Allocator based on the General & Intangible Plant line in the COSS
RB_GUP_EPIS_P	Internal Calculation	Allocator based on the Production Plant line in the COSS
RB_GUP_EPIS_T	Internal Calculation	Allocator based on the Total line of the Transmission section in the P-T-D Plant in Service section of the COSS
REV	Internal Calculation	Allocator based on the Sales of Electricity and Total Other Operating Revenues lines in the COSS
REV_OTHER	Internal Calculation	Allocator based on the Total Other Operating Revenues line in the COSS
REV_SALES	Internal Calculation	Allocator based on the Sales of Electricity line in the COSS
REVSALES	Workpapers	Year End Migration Adjusted Revenues
REVSALES_FXNL	Internal Calculation	The REVSALES allocator functionalized based on the RSALE allocator
REVYEC	Workpapers	The Customer Annualization (Year End Customer) Adjustment assigned to each class.
REVYEC_EXP_OM	Internal Calculation	REVYEC_EXP_OM allocator is the basis to allocate the O&M portion of the Customer Annualization (Year End Customer) Adjustment. It is spread to the functions within each tariff class using total O&M.
REVYEC_FXNL	Internal Calculation	REVYEC_FXNL is a spreading of the REVYEC allocator to each function within the tariff classes using the RSALE allocator.
RSALE	Internal Calculation	This allocator is the class-by-class, function-by-function allocation matrix for revenue-related items developed using a simplified ratemaking formula that draws from various items in the COSS.
SUB_TRANS	Workpapers	Average individual class loss-adjusted demands at the 12 monthly coincident peaks on the sub-transmission system
TDOMX	Internal Calculation	Allocator based on all Transmission O&M and all Distribution O&M (FERC Accounts 560 - 598)
TDPLANT	Internal Calculation	Total gross transmission and distrubution plant. Allocator based on the HR-J 765 Line - AFUDC line, the Total line in the Distribution section and the Total line in the Transmission section, all of which are in the P-T-D Plant in Service section of the COSS
TOTMXEXP	Internal Calculation	Distribution Maintenance O&M excluding Account 590 - Supervision & Engineering. This allocator is based on the sum of the lines for the Distribution Maintenance Expenses, FERC 591-598.
TOTOHLINES	Internal Calculation	The Total Overhead Lines allocator that combines the lines for FERC 364 - Poles and 365 - Overhead Lines
TOTOX234	Internal Calculation	An allocator that combines Customer Accounts O&M FERC accounts 902 - Meter Reading, 903 - Customer Records and 904 - Uncollectibles
TOTOXEXP	Internal Calculation	Distribution Operations O&M excluding Account 580 - Supervision & Engineering. This allocator is based on the sum of the lines for the Distribution Operations Expenses, FERC 581-589.
TOTUGLINES	Internal Calculation	The Total Underground Lines allocator that combines the lines for FERC 366 - Underground Conduit and 367 - Underground Lines
TRANS_TOTAL	Internal Calculation	The total transmission demand allocator developed by using electric plant balances to weight BULK_TRANS and SUB_TRANS allocators.

Kentucky Power Company

REQUEST

Refer to Exhibit JMS-2, pages 10-16. The allocation factors on these pages appear to be all-in factors after functionalization, classification, and allocation to the rate classes. Provide the factors for the functionalization, classification, and allocation steps separately.

RESPONSE

As indicated in Attachment 1 of the Company's response to KPSC 2-43, allocators fall into three categories: those directly entered into the study because they are 100% attributable to a customer class; those generated from workpapers; and those generated inside the study using post-allocated data. In those cases where allocators are input, either directly or using the results from a workpaper, the functionalization and classification occurs based on knowledge of the allocator itself. For example, the PROD_DEMAND allocator is developed using loss-adjusted demands on the generation system so the allocator is known to apply to the generation function and the demand classification.

Allocators that are generated inside the study are calculated in one of two ways: either using post-allocated data from the study or combining allocators. In these cases, the classification and functionalization are provided from either the post-allocated data or source allocators. For example, the RB_GUP_EPIS_T allocator is based on the Total Transmission Plant line from the Cost-of-Service Study so it proportionally reflects GSU plant, classified and functionalized using the PROD_DEMAND allocator, and All Other Transmission Plant, classified and functionalized using the TRANS_TOTAL allocator. Attachment 1 of the Company's response to Question 43 indicates the basis of the functionalization and classification.

In regards to allocation, the sentence beginning on Line 21 of Page 10 of Company witness Stegall's testimony states, "The allocation process involves multiplying the functional and classified costs by the allocation factors, which results in costs assigned to each class." The allocation factors themselves are the means to achieve the allocation process.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to pages 19, 21, and 27 of Exhibit JMS-2. Each page appears to be cut off at the bottom of the page. Provide complete pages.

RESPONSE

In the three instances identified in the question, the data was provided at the top of the following page but the formatting made it appear the data was "cut off". KPSC 2-45 Attachment 1 is new copy of JMS-2 with properly formatted page breaks. The Excel version of JMS-2 was provided as Attachment 6 to KIUC 1-1.

WITNESS: Jason M Stegall

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 1 of 29
Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail 1	RS 2	SGS 3	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW 17	OL 18	SL 19
Rate Base													
P-T-D Plant in Service													
Production Plant	544,349,633	PROD_DEMAND	TOTAL	544,349,633	253,266,928	10,166,020	45,830,830	57,797,247	48,594,773	127,758,583	230,481	602,738	102,034
Transmission													
GSU	13,104,419	PROD_DEMAND	TOTAL	13,104,419	6,097,030	244,732	1,103,310	1,391,384	1,169,848	3,075,600	5,548	14,510	2,456
All Other Transmission Plant	470,363,103	TRANS_TOTAL	TOTAL	470,363,103	216,405,144	8,667,655	39,001,537	49,238,670	42,921,781	113,329,881	197,007	514,356	87,072
Total	483,467,522		TOTAL	483,467,522	222,502,174	8,912,387	40,104,847	50,630,054	44,091,629	116,405,482	202,556	528,866	89,529
Distribution													
360 Land and Land Rights	7,222,953	DIST_CPD	TOTAL	7,222,953	4,863,227	185,434	813,935	921,330	421,763	-	4,208	11,166	1,890
361 Structures and Improvements	4,327,099	DIST_CPD	TOTAL	4,327,099	2,913,443	111,089	487,609	551,947	252,668	-	2,521	6,689	1,132
362 Station Equipment	76,231,374	DIST_CPD	TOTAL	76,231,374	51,326,717	1,957,081	8,590,306	9,723,755	4,451,303	-	44,417	117,846	19,949
363 Storage Battery Equipment	-	DIST_POLES	TOTAL	-	-	-	-	-	-	-	-	-	-
364 Poles	175,391,118	DIST_POLES	TOTAL	175,391,118	123,059,778	5,716,484	19,600,278	20,022,432	5,852,251	-	94,450	888,223	157,222
365 Overhead Lines	170,441,654	DIST_OHLINES	TOTAL	170,441,654	118,495,728	5,288,583	19,083,204	19,973,522	6,651,184	-	93,485	727,615	128,333
366 Underground Conduit	6,017,087	DIST_UGLINES	TOTAL	6,017,087	4,197,254	190,125	673,230	698,498	222,430	-	3,278	27,427	4,844
367 Underground Lines	9,205,443	DIST_UGLINES	TOTAL	9,205,443	6,421,311	290,869	1,029,964	1,068,621	340,292	-	5,016	41,960	7,411
368 Transformers	115,511,708	DIST_TRANSF	TOTAL	115,511,708	83,265,450	4,306,856	12,835,374	12,137,329	1,894,132	-	58,747	860,558	153,261
369 Services	50,777,514	DIST_SERV	TOTAL	50,777,514	32,512,226	5,408,464	1,680,934	175,323	462	-	2,541	10,984,628	12,936
370 Meters	24,581,348	DIST_METERS	TOTAL	24,581,348	10,488,716	5,907,729	3,484,129	2,380,184	1,411,749	906,066	2,776	-	-
371 Installations on Cust Premises	19,265,175	DIST_OL	TOTAL	19,265,175	-	-	-	-	-	-	-	19,265,175	-
373 Street Lighting	3,213,413	DIST_SL	TOTAL	3,213,413	-	-	-	-	-	-	-	-	3,213,413
Total	662,185,886		TOTAL	662,185,886	437,543,850	29,362,715	68,278,961	67,652,941	21,498,233	906,066	311,439	32,931,288	3,700,393
Total P-T-D Plant in Service	1,690,003,041		TOTAL	1,690,003,041	913,312,952	48,441,122	154,214,638	176,080,241	114,184,635	245,070,130	744,475	34,062,892	3,891,955
General & Intangible Plant	53,504,666	LABOR_M	TOTAL	53,504,666	30,727,425	1,817,386	4,796,603	5,320,865	3,249,254	6,696,362	23,367	726,782	146,622
HR - J 765 Line - AFUDC	748,320	BULK_TRANS	TOTAL	748,320	348,167	13,975	63,004	79,454	66,803	175,630	317	829	140
Asset Retirement Obligation (ARO)	(3,640,183)	PROD_DEMAND	TOTAL	(3,640,183)	(1,693,650)	(67,982)	(306,481)	(386,503)	(324,964)	(854,349)	(1,541)	(4,031)	(682)
Total Electric Plant in Service	1,740,615,844		TOTAL	1,740,615,844	942,694,894	50,204,500	158,767,764	181,094,057	117,175,729	251,087,773	766,618	34,786,472	4,038,036
Adj to Incl Test Year Mitchell Plant O&M and Rate Base	882,167,970	PROD_DEMAND	TOTAL	882,167,970	410,442,036	16,474,958	74,273,018	93,665,683	78,752,239	207,044,375	373,515	976,792	165,355
Remove Mitchell ARO from Rate Base	(2,694,878)	PROD_DEMAND	TOTAL	(2,694,878)	(1,253,833)	(50,328)	(226,892)	(286,133)	(240,575)	(632,486)	(1,141)	(2,984)	(505)
Total Adjustments to Electric Plant in Service	879,473,092		TOTAL	879,473,092	409,188,203	16,424,629	74,046,126	93,379,549	78,511,664	206,411,888	372,374	973,808	164,850
Total Adjusted Electric Plant in Service	2,620,088,936		TOTAL	2,620,088,936	1,351,883,096	66,629,130	232,813,890	274,473,607	195,687,393	457,499,661	1,138,992	35,760,280	4,202,886
Depreciation Reserve													
Generation	(275,532,093)	RB_GUP_EPIS_P	TOTAL	(275,532,093)	(128,195,488)	(5,145,709)	(23,198,077)	(29,255,088)	(24,597,095)	(64,667,242)	(116,662)	(305,087)	(51,646)
Transmission - GSU	(6,795,928)	RB_GUP_EPIS_P	TOTAL	(6,795,928)	(3,161,909)	(126,918)	(572,175)	(721,569)	(606,681)	(1,595,001)	(2,877)	(7,525)	(1,274)
Transmission - All Other	(147,188,715)	RB_GUP_EPIS_T	TOTAL	(147,188,715)	(67,739,419)	(2,713,321)	(12,209,674)	(15,414,009)	(13,423,425)	(35,438,933)	(61,667)	(161,010)	(27,256)
Distribution	(173,826,158)	RB_GUP_EPIS_D	TOTAL	(173,826,158)	(114,856,622)	(7,707,817)	(17,923,471)	(17,759,138)	(5,643,363)	(237,846)	(81,754)	(8,644,581)	(971,366)
General	(24,316,861)	RB_GUP_EPIS_G	TOTAL	(24,316,861)	(13,965,035)	(825,967)	(2,179,956)	(2,418,233)	(1,476,725)	(3,043,370)	(10,620)	(330,309)	(66,637)
HR-J Post In-Service AFUDC	(932,360)	BULK_TRANS	TOTAL	(932,360)	(433,795)	(17,412)	(78,499)	(98,995)	(83,233)	(218,824)	(395)	(1,032)	(175)
Total Depreciation Reserve	(628,592,115)		TOTAL	(628,592,115)	(328,352,467)	(16,537,145)	(56,161,861)	(65,667,032)	(45,830,522)	(105,201,216)	(273,975)	(9,449,543)	(1,118,355)
Amortization of Intangible Expense	(372,195)	LABOR_M	TOTAL	(372,195)	(213,749)	(12,642)	(33,367)	(37,014)	(22,603)	(46,582)	(163)	(5,056)	(1,020)
KPCo Depreciation Annualization Expense - Production	(3,742,698)	RB_GUP_EPIS_P	TOTAL	(3,742,698)	(1,741,347)	(69,897)	(315,112)	(397,387)	(334,115)	(878,409)	(1,585)	(4,144)	(702)
KPCo Depreciation Annualization Expense - Transmission	(5,282,501)	RB_GUP_EPIS_T	TOTAL	(5,282,501)	(2,431,121)	(97,379)	(438,197)	(553,198)	(481,757)	(1,271,879)	(2,213)	(5,779)	(978)
KPCo Depreciation Annualization Expense - Distribution	(6,836,654)	RB_GUP_EPIS_D	TOTAL	(6,836,654)	(4,517,366)	(303,152)	(704,937)	(698,474)	(221,956)	(9,355)	(3,215)	(339,995)	(38,204)
KPCo Depreciation Annualization Expense - General	(543,645)	RB_GUP_EPIS_G	TOTAL	(543,645)	(312,212)	(18,466)	(48,737)	(54,064)	(33,015)	(68,040)	(237)	(7,385)	(1,490)
Adj to Incl Test Year Mitchell Plant O&M and Rate Base	(283,170,159)	PROD_DEMAND	TOTAL	(283,170,159)	(131,749,214)	(5,288,354)	(23,841,154)	(30,066,073)	(25,278,955)	(66,459,893)	(119,896)	(313,544)	(53,078)
Mitchell Depreciation Annualization - Production	(3,522,505)	PROD_DEMAND	TOTAL	(3,522,505)	(1,638,899)	(65,785)	(296,573)	(374,008)	(314,458)	(826,730)	(1,491)	(3,900)	(660)
Mitchell Depreciation Annualization - Transmission (GSU)	(10,778)	PROD_DEMAND	TOTAL	(10,778)	(5,015)	(201)	(907)	(1,144)	(962)	(2,530)	(5)	(12)	(2)
Remove Mitchell ARO from Rate Base	573,773	PROD_DEMAND	TOTAL	573,773	266,957	10,716	48,308	60,921	51,221	134,664	243	635	108
Total Depreciation Adjustments	(302,907,362)		TOTAL	(302,907,362)	(142,341,966)	(5,845,160)	(25,630,675)	(32,120,441)	(26,636,600)	(69,428,752)	(128,562)	(679,179)	(96,026)
Total Adjusted Depreciation Reserve	(931,499,477)		TOTAL	(931,499,477)	(470,694,433)	(22,382,305)	(81,792,536)	(97,787,472)	(72,467,121)	(174,629,969)	(402,537)	(10,128,722)	(1,214,381)
Net Electric Plant in Service	1,688,589,459		TOTAL	1,688,589,459	881,188,663	44,246,824	151,021,354	176,686,135	123,220,271	282,869,692	736,455	25,631,558	2,988,505
Plant Held for Future Use - Tranmsission	30,133	RB_GUP_EPIS_T	TOTAL	30,133	13,868	555	2,500	3,156	2,748	7,255	13	33	6
Plant Held for Future Use - Distribution	626,977	RB_GUP_EPIS_D	TOTAL	626,977	414,279	27,801	64,649	64,056	20,355	858	295	31,180	3,504

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
Page 1 of 29

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 2 of 29
Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail 1	RS 2	SGS 3	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW 17	OL 18	SL 19
Total Plant Held for Future Use	657,110		TOTAL	657,110	428,147	28,357	67,148	67,211	23,103	8,113	308	31,213	3,509
Working Capital													
Working Capital - Cash													
Working Capital Cash - Excl Sys Sales	40,517,454	EXP_OM	TOTAL	40,517,454	17,877,764	1,033,674	3,422,229	4,269,309	3,500,338	9,945,814	21,179	360,868	66,278
System Sales Add Back - Demand	497,439	PROD_DEMAND	TOTAL	497,439	231,441	9,290	41,881	52,816	44,407	116,749	211	551	93
System Sales Add Back - Energy	14,047,379	PROD_ENERGY	TOTAL	14,047,379	5,012,822	297,236	1,147,621	1,545,306	1,429,461	4,491,540	8,330	96,973	18,089
Total Working Capital - Cash	55,062,272		TOTAL	55,062,272	23,122,027	1,340,200	4,611,731	5,867,432	4,974,206	14,554,103	29,720	458,392	84,460
Cash Working Captial Adjustments													
Interest on Customer Deposits	5,358	CUST_DEP_FXNL	TOTAL	5,358	4,045	222	549	276	195	42	-	29	-
Adjust AEP Pool Capacity Cost for Changes	(2,663,012)	PROD_DEMAND	TOTAL	(2,663,012)	(1,239,007)	(49,733)	(224,209)	(282,750)	(237,730)	(625,008)	(1,128)	(2,949)	(499)
Norm/Elim of Commission Mandated Consultant Cost	-	REV_SALES	TOTAL	-	-	-	-	-	-	-	-	-	-
Temporary Interest Expense	(15,472)	REV_SALES	TOTAL	(15,472)	(6,381)	(511)	(1,647)	(1,922)	(1,364)	(3,363)	(10)	(235)	(39)
Normalization of Major Storms	57,396	TDOMX	TOTAL	57,396	35,566	1,861	5,864	6,301	2,926	3,843	28	740	268
Amortization of Storm Cost Deferral	(81,227)	EXP_OM_DIST	TOTAL	(81,227)	(55,264)	(3,070)	(8,882)	(9,052)	(2,908)	(71)	(42)	(1,418)	(519)
Rate Case Expense	27,083	EXP_OM_AG_REG	TOTAL	27,083	11,029	883	2,865	3,311	2,372	6,139	19	396	68
Postage Rate Increase	2,543	CUST_TOTAL	TOTAL	2,543	1,626	271	85	10	1	0	0	549	1
O&M Adjustment for Advertising Expenses	(3,714)	EXP_OM_CUSTSERV	TOTAL	(3,714)	(2,375)	(395)	(124)	(15)	(1)	(0)	(0)	(802)	(1)
System Sales Tracker Revenues	168,967	PROD_ENERGY	TOTAL	168,967	60,296	3,575	13,804	18,588	17,194	54,026	100	1,166	218
Annualization of Lease Costs	(33,343)	TDOMX	TOTAL	(33,343)	(20,661)	(1,081)	(3,406)	(3,660)	(1,700)	(2,232)	(16)	(430)	(155)
Net Line of Credit Fee	79,704	RB_GUP	TOTAL	79,704	43,167	2,299	7,270	8,292	5,366	11,497	35	1,593	185
Reliability Adjustment	(86,520)	TOTOHLINES	TOTAL	(86,520)	(60,432)	(2,753)	(9,678)	(10,006)	(3,128)	-	(47)	(404)	(71)
Customer Annualization Adjustment	(502,100)	REVYEC_EXP_OM	TOTAL	(502,100)	(7,327)	901	(29,668)	15,018	(23,299)	(468,415)	(2,394)	14,792	(1,708)
Pension & OPEB Expense Adjustment	(125,598)	LABOR_M	TOTAL	(125,598)	(72,130)	(4,266)	(11,260)	(12,490)	(7,627)	(15,719)	(55)	(1,706)	(344)
Amortization of Employer Group Waiver Plan	26,861	LABOR_M	TOTAL	26,861	15,426	912	2,408	2,671	1,631	3,362	12	365	74
Amortization of Deferred IGCC Costs	6,092	PROD_DEMAND	TOTAL	6,092	2,834	114	513	647	544	1,430	3	7	1
Amortization of Deferred CCS FELD Study Costs	3,980	PROD_DEMAND	TOTAL	3,980	1,852	74	335	423	355	934	2	4	1
Amortization of Deferred CARRS Site Costs	11,947	PROD_DEMAND	TOTAL	11,947	5,559	223	1,006	1,268	1,067	2,804	5	13	2
Amortization of CSAPR SO2 Allowance Expense	8,619	PROD_ENERGY	TOTAL	8,619	3,076	182	704	948	877	2,756	5	59	11
Amortization of Deferred Preliminary Big Sandy FGD Costs	128,202	PROD_DEMAND	TOTAL	128,202	59,648	2,394	10,794	13,612	11,445	30,089	54	142	24
Incentive Compensation Plan Adjustment	(258,063)	LABOR_M	TOTAL	(258,063)	(148,204)	(8,766)	(23,135)	(25,664)	(15,672)	(32,298)	(113)	(3,505)	(707)
Annualize Employee-Related Expenses	76,166	LABOR_M	TOTAL	76,166	43,742	2,587	6,828	7,574	4,625	9,533	33	1,035	209
Removal of KPCo Severance Costs	(135,673)	LABOR_M	TOTAL	(135,673)	(77,916)	(4,608)	(12,163)	(13,492)	(8,239)	(16,980)	(59)	(1,843)	(372)
Removal of KPCo Repositioning Study Costs	(53,885)	LABOR_M	TOTAL	(53,885)	(30,946)	(1,830)	(4,831)	(5,359)	(3,272)	(6,744)	(24)	(732)	(148)
Mitchell Plant Incentive Compensation Adjustment	(93,961)	LABOR_PROD	TOTAL	(93,961)	(42,475)	(1,783)	(7,882)	(10,020)	(8,531)	(23,027)	(42)	(170)	(30)
Mitchell Plant Maintenance	(61,315)	PROD_DEMAND	TOTAL	(61,315)	(28,528)	(1,145)	(5,162)	(6,510)	(5,474)	(14,391)	(26)	(68)	(11)
Mitchell Plant Annualization of Employee-Related Exp	3,797	LABOR_PROD	TOTAL	3,797	1,716	72	319	405	345	931	2	7	1
Removal of Mitchell Severance Costs	(33,802)	LABOR_PROD	TOTAL	(33,802)	(15,280)	(642)	(2,836)	(3,605)	(3,069)	(8,284)	(15)	(61)	(11)
Removal of Mitchell Repositioning Study Costs	(25,226)	LABOR_PROD	TOTAL	(25,226)	(11,403)	(479)	(2,116)	(2,690)	(2,290)	(6,182)	(11)	(46)	(8)
Adj to Incl TY Mitchell Plant O&M and Rate Base - Demand	2,521,920	PROD_DEMAND	TOTAL	2,521,920	1,173,362	47,098	212,330	267,769	225,135	591,893	1,068	2,792	473
Adj to Incl TY Mitchell Plant O&M and Rate Base - Energy	2,272,615	PROD_ENERGY	TOTAL	2,272,615	810,985	48,087	185,665	250,003	231,261	726,651	1,348	15,689	2,926
PJM - Pool Term & Mitchell Xfer - Prod Demand	722,896	PROD_DEMAND	TOTAL	722,896	336,338	13,500	60,863	76,755	64,534	169,663	306	800	136
PJM Charges & Credits - Pool Term & Mitchell Xfer - Energy	513,733	PROD_ENERGY	TOTAL	513,733	183,326	10,870	41,970	56,514	52,277	164,262	305	3,546	662
Amortization of Big Sandy Depreciation & O&M	837,821	PROD_DEMAND	TOTAL	837,821	389,809	15,647	70,539	88,957	74,793	196,636	355	928	157
Removal of Big Sandy Depreciation & O&M	(2,452,091)	PROD_DEMAND	TOTAL	(2,452,091)	(1,140,873)	(45,794)	(206,451)	(260,355)	(218,901)	(575,505)	(1,038)	(2,715)	(460)
Total Cash Working Capital Adjustments	850,698		TOTAL	850,698	224,198	24,918	71,262	171,751	153,737	178,273	(1,340)	27,568	331
Working Capital - Materials & Supplies													
Fuel	46,508,466	PROD_ENERGY	TOTAL	46,508,466	16,596,595	984,098	3,799,577	5,116,244	4,732,701	14,870,721	27,580	321,061	59,889
Production	8,588,348	PROD_DEMAND	TOTAL	8,588,348	3,995,659	160,392	723,085	911,882	766,693	2,015,681	3,636	9,510	1,610
Emissions	10,040,115	PROD_ENERGY	TOTAL	10,040,115	3,582,826	212,444	820,242	1,104,480	1,021,682	3,210,249	5,954	69,310	12,929
Transmission & Distribution	3,151,197	TDPLANT	TOTAL	3,151,197	1,815,273	105,248	298,096	325,351	180,475	322,945	1,414	91,977	10,418
Total Working Cap - Materials & Supplies	68,288,126		TOTAL	68,288,126	25,990,553	1,462,182	5,640,999	7,457,958	6,701,550	20,419,596	38,584	491,857	84,846
Working Captial - Materials & Supplies Adjustments													
Big Sandy Coal Stock Adjustment	(20,875,574)	PROD_ENERGY	TOTAL	(20,875,574)	(7,449,471)	(441,717)	(1,705,460)	(2,296,454)	(2,124,298)	(6,674,803)	(12,379)	(144,110)	(26,882)
Mitchell Coal Stock Adjustment	(1,151,258)	PROD_ENERGY	TOTAL	(1,151,258)	(410,828)	(24,360)	(94,054)	(126,646)	(117,152)	(368,106)	(683)	(7,947)	(1,482)
Adj to Incl Test Year Mitchell Plant O&M and Rate Base	42,424,390	PROD_DEMAND	TOTAL	42,424,390	19,738,591	792,298	3,571,868	4,504,482	3,787,278	9,956,983	17,963	46,975	7,952
Total Working Cap - Materials & Supplies Adjustments	20,397,558		TOTAL	20,397,558	11,878,293	326,221	1,772,354	2,081,382	1,545,828	2,914,074	4,901	(105,083)	(20,412)
Working Capital - Prepayments													
Working Capital - Prepayments	1,455,069	RB_GUP_EPIS	TOTAL	1,455,069	788,046	41,968	132,722	151,386	97,953	209,897	641	29,080	3,376
Pension & OPEB Expense Adjustment	26,308,055	LABOR_M	TOTAL	26,308,055	15,108,566	893,502	2,358,473	2,616,250	1,597,647	3,292,577	11,490	357,356	72,094
Total Working Capital	172,361,778		TOTAL	172,361,778	77,111,684	4,089,091	14,587,541	18,366,159	15,070,922	41,568,521	83,995	1,259,171	224,695

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Label	Constant	Allocation Factor	Function	Total Retail	RS	SGS	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW	OL	SL
				1	2	3					17	18	19
Construction Work-In-Progress													
Production	1,835,278	RB_GUP_EPIS_P	TOTAL	1,835,278	853,891	34,275	154,519	194,864	163,838	430,739	777	2,032	344
Transmission	27,690,114	RB_GUP_EPIS_T	TOTAL	27,690,114	12,743,587	510,448	2,296,965	2,899,785	2,525,303	6,667,006	11,601	30,290	5,128
Distribution	11,720,516	RB_GUP_EPIS_D	TOTAL	11,720,516	7,744,411	519,712	1,208,520	1,197,439	380,513	16,037	5,512	582,875	65,496
General	2,035,903	RB_GUP_EPIS_G	TOTAL	2,035,903	1,169,208	69,153	182,515	202,464	123,637	254,803	889	27,655	5,579
Total CWIP	43,281,811		TOTAL	43,281,811	22,511,097	1,133,588	3,842,518	4,494,552	3,193,291	7,368,585	18,780	642,852	76,547
Adjs to Include Test Year Mitchell Plant O&M & Rate Base	39,608,974	PROD_DEMAND	TOTAL	39,608,974	18,428,676	739,719	3,334,828	4,205,550	3,535,943	9,296,206	16,771	43,858	7,424
Total Adjusted CWIP	82,890,785		TOTAL	82,890,785	40,939,773	1,873,307	7,177,346	8,700,102	6,729,234	16,664,791	35,550	686,710	83,971
Rate Base Offsets													
Accumulated Deferred FIT	(236,486,446)	RB_GUP	TOTAL	(236,486,446)	(128,077,982)	(6,820,967)	(21,570,770)	(24,604,102)	(15,919,924)	(34,113,705)	(104,156)	(4,726,218)	(548,622)
Customer Advances	(57,952)	TDPLANT	TOTAL	(57,952)	(33,384)	(1,936)	(5,482)	(5,983)	(3,319)	(5,939)	(26)	(1,691)	(192)
Customer Deposits	(23,811,141)	CUST_DEP_FXNL	TOTAL	(23,811,141)	(17,974,700)	(989,162)	(2,441,221)	(1,225,732)	(864,910)	(187,681)	-	(128,735)	-
Adjustments to Rate Base Offsets													
Pension & OPEB Expense Adjustment	(9,207,819)	LABOR_M	TOTAL	(9,207,819)	(5,287,998)	(312,761)	(825,466)	(915,688)	(559,176)	(1,152,402)	(4,021)	(125,075)	(25,233)
Adj to Incl Test Year Mitchell Plant O&M and Rate Base	(147,947,146)	RB_GUP_EPIS_P	TOTAL	(147,947,146)	(68,834,655)	(2,762,992)	(12,456,223)	(15,708,540)	(13,207,427)	(34,723,120)	(62,642)	(163,816)	(27,732)
Total Adjustments to Rate Base Offsets	(157,154,965)		TOTAL	(157,154,965)	(74,122,653)	(3,075,753)	(13,281,689)	(16,624,227)	(13,766,603)	(35,875,522)	(66,663)	(288,891)	(52,964)
Total Rate Base Offsets	(417,510,504)		TOTAL	(417,510,504)	(220,208,719)	(10,886,817)	(37,299,162)	(42,460,045)	(30,554,756)	(70,182,847)	(170,845)	(5,145,535)	(601,778)
Total Rate Base	1,526,988,628		TOTAL	1,526,988,628	779,459,548	39,350,762	135,554,227	161,359,563	114,488,775	270,928,270	685,463	22,463,117	2,698,901
Operating Revenues													
Total Revenue	501,174,552	REVSALES_FXNL	TOTAL	501,174,552	204,095,172	16,339,138	53,025,262	61,261,823	43,903,321	113,608,507	343,165	7,335,740	1,262,425
Total Revenue Year End Customers	(6,452,693)	REVYEC_FXNL	TOTAL	(6,452,693)	(94,167)	11,582	(381,275)	192,996	(299,420)	(6,019,799)	(30,761)	190,098	(21,947)
Annualize Environmental Revenues Adjustment	(7,320,077)	REVSALES_FXNL	TOTAL	(7,320,077)	(2,950,982)	(238,647)	(774,479)	(894,781)	(641,245)	(1,659,348)	(5,012)	(107,145)	(18,439)
Sales of Electricity	487,401,782		TOTAL	487,401,782	201,020,022	16,112,073	51,869,508	60,560,038	42,962,656	105,929,360	307,392	7,418,693	1,222,039
Other Operating Revenues													
Forfeited Discounts	3,262,936	FORF_DISC_FXNL	TOTAL	3,262,936	2,378,168	190,174	370,177	155,137	119,374	31,146	-	18,760	-
Miscellaneous Service Revenue	358,931	RB_GUP_EPIS_D	TOTAL	358,931	237,166	15,916	37,010	36,671	11,653	491	169	17,850	2,006
Rent from Electric Prop - Poles	6,669,109	DIST_POLES	TOTAL	6,669,109	4,679,251	217,365	745,285	761,337	222,527	-	3,591	33,774	5,978
Rent from Electric Prop - Other Dist	919,538	RB_GUP_EPIS_D	TOTAL	919,538	607,591	40,774	94,815	93,946	29,853	1,258	432	45,730	5,139
Other Electric Revenue - Dist	157,652	RB_GUP_EPIS_D	TOTAL	157,652	104,170	6,991	16,256	16,107	5,118	216	74	7,840	881
Other Electric Revenue - Wheeling	(447,300)	TRANS_TOTAL	TOTAL	(447,300)	(205,794)	(8,243)	(37,089)	(46,824)	(40,817)	(107,773)	(187)	(489)	(83)
Other Electric Revenues - Production	42,083	PROD_ENERGY	TOTAL	42,083	15,017	890	3,438	4,629	4,282	13,456	25	291	54
Total Other Operating Revenues	10,962,949		TOTAL	10,962,949	7,815,569	463,867	1,229,892	1,021,002	351,991	(61,206)	4,104	123,755	13,975
Eliminate Non-Recurring CATV Revenues	(1,083,264)	RB_GUP_EPIS_D	TOTAL	(1,083,264)	(715,774)	(48,034)	(111,697)	(110,673)	(35,169)	(1,482)	(509)	(53,872)	(6,053)
Misc. Service Charges Adjustement	585,947	RB_GUP_EPIS_D	TOTAL	585,947	387,168	25,982	60,418	59,864	19,023	802	276	29,140	3,274
Annualization of CATV Revenues	(1,282,814)	RB_GUP_EPIS_D	TOTAL	(1,282,814)	(847,628)	(56,883)	(132,273)	(131,060)	(41,647)	(1,755)	(603)	(63,796)	(7,169)
Customer Migration Adjustment	(931)	REVSALES_FXNL	TOTAL	(931)	(379)	(30)	(99)	(114)	(62)	(211)	(1)	(14)	(2)
Total Other Operating Revenue Adjustments	(1,781,062)		TOTAL	(1,781,062)	(1,176,613)	(78,965)	(183,650)	(181,983)	(57,874)	(2,647)	(838)	(88,542)	(9,950)
Total Other Operating Revenues	9,181,887		TOTAL	9,181,887	6,638,957	384,902	1,046,241	839,019	294,116	(63,853)	3,267	35,214	4,025
Total Operating Revenues	496,583,669		TOTAL	496,583,669	207,658,979	16,496,975	52,915,749	61,399,057	43,256,772	105,865,507	310,659	7,453,907	1,226,064
Operating Expense													
O&M Expense													
Production													
Demand	21,844,480	PROD_DEMAND	TOTAL	21,844,480	10,163,476	407,957	1,839,168	2,319,375	1,950,084	5,126,888	9,249	24,188	4,095
Energy	5,570,525	PROD_ENERGY	TOTAL	5,570,525	1,967,848	117,870	455,092	612,795	566,857	1,781,132	3,303	38,455	7,173
Fuel	106,945,546	PROD_ENERGY	TOTAL	106,945,546	38,163,631	2,262,918	8,737,072	11,764,730	10,882,777	34,195,007	63,420	738,276	137,715
System Sales - Demand	(3,979,513)	PROD_DEMAND	TOTAL	(3,979,513)	(1,851,529)	(74,320)	(335,050)	(422,532)	(355,256)	(933,990)	(1,685)	(4,406)	(746)
System Sales - Energy	(112,379,034)	PROD_ENERGY	TOTAL	(112,379,034)	(40,102,577)	(2,377,888)	(9,180,968)	(12,362,450)	(11,435,689)	(35,932,323)	(66,642)	(775,785)	(144,712)
Purchased Power - Demand	64,688,885	PROD_DEMAND	TOTAL	64,688,885	30,097,485	1,208,099	5,446,399	6,868,452	5,774,858	15,182,448	27,390	71,628	12,125
Purchased Power - Energy	180,812,538	PROD_ENERGY	TOTAL	180,812,538	64,523,145	3,825,909	14,771,743	19,890,596	18,399,481	57,813,404	107,224	1,248,202	232,834
System Control	150,794	PROD_DEMAND	TOTAL	150,794	70,159	2,816	12,696	16,011	13,462	35,391	64	167	28
Total Production Expenses	380,012,768		TOTAL	380,012,768	145,005,744	7,825,570	31,262,170	41,471,959	37,587,517	114,134,271	210,650	2,120,915	393,971
Transmission Agreement Expenses - Production	36,210,239	PROD_DEMAND	TOTAL	36,210,239	16,847,363	676,246	3,048,675	3,844,684	3,232,533	8,498,525	15,332	40,094	6,787
Transmission Agreement Expenses - Transmission	(51,949,423)	TRANS_TOTAL	TOTAL	(51,949,423)	(23,900,944)	(957,302)	(4,307,539)	(5,438,183)	(4,740,512)	(12,516,760)	(21,759)	(56,808)	(9,617)
Total Transmission Agreement Expenses	(15,739,184)		TOTAL	(15,739,184)	(7,053,581)	(281,057)	(1,258,864)	(1,593,499)	(1,507,978)	(4,018,235)	(6,427)	(16,714)	(2,829)
Transmission Expenses - Production	6,027,012	PROD_DEMAND	TOTAL	6,027,012	2,804,159	112,558	507,437	639,928	538,039	1,414,537	2,552	6,673	1,130

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 4 of 29
Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail 1	RS 2	SGS 3	Total MGS	Total LGS	Total QP	Total CIP-TOD	MW 17	OL 18	SL 19
Transmission Expenses - Transmission	6,006,122	TRANS_TOTAL	TOTAL	6,006,122	2,763,303	110,678	498,015	628,734	548,073	1,447,123	2,516	6,568	1,112
Total Transmission Expenses	12,033,134		TOTAL	12,033,134	5,567,462	223,236	1,005,452	1,268,663	1,086,112	2,861,659	5,067	13,241	2,242
Regional Market Expenses	1,111,604	PROD_DEMAND	TOTAL	1,111,604	517,191	20,760	93,590	118,026	99,234	260,893	471	1,231	208
Distribution Operation													
580 Supervision & Engineering	785,170	TOTOXEXP	TOTAL	785,170	503,451	43,278	81,271	78,668	26,575	2,564	348	35,811	13,204
581 Load Dispatching	2,923	DIST_CPD	TOTAL	2,923	1,968	75	329	373	171	-	2	5	1
582 Station Expenses	173,816	DIST_CPD	TOTAL	173,816	117,031	4,462	19,587	22,171	10,149	-	101	269	45
583 Overhead Lines	336,063	DIST_OHLINES	TOTAL	336,063	233,640	10,428	37,627	39,382	13,114	-	184	1,435	253
584 Underground Lines	134,737	DIST_UGLINES	TOTAL	134,737	93,987	4,257	15,075	15,641	4,981	-	73	614	108
585 Street Lighting	94,392	DIST_SL	TOTAL	94,392	-	-	-	-	-	-	-	-	94,392
586 Meters	450,118	DIST_METERS	TOTAL	450,118	192,063	108,179	63,799	43,584	25,851	16,591	51	-	-
587 Customer Installs	149,630	DIST_PCUST	TOTAL	149,630	95,715	15,922	5,005	573	31	-	7	32,339	38
588 Miscellaneous Distribution	4,904,272	RB_GUP_EPIS_D	TOTAL	4,904,272	3,240,531	217,466	505,687	501,050	159,220	6,710	2,307	243,895	27,406
589 Rents	1,532,200	RB_GUP_EPIS_D	TOTAL	1,532,200	1,012,412	67,941	157,987	156,539	49,744	2,097	721	76,198	8,562
Total Distribution Operations Expenses	8,563,321		TOTAL	8,563,321	5,490,797	472,008	886,367	857,982	289,835	27,962	3,794	390,565	144,010
Distribution Maintenance													
590 Supervision & Engineering	762	TOTMXEXP	TOTAL	762	529	24	85	88	28	0	0	6	2
591 Structures	21,989	DIST_CPD	TOTAL	21,989	14,805	565	2,478	2,805	1,284	-	13	34	6
592 Station Equipment	557,015	DIST_CPD	TOTAL	557,015	375,039	14,300	62,769	71,051	32,525	-	325	861	146
593 Overhead Lines	24,453,798	TOTOHLINES	TOTAL	24,453,798	17,080,364	778,167	2,735,305	2,828,110	884,117	-	13,289	114,256	20,192
594 Underground Lines	94,080	TOTUGLINES	TOTAL	94,080	65,626	2,973	10,526	10,921	3,478	-	51	429	76
595 Line Transformers	58,682	DIST_TRANSF	TOTAL	58,682	42,300	2,188	6,521	6,166	962	-	30	437	78
596 Street Lighting	52,485	DIST_SL	TOTAL	52,485	-	-	-	-	-	-	-	-	52,485
597 Meters	51,572	DIST_METERS	TOTAL	51,572	22,005	12,394	7,310	4,994	2,962	1,901	6	-	-
598 Miscellaneous Distribution	86,036	DIST_OL	TOTAL	86,036	-	-	-	-	-	-	-	86,036	-
Total Distribution Maintenance Expenses	25,376,419		TOTAL	25,376,419	17,600,669	810,611	2,824,993	2,924,134	925,355	1,901	13,714	202,059	72,984
Total Distribution O&M	33,939,740		TOTAL	33,939,740	23,091,465	1,282,620	3,711,360	3,782,115	1,215,191	29,863	17,508	592,624	216,994
Customer Accounts													
901 Supervision	298,715	TOTOX234	TOTAL	298,715	256,498	30,537	10,115	1,276	118	25	14	67	65
902 Meter Read	475,111	CUST_902	TOTAL	475,111	376,738	62,671	29,668	5,274	602	128	29	-	-
903 Customer Records	5,469,364	CUST_903	TOTAL	5,469,364	4,728,961	544,995	171,618	20,112	1,746	373	256	-	1,303
904 Uncollectibles	6,166	CUST_TOTAL	TOTAL	6,166	3,943	656	207	24	2	0	0	1,332	2
905 Miscellaneous	15,936	TOTOX234	TOTAL	15,936	13,684	1,629	540	68	6	1	1	4	3
Total	6,265,292		TOTAL	6,265,292	5,379,823	640,488	212,147	26,754	2,475	528	301	1,403	1,374
Total Customer Services Expenses	2,954,993	CUST_TOTAL	TOTAL	2,954,993	1,889,553	314,330	98,982	11,599	1,007	215	148	638,407	752
Total Sales Expenses	4,184	CUST_TOTAL	TOTAL	4,184	2,675	445	140	16	1	0	0	904	1
Administrative & General Expense													
A&G - Production Demand	306,088	PROD_DEMAND	TOTAL	306,088	142,412	5,716	25,771	32,499	27,325	71,839	130	339	57
A&G - Production Energy	8,789,900	PROD_ENERGY	TOTAL	8,789,900	3,136,685	185,990	718,104	966,948	894,460	2,810,502	5,213	60,679	11,319
A&G - Transmission	995,002	EXP_OM_TRAN	TOTAL	995,002	460,583	18,469	83,193	104,967	89,726	236,364	419	1,095	185
A&G - Distribution	7,912,515	EXP_OM_DIST	TOTAL	7,912,515	5,383,411	299,023	865,245	881,741	283,303	6,962	4,082	138,161	50,589
A&G - Customer Accounts	1,226,245	EXP_OM_CUSTACCT	TOTAL	1,226,245	1,052,941	125,356	41,521	5,236	484	103	59	275	269
A&G - Customer Services	519,049	EXP_OM_CUSTSERV	TOTAL	519,049	331,903	55,213	17,386	2,037	177	38	26	112,137	132
Total A&G Expense Excl Regulatory	19,748,799		TOTAL	19,748,799	10,507,935	689,768	1,751,220	1,993,428	1,295,474	3,125,808	9,928	312,686	62,551
A&G - Regulatory Reclassified	166,850	EXP_OM_AG_REG	TOTAL	166,850	67,947	5,440	17,653	20,395	14,616	37,822	114	2,442	420
Total A&G Expenses	19,915,649		TOTAL	19,915,649	10,575,882	695,207	1,768,873	2,013,824	1,310,091	3,163,631	10,042	315,128	62,972
Total O&M Expenses	324,139,633		TOTAL	324,139,633	143,022,109	8,269,392	27,377,832	34,314,476	28,002,706	79,566,514	169,433	2,886,947	530,226
O&M Adjustments													
Interest on Customer Deposits	42,860	CUST_DEP_FXNL	TOTAL	42,860	32,354	1,779	4,394	2,206	1,557	338	-	232	-
Adjust AEP Pool Capacity Cost for Changes	(21,304,099)	PROD_DEMAND	TOTAL	(21,304,099)	(9,912,055)	(397,865)	(1,793,672)	(2,261,999)	(1,901,844)	(5,000,061)	(9,020)	(23,589)	(3,993)
Norm/Elim of Commission Mandated Consultant Cost	30,493	REV_SALES	TOTAL	30,493	12,576	1,008	3,245	3,789	2,688	6,627	19	464	76
Temporary Interest Expense	(123,777)	REV_SALES	TOTAL	(123,777)	(51,050)	(4,092)	(13,172)	(15,379)	(10,910)	(26,901)	(78)	(1,884)	(310)
Normalization of Major Storms	459,166	TDOMX	TOTAL	459,166	284,524	14,887	46,911	50,406	23,410	30,742	225	5,920	2,140
Amortization of Storm Cost Deferral	(649,818)	EXP_OM_DIST	TOTAL	(649,818)	(442,114)	(24,557)	(71,059)	(72,413)	(23,266)	(572)	(335)	(11,347)	(4,155)
Rate Case Expense	216,667	EXP_OM_AG_REG	TOTAL	216,667	88,234	7,064	22,924	26,485	18,980	49,115	148	3,171	546
Postage Rate Increase	20,347	CUST_TOTAL	TOTAL	20,347	13,011	2,164	682	80	7	1	1	4,396	5
O&M Adjustment for Advertising Expenses	(29,713)	EXP_OM_CUSTSERV	TOTAL	(29,713)	(19,000)	(3,161)	(995)	(117)	(10)	(2)	(1)	(6,419)	(8)
System Sales Tracker Revenues	1,351,735	PROD_ENERGY	TOTAL	1,351,735	482,368	28,602	110,432	148,700	137,553	432,207	802	9,331	1,741
Annualization of Lease Costs	(266,741)	TDOMX	TOTAL	(266,741)	(165,287)	(8,649)	(27,252)	(29,282)	(13,599)	(17,859)	(131)	(3,439)	(1,243)

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
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KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 5 of 29
Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail	RS	SGS	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW	OL	SL
				1	2	3					17	18	19
Net Line of Credit Fee	637,630	RB_GUP	TOTAL	637,630	345,332	18,391	58,161	66,339	42,924	91,980	281	12,743	1,479
Reliability Adjustment	(692,162)	TOTOHLINES	TOTAL	(692,162)	(483,458)	(22,026)	(77,422)	(80,049)	(25,025)	-	(376)	(3,234)	(572)
Customer Annualization Adjustment	(4,016,801)	REVYEC_EXP_OM	TOTAL	(4,016,801)	(58,619)	7,210	(237,344)	120,140	(186,389)	(3,747,324)	(19,149)	118,336	(13,662)
Pension & OPEB Expense Adjustment	(1,004,781)	LABOR_M	TOTAL	(1,004,781)	(577,040)	(34,129)	(90,077)	(99,922)	(61,019)	(125,753)	(439)	(13,648)	(2,753)
Amortization of Employer Group Waiver Plan	214,887	LABOR_M	TOTAL	214,887	123,408	7,299	19,264	21,370	13,050	26,894	94	2,919	589
Amortization of Deferred IGCC Costs	48,732	PROD_DEMAND	TOTAL	48,732	22,673	910	4,103	5,174	4,350	11,437	21	54	9
Amortization of Deferred CCS FELD Study Costs	31,843	PROD_DEMAND	TOTAL	31,843	14,815	595	2,681	3,381	2,843	7,474	13	35	6
Amortization of Deferred CARRS Site Costs	95,579	PROD_DEMAND	TOTAL	95,579	44,470	1,785	8,047	10,148	8,532	22,432	40	106	18
Amortization of CSAPR SO2 Allowance Expense	68,950	PROD_ENERGY	TOTAL	68,950	24,605	1,459	5,633	7,585	7,016	22,046	41	476	89
Amortization of Deferred Preliminary Big Sandy FGD Costs	1,025,615	PROD_DEMAND	TOTAL	1,025,615	477,183	19,154	86,350	108,896	91,558	240,711	434	1,136	192
Incentive Compensation Plan Adjustment	(2,064,501)	LABOR_M	TOTAL	(2,064,501)	(1,185,631)	(70,125)	(185,079)	(205,368)	(125,374)	(258,382)	(902)	(28,043)	(5,657)
Annualize Employee-Related Expenses	609,325	LABOR_M	TOTAL	609,325	349,932	20,697	54,625	60,595	37,003	76,260	266	8,277	1,670
Removal of KPCo Severance Costs	(1,085,383)	LABOR_M	TOTAL	(1,085,383)	(623,329)	(36,867)	(97,303)	(107,938)	(65,914)	(135,841)	(474)	(14,743)	(2,974)
Removal of KPCo Repositioning Study Costs	(431,083)	LABOR_M	TOTAL	(431,083)	(247,569)	(14,643)	(38,646)	(42,870)	(26,179)	(53,952)	(188)	(5,856)	(1,181)
Mitchell Plant Incentive Compensation Adjustment	(751,686)	LABOR_PROD	TOTAL	(751,686)	(339,799)	(14,266)	(63,058)	(80,162)	(68,248)	(184,213)	(334)	(1,363)	(242)
Mitchell Plant Maintenance	(490,521)	PROD_DEMAND	TOTAL	(490,521)	(228,222)	(9,161)	(41,299)	(52,082)	(43,769)	(115,125)	(208)	(543)	(92)
Mitchell Plant Annualization of Employee-Related Exp	30,375	LABOR_PROD	TOTAL	30,375	13,731	576	2,548	3,239	2,758	7,444	13	55	10
Removal of Mitchell Severance Costs	(270,416)	LABOR_PROD	TOTAL	(270,416)	(122,241)	(5,132)	(22,685)	(28,838)	(24,552)	(66,270)	(120)	(490)	(87)
Removal of Mitchell Repositioning Study Costs	(201,809)	LABOR_PROD	TOTAL	(201,809)	(91,228)	(3,830)	(16,930)	(21,522)	(18,323)	(49,457)	(90)	(366)	(65)
Adj to Incl TY Mitchell Plant O&M and Rate Base - Demand	20,175,358	PROD_DEMAND	TOTAL	20,175,358	9,386,891	376,786	1,698,639	2,142,153	1,801,079	4,735,146	8,542	22,339	3,782
Adj to Incl TY Mitchell Plant O&M and Rate Base - Energy	18,180,916	PROD_ENERGY	TOTAL	18,180,916	6,487,879	384,700	1,485,316	2,000,023	1,850,090	5,813,207	10,782	125,508	23,412
PJM - Pool Term & Mitchell Xfer - Prod Demand	5,783,165	PROD_DEMAND	TOTAL	5,783,165	2,690,705	108,004	486,906	614,037	516,270	1,357,306	2,449	6,403	1,084
PJM Charges & Credits - Pool Term & Mitchell Xfer - Energy	4,109,868	PROD_ENERGY	TOTAL	4,109,868	1,466,611	86,963	335,762	452,113	418,220	1,314,098	2,437	28,372	5,292
Amortization of Big Sandy Depreciation & O&M	6,702,565	PROD_DEMAND	TOTAL	6,702,565	3,118,470	125,174	564,314	711,656	598,346	1,573,089	2,838	7,422	1,256
Removal of Big Sandy Depreciation & O&M	(19,616,728)	PROD_DEMAND	TOTAL	(19,616,728)	(9,126,980)	(366,353)	(1,651,606)	(2,082,839)	(1,751,210)	(4,604,036)	(8,306)	(21,721)	(3,677)
Total Operations and Maintenance Expense Adjustments	6,836,057		TOTAL	6,836,057	1,806,151	200,352	573,339	1,377,796	1,232,584	1,432,806	(10,704)	221,009	2,724
Adjusted Operating & Maintenance Expenses	330,975,690		TOTAL	330,975,690	144,628,260	8,469,744	27,951,170	35,692,272	29,235,289	80,999,320	158,729	3,107,956	532,950
Depreciation & Amortization Expense													
Production	20,582,077	RB_GUP_EPIS_P	TOTAL	20,582,077	9,576,124	384,381	1,732,882	2,185,337	1,837,388	4,830,603	8,715	22,790	3,858
Transmission	8,521,863	RB_GUP_EPIS_T	TOTAL	8,521,863	3,921,945	157,095	706,910	892,433	777,183	2,051,827	3,570	9,322	1,578
Distribution	22,563,910	RB_GUP_EPIS_D	TOTAL	22,563,910	14,909,258	1,000,531	2,326,598	2,305,266	732,550	30,874	10,612	1,122,130	126,090
General & Intangible	3,748,057	RB_GUP_EPIS_G	TOTAL	3,748,057	2,152,488	127,310	336,007	372,732	227,614	469,087	1,637	50,912	10,271
Total Depreciation & Amort Expense	55,415,907		TOTAL	55,415,907	30,559,814	1,669,317	5,102,397	5,755,768	3,574,734	7,382,391	24,534	1,205,154	141,798
Amortization of Intangible Expense	372,195	LABOR_M	TOTAL	372,195	213,749	12,642	33,367	37,014	22,603	46,582	163	5,056	1,020
KPCo Depreciation Annualization Expense - Production	3,742,698	RB_GUP_EPIS_P	TOTAL	3,742,698	1,741,347	69,897	315,112	397,387	334,115	878,400	1,585	4,144	702
KPCo Depreciation Annualization Expense - Transmission	5,282,501	RB_GUP_EPIS_T	TOTAL	5,282,501	2,431,121	97,379	438,197	553,198	481,757	1,271,879	2,213	5,779	978
KPCo Depreciation Annualization Expense - Distribution	6,836,654	RB_GUP_EPIS_D	TOTAL	6,836,654	4,517,366	303,152	704,937	698,474	221,956	9,355	3,215	339,995	38,204
KPCo Depreciation Annualization Expense - General	543,645	RB_GUP_EPIS_G	TOTAL	543,645	312,212	18,466	48,737	54,064	33,015	68,040	237	7,385	1,490
Adj to Incl Test Year Mitchell Plant O&M and Rate Base	32,967,772	PROD_DEMAND	TOTAL	32,967,772	15,338,756	615,691	2,775,660	3,500,409	2,943,074	7,737,519	13,959	36,504	6,180
Mitchell Depreciation Annualization - Production	3,522,505	PROD_DEMAND	TOTAL	3,522,505	1,638,899	65,785	296,573	374,008	314,458	826,730	1,491	3,900	660
Mitchell Depreciation Annualization - Transmission (GSU)	10,778	PROD_DEMAND	TOTAL	10,778	5,015	201	907	1,144	962	2,530	5	12	2
Amortization of Big Sandy Depreciation and O&M	8,129,400	PROD_DEMAND	TOTAL	8,129,400	3,782,327	151,821	684,445	863,153	725,722	1,907,966	3,442	9,001	1,524
Removal of Big Sandy Depreciation and O&M	(23,789,528)	PROD_DEMAND	TOTAL	(23,789,528)	(11,068,439)	(444,282)	(2,002,929)	(2,525,894)	(2,123,721)	(5,583,390)	(10,073)	(26,341)	(4,459)
Total Depreciation & Amort Adjustments	37,618,620		TOTAL	37,618,620	18,912,353	890,751	3,295,025	3,952,958	2,953,942	7,165,619	16,237	385,434	46,300
Adjusted Depreciation Expense	93,034,527		TOTAL	93,034,527	49,472,167	2,560,068	8,397,422	9,708,726	6,528,676	14,548,010	40,771	1,590,588	188,098
Taxes Other Than Income													
Federal Insurance Contribution Excise	2,593,421	LABOR_M	TOTAL	2,593,421	1,489,387	88,090	232,496	257,907	157,494	324,579	1,133	35,228	7,107
Federal Unemployment Tax	34,008	LABOR_M	TOTAL	34,008	19,531	1,155	3,049	3,382	2,065	4,256	15	462	93
Federal Excise Tax	426	LABOR_M	TOTAL	426	245	14	38	42	26	53	0	6	1
Kentucky Unemployment Insurance	36,159	LABOR_M	TOTAL	36,159	20,766	1,228	3,242	3,596	2,196	4,525	16	491	99
Kentucky PSC Maintenance	979,074	REVSALES	TOTAL	979,074	398,712	31,919	103,588	119,679	85,768	221,941	670	14,331	2,466
Kentucky Sales & Use	11,373	TDPLANT	TOTAL	11,373	6,552	380	1,076	1,174	651	1,166	5	332	38
Kentucky Real & Personal Property	9,404,576	RB_GUP	TOTAL	9,404,576	5,093,396	271,256	857,825	978,454	633,102	1,356,631	4,142	187,952	21,818
Lousiana Real & Personal Property	198	RB_GUP	TOTAL	198	107	6	18	21	13	29	0	4	0
West Virginia Real & Personal Property	3,010	RB_GUP	TOTAL	3,010	1,630	87	275	313	203	434	1	60	7
West Virginia Unemployment Insurance	1,080	LABOR_M	TOTAL	1,080	620	37	97	107	66	135	0	15	3
Ohio Gross Receipts Tax	73,640	REVSALES	TOTAL	73,640	29,989	2,401	7,791	9,001	6,451	15,693	50	1,078	185
Ohio Franchise Tax	-	PROD_DEMAND	TOTAL	-	-	-	-	-	-	-	-	-	-
West Virginia Franchise Tax	(18,412)	LABOR_M	TOTAL	(18,412)	(10,574)	(625)	(1,651)	(1,831)	(1,118)	(2,304)	(8)	(250)	(50)
Kentucky Municipal License Fees	297	RB_GUP	TOTAL	297	161	9	27	31	20	43	0	6	1
Kentucky License	15	RB_GUP	TOTAL	15	8	0	1	2	1	2	0	0	0
West Virginia License Tax	50	LABOR_M	TOTAL	50	29	2	4	5	3	6	0	1	0
Oklahoma License Tax	99	PROD_DEMAND	TOTAL	99	46	2	8	11	9	23	0	0	0
Fringe Benefit Loading FICA	(1,101,590)	LABOR_M	TOTAL	(1,101,590)	(632,637)	(37,418)	(98,756)	(109,550)	(66,898)	(137,869)	(481)	(14,963)	(3,019)
Fringe Benefit Loading FUT	(8,395)	LABOR_M	TOTAL	(8,395)	(4,821)	(285)	(753)	(835)	(510)	(1,051)	(4)	(114)	(23)
Fringe Benefit Loading SUT	(14,884)	LABOR_M	TOTAL	(14,884)	(8,548)	(506)	(1,334)	(1,480)	(904)	(1,863)	(7)	(202)	(41)

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
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Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail 1	RS 2	SGS 3	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW 17	OL 18	SL 19
R/E PRS Franchise - CARRS Tax	(46,431)	RB_GUP	TOTAL	(46,431)	(25,146)	(1,339)	(4,235)	(4,831)	(3,126)	(6,698)	(20)	(928)	(108)
Total Taxes Other Than Income	11,947,714		TOTAL	11,947,714	6,379,451	356,413	1,102,807	1,255,199	815,513	1,780,732	5,514	223,507	28,578
KPSC Maintenance Assessment	51,117	EXP_OTHTAX_PSC	TOTAL	51,117	20,817	1,667	5,408	6,248	4,478	11,587	35	748	129
Annualize Property Tax Expense	476,081	RB_GUP	TOTAL	476,081	257,839	13,732	43,425	49,532	32,049	68,676	210	9,515	1,104
Annualize Employee-Related Expenses	39,601	LABOR_M	TOTAL	39,601	22,743	1,345	3,550	3,938	2,405	4,956	17	538	109
Mitchell Plant Annualization of Employee-Related Exp	12,275	LABOR_PROD	TOTAL	12,275	5,549	233	1,030	1,309	1,114	3,008	5	22	4
Adj to Incl TY Mitchell Plant O&M & Rate Base - Payroll	744,362	LABOR_PROD	TOTAL	744,362	336,488	14,127	62,444	79,381	67,583	182,418	331	1,350	230
Adj to Incl TY Mitchell Plant O&M & Rate Base - Revenue	1,578,885	REVSALES	TOTAL	1,578,885	642,975	51,474	167,049	192,997	138,312	357,909	1,081	23,110	3,977
Adj to Incl TY Mitchell Plant O&M & Rate Base - Property	2,705,175	RB_GUP_EPIS_P	TOTAL	2,705,175	1,258,624	50,521	227,759	287,227	241,494	634,903	1,145	2,995	507
Total Adjustments to Taxes Other Than Income	5,607,496		TOTAL	5,607,496	2,545,034	133,098	510,665	620,633	487,436	1,263,458	2,824	38,279	6,069
Adjusted Taxes Other Than Income	17,555,210		TOTAL	17,555,210	8,924,486	489,511	1,613,472	1,875,831	1,302,949	3,044,190	8,338	261,786	34,647
Total Operating Expense Before Income Tax	441,565,427		TOTAL	441,565,427	203,224,913	11,519,323	37,962,064	47,276,830	37,066,914	98,591,520	207,839	4,960,330	755,695
Gross Operating Income	55,018,242		TOTAL	55,018,242	4,434,066	4,977,652	14,953,685	14,122,228	6,189,858	7,273,987	102,820	2,493,577	470,369
Interest Charge Tax	(35,539,345)	RATEBASE	TOTAL	(35,539,345)	(16,141,250)	(915,855)	(3,154,908)	(3,755,505)	(2,664,628)	(6,305,622)	(15,954)	(522,810)	(62,815)
Interest Synchronization Tax	(12,997,183)	RATEBASE	TOTAL	(12,997,183)	(6,634,482)	(334,940)	(1,153,789)	(1,373,435)	(974,488)	(2,306,045)	(5,834)	(191,198)	(22,972)
Taxable Income Before Schedule M Adjustments	6,481,714		TOTAL	6,481,714	(20,341,666)	3,726,857	10,644,988	8,993,288	2,550,743	(1,337,680)	81,032	1,779,569	384,582
Schedule M Income Adjustments													
Book vs. Tax Depreciation - Normalized	(35,745,221)	RB_GUP	TOTAL	(35,745,221)	(19,359,147)	(1,030,998)	(3,260,449)	(3,718,941)	(2,406,316)	(5,156,329)	(15,743)	(714,374)	(82,925)
AFUDC - HR/J	11,364	BULK_TRANS	TOTAL	11,364	5,287	212	957	1,207	1,014	2,667	5	13	2
ABFUDC	(797,246)	RB_GUP_CWIP	TOTAL	(797,246)	(393,760)	(18,018)	(69,032)	(83,678)	(64,722)	(160,282)	(342)	(6,605)	(808)
ABFUDC - HR/J	21,625	BULK_TRANS	TOTAL	21,625	10,061	404	1,821	2,296	1,930	5,075	9	24	4
Interest Capitalization	1,561,250	RB_GUP	TOTAL	1,561,250	845,553	45,031	142,407	162,433	105,101	225,214	688	31,202	3,622
SEC 481 Pension/OPEB Adjustment	819	LABOR_M	TOTAL	819	470	28	73	81	50	103	0	11	2
Book/Tax Unit of Property	(3,248,179)	RB_GUP	TOTAL	(3,248,179)	(1,759,171)	(93,687)	(296,278)	(337,941)	(218,663)	(468,557)	(1,431)	(64,915)	(7,535)
Book/Tax Unit of Property - SEC 481	2,824,470	RB_GUP	TOTAL	2,824,470	1,529,696	81,466	257,630	293,858	190,139	407,436	1,244	56,447	6,552
Removal Costs	(6,176,610)	RB_GUP	TOTAL	(6,176,610)	(3,345,172)	(178,152)	(563,391)	(642,616)	(415,800)	(890,990)	(2,720)	(123,440)	(14,329)
Tax Amortization of Pollution Control	4,457,970	PROD_DEMAND	TOTAL	4,457,970	2,074,138	83,255	375,333	473,333	397,969	1,046,283	1,888	4,936	836
Provision for Possible Revenue Refunds	1,940,096	REV	TOTAL	1,940,096	812,981	64,529	206,712	239,730	168,621	412,137	1,213	29,362	4,812
Deferred Fuel	(8,938,670)	FUELREV	TOTAL	(8,938,670)	(3,079,639)	(182,358)	(711,015)	(954,867)	(910,551)	(3,025,379)	(5,617)	(57,903)	(11,339)
Provision for Workers Comp	(172,610)	LABOR_M	TOTAL	(172,610)	(99,129)	(5,863)	(15,474)	(17,166)	(10,482)	(21,603)	(75)	(2,345)	(473)
Accrued Book Pension Expense	(1,085,700)	LABOR_M	TOTAL	(1,085,700)	(623,511)	(36,878)	(97,331)	(107,969)	(65,933)	(135,880)	(474)	(14,748)	(2,975)
Accrued Book Pension Costs - SFAS 158	1,046,453	LABOR_M	TOTAL	1,046,453	600,972	35,545	93,813	104,066	63,549	130,969	457	14,215	2,868
Supplemental Executive Retirement	1,503	LABOR_M	TOTAL	1,503	863	51	135	149	91	188	1	20	4
Accrd Supplemental Exec Retirement SFAS 158	(130)	LABOR_M	TOTAL	(130)	(75)	(4)	(12)	(13)	(8)	(16)	(0)	(2)	(0)
Accrd Supplemental Savings Plan Exp	(90,210)	LABOR_M	TOTAL	(90,210)	(51,807)	(3,064)	(8,087)	(8,971)	(5,478)	(11,290)	(39)	(1,225)	(247)
Accrued PSI Plan Expenses	23,119	LABOR_M	TOTAL	23,119	13,277	785	2,073	2,299	1,404	2,893	10	314	63
Book Provision for Uncollectible Accounts	(627,698)	CUST_TOTAL	TOTAL	(627,698)	(401,378)	(66,770)	(21,026)	(2,464)	(214)	(46)	(31)	(135,610)	(160)
Accrued Companywide Incentive Plan	615,747	LABOR_M	TOTAL	615,747	353,620	20,915	55,201	61,234	37,393	77,064	269	8,364	1,687
Accrued Book Vacation Pay	(19,133)	LABOR_M	TOTAL	(19,133)	(10,988)	(650)	(1,715)	(1,903)	(1,162)	(2,395)	(8)	(260)	(52)
(ICDP) Incentive Comp Deferral Plan	(59,770)	LABOR_M	TOTAL	(59,770)	(34,326)	(2,030)	(5,358)	(5,944)	(3,630)	(7,480)	(26)	(812)	(164)
Accrued Book Severance Benefits	1,414	LABOR_M	TOTAL	1,414	812	48	127	141	86	177	1	19	4
Reg Asset on Deferred RTO Costs	191,151	TRANS_TOTAL	TOTAL	191,151	87,945	3,522	15,850	20,010	17,443	46,056	80	209	35
Federal Mitgation Programs	(199,951)	PROD_ENERGY	TOTAL	(199,951)	(71,353)	(4,231)	(16,335)	(21,996)	(20,347)	(63,933)	(119)	(1,380)	(257)
State Mitigation Programs	(157,237)	PROD_ENERGY	TOTAL	(157,237)	(56,110)	(3,327)	(12,846)	(17,297)	(16,000)	(50,275)	(93)	(1,085)	(202)
Customer Adv Inc for Tax	(30,484)	TDPLANT	TOTAL	(30,484)	(17,561)	(1,018)	(2,884)	(3,147)	(1,746)	(3,124)	(14)	(890)	(101)
Deferred Book Contract Revenue	(13,393)	REV	TOTAL	(13,393)	(5,612)	(445)	(1,427)	(1,655)	(1,164)	(2,845)	(8)	(203)	(33)
Deferred Storm Damage	(7,335,843)	EXP_OM_DIST	TOTAL	(7,335,843)	(4,991,063)	(277,230)	(802,185)	(817,478)	(262,655)	(6,455)	(3,784)	(128,092)	(46,902)
Deferred Demand Side Management Exp	(1,468,329)	LABOR_M	TOTAL	(1,468,329)	(843,253)	(49,875)	(131,633)	(146,021)	(89,169)	(183,768)	(641)	(19,945)	(4,024)
Advance Rental Income	(23,138)	REV_OTHER	TOTAL	(23,138)	(16,495)	(979)	(2,596)	(2,155)	(743)	129	(9)	(261)	(29)
Reg Asset - SFAS 158 Pensions	(1,046,453)	LABOR_M	TOTAL	(1,046,453)	(600,972)	(35,545)	(93,813)	(104,066)	(63,549)	(130,969)	(457)	(14,215)	(2,868)
Reg Asset - SFAS 158 SERP	130	LABOR_M	TOTAL	130	75	4	12	13	8	16	0	2	0
Reg Asset - SFAS 158 OPEB	15,114,525	LABOR_M	TOTAL	15,114,525	8,680,186	513,393	1,354,992	1,503,090	917,881	1,891,654	6,601	205,309	41,419
Reg Asset - Net CCS FEED Study Costs	27,842	PROD_DEMAND	TOTAL	27,842	12,954	520	2,344	2,956	2,485	6,535	12	31	5
Book Amortization Loss on Reacquired Debt	33,313	RB_GUP	TOTAL	33,313	18,042	961	3,039	3,466	2,243	4,805	15	666	77
Accrued SFAS 106 Post Retirement Exp	(385,771)	LABOR_M	TOTAL	(385,771)	(221,546)	(13,103)	(34,584)	(38,364)	(23,427)	(48,281)	(168)	(5,240)	(1,057)
Accrued OPEB Costs SFAS 158	(15,114,525)	LABOR_M	TOTAL	(15,114,525)	(8,680,186)	(513,393)	(1,354,992)	(1,503,090)	(917,881)	(1,891,654)	(6,601)	(205,309)	(41,419)
Accrd SFAS 112 Post Employment Benefits	2,255,797	LABOR_M	TOTAL	2,255,797	1,295,491	76,622	202,228	224,332	136,991	282,324	985	30,642	6,182
Accrued Book ARO Expense - SFAS 143	242,789	RB_GUP	TOTAL	242,789	131,491	7,003	22,146	25,260	16,344	35,023	107	4,852	563
Reg Asset Medicare Subsidy Flow Thru	308,235	LABOR_M	TOTAL	308,235	177,018	10,470	27,633	30,653	18,719	38,577	135	4,187	845
SFAS 109 - Deferred SIT Liability	1,484,696	REV	TOTAL	1,484,696	622,149	49,382	158,190	183,458	129,040	315,396	928	22,470	3,682
Reg Asset - SFAS 109 - Deferred SIT Liability	(1,484,696)	REV	TOTAL	(1,484,696)	(622,149)	(49,382)	(158,190)	(183,458)	(129,040)	(315,396)	(928)	(22,470)	(3,682)
Regulatory Asset Accrued SFAS 112	(2,255,797)	LABOR_M	TOTAL	(2,255,797)	(1,295,491)	(76,622)	(202,228)	(224,332)	(136,991)	(282,324)	(985)	(30,642)	(6,182)
IRS Capitalizatoin Adjustment	(68,050)	REV	TOTAL	(68,050)	(28,516)	(2,263)	(7,251)	(8,409)	(5,914)	(14,456)	(43)	(1,030)	(169)
Nontaxable Defd Compensation CSV Earn	12,578	LABOR_M	TOTAL	12,578	7,223	427	1,128	1,251	764	1,574	5	171	34

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
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KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
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Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail 1	RS 2	SGS 3	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW 17	OL 18	SL 19
Nondeductible Meals and Travel & Entertainment	39,242	LABOR_M	TOTAL	39,242	22,536	1,333	3,518	3,902	2,383	4,911	17	533	108
Capitalized Software Costs Tax	(1,033)	RB_GUP	TOTAL	(1,033)	(559)	(30)	(94)	(107)	(70)	(149)	(0)	(21)	(2)
Book Leases Capitalized for Tax	(167,706)	RB_GUP	TOTAL	(167,706)	(90,827)	(4,837)	(15,297)	(17,448)	(11,290)	(24,192)	(74)	(3,352)	(369)
Capitalized Software Costs Book	72,252	RB_GUP	TOTAL	72,252	39,131	2,084	6,590	7,517	4,864	10,423	32	1,444	158
MTM Book Gain Above the Line Tax Deferral	5,747,175	PROD_ENERGY	TOTAL	5,747,175	2,050,885	121,608	469,524	632,228	584,832	1,837,615	3,408	39,674	7,401
Mark & Spread Deferral - 283 A/L	238,640	PROD_ENERGY	TOTAL	238,640	85,159	5,050	19,496	26,252	24,284	76,303	142	1,647	307
Mark & Spread Deferral - 190 A/L	(5,672,218)	PROD_ENERGY	TOTAL	(5,672,218)	(2,024,137)	(120,022)	(463,400)	(623,982)	(577,205)	(1,813,648)	(3,364)	(39,157)	(7,304)
Provision for Trading Credit Risk (Above Line)	(75,463)	PROD_ENERGY	TOTAL	(75,463)	(26,929)	(1,597)	(6,165)	(8,301)	(7,679)	(24,129)	(45)	(521)	(97)
Provision for FAS 157 A/L	23,206	PROD_ENERGY	TOTAL	23,206	8,281	491	1,896	2,553	2,361	7,420	14	160	30
Reg Liability - Unrealized MTM Gain Deferral	(735,920)	PROD_ENERGY	TOTAL	(735,920)	(262,614)	(15,572)	(60,122)	(80,956)	(74,887)	(235,305)	(436)	(5,080)	(948)
Book > Tax Basis - EMA A/C 283	(844,101)	PROD_ENERGY	TOTAL	(844,101)	(301,218)	(17,861)	(68,960)	(92,857)	(85,896)	(269,895)	(501)	(5,827)	(1,087)
Total Schedule M Adjustments - Per Books	(55,743,884)		TOTAL	(55,743,884)	(29,828,395)	(1,680,664)	(5,059,304)	(5,769,823)	(3,700,623)	(8,372,078)	(26,515)	(1,150,033)	(156,448)
Annualize Removal Cost - Schedule M	1,681,071	RB_GUP	TOTAL	1,681,071	910,446	48,487	153,336	174,899	113,167	242,498	740	33,596	3,900
Removal of Envrionmental Surcharge Provision for Refund	(1,635,430)	REV	TOTAL	(1,635,430)	(885,313)	(54,395)	(174,251)	(202,084)	(142,141)	(347,416)	(1,022)	(24,751)	(4,056)
Fuel Over/Under Revenues	1,367,443	EXP_OM_DIST	TOTAL	1,367,443	930,363	51,677	149,532	152,383	48,960	1,203	705	23,877	8,743
Normalization of Major Storms	(649,818)	LABOR_M	TOTAL	(649,818)	(373,187)	(22,072)	(58,255)	(64,622)	(39,462)	(81,328)	(284)	(8,827)	(1,781)
Amortization of Deferred CCS FEED Study Costs	31,843	PROD_DEMAND	TOTAL	31,843	14,815	595	2,681	3,381	2,843	7,474	13	35	6
Amortization of Big Sandy Depreciation & O&M - O&M	6,702,565	PROD_DEMAND	TOTAL	6,702,565	3,118,470	125,174	564,314	711,656	598,346	1,573,089	2,838	7,422	1,256
Amortization of Big Sandy Depreciation & O&M - Depr	8,129,400	PROD_DEMAND	TOTAL	8,129,400	3,782,327	151,821	684,445	863,153	725,722	1,907,966	3,442	9,001	1,524
Amortization of Defd Preliminary Big Sandy FGD Costs	1,025,615	PROD_DEMAND	TOTAL	1,025,615	477,183	19,154	86,350	108,896	91,558	240,711	434	1,136	192
Amortization of Deferred IGCC Costs	48,732	PROD_DEMAND	TOTAL	48,732	22,673	910	4,103	5,174	4,350	11,437	21	54	9
Amortization of Deferred CARRS Site Costs	95,579	PROD_DEMAND	TOTAL	95,579	44,470	1,785	8,047	10,148	8,532	22,432	40	106	18
Amortization of Employer Group Waiver Plan (EGWP)	214,887	PROD_DEMAND	TOTAL	214,887	99,979	4,013	18,092	22,816	19,183	50,434	91	238	40
Annualize Section 199 Manuf. Deduct. @ Separate Return	(123,293)	RB_GUP_EPIS_P	TOTAL	(123,293)	(57,364)	(2,303)	(10,380)	(13,091)	(11,007)	(28,937)	(52)	(137)	(23)
Pension and OPEB Expense Adjustment	(1,004,782)	LABOR_M	TOTAL	(1,004,782)	(577,041)	(34,129)	(90,077)	(99,922)	(61,019)	(125,753)	(439)	(13,648)	(2,753)
Amortization of Intangible Expenses	372,195	LABOR_M	TOTAL	372,195	213,749	12,642	33,367	37,014	22,603	46,582	163	5,056	1,020
KPCo Depreciation Annualization Expense - Production	3,742,698	RB_GUP_EPIS_P	TOTAL	3,742,698	1,741,347	69,897	315,112	397,387	334,115	878,409	1,585	4,144	702
KPCo Depreciation Annualization Expense - Transmission	5,282,501	RB_GUP_EPIS_T	TOTAL	5,282,501	2,431,121	97,379	438,197	553,198	481,757	1,271,879	2,213	5,779	978
KPCo Depreciation Annualization Expense - Distribution	6,836,654	RB_GUP_EPIS_D	TOTAL	6,836,654	4,517,366	303,152	704,937	698,474	221,956	9,355	3,215	339,995	38,204
KPCo Depreciation Annualization Expense - General	543,645	RB_GUP_EPIS_G	TOTAL	543,645	312,212	18,466	48,737	54,064	33,015	68,040	237	7,385	1,490
Mitchell Depreciation Annualization - Production	3,522,505	PROD_DEMAND	TOTAL	3,522,505	1,638,899	65,785	296,573	374,008	314,458	826,730	1,491	3,900	660
Mitchell Depreciation Annualization - Transmission (GSU)	10,778	PROD_DEMAND	TOTAL	10,778	5,015	201	907	1,144	962	2,530	5	12	2
Mitchell Plant Depreciation-Related Shedule M's	4,873,275	PROD_DEMAND	TOTAL	4,873,275	2,267,365	91,011	410,299	517,428	435,043	1,143,755	2,063	5,396	913
Adjustments to Per Books Schedule M	41,068,063		TOTAL	41,068,063	20,834,896	949,249	3,586,066	4,305,505	3,202,944	7,721,090	17,501	399,768	51,044
Adjusted Schedule M	(14,675,821)		TOTAL	(14,675,821)	(8,993,500)	(731,415)	(1,473,238)	(1,464,319)	(497,680)	(650,988)	(9,014)	(750,265)	(105,404)
Kentucky Taxable Income Before Adjustments	(8,194,107)		TOTAL	(8,194,107)	(29,335,165)	2,995,443	9,171,750	7,528,969	2,053,064	(1,988,668)	72,018	1,029,304	279,179
JCWA Depreciation Adjustment	31,755,185	RB_GUP	TOTAL	31,755,185	17,198,195	915,913	2,896,503	3,303,816	2,137,713	4,580,757	13,986	634,632	73,669
Federal Domestic Production Activity	123,293	RB_GUP_EPIS_P	TOTAL	123,293	57,364	2,303	10,380	13,091	11,007	28,937	52	137	23
Kentucky Taxable Income	23,684,371		TOTAL	23,684,371	(12,079,606)	3,913,658	12,078,634	10,845,876	4,201,783	2,621,026	86,057	1,664,073	352,870
Tax Factor (Tax Rate x Apportionment)	5.1666300%												
Kentucky Tax	1,223,684		TOTAL	1,223,684	(624,109)	202,204	624,058	560,366	217,091	135,419	4,446	85,976	18,232
West Virginia Taxable Income Before Adjustments	(8,194,107)		TOTAL	(8,194,107)	(29,335,165)	2,995,443	9,171,750	7,528,969	2,053,064	(1,988,668)	72,018	1,029,304	279,179
Federal Domestic Production Activity	123,293	RB_GUP_EPIS_P	TOTAL	123,293	57,364	2,303	10,380	13,091	11,007	28,937	52	137	23
West Virginia Taxable Income	(8,070,814)		TOTAL	(8,070,814)	(29,277,801)	2,997,745	9,182,131	7,542,060	2,064,070	(1,959,731)	72,071	1,029,441	279,202
Tax Factor (Tax Rate x Apportionment)	0.0512540%												
West Virginia Tax	(4,137)		TOTAL	(4,137)	(15,006)	1,536	4,706	3,866	1,058	(1,004)	37	528	143
Illinois Taxable Income Before Depreciation Adjustment	(8,194,107)		TOTAL	(8,194,107)	(29,335,165)	2,995,443	9,171,750	7,528,969	2,053,064	(1,988,668)	72,018	1,029,304	279,179
JCWA Depreciation Adjustment	34,511,710	RB_GUP	TOTAL	34,511,710	18,691,093	995,420	3,147,936	3,590,606	2,323,276	4,978,392	15,200	689,722	80,063
Illinois Taxable Income	26,317,603		TOTAL	26,317,603	(10,644,072)	3,990,862	12,319,686	11,119,575	4,376,342	2,989,724	87,218	1,719,026	359,242
Apportionment Factor	1.7969000%												
Apportioned Illinois State Taxable Income	472,901		TOTAL	472,901	(191,263)	71,712	221,372	199,808	78,638	53,722	1,567	30,889	6,455
Post Apportionment Schedule M Adjustments	(51,490)	RB_GUP	TOTAL	(51,490)	(27,886)	(1,485)	(4,697)	(5,357)	(3,466)	(7,426)	(23)	(1,029)	(119)
Post Apportionment Taxable Income	421,411		TOTAL	421,411	(219,150)	70,227	216,676	194,451	75,172	46,295	1,545	29,860	6,336
Tax Rate	9.5000000%												
Illinois Tax	40,034		TOTAL	40,034	(20,819)	6,672	20,584	18,473	7,141	4,398	147	2,837	602
Michigan Taxable Income Before Depreciation Adjustment	(8,194,107)		TOTAL	(8,194,107)	(29,335,165)	2,995,443	9,171,750	7,528,969	2,053,064	(1,988,668)	72,018	1,029,304	279,179
JCWA Depreciation Adjustment	33,377,298	RB_GUP	TOTAL	33,377,298	18,076,710	962,700	3,044,462	3,472,581	2,246,911	4,814,751	14,700	667,050	77,432
Michigan Taxable Income	25,183,191		TOTAL	25,183,191	(11,258,455)	3,958,142	12,216,212	11,001,551	4,299,975	2,826,083	86,719	1,696,354	356,610
Tax Factor (Tax Rate x Apportionment)	0.0060600%												
Michigan Tax	1,526		TOTAL	1,526	(682)	240	740	667	261	171	5	103	22
Other State Income Taxes (per tax schedules)	199	RB_GUP	TOTAL	199	108	6	18	21	13	29	0	4	0
Total State Income Tax	1,261,306		TOTAL	1,261,306	(660,508)	210,658	650,107	583,392	225,564	139,012	4,635	89,448	18,999

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
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Witness: J. Stegall

Label	Constant	Allocation Factor	Function	Total Retail 1	RS 2	SGS 3	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW 17	OL 18	SL 19
Federal Taxable Income	(9,455,413)		TOTAL	(9,455,413)	(28,674,657)	2,784,785	8,521,643	6,945,577	1,827,500	(2,127,680)	67,383	939,856	260,180
Tax Factor (Tax Rate x Apportionment)	35.00%												
Gross Current FIT	(3,309,395)		TOTAL	(3,309,395)	(10,036,130)	974,675	2,982,575	2,430,952	639,625	(744,688)	23,584	328,950	91,063
Feedback Prior ITC Normalization Tax	(263,347)	RB_GUP	TOTAL	(263,347)	(142,625)	(7,596)	(24,021)	(27,399)	(17,728)	(37,988)	(116)	(5,263)	(611)
Defd Investment Tax Credit Adjustment	186,277	RB_GUP	TOTAL	186,277	100,885	5,373	16,991	19,380	12,540	26,871	82	3,723	432
Total Current FIT & ITC	(3,386,465)		TOTAL	(3,386,465)	(10,077,870)	972,452	2,975,545	2,422,934	634,437	(755,806)	23,550	327,409	90,864
Deferred FIT													
DFIT for Book vs Tax Depreciation Normalized	15,205,791	RB_GUP	TOTAL	15,205,791	8,235,259	438,580	1,386,974	1,582,014	1,023,632	2,193,470	6,697	303,890	35,276
DFIT ABFUDC	(57,198)	RB_GUP_CWIP	TOTAL	(57,198)	(28,250)	(1,293)	(4,953)	(6,003)	(4,643)	(11,499)	(25)	(474)	(58)
Interest Capitalization	(225,584)	RB_GUP	TOTAL	(225,584)	(122,173)	(6,507)	(20,576)	(23,470)	(15,186)	(32,541)	(99)	(4,508)	(523)
Capitalized Overheads - Taxes	(20,103)	RB_GUP	TOTAL	(20,103)	(10,888)	(580)	(1,834)	(2,092)	(1,353)	(2,900)	(9)	(402)	(47)
Capitalized Overheads - Pension/OPEB	(2,066)	LABOR_M	TOTAL	(2,066)	(1,186)	(70)	(185)	(205)	(125)	(259)	(1)	(28)	(6)
Capitalized Overheads - Savings Plan	(1,747)	LABOR_M	TOTAL	(1,747)	(1,003)	(59)	(157)	(174)	(106)	(219)	(1)	(24)	(5)
Percent Repair Allowance	(423,035)	RB_GUP	TOTAL	(423,035)	(229,110)	(12,202)	(38,587)	(44,013)	(28,478)	(61,024)	(186)	(8,454)	(981)
Tax Amortization of Pollution Control Equip.	(1,560,290)	PROD_DEMAND	TOTAL	(1,560,290)	(725,949)	(29,139)	(131,367)	(165,666)	(139,289)	(366,199)	(661)	(1,728)	(292)
Provision for Possible Revenue Refunds	(679,034)	REV	TOTAL	(679,034)	(284,544)	(22,585)	(72,349)	(83,906)	(59,017)	(144,248)	(424)	(10,277)	(1,684)
Deferred Fuel Costs	3,128,534	FUELREV	TOTAL	3,128,534	1,077,873	63,825	248,855	334,203	318,693	1,058,882	1,966	20,266	3,969
Provision for Workers Comp	60,414	LABOR_M	TOTAL	60,414	34,695	2,052	5,416	6,008	3,669	7,561	26	821	166
Accrued Book Pension Expense	379,996	LABOR_M	TOTAL	379,996	218,230	12,907	34,066	37,789	23,077	47,558	166	5,162	1,041
Accrued Book Pension Costs - SFAS 158	(366,258)	LABOR_M	TOTAL	(366,258)	(210,340)	(12,441)	(32,834)	(36,423)	(22,242)	(45,839)	(160)	(4,975)	(1,004)
Supplemental Executive Retirement	(526)	LABOR_M	TOTAL	(526)	(302)	(18)	(47)	(52)	(32)	(66)	(0)	(7)	(1)
Accrd Suppl Executive Retirement - SFAS 158	46	LABOR_M	TOTAL	46	26	2	4	5	3	6	0	1	0
Accrd Book Supplemental Savings Plan	31,573	LABOR_M	TOTAL	31,573	18,132	1,072	2,830	3,140	1,917	3,952	14	429	87
Accrued PSI Plan Expenses	(8,092)	LABOR_M	TOTAL	(8,092)	(4,647)	(275)	(725)	(805)	(491)	(1,013)	(4)	(110)	(22)
Book Provision - Uncollectible Accounts	219,694	CUST_TOTAL	TOTAL	219,694	140,482	23,369	7,359	862	75	16	11	47,463	56
Accrd Companywide Incentive Plan	(215,512)	LABOR_M	TOTAL	(215,512)	(123,767)	(7,320)	(19,320)	(21,432)	(13,088)	(26,972)	(94)	(2,927)	(591)
Accrd Book Vacation Pay	6,696	LABOR_M	TOTAL	6,696	3,845	227	600	666	407	838	3	91	18
(IDCP) Incentive Comp Deferral Plan	20,919	LABOR_M	TOTAL	20,919	12,014	711	1,875	2,080	1,270	2,618	9	284	57
Accrd Book Severance Benefits	(495)	LABOR_M	TOTAL	(495)	(284)	(17)	(44)	(49)	(30)	(62)	(0)	(7)	(1)
Reg Asset on Deferred RTO Costs	(66,903)	TRANS_TOTAL	TOTAL	(66,903)	(30,781)	(1,233)	(5,547)	(7,004)	(6,105)	(16,120)	(28)	(73)	(12)
Federal Mitigation Programs	69,983	PROD_ENERGY	TOTAL	69,983	24,974	1,481	5,717	7,699	7,121	22,377	42	483	90
State Mitigation Programs	55,033	PROD_ENERGY	TOTAL	55,033	19,639	1,164	4,496	6,054	5,600	17,596	33	380	71
Customer Adv Inc for Tax	10,669	TDPLANT	TOTAL	10,669	6,146	356	1,009	1,102	611	1,093	5	311	35
Deferred Book Contract Revenue	4,668	REV	TOTAL	4,668	1,964	156	499	579	407	996	3	71	12
Deferred Storm Damage	2,567,545	EXP_OM_DIST	TOTAL	2,567,545	1,746,872	97,030	280,765	286,117	91,929	2,259	1,324	44,832	16,416
Deferred Demand Side Management Exp	513,916	LABOR_M	TOTAL	513,916	295,139	17,456	46,072	51,107	31,209	64,319	224	6,981	1,408
Advance Rental Income	8,099	REV_OTHER	TOTAL	8,099	5,774	343	909	754	260	(45)	3	91	10
Reg Asset SFAS 158 Pensions	366,258	LABOR_M	TOTAL	366,258	210,340	12,441	32,834	36,423	22,242	45,839	160	4,975	1,004
Reg Asset SFAS 158 SERP	(46)	LABOR_M	TOTAL	(46)	(26)	(2)	(4)	(5)	(3)	(6)	(0)	(1)	(0)
Reg Asset SFAS 158 OPEB	(5,290,084)	LABOR_M	TOTAL	(5,290,084)	(3,038,065)	(179,688)	(474,247)	(526,082)	(321,258)	(662,079)	(2,310)	(71,858)	(14,497)
Net CCS FEED Study Costs	(9,745)	PROD_DEMAND	TOTAL	(9,745)	(4,534)	(182)	(820)	(1,035)	(870)	(2,287)	(4)	(11)	(2)
Book Amortization Loss on Reacquired Debt	(11,659)	RB_GUP	TOTAL	(11,659)	(6,314)	(336)	(1,063)	(1,213)	(785)	(1,682)	(5)	(233)	(27)
Accrued SFAS 106 Post Retirement Expense	135,020	LABOR_M	TOTAL	135,020	77,541	4,586	12,104	13,427	8,200	16,898	59	1,834	370
Accrued OPEB Costs SFAS 158	5,290,084	LABOR_M	TOTAL	5,290,084	3,038,065	179,688	474,247	526,082	321,258	662,079	2,310	71,858	14,497
Accrued SFAS 112 Post Employment Benefits	(789,529)	LABOR_M	TOTAL	(789,529)	(453,422)	(26,818)	(70,780)	(78,516)	(47,947)	(98,813)	(345)	(10,725)	(2,164)
Accrued Book ARO Expense SFAS 143	(84,976)	RB_GUP	TOTAL	(84,976)	(46,022)	(2,451)	(7,751)	(8,841)	(5,720)	(12,258)	(37)	(1,698)	(197)
Reg Asset - Accrued SFAS 112	789,529	LABOR_M	TOTAL	789,529	453,422	26,818	70,780	78,516	47,947	98,813	345	10,725	2,164
IRS Capitalization Adjustment	23,817	REV	TOTAL	23,817	9,980	792	2,538	2,943	2,070	5,059	15	360	59
Capitalized Software Costs Tax	361	RB_GUP	TOTAL	361	196	10	33	38	24	52	0	7	1
Book Leases Capitalized for Tax	58,697	RB_GUP	TOTAL	58,697	31,790	1,693	5,354	6,107	3,951	8,467	26	1,173	136
Capitalized Software Costs Book	(25,289)	RB_GUP	TOTAL	(25,289)	(13,696)	(729)	(2,307)	(2,631)	(1,702)	(3,648)	(11)	(505)	(59)
MTM Book Gain Above the Line Tax Deferral	(2,011,511)	PROD_ENERGY	TOTAL	(2,011,511)	(717,810)	(42,563)	(164,333)	(221,280)	(204,691)	(643,165)	(1,193)	(13,886)	(2,590)
Mark & Spread Deferral - 283 A/L	(83,524)	PROD_ENERGY	TOTAL	(83,524)	(29,806)	(1,767)	(6,824)	(9,188)	(8,499)	(26,706)	(50)	(577)	(108)
Mark & Spread Deferral - 190 A/L	1,985,276	PROD_ENERGY	TOTAL	1,985,276	708,448	42,008	162,190	218,394	202,022	634,777	1,177	13,705	2,556
Prov for Trading Credit Risk - Above the Line	26,412	PROD_ENERGY	TOTAL	26,412	9,425	559	2,158	2,905	2,688	8,445	16	182	34
Provision for FAS 157 A/L	(8,122)	PROD_ENERGY	TOTAL	(8,122)	(2,898)	(172)	(664)	(893)	(826)	(2,597)	(5)	(56)	(10)
Reg Liability - Unrealized MTM Gain Deferral	257,572	PROD_ENERGY	TOTAL	257,572	91,915	5,450	21,043	28,335	26,211	82,357	153	1,778	332
Book > Tax Basis - EMA A/C 283	295,435	PROD_ENERGY	TOTAL	295,435	105,426	6,251	24,136	32,500	30,063	94,463	175	2,039	380
Total Per Books DFIT	19,570,729		TOTAL	19,570,729	10,491,793	592,583	1,777,546	2,024,872	1,294,067	2,918,545	9,310	406,650	55,363
DFIT Adjustments													
Amortization of Storm Deferral	227,436	EXP_OM_DIST	TOTAL	227,436	154,740	8,595	24,870	25,345	8,143	200	117	3,971	1,454
Annualization of Intangible Expense	(130,268)	LABOR_M	TOTAL	(130,268)	(74,812)	(4,425)	(11,678)	(12,955)	(7,911)	(16,304)	(57)	(1,769)	(357)
Pension & OPEB Expense Adjustment	351,673	LABOR_M	TOTAL	351,673	201,964	11,945	31,527	34,973	21,357	44,014	154	4,777	964
Amortization of Employer Group Waiver Plan (EGWP)	(75,210)	LABOR_M	TOTAL	(75,210)	(43,193)	(2,555)	(6,742)	(7,479)	(4,567)	(9,413)	(33)	(1,022)	(206)
Amortization of Deferred IGCC Costs	(17,056)	PROD_DEMAND	TOTAL	(17,056)	(7,936)	(319)	(1,436)	(1,811)	(1,523)	(4,003)	(7)	(19)	(3)
Amortization of Deferred CCS FEED Study Costs	(11,145)	PROD_DEMAND	TOTAL	(11,145)	(5,185)	(208)	(938)	(1,183)	(995)	(2,616)	(5)	(12)	(2)
Amortization of Deferred CARRS Site Costs	(33,453)	PROD_DEMAND	TOTAL	(33,453)	(15,565)	(625)	(2,817)	(3,552)	(2,986)	(7,851)	(14)	(37)	(6)
Removal of Environmental Surcharge Provision for Refund	572,401	REV	TOTAL	572,401	239,860	19,038	60,988	70,729	49,749	121,596	358	8,663	1,420

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Label	Constant	Allocation Factor	Function	Total Retail	RS	SGS	Total MGS	Total LGS	Total OP	Total CIP-TOD	MW	OL	SL
				1	2	3					17	18	19
Amortization of Defd Preliminary Big Sandy FGD Costs	(358,965)	PROD_DEMAND	TOTAL	(358,965)	(167,014)	(6,704)	(30,223)	(38,114)	(32,045)	(84,249)	(152)	(397)	(67)
Fuel Over/Under Revenues	(478,605)	FUELREV	TOTAL	(478,605)	(164,894)	(9,764)	(38,070)	(51,127)	(48,754)	(161,988)	(301)	(3,100)	(607)
AFUDC Offset Adjustment	202,780	AFUDC_OFF	TOTAL	202,780	103,702	5,048	17,903	21,213	15,430	36,530	88	2,562	303
KPCo Depreciation Annualization	(4,540,714)	RB_GUP	TOTAL	(4,540,714)	(2,459,192)	(130,968)	(414,175)	(472,417)	(305,674)	(655,008)	(2,000)	(90,747)	(10,534)
Mitchell AFUDC Offset Adjustment	815,801	PROD_DEMAND	TOTAL	815,801	379,564	15,236	68,685	86,619	72,828	191,468	345	903	153
Mitchell Depreciation Annualization	(977,942)	PROD_DEMAND	TOTAL	(977,942)	(455,002)	(18,264)	(82,337)	(103,835)	(87,302)	(229,522)	(414)	(1,083)	(183)
Mitchell Plant Depreciation-Related Schedule M's	(1,705,646)	PROD_DEMAND	TOTAL	(1,705,646)	(793,578)	(31,854)	(143,605)	(181,100)	(152,265)	(400,314)	(722)	(1,889)	(320)
Amortization of Big Sandy Depreciation & O&M	(5,191,188)	PROD_DEMAND	TOTAL	(5,191,188)	(2,415,279)	(96,948)	(437,066)	(551,183)	(463,424)	(1,218,369)	(2,198)	(5,748)	(973)
Total Adjustments to DFIT	(11,350,101)		TOTAL	(11,350,101)	(5,521,819)	(242,770)	(965,112)	(1,185,877)	(939,940)	(2,395,830)	(4,841)	(84,947)	(8,965)
Total Deferred FIT	8,220,628		TOTAL	8,220,628	4,969,974	349,814	812,433	838,995	354,127	522,714	4,469	321,704	46,398
Total Federal Income Tax	4,834,163		TOTAL	4,834,163	(5,107,896)	1,322,265	3,787,978	3,261,929	988,564	(233,091)	28,019	649,113	137,282
Total Income Tax	6,095,470		TOTAL	6,095,470	(5,768,404)	1,532,923	4,438,085	3,845,321	1,214,127	(94,079)	32,655	738,561	156,281
Total Expenses	447,660,897		TOTAL	447,660,897	197,456,509	13,052,246	42,400,150	51,122,151	38,281,041	96,497,441	240,493	5,698,891	911,975
Net Operating Income	48,922,772		TOTAL	48,922,772	10,202,470	3,444,729	10,515,600	10,276,907	4,975,731	7,368,066	70,165	1,755,016	314,088
AFUDC Offset													
Production	798,042	PROD_DEMAND	TOTAL	798,042	371,301	14,904	67,190	84,733	71,242	187,300	338	884	150
Transmission	631,192	RB_GUP_EPIS_T	TOTAL	631,192	290,488	11,636	52,359	66,100	57,564	151,973	264	690	117
Distribution	443,251	RB_GUP_EPIS_D	TOTAL	443,251	292,881	19,655	45,704	45,285	14,390	606	208	22,043	2,477
General	46,466	LABOR_M	TOTAL	46,466	26,685	1,578	4,166	4,621	2,822	5,815	20	631	127
Total Per Books AFUDC Offset	1,918,951		TOTAL	1,918,951	981,356	47,772	169,419	200,740	146,018	345,695	831	24,249	2,871
AFUDC Offset Adjustment	1,368,889	AFUDC_OFF	TOTAL	1,368,889	700,053	34,079	120,855	143,198	104,163	246,603	593	17,298	2,048
Mitchell AFUDC Offset Adjustment	3,647,948	PROD_DEMAND	TOTAL	3,647,948	1,697,263	68,127	307,134	387,327	325,657	856,172	1,545	4,039	684
Total AFUDC Offset Adjustments	5,016,837	PROD_DEMAND	TOTAL	5,016,837	2,397,316	102,206	427,990	530,525	429,819	1,102,774	2,137	21,337	2,732
Total Adjusted AFUDC Offsets	6,935,788		TOTAL	6,935,788	3,378,671	149,978	597,409	731,265	575,838	1,448,470	2,969	45,586	5,602
AdjustedNet Operating Income	55,858,560		TOTAL	55,858,560	13,581,142	3,594,707	11,113,008	11,008,172	5,551,569	8,816,536	73,134	1,800,602	319,691
Current Rate of Return				3.66%	1.74%	9.14%	8.20%	6.82%	4.85%	3.25%	10.67%	8.02%	11.85%
O&M Labor													
Production Demand	8,609,401	PROD_DEMAND	TOTAL	8,609,401	4,005,654	160,785	724,858	914,118	768,572	2,020,622	3,645	9,533	1,614
Production Energy	1,195,224	PROD_ENERGY	TOTAL	1,195,224	426,517	25,290	97,646	131,483	121,626	382,164	709	8,251	1,539
Transmission	1,073,438	EXP_OM_TRAN	TOTAL	1,073,438	496,891	19,925	89,751	113,241	96,799	254,997	452	1,182	200
Distribution	8,536,264	EXP_OM_DIST	TOTAL	8,536,264	5,807,789	322,595	933,453	951,249	305,636	7,511	4,403	149,052	54,577
Customer Accounts	1,322,911	EXP_OM_CUSTACCT	TOTAL	1,322,911	1,135,945	135,238	44,795	5,649	523	112	64	296	290
Customer Service	559,966	EXP_OM_CUSTSERV	TOTAL	559,966	358,067	59,565	18,757	2,198	191	41	28	120,977	142
Total	21,297,204		TOTAL	21,297,204	12,230,863	723,399	1,909,259	2,117,937	1,293,346	2,665,446	9,301	289,291	58,362
Production Demand	8,609,401	PROD_DEMAND	TOTAL	8,609,401	4,005,654	160,785	724,858	914,118	768,572	2,020,622	3,645	9,533	1,614
Production Energy	1,195,224	PROD_ENERGY	TOTAL	1,195,224	426,517	25,290	97,646	131,483	121,626	382,164	709	8,251	1,539
Total Production	9,804,625		TOTAL	9,804,625	4,432,171	186,076	822,503	1,045,600	890,198	2,402,786	4,354	17,784	3,153
Calculation of Proposed Revenues													
Proposed Operating Income	128,001,777	RATEBASE	TOTAL	128,001,777	50,407,033	5,453,850	17,517,325	18,631,672	10,960,639	21,616,655	105,519	2,861,883	447,202
					50,407,033	5,453,850	17,517,325	18,631,672	10,960,639	21,616,655	105,519	2,861,883	447,202
Proposed Rate of Return				8.38%	6.47%	13.86%	12.92%	11.55%	9.57%	7.98%	15.39%	12.74%	16.57%
Income Increase	72,143,217		TOTAL	72,143,217	36,825,891	1,859,143	6,404,317	7,623,500	5,409,070	12,800,119	32,385	1,061,281	127,511
Gross Revenue Conversion Factor	1.632721												
Revenue Increase	117,789,745		TOTAL	117,789,745	60,126,406	3,035,462	10,456,463	12,447,049	8,831,502	20,899,023	52,876	1,732,776	208,190
Percent Revenue Increase				24.17%	29.91%	18.84%	20.16%	20.55%	19.73%	17.20%	23.36%	17.04%	
Proposed Sales Revenue	605,191,527		TOTAL	605,191,527	261,146,428	19,147,535	62,325,971	73,007,087	51,794,158	126,828,383	360,268	9,151,469	1,430,229
Adjust Transmission OATT	(3,790,918)		TOTAL	(3,790,918)	2,427,414	(498,306)	(1,975,425)	(1,867,582)	(912,679)	(915,389)	(17,355)	(23,693)	(7,903)
Total Proposed Sales Revenue	601,400,609		TOTAL	601,400,609	263,573,842	18,649,229	60,350,546	71,139,505	50,881,479	125,912,994	342,913	9,127,776	1,422,325

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
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Allocation Factor	Total Retail 1	RS 2	SGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	OP-SEC 11	OP-PRI 12	OP-SUB 13	OP-TRA 14	CIP-TOD-SUB 15	CIP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20250251	0.00312836	0.03526573	0.00108338	0.00029576	0.03659111	0.00614858	0.00285683	0.00061594	0.00045106	0.01877396	0.01765638	0.00197312	0.08756048	0.01459038	0.00018428	0.00048193	0.00003158
AFUDC_OFF BULKTRAN	0.22535906	0.10485172	0.00420870	0.01825989	0.00056080	0.00015314	0.01894614	0.00318361	0.00147921	0.00031892	0.00023355	0.00972078	0.00914212	0.00102164	0.04533705	0.00755461	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.09520859	0.04263538	0.00169359	0.00736012	0.00022491	0.00008196	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00396714	0.00367208	-	0.02434632	-	0.00003885	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12394735	0.05345937	0.00318269	0.01355504	0.00041225	-	0.01353934	0.00227086	-	-	0.00017870	0.00705883	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.08304391	0.06254673	0.00342259	0.00907008	-	-	0.00795571	-	-	-	0.00016313	-	-	-	-	-	0.00003253	0.00078587	0.00014036
AFUDC_OFF ENERGY	0.00135693	0.00048494	0.00002875	0.00010686	0.00000325	0.00000091	0.00011693	0.00001977	0.00000911	0.00000198	0.00000171	0.00007052	0.00005755	0.00000650	0.00036827	0.00006623	0.00000091	0.00000338	0.00000175
AFUDC_OFF CUSTOMER	0.03684108	0.01692687	0.00424669	0.00133490	0.00043492	0.00014369	0.00046120	0.00014989	0.00027181	0.00004960	0.00000123	0.00007767	0.00036695	0.00006089	0.00026388	0.00006089	0.00000199	0.01081708	0.00116053
AFUDC_OFF TOTAL	1.00000000	0.51140212	0.02483508	0.08483262	0.00271920	0.00067546	0.08516533	0.01304720	0.00539913	0.00097744	0.00106374	0.03966889	0.03229599	0.00306416	0.15787599	0.02227212	0.00043310	0.01263842	0.00149600
BULK_TRANS PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS BULKTRAN	1.00000000	0.46526518	0.01867553	0.08102575	0.00246845	0.00067954	0.08407089	0.01412684	0.00656379	0.00141518	0.00103633	0.04313462	0.04056090	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
BULK_TRANS SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS TOTAL	1.00000000	0.46526518	0.01867553	0.08102575	0.00246845	0.00067954	0.08407089	0.01412684	0.00656379	0.00141518	0.00103633	0.04313462	0.04056090	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
CUST_902 PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902 BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902 SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902 DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902 DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902 ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902 CUSTOMER	1.00000000	0.79294658	0.13190300	0.06149491	0.00081971	0.00012958	0.00362240	0.00116900	0.00028169	0.00002817	0.00000380	0.00072675	0.00045633	0.00005070	0.00021972	0.00005070	0.00006197	-	-
CUST_902 TOTAL	1.00000000	0.79294658	0.13190300	0.06149491	0.00081971	0.00012958	0.00362240	0.00116900	0.00028169	0.00002817	0.00000380	0.00072675	0.00045633	0.00005070	0.00021972	0.00005070	0.00006197	-	-
CUST_903 PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903 BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903 SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903 DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903 DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903 ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903 CUSTOMER	1.00000000	0.66462725	0.09364502	0.03006941	0.00035324	0.00005540	0.00323017	0.00035324	0.00008520	0.00000859	0.00000859	0.00018302	0.00011482	0.00001280	0.00005540	0.00001280	0.00004681	-	0.00023824
CUST_903 TOTAL	1.00000000	0.66462725	0.09364502	0.03006941	0.00035324	0.00005540	0.00323017	0.00035324	0.00008520	0.00000859	0.00000859	0.00018302	0.00011482	0.00001280	0.00005540	0.00001280	0.00004681	-	0.00023824
CUST_DEP PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP CUSTOMER	1.00000000	0.75486512	0.04149997	0.03463463	0.00979943	0.00809028	0.03206530	0.01652319	0.00186497	0.00102379	-	0.01645221	0.01187950	0.00792203	0.00128524	0.00659684	-	0.00540651	-
CUST_DEP TOTAL	1.00000000	0.75486512	0.04149997	0.03463463	0.00979943	0.00809028	0.03206530	0.01652319	0.00186497	0.00102379	-	0.01645221	0.01187950	0.00792203	0.00128524	0.00659684	-	0.00540651	-
CUST_DEP_FXNL PRODUCTION	0.29553376	0.21493937	0.00830604	0.02592368	0.00286371	0.00275849	0.01035803	0.00622538	0.00039264	0.00059419	-	0.00625479	0.00610785	0.00484515	0.00067713	0.00414243	-	0.00009328	-
CUST_DEP_FXNL BULKTRAN	0.17021771	0.12378834	0.00512958	0.01433119	0.00161773	0.00158800	0.00596588	0.00358561	0.00051413	0.00034223	-	0.00360255	0.00351792	0.00279085	0.00033001	0.00238590	-	0.00005718	-
CUST_DEP_FXNL SUBTRAN	0.05747281	0.05022618	0.00206558	0.00595590	0.00064733	0.00034839	0.00237984	0.00143219	0.00027090	-	-	0.00146692	0.00194770	-	0.00020896	-	-	0.00002310	-
CUST_DEP_FXNL DISTPRI	0.23583621	0.18957937	0.00746193	0.02132584	0.00228903	-	0.00820269	0.00492083	-	-	-	0.00503323	-	-	-	-	-	0.00003448	-
CUST_DEP_FXNL DISTSEC	0.16507466	0.13764025	0.00799450	0.01427893	-	-	0.00482335	-	-	-	-	-	-	-	-	-	-	0.00034674	-
CUST_DEP_FXNL ENERGY	0.00131342	0.00085806	0.00005252	0.00013095	0.00001405	0.00001408	0.00005598	0.00003337	0.00000475	0.00000318	-	0.00003917	0.00003319	0.00003481	0.00000475	0.00003135	-	0.00000322	-
CUST_DEP_FXNL CUSTOMER	0.06149144	0.03784396	0.00369981	0.00208745	0.00242358	0.00268051	0.00027972	0.00032581	0.00018255	0.00000418	-	0.00005555	0.00027284	0.00032142	0.00000439	0.00003716	-	0.00479251	-
CUST_DEP_FXNL TOTAL	1.00000000	0.75486512	0.04149997	0.03463463	0.00979943	0.00809028	0.03206530	0.01652319	0.00186497	0.00102379	-	0.01645221	0.01187950	0.00792203	0.00128524	0.00659684	-	0.00540651	-
CUST_TOTAL PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL CUSTOMER	1.00000000	0.63044429	0.10037264	0.03300029	0.00037703	0.00005906	0.00344823	0.00037708	0.00000906	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
CUST_TOTAL TOTAL	1.00000000	0.63044429	0.10037264	0.03300029	0.00037703	0.00005906	0.00344823	0.00037703	0.00000906	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
DIST_CPD PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD DISTPRI	1.00000000	0.67330175	0.02567291	0.10336129	0.00332593	-	0.10023464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058265	0.00154590	0.00026170
DIST_CPD DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD TOTAL	1.00000000	0.67330175	0.02567291	0.10336129	0.00332593	-	0.10023464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058265	0.00154590	0.00026170
DIST_METERS PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS CUSTOMER	1.00000000	0.42669408	0.24033382	0.07614445	0.04929176	0.01630252	0.04445966	0.01691988	0.03084182	0.00460748	0.00011830	0.00376573	0.04163644	0.00691124	0.02994865	0.00691124	0.00011292	-	-
DIST_METERS TOTAL	1.00000000	0.42669408	0.24033382	0.07614445	0.04929176	0.01630252	0.04445966	0.01691988	0.03084182	0.00460748	0.00011830	0.00376573	0.04163644	0.00691124	0.02994865	0.00691124	0.00011292	-	-
DIST_OHLINES PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES DISTPRI	0.66100000	0.44505245	0.01636088	0.07228782	0.00219347	-	0.07220410	0.01211030	-	-	0.00095300	0.03764412	-	-	-	-	0.00038513	0.00102184	0.00017293
DIST_OHLINES DISTSEC	0.33300000	0.25017506	0.01405831	0.03747697	-	-	0.03287247	-	-	-	0.00042611	-	-	-	-	-	0.00016335	0.00324716	0.00057997
DIST_OHLINES ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES TOTAL	1.00000000	0.69523751	0.03102870	0.10976479	0.00219347	-	0.10507656	0.01211030	-	-	0.00137911	0.03764412	-	-	-	-	0.00054849	0.00426900	0.00075295

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.. 2013-00197
Exhibit No.. JMS-2
Page 8 of 29
Witness: J. Stegall

Allocation Factor	Total Retail 1	RS 2	SGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	OP-SEC 11	OP-PRI 12	OP-SUB 13	OP-TRA 14	CIP-TOD-SUB 15	CIP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20250251	0.00312836	0.03526573	0.00108308	0.00029576	0.03659111	0.00614858	0.00285683	0.00061594	0.00045105	0.01877396	0.01765638	0.00197312	0.00756048	0.01459033	0.00018428	0.00048193	0.00008158
AFUDC_OFF BULKTRAN	0.22535906	0.10485172	0.00162070	0.01825929	0.00056060	0.00015314	0.01894614	0.00318361	0.00147921	0.00031892	0.00023355	0.00972078	0.00914212	0.00102164	0.04533705	0.00755461	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.00520859	0.00423539	0.00163959	0.00730012	0.00022491	0.00008195	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00336714	0.00307293	-	0.02434632	-	0.00003685	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12394735	0.03345397	0.00318203	0.01355504	0.00041225	-	0.01553934	0.00227066	-	-	0.00017870	0.00705883	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.03234391	0.00854673	0.00340250	0.00307089	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00003953	0.00078587	0.00014036
AFUDC_OFF ENERGY	0.00135893	0.00048494	0.00002875	0.00010286	0.00000325	0.00000091	0.00011653	0.00001977	0.00000911	0.00000198	0.00000171	0.00007052	0.00005755	0.00000650	0.00036827	0.00006623	0.00000091	0.00000938	0.00000175
AFUDC_OFF CUSTOMER	0.03684168	0.01692687	0.00424609	0.00133490	0.00043492	0.00014309	0.00048120	0.00014969	0.00027181	0.00004060	0.00000123	0.00007767	0.00006695	0.00000089	0.00026368	0.00000059	0.00000193	0.01681708	0.00118053
AFUDC_OFF TOTAL	1.00000000	0.51140212	0.02483508	0.09469262	0.00271920	0.00067546	0.08518633	0.01304720	0.00539913	0.00097744	0.00106374	0.03966639	0.03226599	0.00309416	0.15787599	0.02227212	0.00043310	0.01263642	0.00143000
DIST_OL PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL CUSTOMER	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000	-
DIST_OL TOTAL	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000	-
DIST_PCUST PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST CUSTOMER	1.00000000	0.63967968	0.10641179	0.03307246	0.00037722	-	0.00344950	0.00037722	-	-	0.00000909	0.00019543	-	-	-	-	0.00004999	0.21612311	0.00025451
DIST_PCUST TOTAL	1.00000000	0.63967968	0.10641179	0.03307246	0.00037722	-	0.00344950	0.00037722	-	-	0.00000909	0.00019543	-	-	-	-	0.00004999	0.21612311	0.00025451
DIST_POLES PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES DISTPRI	0.56200000	0.37839558	0.01442816	0.06146105	0.00186920	-	0.06133987	0.01029650	-	-	0.00031627	0.03200004	-	-	-	-	0.00032745	0.00363879	0.00014707
DIST_POLES DISTSEC	0.43600000	0.32323563	0.01816460	0.04242158	-	-	0.04247233	-	-	-	0.00055055	-	-	-	-	-	0.00021105	0.00419545	0.00074934
DIST_POLES ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES TOTAL	1.00000000	0.70163062	0.03259278	0.10388263	0.00186920	-	0.10381226	0.01029650	-	-	0.00136682	0.03200004	-	-	-	-	0.00053851	0.00505424	0.00089641
DIST_SERV PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV CUSTOMER	1.00000000	0.64028787	0.10651297	0.03310391	-	-	0.00345278	-	-	-	0.00000910	-	-	-	-	-	0.00005094	0.21632859	0.00025475
DIST_SERV TOTAL	1.00000000	0.64028787	0.10651297	0.03310391	-	-	0.00345278	-	-	-	0.00000910	-	-	-	-	-	0.00005094	0.21632859	0.00025475
DIST_SL PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL CUSTOMER	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000
DIST_SL TOTAL	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000
DIST_TRANSF PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF DISTPRI	0.26500000	0.17842498	0.00680332	0.02908074	0.00088103	-	0.02894718	0.00485511	-	-	0.00038206	0.01509182	-	-	-	-	0.00015440	0.00040266	0.00006935
DIST_TRANSF DISTSEC	0.73500000	0.54241495	0.03048170	0.09125539	-	-	0.07127216	-	-	-	0.00092387	-	-	-	-	-	0.00035418	0.00704030	0.00125745
DIST_TRANSF ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF TOTAL	1.00000000	0.72083992	0.03728502	0.11033613	0.00088103	-	0.10021934	0.00485511	-	-	0.00130594	0.01509182	-	-	-	-	0.00050858	0.00744297	0.00132680
DIST_UGLINES PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES DISTPRI	0.62500000	0.42031359	0.01604557	0.06635081	0.00207874	-	0.06827165	0.01145073	-	-	0.00090110	0.03559391	-	-	-	-	0.00036416	0.00095818	0.00016356
DIST_UGLINES DISTSEC	0.37500000	0.27674232	0.01555169	0.04145683	-	-	0.03636335	-	-	-	0.00047136	-	-	-	-	-	0.00018070	0.00359199	0.00064156
DIST_UGLINES ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES TOTAL	1.00000000	0.69755592	0.03159745	0.10780764	0.00207874	-	0.10463500	0.01145073	-	-	0.00137246	0.03559391	-	-	-	-	0.00054486	0.00455818	0.00080512
EXP_OM_AG_REG PRODUCTION	0.35869097	0.11595232	0.00699544	0.03103590	0.00091790	0.00043552	0.03197055	0.00533757	0.00303432	0.00067707	0.00055632	0.01751456	0.01937935	0.00126199	0.03033794	0.02507902	0.00021817	0.00026878	0.00006746
EXP_OM_AG_REG BULKTRAN	0.20717014	0.09678472	0.00402972	0.01787514	0.00052873	0.00025085	0.01841393	0.00341985	0.00174767	0.00038997	0.00032042	0.01008781	0.01116222	0.00072686	0.05666821	0.01444469	0.00012566	0.00015481	0.00003885
EXP_OM_AG_REG SUBTRAN	0.05573415	0.02705521	0.00162269	0.00719021	0.00021157	0.00013395	0.00734488	0.00136558	0.00092057	-	0.00012919	0.00410765	0.00617999	-	0.03036270	-	0.00005105	0.00005253	0.00001569
EXP_OM_AG_REG DISTPRI	0.17945749	0.10227120	0.00586197	0.02553036	0.00074781	-	0.02531801	0.00469334	-	-	0.00047171	0.01409399	-	-	-	-	0.00016299	0.00022872	0.00005749
EXP_OM_AG_REG DISTSEC	0.11406721	0.07425193	0.00627249	0.01709535	-	-	0.01468749	-	-	-	0.00027242	-	-	-	-	-	0.00010024	0.00093873	0.00024857
EXP_OM_AG_REG ENERGY	0.00051203	0.00048289	0.00004126	0.00015678	0.00000459	0.00000222	0.00017279	0.00003182	0.00001613	0.00000363	0.00000352	0.00010967	0.00010531	0.00000997	0.00068384	0.00018979	0.00000159	0.00000872	0.00000241
EXP_OM_AG_REG CUSTOMER	0.05086601	0.02041544	0.00777713	0.00249003	0.00079211	0.00045478	0.00086338	0.00031075	0.00062052	0.00008592	0.00000324	0.00015555	0.00036571	0.00008372	0.00063734	0.00022490	0.00000503	0.01297481	0.00208655
EXP_OM_AG_REG TOTAL	1.00000000	0.40723371	0.03260169	0.10132186	0.00320280	0.00127732	0.09897107	0.01575931	0.00633952	0.00116559	0.00175581	0.04609923	0.03769318	0.00208163	0.18674003	0.03993848	0.00038472	0.01463710	0.00251893
EXP_OM_CUSTACCT PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT CUSTOMER	1.00000000	0.65867079	0.10222793	0.03340879	0.00033051	0.00006133	0.00374077	0.00041840	0.00010090	0.00001016	0.00001061	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004502	0.00022386	0.00021823
EXP_OM_CUSTACCT TOTAL	1.00000000	0.65867079	0.10222793	0.03340879	0.00033051	0.00006133	0.00374077	0.00041840	0.00010090	0.00001016	0.00001061	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004502	0.00022386	0.00021823

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
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Allocation Factor	Total Retail 1	RS 2	SGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	OP-SEC 11	OP-PRI 12	OP-SUB 13	OP-TRA 14	CIP-TOD-SUB 15	CIP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20250251	0.00812836	0.03526573	0.00108308	0.00029576	0.03659111	0.00614858	0.00285683	0.00051594	0.00045106	0.01877396	0.01765638	0.00197312	0.00756048	0.01450038	0.00018428	0.00048193	0.00008158
AFUDC_OFF BULKTRAN	0.22535306	0.10485172	0.00420870	0.01825980	0.00056068	0.00015314	0.01894614	0.00318351	0.00147921	0.00031632	0.00023355	0.00972078	0.00914212	0.00102164	0.04533705	0.00755451	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.01520859	0.04263538	0.00169859	0.00730012	0.00022451	0.00008195	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00389714	0.00097298	-	0.02434632	-	0.00003885	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12394725	0.08345397	0.00018209	0.01355594	0.00041225	-	0.01353934	0.00227085	-	-	0.00017670	0.00705683	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.08204391	0.06054673	0.00340250	0.00907008	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00002953	0.00078587	0.00014030
AFUDC_OFF ENERGY	0.00135933	0.00048494	0.00002875	0.00010686	0.00000325	0.00000091	0.00011863	0.00001977	0.00000911	0.00000198	0.00000171	0.00007052	0.00005755	0.00000650	0.00036827	0.00006623	0.00000081	0.00000938	0.00000175
AFUDC_OFF CUSTOMER	0.03684108	0.01692687	0.00424609	0.00133400	0.00043492	0.00014369	0.00046120	0.00014909	0.00027181	0.00004050	0.00000123	0.00007767	0.00036695	0.00005689	0.00026383	0.00000089	0.00000199	0.01081703	0.00118053
AFUDC_OFF TOTAL	1.00000000	0.51146212	0.02489503	0.09402262	0.00271920	0.00067546	0.08518633	0.01304729	0.00539313	0.00097744	0.00106374	0.03965899	0.03229599	0.00306416	0.15787599	0.02227212	0.00043310	0.01203642	0.00149000
EXP_OM_CUSTSERV PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV CUSTOMER	1.00000000	0.63944429	0.10637264	0.03300029	0.00037703	0.00005906	0.00344823	0.00037703	0.00009085	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
EXP_OM_CUSTSERV TOTAL	1.00000000	0.63944429	0.10637264	0.03300029	0.00037703	0.00005906	0.00344823	0.00037703	0.00009085	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
EXP_OM_DIST PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST DISTPRI	0.59194442	0.39182420	0.01404021	0.06354220	0.00193553	-	0.06350849	0.01066191	-	-	0.00083092	0.03314188	-	-	-	-	0.00033007	0.00089363	0.00015229
EXP_OM_DIST DISTSEC	0.35208958	0.26500076	0.01489205	0.03969791	-	-	0.03482053	-	-	-	0.00045136	-	-	-	-	-	0.00017303	0.00343959	0.00061434
EXP_OM_DIST ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST CUSTOMER	0.05895599	0.02354164	0.00795883	0.00250816	0.00117848	0.00038916	0.00113332	0.00040573	0.00073823	0.00010999	0.00000301	0.00021020	0.00099391	0.00016498	0.00071491	0.00016498	0.00000374	0.01312184	0.00562588
EXP_OM_DIST TOTAL	1.00000000	0.68036660	0.03779109	0.10574828	0.00311401	0.00038916	0.00952255	0.01106763	0.00073823	0.00010999	0.00129340	0.03335208	0.00099391	0.00016498	0.00071491	0.00016498	0.00051585	0.01746105	0.00639351
EXP_OM_SS PRODUCTION	0.03420044	0.01591227	0.00063371	0.00277112	0.00008511	0.00002324	0.00287526	0.00048314	0.00022448	0.00004840	0.00003544	0.00147522	0.00138741	0.00015504	0.00058034	0.00114649	0.00001443	0.00003787	0.00000641
EXP_OM_SS BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS ENERGY	0.93579356	0.34464659	0.02043587	0.07594923	0.00230900	0.00064357	0.08431343	0.01404955	0.00647486	0.00140652	0.00121560	0.05011612	0.04060322	0.00604281	0.26173371	0.04787320	0.00057273	0.00666720	0.00124367
EXP_OM_SS CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS TOTAL	1.00000000	0.36055887	0.02107458	0.07872034	0.00239471	0.00066681	0.08718869	0.01453279	0.00669934	0.00145492	0.00125105	0.05159334	0.04229063	0.00619785	0.26691405	0.04821968	0.00058721	0.00670506	0.00125008
EXP_OM_TRAN PRODUCTION	0.54307765	0.25267521	0.01014227	0.04400329	0.00135142	0.00036904	0.04565704	0.00767197	0.00355465	0.00076855	0.00056281	0.02342545	0.02203099	0.00246199	0.10925475	0.01820535	0.00022804	0.00050133	0.00010180
EXP_OM_TRAN BULKTRAN	0.32121027	0.14945075	0.00599899	0.02602579	0.00079933	0.00021828	0.02700494	0.00453777	0.00210839	0.00045458	0.00033283	0.01385554	0.01303075	0.00145620	0.06462131	0.01076798	0.00013500	0.00029667	0.00006021
EXP_OM_TRAN SUBTRAN	0.13570588	0.06077647	0.00242109	0.01040525	0.00032057	0.00011632	0.01079531	0.00181660	0.00111345	-	0.00013452	0.00555457	0.00723079	-	0.03470211	-	0.00005537	0.00014399	0.00002437
EXP_OM_TRAN DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN TOTAL	1.00000000	0.46289543	0.01856224	0.08043533	0.00247133	0.00070414	0.08345789	0.01402635	0.00676849	0.00122313	0.00103021	0.04293557	0.04225253	0.00391819	0.20857817	0.03297333	0.00042132	0.00110099	0.00018638
EXP_OM PRODUCTION	0.33168295	0.16226398	0.00731503	0.03173739	0.00097470	0.00026526	0.03293003	0.00553368	0.00257127	0.00055439	0.00040601	0.01689612	0.01589183	0.00177546	0.07881038	0.01313691	0.00016587	0.00043363	0.00007342
EXP_OM BULKTRAN	(0.03655001)	(0.04586710)	(0.00184099)	(0.00798453)	(0.00024523)	(0.00006691)	(0.00828467)	(0.00139195)	(0.00064666)	(0.00013942)	(0.00010208)	(0.00425032)	(0.00390645)	(0.00044689)	(0.01931827)	(0.00329979)	(0.00004171)	(0.00010316)	(0.00001847)
EXP_OM SUBTRAN	(0.04163533)	(0.01855077)	(0.00074276)	(0.00319214)	(0.00009835)	(0.00003581)	(0.00331202)	(0.00055724)	(0.00034151)	-	(0.00004125)	(0.00173460)	(0.00221765)	-	(0.01064259)	-	(0.00001699)	(0.00004419)	(0.00000748)
EXP_OM DISTPRI	0.07523186	0.05064419	0.00193207	0.00823049	0.00025030	-	0.00822087	0.00137906	-	-	0.00010358	0.00426547	-	-	-	-	0.00004387	0.00011629	0.00001969
EXP_OM DISTSEC	0.04642364	0.03425458	0.00192606	0.00513451	-	-	0.00450362	-	-	-	0.00005842	-	-	-	-	-	0.00002330	0.00044460	0.00007945
EXP_OM ENERGY	0.58535443	0.26863778	0.01238504	0.04603230	0.00139983	0.00039005	0.05110178	0.00851539	0.00392437	0.00085249	0.00073677	0.03037625	0.02479117	0.00366250	0.15863506	0.02853079	0.00034713	0.00749094	0.00075378
EXP_OM CUSTOMER	0.04148246	0.02975746	0.00453578	0.00145204	0.00016564	0.00005253	0.00027024	0.00008626	0.00009869	0.00001458	0.00000073	0.00003455	0.00013338	0.00002185	0.00009485	0.00002193	0.00000213	0.00402440	0.00073540
EXP_OM TOTAL	1.00000000	0.44123510	0.02551182	0.08141605	0.00244689	0.00066513	0.08542904	0.01354522	0.00560616	0.00128204	0.00116718	0.04560846	0.03460228	0.00501295	0.20700803	0.03838984	0.00052272	0.00980649	0.00163579
EXP_OTHTAX_PSC PRODUCTION	0.50607642	0.18205027	0.01158266	0.04725191	0.00144780	0.00059100	0.04764059	0.00847299	0.00397290	0.00031675	0.00082854	0.02459686	0.02463443	0.00144519	0.12121945	0.02841635	0.00032069	0.00054722	0.00013287
EXP_OTHTAX_PSC BULKTRAN	0.13051752	0.04658411	0.00296195	0.01215972	0.00036165	0.00015378	0.01234864	0.00216788	0.00100338	0.00020935	0.00022041	0.00637741	0.00639470	0.00035271	0.03150712	0.00742332	0.00003393	0.00014183	0.00003465
EXP_OTHTAX_PSC SUBTRAN	0.05497271	0.01897167	0.00119727	0.00482869	0.00014529	0.00005253	0.00494430	0.00086920	0.00054653	-	0.00006919	0.00260650	0.00355364	-	0.01699214	-	0.00002422	0.00005750	0.00001405
EXP_OTHTAX_PSC DISTPRI	0.12950468	0.07513581	0.00453351	0.01828216	0.00053857	-	0.01786696	0.00313589	-	-	0.00033537	0.00936879	-	-	-	-	0.00012862	0.00022072	0.00005379
EXP_OTHTAX_PSC DISTSEC	0.03343530	0.05447070	0.00484931	0.01222469	-	-	0.01049098	-	-	-	0.00019349	-	-	-	-	-	0.00007004	0.00090459	0.00023260
EXP_OTHTAX_PSC ENERGY	0.05413874	0.01442811	0.00135714	0.00471712	0.00014351	0.00003269	0.00505992	0.00090603	0.00040408	0.00008874	0.00008751	0.00301485	0.00259373	0.00024056	0.01656603	0.00396877	0.00004429	0.00053273	0.00000235
EXP_OTHTAX_PSC CUSTOMER	0.04116012	0.01558305	0.00611475	0.00181816	0.00056559	0.00029740	0.00060870	0.00020849	0.00038183	0.00005376	0.00000230	0.00010283	0.00051087	0.00004318	0.00037039	0.00012004	0.00000356	0.01241250	0.00155662
EXP_OTHTAX_PSC TOTAL	1.00000000	0.40723371	0.03260169	0.10132186	0.00320280	0.00127732	0.09397107	0.01575931	0.00633052	0.00116659	0.00175581	0.04606923	0.03763318	0.00298163	0.18674903	0.03993848	0.00068472	0.01463710	0.00251893
FORF_DISC PRODUCTION	1.00000000	0.72884311	0.05828299	0.11032650	0.00045087	0.00200969	0.03456932	0.00891162	0.00406423	-	-	0.01747286	0.01215089	0.00096109	0.00954537	-	-	0.00574945	-
FORF_DISC BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC TOTAL	1.00000000	0.72884311	0.05828299	0.11032650	0.00045087	0.00200969	0.03456932	0.00891162	0.00406423	-	-	0.01747286	0.01215089	0.00096109	0.00954537	-	-	0.00574945	-
FORF_DISC_FXNL PRODUCTION	0.40442015	0.29351479	0.01820647	0.04611202	0.00018445	0.00104117	0.01434927	0.00401151	0.00205171	-	-	0.00717004	0.00524690	0.00220037	0.00405049	-	-	0.00025299	-
FORF_DISC_FXNL BULKTRAN	(0.02894677)	(0.02872893)	0.00040540	0.00053525	0.00000273	0.00017099	(0.00006953)	0.00000533	(0.00000090)	-	-	(0.00024866)	(0.00005726)	(0.00009599)	(0.00027285)	-	-	0.00000160	-
FORF_DISC_FXNL SUBTRAN	(0.01152569)	(0.01169530)	0.00016406	0.00021475	0.00000110	0.00009493	(0.00002771)	0.00000219	(0.00000047)	-	-	(0.00010165)	(0.00003178)	-	(0.00014669)	-	-	0.00000073	-
FORF_DISC_FXNL DISTPRI	0.12524237	0.09013289	0.00604825	0.01501615	0.00035906	-	0.00445339	0.00124552	-	-	-	0.00221071	-	-	-	-	-	0.00007630	-
FORF_DISC_FXNL DISTSEC	0.08457386	0.06582752	0.00624538	0.00368446	-	-	0.00251494	-	-	-	-	-	-	-	-	-	-	0.00030156	-
FORF_DISC_FXNL ENERGY	0.36525158	0.26556511	0.01644275	0.03734767	0.00014566	0.00031642	0.01318934	0.00356840	0.00165281	-	-	0.00841938	0.00583437	0.00542735	0.00588783	-	-	0.00119379	-
FORF_DISC_FXNL CUSTOMER	0.00023468	0.04322091	0.01077069	0.00201821	0.00005787	0.00044019	0.00015391	0.00007657	0.00015103	-	-	0.00002324	0.00000866	0.00002926	0.00003353	-	-	0.00392229	-
FORF_DISC_FXNL TOTAL	1.00000000	0.72884311	0.05828299	0.11032650	0.00045087	0.00200969	0.03456932	0.00891162	0.00406423	-	-	0.01747286	0.01215089	0.00096109	0.00954537	-	-	0.00574945	-
FUELREV PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV ENERGY	1.00000000	0.34452968	0.02040105	0.07596890	0.00254353	0.00103128	0.08375132	0.01422582	0.00735499	0.00149218	0.00187218	0.05271106	0.04494403	0.00233927	0.27884637	0.05961326	0.00062544	0.00647785	0.00120859
FUELREV CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV TOTAL	1.00000000	0.34452968	0.02040105	0.07596890	0.00254353	0.00103128	0.08375132	0.01422582	0.00735499	0.00149218	0.00187218	0.05271106	0.04494403	0.00233927	0.27884637	0.05961326	0.00062544	0.00647785	0.00120859

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.. 2013-00197
Exhibit No.: JMS-2
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Witness: J. Stegall

Allocation Factor	Total Retail 1	RS 2	CGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	OP-SEC 11	OP-PRI 12	OP-SUB 13	OP-TRA 14	CIP-TOD-SUB 15	CIP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20250251	0.00312836	0.00526573	0.00108368	0.00029576	0.00359111	0.00614858	0.00285683	0.00051594	0.00045106	0.01877396	0.01765638	0.00197312	0.03756048	0.01459038	0.00018428	0.00048193	0.00008158
AFUDC_OFF BULKTRAN	0.22535305	0.10485172	0.00420870	0.01825893	0.00056080	0.00015314	0.01894514	0.00318361	0.00147921	0.00031692	0.00023355	0.00972078	0.00914212	0.00102164	0.04533765	0.00755461	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.00520059	0.00420539	0.00010359	0.00730012	0.00022491	0.00009196	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00036714	0.00507208	-	0.02434632	-	0.00003685	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12394725	0.08345397	0.00316203	0.01355504	0.00041225	-	0.01353334	0.00227089	-	-	0.00017870	0.00675883	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.03204391	0.00054673	0.00340250	0.00907008	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00003953	0.00078587	0.00014036
AFUDC_OFF ENERGY	0.00135893	0.00048494	0.00002875	0.00010695	0.00000325	0.00000091	0.00011693	0.00001977	0.00000911	0.00000198	0.00000171	0.00003052	0.00005755	0.00000650	0.00036927	0.00002023	0.00000081	0.00000938	0.00000175
AFUDC_OFF CUSTOMER	0.03584168	0.01692687	0.00424609	0.00133490	0.00043492	0.00014369	0.00046120	0.00014369	0.00027161	0.00004060	0.00000123	0.00007767	0.00036695	0.00006089	0.00026369	0.00006069	0.00000199	0.01081708	0.00118053
AFUDC_OFF TOTAL	1.00000000	0.51140212	0.02489508	0.03469262	0.00271920	0.00057546	0.05518633	0.01304720	0.00539813	0.00097744	0.00106374	0.03956839	0.03229599	0.00306416	0.15787599	0.02227212	0.00043310	0.01263642	0.00149500
LABOR_M PRODUCTION	0.43162292	0.20081911	0.00309079	0.03497257	0.00107407	0.00029330	0.00328692	0.00609747	0.00283308	0.00051082	0.00044731	0.01861789	0.01750961	0.00195672	0.03583259	0.01446909	0.00018275	0.00047792	0.00008090
LABOR_M BULKTRAN	0.01615019	0.00753273	0.00030236	0.00131182	0.00004029	0.00001100	0.00136112	0.00022872	0.00010627	0.00002291	0.00001678	0.00069836	0.00065679	0.00007340	0.00325709	0.00054274	0.00000686	0.00001793	0.00000303
LABOR_M SUBTRAN	0.00633595	0.00295390	0.00012203	0.00092445	0.00001616	0.00000689	0.00054414	0.00009156	0.00005612	-	0.00000678	0.00002501	0.00036445	-	0.00174903	-	0.00000279	0.00000726	0.00000123
LABOR_M DISTPRI	0.23325274	0.15704948	0.00598928	0.02550082	0.00077579	-	0.02547928	0.00427346	-	-	0.00033629	0.01328300	-	-	-	-	0.00013591	0.00036058	0.00006104
LABOR_M DISTSEC	0.14392692	0.10521659	0.00596898	0.01591156	-	-	0.01395663	-	-	-	0.00018091	-	-	-	-	-	0.00006936	0.00137854	0.00024624
LABOR_M ENERGY	0.05612117	0.02002690	0.00118750	0.00441330	0.00013421	0.00003740	0.00469333	0.00081640	0.00037624	0.00008173	0.00007064	0.00291229	0.00237683	0.00035114	0.01526895	0.00273535	0.00003328	0.00038742	0.00007227
LABOR_M CUSTOMER	0.11204411	0.07956649	0.01233693	0.00394981	0.00050853	0.00016134	0.00077728	0.00019853	0.00030375	0.00004495	0.00000211	0.00010345	0.00041043	0.00009747	0.00029236	0.00006747	0.00000580	0.01095377	0.00227565
LABOR_M TOTAL	1.00000000	0.57429431	0.03399686	0.08653234	0.00254705	0.00050393	0.08330471	0.01170614	0.00367546	0.00076042	0.00106031	0.03590080	0.02131809	0.00244872	0.10734007	0.01781465	0.00043673	0.01358352	0.00274036
PROD_DEMAND PRODUCTION	1.00000000	0.46526518	0.01067553	0.03102575	0.00248845	0.00067954	0.03407069	0.01412684	0.00556379	0.00141518	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
PROD_DEMAND BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND TOTAL	1.00000000	0.46526518	0.01067553	0.03102575	0.00248845	0.00067954	0.03407069	0.01412684	0.00556379	0.00141518	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
PROD_ENERGY PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY ENERGY	1.00000000	0.35685106	0.02115954	0.07863870	0.00239139	0.00066636	0.03729909	0.01454717	0.00670414	0.00145633	0.00125865	0.05169288	0.04235167	0.00325679	0.27100210	0.04874013	0.00059301	0.00690329	0.00128771
PROD_ENERGY CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY TOTAL	1.00000000	0.35685106	0.02115954	0.07863870	0.00239139	0.00066636	0.03729909	0.01454717	0.00670414	0.00145633	0.00125865	0.05169288	0.04235167	0.00325679	0.27100210	0.04874013	0.00059301	0.00690329	0.00128771
LABOR_PROD PRODUCTION	0.87609590	0.46554744	0.01639391	0.07114837	0.00218510	0.00059670	0.07382231	0.01240472	0.00576393	0.00124266	0.00091000	0.03787633	0.03562163	0.00398376	0.17655266	0.02943693	0.00037179	0.00097228	0.00016459
LABOR_PROD BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD ENERGY	0.12190410	0.04350161	0.00257943	0.00958638	0.00029152	0.00008123	0.01034212	0.00177336	0.00081726	0.00017753	0.00015343	0.00632505	0.00516284	0.00070273	0.03303627	0.00594162	0.00007229	0.00084154	0.00015638
LABOR_PROD CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD TOTAL	1.00000000	0.45204905	0.01897834	0.08073476	0.00247662	0.00067793	0.08446442	0.01417808	0.00658020	0.00142020	0.00106344	0.04420228	0.04078447	0.00474349	0.20958893	0.03537762	0.00044408	0.00181382	0.00032157
RATEBASE PRODUCTION	0.49293730	0.22819461	0.00915557	0.03391876	0.00119265	0.00029021	0.04168376	0.00693684	0.00324674	0.00069503	0.00051028	0.02136189	0.02007183	0.00220493	0.10007595	0.01654483	0.00021022	0.00054997	0.00009323
RATEBASE BULKTRAN	0.12702919	0.05883180	0.00234129	0.01027252	0.00029791	0.00006459	0.01080548	0.00177483	0.00084450	0.00017815	0.00013574	0.00553321	0.00521033	0.00053813	0.02605585	0.00432760	0.00005502	0.00014255	0.00002431
RATEBASE SUBTRAN	0.05381069	0.02378042	0.00094639	0.00411310	0.00011969	0.00003466	0.00432608	0.00071161	0.00044663	-	0.00005493	0.00226351	0.00289546	-	0.01402831	-	0.00002243	0.00005779	0.00000986
RATEBASE DISTPRI	0.14054291	0.09418050	0.00358757	0.01544490	0.00044366	-	0.01563293	0.00256735	-	-	0.00020654	0.00815595	-	-	-	-	0.00008393	0.00022183	0.00003774
RATEBASE DISTSEC	0.03285422	0.00527741	0.00383316	0.01032700	-	-	0.00917922	-	-	-	0.00011916	-	-	-	-	-	0.00004592	0.00089914	0.00016321
RATEBASE ENERGY	0.05045951	0.01608521	0.00107276	0.00398506	0.00011822	0.00002629	0.00443600	0.00074255	0.00033068	0.00007382	0.00005390	0.00261813	0.00211334	0.00036702	0.01367727	0.00231074	0.00002904	0.00035450	0.00006480
RATEBASE CUSTOMER	0.04236599	0.01954542	0.00463343	0.00153000	0.00046624	0.00012071	0.00053259	0.00016038	0.00031204	0.00004575	0.00000142	0.00008930	0.00042097	0.00005588	0.00030578	0.00006989	0.00000234	0.01247495	0.00137431
RATEBASE TOTAL	1.00000000	0.51045537	0.02577017	0.08559744	0.00263836	0.00053946	0.08659065	0.01290216	0.00516079	0.00099274	0.00103197	0.04000697	0.03071194	0.00317596	0.15417316	0.02325336	0.00044690	0.01471073	0.00176747
RB_GUP_CWIP PRODUCTION	0.51964204	0.24177135	0.00970459	0.04210436	0.00129311	0.00035312	0.04358677	0.00734090	0.00341682	0.00073539	0.00053652	0.02241456	0.02108027	0.00235574	0.10454001	0.01741972	0.00022002	0.00057539	0.00009740
RB_GUP_CWIP BULKTRAN	0.22687322	0.10548674	0.00427433	0.01854462	0.00056954	0.00015553	0.01924156	0.00323226	0.00150227	0.00032380	0.00023719	0.00987236	0.00928468	0.00103757	0.04644492	0.00767241	0.00009691	0.00025342	0.00004290
RB_GUP_CWIP SUBTRAN	0.09609324	0.04336021	0.00172507	0.00741395	0.00022041	0.00006324	0.00769231	0.00129436	0.00079336	-	0.00009585	0.00402900	0.00515209	-	0.02472597	-	0.00003945	0.00010259	0.00001737
RB_GUP_CWIP DISTPRI	0.07814537	0.05231541	0.00200522	0.00854008	0.00025991	-	0.00853518	0.00143171	-	-	0.00011267	0.00445040	-	-	-	-	0.00004553	0.00012080	0.00002045
RB_GUP_CWIP DISTSEC	0.05162443	0.03269781	0.00214095	0.00570717	-	-	0.00508597	-	-	-	0.00006469	-	-	-	-	-	0.00002488	0.00049449	0.00008832
RB_GUP_CWIP ENERGY	0.00137841	0.00049189	0.00002917	0.00010840	0.00000330	0.00000092	0.00012033	0.00002005	0.00000924	0.00000201	0.00000173	0.00007153	0.00005839	0.00000882	0.00037355	0.00006718	0.00000082	0.00000952	0.00000177
RB_GUP_CWIP CUSTOMER	0.02364326	0.01113677	0.00271937	0.00085562	0.00027117	0.00008953	0.00029893	0.00009369	0.00016935	0.00002529	0.00000077	0.00004855	0.00022853	0.00003793	0.00016438	0.00003793	0.00000128	0.00672836	0.00074482
RB_GUP_CWIP TOTAL	1.00000000	0.49330017	0.02250970	0.08320822	0.00262543	0.00058233	0.08457303	0.01341397	0.00588504	0.00108659	0.00105162	0.04089640	0.03580404	0.00343987	0.17584752	0.02519725	0.00042088	0.00328451	0.00010303
RB_GUP_EPIS_D PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D DISTPRI	0.51214902	0.34493083	0.01314836	0.05500928	0.00170340	-	0.05594441	0.00938317	-	-	0.00073839	0.02916702	-	-	-	-	0.00029341	0.00079173	0.00013403
RB_GUP_EPIS_D DISTSEC	0.34010176	0.25003814	0.01410460	0.03759878	-	-	0.03297930	-	-	-	0.00042750	-	-	-	-	-	0.00016309	0.00325771	0.00058185
RB_GUP_EPIS_D ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D CUSTOMER	0.14774822	0.06493787	0.01760915	0.00535506	0.00182979	0.00060517	0.00191517	0.00062009	0.00114490	0.00017104	0.00000509	0.00032540	0.00154561	0.00025556	0.00111174	0.00025556	0.00000803	0.04563174	0.00487227
RB_GUP_EPIS_D TOTAL	1.00000000	0.65975684	0.04484210	0.09807312	0.00353318	0.00060517	0.09083889	0.01001126	0.00114490	0.00017104	0.00117039	0.02949241	0.00154561	0.00025556	0.00111174	0.00025556	0.00047032	0.04973118	0.00558815
RB_GUP_EPIS_G PRODUCTION	0.43162292	0.20081911	0.00309079	0.03497257	0.00107407	0.00029330	0.00328692	0.00609747	0.00283308	0.00051082	0.00044731	0.01861789	0.01750961	0.00195672	0.03583259	0.01446909	0.00018275	0.00047792	0.00008090
RB_GUP_EPIS_G BULKTRAN	0.01615019	0.00753273	0.00030236	0.00131182	0.00004029	0.00001100	0.00136112	0.00022872	0.00010627	0.00002291	0.00001678	0.00069836	0.00065679	0.00007340	0.00325709	0.00054274	0.00000686	0.00001793	0.00000303
RB_GUP_EPIS_G SUBTRAN	0.00633595	0.00295390	0.00012203	0.00092445	0.00001616	0.00000689	0.00054414	0.00009156	0.00005612	-	0.00000678	0.00002501	0.00036445	-	0.00174903	-	0.00000279	0.00000726	0.00000123
RB_GUP_EPIS_G DISTPRI	0.23325274	0.15704948	0.00598928	0.02550082	0.00077579	-	0.02547928	0.00427346	-	-	0.00033629	0.01328300	-	-	-	-	0.00013591	0.00036058	0.00006104
RB_GUP_EPIS_G DISTSEC	0.14392692	0.10521659	0.00596898	0.01591156	-	-	0.01395663	-	-	-	0.00018091	-	-	-	-	-	0.00006936	0.00137854	0.00024624
RB_GUP_EPIS_G ENERGY	0.05612117	0.02002690	0.00118750	0.00441330	0.00013421	0.00003740	0.00469333	0.00081640	0.00037624	0.00008173	0.00007064	0.00291229	0.00237683	0.00035114	0.01526895	0.00273535	0.00003328	0.00038742	0.00007227
RB_GUP_EPIS_G CUSTOMER	0.11204411	0.07956649	0.01233693	0.00394981	0.00050853	0.00016134	0.00077728	0.00019853	0.00030375	0.00004495	0.00000211	0.00010345	0.00041043	0.00009747	0.00029236	0.00006747	0.00000580	0.01095377	0.00227565
RB_GUP_EPIS_G TOTAL	1.00000000	0.57429431	0.03399686	0.08653234	0.00254705	0.00050393	0.08330471	0.01170614	0.00367546	0.00076042	0.00106031	0.03590080	0.02131809	0.00244872	0.10734007	0.01781465	0.00043673	0.01358352	0.00274036
RB_GUP_EPIS_P PRODUCTION	1.00000000	0.46526518	0.01067553	0.03102575	0.00248845	0.00067954	0.03407069	0.01412684	0.00556379	0.00141518	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
RB_GUP_EPIS_P BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P TOTAL	1.00000000	0.46526518	0.01067553	0.03102575	0.00248845	0.00067954	0.03407069	0.01412684	0.00556379	0.00141518	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
Page 13 of 29

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 11 of 29
Witness: J. Stegall

Allocation Factor	Total Retail 1	RS 2	SGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	QP-SEC 11	QP-PRI 12	QP-SUB 13	QP-TRA 14	CIP-TOD-SUB 15	CIP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20250251	0.00812836	0.03526573	0.00103808	0.00029576	0.03659111	0.03614858	0.00285683	0.00061594	0.00045106	0.01877396	0.01765838	0.00197312	0.08756049	0.01459038	0.00018428	0.00048193	0.00008158
AFUDC_OFF BULKTRAN	0.22535905	0.10485172	0.00420870	0.01825989	0.00056030	0.00015314	0.01894614	0.00318351	0.00147921	0.00031892	0.00023355	0.00972078	0.00914212	0.00102164	0.04533705	0.00755461	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.03520859	0.04263538	0.00169353	0.00730912	0.00022491	0.00006196	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00396714	0.00507298	-	0.02434632	-	0.00003985	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12394735	0.03345397	0.00318209	0.01355504	0.00041225	-	0.01353934	0.00227086	-	-	0.00017870	0.00705593	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.08204391	0.06054673	0.00340250	0.00907008	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00003953	0.00078587	0.00014036
AFUDC_OFF ENERGY	0.00135593	0.00048404	0.00002875	0.00010686	0.00000325	0.00000091	0.00011663	0.00001977	0.00000911	0.00000193	0.00000171	0.00007052	0.00005755	0.00000650	0.00036827	0.00005823	0.00000091	0.00000938	0.00000175
AFUDC_OFF CUSTOMER	0.03664108	0.01602687	0.00424609	0.00133490	0.00043492	0.00014369	0.00046120	0.00014989	0.00027181	0.00004060	0.00000123	0.00007767	0.00036695	0.00006083	0.00028358	0.00006083	0.00000199	0.01081706	0.00118053
AFUDC_OFF TOTAL	1.00000000	0.51140212	0.02483503	0.03483262	0.00271920	0.00067546	0.05518633	0.01304720	0.00539313	0.00097744	0.00106374	0.03966899	0.03229599	0.00305416	0.15787599	0.02227212	0.00043310	0.01263642	0.00149000
RB_GUP_EPIS_T PRODUCTION	0.02710507	0.01251104	0.00050620	0.00219621	0.00006745	0.00001842	0.00227875	0.00030291	0.00017791	0.00003836	0.00002809	0.00116917	0.00109957	0.00012288	0.00545291	0.00090853	0.00001148	0.00003001	0.00000508
RB_GUP_EPIS_T BULKTRAN	0.68394514	0.31821586	0.01277304	0.05541716	0.00170197	0.00046477	0.05749368	0.00966198	0.00449227	0.00096790	0.00070880	0.02950171	0.02774554	0.00310059	0.13769400	0.02292757	0.00028959	0.00075731	0.00012820
RB_GUP_EPIS_T SUBTRAN	0.08894960	0.12930466	0.00515503	0.02215523	0.00068257	0.00024874	0.02299703	0.00386797	0.00237000	-	0.00028642	0.01203992	0.01539996	-	0.07386896	-	0.00011790	0.00030658	0.00005150
RB_GUP_EPIS_T DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T TOTAL	1.00000000	0.45022155	0.01843430	0.07976880	0.00245199	0.00073192	0.08276566	0.01391286	0.00703798	0.00100026	0.00102330	0.04271080	0.04424117	0.00322347	0.21693589	0.02383620	0.00041696	0.00109390	0.00018518
RB_GUP_EPIS PRODUCTION	0.03143685	0.15422695	0.00616980	0.02685508	0.00082477	0.00022522	0.02786436	0.00468218	0.00217549	0.00046905	0.00034348	0.01429649	0.01344545	0.00150254	0.06667769	0.01111067	0.00014033	0.00036699	0.00006213
RB_GUP_EPIS BULKTRAN	0.19009766	0.08881812	0.00355512	0.01546764	0.00047504	0.00012972	0.01604855	0.00269678	0.00125301	0.00027015	0.00019783	0.00823431	0.00774413	0.00086542	0.03840425	0.00639938	0.00008083	0.00021137	0.00003578
RB_GUP_EPIS SUBTRAN	0.00046796	0.03603437	0.00143560	0.00616988	0.00019009	0.00006927	0.00640153	0.00107717	0.00066023	-	0.00007976	0.00335293	0.00428756	-	0.02057691	-	0.00003283	0.00008538	0.00001445
RB_GUP_EPIS DISTPRI	0.20200779	0.13601220	0.00518513	0.02209183	0.00067187	-	0.02206625	0.00370102	-	-	0.00029125	0.01150439	-	-	-	-	0.00011770	0.00031228	0.00005285
RB_GUP_EPIS DISTSEC	0.13380980	0.09874989	0.00554932	0.01479288	-	-	0.01297539	-	-	-	0.00016819	-	-	-	-	-	0.00006448	0.00128172	0.00022892
RB_GUP_EPIS ENERGY	0.00172510	0.00061561	0.00003650	0.00013566	0.00000413	0.00000115	0.00015060	0.00002510	0.00001157	0.00000251	0.00000217	0.00008952	0.00007306	0.00001079	0.00046751	0.00008403	0.00000102	0.00001191	0.00000222
RB_GUP_EPIS CUSTOMER	0.05965264	0.02715084	0.00688048	0.00216245	0.00071168	0.00023519	0.00075249	0.00024505	0.00044469	0.00006645	0.00000200	0.00012597	0.00060061	0.00009968	0.00043193	0.00009968	0.00000323	0.01771550	0.00192352
RB_GUP_EPIS TOTAL	1.00000000	0.54155699	0.02204295	0.03767543	0.00287757	0.00085055	0.08525957	0.01242730	0.00454519	0.00050816	0.00106469	0.03760461	0.02615082	0.00247843	0.12655845	0.01769331	0.00044043	0.01998515	0.00231939
RB_GUP PRODUCTION	0.03143685	0.15422695	0.00616980	0.02685508	0.00082477	0.00022522	0.02786436	0.00468218	0.00217549	0.00046905	0.00034348	0.01429649	0.01344545	0.00150254	0.06667769	0.01111067	0.00014033	0.00036699	0.00006213
RB_GUP BULKTRAN	0.19009766	0.08881812	0.00355512	0.01546764	0.00047504	0.00012972	0.01604855	0.00269678	0.00125301	0.00027015	0.00019783	0.00823431	0.00774413	0.00086542	0.03840425	0.00639938	0.00008083	0.00021137	0.00003578
RB_GUP SUBTRAN	0.00046796	0.03603437	0.00143560	0.00616988	0.00019009	0.00006927	0.00640153	0.00107717	0.00066023	-	0.00007976	0.00335293	0.00428756	-	0.02057691	-	0.00003283	0.00008538	0.00001445
RB_GUP DISTPRI	0.20200779	0.13601220	0.00518513	0.02209183	0.00067187	-	0.02206625	0.00370102	-	-	0.00029125	0.01150439	-	-	-	-	0.00011770	0.00031228	0.00005285
RB_GUP DISTSEC	0.13380980	0.09874989	0.00554932	0.01479288	-	-	0.01297539	-	-	-	0.00016819	-	-	-	-	-	0.00006448	0.00128172	0.00022892
RB_GUP ENERGY	0.00172510	0.00061561	0.00003650	0.00013566	0.00000413	0.00000115	0.00015060	0.00002510	0.00001157	0.00000251	0.00000217	0.00008952	0.00007306	0.00001079	0.00046751	0.00008403	0.00000102	0.00001191	0.00000222
RB_GUP CUSTOMER	0.05965264	0.02715084	0.00688048	0.00216245	0.00071168	0.00023519	0.00075249	0.00024505	0.00044469	0.00006645	0.00000200	0.00012597	0.00060061	0.00009968	0.00043193	0.00009968	0.00000323	0.01771550	0.00192352
RB_GUP TOTAL	1.00000000	0.54155699	0.02204295	0.03767543	0.00287757	0.00085055	0.08525957	0.01242730	0.00454519	0.00050816	0.00106469	0.03760461	0.02615082	0.00247843	0.12655845	0.01769331	0.00044043	0.01998515	0.00231939
REV_OTHER PRODUCTION	0.12036800	0.06384787	0.00541885	0.01372446	0.00005490	0.00003969	0.00427002	0.00119306	0.00061303	-	-	0.00213404	0.00185928	0.00025490	0.00121092	-	-	0.00007530	-
REV_OTHER BULKTRAN	(0.03729356)	(0.02189596)	(0.00041501)	(0.00216477)	(0.00007056)	0.00003319	(0.00243211)	(0.00040362)	(0.00018854)	(0.00004039)	(0.00002973)	(0.00131131)	(0.00118063)	(0.00003715)	(0.00585160)	(0.00096153)	(0.00001214)	(0.00003122)	(0.00000538)
REV_OTHER SUBTRAN	(0.01554839)	(0.00930744)	(0.00016736)	(0.00085523)	(0.00002830)	0.00001782	(0.00097227)	(0.00016156)	(0.00009957)	-	(0.00001201)	(0.00053518)	(0.00055513)	-	(0.00314240)	-	(0.00000494)	(0.00001264)	(0.00000218)
REV_OTHER DISTPRI	0.44624000	0.30397441	0.01229963	0.04919509	0.00137781	-	0.04599947	0.00768357	-	-	0.00059364	0.02394908	-	-	-	-	0.00023829	0.00065494	0.00010703
REV_OTHER DISTSEC	0.33617379	0.24910542	0.01475860	0.03726415	-	-	0.03090004	-	-	-	0.00039092	-	-	-	-	-	0.00014986	0.00306873	0.00053207
REV_OTHER ENERGY	0.01254360	0.00041108	0.00497513	0.01141777	0.00005253	0.00000673	0.00420060	0.00111792	0.00057719	0.00000559	0.00000483	0.00270509	0.00191693	0.00163938	0.00279270	0.00018710	0.00000228	0.00038181	0.00000494
REV_OTHER CUSTOMER	0.03750566	0.02137220	0.00544435	0.00130359	0.00025092	0.00021029	0.00029848	0.00010569	0.00019494	0.00002241	0.00000067	0.00004954	0.00023184	0.00004232	0.00014819	0.00003361	0.00000105	0.00715160	0.00053826
REV_OTHER TOTAL	1.00000000	0.71290757	0.04231224	0.10387497	0.00164330	0.00056792	0.08233102	0.00971596	0.00109767	(0.00001260)	0.00094432	0.02699126	0.00217229	0.00199945	(0.00494219)	(0.00074083)	0.00037439	0.01128852	0.00127474
REV_SALES PRODUCTION	0.41016253	0.16092114	0.01032638	0.04262451	0.00124506	0.00042161	0.04186966	0.00733727	0.00299270	0.00056777	0.00045601	0.01832078	0.01864161	0.00154128	0.07910561	0.01422847	0.00024160	0.00066975	0.00012933
REV_SALES BULKTRAN	(0.02194822)	(0.01625692)	0.00022994	0.00049477	0.00001845	0.00007167	(0.00020268)	0.00000975	(0.00000130)	(0.00003757)	0.00005853	(0.00065324)	(0.00017068)	(0.00048744)	(0.00530516)	0.00025923	0.00001353	0.00000477	0.00000656
REV_SALES SUBTRAN	(0.00953816)	(0.00661606)	0.00003305	0.00019351	0.00000743	0.00003844	(0.00008084)	0.00000400	(0.00000068)	-	0.00002367	(0.00026682)	(0.00009483)	-	(0.00285213)	-	0.00000551	0.00000194	0.00000266
REV_SALES DISTPRI	0.03358451	0.05433096	0.00343046	0.01388846	0.00039867	-	0.01299453	0.00227812	-	-	0.00017428	0.00580293	-	-	-	-	0.00006906	0.00020200	0.00004104
REV_SALES DISTSEC	0.05819561	0.03724095	0.00354227	0.00995201	-	-	0.00733634	-	-	-	0.00009318	-	-	-	-	-	0.00004412	0.00079034	0.00017242
REV_SALES ENERGY	0.42302067	0.15027641	0.00932003	0.03452302	0.00098323	0.00012813	0.03842422	0.00652680	0.00269947	0.00052539	0.00031153	0.02216022	0.01758963	0.00380167	0.11447889	0.01720466	0.00023990	0.00316038	0.00057003
REV_SALES CUSTOMER	0.04642307	0.02440029	0.00310034	0.00165557	0.00039966	0.00017825	0.00046561	0.00014390	0.00021930	0.00002920	0.00000127	0.00009443	0.00032049	0.00016707	0.00047415	0.00009285	0.00000285	0.01038372	0.00158517
REV_SALES TOTAL	1.00000000	0.41243186	0.03305707	0.10253034	0.00304350	0.00083809	0.10003863	0.01629904	0.00583949	0.00118179	0.00114547	0.04586487	0.03625895	0.00487600	0.18559527	0.03173951	0.00063067	0.01522090	0.00250725
REV PRODUCTION	0.40378769	0.16715970	0.01021843	0.04192377	0.00121868	0.00041915	0.04104256	0.00722213	0.00294037	0.00055528	0.00044749	0.01845371	0.01827243	0.00152178	0.07739210	0.01391547	0.00023628	0.00065537	0.00012934
REV BULKTRAN	(0.02225590)	(0.01630097)	0.00021575	0.00043626	0.00001650	0.00007082	(0.00025191)	0.00000063	(0.00000542)	(0.00003763)	0.00005658	(0.00066772)	(0.00018309)	(0.00048414)	(0.00531710)	0.00023239	0.00001286	0.00000393	0.00000629
REV SUBTRAN	(0.00967037)	(0.00663942)	0.00008732	0.00017511	0.00000664	0.00003799	(0.00010045)	0.00000036	(0.00000286)	-	0.00002288	(0.00027273)	(0.00010715)	-	(0.00285852)	-	0.00000528	0.00000162	0.00000255
REV DISTPRI	0.10144017	0.05983903	0.00352556	0.01465731	0.00042020	-	0.01372057	0.00240099	-	-	0.00018342	0.00620211	-	-	-	-	0.00006948	0.00021195	0.00004249
REV DISTSEC	0.06431053	0.04191051	0.00378696	0.00957482	-	-	0.00785677	-	-	-	0.00010462	-	-	-	-	-	0.00004644	0.00094828	0.00018033
REV ENERGY	0.41619008	0.14873952	0.00923032	0.03401475	0.00096275	0.00012744	0.03773137	0.00640782	0.00264301	0.00051175	0.00030478	0.02167357	0.01724485	0.00375411	0.11202301	0.01683031	0.00023468	0.00309226	0.00055766
REV CUSTOMER	0.04622291	0.02429245	0.00309432	0.00165320	0.00039772	0.00017695	0.00046291	0.00014305	0.00021877	0.00002911	0.00000125	0.00009375	0.00032097	0.00016665	0.00047284	0.00009291	0.00000291	0.01031262	0.00156434
REV TOTAL	1.00000000	0.41904168	0.03326066	0.10270622	0.00301270	0.00083435	0.10046182	0.01615501	0.00575386	0.00115552	0.00114104	0.04544969	0.03551010	0.00481272	0.18146008	0.03162501	0.00062504	0.01513440	0.00248014
REVSALES PRODUCTION	1.00000000	0.40723371	0.03260169	0.10132186	0.00320260	0.00127732	0.09397107	0.01575931	0.00633952	0.00116659	0.00175691	0.04606923	0.03769318	0.00293163	0.16874603	0.03393848	0.00068472	0.01463710	0.00251893
REVSALES BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES TOTAL	1.00000000	0.40723371	0.03260169	0.10132186	0.00320260	0.00127732	0.09397107	0.01575931	0.00633952	0.00116659	0.00175691	0.04606923	0.03769318	0.00293163	0.16874603	0.03393848	0.00068472	0.01463710	0.00251893
REVSALES_FXNL PRODUCTION	0.41121017	0.16379211	0.01018413	0.04211862	0.00131023	0.00054256	0.04103159	0.00709395	0.00321592	0.00056047	0.00073313	0.01690464	0.01937844	0.00065799	0.07958609	0.01790398	0.00026230	0.00064406	0.00012993
REVSALES_FXNL BULKTRAN	(0.02137396)	(0.01605203)	0.00022677	0.00046890	0.00001942	0.00010323	(0.00019306)	0.00000942	(0.00000140)	(0.00003708)	0.00006976	(0.00065515)	(0.00017763)	(0.00020810)	(0.00533606)	0.00023620	0.00001469	0.00000459	0.00000359
REVSALES_FXNL SUBTRAN	(0.00944609)	(0.00653465)	0.00009177	0.00019615	0.00000782	0.00005559	(0.00007932)	0.00000337	(0.00000073)	-	0.00003630	(0.00026801)	(0.00003858)	-	(0.00285932)	-	0.00000599	0.00000187	0.00000267
REVSALES_FXNL DISTPRI	0.09266005	0.05371334	0.00338320	0.01371572	0.00041953	-	0.01274395	0.00220257	-	-	0.00026730	0.00582879	-	-	-	-	0.00006918	0.00019425	0.00004123
REVSALES_FXNL DISTSEC	0.05745332	0.03970646	0.00349347	0.00884576	-	-	0.00720021	-	-	-	0.00015057	-	-	-	-	-	0.00004790	0.00076772	0.00013722
REVSALES_FXNL ENERGY	0.42379826	0.14838238	0.00919755	0.03411328	0.00103469	0.00019528	0.03775587	0.00631037	0.00269007	0.00051734	0.00047769	0.02219869	0.01828489	0.00162299	0.11518971	0.02164997	0.00026948	0.00303917	0.00057274
REVSALES_FXNL CUSTOMER	0.04574824	0.02415210	0.00302479	0.00184343	0.00041111	0.00027165	0.00045783	0.00013913	0.00023556	0.00002586	0.00000195	0.00006128	0.00030606	0.00000375	0.00016310	0.00003933	0.00000321	0.00998545	0.00152255
REVSALES_FXNL TOTAL	1.00000000	0.40723371	0.03260169	0.10132186	0.00320260	0.00127732	0.09397107	0.01575931	0.00633952	0.00116659	0.00175691	0.04606923	0.03769318	0.00293163	0.16874603	0.03393848	0.00068472	0.01463710	0.00251893
REVVEC PRODUCTION	1.00000000	0.01453345	(0.00179491)	0.00939779	0.01523565	0.03445432	(0.04443574)	(0.02506908)	0.03957668	0.00001875	0.04793459	0.06150514	0.14595171	(0.20899008)	0.27366808	0.65924454	0.00476716	(0.02946028)	0.00340122
REVVEC BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC TOTAL	1.00000000	0.01453345	(0.00179491)	0.00939779	0.01523565	0.03445432	(0.04443574)	(0.02506908)	0.03957668	0.00001875	0.04793459	0.06150514	0.14595171	(0.20899008)	0.27366808	0.65924454	0.00476716	(0.02946028)	0.00340122

Allocation Factor	Total Retail 1	RS 2	SGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	OP-SEC 11	OP-PRI 12	OP-SUB 13	OP-TRA 14	CIP-TOD-SUB 15	CIP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20259251	0.00812836	0.03526573	0.00103308	0.00029576	0.03659111	0.00614858	0.00285883	0.00061594	0.00045106	0.01877306	0.01765838	0.00197312	0.03758048	0.01459038	0.00018428	0.00048193	0.00008158
AFUDC_OFF BULKTRAN	0.22535366	0.10485172	0.00420870	0.01825369	0.00053466	0.00015314	0.01894614	0.00318391	0.00147821	0.00031892	0.00023355	0.00972078	0.00914212	0.00102164	0.01945310	0.00755461	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.02520859	0.04263538	0.00169359	0.00730912	0.00022491	0.00009166	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00389714	0.00367293	-	0.02434632	-	0.00003965	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12594725	0.03345397	0.00318209	0.01355504	0.00041225	-	0.01352934	0.00227086	-	-	0.00017870	0.00705883	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.03204391	0.05054673	0.00340259	0.01307008	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00003953	0.00078587	0.00014038
AFUDC_OFF ENERGY	0.00136893	0.00048494	0.00002875	0.00010696	0.00000325	0.00000091	0.00011853	0.00001977	0.00000911	0.00000198	0.00000171	0.00007052	0.00006755	0.00000650	0.00036827	0.00006623	0.00000031	0.00000938	0.00000175
AFUDC_OFF CUSTOMER	0.03684108	0.01692687	0.00424609	0.00133490	0.00043492	0.00014369	0.00048120	0.00014989	0.00027181	0.00004060	0.00060123	0.00007767	0.00036595	0.00006039	0.00026338	0.00006089	0.00000199	0.01681700	0.00118053
AFUDC_OFF TOTAL	1.00000000	0.51140212	0.02489508	0.03469262	0.00271920	0.00057546	0.08518633	0.01304720	0.00539813	0.00097744	0.00105374	0.03966039	0.03229599	0.00306416	0.15787599	0.02227212	0.00043310	0.01263542	0.00149660
REVYEC_FXNL PRODUCTION	0.40034336	0.00597703	(0.00056069)	0.00390658	0.00023275	0.01733246	(0.01844403)	(0.01128469)	0.02007651	0.00000001	0.02000336	0.02523922	0.07503525	(0.00606683)	0.11664457	0.29553193	0.00182620	(0.00129630)	0.00017544
REVYEC_FXNL BULKTRAN	0.02200259	(0.00057523)	(0.00001248)	0.00004635	0.00009238	0.00294629	0.00006937	(0.00001499)	(0.00000875)	(0.00000360)	0.00244916	(0.00067682)	(0.00068782)	0.02069233	(0.00782269)	0.00538436	0.00010224	(0.00000923)	0.00000659
REVYEC_FXNL SUBTRAN	(0.00249178)	(0.00023417)	(0.00000505)	0.00001819	0.00003718	0.00158031	0.00003551	(0.00000315)	(0.00000457)	-	0.00039044	(0.00035782)	(0.00038170)	-	(0.00420559)	-	0.00004169	(0.00000375)	0.00000361
REVYEC_FXNL DISTPRI	0.01114002	0.00192465	(0.00016626)	0.00127216	0.00199570	-	(0.00572443)	(0.00350374)	-	-	0.00729331	0.00778190	-	-	-	-	0.00062765	(0.00033097)	0.00005567
REVYEC_FXNL DISTSEC	0.00184402	0.00131605	(0.00019234)	0.00082046	-	-	(0.00323273)	-	-	-	0.00410842	-	-	-	-	-	0.00033346	(0.00154520)	0.00023389
REVYEC_FXNL ENERGY	0.48238049	0.00531737	(0.00056038)	0.00316407	0.00492200	0.00526746	(0.01695332)	(0.01003820)	0.01604230	0.00000992	0.01303665	0.02963705	0.07000088	(0.16294333)	0.16880544	0.35734879	0.00181339	(0.00311697)	0.00077335
REVYEC_FXNL CUSTOMER	(0.00522463)	0.00066550	(0.00033170)	0.00017038	0.00195565	0.00732760	(0.00320555)	(0.00022132)	0.00147119	0.00000342	0.00005325	0.00009181	0.00118511	(0.00037841)	0.00024635	0.00097940	0.00002232	(0.02069785)	0.00015036
REVYEC_FXNL TOTAL	1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.03445432	(0.04443574)	(0.02500803)	0.03357668	0.00001875	0.04793459	0.06150514	0.14595171	(0.20899008)	0.27366803	0.65924454	0.00476716	(0.02946028)	0.00340122
REVYEC_EXP_OM PRODUCTION	0.39361770	0.00002642	(0.00051400)	0.00366369	0.00600899	0.01513501	(0.01712832)	(0.01024158)	0.01851169	0.00000811	0.01667423	0.02278558	0.06703141	(0.07401923)	0.10415321	0.22559185	0.00152278	(0.00142433)	0.00015265
REVYEC_EXP_OM BULKTRAN	(0.03638587)	(0.00151701)	0.00012948	(0.00092172)	(0.00152694)	(0.00380344)	0.00430922	0.00257617	(0.00455511)	(0.00000204)	(0.00419214)	(0.00571165)	(0.01655594)	0.01653027	(0.02519698)	(0.05665514)	(0.00038037)	0.00036107	(0.00003841)
REVYEC_EXP_OM SUBTRAN	(0.00071410)	(0.00001666)	0.00005226	(0.00036849)	(0.00061238)	(0.00203557)	0.00172272	0.00103132	(0.00241055)	-	(0.00169400)	(0.00233923)	(0.00935399)	-	(0.01406479)	-	(0.00015426)	0.00014617	(0.00001555)
REVYEC_EXP_OM DISTPRI	0.00751544	0.00167501	(0.00013503)	0.00035011	0.00155849	-	(0.00427603)	(0.00255232)	-	-	0.00445905	0.00578030	-	-	-	-	0.00040014	(0.00035461)	0.00004035
REVYEC_EXP_OM DISTSEC	0.00054564	0.00113294	(0.00013551)	0.00059272	-	-	(0.00234253)	-	-	-	0.00239920	-	-	-	-	-	0.00020423	(0.00147060)	0.00016520
REVYEC_EXP_OM ENERGY	0.74167042	0.00690876	(0.00087143)	0.00531386	0.00871613	0.02217222	(0.02658024)	(0.01576004)	0.02770408	0.00001247	0.03025812	0.04093445	0.10456864	(0.15258991)	0.23964529	0.48994125	0.00316581	(0.01336933)	0.00156729
REVYEC_EXP_OM CUSTOMER	(0.00624923)	0.00098420	(0.00031912)	0.00016762	0.00103138	0.00298510	(0.00014056)	(0.00012264)	0.00069668	0.00000021	0.00003012	0.00004659	0.00056258	(0.00031121)	0.00012535	0.00037659	0.00001944	(0.01331164)	0.00152903
REVYEC_EXP_OM TOTAL	1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.03445432	(0.04443574)	(0.02500803)	0.03357668	0.00001875	0.04793459	0.06150514	0.14595171	(0.20899008)	0.27366803	0.65924454	0.00476716	(0.02946028)	0.00340122
TDOMX PRODUCTION	0.15161294	0.07054022	0.00283145	0.01238455	0.00037728	0.00010303	0.01274624	0.00214181	0.00099515	0.00021456	0.00015712	0.00653977	0.00615047	0.00068732	0.03050103	0.00208245	0.00006419	0.00016788	0.00002842
TDOMX BULKTRAN	0.03967507	0.04172259	0.00167473	0.00726599	0.00022315	0.00006094	0.00753005	0.00126583	0.00059081	0.00012691	0.00009293	0.00386810	0.00363704	0.00040653	0.01804055	0.00300614	0.00003797	0.00009929	0.00001681
TDOMX SUBTRAN	0.03788548	0.01606550	0.00063590	0.00278087	0.00008950	0.00003261	0.00301393	0.00050715	0.00031085	-	0.00003755	0.00157661	0.00201665	-	0.00968791	-	0.00001546	0.00004020	0.00000680
TDOMX DISTPRI	0.41940097	0.02843727	0.01076930	0.04587493	0.00139518	-	0.04582165	0.00768538	-	-	0.00060479	0.02388955	-	-	-	-	0.00024441	0.00064847	0.00010978
TDOMX DISTSEC	0.25684129	0.19101957	0.01073459	0.02831531	-	-	0.02509956	-	-	-	0.00032535	-	-	-	-	-	0.00012473	0.00247935	0.00044263
TDOMX ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TDOMX CUSTOMER	0.04250425	0.01696344	0.00573693	0.00180786	0.00064948	0.00026052	0.00091693	0.00029246	0.00053069	0.00007928	0.00000217	0.00015152	0.00071644	0.00011892	0.00051532	0.00011892	0.00000270	0.00945857	0.00405000
TDOMX TOTAL	1.00000000	0.61965469	0.03242290	0.09975306	0.00293453	0.00047709	0.09503757	0.01589353	0.00242530	0.00042075	0.00121992	0.03602754	0.01252339	0.00121278	0.05974482	0.00920751	0.00048946	0.01289376	0.00466064
TDPLANT PRODUCTION	0.01143091	0.00531841	0.00021348	0.00092620	0.00002845	0.00000777	0.00096101	0.00016148	0.00007503	0.00001618	0.00001185	0.00049307	0.00046372	0.00005182	0.00229964	0.00030319	0.00000434	0.00001266	0.00000214
TDPLANT BULKTRAN	0.28909027	0.13450363	0.00539892	0.02342375	0.00071939	0.00019645	0.02430408	0.00408393	0.00189753	0.00040911	0.00029959	0.01245980	0.01172750	0.00131056	0.05815830	0.00969104	0.00012240	0.00032010	0.00005419
TDPLANT SUBTRAN	0.12165767	0.05456310	0.00217402	0.00943044	0.00028766	0.00010480	0.00969423	0.00163122	0.00099383	-	0.00012079	0.00507755	0.00649292	-	0.03116090	-	0.00004972	0.00012929	0.00002189
TDPLANT DISTPRI	0.29582811	0.19918158	0.00759477	0.03235214	0.00098392	-	0.03231468	0.00541902	-	-	0.00042651	0.01684749	-	-	-	-	0.00017237	0.00045732	0.00007742
TDPLANT DISTSEC	0.19544997	0.14497606	0.00814711	0.02171765	-	-	0.01904954	-	-	-	0.00024603	-	-	-	-	-	0.00009465	0.00183172	0.00033609
TDPLANT ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TDPLANT CUSTOMER	0.08534308	0.03750949	0.00937105	0.00309897	0.00105692	0.00034356	0.00110625	0.00036280	0.00065132	0.00009879	0.00000294	0.00018795	0.00089278	0.00014819	0.00063216	0.00014819	0.00000464	0.02638574	0.00281433
TDPLANT TOTAL	1.00000000	0.57605827	0.03333935	0.09866235	0.00307653	0.00065808	0.09742978	0.01166936	0.00363370	0.00052409	0.00110861	0.03507586	0.01957691	0.00151057	0.09226100	0.01022242	0.00044663	0.02918783	0.00330605
TOTMXEXP PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP DISTPRI	0.61434974	0.41364276	0.01577215	0.06718668	0.00204331	-	0.06710827	0.01125561	-	-	0.00088574	0.03498737	-	-	-	-	0.00035795	0.00094972	0.00016077
TOTMXEXP DISTSEC	0.37815910	0.27997367	0.01568290	0.04160007	-	-	0.03666968	-	-	-	0.00047533	-	-	-	-	-	0.00018222	0.00362225	0.00064696
TOTMXEXP ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP CUSTOMER	0.00749116	0.00356719	0.00048344	0.00015475	0.00010018	0.00003313	0.00009035	0.00003439	0.00006268	0.00000936	0.00000024	0.00001781	0.00008462	0.00001405	0.00006087	0.00001405	0.00000023	0.00339049	0.00206832
TOTMXEXP TOTAL	1.00000000	0.69358362	0.03194349	0.10914691	0.00214349	0.00003313	0.10386831	0.01129000	0.00006268	0.00000936	0.00136132	0.03500519	0.00008462	0.00001405	0.00006087	0.00001405	0.00054041	0.00796247	0.00287605
TOTOHLINES PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES DISTPRI	0.51079157	0.41124703	0.01568000	0.06678696	0.00203143	-	0.06671960	0.01119042	-	-	0.00088061	0.03478473	-	-	-	-	0.00035588	0.00094422	0.00015994
TOTOHLINES DISTSEC	0.36920843	0.28722785	0.01614113	0.04302759	-	-	0.03774112	-	-	-	0.00048922	-	-	-	-	-	0.00018755	0.00372809	0.00066586
TOTOHLINES ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES TOTAL	1.00000000	0.69847488	0.03182193	0.10982455	0.00203143	-	0.10446072	0.01119042	-	-	0.00136983	0.03478473	-	-	-	-	0.00054343	0.00467231	0.00082579
TOTOX234 PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234 BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234 SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234 DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234 DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234 ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234 CUSTOMER	1.00000000	0.65867079	0.10222793	0.03340879	0.00039051	0.00006133	0.00374077	0.00041840	0.00010090	0.00001016	0.00091051	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004802	0.00022386	0.00021923
TOTOX234 TOTAL	1.00000000	0.65867079	0.10222793	0.03340879	0.00039051	0.00006133	0.00374077	0.00041840	0.00010090	0.00001016	0.00091051	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004802	0.00022386	0.00021923
TOTOXEXP PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP DISTPRI	0.48591490	0.32716740	0.01247485	0.05314029	0.00161614	-	0.05307875	0.00890253	-	-	0.00070057	0.02767298	-	-	-	-	0.00028312	0.00075117	0.00012716
TOTOXEXP DISTSEC	0.30257926	0.22329730	0.01254848	0.03345081	-	-	0.02934079	-	-	-	0.00038033	-	-	-	-	-	0.00014550	0.00289830	0.00051765
TOTOXEXP ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP CUSTOMER	0.21150576	0.03073477	0.03009646	0.00948229	0.00437391	0.00144421	0.00422404	0.00150915	0.00273221	0.00040317	0.00091123	0.00078030	0.00368848	0.00061225	0.00265309	0.00061225	0.00001414	0.04195955	0.01617226
TOTOXEXP TOTAL	1.00000000	0.64119948	0.05511979	0.09207319	0.00599005	0.00144421	0.08564357	0.01040859	0.00273221	0.00040317	0.00160213	0.02845328	0.00368848	0.00061225	0.00265309	0.00061225	0.00044305	0.04590903	0.01691708
TOTUGLINES PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES DISTPRI	0.62500000	0.42081359	0.01604557	0.06835091	0.00207874	-	0.06827165	0.01145073	-	-	0.00090110	0.03559391	-	-	-	-	0.00036416	0.00096618	0.00016356
TOTUGLINES DISTSEC	0.37500000	0.27674232	0.01555183	0.04145683	-	-	0.03636335	-	-	-	0.00047136	-	-	-	-	-	0.00018070	0.00359199	0.00064156
TOTUGLINES ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES TOTAL	1.00000000	0.69755592	0.03159746	0.10980764	0.00207874	-	0.10463500	0.01145073	-	-	0.00137246	0.03559391	-	-	-	-	0.00054485	0.00455818	0.00080512

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
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Witness: J. Stegall

Allocation Factor	Total Retail 1	RS 2	SGS 3	MGS-SEC 4	MGS-PRI 5	MGS-SUB 6	LGS-SEC 7	LGS-PRI 8	LGS-SUB 9	LGS-TRA 10	OP-SEC 11	OP-PRI 12	OP-SUB 13	OP-TRA 14	OP-TOD-SUB 15	OP-TOD-TRA 16	MW 17	OL 18	SL 19
AFUDC_OFF PRODUCTION	0.43524107	0.20250251	0.00312836	0.03526573	0.00103303	0.00029576	0.03659111	0.00614359	0.00285683	0.00061594	0.00945166	0.01877336	0.01765638	0.00197312	0.00756048	0.01450038	0.00018428	0.00048193	0.00008158
AFUDC_OFF BULKTRAN	0.22535905	0.10485172	0.00420870	0.01825689	0.00055080	0.00015314	0.01894614	0.00318361	0.00147921	0.00031892	0.00023355	0.00972078	0.00914212	0.00102164	0.04553705	0.00755461	0.00009542	0.00024953	0.00004224
AFUDC_OFF SUBTRAN	0.03520859	0.04263538	0.00160859	0.00730012	0.00022491	0.00003196	0.00757429	0.00127449	0.00078118	-	0.00009437	0.00398714	0.00507299	-	0.02434632	-	0.00003885	0.00010102	0.00001710
AFUDC_OFF DISTPRI	0.12594735	0.08345397	0.00318209	0.01355504	0.00041225	-	0.01353634	0.00227088	-	-	0.00017870	0.00705893	-	-	-	-	0.00007222	0.00019161	0.00003244
AFUDC_OFF DISTSEC	0.08204391	0.00054673	0.00340250	0.00207008	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00003953	0.00078597	0.00014036
AFUDC_OFF ENERGY	0.00135893	0.00048494	0.00002875	0.00010685	0.00000325	0.00000091	0.00011803	0.00001977	0.00000911	0.00000198	0.00000171	0.00007052	0.00005755	0.00000650	0.00036827	0.00006623	0.00000081	0.00000938	0.00000175
AFUDC_OFF CUSTOMER	0.03684108	0.01692687	0.00424609	0.00133490	0.00043492	0.00014369	0.00046120	0.00014369	0.00027161	0.00004060	0.00000123	0.00007767	0.00036695	0.00005689	0.00026358	0.00006089	0.00000199	0.01091709	0.00116053
AFUDC_OFF TOTAL	1.00000000	0.51140212	0.02489603	0.08482262	0.00271920	0.00057546	0.08518633	0.01304720	0.00539313	0.00097744	0.00100374	0.03966899	0.03229599	0.00306416	0.15787599	0.02227212	0.00043310	0.01263642	0.00149000
TRANS_TOTAL PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL BULKTRAN	0.70300000	0.32708142	0.01312690	0.05696116	0.00174930	0.00047771	0.05910184	0.00993117	0.00461434	0.00099487	0.00072854	0.03032364	0.02851853	0.00318698	0.14142740	0.02356634	0.00029765	0.00077841	0.00013177
TRANS_TOTAL SUBTRAN	0.29700000	0.13299962	0.00529666	0.02277248	0.00070159	0.00025567	0.02362745	0.00397573	0.00243685	-	0.00029440	0.01237535	0.01582560	-	0.07594752	-	0.00012119	0.00031512	0.00005335
TRANS_TOTAL DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL TOTAL	1.00000000	0.45993104	0.01842758	0.07973358	0.00245093	0.00073338	0.08272929	0.01390690	0.00705119	0.00099487	0.00102294	0.04269899	0.04434353	0.00318698	0.21737492	0.02356634	0.00041884	0.00109353	0.00018512

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KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

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Witness: J. Stegall

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
INPUTS FROM WORKPAPERS																				
CP1		1,154,526	537,169	21,563	93,551	2,673	785	97,067	16,311	7,578	1,634	1,197	49,803	46,838	5,234	232,276	33,705	469	1,278	216
PROD_DEMAND	PRODUCTION	1.00000000	0.46526516	0.01867553	0.08102575	0.00248845	0.00067954	0.08407089	0.01412684	0.00656379	0.00141516	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
PROD_DEMAND	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_DEMAND	TOTAL	1.00000000	0.46526516	0.01867553	0.08102575	0.00248845	0.00067954	0.08407089	0.01412684	0.00656379	0.00141516	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
ENER		7,049,024,613	2,515,737,354	149,171,019	554,369,004	16,653,084	4,697,711	615,443,289	102,554,908	47,253,014	10,206,002	8,873,257	365,035,659	293,571,815	44,109,277	1,910,517,257	243,639,379	4,160,635	49,666,992	9,070,136
PROD_ENERGY	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY	ENERGY	1.00000000	0.35685106	0.02115954	0.07863870	0.00239139	0.00066636	0.08729909	0.01454717	0.00670414	0.00145033	0.00125865	0.05180283	0.04235167	0.00625579	0.27100210	0.04374013	0.00059031	0.00070329	0.00128771
PROD_ENERGY	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROD_ENERGY	TOTAL	1.00000000	0.35685106	0.02115954	0.07863870	0.00239139	0.00066636	0.08729909	0.01454717	0.00670414	0.00145033	0.00125865	0.05180283	0.04235167	0.00625579	0.27100210	0.04374013	0.00059031	0.00070329	0.00128771
CPT		1,154,526	537,169	21,563	93,551	2,673	785	97,067	16,311	7,578	1,634	1,197	49,803	46,838	5,234	232,276	33,705	469	1,278	216
BULK_TRANS	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS	BULKTRAN	1.00000000	0.46526516	0.01867553	0.08102575	0.00248845	0.00067954	0.08407089	0.01412684	0.00656379	0.00141516	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
BULK_TRANS	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BULK_TRANS	TOTAL	1.00000000	0.46526516	0.01867553	0.08102575	0.00248845	0.00067954	0.08407089	0.01412684	0.00656379	0.00141516	0.00103633	0.04313462	0.04056690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
CPST		889,629	394,355	15,711	67,522	2,030	758	70,057	11,768	7,225	0	873	36,094	45,922	0	225,191	0	359	934	156
SUB_TRANS	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_TRANS	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_TRANS	SUBTRAN	1.00000000	0.44781016	0.01784063	0.07587501	0.00236226	0.00066083	0.07955372	0.01338630	0.00620488	-	0.00099123	0.04166786	0.05328283	-	0.25571556	-	0.00040003	0.00106102	0.00017961
SUB_TRANS	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_TRANS	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_TRANS	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_TRANS	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_TRANS	TOTAL	1.00000000	0.44781016	0.01784063	0.07587501	0.00236226	0.00066083	0.07955372	0.01338630	0.00620488	-	0.00099123	0.04166786	0.05328283	-	0.25571556	-	0.00040003	0.00106102	0.00017961
ENER_SUB		5,410,531,503	1,846,109,972	109,513,132	406,999,453	12,360,788	4,564,023	451,894,943	75,299,689	45,850,692	0	6,515,473	268,663,331	269,643,501	0	1,855,352,102	0	3,070,325	35,764,280	6,670,609
SUB_ENERGY	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_ENERGY	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_ENERGY	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_ENERGY	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_ENERGY	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_ENERGY	ENERGY	1.00000000	0.34070282	0.02021005	0.07511250	0.00228490	0.00084230	0.08339305	0.01389573	0.00846921	-	0.00120244	0.04958231	0.05349115	-	0.34240866	-	0.00056663	0.00660037	0.00123107
SUB_ENERGY	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUB_ENERGY	TOTAL	1.00000000	0.34070282	0.02021005	0.07511250	0.00228490	0.00084230	0.08339305	0.01389573	0.00846921	-	0.00120244	0.04958231	0.05349115	-	0.34240866	-	0.00056663	0.00660037	0.00123107
CPD		733,614	331,648	20,272	86,353	2,629	0	86,253	14,467	0	0	1,138	44,869	0	0	0	0	469	1,221	207
DIST_CPD	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD	DISTPRI	1.00000000	0.67330175	0.02567291	0.10936129	0.00332598	-	0.10923464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058255	0.00154590	0.00026170
DIST_CPD	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_CPD	TOTAL	1.00000000	0.67330175	0.02567291	0.10936129	0.00332598	-	0.10923464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058255	0.00154590	0.00026170
SECDEM		1,453,046	1,079,600	60,675	161,742	0	0	141,870	0	0	0	1,839	0	0	0	0	0	705	14,014	2,503
DISTSEC	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTSEC	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTSEC	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTSEC	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTSEC	DISTSEC	1.00000000	0.73797953	0.04147170	0.11055155	-	-	0.09096833	-	-	-	0.00125697	-	-	-	-	-	0.00048187	0.00957805	0.00171081
DISTSEC	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTSEC	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTSEC	TOTAL	1.00000000	0.73797953	0.04147170	0.11055155	-	-	0.09096833	-	-	-	0.00125697	-	-	-	-	-	0.00048187	0.00957805	0.00171081
TOTCUST		220,113	140,750	23,414	7,277	83	13	759	83	20	2	2	43	27	3	13	3	11	47,554	56
CUST_TOTAL	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_TOTAL	CUSTOMER	1.00000000	0.63944429	0.10637264	0.03306029	0.00037703	0.00005305	0.00344823	0.00037703	0.00009085	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
CUST_TOTAL	TOTAL	1.00000000	0.63944429	0.10637264	0.03306029	0.00037703	0.00005305	0.00344823	0.00037703	0.00009085	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
PRICUST		220,002	140,750	23,414	7,277	83	0	759	83	0	0	2	43	0	0	0	0	11	47,554	56
DIST_PCUST	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_PCUST	CUSTOMER	1.00000000	0.63957953	0.10641179	0.03307246	0.00037722	-	0.00344950	0.00037722	-	-	0.00000909	0.00019543	-	-	-	-	0.00004999	0.21612311	0.00025451
DIST_PCUST	TOTAL	1.00000000	0.63957953	0.10641179	0.03307246	0.00037722	-	0.00344950	0.00037722	-	-	0.00000909	0.00019543	-	-	-	-	0.00004999	0.21612311	0.00025451

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
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Witness: J. Stegall

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	OP-SEC	OP-PRI	OP-SUB	OP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
SECCUST		219,823	149,759	23,414	7,277	0	0	759	0	0		2	0	0		0	0	11	47,554	55
DIST_SERV	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SERV	CUSTOMER	1.00000000	0.64028787	0.10651297	0.03310391	-	-	0.00345278	-	-	-	0.00000910	-	-	-	-	-	0.00005004	0.21632859	0.00025475
DIST_SERV	TOTAL	1.00000000	0.64028787	0.10651297	0.03310391	-	-	0.00345278	-	-	-	0.00000910	-	-	-	-	-	0.00005004	0.21632859	0.00025475
METER		35,300,183	15,092,379	6,463,928	2,697,913	1,740,003	575,402	1,569,434	697,275	1,055,722	162,645	4,176	309,432	1,459,774	240,968	1,057,193	243,903	3,565	0	0
DIST_METERS	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_METERS	CUSTOMER	1.00000000	0.42669468	0.24633382	0.07614445	0.04929176	0.01630252	0.04445966	0.01691608	0.03034182	0.00460748	0.00011830	0.00876573	0.04163644	0.00691124	0.02994865	0.00691124	0.00011292	-	-
DIST_METERS	TOTAL	1.00000000	0.42669468	0.24633382	0.07614445	0.04929176	0.01630252	0.04445966	0.01691608	0.03034182	0.00460748	0.00011830	0.00876573	0.04163644	0.00691124	0.02994865	0.00691124	0.00011292	-	-
DIR371		1	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	1	0
DIST_OL	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OL	CUSTOMER	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000	-
DIST_OL	TOTAL	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000	-
DIR373		1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
DIST_SL	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_SL	CUSTOMER	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000
DIST_SL	TOTAL	1.00000000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00000000
DIR902		353,005	231,500	46,828	21,631	291	46	3,416	415	160	10	12	250	162	18	78	18	22	0	0
CUST_902	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_902	CUSTOMER	1.00000000	0.79294658	0.13190800	0.06149491	0.00031971	0.00012958	0.00952240	0.00116900	0.00028169	0.00002817	0.00003380	0.00072875	0.00045633	0.00005070	0.00021972	0.00005070	0.00006197	-	-
CUST_902	TOTAL	1.00000000	0.79294658	0.13190800	0.06149491	0.00031971	0.00012958	0.00952240	0.00116900	0.00028169	0.00002817	0.00003380	0.00072875	0.00045633	0.00005070	0.00021972	0.00005070	0.00006197	-	-
DIR903		5,469,305	4,728,662	544,995	169,303	1,932	303	17,667	1,932	466	47	47	1,001	628	70	303	70	256	0	1,303
CUST_903	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_903	CUSTOMER	1.00000000	0.86462725	0.09964502	0.03096941	0.00035324	0.00005540	0.00323017	0.00035324	0.00008520	0.00000859	0.00000859	0.00018302	0.00011482	0.00001280	0.00005540	0.00001280	0.00004631	-	0.00023824
CUST_903	TOTAL	1.00000000	0.86462725	0.09964502	0.03096941	0.00035324	0.00005540	0.00323017	0.00035324	0.00008520	0.00000859	0.00000859	0.00018302	0.00011482	0.00001280	0.00005540	0.00001280	0.00004631	-	0.00023824
CUST451		412,769	370,416	25,718	10,036	21	-	148	35	-	-	-	9	-	-	-	-	-	6,334	-
CUST_451	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_451	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_451	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_451	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_451	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_451	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_451	CUSTOMER	1.00000000	0.89739412	0.06230711	0.02443926	0.00004926	-	0.00035894	0.00003363	-	-	-	0.00002091	-	-	-	-	-	0.01534603	-
CUST_451	TOTAL	1.00000000	0.89739412	0.06230711	0.02443926	0.00004926	-	0.00035894	0.00003363	-	-	-	0.00002091	-	-	-	-	-	0.01534603	-
CUSTDEP		22,733,162	17,164,723	943,633	1,924,436	222,621	183,958	729,106	375,707	42,406	23,279	-	374,093	270,118	181,724	29,224	150,000	-	122,934	-
CUST_DEP	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUST_DEP	CUSTOMER	1.00000000	0.75468612	0.04140997	0.08453463	0.00979943	0.00800928	0.03200530	0.01652319	0.00186497	0.00102379	-	0.01645221	0.01187950	0.00798203	0.00128524	0.00659684	-	0.00540651	-
CUST_DEP	TOTAL	1.00000000	0.75468612	0.04140997	0.08453463	0.00979943	0.00800928	0.03200530	0.01652319	0.00186497	0.00102379	-	0.01645221	0.01187950	0.00798203	0.00128524	0.00659684	-	0.00540651	-
RYEC		(6,452,059)	(94,167)	11,532	(60,041)	(99,311)	(222,923)	266,790	161,763	(255,376)	(121)	(369,387)	(399,880)	(941,701)	1,348,546	(1,765,095)	(4,253,900)	(30,761)	193,093	(21,947)
REVYEC	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC	CUSTOMER	1.00000000	0.01459345	(0.00179491)	0.00099779	0.01523566	0.03445432	(0.04443574)	(0.02506808)	0.03957668	0.00001875	0.04793459	0.06150614	0.14595171	(0.20899008)	0.27366808	0.65924454	0.00476716	(0.02946028)	0.00340122
REVYEC	TOTAL	1.00000000	0.01459345	(0.00179491)	0.00099779	0.01523566	0.03445432	(0.04443574)	(0.02506808)	0.03957668	0.00001875	0.04793459	0.06150614	0.14595171	(0.20899008)	0.27366808	0.65924454	0.00476716	(0.02946028)	0.00340122

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
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ALLOCATOR	FUNCTION		Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
FORF DISCOUNTS			3,292,936	2,378,159	190,174	361,953	1,471	6,753	112,797	29,078	13,261	-	-	57,013	39,648	22,714	31,145	-	-	18,760	-
FORF_DISC	PRODUCTION		1.00000000	0.72884311	0.05828299	0.11092850	0.00045037	0.00205969	0.03456932	0.00891162	0.00406423	-	-	0.01747286	0.01215089	0.00696109	0.00954537	-	-	0.00574945	-
FORF_DISC	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FORF_DISC	TOTAL		1.00000000	0.72884311	0.05828299	0.11092850	0.00045037	0.00205969	0.03456932	0.00891162	0.00406423	-	-	0.01747286	0.01215089	0.00696109	0.00954537	-	-	0.00574945	-
YEAR END CUST ADJ			(8,452,689)	(24,167)	11,502	(50,641)	(93,311)	(222,323)	286,730	161,763	(255,376)	(121)	(309,307)	(356,660)	(941,781)	1,348,548	(1,705,895)	(4,253,900)	(30,761)	190,098	(21,947)
REVVEC	PRODUCTION		1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.03445432	(0.04443574)	(0.02509008)	0.03957668	0.00001875	0.04793459	0.06150514	0.14595171	(0.20899003)	0.27366803	0.65924454	0.00476716	(0.02946028)	0.00340122
REVVEC	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVVEC	TOTAL		1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.03445432	(0.04443574)	(0.02509008)	0.03957668	0.00001875	0.04793459	0.06150514	0.14595171	(0.20899003)	0.27366803	0.65924454	0.00476716	(0.02946028)	0.00340122
FUELR			(11,955,024)	(4,118,863)	(243,095)	(399,216)	(30,403)	(12,329)	(1,001,249)	(170,070)	(87,923)	(17,839)	(22,382)	(630,162)	(537,307)	(27,966)	(3,333,615)	(712,678)	(7,513)	(77,443)	(15,166)
FUELREV	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV	ENERGY		1.00000000	0.34452938	0.02040105	0.07596830	0.00254353	0.00103128	0.08375132	0.01422582	0.00735498	0.00149218	0.00187218	0.05271106	0.04494403	0.00233927	0.27884637	0.05961326	0.00062844	0.00647786	0.00126859
FUELREV	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUELREV	TOTAL		1.00000000	0.34452938	0.02040105	0.07596830	0.00254353	0.00103128	0.08375132	0.01422582	0.00735498	0.00149218	0.00187218	0.05271106	0.04494403	0.00233927	0.27884637	0.05961326	0.00062844	0.00647786	0.00126859
INTERNALLY DERIVED																					
Bulk Transmission Plant		$343,720,854.63																			
Subtransmission Plant		$145,446,031.87																			
Total Transmission Plant		$489,183,886.50																			
BULK_TRANS	BULKTRAN	70.30%	1.00000000	0.46526518	0.01987553	0.03102575	0.00240845	0.00667954	0.03407609	0.01412584	0.00556379	0.00141518	0.00163633	0.04313462	0.04056090	0.00453340	0.28117606	0.03352253	0.00042341	0.00110726	0.00018744
SUB_TRANS	ENERGY	29.70%	1.00000000	0.44781618	0.01784059	0.07657501	0.00235226	0.00096663	0.07955372	0.01330630	0.00320469	-	0.00099123	0.04166765	0.05328283	-	0.25571556	-	0.00040893	0.00160102	0.00017961
TRANS_TOTAL	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL	BULKTRAN		0.76300000	0.32708142	0.01312890	0.05696110	0.00174338	0.00047771	0.05910184	0.00993117	0.00461434	0.00099407	0.00072854	0.03032364	0.02851653	0.00318628	0.14142740	0.02356634	0.00029765	0.00077841	0.00013177
TRANS_TOTAL	SUBTRAN		0.29700000	0.13299962	0.00529668	0.02277243	0.00070159	0.00025567	0.02362745	0.00397573	0.00243065	-	0.00029440	0.01237535	0.01532500	-	0.07594752	-	0.00012119	0.00031512	0.00005335
TRANS_TOTAL	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANS_TOTAL	TOTAL		1.00000000	0.46008104	0.01842758	0.07973358	0.00245026	0.00073338	0.08272929	0.01390690	0.00705119	0.00099487	0.00102294	0.04269899	0.04434353	0.00318628	0.21737492	0.02356634	0.00041884	0.00109353	0.00018512
DIST_CPD	DISTPRI	56.20%	1.00000000	0.67330175	0.02567291	0.10936129	0.00332598	-	0.10923464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058265	0.00154590	0.00026170
DISTSEC	DISTSEC	43.80%	1.00000000	0.73797953	0.04147170	0.11055155	-	-	0.09969893	-	-	-	0.00125697	-	-	-	-	-	0.00048187	0.00957855	0.00171031
DIST_POLES	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES	DISTPRI		0.56200000	0.37039558	0.01442818	0.06146105	0.00186920	-	0.06138887	0.01029650	-	-	0.00081027	0.03200604	-	-	-	-	0.00032745	0.00086879	0.00014707
DIST_POLES	DISTSEC		0.43800000	0.32322593	0.01816460	0.04842158	-	-	0.04247239	-	-	-	0.00055055	-	-	-	-	-	0.00021105	0.00419545	0.00074934
DIST_POLES	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_POLES	TOTAL		1.00000000	0.70163062	0.03259278	0.10988263	0.00186920	-	0.10386226	0.01029650	-	-	0.00136682	0.03200604	-	-	-	-	0.00053851	0.00506424	0.00089641
DIST_CPD	DISTPRI	66.10%	1.00000000	0.67330175	0.02567291	0.10936129	0.00332598	-	0.10923464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058265	0.00154590	0.00026170
DISTSEC	DISTSEC	33.90%	1.00000000	0.73797953	0.04147170	0.11055155	-	-	0.09969893	-	-	-	0.00125697	-	-	-	-	-	0.00048187	0.00957855	0.00171031
DIST_OHLINES	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES	DISTPRI		0.66100000	0.44505245	0.01690330	0.07228782	0.00219847	-	0.07220410	0.01211030	-	-	0.00095360	0.03764412	-	-	-	-	0.00038513	0.00102184	0.00017293
DIST_OHLINES	DISTSEC		0.33900000	0.25017565	0.01405991	0.03747607	-	-	0.03287247	-	-	-	0.00042611	-	-	-	-	-	0.00016335	0.00324716	0.00057997
DIST_OHLINES	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_OHLINES	TOTAL		1.00000000	0.69522751	0.03102870	0.10976479	0.00219847	-	0.10507636	0.01211030	-	-	0.00137911	0.03764412	-	-	-	-	0.00054849	0.00426900	0.00075295
DIST_CPD	DISTPRI	62.50%	1.00000000	0.67330175	0.02567291	0.10936129	0.00332598	-	0.10923464	0.01832117	-	-	0.00144175	0.05695025	-	-	-	-	0.00058265	0.00154590	0.00026170
DISTSEC	DISTSEC	37.50%	1.00000000	0.73797953	0.04147170	0.11055155	-	-	0.09969893	-	-	-	0.00125697	-	-	-	-	-	0.00048187	0.00957855	0.00171031
DIST_UGLINES	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES	DISTPRI		0.62500000	0.42081359	0.01604557	0.06835081	0.00207874	-	0.06827165	0.01145073	-	-	0.00090110	0.03559391	-	-	-	-	0.00036416	0.00096618	0.00016356
DIST_UGLINES	DISTSEC		0.37500000	0.27674232	0.01555189	0.04145683	-	-	0.03636335	-	-	-	0.00047135	-	-	-	-	-	0.00018070	0.00359193	0.00064156
DIST_UGLINES	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_UGLINES	TOTAL		1.00000000	0.69755592	0.03159746	0.10980764	0.00207874	-	0.10463500	0.01145073	-	-	0.00137246	0.03559391	-	-	-	-	0.00054465	0.00455818	0.00080512

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

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ALLOCATOR	FUNCTION		Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	OP-SEC	OP-PRI	OP-SUB	OP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
DIST_CPD	DISTPRI	26.50%	1.00000000	0.67330175	0.02567291	0.10993129	0.00332598	-	0.10923464	0.01832117	-	-	0.00144175	0.05699025	-	-	-	-	0.00058265	0.00154590	0.00026170
DISTSEC	DISTSEC	73.50%	1.00000000	0.73797953	0.04147170	0.11055155	-	-	0.09695893	-	-	-	0.00125697	-	-	-	-	-	0.00048187	0.00057865	0.00171031
DIST_TRANSF	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF	DISTPRI		0.26500000	0.17842495	0.00680332	0.02898074	0.00088193	-	0.02894718	0.00485511	-	-	0.00038206	0.01509182	-	-	-	-	0.00015449	0.00040969	0.00006935
DIST_TRANSF	DISTSEC		0.73500000	0.54241405	0.03049170	0.08125539	-	-	0.07127216	-	-	-	0.00092387	-	-	-	-	-	0.00035416	0.00784030	0.00125745
DIST_TRANSF	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIST_TRANSF	TOTAL		1.00000000	0.72083392	0.03729502	0.11023613	0.00088193	-	0.10021934	0.00485511	-	-	0.00130594	0.01509182	-	-	-	-	0.00050859	0.00744997	0.00132680
SALES OF ELECTRICITY	PRODUCTION		199,913,948	82,332,464	5,033,065	20,775,262	666,047	205,492	20,407,345	3,576,199	1,456,649	276,704	232,980	9,173,281	9,065,852	751,222	39,556,216	6,934,981	117,756	326,436	63,035
	BULKTRAN		(10,697,603)	(7,923,654)	112,071	241,151	8,995	34,931	(93,682)	4,750	(635)	(18,310)	29,526	(318,392)	(83,287)	(237,581)	(2,585,746)	126,350	6,593	2,324	3,106
	SUBTRAN		(4,643,917)	(3,225,530)	45,353	95,752	3,620	18,735	(39,403)	1,949	(332)	-	11,536	(130,050)	(46,220)	-	(1,390,134)	-	2,668	945	1,269
	DISTPRI		45,631,995	28,514,150	1,672,012	6,765,362	194,310	-	6,333,557	1,110,360	-	-	84,946	2,828,359	-	-	-	-	40,495	98,455	20,001
	DISTSEC		29,364,942	18,155,691	1,726,507	4,363,226	-	-	3,576,718	-	-	-	47,851	-	-	-	-	-	21,502	329,112	84,037
	ENERGY		206,181,029	73,244,989	4,545,524	16,826,580	479,227	62,450	18,757,277	3,181,176	1,310,854	304,814	151,840	10,771,626	8,573,216	1,852,942	55,797,703	8,385,580	116,930	1,549,377	277,652
	CUSTOMER		22,626,695	11,922,035	2,977,516	909,281	193,410	66,878	227,427	70,136	106,808	12,768	620	29,733	143,503	9,989	81,428	22,983	1,439	5,091,044	772,613
	TOTAL		487,401,782	291,020,022	16,112,073	49,977,613	1,483,408	468,487	49,164,033	7,944,570	2,875,424	576,007	558,302	22,354,617	17,573,164	2,376,572	90,459,466	15,469,894	307,392	7,418,693	1,222,039
REV_SALES	PRODUCTION		0.41016253	0.16892114	0.01032808	0.04262451	0.00124526	0.00042161	0.04186966	0.00733727	0.00298270	0.00056777	0.00047801	0.01882078	0.01864161	0.00154128	0.07910581	0.01422847	0.00024160	0.00066975	0.00012933
REV_SALES	BULKTRAN		(0.02194922)	(0.01625532)	0.00022994	0.00049477	0.00001845	0.00007167	(0.00020288)	0.00000975	(0.00000130)	(0.00003757)	0.00005853	(0.00065324)	(0.00017088)	(0.00048744)	(0.00530816)	0.00025923	0.00001353	0.00000477	0.00000656
REV_SALES	SUBTRAN		(0.00953816)	(0.00661606)	0.00009305	0.00019651	0.00000743	0.00003844	(0.00008094)	0.00000400	(0.00000068)	-	0.00002367	(0.00026682)	(0.00009483)	-	(0.00285213)	-	0.00000551	0.00000194	0.00000266
REV_SALES	DISTPRI		0.09368451	0.05439896	0.00343046	0.01388046	0.00039887	-	0.01299453	0.00227812	-	-	0.00017428	0.00580293	-	-	-	-	0.00008305	0.00020200	0.00004104
REV_SALES	DISTSEC		0.06319561	0.03724995	0.00354227	0.00895201	-	-	0.00733834	-	-	-	0.00009818	-	-	-	-	-	0.00004412	0.00067534	0.00017242
REV_SALES	ENERGY		0.42362067	0.15027641	0.00932603	0.03452302	0.00098323	0.00012813	0.03849422	0.00652900	0.00268947	0.00062539	0.00031153	0.02210322	0.01758983	0.00380167	0.11447929	0.01720466	0.00023990	0.00318038	0.00057000
REV_SALES	CUSTOMER		0.04642207	0.02446033	0.00610394	0.00186557	0.00039668	0.00013725	0.00046661	0.00014390	0.00021930	0.00002620	0.00000127	0.00000100	0.00029443	0.00002049	0.00016707	0.00004715	0.00000295	0.01043372	0.00158517
REV_SALES	TOTAL		1.00000000	0.41243185	0.03305707	0.10253584	0.00304356	0.00083309	0.10039353	0.01629984	0.00589349	0.00118179	0.00114547	0.04586437	0.03825935	0.00487600	0.18539527	0.03173251	0.00063067	0.01522090	0.00259725
Production EPIS	PRODUCTION		544,349,633	253,266,928	10,166,020	44,106,335	1,354,589	369,906	45,763,960	7,689,941	3,572,934	770,352	564,128	23,480,313	22,032,579	2,467,753	109,510,603	18,247,979	230,481	602,738	102,034
	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL		544,349,633	253,266,928	10,166,020	44,106,335	1,354,589	369,906	45,763,960	7,689,941	3,572,934	770,352	564,128	23,480,313	22,032,579	2,467,753	109,510,603	18,247,979	230,481	602,738	102,034
RB_GUP_EPIS_P	PRODUCTION		1.00000000	0.46526518	0.01867553	0.08102575	0.00248845	0.00067954	0.08407099	0.01412684	0.00656379	0.00141516	0.00103633	0.04313462	0.04050690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
RB_GUP_EPIS_P	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_P	TOTAL		1.00000000	0.46526518	0.01867553	0.08102575	0.00248845	0.00067954	0.08407099	0.01412684	0.00656379	0.00141516	0.00103633	0.04313462	0.04050690	0.00453340	0.20117696	0.03352253	0.00042341	0.00110726	0.00018744
Transmission EPIS	PRODUCTION		13,104,419	6,097,030	244,732	1,061,795	32,610	8,905	1,101,760	185,124	86,015	18,545	13,581	565,254	530,503	59,408	2,636,307	439,293	5,548	14,510	2,456
	BULKTRAN		330,665,261	153,647,031	6,175,350	26,792,399	822,845	224,699	27,799,324	4,671,255	2,170,416	467,950	342,680	14,263,119	13,414,066	1,499,037	65,522,231	11,084,738	140,006	366,133	61,991
	SUBTRAN		139,697,642	62,559,113	2,492,305	10,711,334	330,003	120,257	11,113,482	1,870,037	1,146,204	-	139,473	5,829,910	7,443,406	-	35,722,912	-	57,001	148,223	25,032
	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL		483,467,322	222,502,174	8,912,387	38,565,528	1,185,458	353,861	40,014,566	6,726,417	3,402,635	486,495	494,734	20,649,283	21,388,168	1,558,444	104,881,451	11,524,031	202,556	528,866	89,529
RB_GUP_EPIS_T	PRODUCTION		0.02710507	0.01261104	0.00050620	0.00219621	0.00006745	0.00001842	0.00227875	0.00038291	0.00017791	0.00003836	0.00002809	0.00116917	0.00109957	0.00012288	0.00545291	0.00090853	0.00001148	0.00003001	0.00000506
RB_GUP_EPIS_T	BULKTRAN		0.68394514	0.31781563	0.01277364	0.05541716	0.00170197	0.00046477	0.05749388	0.00966190	0.00449227	0.00096790	0.00070930	0.02950171	0.02774554	0.00310059	0.13758400	0.02292757	0.00028959	0.00075731	0.00012820
RB_GUP_EPIS_T	SUBTRAN		0.28894959	0.12939495	0.00515506	0.02215823	0.00068257	0.00024874	0.02298703	0.00386797	0.00237009	-	0.00028842	0.01200992	0.01539606	-	0.07388396	-	0.00011790	0.00030658	0.00005190
RB_GUP_EPIS_T	DISTPRI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T	DISTSEC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_T	TOTAL		1.00000000	0.46022155	0.01843430	0.07976860	0.00245103	0.00073192	0.08276566	0.01391286	0.00703788	0.00100626	0.00102330	0.04271060	0.04424117	0.00322347	0.21693568	0.02383620	0.00041606	0.00109390	0.00018518
Distribution EPIS	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI		333,137,651	228,342,107	8,706,657	37,068,555	1,127,965	-	37,045,601	6,213,404	-	-	468,953	19,313,987	-	-	-	-	197,600	524,272	88,751
	DISTSEC		225,210,584	166,203,601	9,339,665	24,897,378	-	-	21,838,429	-	-	-	283,092	-	-	-	-	-	169,523	2,157,213	385,293
	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER		97,837,450	43,609,942	11,316,193	3,552,657	1,211,658	409,735	1,263,202	415,914	758,134	113,258	3,370	215,474	1,023,480	169,683	736,178	169,683	5,317	30,249,603	3,226,348
	TOTAL		656,185,685	437,543,650	29,362,715	65,518,590	2,339,623	409,735	60,152,232	6,629,317	758,134	113,258	775,405	19,529,460	1,023,480	169,683	736,178	169,683	311,439	32,931,288	3,700,393
RB_GUP_EPIS_D	PRODUCTION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	BULKTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	SUBTRAN		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	DISTPRI		0.51214302	0.34483303	0.01314836	0.05600928	0.00170340	-	0.05594441	0.00938317	-	-	0.00073839	0.02916702	-	-	-	-	0.00029841	0.00079173	0.00013403
RB_GUP_EPIS_D	DISTSEC		0.34610175	0.25093814	0.01410469	0.03759378	-	-	0.03297930	-	-	-	0.00042750	-	-	-	-	-	0.00016369	0.00325771	0.00055165
RB_GUP_EPIS_D	ENERGY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	CUSTOMER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	TOTAL		0.14774922	0.09493787	0.01789915	0.05536586	0.00182979	0.00060517	0.00191517	0.00062809	0.00114490	0.00017104	0.00000609	0.00032540	0.00154561	0.00025656	0.00111174	0.00025656	0.00000803	0.04568174	0.00467227
RB_GUP_EPIS_O	TOTAL		1.00000000	0.66075684	0.04434210	0.09397312	0.00353316	0.00060517	0.09033859	0.01001126	0.00114490	0.00017104	0.00117030	0.02942241	0.00154561	0.00025656	0.00111174	0.00025656	0.00047032	0.04373118	0.00558815

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Commission Staff's Second Set of Data Requests
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KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.. 2013-00197
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Witness: J. Stegall

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
Gen & Int Plant	PRODUCTION	23,003,840	10,744,769	431,290	1,871,196	57,468	15,693	1,941,526	326,243	151,583	32,682	23,933	993,144	936,846	164,694	4,645,949	774,164	9,778	25,571	4,329
	BULKTRAN	866,251	403,036	16,178	70,189	2,156	589	72,826	12,237	5,686	1,226	898	37,365	35,141	3,927	174,270	29,039	367	959	162
	SUBTRAN	365,569	163,865	6,529	28,651	865	315	29,114	4,699	3,663	-	363	15,249	19,560	-	93,564	-	149	383	66
	DISTPRI	12,460,110	6,402,630	320,401	1,304,841	41,509	-	1,363,266	228,650	-	-	17,993	710,745	-	-	-	-	7,272	19,293	3,266
	DISTSEC	7,703,859	5,683,083	319,363	851,343	-	-	746,745	-	-	-	9,650	-	-	-	-	-	3,711	73,764	13,175
	ENERGY	3,002,744	1,071,533	63,537	235,132	7,181	2,091	262,137	43,681	20,131	4,373	3,779	155,821	127,171	18,788	813,750	146,354	1,781	20,729	3,657
	CUSTOMER	5,934,683	4,258,249	660,233	211,393	27,101	8,633	41,588	10,622	16,252	2,405	113	5,535	21,960	3,610	15,642	2,610	310	586,078	121,758
	TOTAL	53,504,666	30,727,425	1,817,386	4,633,024	136,279	27,230	4,457,191	626,333	199,654	40,686	56,758	1,920,860	1,140,618	191,018	5,743,195	953,167	23,367	726,762	146,622
RB_GUP_EPIS_G	PRODUCTION	0.43162292	0.20081911	0.00806079	0.03497257	0.00107407	0.00029330	0.03628692	0.00609747	0.00283308	0.00061032	0.00044731	0.01861789	0.01750961	0.00195672	0.03683259	0.01446309	0.00018275	0.00047792	0.00003930
RB_GUP_EPIS_G	BULKTRAN	0.01619019	0.00753273	0.00030236	0.00131182	0.00004029	0.00001100	0.00136112	0.00022872	0.00010627	0.00002291	0.00001678	0.00069836	0.00065579	0.00007340	0.00325709	0.00054274	0.00000686	0.00001793	0.00000303
RB_GUP_EPIS_G	SUBTRAN	0.00683995	0.00305300	0.00012203	0.00052445	0.00001616	0.00000589	0.00054414	0.00009156	0.00005512	-	0.00000678	0.00028501	0.00036445	-	0.00174903	-	0.00000279	0.00000726	0.00000123
RB_GUP_EPIS_G	DISTPRI	0.23302274	0.11704948	0.00598828	0.02550682	0.00077579	-	0.02547923	0.00427346	-	-	0.00033629	0.01328360	-	-	-	-	0.00013591	0.00035958	0.00006104
RB_GUP_EPIS_G	DISTSEC	0.14402892	0.10621653	0.00596333	0.01591156	-	-	0.01395063	-	-	-	0.00018091	-	-	-	-	-	0.00006936	0.00137854	0.00024624
RB_GUP_EPIS_G	ENERGY	0.05512117	0.02002590	0.00118750	0.00441336	0.00013421	0.00003740	0.00489303	0.00081640	0.00037624	0.00008173	0.00007004	0.00291229	0.00237683	0.00035114	0.01520895	0.00273535	0.00003328	0.00038742	0.00007227
RB_GUP_EPIS_G	CUSTOMER	0.11204411	0.07958649	0.01233630	0.00394931	0.00050653	0.00016134	0.00777728	0.00019853	0.00030375	0.00004495	0.00000211	0.00010345	0.00041043	0.00006747	0.00029236	0.00004877	0.00000580	0.01095377	0.00227555
RB_GUP_EPIS_G	TOTAL	1.00000000	0.57429431	0.03396636	0.08659234	0.00254705	0.00050893	0.08330471	0.01170514	0.00367546	0.00076042	0.00106081	0.03590080	0.02131809	0.00244872	0.10734007	0.01781465	0.00043573	0.01358352	0.00274035
CWIP	PRODUCTION	43,073,537	20,040,617	804,421	3,490,065	107,187	29,270	3,621,231	608,493	282,725	60,957	44,639	1,857,961	1,747,360	195,269	8,665,493	1,443,934	18,238	47,694	8,074
	BULKTRAN	16,971,481	8,026,709	354,303	1,537,178	47,210	12,892	1,594,949	268,037	124,525	26,848	19,661	818,328	769,614	86,005	3,816,625	635,972	8,033	21,006	3,556
	SUBTRAN	6,914,978	3,093,169	142,993	614,549	18,933	6,900	637,621	107,291	65,762	-	7,945	333,967	427,051	-	2,049,555	-	3,270	8,504	1,440
	DISTPRI	6,477,531	4,361,333	166,257	700,391	21,544	-	707,571	118,676	-	-	9,333	368,897	-	-	-	-	3,774	10,014	1,695
	DISTSEC	4,279,193	3,157,957	177,465	473,071	-	-	414,949	-	-	-	5,379	-	-	-	-	-	2,062	40,969	7,321
	ENERGY	114,257	40,773	2,418	8,965	273	76	9,975	1,662	766	166	144	5,929	4,839	715	30,964	5,569	68	769	147
	CUSTOMER	1,959,008	923,136	225,410	70,923	22,477	7,421	24,029	7,766	14,037	2,095	64	4,024	18,951	3,144	13,625	3,144	106	557,714	61,733
	TOTAL	82,690,765	40,939,773	1,673,307	6,903,163	217,624	56,559	7,010,325	1,111,935	487,815	90,067	87,170	3,389,106	2,967,025	285,134	14,576,172	2,088,619	35,550	686,710	83,971
RB_GUP_CWIP	PRODUCTION	0.51064204	0.24177135	0.00970459	0.04210433	0.00129311	0.00035312	0.04369277	0.00734039	0.00341082	0.00073539	0.00053852	0.02241456	0.02108027	0.00235574	0.10454001	0.01741972	0.00022002	0.00057538	0.00009740
RB_GUP_CWIP	BULKTRAN	0.20507322	0.09693744	0.00427453	0.01854462	0.00056954	0.00015553	0.01924158	0.00323328	0.00150227	0.00032390	0.00023719	0.00987236	0.00928469	0.00103757	0.04604402	0.00767241	0.00009691	0.00025342	0.00004300
RB_GUP_CWIP	SUBTRAN	0.08062324	0.04030021	0.00172597	0.00741395	0.00022841	0.00008324	0.00769231	0.00129436	0.00079336	-	0.00009585	0.00402900	0.00515269	-	0.02472597	-	0.00003945	0.00010259	0.00001737
RB_GUP_CWIP	DISTPRI	0.07814537	0.05261541	0.00200822	0.00854608	0.00025991	-	0.00853618	0.00143171	-	-	0.00011267	0.00445040	-	-	-	-	0.00004553	0.00012080	0.00002045
RB_GUP_CWIP	DISTSEC	0.05162448	0.03809781	0.00214095	0.00570717	-	-	0.00500597	-	-	-	0.00006469	-	-	-	-	-	0.00002488	0.00049449	0.00008832
RB_GUP_CWIP	ENERGY	0.00137841	0.00049169	0.00002917	0.00010940	0.00000330	0.00000092	0.00012033	0.00002005	0.00000924	0.00000201	0.00000173	0.00007153	0.00005839	0.00000862	0.00037355	0.00006718	0.00000082	0.00000928	0.00000177
RB_GUP_CWIP	CUSTOMER	0.02364326	0.01113577	0.00271937	0.00085562	0.00027117	0.00008953	0.00028983	0.00009369	0.00016935	0.00002529	0.00000077	0.00004055	0.00022853	0.00003793	0.00016438	0.00003793	0.00000128	0.00672830	0.00074482
RB_GUP_CWIP	TOTAL	1.00000000	0.49393017	0.02259970	0.08328022	0.00262543	0.00068233	0.08457303	0.01341397	0.00588504	0.00108655	0.00105162	0.04088640	0.03580404	0.00343987	0.17584792	0.02519725	0.00042888	0.00828451	0.00101303
T&D Plant	PRODUCTION	13,104,419	6,097,030	244,732	1,061,795	32,610	8,905	1,101,700	185,124	86,015	18,545	13,581	565,254	531,606	59,408	2,635,307	439,293	5,548	14,510	2,456
	BULKTRAN	331,413,581	154,195,198	6,189,326	26,853,032	824,708	225,208	27,852,236	4,681,827	2,175,328	469,009	343,455	14,295,398	13,444,423	1,502,429	66,672,776	11,109,823	140,322	366,962	62,121
	SUBTRAN	139,697,842	62,558,113	2,492,305	10,711,334	330,003	120,257	11,113,482	1,870,037	1,145,204	-	138,473	5,820,910	7,443,493	-	35,722,912	-	57,001	149,223	25,092
	DISTPRI	339,137,851	220,342,107	8,705,657	37,083,555	1,127,965	-	37,045,601	6,213,404	-	-	483,953	19,313,937	-	-	-	-	197,600	524,272	88,751
	DISTSEC	225,210,584	166,230,801	9,339,865	24,837,379	-	-	21,838,429	-	-	-	283,082	-	-	-	-	-	108,523	2,157,213	385,293
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	97,837,450	43,000,942	11,316,193	3,552,667	1,211,658	400,738	1,269,202	416,914	758,134	113,258	3,370	215,474	1,023,460	169,668	736,178	169,883	5,317	30,243,803	3,226,348
	TOTAL	1,146,401,728	650,394,192	38,289,077	104,104,762	3,526,943	755,107	100,229,650	13,366,366	4,165,659	600,813	1,270,915	40,211,022	22,443,004	1,731,724	105,768,174	11,719,004	514,311	33,460,882	3,780,662
TDPLANT	PRODUCTION	0.01143091	0.00531841	0.00021348	0.00092620	0.00002845	0.00000777	0.00096101	0.00016148	0.00007503	0.00001618	0.00001185	0.00049307	0.00046372	0.00005182	0.00229904	0.00033319	0.00000484	0.00001266	0.00000214
TDPLANT	BULKTRAN	0.28909627	0.13450353	0.00539892	0.02342375	0.00071939	0.00019645	0.02430408	0.00408393	0.00189753	0.00040911	0.00029959	0.01246920	0.01172750	0.00131056	0.05815830	0.00969104	0.00012240	0.00032010	0.00005419
TDPLANT	SUBTRAN	0.12185767	0.05455910	0.00217402	0.00934344	0.00028786	0.00010489	0.00969423	0.00163122	0.00099983	-	0.00012079	0.00507755	0.00649292	-	0.03116030	-	0.00004972	0.00012929	0.00002189
TDPLANT	DISTPRI	0.29582811	0.19391858	0.00759477	0.03235214	0.00098332	-	0.03231469	0.00541992	-	-	0.00042251	0.01684740	-	-	-	-	0.00017237	0.00045732	0.00007742
TDPLANT	DISTSEC	0.19644997	0.14497606	0.00814711	0.02167165	-	-	0.01904954	-	-	-	0.00024693	-	-	-	-	-	0.00009466	0.00188172	0.00033609
TDPLANT	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TDPLANT	CUSTOMER	0.08534303	0.03750949	0.00987105	0.00309997	0.00105632	0.00034956	0.00110625	0.00036388	0.00066132	0.00009879	0.00000294	0.00018795	0.00089278	0.00014819	0.00064216	0.00014819	0.00000464	0.02636074	0.00281433
TDPLANT	TOTAL	1.00000000	0.57005827	0.03339935	0.09082236	0.00307653	0.00065908	0.03742978	0.01165935	0.00363370	0.00052409	0.00110861	0.03507589	0.01957691	0.00151057	0.09226100	0.01022242	0.00044663	0.02918783	0.00330505
Electric Plant in Service	PRODUCTION	576,997,709	269,415,067	10,774,059	46,744,377	1,435,669	392,039	48,501,147	8,149,683	3,786,659	816,427	597,669	24,884,633	23,403,360	2,615,351	116,050,538	19,339,408	244,266	638,789	108,137
	BULKTRAN	332,279,632	154,598,234	6,205,503	26,923,221	826,863	225,796	27,935,062	4,694,064	2,181,014	470,235	344,353	14,332,763	13,479,564	1,506,356	66,847,045	11,138,662	140,689	367,921	62,283
	SUBTRAN	140,053,811	62,721,938	2,498,834	10,739,394	330,867	120,572	11,142,597	1,874,936	1,149,207	-	138,836	5,836,159	7,462,996	-	35,816,496	-	57,151	148,611	25,157
	DISTPRI	351,617,961	236,744,937	9,027,057	38,453,396	1,169,473	-	38,408,662	6,442,054	-	-	501,947	20,024,732	-	-	-	-	204,872	543,565	92,017
	DISTSEC	232,911,453	171,883,684	9,659,233	25,748,722	-	-	22,585,174	-	-	-	292,762	-	-	-	-	-	112,233	2,230,976	398,468
	ENERGY	3,002,744	1,071,533	63,537	235,132	7,181	2,091	262,137	43,681	20,131	4,373	3,779	155,821	127,171	18,788	813,750	146,354	1,781	20,729	3,657
	CUSTOMER	103,832,333	47,259,190	11,976,277	3,764,601	1,238,759	409,371	1,309,790	426,536	774,386	115,653	3,483	221,009	1,045,440	173,497	751,821	173,497	5,627	30,835,581	3,348,105
	TOTAL	1,740,615,844	942,694,594	50,204,500	152,609,242	5,008,753	1,149,770	150,144,768	21,631,155	7,911,436	1,406,659	1,888,029	65,455,177	45,518,530	4,313,992	220,289,651	30,798,122	766,618	34,766,472	4,638,036
RB_GUP_EPIS	PRODUCTION	0.33143865	0.15426695	0.00619360	0.02685508	0.00082477	0.00022522	0.02786436	0.00468218	0.00217549	0.00046905	0.00034349	0.01429649	0.01344545	0.00150254	0.06667786	0.01111067	0.00014033	0.00036699	0.00006213
RB_GUP_EPIS	BULKTRAN	0.19089786	0.08881812	0.00356512	0.01546764	0.00047504	0.00012972	0.01604895	0.00269878	0.00125301	0.00027015	0.00019783	0.00823431	0.00774413	0.00086542	0.03840425	0.00639338	0.00008083	0.00021137	0.00003578
RB_GUP_EPIS	SUBTRAN	0.08046786	0.03603437	0.00143560	0.00616968	0.00019003	0.00006927	0.00640153	0.00107717	0.00066023	-	0.00007976	0.00335293	0.00428758	-	0.02057691	-	0.00003283	0.00008538	0.00001445
RB_GUP_EPIS	DISTPRI	0.20200779	0.13601220	0.00518513	0.02209163	0.00067187	-	0.02206525	0.00370102	-	-	0.00029125	0.01150439	-	-	-	-	0.00011770	0.00031229	0.00005286
RB_GUP_EPIS	DISTSEC	0.13380360	0.09874689	0.00554932	0.01479283	-	-	0.01297539	-	-	-	0.00016819	-	-	-	-	-	0.00006448	0.00128172	0.00022892
RB_GUP_EPIS	ENERGY	0.00172510	0.00061561	0.00003650	0.00013508	0.00000413	0.00000115	0.00015000	0.00002510	0.00001157	0.00000251	0.00000217	0.00000952	0.00007305	0.00001079	0.00046751	0.00008408	0.00000102	0.00001191	0.00000222
RB_GUP_EPIS	CUSTOMER	0.05963264	0.02715084	0.00688048	0.00216245	0.00071168	0.00023519	0.00075249	0.00024505	0.00044469	0.00006645	0.00000200	0.00012697	0.00060051	0.00009963	0.00043193	0.00009958	0.00000323	0.01771550	0.00192352
RB_GUP_EPIS	TOTAL	1.00000000	0.54169599	0.02884295	0.08767543	0.00287757	0.00066055	0.08625957	0.01242730	0.00454519	0.00080816	0.00108469	0.03760461	0.02615082	0.00247843	0.12655845	0.01769381	0.00044043	0.01998515	0.00231989
Gross Utility Plant	PRODUCTION	576,997,709	269,415,067	10,774,059	46,744,377	1,435,669	392,039	48,501,147	8,149,683	3,786,659	816,427	597,669	24,884,633	23,403,360	2,615,351	116,050,538	19,339,408	244,266	638,789	108,137
	BULKTRAN	332,279,632	154,598,234	6,205,503	26,923,221	826,863	225,796	27,935,062	4,694,064	2,181,014	470,235	344,353	14,332,763	13,479,564	1,506,356	66,847,045	11,138,662	140,689	367,921	62,283
	SUBTRAN	140,053,811	62,721,938	2,498,834	10,739,394	330,867	120,572	11,142,597	1,874,936	1,149,207	-	138,836	5,836,159	7,462,996	-	35,816,496	-	57,151	148,611	25,157
	DISTPRI	351,617,961	236,744,937	9,027,057	38,453,396	1,169,473	-	38,408,662	6,442,054	-	-	501,947	20,024,732	-	-	-	-	204,872	543,565	92,017
	DISTSEC	232,911,453	171,883,684	9,659,233	25,748,722	-	-	22,585,174	-	-	-	292,762	-	-	-	-	-	112,233	2,230,976	398,468
	ENERGY	3,002,744	1,071,533	63,537	235,132	7,181	2,091	262,137	43,681	20,131	4,373	3,779	155,821	127,171	18,788	813,750	146,354	1,781	20,729	3,657
	CUSTOMER	103,832,333	47,259,190	11,976,277	3,764,601	1,238,759	409,371	1,309,790	426,536	774,386	115,653	3,483	221,009	1,045,440	173,497	751,821	173,497	5,627	30,835,581	3,348,105
	TOTAL	1,740,615,844	942,694,594	50,204,500	152,609,242	5,008,753	1,149,770	150,144,768	21,631,155	7,911,436	1,406,659	1,888,029	65,455,177	45,518,530	4,313,992	220,289,651	30,798,122	766,618	34,766,472	4,638,036
RB_GUP	PRODUCTION	0.33143865	0.15426695	0.00619360	0.02685508	0.00082477	0.00022522	0.02786436	0.00468218	0.00217549	0.00046905	0.00034349	0.01429649	0.01344545	0.00150254	0.06667786	0.01111067	0.00014033	0.00036699	0.00006213
RB_GUP	BULKTRAN	0.19089786	0.08881812	0.00356512	0.01546764	0.00047504	0.00012972	0.01604895	0.00269878	0.00125301	0.00027015	0.00019783	0.00823431	0.00774413	0.00086542	0.03840425	0.00639338	0.00008083	0.00021137	0.00003578
RB_GUP	SUBTRAN	0.08046786	0.03603437	0.00143560	0.00616968	0.00019003	0.00006927	0.00640153	0.00107717	0.00066023	-	0.00007976	0.00335293	0.00428758	-	0.02057691	-	0.00003283	0.00008538	0.00001445
RB_GUP	DISTPRI	0.20200779	0.13601220	0.00518513	0.02209163	0.00067187	-	0.02206525	0.00370102	-	-	0.00029125	0.01150439	-	-	-	-	0.00011770	0.00031229	0.00005286
RB_GUP	DISTSEC	0.13380360	0.09874689	0.00554932	0.01479283	-	-	0.01297539	-	-	-	0.00016819	-	-	-	-	-	0.00006448	0.00128172	0.00022892
RB_GUP	ENERGY	0.00172510	0.00061561	0.00003650	0.00013508	0.00000413	0.00000115	0.00015000	0.00002510	0.00001157	0.00000251	0.00000217	0.00000952	0.00007305	0.00001079	0.00046751	0.00008408	0.00000102	0.00001191	0.00000222
RB_GUP	CUSTOMER	0.05963264	0.02715084	0.00688048	0.00216245	0.00071168	0.00023519	0.00075249	0.00024505	0.00044469	0.00006645	0.00000200	0.00012697	0.00060051	0.00009963	0.00043193	0.00009958	0.00000323	0.01771550	0.00192352
RB_GUP	TOTAL	1.00000000	0.54169599	0.02884295	0.08767543	0.00287757	0.00066055	0.08625957	0.01242730	0.00454519	0.00080816	0.00108469	0.03760461	0.02615082	0.00247843	0.12655845	0.01769381	0.00044043	0.01998515	0.00231989

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	OP-SEC	OP-PRI	OP-SUB	OP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
Net EPIS	PRODUCTION	859,156,659	404,388,326	16,231,065	70,424,066	2,162,657	530,624	73,070,777	12,278,436	5,704,958	1,230,012	900,737	37,490,740	35,256,995	3,940,232	174,854,293	29,136,334	363,006	962,385	162,916
	BULKTRAN	226,657,003	105,455,610	4,232,941	18,305,053	564,026	154,022	19,055,257	3,201,947	1,487,723	320,760	234,692	9,776,763	9,194,773	1,027,526	45,598,166	7,598,117	95,968	250,960	42,485
	SUBTRAN	95,834,694	42,915,750	1,703,755	7,348,126	226,387	62,403	7,624,006	1,282,872	765,312	-	94,995	3,993,226	5,106,343	-	24,506,423	-	39,104	101,683	17,213
	DISTPRI	253,266,683	170,464,008	6,500,538	27,690,945	642,158	-	27,658,876	4,639,033	-	-	365,661	14,420,151	-	-	-	-	147,532	391,430	66,263
	DISTSEC	167,835,997	123,859,530	5,990,444	18,554,529	-	-	16,274,876	-	-	-	210,964	-	-	-	-	-	60,875	1,607,642	287,135
	ENERGY	1,536,656	566,200	33,573	124,773	3,794	1,057	138,514	23,081	10,637	2,311	1,997	82,336	67,193	9,927	429,987	77,334	941	10,953	2,043
	CUSTOMER	74,312,997	33,519,150	8,577,609	2,695,669	895,404	295,997	944,176	309,053	559,631	83,629	2,510	159,611	755,850	125,445	543,594	125,445	4,030	22,325,495	2,419,440
	TOTAL	1,683,589,459	881,188,653	44,246,824	145,202,561	4,694,625	1,124,168	144,766,481	21,733,425	8,549,517	1,636,712	1,811,156	65,922,827	50,383,158	5,103,130	245,932,463	36,937,230	736,455	25,631,558	2,989,505
NP	PRODUCTION	0.51472340	0.23948291	0.00961274	0.04170565	0.00128087	0.00034977	0.04327326	0.00727142	0.00337853	0.00072843	0.00053343	0.02220240	0.02088074	0.00233345	0.10355051	0.01725484	0.00021794	0.00056993	0.00009648
NP	BULKTRAN	0.13422650	0.06245169	0.00250379	0.01083797	0.00033402	0.00009121	0.01128472	0.00189623	0.00088105	0.00018996	0.00013911	0.00578990	0.00544524	0.00060851	0.02700370	0.00449968	0.00005683	0.00014863	0.00002516
NP	SUBTRAN	0.05675429	0.02541515	0.00100954	0.00435164	0.00013407	0.00004886	0.00451501	0.00075973	0.00046566	-	0.00005626	0.00236483	0.00302403	-	0.01451295	-	0.00002316	0.00008022	0.00001019
NP	DISTPRI	0.14999124	0.10099243	0.00384909	0.01639236	0.00049873	-	0.01637987	0.00274728	-	-	0.00021619	0.00853976	-	-	-	-	0.00008737	0.00023181	0.00003924
NP	DISTSEC	0.09939420	0.07335038	0.00412269	0.01098318	-	-	0.00963915	-	-	-	0.00012494	-	-	-	-	-	0.00004786	0.00095206	0.00017005
NP	ENERGY	0.00090963	0.00033531	0.00001988	0.00007389	0.00000225	0.00000063	0.00008203	0.00001367	0.00000630	0.00000137	0.00000118	0.00004876	0.00003980	0.00000588	0.00025464	0.00004580	0.00000056	0.00000849	0.00000121
NP	CUSTOMER	0.04406655	0.01985038	0.00507975	0.00159805	0.00053027	0.00017527	0.00055915	0.00018243	0.00033157	0.00004953	0.00000149	0.00009452	0.00044762	0.00007429	0.00032192	0.00007429	0.00000239	0.01321014	0.00142749
NP	TOTAL	1.00000000	0.52184697	0.02620342	0.08599045	0.00278021	0.00066574	0.08573220	0.01287076	0.00506311	0.00096928	0.00107259	0.03904017	0.02983742	0.00302213	0.14564373	0.02187461	0.00043614	0.01517927	0.00176982
Rate Base	PRODUCTION	752,705,645	349,450,560	13,980,457	60,955,489	1,821,157	443,145	63,650,627	10,592,478	4,957,732	1,061,306	779,186	32,519,358	30,649,458	3,366,908	152,814,835	25,263,770	321,004	839,798	142,367
	BULKTRAN	193,972,124	89,162,914	3,575,125	15,686,170	454,909	98,623	16,409,847	2,710,141	1,269,541	272,030	207,278	8,456,782	7,956,108	821,711	39,832,769	6,608,651	84,017	217,655	37,128
	SUBTRAN	82,168,610	35,312,434	1,445,126	6,280,664	182,759	52,930	6,605,871	1,086,625	652,666	-	83,877	3,456,351	4,421,338	-	21,421,076	-	34,255	88,240	15,052
	DISTPRI	214,607,427	143,812,556	5,470,175	23,584,185	677,462	-	23,671,314	3,929,320	-	-	315,387	12,423,501	-	-	-	-	128,160	338,737	57,531
	DISTSEC	141,787,338	104,250,826	5,053,193	15,769,214	-	-	14,016,564	-	-	-	181,963	-	-	-	-	-	70,116	1,388,249	249,214
	ENERGY	77,051,095	27,615,914	1,630,038	6,035,136	180,514	49,147	6,773,719	1,133,860	505,247	112,716	82,269	3,997,847	3,227,050	460,437	20,885,035	3,528,466	44,342	541,323	93,952
	CUSTOMER	64,692,379	29,845,636	7,300,580	2,345,450	711,949	184,316	813,257	258,032	476,474	69,855	2,166	136,353	642,823	100,594	466,927	100,721	3,568	19,049,100	2,098,553
	TOTAL	1,526,933,528	779,459,548	39,350,702	130,706,315	4,028,751	819,161	132,231,199	19,701,456	7,911,030	1,515,909	1,652,156	61,090,192	46,896,776	4,849,651	235,420,661	35,501,609	685,493	22,463,117	2,693,901
RATEBASE	PRODUCTION	0.49293720	0.22819461	0.00915557	0.03991876	0.00119265	0.00029021	0.04168376	0.00693684	0.00324674	0.00069503	0.00051028	0.02130169	0.02007183	0.00220493	0.10007505	0.01654483	0.00021022	0.00054997	0.00009323
RATEBASE	BULKTRAN	0.12702919	0.05839160	0.00234129	0.01027252	0.00029791	0.00006459	0.01074548	0.00177493	0.00083148	0.00017815	0.00013574	0.00553821	0.00521033	0.00053813	0.02608585	0.00432750	0.00005502	0.00014255	0.00002431
RATEBASE	SUBTRAN	0.05381089	0.02378042	0.00094639	0.00411310	0.00011969	0.00003466	0.00432608	0.00071161	0.00044663	-	0.00005493	0.00226351	0.00289546	-	0.01402831	-	0.00002243	0.00005779	0.00000986
RATEBASE	DISTPRI	0.14054291	0.09418050	0.00358757	0.01544490	0.00044366	-	0.01550293	0.00257535	-	-	0.00020654	0.00813595	-	-	-	-	0.00008393	0.00022183	0.00003774
RATEBASE	DISTSEC	0.09285422	0.06827741	0.00333316	0.01032700	-	-	0.00917922	-	-	-	0.00011916	-	-	-	-	-	0.00004592	0.00090914	0.00016321
RATEBASE	ENERGY	0.05045851	0.01808521	0.00107276	0.00395506	0.00011822	0.00002929	0.00443600	0.00074255	0.00033093	0.00007382	0.00005390	0.00261813	0.00211334	0.00030702	0.01367727	0.00231074	0.00002904	0.00035450	0.00006430
RATEBASE	CUSTOMER	0.04236599	0.01954542	0.00478343	0.00153600	0.00046624	0.00012071	0.00053259	0.00016898	0.00031204	0.00004575	0.00000142	0.00008930	0.00042097	0.00006593	0.00030578	0.00006599	0.00000234	0.01247495	0.00137431
RATEBASE	TOTAL	1.00000000	0.51045537	0.02577017	0.08559744	0.00263836	0.00053646	0.08659605	0.01290216	0.00518079	0.00099274	0.00108197	0.04000697	0.03071194	0.00317596	0.15417316	0.02325338	0.00044890	0.01471073	0.00176747
System Sales	PRODUCTION	(3,979,513)	(1,851,529)	(74,320)	(322,443)	(9,903)	(2,704)	(334,561)	(55,218)	(26,121)	(5,632)	(4,124)	(171,655)	(161,437)	(18,041)	(800,586)	(133,403)	(1,685)	(4,403)	(746)
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	(112,379,034)	(40,162,577)	(2,377,868)	(8,837,341)	(268,742)	(74,085)	(9,810,668)	(1,634,796)	(753,405)	(163,661)	(141,446)	(5,831,671)	(4,759,439)	(703,132)	(30,454,954)	(5,477,363)	(66,642)	(775,785)	(144,712)
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	(116,358,547)	(41,954,106)	(2,452,203)	(9,159,784)	(278,645)	(77,589)	(10,145,149)	(1,691,014)	(779,525)	(169,293)	(145,570)	(6,003,326)	(4,920,876)	(721,173)	(31,255,540)	(5,610,772)	(68,327)	(780,192)	(145,458)
EXP_OM_SS	PRODUCTION	0.03420044	0.01591227	0.00063871	0.00277112	0.00008511	0.00002324	0.00287526	0.00048314	0.00022448	0.00004840	0.00003544	0.00147522	0.00133741	0.00015504	0.00688034	0.00114649	0.00001448	0.00003787	0.00000641
EXP_OM_SS	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS	ENERGY	0.96579956	0.34464659	0.02043587	0.07594923	0.00230003	0.00064357	0.08431343	0.01404965	0.00647486	0.00140652	0.00121560	0.05011812	0.04090322	0.00604281	0.26173371	0.04707320	0.00057273	0.00665720	0.00124367
EXP_OM_SS	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_SS	TOTAL	1.00000000	0.35955887	0.02107458	0.07872034	0.00238471	0.00066681	0.08716869	0.01453279	0.00669934	0.00145492	0.00125105	0.05159334	0.04229063	0.00619785	0.26861405	0.04821969	0.00058721	0.00870500	0.00125008
CUST_451	TOTAL	1.00000000	0.53730412	0.05230711	0.02443026	0.00004995	-	0.00035894	0.00008363	-	-	-	0.00002691	-	-	-	-	-	0.01534608	-
RB_GUP_EPIS_D	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	DISTPRI	0.51214902	0.34483083	0.01314836	0.05600923	0.00170340	-	0.05594441	0.00938317	-	-	0.00073839	0.02916702	-	-	-	-	0.00029841	0.00079173	0.00013403
RB_GUP_EPIS_D	DISTSEC	0.34010176	0.25003914	0.01410460	0.03759978	-	-	0.03297930	-	-	-	0.00042750	-	-	-	-	-	0.00016369	0.00325771	0.00058165
RB_GUP_EPIS_D	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RB_GUP_EPIS_D	CUSTOMER	0.14774922	0.06493787	0.01702915	0.00536506	0.00162979	0.00036517	0.00191517	0.00032809	0.00114490	0.00017104	0.00000569	0.00032540	0.00154561	0.00025656	0.00111174	0.00025656	0.00000803	0.04563174	0.00457227
RB_GUP_EPIS_D	TOTAL	1.00000000	0.66075584	0.04434210	0.09997312	0.00333318	0.00036517	0.09033599	0.01631126	0.00114490	0.00017104	0.00117009	0.02949241	0.00154561	0.00025656	0.00111174	0.00025656	0.00047032	0.04973118	0.00556815
MISC_SERV_REV	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MISC_SERV_REV	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MISC_SERV_REV	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MISC_SERV_REV	DISTPRI	0.59121947	0.46832532	0.01847535	0.01383027	0.00032408	-	0.00022106	0.00007833	-	-	-	0.00002668	-	-	-	-	-	0.00024431	-
MISC_SERV_REV	DISTSEC	0.37111048	0.34037468	0.01981901	0.00928420	-	-	0.00013031	-	-	-	-	-	-	-	-	-	-	0.00100527	-
MISC_SERV_REV	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MISC_SERV_REV	CUSTOMER	0.12766765	0.05819411	0.02401274	0.00132479	0.00002587	-	0.00000757	0.00000325	-	-	-	0.00000023	-	-	-	-	-	0.01409259	-
MISC_SERV_REV	TOTAL	1.00000000	0.86730412	0.05230711	0.02443026	0.00004995	-	0.00035894	0.00008363	-	-	-	0.00002691	-	-	-	-	-	0.01534608	-

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 19 of 29
Witness: J. Stegall

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	OP-SEC	OP-PRI	OP-SUB	OP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
364 Poles	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	99,569,000	66,367,224	2,530,574	10,779,722	327,841	-	10,767,238	1,805,915	-	-	142,113	5,613,576	-	-	-	-	57,432	152,379	25,795
	DISTSEC	76,821,310	56,692,554	3,185,916	8,492,715	-	-	7,449,269	-	-	-	99,562	-	-	-	-	-	37,018	735,644	131,427
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	175,391,118	123,059,778	5,716,484	19,272,437	327,841	-	18,216,518	1,805,915	-	-	238,675	5,613,576	-	-	-	-	94,450	888,023	157,222
365 Overhead Lines	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	112,091,933	75,655,477	2,892,360	12,320,855	374,711	-	12,306,586	2,064,099	-	-	162,431	6,416,126	-	-	-	-	65,643	174,164	29,483
	DISTSEC	87,779,721	42,640,251	2,396,223	6,387,633	-	-	5,602,837	-	-	-	72,627	-	-	-	-	-	27,842	553,452	98,859
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	170,441,654	118,495,728	5,288,583	18,708,492	374,711	-	17,909,423	2,064,099	-	-	235,058	6,416,126	-	-	-	-	93,485	727,615	128,333
TOTOHLINES	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES	DISTPRI	0.61079157	0.41124703	0.01568000	0.06676686	0.00203148	-	0.06671960	0.01119042	-	-	0.00088061	0.03478473	-	-	-	-	0.00035568	0.00094422	0.00015984
TOTOHLINES	DISTSEC	0.38920843	0.29722765	0.01614113	0.04302759	-	-	0.03774112	-	-	-	0.00048522	-	-	-	-	-	0.00018755	0.00372809	0.00066586
TOTOHLINES	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOHLINES	TOTAL	1.00000000	0.69847468	0.03182193	0.10982455	0.00203148	-	0.10446072	0.01119042	-	-	0.00136586	0.03478473	-	-	-	-	0.00054343	0.00467231	0.00082570
366 Underground Conduit	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	3,760,679	2,532,072	96,548	411,273	12,503	-	410,796	69,000	-	-	5,422	214,172	-	-	-	-	2,191	5,814	934
	DISTSEC	2,256,407	1,665,183	93,577	249,449	-	-	218,801	-	-	-	2,836	-	-	-	-	-	1,087	21,613	3,860
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	6,017,087	4,197,254	190,125	660,722	12,503	-	629,593	69,000	-	-	8,258	214,172	-	-	-	-	3,278	27,427	4,844
367 Underground Lines	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	5,753,402	3,873,776	147,707	629,199	19,130	-	628,471	105,499	-	-	8,295	327,653	-	-	-	-	3,352	8,894	1,500
	DISTSEC	3,452,041	2,547,536	143,162	381,523	-	-	334,741	-	-	-	4,339	-	-	-	-	-	1,663	33,069	5,903
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	9,205,443	6,421,311	290,869	1,010,828	19,130	-	963,212	105,499	-	-	12,634	327,653	-	-	-	-	5,016	41,963	7,411
TOTUGLINES	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES	DISTPRI	0.62500000	0.42001359	0.01604557	0.06835081	0.00207874	-	0.06827165	0.01145073	-	-	0.00090110	0.03559391	-	-	-	-	0.00036416	0.00096818	0.00016356
TOTUGLINES	DISTSEC	0.37500000	0.27674232	0.01555183	0.04145683	-	-	0.03636335	-	-	-	0.00047136	-	-	-	-	-	0.00018070	0.00359199	0.00064156
TOTUGLINES	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTUGLINES	TOTAL	1.00000000	0.69755592	0.03160740	0.10980764	0.00207874	-	0.10463500	0.01145073	-	-	0.00137246	0.03559391	-	-	-	-	0.00054486	0.00455018	0.00080512
Acct 581-589	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Excluding Severance)	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	3,779,520	2,544,757	97,031	413,333	12,571	-	412,855	69,245	-	-	5,449	215,245	-	-	-	-	2,202	5,843	939
	DISTSEC	2,353,567	1,736,640	97,604	260,184	-	-	228,217	-	-	-	2,958	-	-	-	-	-	1,134	22,543	4,026
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	1,645,124	705,749	234,095	73,755	34,021	11,233	32,655	11,715	21,252	3,175	87	6,009	28,690	4,762	20,636	4,762	110	326,398	125,790
	TOTAL	7,778,151	4,987,146	428,730	747,272	46,592	11,233	673,927	80,960	21,252	3,175	8,495	221,314	28,690	4,762	20,636	4,762	3,446	354,784	130,755
TOTOXEXP	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP	DISTPRI	0.48591493	0.32716740	0.01247485	0.05314029	0.00161614	-	0.05307875	0.00890253	-	-	0.00070057	0.02767268	-	-	-	-	0.00028312	0.00075117	0.00012716
TOTOXEXP	DISTSEC	0.30257926	0.22329730	0.01254948	0.03345061	-	-	0.02934079	-	-	-	0.00038033	-	-	-	-	-	0.00014580	0.00289930	0.00051765
TOTOXEXP	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOXEXP	CUSTOMER	0.21150576	0.09073477	0.03009846	0.00948229	0.00437391	0.00144421	0.00422404	0.00150515	0.00273221	0.00040817	0.00001123	0.00078030	0.00368848	0.00061225	0.00265369	0.00061225	0.00091414	0.04195955	0.01617226
TOTOXEXP	TOTAL	1.00000000	0.64119948	0.05511979	0.09607319	0.00599005	0.00144421	0.08664357	0.01040769	0.00273221	0.00040817	0.00109213	0.02845328	0.00368848	0.00061225	0.00265369	0.00061225	0.00044306	0.04560003	0.01631709
Acct 591-598	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	15,539,528	10,496,457	400,229	1,704,891	51,850	-	1,702,917	285,618	-	-	22,476	887,828	-	-	-	-	9,083	24,100	4,080
	DISTSEC	9,536,036	7,031,678	397,984	1,060,657	-	-	930,517	-	-	-	12,062	-	-	-	-	-	4,624	91,917	16,417
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	190,093	22,005	12,394	3,927	2,542	841	2,293	873	1,591	238	6	452	2,147	356	1,545	356	6	86,036	52,485
	TOTAL	25,375,657	17,550,140	810,607	2,769,475	54,392	841	2,635,727	286,491	1,591	238	34,544	888,280	2,147	356	1,545	356	13,713	202,053	72,982
TOTMXEXP	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP	DISTPRI	0.61434974	0.41364276	0.01577215	0.06716603	0.00204331	-	0.06710827	0.01125561	-	-	0.00088574	0.03498737	-	-	-	-	0.00035795	0.00094972	0.00016077
TOTMXEXP	DISTSEC	0.37815910	0.27907367	0.01568200	0.04180007	-	-	0.03666368	-	-	-	0.00047533	-	-	-	-	-	0.00018222	0.00362225	0.00064699
TOTMXEXP	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTMXEXP	CUSTOMER	0.00749116	0.00086719	0.00048844	0.00015475	0.00010018	0.00003313	0.00009936	0.00003439	0.00006268	0.00000936	0.00000024	0.00001781	0.00008462	0.00001405	0.00006087	0.00001405	0.00000023	0.00339049	0.00206832
TOTMXEXP	TOTAL	1.00000000	0.69358362	0.03194349	0.10914691	0.00214349	0.00003313	0.10383831	0.01129000	0.00006268	0.00000936	0.00136132	0.03500519	0.00008462	0.00001405	0.00006087	0.00001405	0.00054041	0.00796247	0.00287605

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 20 of 29
Witness: J. Stegall

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
Acct 560-574	PRODUCTION	7,139,616	3,321,349	133,317	578,412	17,764	4,851	660,150	100,846	46,656	10,102	7,398	307,921	289,592	32,362	1,436,125	239,304	3,023	7,904	1,339
	BULKTRAN	4,222,304	1,964,491	78,854	342,115	10,507	2,869	354,973	59,648	27,714	5,975	4,376	182,127	171,286	19,141	849,430	141,542	1,788	4,675	791
	SUBTRAN	1,783,818	798,812	31,825	136,774	4,214	1,536	141,909	23,879	14,636	-	1,768	74,328	95,047	-	456,150	-	728	1,893	320
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	13,144,738	6,084,652	243,996	1,057,301	32,485	9,256	1,097,032	184,373	89,207	16,078	13,542	564,377	555,924	51,504	2,741,705	380,847	5,538	14,472	2,450
EXP_OM_TRAN	PRODUCTION	0.54307765	0.25267521	0.01014227	0.04400329	0.00135142	0.00036904	0.04565704	0.00767197	0.00356465	0.00076855	0.00056281	0.02342545	0.02203029	0.00246199	0.10925475	0.01820535	0.00022994	0.00060133	0.00010180
EXP_OM_TRAN	BULKTRAN	0.32121627	0.14945075	0.00599669	0.02602679	0.00079933	0.00021829	0.02700494	0.00453777	0.00210839	0.00045458	0.00033289	0.01385554	0.01303075	0.00145620	0.06462131	0.01076799	0.00013600	0.00035567	0.00006021
EXP_OM_TRAN	SUBTRAN	0.13570580	0.06077047	0.00242109	0.01040525	0.00032057	0.00011682	0.01079591	0.00181660	0.00111345	-	0.00013452	0.00565457	0.00723079	-	0.03470211	-	0.00005537	0.00014399	0.00002437
EXP_OM_TRAN	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_TRAN	TOTAL	1.00000000	0.46288643	0.01855224	0.08043533	0.00247133	0.00070414	0.08345769	0.01402635	0.00679549	0.00122313	0.00103021	0.04293557	0.04229253	0.00391819	0.20857817	0.02897333	0.00042132	0.00110099	0.00018638
Acct 580-598	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	19,751,042	13,299,411	507,057	2,160,000	65,692	-	2,157,498	361,662	-	-	28,476	1,124,827	-	-	-	-	11,503	30,533	5,169
	DISTSEC	12,187,407	8,994,057	505,432	1,347,337	-	-	1,181,800	-	-	-	15,319	-	-	-	-	-	5,873	116,739	20,850
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	2,001,200	798,997	270,121	85,127	39,997	13,208	38,465	13,770	24,987	3,733	102	7,134	33,733	5,599	24,264	5,599	127	445,352	160,975
	TOTAL	33,939,740	23,091,465	1,282,620	3,592,463	105,689	13,208	3,377,763	375,433	24,987	3,733	43,896	1,131,961	33,733	5,599	24,264	5,599	17,503	592,624	216,994
EXP_OM_DIST	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST	DISTPRI	0.58194442	0.39182420	0.01494021	0.06364220	0.00193553	-	0.06356849	0.01066191	-	-	0.00083902	0.03314188	-	-	-	-	0.00033907	0.00089963	0.00015229
EXP_OM_DIST	DISTSEC	0.35900858	0.26500076	0.01489205	0.03969791	-	-	0.03482053	-	-	-	0.00045136	-	-	-	-	-	0.00017303	0.00343959	0.00061434
EXP_OM_DIST	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_DIST	CUSTOMER	0.05893589	0.02354164	0.00795883	0.00250816	0.00117848	0.00038916	0.00113332	0.00040573	0.00073623	0.00010999	0.00000301	0.00021020	0.00099391	0.00016498	0.00071491	0.00016498	0.00000374	0.01312184	0.00552608
EXP_OM_DIST	TOTAL	1.00000000	0.68036660	0.03779109	0.10584828	0.00311401	0.00038916	0.09952235	0.01106763	0.00073623	0.00010999	0.00129340	0.03335208	0.00099391	0.00016498	0.00071491	0.00016498	0.00051585	0.01745105	0.00833351
Acct 560-598	PRODUCTION	7,139,616	3,321,349	133,317	578,412	17,764	4,851	660,150	100,846	46,656	10,102	7,398	307,921	289,592	32,362	1,436,125	239,304	3,023	7,904	1,339
	BULKTRAN	4,222,304	1,964,491	78,854	342,115	10,507	2,869	354,973	59,648	27,714	5,975	4,376	182,127	171,286	19,141	849,430	141,542	1,788	4,675	791
	SUBTRAN	1,783,818	798,812	31,825	136,774	4,214	1,536	141,909	23,879	14,636	-	1,768	74,328	95,047	-	456,150	-	728	1,893	320
	DISTPRI	19,751,042	13,299,411	507,057	2,160,000	65,692	-	2,157,498	361,662	-	-	28,476	1,124,827	-	-	-	-	11,503	30,533	5,169
	DISTSEC	12,187,407	8,994,057	505,432	1,347,337	-	-	1,181,800	-	-	-	15,319	-	-	-	-	-	5,873	116,739	20,850
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	2,001,200	798,997	270,121	85,127	39,997	13,208	38,465	13,770	24,987	3,733	102	7,134	33,733	5,599	24,264	5,599	127	445,352	160,975
	TOTAL	47,084,478	29,176,116	1,526,616	4,649,765	138,174	22,464	4,474,795	569,005	114,194	19,811	57,439	1,696,338	589,657	57,103	2,765,969	386,446	23,046	607,096	219,444
TDOMX	PRODUCTION	0.15161294	0.07054022	0.00283145	0.01229455	0.00037728	0.00010303	0.01274624	0.00214181	0.00099515	0.00021456	0.00015712	0.00653977	0.00615047	0.00068732	0.03050103	0.00508245	0.00006419	0.00016788	0.00002842
TDOMX	BULKTRAN	0.00367507	0.04172269	0.00167473	0.00726599	0.00022315	0.00006094	0.00753906	0.00126683	0.00058861	0.00012691	0.00009293	0.00386810	0.00363784	0.00040653	0.01804056	0.00300614	0.00003797	0.00009929	0.00001681
TDOMX	SUBTRAN	0.03788540	0.01696550	0.00067599	0.00290437	0.00008950	0.00003261	0.00301393	0.00050715	0.00031685	-	0.00003755	0.00157851	0.00201865	-	0.00968791	-	0.00001546	0.00004020	0.00000680
TDOMX	DISTPRI	0.41948097	0.28243727	0.01076930	0.04587408	0.00139518	-	0.04582185	0.00768538	-	-	0.00060479	0.02389255	-	-	-	-	0.00024441	0.00064847	0.00010976
TDOMX	DISTSEC	0.25884129	0.19101957	0.01073459	0.02851531	-	-	0.02509956	-	-	-	0.00032535	-	-	-	-	-	0.00012473	0.00247935	0.00044283
TDOMX	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TDOMX	CUSTOMER	0.04250425	0.01669944	0.00573693	0.00180786	0.00084948	0.00026052	0.00081693	0.00029246	0.00053069	0.00007928	0.00000217	0.00015152	0.00071644	0.00011892	0.00051632	0.00011892	0.00000270	0.00045857	0.00405600
TDOMX	TOTAL	1.00000000	0.61995469	0.03242269	0.09875366	0.00293459	0.00047709	0.09503757	0.01189363	0.00242538	0.00042075	0.00121992	0.03602754	0.01252339	0.00121278	0.05874482	0.00820751	0.00048946	0.01289376	0.00466064
Acct 902-904	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	5,950,641	5,109,642	608,322	193,004	2,324	365	22,260	2,490	600	60	63	1,347	846	94	408	94	283	1,332	1,305
	TOTAL	5,950,641	5,109,642	608,322	193,004	2,324	365	22,260	2,490	600	60	63	1,347	846	94	408	94	283	1,332	1,305
TOTOX234	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTOX234	CUSTOMER	1.00000000	0.85867079	0.16222793	0.03240879	0.00039051	0.00006133	0.00374077	0.00041840	0.00010080	0.00001016	0.00001061	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004802	0.00022386	0.00021923
TOTOX234	TOTAL	1.00000000	0.85867079	0.16222793	0.03240879	0.00039051	0.00006133	0.00374077	0.00041840	0.00010080	0.00001016	0.00001061	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004802	0.00022386	0.00021923

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
Page 24 of 29

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
Acct 901-905	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	6,265,292	5,379,823	640,488	209,316	2,447	384	23,437	2,621	632	64	66	1,419	890	99	429	99	301	1,463	1,374
	TOTAL	6,265,292	5,379,823	640,488	209,316	2,447	384	23,437	2,621	632	64	66	1,419	890	99	429	99	301	1,463	1,374
EXP_OM_CUSTACCT	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTACCT	CUSTOMER	1.00000000	0.85867879	0.10222793	0.03340379	0.00039051	0.00006133	0.00374077	0.00041840	0.00010090	0.00001016	0.00001051	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004802	0.00022356	0.00021923
EXP_OM_CUSTACCT	TOTAL	1.00000000	0.85867879	0.10222793	0.03340379	0.00039051	0.00006133	0.00374077	0.00041840	0.00010090	0.00001016	0.00001051	0.00022644	0.00014210	0.00001583	0.00006852	0.00001583	0.00004802	0.00022356	0.00021923
A&G Regulatory																				
REVSALES	TOTAL	1.00000000	0.40723371	0.03260169	0.10132166	0.00320280	0.00127732	0.09897107	0.01575931	0.00333952	0.00116659	0.00175581	0.04606923	0.03763318	0.00208163	0.16874603	0.03993948	0.00068472	0.01463710	0.00251693
RB_GUP	PRODUCTION	0.33143885	0.15420595	0.00616960	0.02685508	0.00082477	0.00022522	0.02786435	0.00462818	0.00217549	0.00046905	0.00034348	0.01429849	0.01344545	0.00150254	0.05667726	0.01111007	0.00014033	0.00036699	0.00006213
	BULKTRAN	0.19089786	0.08331812	0.00356512	0.01546764	0.00047504	0.00012972	0.01604895	0.00269078	0.00125301	0.00027015	0.00019783	0.00823431	0.00774413	0.00086542	0.03240425	0.00639398	0.00008083	0.00021137	0.00003578
	SUBTRAN	0.08046796	0.03603437	0.00143560	0.00616988	0.00019009	0.00005327	0.00640153	0.00107717	0.00050023	-	0.00007976	0.00330293	0.00428756	-	0.02057691	-	0.00003283	0.00008538	0.00001445
	DISTPRI	0.20200779	0.13001220	0.00518613	0.02209183	0.00067187	-	0.02206825	0.00370102	-	-	0.00029125	0.01150430	-	-	-	-	0.00011770	0.00031228	0.00005286
	DISTSEC	0.13369983	0.09874589	0.00554932	0.01479228	-	-	0.01297539	-	-	-	0.00016819	-	-	-	-	-	0.00006448	0.00128172	0.00022892
	ENERGY	0.00172510	0.00091561	0.00003650	0.00013555	0.00000413	0.00000115	0.00015969	0.00002510	0.00001157	0.00000251	0.00000217	0.00008952	0.00007305	0.00001079	0.00034751	0.00000408	0.00000102	0.00001191	0.00000222
	CUSTOMER	0.05965264	0.02715984	0.00638048	0.00216245	0.00071168	0.00023519	0.00075249	0.00024305	0.00044489	0.00006645	0.00002209	0.00012037	0.00060061	0.00009368	0.00043193	0.00009368	0.00002023	0.01771559	0.00192352
	TOTAL	1.00000000	0.54156699	0.02884295	0.08767543	0.00287757	0.00065355	0.08525057	0.01242730	0.00454519	0.00098816	0.00108469	0.03760461	0.02615082	0.00247843	0.12653845	0.01769351	0.00044043	0.01993515	0.00331683
EXP_OM_AG_REG	PRODUCTION	0.35969097	0.11595232	0.00639644	0.03103500	0.00091799	0.00043552	0.03197055	0.00503757	0.00303432	0.00067707	0.00055632	0.01751456	0.01937995	0.00126189	0.09383794	0.02507902	0.00021817	0.00026878	0.00005746
EXP_OM_AG_REG	BULKTRAN	0.20717014	0.06578472	0.00402972	0.01787514	0.00052873	0.00025085	0.01841398	0.00341985	0.00174767	0.00039997	0.00032042	0.01008781	0.01116222	0.00072686	0.05566821	0.01444469	0.00012566	0.00015481	0.00003885
EXP_OM_AG_REG	SUBTRAN	0.08733415	0.02709521	0.00162269	0.00713021	0.00021157	0.00013385	0.00734408	0.00135590	0.00092097	-	0.00012919	0.00410766	0.00617999	-	0.03036270	-	0.00005105	0.00005253	0.00001569
EXP_OM_AG_REG	DISTPRI	0.17945749	0.10227120	0.00586197	0.02553036	0.00074781	-	0.02531801	0.00469334	-	-	0.00047171	0.01409369	-	-	-	-	0.00018299	0.00022872	0.00003740
EXP_OM_AG_REG	DISTSEC	0.11450721	0.07425193	0.00627249	0.01709535	-	-	0.01488749	-	-	-	0.00027242	-	-	-	-	-	0.00010024	0.00093873	0.00024657
EXP_OM_AG_REG	ENERGY	0.00201203	0.00046289	0.00004126	0.00015678	0.00000469	0.00000222	0.00017279	0.00003182	0.00001613	0.00000353	0.00000252	0.00010097	0.00010531	0.00001207	0.00038984	0.00001879	0.00000163	0.00000872	0.00000241
EXP_OM_AG_REG	CUSTOMER	0.05086831	0.02041544	0.00777713	0.00249303	0.00079211	0.00045478	0.00086338	0.00031075	0.00062052	0.00009292	0.00000324	0.00015555	0.00086571	0.00008372	0.00063734	0.00022499	0.00000503	0.01297491	0.00206855
EXP_OM_AG_REG	TOTAL	1.00000000	0.40723371	0.03260169	0.10132166	0.00320280	0.00127732	0.09897107	0.01575931	0.00333952	0.00116659	0.00175581	0.04606923	0.03763318	0.00208163	0.16874603	0.03993948	0.00068472	0.01463710	0.00251693
Acct 907-916	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	2,954,993	1,609,553	314,330	97,693	1,114	175	10,169	1,114	268	27	27	577	362	40	175	40	148	638,407	752
	TOTAL	2,954,993	1,609,553	314,330	97,693	1,114	175	10,169	1,114	268	27	27	577	362	40	175	40	148	638,407	752
EXP_OM_CUSTSERV	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP_OM_CUSTSERV	CUSTOMER	1.00000000	0.63944429	0.10637284	0.03306029	0.00037708	0.00005906	0.00344823	0.00037708	0.00009086	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
EXP_OM_CUSTSERV	TOTAL	1.00000000	0.63944429	0.10637284	0.03306029	0.00037708	0.00005906	0.00344823	0.00037708	0.00009086	0.00000909	0.00000909	0.00019535	0.00012266	0.00001363	0.00005906	0.00001363	0.00004997	0.21604358	0.00025441
O&M Expense	PRODUCTION	126,959,937	59,001,475	2,371,092	10,287,341	315,938	86,366	10,673,827	1,793,666	833,450	179,699	131,694	5,476,703	5,151,172	575,498	25,545,762	4,258,192	53,767	140,556	23,798
	BULKTRAN	(31,943,963)	(14,567,353)	(596,544)	(2,588,102)	(79,489)	(21,689)	(2,685,391)	(451,185)	(209,603)	(45,190)	(33,097)	(1,377,698)	(1,295,408)	(144,850)	(6,423,888)	(1,069,591)	(13,519)	(35,283)	(5,988)
	SUBTRAN	(13,495,661)	(6,045,454)	(240,750)	(1,034,760)	(31,879)	(11,668)	(1,073,556)	(180,623)	(110,695)	-	(13,370)	(562,253)	(718,827)	-	(3,449,695)	-	(5,504)	(14,324)	(2,424)
	DISTPRI	24,385,629	16,415,790	626,259	2,667,829	81,131	-	2,664,709	447,063	-	-	35,194	1,369,414	-	-	-	-	14,221	37,690	6,383
	DISTSEC	15,047,741	11,103,268	624,313	1,554,299	-	-	1,459,602	-	-	-	18,936	-	-	-	-	-	7,259	144,111	25,753
	ENERGY	169,739,811	67,703,609	4,014,806	14,920,892	453,742	126,435	16,564,113	2,760,177	1,272,043	276,324	238,816	9,845,145	8,035,800	1,187,162	51,419,911	9,247,959	112,516	1,300,828	244,330
	CUSTOMER	13,446,110	9,645,573	1,470,226	470,664	53,631	17,028	487,594	21,478	31,868	4,727	238	11,199	43,233	7,085	30,746	7,108	691	1,304,409	238,373
	TOTAL	324,139,633	143,022,109	8,269,392	26,388,225	793,134	198,472	27,691,197	4,390,542	1,817,177	415,560	378,330	14,783,510	11,215,971	1,624,895	67,122,845	12,443,668	169,433	2,880,947	530,226
EXP_OM	PRODUCTION	0.39162285	0.18220993	0.00731503	0.03173733	0.00097470	0.00026625	0.03293003	0.00553358	0.00257127	0.00055439	0.00040631	0.01689512	0.01589183	0.00177546	0.07881698	0.01313091	0.00016587	0.00043363	0.00007342
EXP_OM	BULKTRAN	(0.09855001)	(0.04496713)	(0.00184033)	(0.00798453)	(0.00024523)	(0.00006691)	(0.00828457)	(0.00139195)	(0.00064666)	(0.00013942)	(0.00010208)	(0.00425032)	(0.00399645)	(0.00044688)	(0.01981827)	(0.00329979)	(0.00004171)	(0.00010916)	(0.00001847)
EXP_OM	SUBTRAN	(0.04163503)	(0.01865077)	(0.00074276)	(0.00319214)	(0.00009835)	(0.00003581)	(0.00331202)	(0.00055724)	(0.00034151)	-	(0.00004125)	(0.00173460)	(0.00221765)	-	(0.01064259)	-	(0.00001608)	(0.00004419)	(0.00000748)
EXP_OM	DISTPRI	0.07523186	0.05064419	0.00193207	0.00823049	0.00025030	-	0.00822087	0.00137906	-	-	0.00010858	0.00426847	-	-	-	-	0.00004387	0.00011628	0.00001969
EXP_OM	DISTSEC	0.04642364	0.03425458	0.00192606	0.00511451	-	-	0.00450362	-	-	-	0.00005842	-	-	-	-	-	0.00002239	0.00044460	0.00007945
EXP_OM	ENERGY	0.56536443	0.20888778	0.01238504	0.04602239	0.00139393	0.00038995	0.05110178	0.00851539	0.00392437	0.00085249	0.00073677	0.03037625	0.02479117	0.00366259	0.15863506	0.02853079	0.00034710	0.00401094	0.00075378
EXP_OM	CUSTOMER	0.04148246	0.02975746	0.00453578	0.00145204	0.00016544	0.00005253	0.00027024	0.00006626	0.00003869	0.00000458	0.00000073	0.00003455	0.00013338	0.00002186	0.00009485	0.00002193	0.00000213	0.00402440	0.00079540
EXP_OM	TOTAL	1.00000000	0.44123610	0.02551182	0.03141065	0.00244689	0.00060913	0.08542934	0.01354522	0.00560616	0.00128204	0.00116718	0.04560845	0.03460223	0.00501295	0.20700003	0.03838924	0.00052272	0.00888049	0.00163579
O&M Labor	PRODUCTION	9,192,351	4,276,686	171,672	744,818	22,875	6,247	772,810	129,859	60,337	13,009	9,526	396,569	372,906	41,673	1,849,291	308,151	3,892	10,178	1,723
	BULKTRAN	344,606	160,426	6,439	27,933	859	234	28,983	4,871	2,263	488	357	14,873	13,988	1,563	69,367	11,559	146	382	65
	SUBTRAN	145,872	65,233	2,593	11,169	344	125	11,589	1,950	1,195	-	144	6,070	7,762	-	37,251	-	59	155	26
	DISTPRI	4,967,631	3,344,715	127,534	543,267	16,522	-	542,637	91,013	-	-	7,162	282,903	-	-	-	-	2,894	7,679	1,300
	DISTSEC	3,065,283	2,262,116	127,123	338,872	-	-	297,237	-	-	-	3,853	-	-	-	-	-	1,477	29,351	5,244
	ENERGY	1,165,224	465,517	25,200	93,591	2,858	796	104,342	17,387	8,013	1,741	1,504	62,024	50,629	7,478	323,008	58,255	709	8,251	1,539
	CUSTOMER	2,369,226	1,694,970	262,742	84,120	10,768	3,436	16,554	4,226	6,469	957	45	2,203	8,741	1,437	6,225	1,437	123	233,285	46,465
	TOTAL	21,297,204	12,230,663	723,399	1,844,175	54,245	10,839	1,774,157	249,308	78,277	16,195	22,592	764,587	454,016	52,151	2,285,043	379,402	9,301	289,291	58,362
LABOR_M	PRODUCTION	0.43162292	0.20031911	0.00800079	0.03497257	0.00107407	0.00029330	0.03629892	0.00609747	0.00283308	0.00061082	0.00044731	0.01861789	0.01750961	0.00195672	0.08683259	0.01446099	0.00018275	0.00047792	0.00008090
LABOR_M	BULKTRAN	0.01618019	0.00753273	0.00030235	0.00131182	0.00004029	0.00001100	0.00136112	0.00022872	0.00010627	0.00002291	0.00001678	0.00069836	0.00065679	0.00007340	0.00325709	0.00054274	0.00000685	0.00001793	0.00000303
LABOR_M	SUBTRAN	0.00639905	0.00302200	0.00012093	0.00052245	0.00001616	0.00000589	0.00054419	0.00009155	0.00005612	-	0.00000678	0.00028501	0.00036445	-	0.00174903	-	0.00000279	0.00000726	0.00000123
LABOR_M	DISTPRI	0.23325274	0.15704948	0.00598828	0.02550882	0.00077579	-	0.02547928	0.00427346	-	-	0.00033629	0.01328360	-	-	-	-	0.00013591	0.00036058	0.00006104
LABOR_M	DISTSEC	0.14392892	0.10621659	0.00596898	0.01591156	-	-	0.01395663	-	-	-	0.00018031	-	-	-	-	-	0.00006936	0.00137854	0.00024624
LABOR_M	ENERGY	0.05612117	0.02002690	0.00118750	0.00441330	0.00013421	0.00003740	0.00489333	0.00081640	0.00037624	0.00008173	0.00007064	0.00291229	0.00237683	0.00035114	0.01520895	0.00273535	0.00003328	0.00038742	0.00007227
LABOR_M	CUSTOMER	0.11204411	0.07956849	0.01233093	0.00394981	0.00050053	0.00016134	0.00077728	0.00019853	0.00030375	0.00004405	0.00000211	0.00010345	0.00041043	0.00006747	0.00029236	0.00006747	0.00000560	0.01095377	0.00227565
LABOR_M	TOTAL	1.00000000	0.57429431	0.03396600	0.08659224	0.00254705	0.00050933	0.08330471	0.01170814	0.00357545	0.00076842	0.00106001	0.03590930	0.02131809	0.00244872	0.10734007	0.01781465	0.00043873	0.01358352	0.00274036

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
Production O&M Labor	PRODUCTION	6,609,401	4,035,654	160,765	697,583	21,424	5,850	723,009	121,624	56,510	12,184	8,922	371,363	349,257	39,030	1,732,013	268,609	3,645	9,533	1,614
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	1,195,224	426,517	25,290	93,991	2,858	796	104,342	17,387	8,013	1,741	1,504	62,024	50,620	7,478	323,908	59,255	709	8,251	1,539
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	9,804,625	4,432,171	186,076	791,574	24,282	6,647	828,142	139,011	64,523	13,924	10,427	433,387	399,876	46,508	2,055,921	346,864	4,354	17,784	3,153
LABOR_PROD	PRODUCTION	0.67609539	0.40354744	0.01633891	0.07114037	0.00218510	0.00059570	0.07362231	0.01240472	0.00576363	0.00124266	0.00091030	0.03787653	0.03562163	0.00398078	0.17655269	0.02943600	0.00037179	0.00097228	0.00016459
LABOR_PROD	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD	ENERGY	0.12193410	0.04350161	0.00257943	0.00958938	0.00029152	0.00008123	0.01064212	0.00177336	0.00081726	0.00017753	0.00015343	0.00632525	0.00516284	0.00076273	0.03303627	0.00594162	0.00007229	0.00034154	0.00015608
LABOR_PROD	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LABOR_PROD	TOTAL	1.00000000	0.45204905	0.01697834	0.00073476	0.00247662	0.00067793	0.08426442	0.01417608	0.00658090	0.00142020	0.00106344	0.04420223	0.04078447	0.00474349	0.20956893	0.03537762	0.00044408	0.00181382	0.00032157
Other Revenues	PRODUCTION	1,319,597	974,035	59,407	150,461	602	3,397	46,821	13,089	6,727	-	-	23,395	20,353	7,160	13,275	-	-	825	-
	BULKTRAN	(403,953)	(240,044)	(4,550)	(23,732)	(774)	364	(25,663)	(4,425)	(2,057)	(445)	(326)	(14,376)	(12,943)	(3,686)	(64,151)	(10,541)	(133)	(342)	(59)
	SUBTRAN	(170,455)	(97,652)	(1,835)	(9,485)	(310)	195	(10,659)	(1,771)	(1,592)	-	(132)	(5,867)	(7,182)	-	(34,450)	-	(54)	(139)	(24)
	DISTPRI	4,892,205	3,332,456	134,841	539,323	15,105	-	594,299	86,208	-	-	6,464	262,553	-	-	-	-	2,612	7,189	1,173
	DISTSEC	3,665,455	2,730,930	161,776	409,525	-	-	338,821	-	-	-	4,266	-	-	-	-	-	1,643	33,642	5,833
	ENERGY	1,233,876	881,543	54,542	125,172	576	1,000	46,709	12,256	6,328	61	53	29,656	21,015	17,972	30,616	2,651	25	4,166	54
	CUSTOMER	411,175	234,302	59,605	14,290	2,817	2,305	3,272	1,159	2,137	245	7	543	2,542	494	1,625	368	12	78,403	6,937
	TOTAL	10,952,940	7,815,569	463,867	1,204,554	18,015	7,322	992,591	166,516	12,034	(138)	10,353	295,804	23,815	21,920	(53,085)	(8,122)	4,104	123,755	13,975
REV_OTHER	PRODUCTION	0.12036820	0.08884787	0.00541085	0.01372446	0.00005490	0.00030009	0.00427082	0.00119306	0.00061363	-	-	0.00213404	0.00185828	0.00065490	0.00121092	-	-	0.00007530	-
REV_OTHER	BULKTRAN	(0.03729866)	(0.02180296)	(0.00041501)	(0.00216477)	(0.00007056)	0.00003319	(0.00243211)	(0.00040362)	(0.00018754)	(0.00004059)	(0.00002973)	(0.00131131)	(0.00118053)	(0.00033715)	(0.00585160)	(0.00096153)	(0.00001214)	(0.00003122)	(0.00000536)
REV_OTHER	SUBTRAN	(0.01554839)	(0.00890744)	(0.00016736)	(0.00086523)	(0.00002829)	0.00001782	(0.00097227)	(0.00016156)	(0.00009057)	-	(0.00001201)	(0.00053516)	(0.00065513)	-	(0.00314240)	-	(0.00000494)	(0.00001264)	(0.00000218)
REV_OTHER	DISTPRI	0.44624909	0.30397441	0.01229968	0.04919509	0.00137781	-	0.04599347	0.00786357	-	-	0.00058964	0.02394909	-	-	-	-	0.00023829	0.00065494	0.00010703
REV_OTHER	DISTSEC	0.33417379	0.24910542	0.01475669	0.03726415	-	-	0.03090604	-	-	-	0.00038932	-	-	-	-	-	0.00014986	0.00306873	0.00053207
REV_OTHER	ENERGY	0.11254960	0.08041108	0.00497513	0.01141777	0.00005253	0.00009073	0.00426059	0.00111792	0.00057719	0.00000559	0.00000483	0.00270569	0.00191693	0.00163938	0.00279270	0.00018710	0.00000228	0.00038181	0.00000494
REV_OTHER	CUSTOMER	0.03750588	0.02137220	0.00544435	0.00130350	0.00025692	0.00021029	0.00029848	0.00010569	0.00019494	0.00002241	0.00000067	0.00004954	0.00023184	0.00004232	0.00014819	0.00003361	0.00000105	0.00715160	0.00063826
REV_OTHER	TOTAL	1.00000000	0.71299757	0.04231224	0.10987497	0.00164330	0.00066792	0.08233102	0.00971526	0.00109767	(0.00001260)	0.00094432	0.02699126	0.00217229	0.00199045	(0.00484219)	(0.00074083)	0.00037439	0.01128352	0.00127474
Total Revenues	PRODUCTION	201,233,545	83,306,498	5,092,503	20,925,723	607,449	268,889	20,454,169	3,569,269	1,465,376	276,734	232,933	9,196,676	9,106,335	758,402	39,569,491	6,834,981	117,756	327,291	63,035
	BULKTRAN	(11,106,506)	(8,163,698)	107,522	217,419	8,221	35,295	(125,545)	325	(2,702)	(18,755)	28,200	(332,768)	(96,231)	(241,277)	(2,649,897)	115,609	6,460	1,982	3,137
	SUBTRAN	(4,819,373)	(3,323,305)	43,519	87,267	3,309	10,931	(50,062)	178	(1,423)	-	11,494	(135,917)	(53,402)	-	(1,424,584)	-	2,634	607	1,272
	DISTPRI	50,554,201	29,846,606	1,806,852	7,304,685	209,415	-	6,837,846	1,106,569	-	-	91,411	3,090,911	-	-	-	-	43,097	105,635	21,175
	DISTSEC	32,050,098	20,686,621	1,688,283	4,771,751	-	-	3,915,539	-	-	-	52,137	-	-	-	-	-	23,145	422,754	69,870
	ENERGY	207,414,904	74,126,532	4,600,056	16,951,753	479,603	63,511	18,603,966	3,193,432	1,317,162	304,878	151,693	10,801,342	8,594,231	1,870,915	55,628,319	8,337,631	116,555	1,544,563	277,916
	CUSTOMER	23,037,891	12,156,338	3,037,196	923,571	193,227	89,183	230,699	71,295	109,025	13,014	628	30,276	146,045	10,453	83,053	23,351	1,451	5,139,447	779,610
	TOTAL	498,364,731	208,835,592	16,575,940	51,182,167	1,501,423	415,829	50,066,629	8,051,685	2,887,458	575,868	563,655	22,650,521	17,696,979	2,398,492	90,406,381	15,461,773	311,497	7,542,449	1,235,014
REV	PRODUCTION	0.40378769	0.16715970	0.01021843	0.04198377	0.00121663	0.00041915	0.04104256	0.00720213	0.00294037	0.00055528	0.00046749	0.01845371	0.01827243	0.00152178	0.07739210	0.01391547	0.00023628	0.00065667	0.00012648
REV	BULKTRAN	(0.02228529)	(0.01638097)	0.00021575	0.00043626	0.00001650	0.00007082	(0.00025191)	0.00000065	(0.00000542)	(0.00003763)	0.00005658	(0.00066772)	(0.00019309)	(0.00048414)	(0.00531718)	0.00023208	0.00001295	0.00000398	0.00000629
REV	SUBTRAN	(0.00967037)	(0.00666842)	0.00008732	0.00017511	0.00000664	0.00003799	(0.00010045)	0.00000036	(0.00000286)	-	0.00002289	(0.00027273)	(0.00010715)	-	(0.00025852)	-	0.00000528	0.00000162	0.00000255
REV	DISTPRI	0.10144017	0.05988903	0.00362556	0.01465731	0.00042020	-	0.01372057	0.00240039	-	-	0.00018342	0.00620211	-	-	-	-	0.00008648	0.00021198	0.00004249
REV	DISTSEC	0.06431053	0.04191031	0.00338806	0.00957482	-	-	0.00785077	-	-	-	0.00010462	-	-	-	-	-	0.00004644	0.00084828	0.00013953
REV	ENERGY	0.41610098	0.14873052	0.00923032	0.03401475	0.00096275	0.00012744	0.03773137	0.00640782	0.00264091	0.00061175	0.00030478	0.02167357	0.01724486	0.00375411	0.11202301	0.01633031	0.00023406	0.00309826	0.00055766
REV	CUSTOMER	0.04622691	0.02439245	0.00609432	0.00185320	0.00038772	0.00017895	0.00042291	0.00014306	0.00021877	0.00002611	0.00000126	0.00006075	0.00029305	0.00002097	0.00016655	0.00004686	0.00000291	0.01031262	0.00156434
REV	TOTAL	1.00000000	0.41904168	0.03326905	0.10270222	0.00301270	0.00083435	0.10046182	0.01615501	0.00579335	0.00115552	0.00114104	0.04544969	0.03551010	0.00481272	0.18140609	0.03102501	0.00062504	0.01513440	0.00248014
PSC MAINT FEE	PRODUCTION	979,674	333,712	31,919	99,202	3,136	1,251	96,900	15,430	6,207	1,142	1,720	45,105	36,904	2,038	182,838	39,103	670	14,331	2,466
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	979,674	333,712	31,919	99,202	3,136	1,251	96,900	15,430	6,207	1,142	1,720	45,105	36,904	2,038	182,838	39,103	670	14,331	2,466
Intermediate Step	PRODUCTION	1.00000000	0.40723371	0.03250169	0.10132186	0.00320280	0.00127732	0.03697107	0.01575931	0.00633952	0.00116659	0.00175681	0.04606923	0.03769318	0.00208163	0.18674003	0.03993848	0.00068472	0.01453710	0.00251893
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	1.00000000	0.40723371	0.03250169	0.10132186	0.00320280	0.00127732	0.03697107	0.01575931	0.00633952	0.00116659	0.00175681	0.04606923	0.03769318	0.00208163	0.18674003	0.03993848	0.00068472	0.01453710	0.00251893
RATEBASE	PRODUCTION	0.49283730	0.22819461	0.00915557	0.03931876	0.00119265	0.00029021	0.04168376	0.00693584	0.00324674	0.00065503	0.00051028	0.02136189	0.02007183	0.00220493	0.10007525	0.01654483	0.00021022	0.00054297	0.00008323
	BULKTRAN	0.12702919	0.05839100	0.00234129	0.01027262	0.00029791	0.00006459	0.01030548	0.00177483	0.00084450	0.00017815	0.00013574	0.00553921	0.00521033	0.00053813	0.02585535	0.00432790	0.00005502	0.00014255	0.00002431
	SUBTRAN	0.05391069	0.02378042	0.00094533	0.00411310	0.00011969	0.00003405	0.00432698	0.00071161	0.00044553	-	0.00005403	0.00226351	0.00289546	-	0.01402231	-	0.00002243	0.00005779	0.00000985
	DISTPRI	0.14054291	0.09416050	0.00958757	0.01544490	0.00044366	-	0.01563293	0.00256735	-	-	0.00020654	0.00313595	-	-	-	-	0.00008393	0.00022183	0.00003774
	DISTSEC	0.09285422	0.06827741	0.00383316	0.01032700	-	-	0.00917922	-	-	-	0.00011916	-	-	-	-	-	0.00004392	0.00089914	0.00016321
	ENERGY	0.05045051	0.01603521	0.00107276	0.00389509	0.00011822	0.00002629	0.00443600	0.00074255	0.00033686	0.00007382	0.00005380	0.00261813	0.00211334	0.00030702	0.01367727	0.00231074	0.00002904	0.00035450	0.00006480
	CUSTOMER	0.04236599	0.01954542	0.00483343	0.00153600	0.00040624	0.00012071	0.00053259	0.00016638	0.00031204	0.00004575	0.00000142	0.00006930	0.00042697	0.00006588	0.00030578	0.00006989	0.00000234	0.01247495	0.00137431
	TOTAL	1.00000000	0.51045537	0.02577017	0.08559744	0.00263339	0.00063645	0.09259606	0.01292216	0.00518079	0.00099274	0.00103197	0.04606997	0.03971194	0.00317596	0.15417316	0.02325336	0.00044690	0.01471073	0.00176747
EXP_OTHTAX_PSC	PRODUCTION	0.50007042	0.16205027	0.01158263	0.04725191	0.00144780	0.00059100	0.04764958	0.00847293	0.00397200	0.00091675	0.00082054	0.02450886	0.02463443	0.00144519	0.1219145	0.02341635	0.00032059	0.00054722	0.00013207
EXP_OTHTAX_PSC	BULKTRAN	0.13651752	0.04629411	0.00298195	0.01215372	0.00038165	0.00015378	0.01234564	0.00216785	0.00100338	0.00020935	0.00022041	0.00537741	0.00639470	0.00035271	0.03159712	0.00743332	0.00008393	0.00014183	0.00003465
EXP_OTHTAX_PSC	SUBTRAN	0.05497271	0.01897167	0.00119727	0.00488669	0.00014529	0.00000253	0.00494430	0.00086920	0.00054653	-	0.00008919	0.00220650	0.00355364	-	0.01629214	-	0.00003422	0.00005750	0.00001405
EXP_OTHTAX_PSC	DISTPRI	0.12960468	0.07513581	0.00453661	0.01828216	0.00053057	-	0.01766269	0.00313589	-	-	0.00033537	0.00903879	-	-	-	-	0.00012602	0.00022072	0.00003379
EXP_OTHTAX_PSC	DISTSEC	0.08340586	0.05447070	0.00484931	0.01222409	-	-	0.01048083	-	-	-	0.00019349	-	-	-	-	-	0.00007004	0.00090459	0.00023260
EXP_OTHTAX_PSC	ENERGY	0.05413374	0.01442811	0.00135714	0.00471712	0.00014351	0.00000260	0.00560992	0.00095868	0.00040408	0.00008574	0.00008751	0.00301485	0.00259373	0.00024055	0.01656693	0.00336877	0.00004429	0.00035273	0.00009235
EXP_OTHTAX_PSC	CUSTOMER	0.04116012	0.01559305	0.00511475	0.00181816	0.00055509	0.00023740	0.00060370	0.00020640	0.00033183	0.00005376	0.00000230	0.00010283	0.00051657	0.00004318	0.00037039	0.00012004	0.00000356	0.01241256	0.00195302
EXP_OTHTAX_PSC	TOTAL	1.00000000	0.40723371	0.03250169	0.10132186	0.00320280	0.00127732	0.03697107	0.01575931	0.00633952	0.00116659	0.00175681	0.04606923	0.03769318	0.00208163	0.18674003	0.03993848	0.00068472	0.01453710	0.00251893

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	QP-SEC	QP-PRI	QP-SUB	QP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL	
AFUDC Offset	PRODUCTION	835,206	338,592	15,593	67,673	2,078	568	70,217	11,799	5,482	1,182	866	36,026	33,882	3,786	168,024	27,993	354	925	157	
	BULKTRAN	432,453	201,205	8,076	35,040	1,076	294	36,357	6,109	2,839	612	448	18,654	17,543	1,960	87,000	14,497	183	479	81	
	SUBTRAN	182,701	81,815	3,260	14,033	432	157	14,535	2,446	1,499	-	181	7,613	9,735	-	46,719	-	75	194	33	
	DISTPRI	237,849	160,144	6,106	26,011	791	-	25,931	4,359	-	-	343	13,546	-	-	-	-	139	368	62	
	DISTSEC	157,439	116,166	6,529	17,405	-	-	15,267	-	-	-	198	-	-	-	-	-	76	1,508	269	
	ENERGY	2,603	931	55	205	6	2	228	38	17	4	3	135	110	16	707	127	2	18	3	
	CUSTOMER	70,696	32,482	8,148	2,562	835	276	885	288	522	78	2	149	704	117	506	117	4	20,757	2,265	
	TOTAL	1,918,951	931,356	47,772	162,905	5,218	1,296	163,468	25,037	10,359	1,876	2,041	76,123	61,974	5,880	302,956	42,739	831	24,249	2,871	
AFUDC_OFF	PRODUCTION	0.43524107	0.20250251	0.00812836	0.03526573	0.00108308	0.00029576	0.03659111	0.00614858	0.00285683	0.00061594	0.00045106	0.01877396	0.01765638	0.00197312	0.08756048	0.01459038	0.00018428	0.00048193	0.00008158	
AFUDC_OFF	BULKTRAN	0.22535906	0.10485172	0.00420870	0.01825939	0.00056080	0.00015314	0.01894614	0.00318361	0.00147921	0.00031892	0.00023355	0.00972078	0.00914212	0.00102164	0.04533705	0.00755481	0.00009542	0.00024953	0.00004224	
AFUDC_OFF	SUBTRAN	0.09520859	0.04263538	0.00169859	0.00730012	0.00022491	0.00008196	0.00757420	0.00127449	0.00078118	-	0.00009437	0.00396714	0.00507293	-	0.02434632	-	0.00003835	0.00010102	0.00001710	
AFUDC_OFF	DISTPRI	0.12394735	0.08345397	0.00318209	0.01355504	0.00041225	-	0.01353934	0.00227056	-	-	0.00017870	0.00705853	-	-	-	-	0.00007222	0.00019161	0.00003244	
AFUDC_OFF	DISTSEC	0.08204391	0.06054673	0.00340250	0.00907008	-	-	0.00795571	-	-	-	0.00010313	-	-	-	-	-	0.00003953	0.00078587	0.00014036	
AFUDC_OFF	ENERGY	0.00135633	0.00048494	0.00002875	0.00010686	0.00000325	0.00000001	0.00011863	0.00001977	0.00000911	0.00000198	0.00000171	0.00007052	0.00005755	0.00000850	0.00036827	0.00006623	0.00000081	0.00000938	0.00000175	
AFUDC_OFF	CUSTOMER	0.03684108	0.01692687	0.00424609	0.00133490	0.00043492	0.00014369	0.00046120	0.00014963	0.00027181	0.00004060	0.00000123	0.00007767	0.00036685	0.00006089	0.00026388	0.00006080	0.00000193	0.01081708	0.00118053	
AFUDC_OFF	TOTAL	1.00000000	0.51140212	0.02486503	0.08439262	0.00271920	0.00067546	0.08518633	0.01304720	0.00539813	0.00097744	0.00106374	0.03966859	0.03229599	0.00306416	0.15787599	0.02227212	0.00043310	0.01263642	0.00149600	
RBASE		501,102,474	204,065,819	16,336,788	50,772,635	1,604,933	640,068	49,594,650	7,897,030	3,176,749	584,583	880,343	23,085,407	18,883,146	1,043,111	93,578,897	20,013,271	343,116	7,334,685	1,262,243	470,263,297
Initial RSALE		501,174,552	204,095,172	16,339,138	50,779,938	1,605,164	640,160	49,601,784	7,898,156	3,177,206	584,667	880,470	23,088,728	18,890,863	1,043,261	93,592,357	20,016,150	343,165	7,335,740	1,262,425	490,690,254
Initial Other Revenue		2,729,194	6,544,789	336,484	957,633	-86,558	-216,079	1,027,524	250,443	-245,386	-565	-301,041	-153,520	-920,753	1,370,010	-1,821,134	-4,262,518	-27,434	225,312	-17,922	1,435,478
Initial Total Expense		447,660,897	197,456,509	13,052,240	40,967,880	1,193,932	238,330	41,515,612	6,634,784	2,434,357	537,398	399,862	20,085,580	15,147,816	2,047,776	84,961,914	13,535,527	240,493	5,698,801	911,975	492,125,732
Net Operating Income		48,922,772	13,183,452	3,683,376	10,779,691	324,644	185,743	9,113,695	1,513,825	497,463	46,705	179,567	2,849,620	2,822,293	(234,505)	6,609,310	2,218,104	75,178	1,662,161	332,527	
RATEBASE	PRODUCTION	0.49293730	0.22819461	0.00915557	0.03991876	0.00119265	0.00029021	0.04168376	0.00693684	0.00324674	0.00069503	0.00051028	0.02136189	0.02007183	0.00220493	0.10007595	0.01654493	0.00021022	0.00054997	0.00009323	
RATEBASE	BULKTRAN	0.12702919	0.05839180	0.00234129	0.01027262	0.00029791	0.00006439	0.01080548	0.00177483	0.00084450	0.00017815	0.00013574	0.00553821	0.00521033	0.00053813	0.02606585	0.00432700	0.00005502	0.00014255	0.00002431	
RATEBASE	SUBTRAN	0.05381089	0.02378042	0.00094639	0.00411310	0.00011969	0.00003466	0.00432608	0.00071161	0.00044663	-	0.00005493	0.00226351	0.00289546	-	0.01402831	-	0.00002243	0.00005779	0.00000986	
RATEBASE	DISTPRI	0.14054291	0.09416050	0.00358757	0.01544490	0.00044366	-	0.01563293	0.00256735	-	-	0.00020654	0.00813595	-	-	-	-	0.00008303	0.00022183	0.00003774	
RATEBASE	DISTSEC	0.09265422	0.06827741	0.00383316	0.01032700	-	-	0.00917922	-	-	-	0.00011916	-	-	-	-	-	0.00004592	0.00090914	0.00016321	
RATEBASE	ENERGY	0.05045951	0.01808521	0.00107276	0.00398506	0.00011822	0.00002629	0.00443600	0.00074255	0.00033088	0.00007392	0.00005390	0.00261813	0.00211334	0.00036702	0.01367727	0.00231074	0.00002904	0.00035450	0.00006480	
RATEBASE	CUSTOMER	0.04235599	0.01954542	0.00483343	0.00153600	0.00046624	0.00012071	0.00053259	0.00016898	0.00031204	0.00004575	0.00000142	0.00008930	0.00042097	0.00006583	0.00030578	0.00006989	0.00000234	0.01247495	0.00137431	
RATEBASE	TOTAL	1.00000000	0.51045537	0.02577017	0.08559744	0.00263836	0.00053646	0.08659606	0.01290216	0.00518079	0.00093274	0.00108197	0.04000697	0.03071194	0.00317596	0.15417316	0.02325336	0.00044830	0.01471073	0.00176747	
NOI - Functionalized	PRODUCTION	27,430,408	5,693,547	1,308,622	5,027,158	146,752	100,482	4,386,956	813,907	311,754	32,098	84,687	1,521,566	1,844,514	(162,807)	4,420,018	1,578,188	35,206	69,618	17,541	
	BULKTRAN	7,083,209	1,508,076	334,645	1,293,680	36,657	22,362	1,137,210	200,242	81,089	8,331	22,528	394,476	478,806	(33,734)	1,152,124	412,832	9,214	18,044	4,574	
	SUBTRAN	2,944,760	614,173	135,269	517,983	14,727	12,002	455,293	83,494	42,686	-	9,116	161,225	266,080	-	619,583	-	3,757	7,315	1,855	
	DISTPRI	7,554,326	2,432,385	512,777	1,945,049	54,591	-	1,645,263	301,230	-	-	34,278	579,503	-	-	-	-	14,056	28,001	7,101	
	DISTSEC	4,751,110	1,763,390	547,680	1,300,528	-	-	966,056	-	-	-	19,777	-	-	-	-	-	7,620	115,084	30,705	
	ENERGY	2,984,113	467,084	153,331	501,857	14,546	9,103	466,861	87,124	31,771	3,473	8,945	186,484	194,207	(27,100)	604,079	220,418	4,863	44,875	12,192	
	CUSTOMER	3,494,923	504,797	690,851	193,435	57,370	41,793	56,052	19,827	29,962	2,152	235	6,360	38,686	(4,864)	13,505	6,667	391	1,579,144	258,580	
	TOTAL	56,242,849	13,183,452	3,683,376	10,779,691	324,644	185,743	9,113,695	1,513,825	437,463	46,705	179,567	2,849,620	2,822,293	(234,505)	6,809,310	2,218,104	75,178	1,882,161	332,527	
Total Expenses	PRODUCTION	176,812,844	78,633,727	3,650,420	16,206,837	470,286	113,110	16,367,892	2,827,303	1,177,160	248,133	153,661	7,813,476	7,403,655	926,025	34,732,049	5,487,835	84,470	262,357	46,445	
	BULKTRAN	(18,346,154)	(9,769,261)	(225,464)	(1,072,683)	(28,294)	13,732	(1,264,212)	(207,843)	(83,602)	(27,403)	6,329	(732,046)	(576,337)	(203,067)	(3,841,091)	(294,636)	(2,647)	(16,029)	(1,390)	
	SUBTRAN	(7,833,270)	(3,985,307)	(91,079)	(429,280)	(11,360)	7,358	(505,935)	(83,288)	(44,315)	-	2,553	(299,104)	(320,204)	-	(2,065,172)	-	(1,079)	(6,495)	(563)	
	DISTPRI	42,765,980	27,193,513	1,295,431	5,360,319	154,862	-	5,186,308	894,755	-	-	57,774	2,502,144	-	-	-	-	29,170	77,567	14,137	
	DISTSEC	27,114,115	18,945,640	1,340,863	3,469,035	-	-	2,943,475	-	-	-	32,701	-	-	-	-	-	15,514	307,490	59,396	
	ENERGY	207,532,618	74,745,480	4,514,053	16,099,576	472,830	55,837	18,613,495	3,152,435	1,306,564	305,921	146,445	10,777,333	8,533,854	1,803,834	56,067,330	8,325,666	113,998	1,521,932	269,916	
	CUSTOMER	19,614,763	11,712,716	2,360,021	734,077	135,608	48,301	174,589	51,360	78,750	10,747	397	23,785	106,848	14,924	68,799	16,662	1,068	3,552,060	524,033	
	TOTAL	447,660,897	197,456,509	13,052,245	40,967,880	1,193,932	238,330	41,515,612	6,634,784	2,434,357	537,398	399,662	20,085,588	15,147,816	2,047,776	84,961,914	13,535,527	240,493	5,698,891	911,975	
Total Revenue	PRODUCTION	204,243,253	84,527,274	5,167,042	21,233,935	617,038	213,592	20,754,840	3,641,210	1,438,914	260,836	238,348	9,335,042	9,248,169	763,218	39,152,067	7,065,023	119,676	331,975	63,906	
	BULKTRAN	(11,262,945)	(8,281,165)	103,181	220,937	8,363	38,034	(127,002)	394	(2,713)	(19,027)	28,857	(337,570)	(97,531)	(242,601)	(2,669,907)	118,196	6,567	2,015	3,105	
	SUBTRAN	(4,888,511)	(3,371,133)	44,190	88,702	3,367	19,360	(50,642)	206	(1,429)	-	11,670	(137,878)	(54,123)	-	(1,445,589)	-	2,678	820	1,291	
	DISTPRI	50,320,306	29,625,898	1,808,209	7,305,368	209,453	-	6,831,577	1,195,985	-	-	92,053	3,081,652	-	-	-	-	43,226	105,648	21,238	
	DISTSEC	31,865,226	20,700,030	1,828,744	4,769,563	-	-	3,900,531	-	-	-	52,478	-	-	-	-	-	23,204	422,574	90,102	
	ENERGY	210,516,731	75,212,564	4,667,384	17,201,433	487,376	64,940	19,080,356	3,239,618	1,338,335	309,394	155,390	10,963,817	8,728,061	1,882,794	56,671,409	8,546,083	118,861	1,566,807	282,108	
	CUSTOMER	23,103,686	12,217,513	3,050,872	927,512	192,978	90,094	230,640	71,195	108,712	12,899	633	30,146	145,534	10,060	82,304	23,329	1,460	5,131,213	782,593	
	0 TOTAL	503,903,746	210,639,961	16,735,622	51,747,571	1,518,576	424,081	50,629,307	8,148,609	2,931,819	584,102	579,429	22,935,209	17,970,109	2,413,271	91,771,224	15,753,632	315,671	7,561,052	1,244,502	
Total Other Revenue	PRODUCTION	1,319,214	973,879	59,397	150,421	601	3,397	46,782	13,083	6,724	(1)	(1)	23,378	20,365	7,179	13,201	(17)	(0)	825	(0)	
	BULKTRAN	(403,883)	(240,029)	(4,550)	(23,733)	(774)	364	(26,663)	(4,425)	(2,067)	(445)	(326)	(14,375)	(12,943)	(3,696)	(64,146)	(10,542)	(133)	(342)	(59)	
	SUBTRAN	(170,447)	(97,646)	(1,835)	(9,486)	(310)	195	(10,659)	(1,771)	(1,092)	-	(132)	(5,867)	(7,182)	-	(34,447)	-	(54)	(139)	(24)	
	DISTPRI	3,960,426	2,718,562	111,432	439,607	12,072	-	404,090	69,503	-	-	5,149	210,626	-	-	-	-	2,031	5,771	935	
	DISTSEC	3,079,977	2,284,104	136,665	341,566	-	-	280,107	-	-	-	3,524	-	-	-	-	-	1,351	27,842	4,797	
	ENERGY	1,233,481	881,404	54,534	125,141	575	1,060	46,674	12,250	6,325	61	53	29,635	20,938	17,971	30,503	2,031	25	4,183	54	
	CUSTOMER	148,119	118,682	29,260	4,738	(441)	1,228	(137)	41	99	(59)	(2)	(36)	(210)	7	(355)	(88)	(3)	(2,926)	(1,678)	
	TOTAL	9,181,687	6,638,957	384,902	1,028,274	11,723	6,244	740,794	88,680	9,900	(444)	8,266	243,361	21,028	21,461	(55,238)	(8,616)	3,267	35,214	4,025	
Firm Sales Revenue	PRODUCTION	202,924,038	83,553,395	5,107,645	21,083,574	616,438	210,195	20,708,066	3,628,127	1,482,190	280,837	238,349	9,311,664	9,227,804	756,039	39,138,865	7,066,040	119,676	331,150	63,936	
	BULKTRAN	(10,854,062)	(8,041,156)	113,731	244,730	9,137	35,731	(100,339)	4,810	(646)	(18,582)	29,183	(323,195)	(84,588)	(239,105)	(2,624,821)	128,733	6,700	2,358	3,244	
	SUBTRAN	(4,718,063)	(3,273,488)	46,025	98,188	3,677	19,165	(39,983)	1,977	(337)	-	11,802	(132,011)	(46,941)	-	(1,411,142)	-	2,732	959	1,315	
	DISTPRI	46,339,880	26,907,336	1,696,777	6,865,762	197,381	-	6,426,587	1,126,483	-	-	86,903	2,871,026	-	-	-	-	41,145	99,877	20,303	
	DISTSEC	28,785,249	18,424,926	1,752,079	4,427,977	-	-	3,629,424	-	-	-	48,954	-	-	-	-	-	21,853	394,731	85,305	
	ENERGY	209,283,250	74,331,160	4,612,851	17,076,292	486,801	63,880	19,033,682	3,227,369	1,332,010	309,333	155,338	10,934,182	8,707,063	1,864,823	56,640,900	8,544,052	118,836	1,562,624	282,054	
	CUSTOMER	22,961,567	12,098,831	3,021,612	922,775	193,419	88,866	230,778	71,155	108,613	12,958	635	30,182	145,744	10,053	82,658	23,417	1,463	5,134,139	784,270	
	TOTAL	494,721,859	204,001,005	16,350,720	50,719,297	1,506,853	417,837	49,888,514	8,059,929	2,921,830	584,546	571,162	22,691,847	17,949,081	2,391,810	91,826,461	15,762,247	312,404	7,525,838	1,240,478	
RSALE	PRODUCTION	0.41017803	0.16888954	0.01032428	0.04261702	0.00124603	0.00042488	0.04185800	0.00733367	0.00299601	0.00056767	0.00048178	0.01882262	0.01865251	0.00152821	0.07911287	0.01428285	0.00024191	0.00066937	0.00012934	
RSALE	BULKTRAN	(0.02193973)	(0.01625339)	0.00022989	0.00049468	0.00001847	0.00007222	(0.00020282)	0.00000974	(0.00000131)	(0.00003756)	0.00005899	(0.00065329)	(0.00017098)	(0.00048331)	(0.00530565)	0.00026022	0.00001354	0.00000477	0.00000656	
RSALE	SUBTRAN	(0.00953680)	(0.00661682)	0.00009303	0.00019847	0.00000743	0.00003074	(0.00008082)	0.00000400	(0.00000068)	-	0.00002385	(0.00026684)	(0.00009488)	-	(0.00285239)	-	0.00000552	0.00000194	0.00000266	
RSALE	DISTPRI	0.09366855	0.05438882	0.00342976	0.01387802	0.00039897	-	0.01299091	0.00227700	-	-	0.00017566	0.00580331	-	-	-	-	0.00008317	0.00020189	0.00004104	
RSALE	DISTSEC	0.05818471	0.03724300	0.00354154	0.00895044	-	-	0.00733629	-	-	-	0.00009895	-	-	-	-	-	0.00004417	0.00079789	0.00017243	
RSALE	ENERGY	0.42303215	0.15024939	0.00932413	0.03451696	0.00098399	0.00012912	0.03847350	0.00652360	0.00269244	0.00062527	0.00031399	0.02210168	0.01759992	0.00376944	0.11449039	0.01727042	0.00024021	0.00315859	0.00057013	
RSALE	CUSTOMER	0.04641303	0.02445582	0.00610770	0.00186524	0.00039097	0.00017963	0.00046648	0.00014333	0.00021954	0.00002619	0.00000128	0.00006101	0.00029460	0.00002032	0.00016708	0.00004733	0.00000296	0.01037783	0.00158528	
RSALE	TOTAL	1.00000000	0.41235404	0.03305033	0.10252083	0.00304586	0.00084459	0.10084154	0.01629184	0.00590601	0.00118157	0.00115451	0.04586789	0.03628116	0.00483466	0.18561230	0.03186083	0.00063147	0.01521220	0.00250742	

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	OP-SEC	OP-PRI	OP-SUB	OP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
REVENUES																				
REVSALES	PRODUCTION	531,102,474	204,065,619	16,336,768	50,772,635	1,604,933	640,068	49,594,650	7,937,030	3,176,749	584,583	860,343	23,085,407	16,868,146	1,943,111	93,578,697	20,013,271	343,116	7,334,585	1,262,243
REVSALES	BULKTRAN	1.00000000	0.40723371	0.03260169	0.10132165	0.00320260	0.00127732	0.09897107	0.01575931	0.00633952	0.00116659	0.00175691	0.04606923	0.03365918	0.00388163	0.18674603	0.03993848	0.00068472	0.01463710	0.00251693
REVSALES	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVSALES	TOTAL	1.00000000	0.40723371	0.03260169	0.10132165	0.00320260	0.00127732	0.09897107	0.01575931	0.00633952	0.00116659	0.00175691	0.04606923	0.03769918	0.00388163	0.18674603	0.03993848	0.00068472	0.01463710	0.00251693
O&M Expense w/ Adj	PRODUCTION	115,491,803	54,412,692	2,187,719	9,467,881	299,929	18,903	9,807,200	1,694,713	685,451	165,663	54,360	4,957,020	4,479,801	827,915	23,133,704	3,021,778	43,469	135,268	21,316
	BULKTRAN	-31,424,493	-14,803,640	-594,534	-2,573,606	-72,979	-6,242	-2,691,872	-459,535	-190,358	-44,989	-16,103	-1,348,936	-1,221,944	-219,005	-6,290,187	-836,154	-11,932	-36,711	-5,811
	SUBTRAN	-13,316,845	-6,019,616	-239,951	-1,028,918	-29,269	-3,341	-1,076,160	-183,968	-100,531	0	-6,507	-550,509	-678,071	0	-3,377,931	0	-4,658	-14,662	-2,352
	DISTPRI	22,927,035	15,445,334	590,367	2,508,535	70,209	0	2,526,057	431,365	0	0	15,251	1,265,275	0	0	0	0	-4,658	-14,662	-2,352
	DISTSEC	14,162,807	10,446,404	508,530	1,564,908	0	0	1,383,814	0	0	0	8,206	0	0	0	0	0	11,760	36,998	5,843
	ENERGY	210,077,670	76,001,779	4,511,640	16,733,050	474,434	52,928	18,706,285	3,162,645	1,317,035	310,231	148,644	10,891,571	8,603,317	1,946,269	56,896,795	8,416,773	113,639	1,524,458	268,556
	CUSTOMER	13,057,612	9,345,365	1,425,963	455,378	47,730	4,582	65,259	21,233	28,076	4,565	103	10,625	39,475	10,500	29,175	5,367	592	1,321,359	222,324
	TOTAL	330,975,590	144,828,260	8,469,744	27,127,227	787,115	65,828	28,840,593	4,666,456	1,740,733	435,490	291,960	15,245,076	11,222,577	2,565,676	70,391,556	10,607,764	158,729	3,107,956	532,950
EXP_OM	PRODUCTION	0.34894346	0.16440087	0.00660991	0.02860597	0.00090649	0.00005711	0.02963332	0.00512008	0.00210121	0.00050053	0.00016424	0.01497699	0.01353514	0.00250144	0.00698548	0.00912991	0.00013140	0.00040869	0.00006440
EXP_OM	BULKTRAN	(0.09494502)	(0.04472727)	(0.00179631)	(0.00777532)	(0.00022050)	(0.00001885)	(0.00813314)	(0.00138843)	(0.00057514)	(0.00013587)	(0.00004865)	(0.00407554)	(0.00369194)	(0.00066170)	(0.01900498)	(0.00252633)	(0.00003605)	(0.00011092)	(0.00001756)
EXP_OM	SUBTRAN	(0.04023511)	(0.01818745)	(0.00072493)	(0.00310874)	(0.00008843)	(0.00001009)	(0.00325148)	(0.00055584)	(0.00030374)	0	(0.00001966)	(0.00166329)	(0.00204870)	0	(0.01020593)	0	(0.00001458)	(0.00004490)	(0.00000711)
EXP_OM	DISTSEC	0.00327105	0.00466697	0.00178372	0.00757921	0.00021213	0	0.00763218	0.00130331	0	0	0.00004039	0.00038929	0	0	0	0	0.00003562	0.00011179	0.00001765
EXP_OM	DISTPRI	0.04279138	0.00156245	0.00177817	0.00472317	0	0	0.00418101	0	0	0	0.00002479	0	0	0	0	0	0.00003562	0.00011179	0.00001765
EXP_OM	ENERGY	0.63472239	0.22962949	0.01363136	0.05055673	0.00143302	0.00015991	0.05651861	0.00955552	0.00397943	0.00093732	0.00044907	0.03290747	0.02599380	0.00588049	0.17189627	0.02543018	0.00034332	0.00460595	0.00080990
EXP_OM	CUSTOMER	0.03945188	0.02823563	0.00430836	0.00137566	0.00014421	0.00001384	0.00025760	0.00006417	0.00008483	0.00001379	0.00000033	0.00003210	0.00011927	0.00003172	0.00008815	0.00001622	0.00000179	0.00399229	0.00067172
EXP_OM	TOTAL	1.00000000	0.43757975	0.02559223	0.08199139	0.00228752	0.00020191	0.08713810	0.01409909	0.00526059	0.00131577	0.00051020	0.04605101	0.03380755	0.00775185	0.21267693	0.03204908	0.00047958	0.00939029	0.00161024
Calculation of CUST_DEP_S Allocator																				
CUST_DEP	PRODUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BULKTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTPRI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	DISTSEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ENERGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CUSTOMER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	1.00000000	0.75486612	0.04149397	0.08463463	0.00079943	0.00009028	0.03206530	0.01652319	0.00166497	0.03162379	-	0.01645221	0.01187950	0.00792003	0.00128524	0.00559684	-	0.00540651	-
RB_GUP	PRODUCTION	0.33143685	0.15420625	0.00610960	0.02665503	0.00082477	0.00022522	0.02786436	0.00468216	0.00217549	0.00046905	0.00034348	0.01429649	0.01344545	0.00150254	0.00667786	0.01111067	0.00014033	0.00038659	0.00006213
	BULKTRAN	0.10003786	0.06691812	0.00356514	0.01546764	0.00047504	0.00012972	0.01604805	0.00260678	0.00125301	0.00027015	0.00019783	0.00823431	0.00774413	0.00096542	0.03840425	0.00639938	0.00008083	0.00021137	0.00003578
	SUBTRAN	0.00046786	0.00303437	0.00143503	0.00616088	0.00018009	0.00000927	0.00540153	0.00107717	0.00066023	-	0.00007976	0.00335293	0.00428756	-	0.02057691	-	0.00003283	0.00008530	0.00001445
	DISTPRI	0.20209779	0.13601220	0.00810813	0.02209183	0.00057187	-	0.02366525	0.00370102	-	-	0.00029125	0.01150439	-	-	-	-	0.00011770	0.00031228	0.00005286
	DISTSEC	0.13360080	0.09374209	0.00554932	0.01479288	-	-	0.01297539	-	-	-	0.00016819	-	-	-	-	-	0.00036448	0.00128172	0.00022892
	ENERGY	0.00172510	0.00061561	0.00003659	0.00013566	0.00000413	0.00000115	0.00015060	0.00002510	0.00001157	0.00000251	0.00000217	0.00008952	0.00007308	0.00001579	0.00046751	0.00008403	0.00000102	0.00001191	0.00000222
	CUSTOMER	0.02365264	0.02715984	0.00688048	0.00216245	0.00071168	0.00023519	0.00075249	0.00024505	0.00044469	0.00000645	0.00000200	0.00012697	0.00060061	0.00003958	0.00043193	0.00009968	0.00000323	0.01771550	0.00192352
	TOTAL	1.00000000	0.54150699	0.02884295	0.08767543	0.00287757	0.00066053	0.08625057	0.01242730	0.00454519	0.00088816	0.00103469	0.03760461	0.02615082	0.00247843	0.12655845	0.01769381	0.00044043	0.01938515	0.00231869
CUST_DEP_FXNL	PRODUCTION	0.29553376	0.21493997	0.00880204	0.02592338	0.00280371	0.00275849	0.01035203	0.00622538	0.00089264	0.00059419	-	0.00625479	0.00510785	0.00484515	0.00057713	0.00414243	-	0.00039928	-
CUST_DEP_FXNL	BULKTRAN	0.17021771	0.12379334	0.00512953	0.01493119	0.00161773	0.00158820	0.00356563	0.00368561	0.00051413	0.00034223	-	0.00360255	0.00351792	0.00279065	0.00039001	0.00233509	-	0.00005718	-
CUST_DEP_FXNL	SUBTRAN	0.00747281	0.05022618	0.00208558	0.00595590	0.00064733	0.00034839	0.00337564	0.00143219	0.00027030	-	-	0.00146602	0.00194770	-	0.00020096	-	-	0.00002310	-
CUST_DEP_FXNL	DISTPRI	0.23889621	0.16957937	0.00748193	0.02132564	0.00226803	-	0.00820209	0.00492053	-	-	-	0.00503323	-	-	-	-	-	0.00008448	-
CUST_DEP_FXNL	DISTSEC	0.16507466	0.13764025	0.00798450	0.01427983	-	-	0.00482335	-	-	-	-	-	-	-	-	-	-	0.00034674	-
CUST_DEP_FXNL	ENERGY	0.00131342	0.00035809	0.00005252	0.00013095	0.00001405	0.00001408	0.00005598	0.00003337	0.00000475	0.00000318	-	0.00003917	0.00003319	0.00003481	0.00000475	0.00003135	-	0.00000322	-
CUST_DEP_FXNL	CUSTOMER	0.06149144	0.03784396	0.00939901	0.00203745	0.00242359	0.00268051	0.00027872	0.00032581	0.00010255	0.00003418	-	0.00005555	0.00027784	0.00032142	0.00000430	0.00003716	-	0.00479251	-
CUST_DEP_FXNL	TOTAL	1.00000000	0.75486612	0.04149397	0.08463463	0.00079943	0.00009028	0.03206530	0.01652319	0.00166497	0.00102379	-	0.01645221	0.01187950	0.00792003	0.00128524	0.00559684	-	0.00540651	-
REVYEC_EXP_OM allocator is the basis to allocate the O&M portion of the Customer Annualization (Year End Customer) Adjustment. It is spread to the functions within each tariff class using total O&M.																				
REVYEC Total	TOTAL	1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.00445432	(0.04443574)	(0.02560308)	0.03957668	0.00091875	0.04793459	0.00150614	0.14595171	(0.20899008)	0.27356808	0.65924454	0.00476716	(0.02946028)	0.00340122
EXP_OM	PRODUCTION	0.39168295	0.18220938	0.00731503	0.03173738	0.00097470	0.00026826	0.03293003	0.00553388	0.00257127	0.00055439	0.00040931	0.01660812	0.01559183	0.00177546	0.07881208	0.01313691	0.00016387	0.00045363	0.00007342
REVYEC_EXP_OM	BULKTRAN	(0.03855001)	(0.04586713)	(0.00184039)	(0.00798453)	(0.00024523)	(0.00000031)	(0.00828467)	(0.00139195)	(0.00064656)	(0.00013342)	(0.00010208)	(0.00425032)	(0.00395645)	(0.00044688)	(0.01931827)	(0.00329979)	(0.00004171)	(0.00010916)	(0.00001647)
REVYEC_EXP_OM	SUBTRAN	(0.04163533)	(0.01855077)	(0.00074276)	(0.00319214)	(0.00009835)	(0.00003581)	(0.00331202)	(0.00055724)	(0.00034151)	-	(0.00004125)	(0.00173460)	(0.00221765)	-	(0.01054259)	-	(0.00001638)	(0.00004419)	(0.00000749)
REVYEC_EXP_OM	DISTPRI	0.07503165	0.05054447	0.00193207	0.00820349	0.00025330	-	0.00922087	0.00137905	-	-	0.00010858	0.00428547	-	-	-	-	0.00004387	0.00011628	0.00001963
REVYEC_EXP_OM	DISTSEC	0.04642304	0.03425458	0.00182266	0.00513451	-	-	0.00450362	-	-	-	0.00005842	-	-	-	-	-	0.00004387	0.00011628	0.00001963
REVYEC_EXP_OM	ENERGY	0.58536443	0.20838778	0.01238604	0.04603230	0.00130983	0.00033006	0.05110178	0.00851539	0.00092437	0.00085249	0.00073677	0.03037625	0.02479117	0.00356250	0.15863506	0.02853079	0.00034713	0.00404094	0.00075378
REVYEC_EXP_OM	CUSTOMER	0.04148246	0.02975746	0.00453578	0.00145204	0.00016564	0.00005253	0.00027024	0.00008826	0.00003359	0.00001458	0.00000373	0.00003455	0.00013333	0.00002186	0.00009435	0.00002193	0.00000213	0.00402440	0.00073540
REVYEC_EXP_OM	TOTAL	1.00000000	0.44123810	0.02551162	0.03141005	0.00244689	0.00060813	0.08542804	0.01354522	0.00560616	0.00128204	0.00116718	0.04560640	0.03463723	0.00501295	0.20708003	0.03638834	0.00052272	0.00890049	0.00163579
REVYEC_EXP_OM	PRODUCTION	0.38361770	0.09502842	(0.00051466)	0.00366369	0.00006899	0.01513501	(0.01712832)	(0.01024158)	0.01815169	0.00000311	0.01697423	0.00270568	0.05703141	0.07401923	0.10415321	0.22539165	0.00151278	(0.00143433)	0.00015265
REVYEC_EXP_OM	BULKTRAN	(0.09533557)	(0.00151701)	0.00012948	(0.00052172)	(0.00152604)	(0.00300344)	0.00430922	0.00257617	(0.00455511)	(0.00000204)	(0.00419214)	(0.00573185)	(0.01685294)	0.01863027	(0.02619303)	(0.05665514)	(0.00038037)	0.00026107	(0.00003941)
REVYEC_EXP_OM	SUBTRAN	(0.03271410)	(0.00061556)	0.00005226	(0.00030549)	(0.00051230)	(0.00203557)	0.00172272	0.00103132	(0.00241055)	-	(0.00169400)	(0.00233923)	(0.00395309)	-	(0.01406479)	-	(0.00015426)	0.00014617	(0.00001555)
REVYEC_EXP_OM	DISTPRI	0.00751544	0.00167501	(0.00013503)	0.00035011	0.00155843	-	(0.00427603)	(0.00255232)	-	-	0.00445905	0.00578000	-	-	-	-	0.00040014	(0.00038481)	0.00004025
REVYEC_EXP_OM	DISTSEC	0.00054564	0.00113294	(0.00013551)	0.00055272	-	-	(0.00234253)	-	-	-	0.00039920	-	-	-	-	-	0.00020423	(0.00147560)	0.00016520
REVYEC_EXP_OM	ENERGY	0.74167042	0.00280876	(0.00067143)	0.00531386	0.00371613	0.02217222	(0.02650024)	(0.01576004)	0.02770409	0.00091247	0.03025812	0.04006445	0.10456864	(0.15269991)	0.20964529	0.46994125	0.00316581	(0.01336633)	0.00156729
REVYEC_EXP_OM	CUSTOMER	(0.00624923)	0.00268420	(0.00031912)	0.00016762	0.00103138	0.00026610	(0.00014056)	(0.00012264)	0.00009658	0.00000021	0.00000212	0.00004659	0.00056258	0.00091121	0.00012535	0.00037658	0.00001944	(0.01331164)	0.00152803
REVYEC_EXP_OM	TOTAL	1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.00445432	(0.04443574)	(0.02560308)	0.03957668	0.00091875	0.04793459	0.00150614	0.14595171	(0.20899008)	0.27356808	0.65924454	0.00476716	(0.02946028)	0.00340122

KENTUCKY POWER COMPANY
COST-OF-SERVICE STUDY
TWELVE MONTHS ENDING
MARCH 31, 2013

Case No.: 2013-00197
Exhibit No.: JMS-2
Page 25 of 29
Witness: J. Stegall

ALLOCATOR	FUNCTION	Total	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	LGS-SEC	LGS-PRI	LGS-SUB	LGS-TRA	OP-SEC	OP-PRI	OP-SUB	OP-TRA	CIP-TOD-SUB	CIP-TOD-TRA	MW	OL	SL
REVSALES_FXNL allocator is the spreading of the REVSALES allocator to all functions within each tariff class. It is spread using the RSALE allocator as a basis.																				
REVSALES TOTAL		1.00000000	0.40723371	0.03260169	0.10132186	0.00320280	0.00127732	0.02837107	0.01575931	0.00633952	0.00116659	0.00175681	0.04606923	0.03769318	0.00203163	0.18574603	0.03093848	0.00068472	0.01463710	0.00251693
RSALE	PRODUCTION	0.41017603	0.16583964	0.01032428	0.04251702	0.00124603	0.00042488	0.04185800	0.00733367	0.00299001	0.00056767	0.00048178	0.01882202	0.01865251	0.00152821	0.07911287	0.01428285	0.00024191	0.00066937	0.00012934
	BULKTRAN	(0.02193973)	(0.01625388)	0.00022989	0.00049468	0.00001847	0.00007222	(0.00020282)	0.00000974	(0.00000131)	(0.00003756)	0.00005899	(0.00065329)	(0.00017098)	(0.00048331)	(0.00530565)	0.00026022	0.00001354	0.00000477	0.00000656
	SUBTRAN	(0.00953660)	(0.00661682)	0.00009303	0.00019847	0.00000743	0.00003974	(0.00008082)	0.00000400	(0.00000053)	-	0.00002335	(0.00025534)	(0.00009463)	-	(0.00265239)	-	0.00000552	0.00000194	0.00000266
	DISTPRI	0.03360055	0.05438682	0.00342976	0.01387602	0.00039097	-	0.01299091	0.00227700	-	-	0.00017566	0.00580331	-	-	-	-	0.00003317	0.00020169	0.00004104
	DISTSEC	0.05818471	0.03724300	0.00354154	0.00895044	-	-	0.00733629	-	-	-	0.00009395	-	-	-	-	-	0.00004417	0.00079783	0.00017243
	ENERGY	0.42303215	0.15024838	0.00932413	0.03451696	0.00098399	0.00012912	0.03847350	0.00652360	0.00269244	0.00062527	0.00031399	0.02210168	0.01759992	0.00376944	0.11449039	0.01727042	0.00024021	0.00315859	0.00057013
	CUSTOMER	0.04641308	0.02445532	0.00610770	0.01665524	0.00039097	0.00017963	0.00046648	0.00014383	0.00021954	0.00002619	0.00000128	0.00006101	0.00029460	0.00002032	0.00016708	0.00004733	0.00000296	0.01037783	0.00158528
	TOTAL	1.00000000	0.41235494	0.03305033	0.10252083	0.00324456	0.00084459	0.10084154	0.01629184	0.00599051	0.00118157	0.00115451	0.04586769	0.03628116	0.00483466	0.18561230	0.03186083	0.00063147	0.01521226	0.00250742
REVSALES_FXNL	PRODUCTION	0.41121017	0.16579211	0.01018413	0.04211052	0.00131023	0.00034255	0.04103159	0.00709395	0.00291592	0.00056647	0.00073313	0.01869464	0.01937844	0.00065799	0.07959969	0.01780398	0.00026230	0.00064405	0.00012693
REVSALES_FXNL	BULKTRAN	(0.02137396)	(0.01605203)	0.00022577	0.00048839	0.00001942	0.00010203	(0.00019905)	0.00000942	(0.00000140)	(0.00003700)	0.00005976	(0.00065515)	(0.00017763)	(0.00020810)	(0.00533866)	0.00032520	0.00001469	0.00000459	0.00000659
REVSALES_FXNL	SUBTRAN	(0.00944609)	(0.00653465)	0.00009177	0.00019615	0.00000782	0.00005859	(0.00007932)	0.00000387	(0.00000073)	-	0.00003630	(0.00026001)	(0.00009359)	-	(0.00265382)	-	0.00000599	0.00000187	0.00000267
REVSALES_FXNL	DISTPRI	0.03326686	0.05371334	0.00338320	0.01371572	0.00041953	-	0.01274995	0.00220257	-	-	0.00028739	0.00582879	-	-	-	-	0.00003018	0.00019425	0.00004123
REVSALES_FXNL	DISTSEC	0.05745932	0.03678046	0.00349347	0.00884578	-	-	0.00720021	-	-	-	0.00015057	-	-	-	-	-	0.00004799	0.00076772	0.00017322
REVSALES_FXNL	ENERGY	0.42379626	0.14838233	0.00919755	0.03411328	0.00100469	0.00019528	0.03775987	0.00631037	0.00263007	0.00061734	0.00047780	0.02219859	0.01828489	0.00162299	0.11516971	0.02164897	0.00026046	0.00303917	0.00057274
REVSALES_FXNL	CUSTOMER	0.04574264	0.02415210	0.00602479	0.00164343	0.00041111	0.00027166	0.00045783	0.00013913	0.00023556	0.00002586	0.00000195	0.00060128	0.00030035	0.00000375	0.00016310	0.00005933	0.00000321	0.00998545	0.00156255
REVSALES_FXNL	TOTAL	1.00000000	0.40723371	0.03260169	0.10132186	0.00320280	0.00127732	0.02837107	0.01575931	0.00633952	0.00116659	0.00175681	0.04606923	0.03769318	0.00203163	0.18574603	0.03093848	0.00068472	0.01463710	0.00251693
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REVYEC_FXNL is a spreading of the REVYEC allocator to each function within the tariff classes using the RSALE allocator.																				
REVYEC TOTAL		1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523526	0.00445432	(0.04443574)	(0.02506008)	0.00957668	0.00001875	0.04783459	0.00150514	0.14585171	(0.20839008)	0.27366808	0.65924454	0.00476716	(0.02946028)	0.00340122
RSALE	PRODUCTION	0.41017603	0.16583964	0.01032428	0.04251702	0.00124603	0.00042488	0.04185800	0.00733367	0.00299001	0.00056767	0.00048178	0.01882202	0.01865251	0.00152821	0.07911287	0.01428285	0.00024191	0.00066937	0.00012934
	BULKTRAN	(0.02193973)	(0.01625388)	0.00022989	0.00049468	0.00001847	0.00007222	(0.00020282)	0.00000974	(0.00000131)	(0.00003756)	0.00005899	(0.00065329)	(0.00017098)	(0.00048331)	(0.00530565)	0.00026022	0.00001354	0.00000477	0.00000656
	SUBTRAN	(0.00953660)	(0.00661682)	0.00009303	0.00019847	0.00000743	0.00003974	(0.00008082)	0.00000400	(0.00000053)	-	0.00002335	(0.00025534)	(0.00009463)	-	(0.00265239)	-	0.00000552	0.00000194	0.00000266
	DISTPRI	0.03360055	0.05438682	0.00342976	0.01387602	0.00039097	-	0.01299091	0.00227700	-	-	0.00017566	0.00580331	-	-	-	-	0.00003317	0.00020169	0.00004104
	DISTSEC	0.05818471	0.03724300	0.00354154	0.00895044	-	-	0.00733629	-	-	-	0.00009395	-	-	-	-	-	0.00004417	0.00079783	0.00017243
	ENERGY	0.42303215	0.15024838	0.00932413	0.03451696	0.00098399	0.00012912	0.03847350	0.00652360	0.00269244	0.00062527	0.00031399	0.02210168	0.01759992	0.00376944	0.11449039	0.01727042	0.00024021	0.00315859	0.00057013
	CUSTOMER	0.04641308	0.02445532	0.00610770	0.01665524	0.00039097	0.00017963	0.00046648	0.00014383	0.00021954	0.00002619	0.00000128	0.00006101	0.00029460	0.00002032	0.00016708	0.00004733	0.00000296	0.01037783	0.00158528
	TOTAL	1.00000000	0.41235494	0.03305033	0.10252083	0.00324456	0.00084459	0.10084154	0.01629184	0.00599051	0.00118157	0.00115451	0.04586769	0.03628116	0.00483466	0.18561230	0.03186083	0.00063147	0.01521226	0.00250742
REVYEC_FXNL	PRODUCTION	0.40934336	0.16597763	(0.00056003)	0.00230658	0.00622275	0.01733246	(0.01844429)	(0.01128469)	0.02307651	0.00000001	0.02000336	0.00523922	0.07503525	(0.08660068)	0.11664457	0.29553163	0.00182620	(0.00129030)	0.00017544
REVYEC_FXNL	BULKTRAN	0.02260259	(0.00357523)	(0.00001248)	0.00004535	0.00009238	0.00294629	0.00008937	0.00001429	(0.00000675)	(0.00000060)	0.00244916	(0.00087022)	(0.00063782)	0.00209233	(0.00782260)	0.00538436	0.00010224	(0.00000203)	0.00000859
REVYEC_FXNL	SUBTRAN	(0.00249178)	(0.00023417)	(0.00000505)	0.00001819	0.00003718	0.00150031	0.00003501	(0.00000615)	(0.00000457)	-	0.00009044	(0.00025782)	(0.00003170)	-	(0.00420559)	-	0.00004169	(0.00000375)	0.00000361
REVYEC_FXNL	DISTPRI	0.01114602	0.03192485	(0.00018626)	0.00127216	0.00190570	-	(0.00572443)	(0.00350374)	-	-	0.00729131	0.00778190	-	-	-	-	0.00062765	(0.00039097)	0.00005567
REVYEC_FXNL	DISTSEC	0.00184402	0.00131605	(0.00019234)	0.00002046	-	-	(0.00323273)	-	-	-	0.00410842	-	-	-	-	-	0.00033346	(0.00154520)	0.00023369
REVYEC_FXNL	ENERGY	0.48230049	0.00531737	(0.00050638)	0.00316407	0.00492200	0.00526746	(0.01695332)	(0.01003829)	0.01004230	0.00000992	0.01303655	0.02933705	0.07003009	(0.16294335)	0.16530544	0.35734879	0.00181339	(0.00111697)	0.00077335
REVYEC_FXNL	CUSTOMER	(0.00522469)	0.00386550	(0.00003170)	0.00017095	0.00195565	0.00732780	(0.00020555)	(0.00022132)	0.00147119	0.00000042	0.00005325	0.00063181	0.00118511	(0.00078841)	0.00224535	0.00097940	0.00002232	(0.00009785)	0.00215036
REVYEC_FXNL	TOTAL	1.00000000	0.01459345	(0.00179491)	0.00939779	0.01523566	0.00445432	(0.04443574)	(0.02506008)	0.00957668	0.00001875	0.04783459	0.00150514	0.14585171	(0.20839008)	0.27366808	0.65924454	0.00476716	(0.02946028)	0.00340122
FORF_DISC_FXNL Calculation - In order to properly assign forfeited discounts to the various functions within the customer classes, allocate it using the RSALE allocator																				
FORF_DISC TOTAL		1.00000000	0.72884311	0.05823299	0.11092850	0.00045087	0.00200969	0.00456932	0.00891162	0.00400423	-	-	0.01747265	0.01215089	0.00096109	0.00354537	-	-	0.00574945	-
RSALE	PRODUCTION	0.41017603	0.16583964	0.01032428	0.04251702	0.00124603	0.00042488	0.04185800	0.00733367	0.00299001	0.00056767	0.00048178	0.01882202	0.01865251	0.00152821	0.07911287	0.01428285	0.00024191	0.00066937	0.00012934
	BULKTRAN	(0.02193973)	(0.01625388)	0.00022989	0.00049468	0.00001847	0.00007222	(0.00020282)	0.00000974	(0.00000131)	(0.00003756)	0.00005899	(0.00065329)	(0.00017098)	(0.00048331)	(0.00530565)	0.00026022	0.00001354	0.00000477	0.00000656
	SUBTRAN	(0.00953660)	(0.00661682)	0.00009303	0.00019847	0.00000743	0.00003974	(0.00008082)	0.00000400	(0.00000053)	-	0.00002335	(0.00025584)	(0.00009463)	-	(0.00265239)	-	0.00000552	0.00000194	0.00000266
	DISTPRI	0.03360055	0.05438682	0.00342976	0.01387602	0.00039097	-	0.01299091	0.00227700	-	-	0.00017566	0.00580331	-	-	-	-	0.00003317	0.00020169	0.00004104
	DISTSEC	0.05818471	0.03724300	0.00354154	0.00895044	-	-	0.00733629	-	-	-	0.00009395	-	-	-	-	-	0.00004417	0.00079783	0.00017243
	ENERGY	0.42303215	0.15024838	0.00932413	0.03451696	0.00098399	0.00012912	0.03847350	0.00652360	0.00269244	0.00062527	0.00031399	0.02210168	0.01759992	0.00376944	0.11449039	0.01727042	0.00024021	0.00315859	0.00057013
	CUSTOMER	0.04641308	0.02445532	0.00610770	0.01665524	0.00039097	0.00017963	0.00046648	0.00014383	0.00021954	0.00002619	0.00000128	0.00006101	0.00029460	0.00002032	0.00016708	0.00004733	0.00000296	0.01037783	0.00158528
	TOTAL	1.00000000	0.41235494	0.03305033	0.10252083	0.00324456	0.00084459	0.10084154	0.01629184	0.00599051	0.00118157	0.00115451	0.04586769	0.03628116	0.00483466	0.18561230	0.03186083	0.00063147	0.01521226	0.00250742
FORF_DISC_FXNL	PRODUCTION	0.40442015	0.29351479	0.01820647	0.04511202	0.00018445	0.00104117	0.01434927	0.00401151	0.00206171	-	-	0.00717004	0.00524500	0.00220037	0.00406849	-	-	0.00025293	-
FORF_DISC_FXNL	BULKTRAN	(0.02234677)	(0.02372893)	0.00040540	0.00053525	0.00000273	0.00017699	(0.00006953)	0.00000533	(0.00000090)	-	-	(0.00024886)	(0.00005726)	(0.00003589)	(0.00027285)	-	-	0.00000180	-
FORF_DISC_FXNL	SUBTRAN	(0.01152586)	(0.01169533)	0.00016406	0.00021475	0.00000110	0.00009493	(0.00002771)	0.00000219	(0.00000047)	-	-	(0.00010165)	(0.00003178)	-	(0.00014669)	-	-	0.00000073	-
FORF_DISC_FXNL	DISTPRI	0.12524237	0.09613299	0.00604925	0.01501615	0.00005906	-	0.00445339	0.00124552	-	-	0.00021071	-	-	-	-	-	-	0.00007630	-
FORF_DISC_FXNL	DISTSEC	0.08457366	0.06582752	0.00624538	0.00968446	-	-	0.00251424	-	-	-	-	-	-	-	-	-	-	0.00030158	-
FORF_DISC_FXNL	ENERGY	0.36525158	0.26556611	0.01644275	0.03734767	0.00014566	0.00331642	0.01318904	0.00356840	0.00185281	-	-	0.00841936	0.00589437	0.00542735	0.00588763	-	-	0.00119379	-
FORF_DISC_FXNL	CUSTOMER	0.05093468	0.04322601	0.01077069	0.00201821	0.00005787	0.00044019	0.00015991	0.00007857	0.00015168	-	-	0.00002324	0.00009865	0.00002926	0.00000859	-	-	0.00002229	-
FORF_DISC_FXNL	TOTAL	1.00000000	0.72884311	0.05823299	0.11092850	0.00045087	0.00200969	0.00456932	0.00891162	0.00400423	-	-	0.01747265	0.01215089	0.00096109	0.00354537	-	-	0.00574945	-

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 45
Attachment 1
Page 29 of 29

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Alex E. Vaughan ("Vaughan Testimony"), pages 5-8. Mr. Vaughan states that the adjusted test year Kentucky retail jurisdictional total is $56,550,649, the PJM Rider is to be set at $0 the first year, and that Kentucky Power proposes an annual true-up.

a. Explain why the PJM Rider true-up would not be more frequent than monthly.

b. Explain whether Kentucky Power intends to notify the Commission of accounts being added to the rider before making a scheduled true-up filing.

c. State whether any PJM charges or credits are recorded in Kentucky Power's fuel adjustment clause ("FAC"). If yes, identify the charges and credits that were recorded through the FAC during the test year, and state whether these items are included in the PJM charges and credits proposed to be tracked by the PJM Rider.

RESPONSE

a. PJM's monthly billing is not final until month end.

b. Yes.

c. Yes. Besides LSE PJM marginal loss charges and credits, PJM spot market energy purchases used to serve KPCo's native load requirements is included in KPCo's monthly FAC filings. During the test year the PJM spot market energy purchases, as shown in Column 2 of KPSC 2-46 Attachment 1, were $363,511. These PJM spot market energy purchases are exclusive of any capacity or demand charges, or other PJM charges or costs that are included in the Company's proposed PJM Tracker. The energy associated with the PJM net energy costs included in the monthly FAC is purchased on an economic dispatch basis and recorded in FERC Account 151. Other PJM charges included in the FAC are marginal line losses recorded in accounts 4470207 and 4470208 and listed in Column 3 of KPSC 2-46 Attachment 1. Marginal Line Losses are recovered through the FAC as authorized in KPSC Order dated June 12, 2008 in Case No. 2007-00522.

The PJM charges that are included in the FAC will not be tracked in the PJM rider. Please see lines 13 and 14 of page 5 of Company witness Vaughan's testimony.

WITNESS: Ranie K. Wohnhas

Kentucky Power
PJM Costs Included in FAC
For the Test Year Ended March 31, 2013

Month/Year (1)	KPCo Full Requirement Customers' PJM Energy Costs (2)	KPCo Marginal Line Loss (3)
April 2012	$ 38,536	$ 430,527
May 2012	$ 76,853	$ 480,282
June 2012	$ 53,533	$ 566,266
July 2012	$ 8,253	$ 634,697
August 2012	$ 10,895	$ 736,793
September 2012	$ 10,451	$ 519,769
October 2012	$ 27,452	$ 560,332
November 2012	$ 21,167	$ 719,722
December 2012	$ 15,818	$ 731,116
January 2013	$ 22,997	$ 700,879
February 2013	$ 17,005	$ 585,970
March 2013	$ 60,551	$ 701,321
Total	**$ 363,511**	**$ 7,367,674**

Kentucky Power Company

REQUEST

Refer to Exhibit AEV-3 of the Vaughan Testimony. Assuming a base amount of $0 and using the format of Exhibit AEV-3, provide in electronic format with formulas intact and cells unprotected a schedule showing how the $56,550,649 from Exhibit AEV-2 would be allocated to each of the customer classes.

RESPONSE

Please see KPSC Staff 2-47 Attachment 1 on the enclosed CD.

WITNESS: Alex E Vaughan

Kentucky Power Company

REQUEST

Refer to the Direct Testimony of Ranie K. Wohnhas ("Wohnhas Testimony") at pages 8-9, Section V, Workpaper S-2, page 1 and Schedule 3.

a. Given the cost rate thereof, explain whether Kentucky Power considers accounts receivable financing a short-term source of capital. If Kentucky Power does not consider accounts receivable financing a short-term source of capital, provide a detailed explanation for why it does not.

b. If Kentucky Power considers accounts receivable financing a short-term source of capital, explain whether consideration was given to allocating the coal stock adjustments between short-term debt and accounts receivable financing.

c. On page 8, at lines 17-19, and page 9, at lines 9-10, the testimony states that "coal inventory is usually financed with short-term debt." Explain the intent of the word "usually" in this context and why coal inventory is not always financed with short-term debt.

RESPONSE

a. Accounts receivable factoring may be considered a source of short term capital as it accelerates the recovery of accounts receivable. However, for the purposes of GAAP (Generally Accepted Accounting Principles), Kentucky Power does not recognize the accounts receivable factoring as short term debt; the Company recognizes the carrying cost expense associated with the factoring program.

b. Coal stock is not a qualifying electric receivable and therefore no allocation consideration was given. Kentucky Power's eligible electric receivables are purchased by AEP Credit then sold to and owned by bank sponsored conduits. This includes estimated unbilled revenues as energy is used by customers.

c. In the context of this sentence the term "usually" means "the general practice" is to use short term debt. Funds spent on coal inventory can not be specifically tracked.

In Case Numbers 8429, 8734, 91-066, 2005-00341 and 2009-00459 KPCo consistently reflected adjustments (increase or decrease) in the value of fuel inventory by making an adjustment to the short term debt value at the end of the test year. The Commission at page eight of its June 18, 1982 Order in Case No. 8429 states "the Commission has reduced Kentucky Power's adjustment [to its short term debt] by $4,108,704 to reflect the lower level of inventory and the weighted average price".

WITNESS: Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at page 12 and Section V, Workpaper S-4, page 10.

a. The test year storm damage expense, excluding in-house labor, as shown on line 1 of the workpaper is $7,040,572. Line 5 of the workpaper shows a deferral amount of $12,146,000. Explain whether the deferral referenced on line 8 of the workpaper is for an amount other than $12,146,000 and, if it is for another amount, explain how the amount was determined.

b. Explain how the amount on line 8, titled "Test Year Storm Damage Expense Less Deferral" was calculated and provide the actual calculation.

RESPONSE

a/b. Line 8 was calculated by taking the total Storm Damage Expense incurred for the calendar year of 2012 ($13,779,828) less the authorized deferral amount for calendar year 2012 in Case No. 2012-00445 ($12,146,000).

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at page 14 and Workpaper S-4, page 19.

a. Explain how the amount of the annual net line of credit fee is determined.

b. If Kentucky Power recorded an actual net line of credit fee of $644,071 for the 12 months ended March 31, 2013, explain why an adjustment to add the jurisdictional portion of the fee to its cost of service is necessary.

c. Provide the annual net line of credit fees recorded by Kentucky Power for the five most recent calendar years.

RESPONSE

a. AEP allocates all costs associated with its Corporate Borrowing Program (including the cost of credit facilities required to support AEP's commercial paper program) based on the participant's pro rata share of all borrowers' total borrowing basis. For the test year ended March 31, 2013, Kentucky Power's share of the associated fees were $644,071.

b. The net line of credit fee recorded by the Company during the test year is a "below-the-line" expense and therefore the Company showed the net line of credit fee amount as an adjustment to the cost of service.

c. Please see the table below for the annual net line of credit fees recorded by Kentucky Power for the past five calendar years.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at page 14 and Section V, Workpaper S-4, page 20.

a. Provide a summary description of Kentucky Power's efforts to comply with the "Vegetation Management" ("MV") component of the settlement in its last rate case from the time of the final order in that case through the end of the test year.

b. Provide a breakdown, by account, of the expenditures made to fulfill Kentucky Power's responsibilities under the MV component of the aforementioned settlement, by calendar year. Include the partial years of 2010 and 2013.

c. If different from what was included in the 2013 VM plan filed it with the Commission on September 28, 2012, describe Kentucky Power's planned efforts for vegetation management through the end of 2013.

d. Explain whether Kentucky Power is on track to finish the line maintenance over seven years in accordance with the settlement of its last rate case.

RESPONSE

a. In July 2010, Kentucky Power began ramping up its contractor resources to transition its vegetation management program to a four year cycle. KPCo's plan is to completely re-clear its overhead distribution system beginning with an initial seven year cycle that began in July 2010. Once the initial seven year cycle is complete, the Company will develop and implement a four year cycle for maintaining 100% of its distribution R/W's in the future years.

During 2010, as KPCo increased its base load contractor workforce (from 218 employees to 335 workers), external crews were also brought in to KPCo's territory to accomplish the increase in work load.

Throughout 2011 and 2012 the base load contractor workforce increased from 335 to 384 workers. KPCo also supplemented this workforce with outside resources to accomplish program goals.

In 2013, a second contractor was awarded part of the maintenance work, and the Company total contractor workforce expanded to 411 employees. Since work began in July 2010, and with the exception of a $200,000 shortfall in calendar 2012 (that will be made up in 2013), KPCo has met the budget targets associated with its expanded R/W maintenance program. Copies of the Company's 2010 (six months), 2011, and 2012 reports are shown on Attachment 1 to this response.

b. All of the expenditures are recorded in Account 593.

Second half of 2010	$12,650,212
2011	$17,245,255
2012	$17,023,685
YTD August 2013	$12,331,212

c. When Kentucky Power filed its Vegetation Management Plan information on April 1, 2013, a revised 2013 VM Plan was also filed which differed slightly from the version filed with the Commission on September 28, 2012. Kentucky Power's planned efforts through the end of 2013 do not differ from the revised plan filed on April 1, 2013.

d. The Company is on track to finish the proposed R/W re-clearing over a seven year period that began July 2010 in accordance with the settlement in Case No. 2009-00459.

WITNESS: Ranie K. Wohnhas

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APR 01 2011
PUBLIC SERVICE COMMISSION

April 1, 2011

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

RE: Kentucky Power Company's 2010 Vegetation Management Report Filed In Conformity With Commission's June 28, 2010 Order in Case No. 2009-00459

Dear Mr. Derouen:

Please find enclosed and accept for filing the original and ten copies of Kentucky Power Company's 2010 Vegetation Management Report. It is being filed in accordance with the Commission's June 28, 2010 Order in Case No. 2009-0049 and paragraph 5 of the Settlement Agreement approved by that order. A copy is being served on the Attorney General.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Mark R. Overstreet

MRO
cc: Dennis G. Howard II (with enclosure)

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RESPONSE OF KENTUCKY POWER COMPANY

IN CONFORMITY WITH PARAGRAPH 5(d)

OF THE UNANIMOUS SETTLEMENT AGREEMENT,

APPENDIX A TO THE COMMISSION ORDER IN

CASE NO. 2009-00459

DATED JUNE 28, 2010

April 1, 2011

KPSC Case No. 2009-00459
In Conformity With Paragraph 5(d)
Of the Unanimous Settlement Agreement
Page 1 of 2
Filed April 1, 2011

In accordance with the Public Service Commission's Order dated June 28, 2010, in Case No. 2009-00459, Kentucky Power makes the following report regarding its distribution vegetation management program for the 2010 calendar year:

System Performance (SAIFI, CAIDI, and SAIDI)

The first set of reliability information includes the Kentucky Power System Average Interruption Frequency Index, the Customer Average Interruption Duration Index, and the System Average Interruption Duration Index for the reporting period, known in the industry as SAIFI, CAIDI, and SAIDI, respectively. Kentucky Power has included these system performance numbers, excluding major events as defined by IEEE standard 1366, for the past five years:

Calendar Year	SAIFI	CAIDI	SAIDI
2006	2.756	182.2	502.1
2007	2.276	146.9	334.2
2008	2.904	170.9	496.3
2009	2.556	194.5	497.1
2010	2.470	169.4	418.4

2010 Distribution Vegetation Management (VM) Work by Circuit

See Attachment 1 for vegetation management work performed on each distribution circuit for 2010. The units reported are miles completed, acres of brush cut, acres of brush sprayed, trees removed and trees trimmed.

2010 Distribution Operation & Maintenance VM Work by Circuit

See Attachment 1 for the total expenditures for vegetation management work on each distribution circuit in 2010. RWM, AEP's software program for tracking vegetation work and expenditures, does not separate the O&M and Capital expenditures for the circuits worked during the year. Therefore the costs in Attachment 1 represent the total O&M and Capital expenditures for each circuit in 2010.

Also, expenditures shown in this attachment do not include all costs associated with the Vegetation Maintenance Program. Expenses associated with Internal Company Labor & Fleet, unscheduled hotspot and trouble restoration work, incentive program for

tree contractor employees, materials (herbicides for the Spray Program), contract foresters, tree contractor's field supervision, and contract work planners are not allocated to a circuit.

2010 Distribution Vegetation Management Plan - Additional Information

Kentucky Power's Distribution Vegetation Management Program changed mid-year from a performance-based maintenance program to a full-circuit maintenance program aimed at moving our VM Program to a cycle-based approach. Resource augmentation began early in July, with the addition of in-house contract tree crews and outsource crews, open circuit bids, and longer work-weeks. The additional resources were allocated to full-circuit reclearing projects. These circuits were ranked based upon tree outage performance data.

Maintenance was completed on 1,569 miles of line. Our goal was to achieve 1,694 miles of line; however some circuits required more work than anticipated due to the excessive amount of tree growth in the rights-of-way. The accuracy of estimating reclearing costs is expected to improve as the Company gains more experience with full-circuit maintenance. The Company earmarked 90 miles of line for the aerial saw; inspections showed that many of these lines had been aerially sawn five to eight years earlier and still exhibited good clearance. Thirty-eight miles were actually cut with the aerial saw. 2,134 acres were sprayed, which exceeded the company's goal of 2,002 acres.

The total 2010 O&M expenditures for the VM Program were $12,650,212, or $343,754 above the Settlement amount of $12,306,458 for 2010, as shown below.

Total VMP O&M	$12,650,212
Settlement Agreement Paragraph 5(a)	$7,237,965
Settlement Agreement Paragraph 5(b)	$5,068,493
Total Settlement Agreement	$12,306,458
Amount spent above the agreement	**$343,754**

The total Forestry Capital expenditures were $1,180,685. The total expenditures for the Vegetation Management Program, including the O&M and the forestry capital, were $13,830,897 for 2010.

Attachment 1

2010 Ky Forestry - Cost & Units by Circuit							
Circuit	Circuit Desc	O&M & Capital Expenditures	Miles Complete	Brush Cut Acres	Brush Spray Acres	Tree Removal	Tree Trim
2150103	Sprigg -Sprigg	$4,738.99	0.2	1.1		202	4
2206403	South Neal - Whites Creek Road	$33,851.77	5.4	1.8	10.8	266	1,000
3000201	Big Sandy - Fallsburg South	$523,409.54	13.3	22.5	42.9	4,432	7,383
3000202	Big Sandy - Burnaugh North	$61,978.39	14.6	8.2	41.6	371	2,584
3000301	Bellefonte - Westwood	$839.90					11
3000302	Bellefonte - Flatwoods	$374.12					6
3000303	Bellefonte - Bellefonte	$530.43				1	1
3000601	Grahn - Distribution	$9,050.85	1	0.0	5.4	2	0
3000701	Graysbranch - Graysbranch	$560,975.62	47.1	26.2	20.8	4,864	2,946
3000801	Hayward - Halderman	$2,580.06		0.7		15	15
3000802	Hayward - Lawton	$211,192.90	11	5.8	70.8	2,580	211
3000901	Highland - Russell	$41,766.80	1.8	4.9	1.9	261	112
3000902	Highland - Flatwoods	$40,987.58	2.2	1.7		364	112
3000903	Highland - Wurtland	$8,950.81	0.8	0.2		6	10
3001001	Hitchins - Damron Branch	$41,068.63	4.1	1.8	3.1	259	99
3001002	Hitchins - Willard	$343,564.39	27.9	10.6	11.0	4,783	1,067
3001003	Hitchins - Grayson	$82,903.60	6.4	2.6	8.5	302	521
3001004	Hitchins - EK Road	$1,401.94	0.9	0.0	1.3	1	4
3001101	Hoodscreek - Summitt	$889.67				3	1
3001102	Hoodscreek - Rural	$1,444.90	4.8	0.1		11	4
3001201	Howard Collins - 13th St.	$5,330.09	0.2	0.0	0.0	99	4
3001203	Howard Collins - Floyd St.	$809.94				3	
3001401	Louisa - City	$6,495.35	4.3	0.2	4.3	4	6
3001402	Louisa - High Bottom	$18,924.60	3.3	0.7	0.8	35	112
3002001	South Shore - Siloam	$22,135.81	2.9	0.6		109	76
3002002	South Shore - Distribution	$15,803.20	1.2	0.8		37	57
3002101	10th Street - 6th St.	$1,261.73	0.5				1
3002103	10th Street - 12th St.	$151.38					4
3002105	10th Street - Midtown	$892.18					2
3002107	10th Street - West Central	$1,598.09		0.1			3
3003701	Coalton - US 60 W	$86,791.57				105	1,650
3003702	Coalton - Cannonsburg	$52,131.66	3.5	3.9	9.2	640	148
3003703	Coalton - Trace Creek	$58,637.93	5.2	4.6	3.6	860	316
3004301	Siloam - Distribution	$6,291.33	2.3	0.4		14	36
3007903	Busseyville - Louisa	$72,702.00	9	5.2	8.1	391	2,012
3007904	Busseyville - Torchlight	$118,494.18	15.5	3.1	67.1	818	4,569
3007905	Busseyville - Mattie	$34,359.10	4.9	4.4	0.0	642	80
3007906	Busseyville - Walbridge	$29,884.85	3.2		21.1	95	1
3008001	47th Street - 49th Street	$4,631.07	0.1			8	13
3008002	47th Street - 39th Street	$952.30					32
3008701	Cannonsburg - Cannonsburg	$1,978.47				4	3
3008702	Cannonsburg - Rt. 3	$17,182.86	1.5	0.0	0.0	42	1,204
3010601	Russell - Kenwood	$2,010.96					4
3010602	Russell - Bear Run	$34,111.72	3.4	0.9	9.1	275	110
3103101	Olive Hill - Globe	$439,229.17	37.3	18.3	22.7	2,991	1,929
3110901	Wurtland - Wurtland	$1,045.52					
3110902	Wurtland - Greenup	$816.90				2	
3110903	Wurtland - Rt. 503	$20,830.24	1.9	0.0	0.0	32	2
3116101	Grayson - Lansdowne	$11,385.79	1.2	0.3	0.0	15	32
3116102	Grayson - Dixie Park	$9,206.33	2.3	0.2	0.0	17	44
3116701	Belhaven - Diedrich	$11,811.16	1.6	0.4	0.0	93	39
3116702	Belhaven - Indian Run	$3,931.34	1.3	0.3	0.0	69	26
3116703	Belhaven - Argillite	$163,700.87	19.9	5.6	0.0	1,125	1,168
3117601	Princess - Meade Station	$23,933.20	6.6	1.2	2.3	76	135
3117602	Princess - Rt. 180	$38,461.98	3	3.1	1.6	545	151
3150501	Borderland - Nolan-A	$52,827.83	3.9	1.2	5.4	877	40
3150502	Borderland - Chattaroy	$6,645.51	10.7	3.4	14.8		
3200201	Barrenshe - Freeburn	$7,072.85	5.3		11.9		
3200202	Barrenshe - Vulcan-A	$3,958.61	7.7		13.1		
3200204	Barrenshe - Pounding Mill	$734.67	0.8		1.1		
3200301	Belfry - Belfry	$4,140.86	0.1			3	5
3200302	Belfry - Toler	$16,128.93	18.8	0.1	30.5	41	1
3201002	Tom Watkins - Distribution-A	$295.75				11	
3202202	Lovely - Wolf Creek	$3,425.40	4.4		7.6	2	6
3202203	Lovely - Mt. Sterling	$4,556.51	9.6		16.1		

Attachment 1

2010 Ky Forestry - Cost & Units by Circuit							
Circuit	Circuit Desc	O&M & Capital Expenditures	Miles Complete	Brush Cut Acres	Brush Spray Acres	Tree Removal	Tree Trim
3300601	Bluegrass - Walkertown	$119,461.58	22.9	11.4	28.6	2,960	420
3300602	Bluegrass - Hazard	$16,473.82	0	7.1		511	29
3301101	Chavies - Chavies	$168,828.72	14.8	23.6	43.3	3,691	607
3301102	Chavies - Buckhorn	$2,220.35				55	6
3301401	Combs - Combs	$362.16					15
3301402	Combs - Airport Garden	$330.67					2
3301701	Daisy - Leatherwood	$192,486.38	40	2.7	59.6	2,302	559
3302701	Hazard - Black Gold	$364,169.61	28.7	115.9	57.1	11,380	1,161
3302702	Hazard - Lothair	$653.66					
3302703	Hazard - Hazard	$141,781.50	10.6	15.2	9.7	2,277	1,090
3302704	Hazard - Kenmont	$11,198.18	0.2			114	51
3303901	Leslie - Hyden	$177,206.49	49	8.5	82.7	3,433	351
3303902	Leslie - Wooton	$275,628.10	55.8	12.4	136.8	3,469	618
3303903	Leslie - Hals Fork	$12,491.51	4.7	0.7	8.3	126	7
3307301	Bulan - Ary-Heiner	$7,320.23	6.8	0.9	10.7	100	10
3307302	Bulan - Ajax-Dwarf	$37,839.16	0.9	5.3		628	87
3308001	Jackson - South Jackson	$1,624.27				23	
3308002	Jackson - Panbowl	$61,711.35	1.6	6.8		874	122
3308401	Beckham - Hindman	$189,796.91	30.4	37.8	18.5	2,350	577
3308402	Beckham - Carr Creek	$76,869.27	3.5	5.3	2.1	1,315	301
3308403	Beckham - Caney	$5,146.16		0.5		72	16
3308502	Bonnyman - Hazard	$48,330.42	15.9	2.7	32.6	1,061	62
3308503	Bonnyman - Big Creek	$73,226.57	26.6	8.2	40.3	1,954	56
3308601	Collier - Upper Rockhouse	$20,775.39	1.3	0.9	1.8	889	66
3308602	Collier - Lower Rockhouse	$3,694.37	0.2		0.2	60	11
3308603	Collier - Smoot Creek	$167,659.19	19.3	18.4	29.7	3,758	814
3309001	Jeff - Viper	$23,850.12	21.1	0.4	35.4	97	2
3309002	Jeff - Jeff	$3,643.28		0.1		32	10
3309101	Whitesburg - Whitesburg	$569.76	0.1				18
3309102	Whitesburg - Hospital	$36,516.67	0.7		0.5	1,126	92
3309103	Whitesburg - Cowan	$7,883.13	1.8		19.5		
3309104	Whitesburg - Crafts Colley	$201,784.41	13.3	23.8	7.0	4,558	673
3309301	Vicco - Red Fox	$65,473.21	12.1	5.1	36.1	906	192
3309302	Vicco - Jeff	$46,755.64	23.8	4.0	36.5	988	43
3309901	Slemp - Defeated Cr.	$111,950.58	34.4	7.9	109.1	1,047	149
3309902	Slemp - Leatherwood	$104,228.74	12.1	8.5	20.4	1,521	145
3309903	Slemp - Beech Fork	$793.19					
3309904	Slemp - Royal Diamond	$19,462.47	1.7	3.5		683	52
3310501	Haddix - Quicksand	$93,282.59	41.1	7.4	65.5	451	34
3310502	Haddix - Canoe	$120,475.47	58.6	100.7	53.5	76	3
3311101	Stinnett - Redbird	$378.26				1	2
3311102	Stinnett - Beech Fork	$302.23					1
3311401	Reedy - Deane	$15,543.82	0.6		1.4	233	31
3311701	Shamrock - Shamrock	$29,701.63	1.1	8.7		668	27
3312201	Engle - Grapevine 34.5	$77,246.75	10.5	41.0	15.7	761	59
3312202	Engle - Industrial Park 34.5	$2,749.18				23	
3312901	Jenkins - Kona	$68,067.77	14.1	9.7	18.1	988	297
3312902	Jenkins - Jenkins	$3,841.51	0.8		3.8	2	
3314401	Mayking - Ermine	$456,647.58	27.8	43.6	2.6	5,833	2,535
3314402	Mayking - Millstone	$456,021.67	35.9	69.6	4.6	5,430	1,637
3400101	Allen - Distribution	$221,838.56	21.6	33.6	5.2	5,276	586
3400301	Betsy Layne - Mud Creek	$310,545.81	30.8	22.3	42.2	3,437	740
3400302	Betsy Layne - Tram 12 KV	$12,278.66	0.7			26	17
3400303	Betsy Layne - Harold	$8,196.51	0		5.2	7	
3400501	Burton - Ligon	$830.71	0			1	
3400701	Draffin - Belcher	$22,567.44	7.5	0.7	11.3	239	59
3400702	Draffin - Yellow Hill	$54,391.29	5	2.3	10.0	453	96
3400901	Elkhorn City - City	$1,265.38				3	
3400902	Elkhorn City - Grassy	$658.62					
3401001	Elwood - Dorton	$3,135.48	0.1	1.4		195	
3401002	Elwood - Virgie	$1,406.47	0.1			1	
3401101	Falcon - Oil Springs	$13,185.44	19.9		32.6		
3401103	Falcon - Burning Fork	$8,862.18	14.1		22.7	7	
3401301	Fleming - Neon	$24,630.18	2.8	0.9		175	102
3401302	Fleming - McRoberts	$43,504.70	15.6	4.2	22.5	394	174

Attachment 1

2010 Ky Forestry - Cost & Units by Circuit							
Circuit	Circuit Desc	O&M & Capital Expenditures	Miles Complete	Brush Cut Acres	Brush Spray Acres	Tree Removal	Tree Trim
3401702	Henry Clay - Regina	$274,076.60	19.8	17.2	26.3	3,156	678
3401703	Henry Clay - Ashcamp	$219,113.13	4.9	12.7	0.0	3,096	406
3401801	Index - Distribution	$824.32	0.1			1	
3401802	Index - Hospital	$793.86	0.1			1	
3402001	Keyser - Mullins	$6,244.84	0.1			72	17
3402002	Keyser - Stonecoal	$23,631.36	3.8	1.0	9.1	536	
3402202	McKinney - Gibson	$1,075.90	0.1	0.2		36	1
3402501	Middle Creek - Distribution	$2,033.75	4.5		8.3		
3402801	Paintsville - City	$2,346.41	1.4		2.5		
3402802	Paintsville - Nippa	$3,373.61			4.2		
3403001	Pikeville - City	$23,478.73	6.7		10.2	34	6
3403002	Pikeville - Main Street	$1,604.20	1		1.7		
3403003	Pikeville - Island Creek	$4,879.60	2.4	0.2	3.4	4	
3403201	Beaver Creek - Ligon	$9,265.06	8.2		14.1		
3403202	Beaver Creek - Price	$6,793.69	8.4		14.2	1	
3403301	Prestonsburg - City	$239.02					1
3403801	Second Fork - Distribution	$29,662.12	7.5	0.0	4.6	0	5,600
3404301	Sidney - Big Creek	$4,035.77	0.4	0.1	0.7	92	9
3404302	Sidney - Coburn Mtn.	$609,182.11	34	38.3	11.1	10,202	2,399
3407102	Topmost - Caney	$897.01	1.4		2.5		
3407103	Topmost - Kite	$28,587.07	9	1.3	12.5	295	53
3408101	Salisbury - Printer	$8,297.01	11.1		16.1		
3408103	Salisbury - Martin	$3,374.46	0.2			7	9
3408303	Coleman - Peter Creek	$131,494.65	44.2	4.2	26.4	1,229	412
3408401	Kimper - Long Fork	$6,813.57	0.2			59	
3408402	Kimper - Grapevine	$2,059.91	0.1			20	
3409001	W. Paintsville - Paintsville	$1,832.80	0.4		0.7		4
3409002	W. Paintsville - Staffordsville	$377,750.34	79	72.1	81.3	6,501	1,273
3409003	West Paintsville - Plaza	$14,745.95	20.7		34.7	75	
3409301	Kenwood - W Van Lear	$5,469.39	0.4	0.0		15	31
3409302	Kenwood - Auxier	$1,240.58	2.2		3.9		
3409303	Kenwood - Hagerhill	$8,353.53	7.2		11.9	10	22
3409401	Feds Creek - Feds Creek	$912,736.38	38.8	59.1	24.2	11,861	1,544
3409402	Feds Creek - Lick Creek	$302,483.82	17	40.7	24.3	5,210	693
3409502	Burdine - Levisa Stone	$13,744.00		1.0		237	4
3409503	Burdine - Jenkins	$6,569.96	6.5	0.0	10.9	0	0
3410502	So. Pikeville - Island Creek	$23,954.57	2.5	0.7	3.3	611	1
3411401	Dewey - Inez-A	$163,164.26	55.1	16.2	79.3	2,899	476
3411801	Johns Creek - Meta	$169,241.91	10.1	4.6	12.4	2,201	243
3411802	Johns Creek - Raccoon	$31,080.61	9	0.9	17.0	226	48
3411901	Fords Branch - Shelby	$123,317.94	6	35.2	0.0	957	395
3411902	Fords Branch - Robinson Ck	$669,338.13	30.9	33.7	33.7	8,224	1,303
3412901	Weeksbury - Distribution	$830.33					20
3413402	Garrett - Lackey	$1,015.54					
3417601	New Camp - South Side	$3,698.68	5.6		11.0		
3417602	New Camp - Arh-W Wmsn.	$1,224.32	1.7		2.7		
3420002	Softshell - Leburn	$3,039.68	0.5	0.9		111	
3451202	Beefhide - Dunham	$14,329.11	3.1	2.6	3.3	253	88
3974101	Big Rock - Conaway	$17,849.87	0.90	2.0		165	40
970603	Hurley - Race Fork	$2,699.75					
	O&M & Capital Totals	$12,536,037	1,569.10	1181.4	2,134.1	166,316	60,702
	Misc. VM exp not recorded by circuit	$1,294,060					
		$13,830,897					
	Less:Total Forestry Capital	$1,180,685					
	Total VMP O&M	$12,650,212					
	Settlement Agreement Paragraph 5(a)	$7,237,965					
	Settlement Agreement Paragraph 5(b)	$5,068,493					
	Total Settlement Agreement	$12,306,458					
	Amount spent above the agreement	$343,754					

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ATTORNEYS

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March 30, 2012

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HAND DELIVERED

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

RE: Case No. 2009-00459

Dear Mr. Derouen:

Enclosed please find the original and ten copies of Kentucky Power Company's 2011 Reliability Report. It is being filed in conformity with paragraph 5(d) the Commission's June 28, 2010 Order in Case No. 200-00459.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

STITES & HARBISON, PLLC

Mark R. Overstreet

MRO
cc: Dennis G. Howard II (with enclosure)
Michael L. Kurtz (with enclosure)

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RESPONSE OF KENTUCKY POWER COMPANY

IN CONFORMITY WITH PARAGRAPH 5(d)

OF THE UNANIMOUS SETTLEMENT AGREEMENT,

APPENDIX A TO THE COMMISSION ORDER IN

CASE NO. 2009-00459

DATED JUNE 28, 2010

March 30, 2012

KPSC Case No. 2009-00459
In Conformity With Paragraph 5(d)
Of the Unanimous Settlement Agreement
Page 1 of 2
Filed March 30, 2012

In accordance with the Public Service Commission's Order dated June 28, 2010, in Case No. 2009-00459, Kentucky Power makes the following report regarding its distribution vegetation management program for the 2011 calendar year:

System Performance (SAIFI, CAIDI, and SAIDI)

The first set of reliability information includes the Kentucky Power System Average Interruption Frequency Index, the Customer Average Interruption Duration Index, and the System Average Interruption Duration Index for the reporting period, known in the industry as SAIFI, CAIDI, and SAIDI, respectively. Kentucky Power has included these system performance numbers, excluding major events as defined by IEEE standard 1366, for the past five years:

Calendar Year	SAIFI	CAIDI	SAIDI
2007	2.276	146.9	334.2
2008	2.904	170.9	496.3
2009	2.556	194.5	497.1
2010	2.470	169.4	418.4
2011	3.085	195.4	602.8

The increase in SAIDI for 2011 is largely attributed to the extraordinary weather experienced during the year. This is evidenced by the fact that 2011 was a record year for precipitation in eastern Kentucky as we experienced a record level of 62.46 inches (NWS at Huntington, WV) or 48% above the average annual precipitation of 43.1 inches.

Since there was plenty of moisture to support tree growth, we did experience an increase of outages and SAIDI for "Vegetation Inside R/W" outage cause. With the additional rain saturating the ground, we also experienced a large increase in trees uprooting and falling into the line as well as trees sliding down the mountain into the line.

In addition, rainy weather has an influence on the failed equipment outages. Cutout failures are the biggest contributor to failed equipment. It has been demonstrated that most defective cutouts will cause outages after rain has dampened the pole and hardware.

KPSC Case No. 2009-00459
In Conformity With Paragraph 5(d)
Of the Unanimous Settlement Agreement
Page 2 of 2
Filed March 30, 2012

2011 Distribution Vegetation Management (VM) Work by Circuit

See Attachment 1 for vegetation management work performed on each distribution circuit for 2011. The units reported are miles completed, acres of brush cut, acres of brush sprayed, trees removed and trees trimmed.

2011 Distribution Operation & Maintenance VM Work by Circuit

See Attachment 1 for the total expenditures for vegetation management work on each distribution circuit in 2011. RWM, AEP's software program for tracking vegetation work and expenditures, does not separate the O&M and Capital expenditures for the circuits worked during the year. Therefore the costs in Attachment 1 represent the total O&M and Capital expenditures for each circuit in 2011.

Also, expenditures shown in this attachment do not include all costs associated with the Vegetation Maintenance Program. Expenses associated with Internal Company Labor & Fleet, unscheduled hotspot and trouble restoration work, incentive program for tree contractor employees, materials (herbicides for the Spray Program), contract foresters, tree contractor's field supervision, and contract work planners are not allocated to a circuit.

2011 Distribution Vegetation Management Plan - Additional Information

Kentucky Power's Distribution Vegetation Management Program changed mid-year 2010 from a performance-based maintenance program to a full-circuit maintenance program aimed at moving our VM Program to a cycle-based approach. The transition to a cycle-based program is estimated to take 7 years.

Maintenance was completed on 1,871 miles of line while our goal was to achieve maintenance on 2,295 miles of line. This goal was not achieved due to underestimating the amount of work required to re-clear some circuits which had not been maintained for a number of years. 2,064 acres were sprayed, which exceeded the company's goal of 2,006 acres.

The total 2011 O&M expenditures for the VM Program were $17,245,255, or $7,290 above the Settlement annual amount of $17,237,965, as shown below.

Total VMP O&M	$	17,245,255
Settlement Agreement Paragraph 5(a)	$	7,237,965
Settlement Agreement Paragraph 5(b)	$	10,000,000
Total Settlement Agreement	$	17,237,965
Amount spent above the agreement	$	7,290

2011 KY POWER FORESTRY SUMMARY

Circuit #	Circuit Name	Total Cost (O&M and Capital)	Total Line Miles	Miles Planned CUT	Miles Completed CUT	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	Tree Removals	Tree Trims	COMMENTS
2206403	South Neal - Whites Creek Road	$23,171				18.8	18.80	6.30	25.90	1	0	Ground spray application.
3000102	Ashland - 25-25 Street	$356				0.0				3	7	Quality-of-Service Work
3000201	Big Sandy - Fallsburg South	$794,714	155	75	75.0	0.0	75.00	94.24	209.33	12,543	4,522	Full Circuit Reclear. To be completed in 2012
3000202	Big Sandy - Burnaugh North	$5,554				22.3	22.30	0.00	31.80	0	0	Ground spray application.
3000301	Bellefonte - Westwood	$357,923	23	21	23.0	0.0	23.00	6.20	2.00	1,573	1,508	Full Circuit Reclear - COMPLETED
3000303	Bellefonte - Bellefonte	$2,185				0.0				2	2	Quality-of-Service Work
3000701	Graysbranch - Graysbranch	$317,907	66	23	66.0	0.0	66.00	14.65	74.73	3,401	1,256	Full Circuit Reclear - COMPLETED
3000801	Hayward - Halderman	$72,295				0.0				1,518	20	Right-of-Way Widening
3000802	Hayward - Lawton	$56,249				0.0		0.05		1,036		Right-of-Way Widening
3000901	Highland - Russell	$372				0.0						Quality-of-Service Work
3000902	Highland - Flatwoods	$1,846				0.1	0.10		1.26		5	Quality-of-Service Work
3000903	Highland - Wurtland	$4,540				0.0				30	2	Quality-of-Service Work
3001001	Hitchins - Damron Branch	$568				0.0				2	1	Quality-of-Service Work
3001002	Hitchins - Willard	$43,448				80.0	80.00	0.20	112.63	22	11	Ground spray application.
3001003	Hitchins - Grayson	$626				0.0				1	1	Quality-of-Service Work
3001004	Hitchins - Elk Road	$3,841				0.0		0.00	0.00	12	0	Quality-of-Service Work
3001101	Hoodscreek - Summitt	$3,312			0.2	0.0	0.20	0.00	0.00	4	3	Quality-of-Service Work
3001102	Hoodscreek - Rural	$952				0.4	0.40		2.97			Ground spray application.
3001201	Howard Collins - 13th St.	$3,780				0.0			2.40	4		Quality-of-Service Work
3001202	Howard Collins - 29th St.	$97,016	13		10.0	0.0	10.00	1.30	0.00	187	570	Full Circuit Reclear. To be completed in 2012
3001203	Howard Collins - Floyd St.	$229				0.0					2	Quality-of-Service Work
3001204	Howard Collins - Summitt	$9,388				8.9	8.90	0.00	12.74	5	0	Ground spray application.
3001401	Louisa - City	$1,713				0.0				4		Quality-of-Service Work
3001402	Louisa - High Bottom	$391				0.0					11	Quality-of-Service Work
3002001	South Shore - Siloam	$9,525				0.0				3	6	Quality-of-Service Work
3002002	South Shore - Distribution	$5,661				0.0			21.60	1	2	Ground spray application.
3003701	Coalton - US 60 W	$9,894				11.4	11.40	0.00	16.22	19	4	Ground spray application.
3003702	Coalton - Cannonsburg	$24,642				17.5	17.50	0.20	23.31	109	79	Ground spray application.
3003703	Coalton - Trace Creek	$7,488				12.3	12.30	0.00	17.52	3	0	Ground spray application.
3007903	Busseyville - Louisa	$17,930			1.9	0.0	1.90	2.40	0.00	73	253	Quality-of-Service Work
3007904	Busseyville - Torchlight	$22,179				36.7	36.70	14.90	52.40	71	12	Ground spray application.
3007905	Busseyville - Mattie	$73,757				23.7	23.70	5.95	29.53	832	957	Ground spray application.
3007906	Busseyville - Walbridge	$107,061				94.0	94.00	0.25	185.01	333	31	Ground spray application.
3008002	47th Street - 39th Street	$111,886	13	11	12.0	0.0	12.00	2.10	2.70	129	353	Full Circuit Reclear - COMPLETED
3008003	47th Street - Catlettsburg	$568				0.0				1	1	Quality-of-Service Work
3008701	Cannonsburg - Cannonsburg	$98,826				15.8	15.80	1.10	22.63	472	351	Ground spray application.
3008702	Cannonsburg - Rt. 3	$266,411				43.1	43.30	3.50	42.20	3,703	636	Ground spray application.
3010601	Russell - Kenwood	$17,774				23.7	23.70	0.00	17.12	18	5	Ground spray application.
3010602	Russell - Bear Run	$6,895				0.0		0.20	6.50	19	1	Quality-of-Service Work
3103101	Olive Hill - Globe	$1,311,642	117	75	109.0	0.0	109.00	35.98	121.00	9,702	5,543	Planned reclearing completed.
3103103	Olive Hill - West Carter Elementary	$16,725				10.2	10.20	0.00	14.41	0	0	Ground spray application.
3110902	Wurtland - Greenup	$18,582			0.2	0.0	0.20	0.80	0.50	269	3	Quality-of-Service Work
3110903	Wurtland - Rt. 503	$509,356	49	49	16.5	0.0	16.50	16.23	16.50	4,239	1,645	Full Circuit Reclear. To be completed in 2012
3116102	Grayson - Dixie Park	$3,706			0.1	0.0	0.10			12	1	Quality-of-Service Work
3116701	Belhaven - Diedrich	$822				0.0				1		Quality-of-Service Work
3116702	Belhaven - Indian Run	$524				0.0				1		Quality-of-Service Work
3116703	Belhaven - Argillite	$1,797				0.0				9	2	Quality-of-Service Work
3117601	Princess - Meade Station	$13,013				27.9	27.90	0.10	38.85	2	1	Ground spray application.
3117602	Princess - Rt. 180	$17,169				23.0	23.00	6.90	50.19	10	0	Ground spray application.

2011 KY POWER FORESTRY SUMMARY

Circuit #	Circuit Name	Total Cost (O&M and Capital)	Total Line Miles	Miles Planned CUT	Miles Completed CUT	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	Tree Removal	Tree Trims	COMMENTS
2150105	Spriggs - Matewan			1	0.0	0.0						Feeder Breaker reclearing deferred
3200201	Barrenshe - Freeburn	$2,489				0.4	0.40		1.70	4		Ground spray application.
3200202	Barrenshe - Vulcan-A	$573,514	49	49	32.9	0.0	32.90	32.69	0.00	9,065	1,841	Full Circuit Reclear. To be completed in 2012
3200204	Barrenshe - Pounding Mill	$5,725			0.3	0.0	0.30	0.30		58	35	Ground spray application.
3200302	Belfry - Toler	$2,510				0.0			0.70	13		Quality-of-Service Work
3201002	Tom Watkins - Distribution-A	$1,711			0.1	0.0	0.10	0.00	0.00	2	0	Quality-of-Service Work
3202201	Lovely - Lovely-A	$16,764			2.9	0.0	2.90	0.60	0.00	133	23	Quality-of-Service Work
3202202	Lovely - Wolf Creek	$5,009			0.4	0.0	0.40	0.30		58	7	Quality-of-Service Work
3300601	Bluegrass - Walkertown	$81,630	28	4	4.0	1.9	5.90	8.50	0.03	1,132	510	2nd Recloser Zone - COMPLETED
3300602	Bluegrass - Hazard	$6,887				0.0		0.27	0.02	144	42	Quality-of-Service Work
3301101	Chavies - Chavies	$7,256				2.7	2.70	2.20	2.49	55	6	Ground spray application.
3301401	Combs - Combs	$88,528	9	9	9.3	1.8	11.10	12.43	6.17	2,136	443	Full Circuit Reclear - COMPLETED
3301402	Combs - Airport Gardan	$564,662	41	41	41.0	2.0	43.00	66.13		9,278	1,885	Full Circuit Reclear - COMPLETED
3301701	Daisy - Leatherwood	$2,057				0.0						
3302701	Hazard - Black Gold	$75,319	44	3	2.5	38.8	41.30	11.08	75.64	1,524	266	Quality-of-Service Work & Ground spray application.
3302702	Hazard - Lothair	$594				0.0			0.05			
3302703	Hazard - Hazard	$14,048				12.0	12.00	0.09	30.76	12		Ground spray application.
3302704	Hazard - Kenmont	$9,751				0.0			0.19	53	6	Quality-of-Service Work
3303901	Leslie - Hyden	$10,589				0.6	0.60			273		Ground spray application.
3303902	Leslie - Wooton	$11,063		4	0.3	0.0	0.30	0.75		191	31	Quality-of-Service Work
3303903	Leslie - Hals Fork	$84,465			0.9	0.0	0.90	0.16		3,328	102	Quality-of-Service Work
3307301	Bulan - Ary-Helmer	$6,426				0.6	0.60	0.01	0.74	56	5	Ground spray application.
3307302	Bulan - Ajax-Dwarf	$8,755				1.1	1.10	0.05	5.19	15	2	Ground spray application.
3307303	Bulan - Lotts Creek	$2,280				0.0	0.00	0.00	1.02	0	0	Quality-of-Service Work
3308001	Jackson - South Jackson	$9,240			0.4	0.0	0.40	0.74		66	69	Quality-of-Service Work
3308401	Beckham - Hindman	$934,029	53	75	55.0	3.7	58.70	161.22	9.86	14,866	3,459	Full Circuit Reclear. To be completed in 2012
3308402	Beckham - Carr Creek	$45,446			5.3	0.0	5.30	4.77		1,486	112	Tree work to address reliability issues on Irishman's Ck - COMPLETED
3308502	Bonnyman - Hazard	$17,346				2.5	2.50	1.35	7.86	93	20	Ground spray application.
3308503	Bonnyman - Big Creek	$25,787				3.8	3.80	0.74	0.33	79	28	Ground spray application.
3308601	Collier - Upper Rockhouse	$2,198				0.3	0.30	0.20	0.05	37	9	Ground spray application.
3308602	Collier - Lower Rockhouse	$501,469	70	70	24.8	0.0	24.80	101.14	16.33	7,531	1,832	Full Circuit Reclear. To be completed in 2012
3308603	Collier - Smoot Creek	$2,192				0.1	0.10		1.05	11	2	Ground spray application.
3309001	Jeff - Viper	$113,516		7	7.0	0.4	7.40	19.32	0.07	3,700	474	Tree work to address reliability issues on Mace's Ck - COMPLETED
3309002	Jeff - Jeff	$1,799				0.0				5		Quality-of-Service Work
3309101	Whitesburg - Whitesburg	$10,413				0.0			1.12	57		Quality-of-Service Work
3309102	Whitesburg - Hospital	$52				0.0			0.02			Quality-of-Service Work
3309103	Whitesburg - Cowan	$4,237				1.4	1.40	0.00	2.32	10	4	Ground spray application.
3309104	Whitesburg - Crafts Colley	$415,241	27	15	15.0	0.0	15.00	62.01	0.93	5,274	2,055	Full Circuit Reclear - COMPLETED
3309301	Vicco - Red Fox	$34,717				0.7	0.70	2.35		460	103	Ground spray application.
3309302	Vicco - Jeff	$21,210			2.3	0.0	2.30	7.72		778	66	Quality-of-Service Work
3309501	Slemp - Defeated Cr.	$752				0.0						
3309502	Slemp - Leatherwood	$2,575				0.0				9	16	Quality-of-Service Work
3310501	Haddix - Quicksand	$103,155				91.2	91.20	0.77	152.02	147	15	Ground spray application.
3310502	Haddix - Canoe	$11,716				0.0		0.26		46	12	Quality-of-Service Work
3311101	Stinnett - Redbird	$1,572,314	116	116	106.0	0.1	106.10	255.82	25.99	32,726	7,511	Full Circuit Reclear. To be completed in 2012
3311102	Stinnett - Beech Fork	$190,287	10	10	10.0	0.0	10.00	27.72		5,654	773	Full Circuit Reclear - COMPLETED
3311103	Stinnett - Wendover-35kV	$3,204			0.1	0.0	0.10			4	28	Quality-of-Service Work
3311401	Ready - Deane	$435,691	59	11	16.0	4.5	20.50	48.59	1.55	5,232	1,267	Full Circuit Reclear. To be completed in 2012
3311701	Shamrock - Shamrock	$2,980				0.3	0.30	1.20		197	16	Ground spray application.

2011 KY POWER FORESTRY SUMMARY

Circuit #	Circuit Name	Total Cost (O&M and Capital)	Total Line Miles	Miles Planned CUT	Miles Completed CUT	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	Tree Removals	Tree Trims	COMMENTS
3312201	Engle - Industrial Park 34.5	$691				0.0						
3312202	Engle - Grapevine 34.5	$25,081				6.1	6.10	3.45	12.47	25	12	Ground spray application.
3312901	Jenkins - Kona	$33,842			0.8	0.0	0.80	3.51		934	92	Began Full Circuit Reclear. To be completed in 2012.
3314401	Mayking - Ermine	$89,124				26.9	26.90	8.65	51.72	234	113	Ground spray application.
3314402	Mayking - Millstone	$376,808	47	8	8.0	3.2	11.20	34.37	1.53	3,685	1,213	Full Circuit Reclear - COMPLETED. Began in 2010.
3400101	Allen - Distribution	$72,417	27	5	5.0	9.2	14.20	9.47	37.50	803	204	Full Circuit Reclear - COMPLETED. Began in 2010.
3400301	Betsy Layne - Mud Creek	$220,153		8	8.9	0.0	8.90	5.77	0.68	2,610	591	Toler Creek conversion project. Tree work COMPLETED
3400302	Betsy Layne - Tram 12 KV	$11,361				8.7	8.70		14.17	14	7	Ground spray application.
3400303	Betsy Layne - Harold	$121,331		3	3.1	0.3	9.40	2.20	0.54	961	236	Penhook conversion project. Tree work COMPLETED
3400601	Burton - Ligon	$256				0.0					1	Quality-of-Service
3400702	Draffin - Yellow Hill	$348,513	12	6	6.0	5.9	11.90	11.65	0.00	3,930	297	Full Circuit Reclear - COMPLETED
3400901	Elkhorn City - City	$6,274				0.2	0.20		0.32	6		Ground spray application.
3400902	Elkhorn City - Grassy	$92,938		2	2.2	0.0	2.20	29.12	0.00	1,759	89	Feeder Breaker Zone reclear - COMPLETED
3401001	Elwood - Dorton	$229,370	44	44	44.0	0.0	44.00	55.21	0.70	461	2,378	BID JOB. Full Circuit Reclear - COMPLETED
3401002	Elwood - Virgie	$325,799	69	69	69.0	0.0	69.00	792.31	0.00	8,136	3,229	BID JOB. Full Circuit Reclear - COMPLETED
3401101	Falcon - Oil Springs	$971				0.0		0.25		41	5	Quality-of-Service Work
3401102	Falcon - Salyersville	$4,133			0.1	0.0	0.10			13	3	Quality-of-Service Work
3401301	Fleming - Neon	$2,564				0.0				8	12	Quality-of-Service Work
3401702	Henry Clay - Regina	$69,861				25.8	25.80	1.20	44.21	531	88	Ground spray application.
3401703	Henry Clay - Ashcamp	$28,136				13.2	13.20		16.95	3		Ground spray application.
3401801	Index - Distribution	$913				0.0				20		Quality-of-Service Work
3401802	Index - Hospital	$916			0.1	0.0	0.10			2	3	Quality-of-Service Work
3402001	Keyser - Mullins	$3,595				0.3	0.30	0.11	0.40	60	1	Ground spray application.
3402002	Keyser - Stonecoal	$20,760				2.1	2.10	0.11	5.30	100	2	Ground spray application.
3402202	McKinney - Gibson	$4,297				1.3	1.30		1.99	18	1	Ground spray application.
3402204	McKinney - Maytown	$7,753				8.7	8.70	1.50	12.99			Ground spray application.
3402802	Paintsville - Nippa	$1,748				0.0				7		Quality-of-Service Work
3403001	Pikeville - City	$785				0.0					2	Quality-of-Service Work
3403003	Pikeville - Cedar Creek	$21,791			0.5	0.0	0.50	0.00		174	30	Quality-of-Service Work
3403201	Beaver Creek - Ligon	$2,710				0.0		0.00		0	0	
3403301	Prestonsburg - City	$455				0.0					2	Quality-of-Service Work
3403701	Russell Fork - Little Beaver	$160,204			4.8	0.0	4.80	8.98	5.01	1,642	201	Rt Fk Little Beaver Ck reconductoring project.
3403801	Second Fork - Distribution	$27,545		1	1.0	1.1	2.10	5.19		716	1	Feeder Breaker Zone - tree work COMPLETED
3404301	Sidney - Big Creek	$2,042				0.0				7		Quality-of-Service
3404302	Sidney - Coburn Mtn.	$220,469	49	15	15.0	29.5	44.50	17.20	66.20	2,862	480	Full Circuit Reclear - COMPLETED. Began in 2010.
3407101	Topmost - Dema	$7,213				4.4	4.40	0.07	7.16	8	7	Ground spray application.
3407103	Topmost - Kite	$346				0.0						
3408103	Salisbury - Martin	$21,091				12.8	12.80		21.55	21		Ground spray application.
3408303	Coleman - Peter Creek	$7,939	72	28	0.0	6.9	6.90		11.50	7	6	Reclearing deferred
3408401	Kimper - Long Fork	$14,706			0.6	0.0	0.60	0.31		113	42	Quality-of-Service Work
3408402	Kimper - Grapevine	$734				0.0				4		Quality-of-Service Work
3409001	W. Paintsville - Paintsville	$787				0.7	0.70		1.18			Ground spray application.
3409002	W. Paintsville - Staffordsville	$5,531				7.6	7.60		12.71			Ground spray application.
3409301	Kenwood - W Van Lear	$1,736				2.5	2.50		4.12			Ground spray application.
3409302	Kenwood - Auxier	$1,528				0.0		0.10		12	4	Quality-of-Service Work
3409303	Kenwood - Hagermill	$624,631	51	51	46.0	5.0	51.00	69.60	33.27	10,907	2,232	Full Circuit Reclear. To be completed in 2012
3409401	Feds Creek - Feds Creek	$699,073	47	10	9.9	0.0	9.90	35.58	8.91	5,775	712	Full Circuit Reclear - COMPLETED
3409402	Feds Creek - Lick Creek	$848				0.0						
3409502	Burdine - Levisa Stone	$431,270	39	39	16.6	0.0	16.60	60.64	15.91	4,081	1,553	Full Circuit Reclear. To be completed in 2012
3410501	So. Pikeville - Pikeville	$1,162		1	0.0	0.0						Deferred until early 2012
3410502	So. Pikeville - Island Creek	$6,963			0.7	0.0	0.70		1.60	23	2	Quality-of-Service Work

2011 KY POWER FORESTRY SUMMARY

Circuit #	Circuit Name	Total Cost (O&M and Capital)	Total Line Miles	Miles Planned CUT	Miles Completed CUT	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	Tree Removals	Tree Trims	COMMENTS
3411401	Dewey - Incz-A	$840,825	169	30	30.0	11.3	41.30	79.20	17.43	12,628	2,843	Lower Rockcastle Ck reliability issues - COMPLETED
3411801	Johns Creek - Meta	$41,148		5		2.9	2.90	0.54	10.58	524	34	Ground spray application.
3411802	Johns Creek - Raccoon	$27,865		5		0.8	0.80	1.50	0.90	326	79	Ground spray application.Grassy Ck conversion project CANCELED
3411901	Fords Branch - Shelby	$820,759	39	39	31.0	0.0	31.00	48.24	1.37	9,712	1,534	Full Circuit Reclear. To be completed in 2012
3411902	Fords Branch - Robinson Ck	$782,372	55	40	33.3	0.0	33.30	34.74	15.98	8,551	1,695	Full Circuit Reclear. To be completed in 2012
3413401	Garrett - Garrett	$21,197				18.5	18.50	3.28	27.45			Ground spray application.
3413402	Garrett - Lackey	$16,284				12.2	12.20		20.27			Ground spray application.
3414901	Fishtrap - Distribution	$52,334	5	5	3.1	0.0	3.10	5.51		1,569	17	Full Circuit Reclear. To be completed in 2012
3417501	New Camp - South Side	$1,797				0.0				10		Quality-of-Service Work
3417502	New Camp - Arh-W Wmsn.	$1,115				0.0				14	7	Quality-of-Service Work
3420001	Softshell - West	$843		9	0.1	0.0	0.10			4	14	Second Zones - tree work DEFERRED
3420002	Softshell - Leburn	$690		3		0.0						Recloser Zone. Possum Trot/Wiley Br - DEFERRED
2970603	Hurley - Race Fork	$130,649	6	6	5.9	0.0	5.90	10.80		1,592	77	Full Circuit Reclear. To be completed in 2012
	Sum:	$17,518,870		1092	956	875	1,871.10	2,418.78	2,012.12	232,457	62,614	

STITES & HARBISON PLLC
ATTORNEYS

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April 1, 2013

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Executive Director
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211 Sower Boulevard
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RE: Kentucky Power Company's 2012 Vegetation Management Report Filed In Conformity With Commission's June 28, 2010 Order in Case No. 2009-00459

Dear Mr. Derouen:

Please find enclosed and accept for filing the original and ten copies of Kentucky Power Company's 2012 Vegetation Management Report. It is being filed in accordance with the Commission's June 28, 2010 Order in Case No. 2009-0049 and paragraph 5 of the Settlement Agreement approved by that order. A copy is being served on the Attorney General.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Mark R. Overstreet

MRO
cc: Dennis G. Howard II (with enclosure)

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RESPONSE OF KENTUCKY POWER COMPANY

IN CONFORMITY WITH PARAGRAPH 5(d)

OF THE UNANIMOUS SETTLEMENT AGREEMENT,

APPENDIX A TO THE COMMISSION ORDER IN

CASE NO. 2009-00459

DATED JUNE 28, 2010

April 1, 2013

KPSC Case No. 2009-00459
In Conformity With Paragraph 5(d)
Of the Unanimous Settlement Agreement
Page 2 of 4
Filed April 1, 2013

In accordance with the Public Service Commission's Order dated June 28, 2010, in Case No. 2009-00459, Kentucky Power makes the following report regarding its distribution vegetation management program for the 2012 calendar year:

System Performance (SAIFI, CAIDI, and SAIDI)

The first set of reliability information includes the Kentucky Power System Average Interruption Frequency Index, the Customer Average Interruption Duration Index, and the System Average Interruption Duration Index for the reporting period, known in the industry as SAIFI, CAIDI, and SAIDI, respectively. Kentucky Power has included these system performance numbers, excluding major events as defined by IEEE standard 1366, for the past five years:

Calendar Year	SAIFI	CAIDI	SAIDI
2008	2.904	170.9	496.3
2009	2.556	194.5	497.1
2010	2.470	169.4	418.4
2011	3.085	195.4	602.8
2012	2.417	189.5	458.0

2012 Distribution Vegetation Management (VM) Work by Circuit

See Attachment 1 for vegetation management work performed on each distribution circuit for 2012. The units reported are miles completed CUT, Miles Completed SPRAY, Miles Completed TOTAL, acres of brush cut, acres of brush sprayed, trees removed and trees trimmed.

2012 Distribution Operation & Maintenance VM Work by Circuit

See Attachment 1 for the total expenditures for vegetation management work on each distribution circuit in 2012. RWM, AEP's software program for tracking vegetation work and expenditures, does not separate the O&M and Capital expenditures for the circuits worked during the year. Therefore the costs in Attachment 1 represent the total O&M and Capital expenditures for each circuit in 2012.

KPSC Case No. 2009-00459
In Conformity With Paragraph 5(d)
Of the Unanimous Settlement Agreement
Page 3 of 4
Filed April 1, 2013

2012 Distribution Vegetation Management Plan - Additional Information

Kentucky Power's 2010 Distribution Vegetation Management Program changed mid-year 2010 from a performance-based maintenance program to a full-circuit maintenance program aimed at moving our VM Program to a cycle-based approach. The transition to a cycle-based program is estimated to take 7 years.

In 2012, maintenance was completed on 2,054 miles of line while our goal was to achieve maintenance on 1,999 miles of line.

The total 2012 O&M expenditures for the VM Program were $17,023,685, or $214,280 below the Settlement annual amount of $17,237,965, as shown below.

Total VMP O&M	$	17,023,685
Settlement Agreement Paragraph 5(a)	$	7,237,965
Settlement Agreement Paragraph 5(b)	$	10,000,000
Total Settlement Agreement	$	17,237,965
Amount spent below the agreement	$	214,280

Although the Company over expended in 2010 and 2011 by $343,712 and $7,290 respectively, Kentucky Power plans to increase expenditures in 2013 by the under expenditure in 2012 of $214,280 to a O&M Expense target of $17,452,245 for its Vegetation Management Program.

Summary of the 2012 Kentucky Power Distribution Vegetation Management Program

Kentucky Power's 2012 Distribution Vegetation Management (VM) Program continued the migration from a performance-based asset management maintenance program to a full-circuit cycle-based maintenance program. Approximately thirty percent of our distribution system has been recleared since July of 2010. We still estimate that the reclearing of our distribution system will be completed in about seven years (July 2017). The number of miles recleared per year will increase as we work through the most over-grown, densely vegetated circuits.

Service restoration work associated with five major storms hampered KY Power's vegetation maintenance efforts in 2012. In addition, the projected cost of reclearing some circuits was underestimated. The increased costs were primarily due to the larger than anticipated amount of tree growth encroaching into the primary, and to the amount of slash cleanup. The program identified 1,157 miles for reclearing, and 895 miles (77%) were recleared. Most of the planned work that was unfinished in 2012 will be scheduled for completion in 2013. Finally, some planned work was deferred because of shifts in priorities caused by changes in circuit reliability performance.

The program also planned for 2,440 acres to be sprayed and 2,264 (93%) were accomplished.

Total O&M expenditures for the VM program were $17,023,685 or 98.76% of the O&M budget target. Forestry capital expenditures were $2,336,549 bringing the total expenditures for the VM Program to $19,360,234. The Company has added the 2012 O&M shortfall to the 2013 O&M budget. Costs that were not allocated to a circuit include; Internal Labor & Fleet, unscheduled hotspot maintenance, trouble restoration work, tree ticket investigation, contract foresters, tree contractor's field supervision, incentive program for tree contractor's employees, and materials (herbicides for the Spray program).

2012 KENTUCKY POWER FORESTRY CIRCUIT HISTORY

Circuits (rows) in BOLD were in the 2012 Plan

Circuit #	Circuit Name	Cost (includes O&M and Capital)	Total Line Miles	Miles Planned CUT (Reclear)	Miles Completed CUT (Reclear)	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	TGR	Tree Removals	Tree Trims	COMMENTS
2150103	Sprigg-Sprigg	$7,247.46	8.10	0	0	0.40	0.40	1.44			235	6	Quality-of-Service Work
2150105	Sprigg-Matewan	$23,904.22	8.00	0	1.3	0.90	2.20	4.41			294	43	Quality-of-Service Work
2206403	South Neal - Whites Creek Road	$18,677.60	36.80	0	0	36.80	36.80	0.23	9.54		271	11	Quality-of-Service Work; ground spray application
3000103	Ashland - 25-14 Street	$545.35	1.30	0	0	0.00	0.00					5	Quality-of-Service Work
3000201	Big Sandy - Fallsburg South	$659,934.29	168.00	52	45	80.20	125.20	42.57	172.46	5	7,160	4,910	Full Circuit Reclear - to be completed in 2013
3000202	Big Sandy - Burnaugh North	$1,959.43	84.50	0	0	0.00	0.00		0.83		5		Quality-of-Service Work; ground spray application
3000301	Bellefonte - Westwood	$20,876.61	23.00	0	0	23.00	23.00	0.00	9.00		119	0	Quality-of-Service Work; ground spray application
3000303	Bellefonte - Bellefonte	$28,760.56	58.20	0	0	1.70	1.70	5.00	12.90		1	2	Quality-of-Service Work; ground spray application
3000501	Grahn - Distribution	$30,268.25	45.30	0	0	45.30	45.30	0.00	100.00		1	0	Ground spray application
3000701	Graysbranch - Graysbranch	$10,330.32	66.00	0	0	66.00	66.00	3.50	10.30		3	0	Quality-of-Service Work
3000801	Hayward - Helderman	$171,118.37	117.00	10	7.3	0.00	7.30	0.00	5.70		2,937	0	begin Full Circuit Reclear - to be completed in 2013
3000802	Hayward - Lawton	$1,251.51	38.30	0	0	0.00	0.00				4		Quality-of-Service Work
3000901	Highland - Russell	$6,122.53	14.00	0	0	0.10	0.10	0.30			65	25	Quality-of-Service Work
3000902	Highland - Flatwoods	$261.33	14.00	0	0	0.00	0.00		0.10				Quality-of-Service Work
3000903	Highland - Wurtland	$58,439.66	13.40	0	0	2.80	2.80	0.90	0.00		228	192	Quality-of-Service Work
3001001	Hitchins - Damron Branch	$500.56	46.20	0	0	0.00	0.00				1		Quality-of-Service Work
3001002	Hitchins - Willard	$13,993.73	151.30	0	0	14.00	14.00		24.80		0	1	Ground spray application
3001003	Hitchins - Grayson	$45,724.63	48.40	0	0	2.60	2.60	0.50	3.40		313	207	Quality-of-Service Work
3001101	Hoodscreek - Summitt	$464,514.13	22.70	23	23	0.00	23.00	12.99	9.80		3,225	1,947	Full Circuit Reclear
3001102	Hoodscreek - Rural	$4,999.20	47.00	0	0	0.00	0.00	0.20			30	6	Quality-of-Service Work
3001202	Howard Collins - 29th St.	$184,752.13	13.40	5	5.40	13.40	1.01	0.00			435	839	Full Circuit Reclear
3001203	Howard Collins - Floyd St.	$1,271.72	11.00	0	0	0.00	0.00	0.05			13	1	Quality-of-Service Work
3001204	Howard Collins - Summitt	$32,360.03	24.70	0	0	4.30	4.30	0.10	9.10		47	98	Quality-of-Service Work; ground spray application
3001401	Louisa - City	$1,417.85	10.00	0	0	1.00	1.00	1.30	1.40				Quality-of-Service Work; ground spray application
3001402	Louisa - High Bottom	$54.76	13.00	0	0	0.00	0.00					1	Quality-of-Service Work
3002001	South Shore - Sloam	$23,168.70	34.40	0	0	34.40	34.40	0.00	22.57		3	0	Quality-of-Service Work; ground spray application
3002002	South Shore - Distribution	$9,038.07	8.80	0	0	8.80	8.80	0.00	37.10		1	0	Quality-of-Service Work; ground spray application
3002107	10th Street - West Central	$2,434.56	15.60	3	0	0.00	0.00				4	1	Quality-of-Service Work
3003701	Coalton - US 60 W	$55,530.30	67.50	0	0	4.00	4.00	0.00	14.54		571	3	Quality-of-Service Work
3003702	Coalton - Cannonsburg	$5,701.85	23.30	0	0	0.00	0.00				108		Quality-of-Service Work
3003703	Coalton - Trace Creek	$10,942.00	62.50	0	0	0.00	0.00				2		Quality-of-Service Work
3004301	Siloam - Distribution	$10,135.42	22.70	0	0	22.70	22.70	0.00	11.02		0	4	Quality-of-Service Work; ground spray application
3007903	Busseyville - Louisa	$22,157.66	43.00	0	0	43.00	43.00	0.00	30.38		0	0	Ground spray application
3007904	Busseyville - Torchlight	$5,309.10	94.40	0	0	2.40	2.40	0.00	18.30		6	0	Quality-of-Service Work; ground spray application
3007905	Busseyville - Mattie	$933.19	92.00	0	0	0.00	0.00				10		Quality-of-Service Work
3007906	Busseyville - Walbridge	$133,924.24	94.00	0	0	26.20	26.20	2.14	44.12		2,246	80	Quality-of-Service Work; ground spray application
3008001	47th Street - 49th Street	$286,575.53	26.00	26	10.3	0.00	10.30	6.07	0.00		1,495	935	Full Circuit Reclear - to be completed in 2013
3008002	47th Street - 39th Street	$3,557.15	13.00	5	5	8.00	13.00	0.10	0.00		9	6	Full Circuit Reclear
3008003	47th Street - Catlettsburg	$354.29	25.80	0	0	0.00	0.00					1	Quality-of-Service Work
3008701	Cannonsburg - Cannonsburg	$10,909.89	62.00	0	2.5	0.00	2.50	0.00	0.00		7	70	Quality-of-Service Work
3008702	Cannonsburg - Rt. 5	$1,180,983.57	101.00	70	63.1	31.00	94.10	30.52	49.30		9,920	8,048	Full Circuit Reclear
3010501	Russell - Kenwood	$1,808.59	20.70	0	0	0.00	0.00		0.80		1		Quality-of-Service Work; ground spray application
3103101	Olive Hill - Globe	$3,516.74	119.00	0	0	0.00	0.00		2.90		1	2	Quality-of-Service Work; ground spray application
3103103	Olive Hill - West Carter Elementary	$28,225.74	38.00	0	0	38.00	38.00	0.00	41.50		9	0	Quality-of-Service Work; ground spray application
3110302	Wurtland - Greanup	$119,176.56	50.60	26	49	1.80	50.80	0.00	53.80	0	0	2	Quality-of-Service Work; ground spray application
3110303	Wurtland - Rt. 503	$594,672.02	49.00	26	26	21.00	49.00	13.80	13.70		4,533	2,172	Full Circuit Reclear
3116101	Grayson - Lansdowne	$11,340.62	38.40	0	0	38.40	38.40	0.00	12.60		5	22	Quality-of-Service Work; ground spray application
3116102	Grayson - Dixie Park	$7,355.75	32.00	0	0	1.60	1.60	0.40	0.00		36	54	Quality-of-Service Work
3116701	Belhaven - Diedrich	$497.75	8.90	0	0	0.00	0.00				1		Quality-of-Service Work
3116702	Belhaven - Indian Run	$9,972.31	25.80	0	0	0.00	0.00	2.10	4.60		82	2	Quality-of-Service Work; ground spray application
3116703	Belhaven - Argillite	$47,003.39	33.60	0	0	5.00	5.00	0.00	13.40		94	18	Quality-of-Service Work; ground spray application

2012 KENTUCKY POWER FORESTRY CIRCUIT HISTORY

Circuits (rows) in BOLD were in the 2012 Plan

Circuit #	Circuit Name	Cost (includes O&M and Capital)	Total Line Miles	Miles Planned CUT (Reclear)	Miles Completed CUT (Reclear)	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	TGR	Tree Removals	Tree Trims	COMMENTS
3117601	Pinnacle - Meade Station	$12,314.79	45.10	0	0	45.10	45.10	0.00	20.75		11	0	Quality-of-Service Work; ground spray application
3117602	Pinnacle - Rt. 180	$60,703.50	23.00	0	0	1.40	1.40	1.50	3.46		1,425	49	Quality-of-Service Work; ground spray application
3150501	Borderland - Nolan-A	$15,591.37	19.50	0	0	6.40	6.40	1.60	8.80		127	3	Quality-of-Service Work; ground spray application
3150502	Borderland - Chattaroy	$9,922.66	10.00	0	0	5.70	5.70		5.10		3		Quality-of-Service Work; ground spray application
3200201	Barrenshe - Freeburn	$10,129.14	11.70	0	0	1.00	1.00	0.70			164	27	Quality-of-Service Work
3200202	Barrenshe - Vulcan-A	$434,257.51	42.00	9	9	5.00	14.00	10.45	22.40		5,664	1,344	completed Full Circuit Reclear
3200203	Barrenshe - Slate Branch	$7,239.00	5.80	0	0	4.40	4.40		22.00				Ground spray application
3200204	Barrenshe - Pounding Mill	$1,120.79	15.00	0	0	0.10	0.10	0.20			42		Quality-of-Service Work
3200301	Belfry - Belfry	$25,602.71	17.40	0	4.5	0.00	4.50	0.60	0.00		155	64	Quality-of-Service Work
3200302	Belfry - Toler	$9,855.01	29.00	0	0	1.60	1.60		2.50		87		Quality-of-Service Work; ground spray application
3202201	Lovely - Lovely-A	$418,969.12	41.00	41	21	0.00	21.10	20.60	2.90	36	4,647	6,315	begin Full Circuit - to be completed in 2013
3202202	Lovely - Wolf Creek	$33,145.75	58.70	0	1.3	0.00	1.30	1.05			386	95	Quality-of-Service Work
3202203	Lovely - Mt. Sterling	$1,490.79	12.50	0	0	0.00	0.00				100		Quality-of-Service Work
3300501	Bluegrass - Walkertown	$2,995.25	29.00	0	0	1.50	1.50	0.00	2.20		4	13	Quality-of-Service Work; ground spray application
3300502	Bluegrass - Hazard	$12,250.93	11.00	0	0	0.10	0.10	1.76			195	34	Quality-of-Service Work
3301101	Chavies - Chavies	$590.16	58.50	0	0	0.10	0.10				37		Quality-of-Service Work
3301401	Combs - Combs	$7,010.57	9.00	0	0	5.00	5.00		10.71		22		Quality-of-Service Work; ground spray application
3301402	Combs - Airport Garden	$32,951.99	43.00	0	0	13.00	13.00	0.73	42.29		256	26	Quality-of-Service Work; ground spray application
3301701	Daisy - Leatherwood	$126,744.74	81.90	0	0	12.20	12.20	17.02	12.10		3,471	410	Quality-of-Service Work; ground spray application
3302703	Hazard - Hazard	$3,328.07	11.00	0	0	0.00	0.00	0.20			41	0	Quality-of-Service Work
3302704	Hazard - Kenmont	$217,421.41	30.00	30	30	0.10	30.10	36.91	0.00		4,682	1,554	Full Circuit Reclear
3303901	Leslie - Hyden	$10,857.09	85.50	0	0	0.60	0.60	0.55			312	45	Quality-of-Service Work
3303902	Leslie - Wooton	$15,536.13	158.00	28	0	0.80	0.80	2.26	0.97		515	46	Quality-of-Service Work
3303903	Leslie - Hals Fork	$523,281.55	77.00	77	40	37.00	77.00	52.75	136.46		8,786	1,197	begin Full Circuit Reclear - to be completed in 2013
3307301	Bulan - Ary-Heiner	$650,040.35	46.00	45	44	0.00	44.00	59.98	0.64		12,195	2,565	Full Circuit Reclear
3307302	Bulan - Alex-Dwarf	$18,065.49	44.60	0	0	1.50	1.50	1.85			625	71	Quality-of-Service Work
3308001	Jackson - South Jackson	$12,554.71	25.00	0	0	0.90	0.90	1.61	0.40		148	33	Quality-of-Service Work; ground spray application
3308002	Jackson - Parkbow	$21,830.43	30.10	0	0	1.00	1.00	0.98	0.60		310	128	Quality-of-Service Work; ground spray application
3308401	Beckham - Hindman	$346,399.35	111.00	20	20	9.30	29.30	37.36	18.02		5,259	1,884	completed Full Circuit Reclear
3308402	Beckham - Carr Creek	$635,744.93	108.00	50	50	2.60	52.60	127.70	29.00		17,658	4,831	begin Full Circuit Reclear - to be completed in 2013
3308502	Bonnyman - Hazard	$18,545.07	45.30	0	0	1.10	1.10	5.92			615	12	Quality-of-Service Work
3308503	Bonnyman - Big Creek	$743,093.50	84.10	83	83	0.00	83.00	182.60	93.35		23,047	3,553	Full Circuit Reclear
3308601	Collier - Upper Rockhouse	$20,244.43	19.80	0	0	0.70	0.70	2.04			454	79	Quality-of-Service Work
3308602	Collier - Lower Rockhouse	$817,769.22	66.90	35	35	8.90	43.90	67.90	33.60		10,057	3,579	completed Full Circuit Reclear
3308603	Collier - Smoot Creek	$19,416.44	80.30	0	0	5.80	5.80	1.04	7.30		213	69	Quality-of-Service Work; ground spray application
3309001	Jeff - Viper	$24,653.11	47.40	0	0	1.30	1.30	1.76			585	40	Quality-of-Service Work
3309002	Jeff - Jeff	$1,055.85	1.20	0	0	0.00	0.00				42		Quality-of-Service Work
3309101	Whitesburg - Whitesburg	$54,351.57	10.60	10	10	0.00	10.00	6.25			373	428	Full Circuit Reclear
3309102	Whitesburg - Hospital	$7,329.13	8.00	0	0	3.20	3.20	0.52			98	37	Quality-of-Service Work
3309103	Whitesburg - Cowan	$2,052.80	43.10	0	0	0.10	0.10	0.06			40	13	Quality-of-Service Work
3309301	Vicco - Red Fox	$6,999.25	46.50	0	0	0.20	0.20				45	43	Quality-of-Service Work
3309302	Vicco - Jeff	$15,528.01	53.20	0	0	6.00	6.00	0.78	13.07		61	34	Quality-of-Service Work; ground spray application
3309901	Slemp - Defeated Cr.	$283.11	23.00	0	0	11.20	11.20	0.11			15		Quality-of-Service Work
3309902	Slemp - Leatherwood	$11,487.00	45.00	0	0	0.40	0.40	1.28			494	14	Quality-of-Service Work
3310501	Haddix - Quicksand	$48,091.05	212.10	0	0	21.90	21.90	10.92	26.07		881	63	Quality-of-Service Work; ground spray application
3310502	Haddix - Cance	$12,377.29	124.50	0	0	3.40	3.40	0.48	9.83		148	31	Quality-of-Service Work; ground spray application
3311101	Stinnett - Redbird	$373,494.32	120.00	15	15	90.00	105.00	31.82	167.19		5,383	1,024	completed Full Circuit Reclear
3311102	Stinnett - Beech Fork	$19,854.46	10.00	0	0	6.10	6.10	0.63	17.17		150	4	Quality-of-Service Work; ground spray application
3311103	Stinnett - Wendover 35kV	$418,774.73	36.00	36	36	0.00	36.00	43.87	25.62		5,270	2,191	Full Circuit Reclear
3311401	Reedy - Deane	$233,112.01	55.50	40	40	0.00	40.00	57.46	9.31		6,452	753	Full Circuit Reclear
3311701	Shamrock - Shamrock	$14,242.19	38.00	0	0	0.70	0.70	1.35			332	98	Quality-of-Service Work

2012 KENTUCKY POWER FORESTRY CIRCUIT HISTORY

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3312201	Engle - Industrial Park 34.5	$87,333.51	3.60	0	0	3.60	3.60	5.22	8.77		837	120	Quality-of-Service Work; ground spray application
3312202	Engle - Grapevine 34.5	$951.61	95.10	0	0	42.10	42.10	0.00	70.00		19	5	Quality-of-Service Work
3312901	Jenkins - Kona	$237,764.00	29.90	30	30	0.00	30.00	16.94	0.00		1,011	1,194	Full Circuit Reclear
3312002	Jenkins - Jenkins	$33,366.17	23.20	0	0	5.80	5.80	10.48			1,244	17	Quality-of-Service Work
3314401	Mayking - Ermine	$713.95	28.40	0	0	0.10	0.10	0.22			15	25	Quality-of-Service Work
3314402	Mayking - Millstone	$116,068.55	47.00	0	6	0.00	6.00	37.44	0.00		1,512	810	Quality-of-Service Work
3400101	Allen - Distribution	$2,410.07	27.20	0	0	1.20	1.20	0.00	2.16		0	0	Ground spray application
3400301	Betsy Layne - Mud Creek	$329,904.14	77.00	68	10.3	9.10	19.40	30.83	10.94		5,722	900	Full Circuit Reclear
3400302	Betsy Layne - Tram 12 KV	$8,400.68	55.00	0	0	3.60	3.60		4.65		54	1	Quality-of-Service Work; ground spray application
3400303	Betsy Layne - Harold	$19,880.11	45.70	0	0	10.60	10.60	0.23	12.41		89	8	Quality-of-Service Work; ground spray application
3400501	Burton - Bevinsville	$99,491.38	21.00	21	9	0.00	9.00	16.30	0.00		3,296	797	Full Circuit Reclear
3400502	Burton - Wheelwright	$32,005.13	21.00	21	5	0.00	5.00	5.05	0.00		412	158	Full Circuit Reclear
3400701	Draffin - Belcher	$715,185.37	22.00	22	20	0.90	20.90	22.70	0.02		8,037	892	Full Circuit Reclear
3400702	Draffin - Yellow Hill	$75,329.10	12.40	0	0	0.40	0.40	3.90			712	70	Quality-of-Service Work
3400901	Elkhorn City - City	$11,730.02	27.60	0	0	0.60	0.60				52	36	Quality-of-Service Work
3400902	Elkhorn City - Grassy	$1,974.00	7.60	0	0	2.40	2.40		6.00				Ground spray application
3401001	Elwood - Dorton	$19,298.68	45.30	0	0	0.10	0.10	0.00		12	93	3	Quality-of-Service Work
3401002	Elwood - Virgie	$35,051.85	70.40	0	0	0.30	0.30	0.00		28	146	56	Quality-of-Service Work
3401301	Fleming - Neon	$30,250.39	20.30	0	0	1.60	1.60	1.24	0.70		237	203	Quality-of-Service Work; ground spray application
3401302	Fleming - McRoberts	$4,333.16	30.20	0	0	0.40	0.40	1.31			123	9	Quality-of-Service Work
3401702	Henry Clay - Regina	$18,649.55	110.00	0	0	1.30	1.30	0.00			105	17	Quality-of-Service Work
3401703	Henry Clay - Ashcamp	$2,640.67	43.90	0	0	0.10	0.10				16	1	Quality-of-Service Work
3402001	Keyser - Mullins	$13,935.30	27.70	0	0	0.40	0.40	0.20			271	12	Quality-of-Service Work
3402002	Keyser - Stonecoal	$37,333.09	43.00	0	0	7.10	7.10	0.66	12.99		182	16	Quality-of-Service Work; ground spray application
3402202	McKinney - Gibson	$3,403.36	46.10	0	0	0.90	0.90				6	6	Quality-of-Service Work
3402204	McKinney - Maytown	$2,600.00	36.00	0	0	4.00	4.00				4		Quality-of-Service Work
3403001	Pikeville - City	$1,830.23	20.00	0	0	0.10	0.10				2	5	Quality-of-Service Work
3403003	Pikeville - Cedar Creek	$2,076.99	27.30	0	0	0.00	0.00				6	17	Quality-of-Service Work
3403201	Beaver Creek - Ligon	$323,573.02	80.00	21	5.5	1.40	6.90	13.46			4,625	490	Full Circuit Reclear
3403301	Prestonsburg - City	$5,313.45	6.70	0	0	0.00	0.00				4	7	Quality-of-Service Work
3403302	Prestonsburg - University	$170,759.48	16.00	14	9	0.20	9.20	15.50	0.19		3,531	546	Full Circuit Reclear
3403801	Second Fork - Distribution	$6,379.11	7.00	0	0	3.50	3.50		11.86				Ground spray application
3404301	Sidney - Big Creek	$3,569.94	29.10	0	0	1.30	1.30		2.30				Ground spray application
3404302	Sidney - Coburn Mtn.	$14,568.84	46.10	0	0	8.00	8.00		19.10		26		Quality-of-Service Work; ground spray application
3407101	Topmost - Dema	$3,431.02	97.00	0	0	0.10	0.10				17		Quality-of-Service Work
3408101	Salisbury - Printer	$348,252.35	20.00	20	20	0.00	20.00	34.34	0.90		4,977	1,155	Full Circuit Reclear
3408102	Salisbury - Black Diamond	$5,083.80	1.50	1.5	1.5	0.00	1.50	2.80	0.00		61	16	Full Circuit Reclear
3408103	Salisbury - Martin	$204,611.36	46.00	5.5	7	8.80	15.80	25.12	8.80		4,657	645	begin Full Circuit Reclear (Buck's Branch area)
3040304	Coleman - Calloway	$4,275.00	35.00	0	0	4.00	4.00		13.00				Ground spray application
3408401	Kimper - Long Fork	$1,719.20	23.00	0	0	1.40	1.40				1		Quality-of-Service Work
3408402	Kimper - Grapevine	$4,537.08	35.40	0	0	0.20	0.20				49		Quality-of-Service Work
3409002	W. Paintsville - Staffordsville	$39,425.11	44.00	0	0	44.00	44.00	6.00	68.76		0	0	Quality-of-Service Work; ground spray application
3409301	Kenwood - W Van Lear	$5,975.22	47.00	0	0	0.30	0.30				4	72	Quality-of-Service Work
3409302	Kenwood - Auxier	$3,714.80	40.20	0	0	0.00	0.00	0.73			81	5	Quality-of-Service Work
3409303	Kenwood - Hagerhill	$97,050.79	52.30	2	2	14.70	16.70	4.11	29.68		818	1,769	Full Circuit Reclear
3409401	Feds Creek - Feds Creek	$81,111.75	41.00	0	0	41.00	41.00	2.34	71.09		46	18	Quality-of-Service Work; ground spray application
3409402	Feds Creek - Lick Creek	$10,700.01	17.00	0	0	5.50	5.50		12.76				Ground spray application
3409502	Burdine - Levisa Stone	$655,326.14	39.00	22	22	0.40	22.40	34.35	0.00	13	6,573	2,658	Full Circuit Reclear
3409503	Burdine - Jenkins	$5,417.15	7.00	0	0	0.00	0.00		0.03		43	1	Quality-of-Service Work
3410501	So. Pikeville - Pikeville	$24,186.59	10.00	0	0	1.40	1.40	0.56			240	31	Quality-of-Service Work
3410502	So. Pikeville - Island Creek	$16,630.24	39.00	39	0	0.10	0.10	0.40			233	41	Quality-of-Service Work

2012 KENTUCKY POWER FORESTRY CIRCUIT HISTORY

					Circuits (rows) in BOLD were in the 2012 Plan									
Circuit #	Circuit Name	Cost (includes O&M and Capital)	Total Line Miles	Miles Planned CUT (Reclear)	Miles Completed CUT (Reclear)	Miles Completed SPRAY	Miles Completed TOTAL	Brush Cut Acres	Brush Spray Acres	TGR	Tree Removals	Tree Trims	COMMENTS
3410503	South Pikeville - Hospital	$1,575.55	5.50	0	0	0.40	0.40	0.47			17	29	Quality-of-Service Work
3410601	E. Prestonsburg - Prestonsburg	$6,162.52	7.10	0	0	0.20	0.20	0.00	0.00		78	6	Quality-of-Service Work
3410602	E. Prestonsburg - Lancer	$4,276.87	25.00	0	0	0.40	0.40	0.22			75	9	Quality-of-Service Work
3411401	Dewey - Inez-A	$55,004.62	171.00	0	7	20.70	27.70	15.74	38.30		204	94	Quality-of-Service Work; ground spray application
3411801	Johns Creek - Meta	$710,859.62	160.00	30	19	0.00	19.00	33.65	0.00		8,705	1,795	Full Circuit Reclear
3411802	Johns Creek - Raccoon	$71,948.51	85.50	0	0	0.30	0.30	2.08			1,067	21	Quality-of-Service Work
3411901	Fords Branch - Shelby	$344,151.61	40.00	9	9	0.00	9.00	10.57	4.74		2,860	736	Full Circuit Reclear
3411902	Fords Branch - Robinson Ck	$713,253.99	75.00	20	20	6.20	26.20	36.26	25.40		7,349	1,351	Full Circuit Reclear
3412901	Weeksbury - Distribution	$113,496.03	30.00	30	7.5	0.50	8.00	21.06	0.00	22	2,474	681	Full Circuit Reclear
3413401	Garrett - Garrett	$6,275.39	38.40	0	0	0.00	0.00				27		Quality-of-Service Work
3414901	Fishtrap - Distribution	$109,517.74	4.40	0	4.4	0.00	4.40	6.25	26.62		1,989	97	Quality-of-Service Work; ground spray application
3417601	New Camp - South Side	$7,603.94	10.30	0	0	1.00	1.00	0.30	0.00		72	200	Quality-of-Service Work
3417602	New Camp - Arn-W Wmsn.	$738.91	16.20	0	0	0.50	0.50		2.00				Ground spray application
3420001	Soltshell - Vest	$2,869.85	56.40	0	0	0.20	0.20	0.60			105	18	Quality-of-Service Work
3420002	Soltshell - Leburn	$24,545.71	60.00	0	1	0.00	1.00	4.73			752	80	Quality-of-Service Work
3420101	Mayo Trail-Nippa	$2,686.32	22.50	0	0	0.10	0.10	0.03			6	14	Quality-of-Service Work
3451202	Beefhide - Dunham	$1,626.33	8.70	0	0	0.00	0.00		0.60				Ground spray application
3974101	Big Rock - Conaway	$1,977.53	0.90	0	0	0.50	0.50	0.90	1.91		0	0	Quality-of-Service Work; ground spray application
970503	Hurley - Race Fork	$41,925.49	6.00	0	1	1.60	2.80	2.83	4.20		572	184	Full Circuit Reclear
	TOTALS	$17,496,950.66		1157	895	1,160	2,054	1,392.53	1,878.78	116	233,676	70,568	

Costs that were not allocated to a circuit include; Internal Labor & Float, some unscheduled hotspot maintenance, trouble restoration work, tree ticket investigation, contract foresters (four), tree contractors field supervision, incentive program for tree contractor's employees, and materials (herbicides for spray program).

Kentucky Power Company

REQUEST

Refer to pages 24-26 of the Wohnhas Testimony wherein he discusses the proposed Purchased Power Adjustment ("PPA").

a. Explain why the PPA would be needed after the termination of the Pool Agreement but is not currently needed with the Pool Agreement in place.

b. State whether a similar PPA has been approved for an American Electric Power ("AEP") company operating in another jurisdiction. If yes, provide the name of the company and the jurisdiction.

c. Explain, in instances in which Kentucky Power currently purchases power, whether specific percentages are considered fuel cost and non-fuel cost. If yes, provide the percentages.

d. Provide the percentage and amount of Kentucky Power's current purchased power costs that were recovered through its FAC during the test year.

e. If the majority of Kentucky Power's purchased power costs are currently recovered through its FAC, explain why a PPA is necessary.

f. Page 26 indicates that a contract management fee of 8.08 percent would be included in the PPA. Explain the reason for this fee and indicate to whom it would be paid.

g. Provide a sample scenario and workpapers showing how the PPA is intended to work. The response should reflect the exclusion of costs recovered through the FAC and how each of items 1-3 shown on pages 25-26 are calculated.

RESPONSE

a. As detailed on page 25, lines 12-16 of Wohnhas' Testimony, with the Pool Agreement, the Company had ready access to capacity from other members of the AEP-East Pool. When the Pool Agreement terminates at the end of 2013 the Company will no longer have that ready access to capacity from the AEP-East Pool. As a result, the Company may be required to obtain capacity from the market to meet its PJM capacity requirements.

b. The Oklahoma Corporation Commission has approved a tariff for the Public Service Company of Oklahoma (PSO) to allow for the recovery of non-fuel purchased power.

c. For third party purchases, 100% of the purchase is considered fuel cost. For purchases through the AEP East System Pool, fuel is not calculated on a percentage basis but is based on actual costs.

d. Please see KPSC 2-52 Attachment 1 of this response.

e. Purchases from third party entities on a day-to-day basis as needed would continue to be recovered through the FAC as we do currently. The PPA is being requested to provide concurrent recovery of (1) non-fuel costs related to specific new purchase power agreements that could stand in place of the Pool, and (2) costs of fuel related to substitute generation less the cost of fuel which would have been used in plants suffering forced generation or transmission outages. Neither of these costs are recoverable through the FAC. These two components are set out in the P.P.A. tariff under the RATE section parts 2a. and 2b.

f. The 8.08% is the weighted average cost of capital as shown in Section V, Workpaper S-2, Page 1 of 3, column 6, line 5. This would be applied to the PPA(m) cost as shown on Tariff P.P.A. and be recovered from the ratepayers. The fee would be paid to Kentucky Power. If the Company is to take the risk of imputed debt on its balance sheet as part entering into a PPA, then the Company should also have the ability to earn a return for this risk.

g. Please see KPSC 2-52 Attachment 2 of this response.

WITNESS: Ranie K Wohnhas

Kentucky Power Company
Internal Load Purchased Power Costs
Test Year Ended March 31, 2013

Month	Year	Third Party Purchases*	AEP East System Pool Purchases*	Purchased Power Costs Recovered Through FAC (3) + (4)	AEP East System Other Charges**	Total Charges (5) + (6)	Percentage of Total Purchases Recovered through the FAC (5) / (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
April	2012	$ 133,605.96	$ 574,287.82	$ 707,893.78	$ 92,251.88	$ 800,145.66	88.47%
May	2012	$ 184,833.84	$ 5,976,560.40	$ 6,161,394.24	$ 978,872.50	$ 7,140,266.74	86.29%
June	2012	$ 94,259.31	$ 1,214,898.00	$ 1,309,157.31	$ 141,308.00	$ 1,450,465.31	90.26%
July	2012	$ 10,706.43	$ 1,031,482.73	$ 1,042,189.16	$ 96,477.81	$ 1,138,666.97	91.53%
August	2012	$ 12,432.57	$ 2,190,652.16	$ 2,203,084.73	$ 237,709.63	$ 2,440,794.36	90.26%
September	2012	$ 26,133.12	$ 6,447,991.97	$ 6,474,125.09	$ 761,918.89	$ 7,236,043.98	89.47%
October	2012	$ 40,602.29	$ 7,644,582.12	$ 7,685,184.41	$ 1,073,362.71	$ 8,758,547.12	87.74%
November	2012	$ 30,089.04	$ 7,375,439.43	$ 7,405,528.47	$ 1,165,487.80	$ 8,571,016.27	86.40%
December	2012	$ 16,862.91	$ 7,801,548.42	$ 7,818,411.33	$ 1,520,464.78	$ 9,338,876.11	83.72%
January	2013	$ 47,708.26	$ 5,534,224.63	$ 5,581,932.89	$ 650,240.99	$ 6,232,173.88	89.57%
February	2013	$ 46,088.82	$ 4,598,873.43	$ 4,644,962.25	$ 611,701.49	$ 5,256,663.74	88.36%
March	2013	$ 60,906.07	$ 2,952,868.61	$ 3,013,774.68	$ 386,164.54	$ 3,399,939.22	88.64%
Total		**$ 704,228.62**	**$ 53,343,409.72**	**$ 54,047,638.34**	**$ 7,715,961.02**	**$ 61,763,599.36**	**87.51%**

*Allocated to internal load and Recovered through FAC

**Fuel handling and O & M, not recovered through FAC

KPSC Case No. 2013-00197
Commission Staff's Second Set of Data Requests
Order Dated August 26, 2013
Item No. 52
Attachment 1
Page 1 of 1

Kentucky Power Company
Analysis using Proposed PPA Tariff

Scenario - New Wind 100 MW PPA and Mitchell has forced generation outages.

PPA(m)	Total Cost	Recovered Thru FAC	Recovered Thru PPA
Rate per MWh	$ 70	$ -	$ 70
MWh's Generated	21,900	-	21,900
Total Cost	$ 1,533,000	$ -	$ 1,533,000

Substitute Generation - RP(m)			
Rate per MWh	$ 35	$ 32	$ 3
MWh's Substituted	5,000	5,000	5,000
Total Cost	$ 175,000	$ 160,000	$ 15,000

Contract Management Fee - CM(m)	
WACC	8.08%
Total Fee	$ 123,866

Kentucky Retail to be Recovered - P(m) = PPA(m) + RP(m) + CM(m)	$ 1,671,866
Kentucky Monthly Retail Revenue - (R(m)	$ 42,000,000
Monthly Purchase Power Adjustment Factor - P(m) / R(m)	3.9806%

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at pages 26-29 regarding emission allowances under the the Cross-State Air Pollution Rule ("CSAPR").

a. Provide the dates on which Kentucky Power purchased CSAPR SO2 Allowances and the number of allowances in each purchase.

b. Explain why five years was selected as the period over which to amortize the cost of these allowances.

c. Given that the U.S. Supreme Court will review the decision to vacate CSAPR, explain why Kentucky Power has made what appears to be a final determination that there will be no consumption of CSAPR allowances and that it should begin to write-off and recover the costs of its CSAPR allowances in conjunction with this rate case.

RESPONSE

a. KPCo purchased 1,000 (2012 vintage) CSAPR SO2 allowances for $350,000 on December 14, 2011.

b. The five year amortization period allows the Company to recover the cost of the allowances in a reasonable amount of time while mitigating the rate impact to the customer. This amortization period is consistent with that approved by the Commission for storm damage recovery in KPSC Case No. 2009-00459.

c. KPCo has not made a final determination that there will be no consumption of CSAPR allowances, nor is KPCo "writing off" the cost of the CSAPR allowances held.

KPCo is seeking recovery of the prudently-incurred cost of these allowances because there is currently no consumption of the allowances in the Company's forecasts. If granted recovery of the costs associated with these allowances, the Company will decrease the book value of the allowances held by the amount approved for recovery (20% per year for five years per the Company's request). The costs recovered will decrease the book value of the allowances that are held, such that if the CSAPR is reinstated the allowances will be consumed at whatever cost, if any, remains on the Company's books at the time of consumption.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at pages 29-30 concerning the proposed deferral and amortization of Big Sandy plant depreciation and production O&M expense.

Explain how five years was selected as the amortization period as compared to a shorter or longer length of time.

RESPONSE

The five year amortization period allows the Company to recover the Big Sandy plant depreciation and production O&M expenses in a reasonable amount of time while mitigating the rate impact to the customer. This amortization period is consistent with that approved by the Commission for storm damage recovery in KPSC Case No. 2009-00459.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at pages 30-31 and Section V, Workpaper S-4, page 26.

a. Identify the specific time period and/or calendar years in which the costs of preliminary engineering and development related to an integrated gasification combined cycle ("IGCC") facility were incurred by Kentucky Power.

b. The testimony states that feasibility of the IGCC facility depended on certain legislation being enacted that would support recovery of the facility's costs through rates; however, such legislation was not enacted. Explain why costs incurred prior to, or without, such legislations being enacted should be considered to have been "prudently incurred."

RESPONSE

a. The costs were incurred by Kentucky Power Company between November 2005 through 2008 totaling $1,182,935. In 2011, based on an internal audit, an additional $64,856 was allocated to Kentucky Power Company. In 2013, there was an additional reclassification of $88,020 to Kentucky Power Company based on a Public Utility Commission of Ohio audit. Both audits found cost charged directly to Ohio Power Company that should have been shared among the various sites that were under consideration for IGCC construction.

b. The IGCC project-related costs for which the Company is seeking to be recovered were allocated to Kentucky Power by AEPSC as Kentucky Power's proportionate share of engineering and development costs incurred by AEPSC in connection with AEPSC's assessment of IGCC technology that was being considered for deployment in at least three jurisdictions, including Kentucky. The Company believed that the prospects for enactment of the necessary legislation by the Kentucky General Assembly were sufficiently good at the time the investigation was undertaken that its participation in the joint project was both reasonable and prudent.

WITNESS: Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at pages 31-32 and Section V, Workpaper S-4, page 28.

a. Identify the specific time period and/or calendar years in which the costs of preliminary site design and engineering work related to the Carrs Site were incurred by Kentucky Power.

b. Provide the date on which Kentucky Power decided not to pursue construction of new generation at the Carrs Site and provide documentation of both the decision and date of the decision.

RESPONSE

a. The Company's current records only show specific costs by month and year back to 2002. There has been no preliminary site design and engineering work back to 2002. The Company's best estimate is that the majority of these costs were incurred prior to 1980.

b. The last time the Carrs site was considered as a generation site was in 2006 for the possible construction of an IGCC facility. Please see the Company's response to KIUC 1-17 (d) and (e) and KPSC 2-55(b). The Company has no specific documentation of any decision not to proceed with the IGCC facility.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to the Wohnhas Testimony at page 32 and Section V, Workpaper S-4, page 33. Provide a breakdown of the $28,113,304 in costs related to Kentucky Power's evaluation of potential flue gas desulfurization ("FGD") systems at its Big Sandy Station which shows the amount incurred by year since 2004 separated by whether it related to a wet or dry FGD system, and, the amount of cost incurred for work done by (a) Kentucky Power, (b) an outside firm or consultant, or (c) a Kentucky Power affiliate.

RESPONSE

Please see KPSC 2-57 Attachment 1, being provided by the Company on the enclosed CD. This spreadsheet provides the detail of the $28,113,304 separated by Dry FGD/Wet FGD/Landfill, the year of the expense, and the cost component. Outside services include cost components 210, 214, 260, 262, 266, 285 and 290. The service corporation cost component is 780. Other cost components are listed on the attachment including labor which has not been separated between Kentucky Power and affiliate labor, if any.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Refer to Section III, Exhibit K, pages 10 to 39 and pages 41 to 67. Explain why the amounts listed for Environmental Surcharge under the column "Revised Revenue" on pages 10 through 39 do not match the amounts listed for Environmental Surcharge under the column "Current Revenue" on pages 41 through 67. [For example, page 10 shows an environmental surcharge of ($3,689,358) while page 41 shows the surcharge as ($6,665,283)].

RESPONSE

Section III, Exhibit K, pages 10 – 39 refer to the per books revenue, and do not include an environmental surcharge adjustment for the elimination of the Pool Agreement. Section III, Exhibit K pages 41-67 include the environmental surcharge for the elimination of the Pool Agreement. This additional adjustment of $7,320,077 to eliminate environmental costs associated with the pool is shown in Section V, Workpaper S-4, page 62 and is supported by Witness Munsey. This adjustment was allocated to the various classes in the Class Cost-of-Service study and further allocated to the individual tariffs based on the respective per books environmental surcharge.

WITNESS: Douglas R Buck

Kentucky Power Company

REQUEST

Refer to Section III, Exhibit K, page 41. Confirm that the reason there are Environmental Surcharge costs of ($6,665,283) under the Current Revenue column and no Environmental Surcharge costs under the Proposed Revenue column is that Kentucky Power is proposing to roll environmental costs into base rates. If this cannot be confirmed, explain the reason for the difference.

RESPONSE

Confirmed.

WITNESS: Douglas R Buck

Kentucky Power Company

REQUEST

Refer to Section III, Exhibit K, pages 41 through 65, Current Billing Units columns. Explain why the numbers on the Customer Charge row are often different from the numbers on the Number of Customers row. (For example, page 41 shows 1,677,419 current billing units for Customer Charge, and 1,686,852 for Number of Customers.)

RESPONSE

Number of Customers is, as the name implies, the number of customers served by the tariff(s) identified in the page heading. When a new customer begins to take service, regardless of when in the billing cycle that occurs, the customer counts as a single customer. If that customer begins taking service at a date other than the beginning of the billing cycle, that customer will not pay a full customer charge but instead will pay a prorated customer charge based on the number of days service was taken; therefore, the numbers of the two columns are different.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to Section III, Exhibit K, Page 46. Explain why current billing units of 10.92 in the Customer Charge row is not a whole number.

RESPONSE

Billing units not displayed in whole units include proration for those customers who did not take service at the beginning of a billing cycle.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to Section III, Exhibit K, Page 66. Explain why Proposed Billing Units are not whole numbers.

RESPONSE

These billing units include prorated units for those customers that do not begin service on the first day of the billing cycle.

WITNESS: Jason M Stegall

Kentucky Power Company

REQUEST

Refer to Section V, Schedule 1 of the application. Confirm that that the increase in O&M expenses of $471,159 on line 4 of the "Proposed Change" column represents the projected increase in uncollectible accounts expense and the KPSC maintenance fee related to the $117,789,745 revenue increase on line 1 of that column.

RESPONSE

The Company confirms that the $471,159 represents the increase in uncollectible accounts expense and the KPSC maintenance fee related to the $117,789,745 revenue increase.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Provide the following exhibits in Excel spreadsheet format with the formulas intact and cells unprotected and with all rows and columns accessible:

a. Munsey Testimony - Exhibit LPM - 3 and LPM-5

b. Stegall Testimony - Exhibits JMS-1, JMS-2, and JMS-3

c. Wohnhas Testimony - Table RWK-1 (page 22)

d. Section III, Exhibit K

e. Section V

RESPONSE

The requested exhibits can be found electronically on the attached CD as:

a. KPSC 2-64 Attachment 1

b. KPSC 2-64 Attachments 2a, 2b, 2c (requires Excel option "iterations" to be on)

c. KPSC 2-64 Attachment 3

d. KPSC 2-64 Attachment 4

e. KPSC 2-64 Attachment 5

WITNESS: Lila P. Munsey / Jason M. Stegall / Ranie K. Wohnhas