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COMMONWEALTH OF KENTUCKY

JUL 2 6 2013

BEFORE THE PUBLIC SERVICE COMMISSION COMMISSION

IN THE MATTER OF:

THE APPLICATION OF KENTUCKY POWER COMPANY FOR:)	
(1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY)	
AUTHORIZING THE TRANSFER TO THE COMPANY OF AN)	
UNDIVIDED FIFTY PERCENT INTEREST IN THE MITCHELL)	
GENERATING STATION AND ASSOCIATED ASSETS; (2) APPROVAL	ر ر	
OF THE ASSUMPTION BY KENTUCKY POWER COMPANY OF)	
CERTAIN LIABILITIES IN CONNECTION WITH THE TRANSFER OF	?)	
THE MITCHELL GENERATING STATION; (3) DECLARATORY)	CASE NO. 2012-00578
RULINGS; (4) DEFERRAL OF COSTS INCURRED IN CONNECTION)	
WITH THE COMPANY'S EFFORTS TO MEET FEDERAL CLEAN AIR	()	
ACT AND RELATED REQUIREMENTS; 5) FOR ALL OTHER)	
REQUIRED APPROVALS AND RELIEF)	

KENTUCKY POWER COMPANY RESPONSE TO KIUC'S POST HEARING DATA REQUESTS

July 26, 2013

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

Kanie K. Wohn

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Ranie K. Wohnhas, this the 25 day of July 2013.

Yotary Public

My Commission Expires: January 23, 3017

KPSC Case No. 2012-00578 KIUC Post Hearing Data Requests Dated June 10th – July 12th, 2013 Item No. 1 Page 1 of 1

Kentucky Power Company

REQUEST

Please provide a breakdown of page 2 of 2 of Attachment 1 to the Company's response to Staff 5-10 to show stand-alone costs of owning a 50% interest in the Mitchell Generating Station.

RESPONSE

Please see Attachment 1 of KIUC PH-1.

WITNESS: Ranie K Wohnhas

KPSC Case No. 2012-00578 KIUC's Post Hearing Data Request Dated July 10 - July 12, 2013 Hearing Item No. 1 Attachment 1 Page 1 of 1

Mitchell Transfer net of BSU2 O&M and Depreciation

Workpaper S-4, Page 59 \$46,951,763 \$537,878,563 \$147,616,245 Include Mitchell Rate Base and O&N Workpaper S-4, Page 58 (\$2,832,147) \$(\$4,624,046) Mitchell AFUDC Offset Workpaper S-4, Page 57 \$(\$124,099) \$(\$25,226) \$(\$205,944) Mitchell Repositioning Study Workpaper S-4, Page 56 \$(\$166,288) \$(\$33,802) \$(\$275,958) Mitchell Severance Costs Workpaper S-4, Page 50-55 \$26,227 \$3,797 \$43,322 Annualization of Wages and Salaries Workpaper S-4, Page 49 \$(\$1,151,258) \$(\$151,876) Mitchell Coal Stock Adjustment	Adjustment from Section V	Operating Income Adjustments		Rate Base Adjustments	Revenue
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Workpaper S-4, Page 65 \$170,885 \$279,004 Depreciation - Schedule M's Workpaper S-4, Page 61 \$2,555,341 \$3,533,283 \$3,705,987 Depreciation Expense Workpaper S-4, Page 60 \$6,083,567 \$1,236,629 \$10,095,779 PIM Charge and Credit Adjustments Workpaper S-4, Page 59 \$46,951,763 \$537,878,563 \$147,616,245 Include Mitchell Rate Base and O&A Workpaper S-4, Page 59 \$46,951,763 \$537,878,563 \$147,616,245 Include Mitchell Rate Base and O&A Workpaper S-4, Page 57 \$124,099 \$537,878,563 \$147,616,245 Include Mitchell Rate Base and O&A Workpaper S-4, Page 57 \$124,099 \$525,226 \$205,944 Mitchell Repositioning Study Workpaper S-4, Page 50 \$166,288 \$33,802 \$237,595 Mitchell Severance Costs Workpaper S-4, Page 49 \$15,151,258 \$15,1576 Mitchell Coal Stock Adjustment Workpaper S-4, Page 49 \$15,151,258 \$15,0573 Mitchell Maintenance Normalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,733 Mitchell Maintenance Normalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,703 Mitchell Maintenance Normalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,703 Mitchell Maintenance Normalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,703 Mitchell Maintenance Normalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,703 Mitchell Maintenance Normalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,700 \$79,700 Mitchell Ronalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$50,700 \$79,700 Mitchell Ronalization Workpaper S-4, Page 47 \$462,238 \$93,961 \$10,000 \$79,700 Mitchell Ronalization Workpaper S-4, Page 47 \$10,000 \$10	, -	(\$26,692,002)		(\$2,452,091)	(\$43,903,517) Big Sandy O&M and Depreciation
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Workpaper S-4, Page 49	Workpaper S-4, Page 56	(\$166,288)		(\$33,802)	(\$275,958) Mitchell Severance Costs
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Workpaper S-4, Page 47	Workpaper S-4, Page 49			(\$1,151,258)	(\$151,876) Mitchell Coal Stock Adjustment
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Total \$ 25,209,371 \$ 303,851,948 \$81,244,145 Return on Rate Base @ 8.08% \$ 24,551,237 Total Income Requirement \$ 49,760,608 Total Revenue Requirement (GRCF @ 1.6327) \$ 81,244,145 Plus Big Sandy Unit 2 O&M and Depreciation \$43,903,517 From Above (510,095,779) From Above (9JM Charge and Credit Adjustments (510,095,779) From Above (510,095,779	Workpaper S-4, Page 47	(\$462,238)		(\$93,961)	(\$767,092) Mitchell Incentive Compensation
Return on Rate Base @ 8.08% \$ 24,551,237 Total Income Requirement \$ 49,760,608 Total Revenue Requirement (GRCF @ 1.6327) \$ 81,244,145 Plus Big Sandy Unit 2 O&M and Depreciation \$43,903,517 From Above Remove PJM Charge and Credit Adjustments (\$10,095,779) From Above Plus Return on Net Book Value of Big Sandy Unit 2 \$29,787,364 From Above Recognize Tax Benefit of Interest Deduction \$30,862,410 (\$6,410,264) Subtotal \$138,428,983 Milchell Non-Fuel Costs (A&G 2-12 Attachment 1) - Based upon 2012 Data \$32,532,184 Fuel Handling \$3,042,109 Consumables and Allowances \$6,349,914 Non-Fuel O&M Expense \$33,577,100 Taxes Other Than Income \$5,269,502 Return Requirement (Pre-Tax) \$57,071,128	Estimated Big Sandy Net Book Value			(\$225,795,000)	
Total Income Requirement \$ 49,760,608 Total Revenue Requirement (GRCF @ 1.6327) \$ 81,244,145 Plus Big Sandy Unit 2 O&M and Depreciation \$43,903,517 From Above (\$10,095,779) From Above (\$10,095,7	Total	\$ 25,209,371	\$	303,851,948	\$81,244,145
Total Revenue Requirement (GRCF @ 1.6327) \$ 81,244,145	Return on Rate Base @ 8.08%		\$	24,551,237	
Plus Big Sandy Unit 2 O&M and Depreciation \$43,903,517 From Above Remove PJM Charge and Credit Adjustments (\$10,095,779) From Above Plus Return on Net Book Value of Big Sandy Unit 2 \$29,787,364 From Above Recognize Tax Benefit of Interest Deduction 530,862,410 (\$6,410,264) Subtotal \$138,428,983 Mitchell Non-Fuel Costs (A&G 2-12 Attachment 1) - Based upon 2012 Data Depreciation \$32,532,184 Fuel Handling \$3,042,109 Consumables and Allowances \$6,349,914 Non-Fuel O&M Expense \$33,577,100 Taxes Other Than Income \$5,269,502 Return Requirement (Pre-Tax) \$57,071,128	Total Income Requirement		\$	49,760,608	
Remove PJM Charge and Credit Adjustments (\$10,095,779) From Above Plus Return on Net Book Value of Big Sandy Unit 2 \$29,787,364 From Above Recognize Tax Benefit of Interest Deduction 530,862,410 (\$6,410,264) Subtotal \$138,428,983 Mitchell Non-Fuel Costs (A&G 2-12 Attachment 1) - Based upon 2012 Data Depreciation \$32,532,184 Fuel Handling \$3,042,109 Consumables and Allowances \$6,349,914 Non-Fuel O&M Expense \$33,577,100 Taxes Other Than Income \$5,269,502 Return Requirement (Pre-Tax) \$57,071,128	Total Revenue Requirement (GRCF @ 1.6327)		\$	81,244,145	
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Plus Return on Net Book Value of Big Sandy Unit 2 \$29,787,364 From Above Recognize Tax Benefit of Interest Deduction 530,862,410 (\$6,410,264) Subtotal \$138,428,983 Mitchell Non-Fuel Costs (A&G 2-12 Attachment 1) - Based upon 2012 Data \$32,532,184 Depreciation \$3,042,109 Fuel Handling \$3,042,109 Consumables and Allowances \$6,349,914 Non-Fuel O&M Expense \$33,577,100 Taxes Other Than Income \$5,269,502 Return Requirement (Pre-Tax) \$57,071,128					(\$10,095,779) From Above
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