COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

GENERAL ADJUSTMENTS IN) ELECTRIC RATES OF) CASE NO. 8734 KENTUCKY POWER COMPANY)

<u>O R D E R</u>

IT IS ORDERED that Kentucky Power Company ("Kentucky Power") shall file an original and 12 copies of the following information with the Commission by no later than two weeks after its application is filed. Each copy of the data requested should be placed in a bound volume with each item tabbed and each volume should include an index of the contents therein. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Capital structure at the end of each of the periods as shown in Format 1.

2. a. Provide a list of all outstanding issues of long term debt as of end of the latest calendar year and the end of the test period together with the related information as shown in Format 2a. A separate schedule is to be provided for each time period. Report in Column (k) of Format 2a, Schedule 2 the actual dollar amount of debt cost for the test year. Compute the actual and annualized composite debt cost rates and report them in Column (j) of Format 2 a, Schedule 2.

b. Provide an analysis of end of period short term debt and a calculation of the average and end of period cost rates as shown in Format 2b.

3. Provide a list of all outstanding issues of preferred stock as of end of the latest calendar year and the end of the test period as shown in Format 3. A separate schedule is to be provided for each time period. Report in Column (h) of Format 3, Schedule 2, the actual dollar amount of preferred stock cost accrued and/or paid during the test year. Compute the actual and annualized preferred stock cost rate and report the results in Column (h) of Format 3, Schedule 2.

4. a. Provide a listing of all issues of common stock in the primary market during the most recent 10 year period as shown in Format 4a.

b. Provide the common stock information on a quarterly and yearly basis for the most recent 5 calendar years available, and through the latest available quarter as shown in Format 4b.

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c. Provide monthly market price figures for common stock for each month during the most recent 5 year period and for the months through the date the application is filed as shown in Format 4c. Provide a listing of all stock splits by date and type.

5. Provide a computation of fixed charge coverage ratios for the 10 most recent calendar years and for the test year as shown in Format 5.

6. a. A schedule of the present and proposed rates, charges, terms and conditions, and service rates and regulations which the applicant seeks to change, shown in comparative form.

b. A detailed analysis of customers' bills, adjusted to actual usage and in such detail that the revenues from the present and proposed rates can be readily determined.

c. A schedule of test year revenues for each rate schedule per book rates, present rates annualized, and proposed rates annualized.

d. A schedule setting forth the effect upon average consumer bills.

e. A statement setting forth estimates of the effect that the new rate or rates will have upon the revenues of the utility, the total amount of money resulting from the increase or decrease and the percentage increase or decrease.

f. A schedule showing by customer class (i.e., residential, commercial, industrial, etc.) the amount and percent of any proposed increase or decrease in revenue distributed to

-3-

each class. This schedule is to be accompanied by a statement which explains in detail the methodology or bases used to allocate the requested increase or decrease in revenue to each of the respective customer classes.

g. A schedule showing how the increase or decrease in (f) above was further distributed to each rate charge (i.e., customer or facility charge, KWH charge, etc.). This schedule is to be accompanied by a statement which explains, in detail, the methodology or bases used to allocate the increase or decrease.

h. A statement showing by cross-outs and italicized inserts all proposed changes in rates, charges, terms and conditions, and service rules and regulations for each rate or charge. Copy of current tariff may be used. Item 6 should be provided where not previously included in the record.

7. a. In comparative form, a total company income statement, a statement of changes in financial position, and a balance sheet for the test year and the 12-month period immediately preceding the test year.

b. A comparative income statement (show net income) for Kentucky Power's Kentucky retail operations for the test year and the 12-month period immediately preceding the test year.

8. A trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Clearly identify accounts maintained on a total company basis and accounts maintained on a jurisdictional basis (indicate jurisdiction). Show the balance in each control and all underlying subaccounts per company books.

-4-

9. The balance in each current asset and each current liability account and subaccount included in the applicant's chart of accounts by months for the test year. Additionally, show total current assets, total current liabilities and the net current position by months, annually, and the 13-month average for the test year. Provide a reconciliation of current assets, current liabilities and net current position provided in response to the above with the current assets and current liabilities as shown on the balance sheet for each month of the test year.

10. List each general office account (asset, reserve, and expense accounts) covering the 12 months of the test year. Show the amount allocated to each jurisdiction and a calculation of the factor used to allocate each amount.

11. The following monthly account balances and a calculation of the average (13-month) account balances for the test year:

- a. Plant in service (Account 101)
- b. Plant purchased or sold (Account 102)
- c. Property held for future use (Account 105)
- d. Construction work in progress (Account 107)
- e. Completed construction not classified (Account 106)
- f. Depreciation reserve (Account 108)
- g. Plant acquisition adjustment (Account 114)
- h. Amortization of utility plant acquisition adjustment (Account 115)
- i. Materials and supplies (include all accounts and subaccounts)

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- j. Balance in accounts payable applicable to each account in i above. (If actual is indeterminable, give reasonable estimate.)
- k. Unamortized investment credit Pre-Revenue Act of 1971.
- Unamortized investment credit Revenue Act of 1971
- m. Accumulated deferred income taxes
- n. A summary of customer deposits as shown in Format lln to this request
- o. Computation and development of minimum cash requirements
- p. Balance in accounts payable applicable to amounts included in utility plant in service (If actual is indeterminable, give reasonable estimate)
- g. Balance in accounts payable applicable to amounts included in plant under construction (If actual is indeterminable, give reasonable estimate)
- r. Short-term borrowings
- s. Interest on short-term borrowings (expense)

12. The cash account balances at the beginning of the test year and at the end of each month during the test year for total company.

13. Provide the following information for each item of electric property held for future use at the end of the test year:

- a. Description of property
- b. Location
- c. Date purchased
- d. Cost
- e. Estimated date to be placed in service





f. Brief description of intended use

g. Current status of each project

14. Schedules in comparative form showing by months for the test year and the year preceding the test year the total company balance in each electric plant and reserve account or subaccount included in the applicant's chart of accounts as shown in Format 14.

15. Provide the journal entries relating to the purchase of electric utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since the inception of the Company. Also, a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of utility plant, the amortization period, and the unamortized balance at the end of the test year.

16. The detailed workpapers showing calculations supporting all accounting, pro forma, end of period, and proposed rate adjustments in the rate application to revenue, expense, investment and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment including the reason why each adjustment is required. Explain in detail all components used in each calculation including the methodology employed and all assumptions applied in the derivation of each adjustment. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

17. a. A schedule showing a comparison of the balance in the Kentucky retail revenue accounts for each month of the test year to the same month of the preceding year for each revenue

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account or subaccount included in Kentucky Power's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the first month the full increase was recorded in the accounts. See Format 14.

b. A schedule in comparative form showing by months and annually for the test year and the year preceding the test year the balance in each total company retail revenue account or subaccount in Kentucky Power's chart of accounts that requires allocation to the Kentucky retail jurisdiction and the amount applicable to the Kentucky retail jurisdiction. See Format 14.

18. a. A schedule showing a comparison of the balance in each total company electric operating expense account for each month of the test year to the same month of the preceding year for each account or subaccount included in Kentucky Power's chart of accounts. See Format 14.

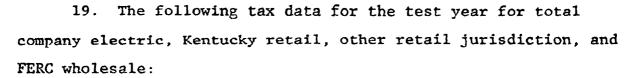
b. A schedule in comparative form showing the total company electric operating expense account balances for the test year and each of the 5 years preceding the test year for each account or subaccount included in Kentucky Power's annual report (FERC Form No. 1, Pages 320-323). Show the percentage of increase of each year over the prior year.

c. A schedule of total company salaries and wages for the test year and each of the five calendar years preceding the test year as shown in Format 18c attached. For each time period show the amount of overtime pay.

d. A schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test year and the five preceding calendar years.

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- a. Income taxes:
 - (1) Federal operating income taxes deferred accelerated tax depreciation
 - (2) Federal operating income taxes deferred other (explain)
 - (3) Federal income taxes operating
 - (4) Income credits resulting from prior deferrals of Federal income taxes
 - (5) Investment tax credit net
 - (i) Investment credit realized
 - (ii) Investment credit amortized -Pre-Revenue Act of 1971
 - (iii) Investment credit amortized -Revenue Act of 1971
 - (6) Provide the information in 13a (1) through 13a (4) for state income taxes
 - (7) Reconciliation of book to taxable income as shown in Format 19a (7) attached and a calculation of the book Federal and State income tax expense for the test year using book taxable income as the starting point
 - (8) A copy of Federal and State income tax returns for the taxable year ended during the test year including supporting schedules
 - (9) Schedule of franchise fees paid to cities, towns or municipalities during the test year including the basis of these fees

b. An analysis of Kentucky other operating taxes as shown in Format 19b, attached.

20. A schedule of total company net income per 1,000 KWH sold per company books for the test year and the 5 calendar years

preceding the test year. This data should be provided as shown in Format 20 attached.

The comparative operating statistics as shown in Format
 attached.

22. A schedule of total company average electric plant in service per 1,000 KWH sold by account per company books for the test year and the 5 calendar years preceding the test year. This data should be provided as shown in Format 22 attached.

23. A statement of electric plant in service per company books for the test year. This data should be presented as shown in Format 23 attached.

24. a. Provide a detailed analysis of all (jurisdictional) charges booked during the test period for advertising expenditures. The analysis should include a complete breakdown of Account 913 - Advertising Expenses, as shown in Format 24a attached and further should show any other advertising expenditures included in any other expense accounts. The analysis should be specific as to the purpose of the expenditure and the expected benefit to be derived.

b. Provide an analysis of account 930 - Miscellaneous General Expenses for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 24b and further provide all detailed working papers supporting this analysis. As a minimum, the work papers should show the date, vendor, reference (i.e. voucher no., etc.), dollar amount and brief description of each expenditure. Detailed analysis is

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not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 24b attached.

c. Provide an analysis of Account 426 - Other Income Deductions for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 24c, and further provide all detailed working papers supporting this analysis. As a minimum the work papers should show the date, vendor, reference (i.e., voucher no, etc.), dollar amount and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 24c attached.

25. A detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account 426. This analysis should indicate the amount of expenditure, the recipient of the contribution and the specific account charged.

26. A statement describing Kentucky Power's lobbying activities and a schedule showing the name of the individual, his salary, his organizations or trade associations involved in and all company-paid or reimbursed expenses or allowances and the account charged for all personnel for whom a principal function is that of lobbying, whether it be lobbying on the local, state, or national level.

27. A schedule showing the test year and the year preceding the test year with each year shown separately the following

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information regarding Kentucky Power's investments in subsid-

iaries and joint ventures:

- a. Name of subsidiary or joint venture
- b. Date of initial investment
- c. Amount and type of investment made for each of the 2 years included in this report.
- d. Balance sheet and income statement for the test year and the year preceding the test year. Where only internal statements are prepared, furnish copies of these.
- e. Show on a separate schedule all dividends or income of any type received by Kentucky Power from its subsidiaries or joint ventures for each of the 2 year report periods and indicate how this income is reflected in the reports filed with the Commission and the stockholder reports.
- f. Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture. Also, indicate the position each officer holds with Kentucky Power and the compensation received from Kentucky Power.
- 28. Provide the following information with regard to

Kentucky Power's Other Investments (Account 124) in Franklin Real Estate Company and Indiana Franklin Realty, Inc.:

- a. The nature of each investment
- b. The corporate purpose and functions of each entity listed above.
- c. Any ownership relationship, common employees, or directors or any other affiliation existing among the above listed entities and any member of the A.E.P. system.
- d. A list of any purchases of goods or services from these companies by Kentucky Power during

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the test period including a full description of the purchase, the dollar amount, the account or accounts involved and the expected benefit to the Kentucky ratepayer.

e. An analysis of these investments presented as shown in Format 28(e) attached.

29. a. A schedule showing by month the dollar amount of fuel purchased from affiliated and nonaffiliated suppliers for the test year.

b. A calculation of the dollar amount paid for fuel purchased each month from affiliated suppliers for the test year.

c. A calculation showing the average (13 month) number of days' supply of coal on hand for the test year and each of the five years preceding the test year (include a copy of all workpapers). Also include a written detailed explanation of factors considered in determining what constitutes an average day's supply of coal.

30. Provide the following information with regard to uncollectible accounts for the test year and 5 preceding calendar years (taxable year acceptable) for total company:

a. Reserve account balance at the beginning of the year

- b. Charges to reserve account (accounts charged off)
- c. Credits to reserve account
- d. Current year provision
- e. Reserve account balance at the end of the year
- f. Percent of provision to total revenue

31. a. A listing of non-utility property and property taxes and account where amounts are recorded.

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b. A schedule for all non-utility property giving a description, the date purchased and the cost.

32. Rates of return in Format 32 attached.

33. Employee data in Format 33 attached.

34. The jurisdictional allocation study for the test year including all applicable work papers.

35. A list of generation units completed or under construction during the test year. This list should include the capacity, actual or estimated total cost, type of fuel to be utilized, and the in service or estimated completion date for each unit.

36. Actual fuel costs for the test year. The costs should be given in total dollars, cents per KWH generated, and cents per MBTU for each type fuel. Data should also be supplied on the actual amounts of each type of fuel used, the numbers of BTU's obtained from each type of fuel, and the KWH generated by each type of fuel.

37. Provide a detailed analysis of the retained earnings account for the test period and the 12 month period immediately preceding the test period.

38. Provide a detailed analysis of expenses incurred during the test year for professional services, as shown in Format 38, and all working papers supporting the analysis. At minimum, the working papers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the service provided.

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39. Alternative yearly load forecasts for the 10 years succeeding the test year, summer and winter peaks, based on:

a. Present forecasts as anticipated by the Company.

b. Reasonable assumptions reflecting possible changes in the availability of alternative energy sources (i.e., natural gas, fuel oil, solar power, etc.) actual and projected.

c. If a current 10 year forecast is not available, provide the most recent forecast and state the reason a 10 year forecast is not available.

40. Purchased power costs. These costs should be separated into demand and energy costs. The actual and estimated KW demands and KWH purchased should be included. Indicate any estimates used and explain in detail.

41. Provide an annualization of the operation of any generating units declared commercial during the test year using the Company's estimate of the annual cost of operation of these units.

42. A listing of present or proposed research efforts dealing with the pricing of electricity and the current status of such efforts.

43. For the test year submit the following data:

a. Coincident peak demand for each rate schedule at the time of the summer and winter peaks.

b. KWH sales and number of bills for each residential rate schedule during the months of the winter peaks.

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c. System peak demand for summer and winter seasons.

d. Non-coincident and class peak demands for each rate schedule for the summer and winter seasons.

44. Provide a schedule reflecting the salaries and other compensation of each executive officer for the test year and the preceding 5 calendar years. Include the precentage annual increase and the effective date of each increase.

45. Provide an analysis of the Company's expenses for research and development activities for the test year and the 5 preceding calendar years. For the test year include the following details:

a. Basis of fees paid to research organizations and the company's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.

b. Details of the research activities conducted by each organization.

c. Details of services and other benefits provided to the company by each organization during the test year and the calendar year 1981.

d. Total expenditures of each organization during 1981 including the basic nature of costs incurred by the organization.

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e. Details of expected benefits to the company.

46. Provide the name and address of each member of the Board of Directors of Kentucky Power along with his or her personal mailing address. If, during the course of these proceedings, any changes occur in board membership, provide an update to this request.

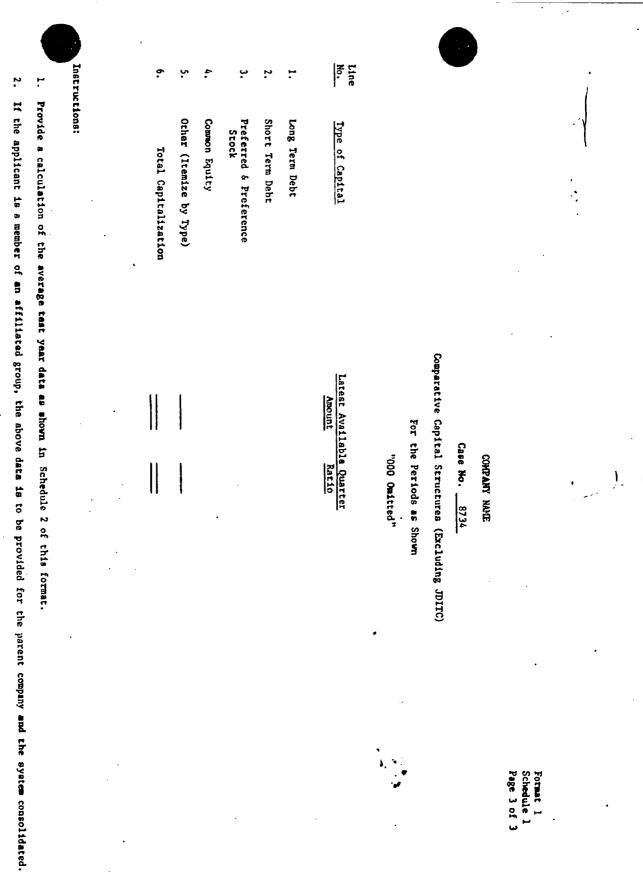
> Done at Frankfort, Kentucky, this 23rd day of February, 1983. PUBLIC SERVICE COMMISSION

ATTEST:

Secretary

	<i>6</i> .	4.	ш •	2.	Line No. 1.						į		
	Other (Itemize by type) Total Capitalization	Common Equity	Preferred & Preference Stock	Short Term Debt	Type of Capital Long Term Debt								
					10th Year Amount Ratio								
					9th Year Amount Ratio	For the "O	Comparative Capital	Case	8				ı
					8th Year Amount Ratio	For the Periods as Shown "OnO Omitted"	Comparative Capital Structures (Excluding JDITC)	Case No. 8734	CORPANY NAME		•)	<u>></u>
• • •					7th Year Amount Ratio		B JDITC)						
					6th Year Amount Ratio					Format 1 Schedule 1 Page 1 of 3			
· · · · · ·					5th Year Amount Ratio					of 1			•

		· 6.	5.	4.	з .	2.	1.	Líne <u>No:</u>						i. i
3	· · ·	Total Capitalization	Other (Itemize by type)	Common Equity	Preferred & Preference Stock	Short Term Debt	Long Term Debt	Type of Capital	·					
								4th Year Amount Ratio						
· · ·								3rd Year Amount Ratio		Comparative Capit	-			
					·			2nd Tear Amount Ratio	"000 Omitted"	Comparative Capital Structures (Excluding JDITC)	Case No. 8734	COHPANY NAME		· · · · · · · · · · · · · · · · · · ·
								lst Year Amount Ratio		luding JDITC)				
								Test Year <u>Amount Ratio</u>					11 (J 11)	
					·			Arerage Test Year 110 Amount Ratio	·				Format 1 Schedule 1 Page 2 of 3	
			1					T atlo						



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Balance beginning of test year 1st Honth 2nd Honth 6ch 8th Honth 7ch 4ch Sth 3rd h Month Month Month Month Honth (a) Total Capital (b) "000 Omitted" Long-Term Debt (c) Debt (d) Short-Term Preferred Stock (e) Common Stock (f) Retained Earnings (g) Total Common Equity (h)

Line No.

17. 16. 5 LEFE9876554821 4 End-of-period capitalization ratios Average capitalization ratios Average balance (L14 + 13) 9th Honth 10th Nonth 11th Month 12th Month Total (L1 through L13)

Instructions:

÷ If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.

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Ν. Include premium on class of stock.

Calculation of Average Test Period Capital Structure 12 Months Ended

Case No.

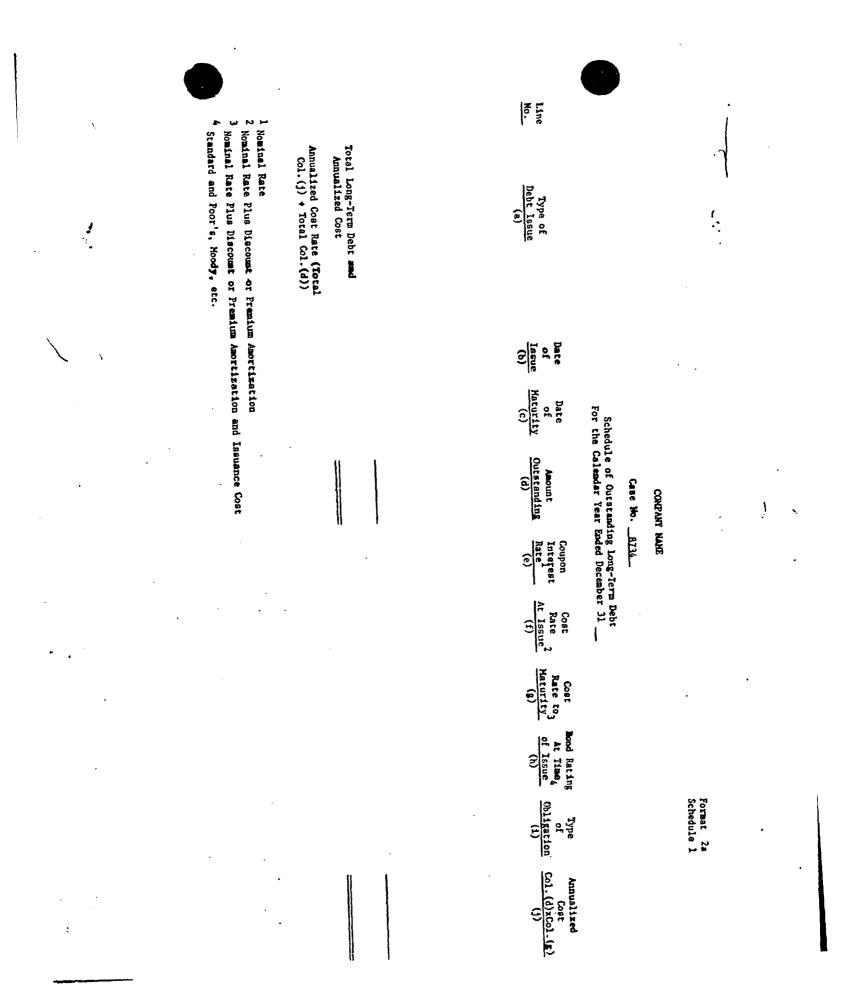
8734

COHPANY NAME

Format 1 • Schedule 2

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	Accrued Long-Lerm paper Cost Rate (Total Col. k + Total Reported in Col. (c) Line 15 of Format 1, Schedule 2) Nominal Rate Nominal Rate Plus Discount or Premium Amortization Nominal Rate Plus Discount or Premium Amortization Standard and Poor's, Moody, etc. Sum of Accrued Interest Amoritization of Discount of	Total Long Term Debt and Annualized Cost Annualized Cost Hate (Total Col.(j) + Total Col.(d)) Actual Ione-Term Bake Cost	Line Type of of No. Debt Issue (a) (b)	۰. ۲
<i>۱</i>	Actual Long-Lerm Jept Cost Rate (Total Col. & + Total Reported in Col. (c) Line 15 of Format 1 , Schedule 2) Nominal Rate Nominal Rate Plus Discount or Premium Amortization Nominal Rate Plus Discount or Premium Amortization and Issuance Cost Standard and Poor's, Moody, etc. Sum of Accrued Interest Amoritization of Discount or Premium and Issuance Cost		CARLEANY NAME Case No. <u>8734</u> Schedule of Outstanding Long-Term Debt For the Test Tear Ended Date Of Amount Interest Rate d Rate to Maturity Outstanding Rate At Issue Haturity (c) (d) (e) (f) (f) (g)	
· ·			Bond Rating Type Annualized Actual At Time 4 of Cost Test Tear of Issue (h) (1) (1) (1) (k)	Format 28 Schedule 2

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Format 2a Schedule 3

Case No. <u>8734</u>

Long-Term Debt and Preferred Stock Cost Rates

Annualized Cost Rate

Long-Term Debt Preferred Stock

Parent Company:

Test Year

Latest Calendar year

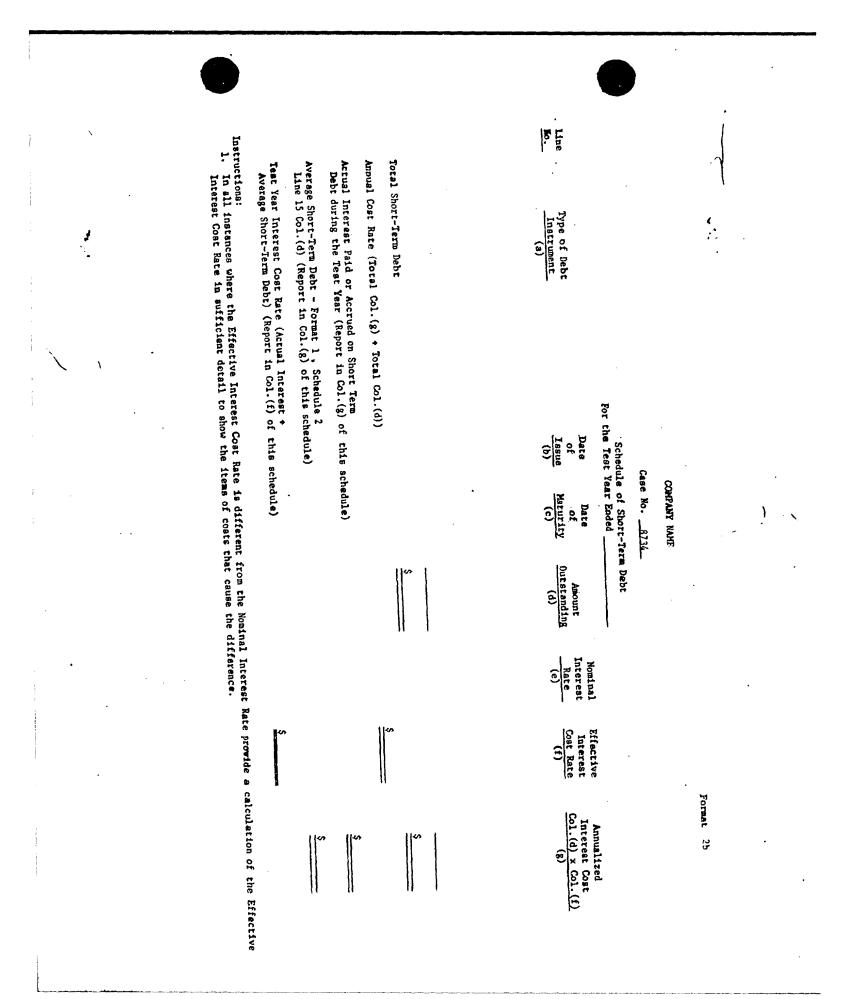
System Consolidated:

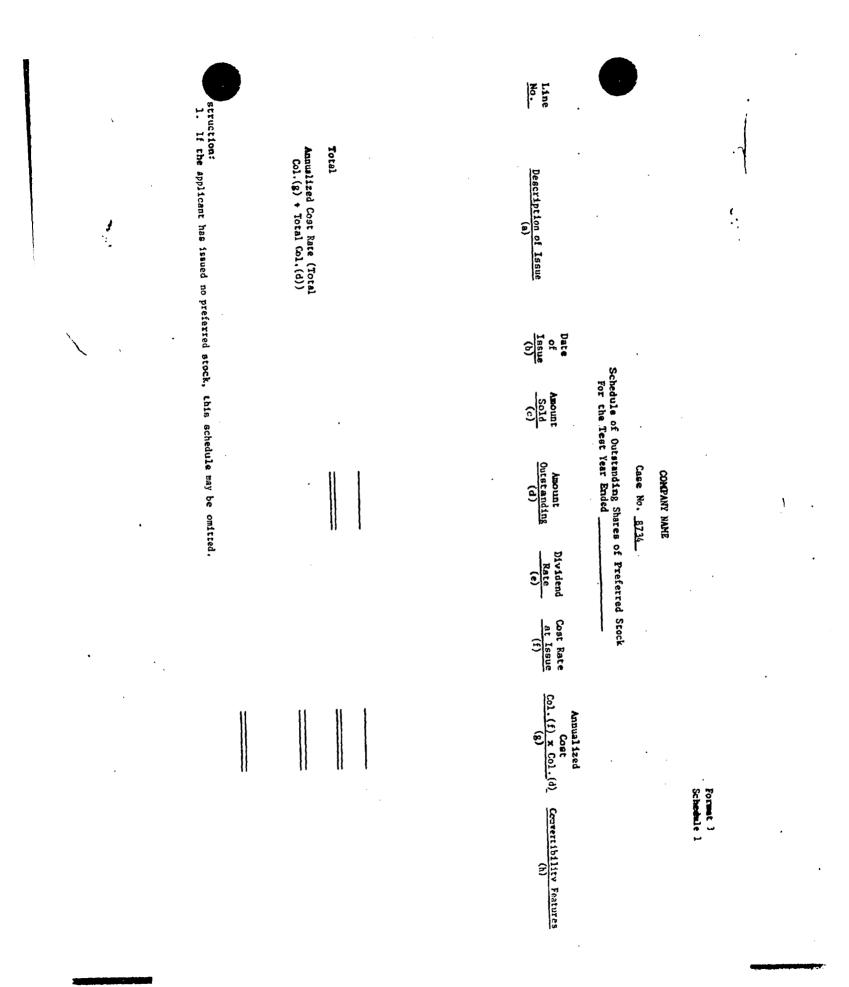
Test Year

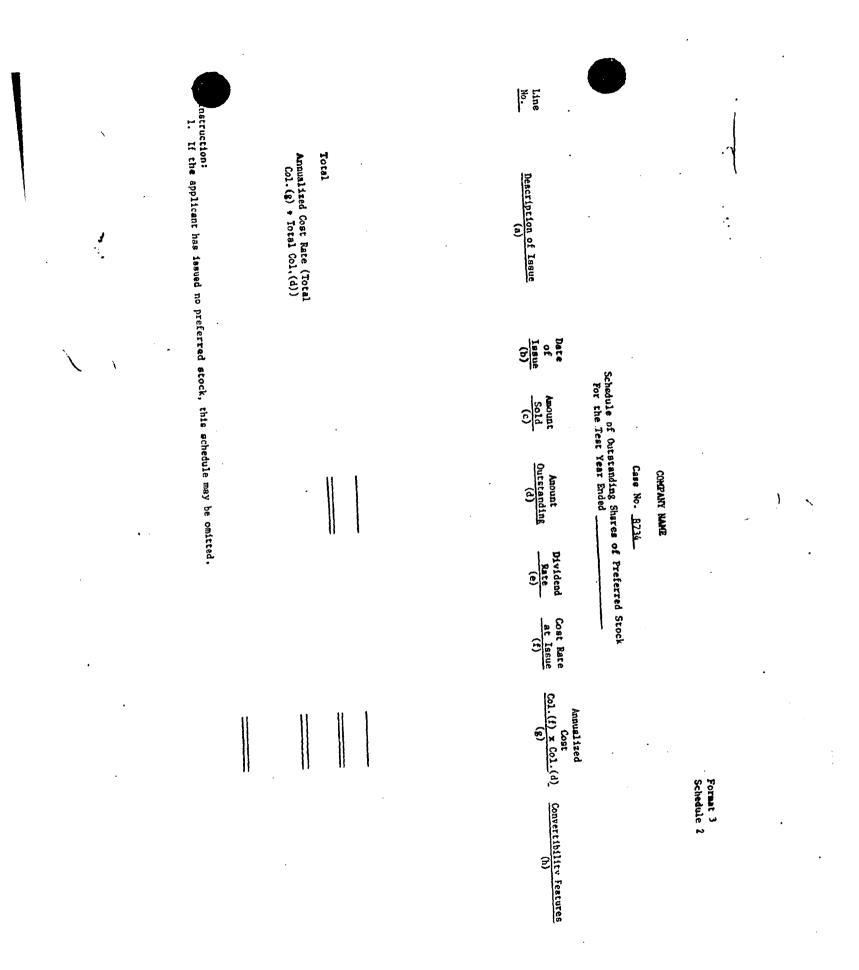
Latest Calendar year

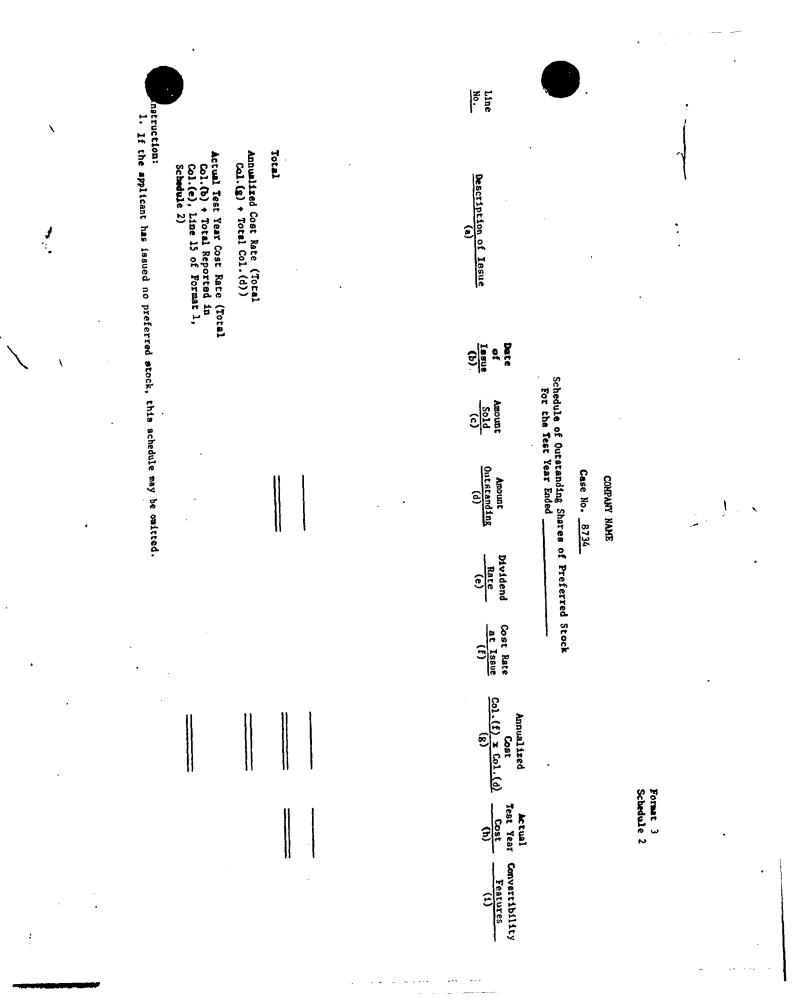
Instruction:

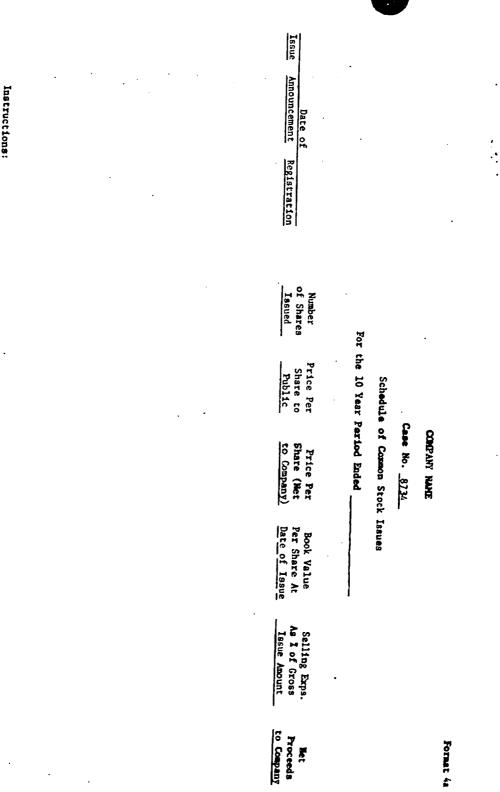
- 1. This schedule is to be completed only by applicants that are members of an affiliated group.
- 2. Detailed workpapers showing calculation of the above cost rates are to be available on request.











•• Instructions:

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If applicant is a member of an affiliate group, provide a separate schedule showing the above data for the parent company.

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COMPANY NAME

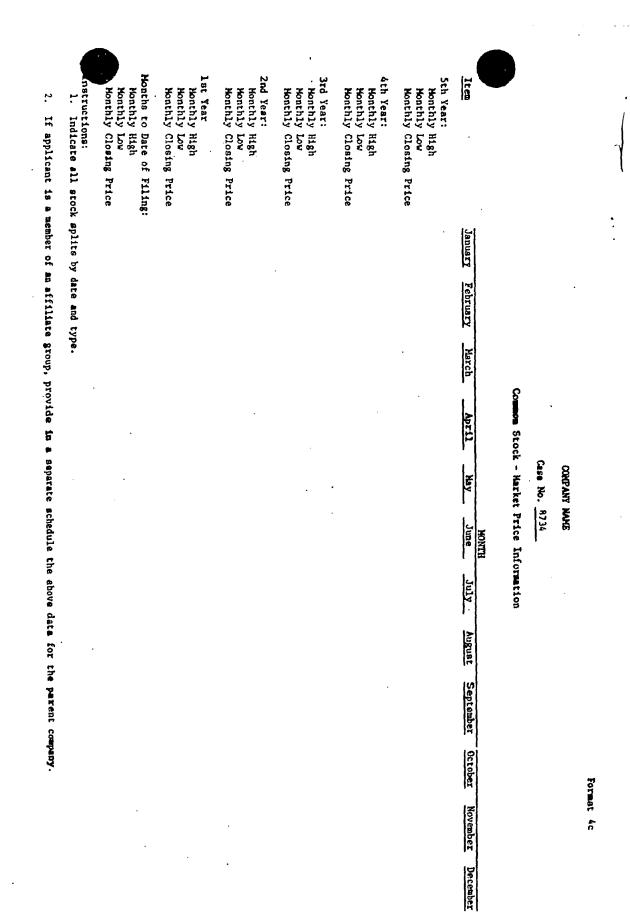


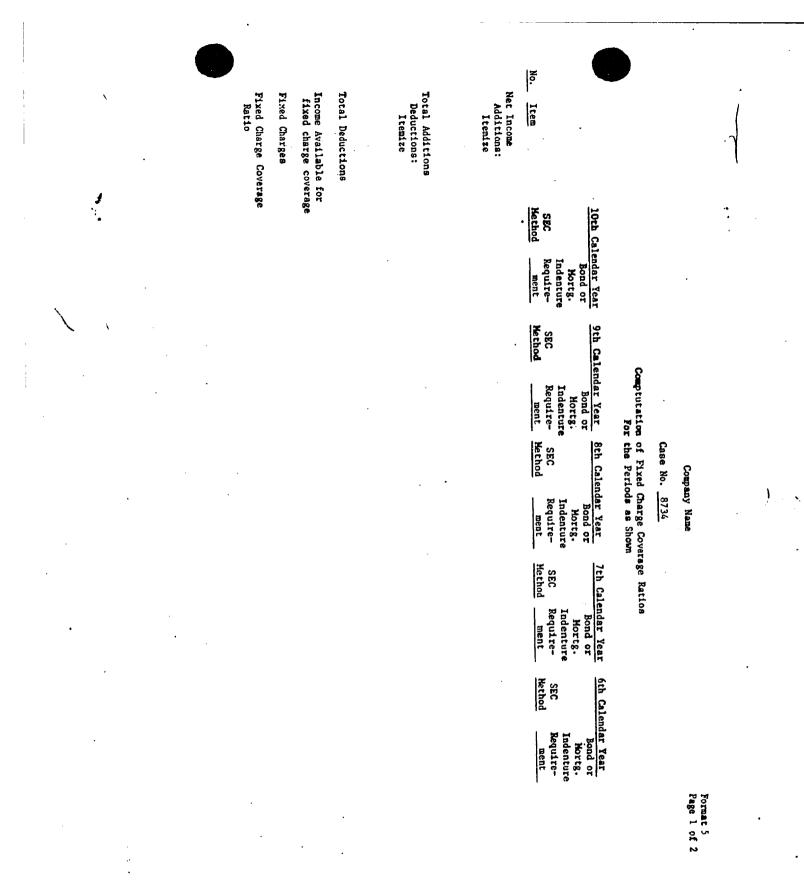
Case No. _8734_

Quarterly and Annual Common Stock Information For the Periods as Shown

· · ·	Average No. of Shares	Book	Earnings per	Dividend Rate	Return on Average
Period	Outstanding	Value	Share	Per Share	Common Equity
·					
5th Calendar Year:					
1st Quarter					
2nd Quarter				•	
3rd Quarter 4th Quarter					
Annual			•		
minuer					•
4th Calendar Year:	•				
1st Quarter				•	
2nd Quarter					
3rd Quarter					
4th Quarter					
Annual		_			
3rd Calendar Year:					
1st Quarter				•	
2nd Quarter					
3rd Quarter		•			
4th Quarter					•
Annual		•			
2nd Calendar Year:					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Annual					
lst Calendar Year:					
1st Quarter					
2nd Quarter					
3rd Quarter			•		
4th Quarter					
Annual					
Latest Available Quar	ter				
Instructions:				•	
1. Report annual	returns only.				

showing the above data for the parent company.





	fixed charge coverage Fixed Charge Coverage Fixed Charge Coverage Ratio	Total Deductions Income Available for	Total Additions Deductions: Itemize	Net Income Additions: Itemize	No. Item Method		
· ·					<u>Sth Calendar Year</u> Bond or Hortg. Indenture SEC Require- Method ment		
					Computatio Fo Ath Calendar Year Bond or Nortg. Indenture SEC Require- Method ment		•
					Computation of Fixed Charge Coverage Ratios For the Periods as Shown Bond or Bond or Bond or Bond or Indenture SEC Indenture SEC Require- ment Method ment Method	COMPANY NAME	
					verage Ratios 2nd Calendar Year Bond or Hortg. SEC Require- Method ment		
					<u>lst Calendar Year</u> Bond or Hortg. SEC Require- Hethod ment		2 2
		•			Test Year Bond or Hortg. e SEC Require Method ment		Pormat 5 Page 2 of 2

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Format 11n

COMPANY NAME

Case No. 8734

Summary of Customer Deposits

Kentucky Only

12 Months Ended _____

Line No.	$\frac{Month}{(a)}$	Receipts (b)	Refunds (c)	Balance (d)
1.	Month Preceding Test Year			
2.	1st Month			
3:	2nd Month	· ·		
4.	3rd Month			•
5.	4th Month		•	
6.	5th Month			
7.	6th Month	. •		
8.	7th Month			
9.	8th Month			
10.	9th Month		· ·	
11.	10th Month			
12.	11th Month			
13.	12th Month			
14.	Total (Sum of Ll	through L13)		
15.	Average balance (L14 + 13)			
16.	Amount of deposits received			
17.	Amount of deposits refunded	during test perio	od	
18.	Number of deposits on hand	end of test year		
19.	Average amount of deposit (L15, Column (d) +	L18) ·	
20.	Interest paid during test p	period		
21.	Interest accrued during ter	st period		
22.	Interest rate			

Format 14

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Kentucky Power

Commonwealth of Kentucky

Case No. 8734

COMPARISON OF TEST YEAR ACCOUNT BALANCES WITH THOSE OF THE

PRECEDING YEAR

Account Title and Account Number lst Month 2nd Month 3rd Month 4th Month Sth Month 6th Month 7th Month 8th Month 9th Nonth 10th Month 11th Month 12th Month Total

Test Year Prior Year Increase (Decrease)

۲	7.	6.	5.	4.	ເມ •	2.	1.	Line No.		D			
 (a) Administrative and general salaries (b) Office supplies and expense (c) Administrative expense transferred-cr. (d) Outside services employed (e) Property insurance (f) Injuries and damages 	Administrative and general expenses:	Sales expenses	Customer accounts expense	Distribution expenses	Transmission expenses	Power production expense	Wages charged to expense:	Item (a)					
8e loyed						•		12 MorCalendar Years Prior to TeSth4th3rdAmount%Amount%(b)(c)(d)(e)(f)(g)	(000's)	For the Calendar Years 1977 Through 19 And the 12-Month Period Ending	ANALYSIS OF SALARIES AND WAGES	Case No. 8734	Kentucky Power

Format 18c Sheet 1 of 2

Kentucký Power

1981

(b)	- 13	5th		
(c)	9			
(d) (d)		45	Cal	
(e)	•	7	endar	
(f)		31	Years Pr	-
(8)		d	rior to	12
(h)		2nc	Test Yea	Months Er
Ē	14		IT	nded
(<u>1</u>) (<u>1</u>)	Amount	lst		
(k)	4			
(1)	Amount	Yea	Test	
(m)	24	-		

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Format 1Rc Sheet 2 of 2

Case No. 8734

Calenda 5th Amount % (b) (c)
14 1
12 Won Years] Amount (d)
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(g)
2n Amount (h)
E se a
1d <u>g</u> (1) (1)
£*[
Test Year <u>Amount</u> (1)
(E)

? Administrative and general expenses (continued): No.

(a)

(R) Employee pensions & benefits

7

- Franchise requirements
- ££ Regulatory Commission
- expense Duplicate charges-cr. Miscellaneous general
- ÊÜ
- Rents expense
- 99 Maintenance of general plant
- Total administrative & general expenses L7(a) through L7(m)

°

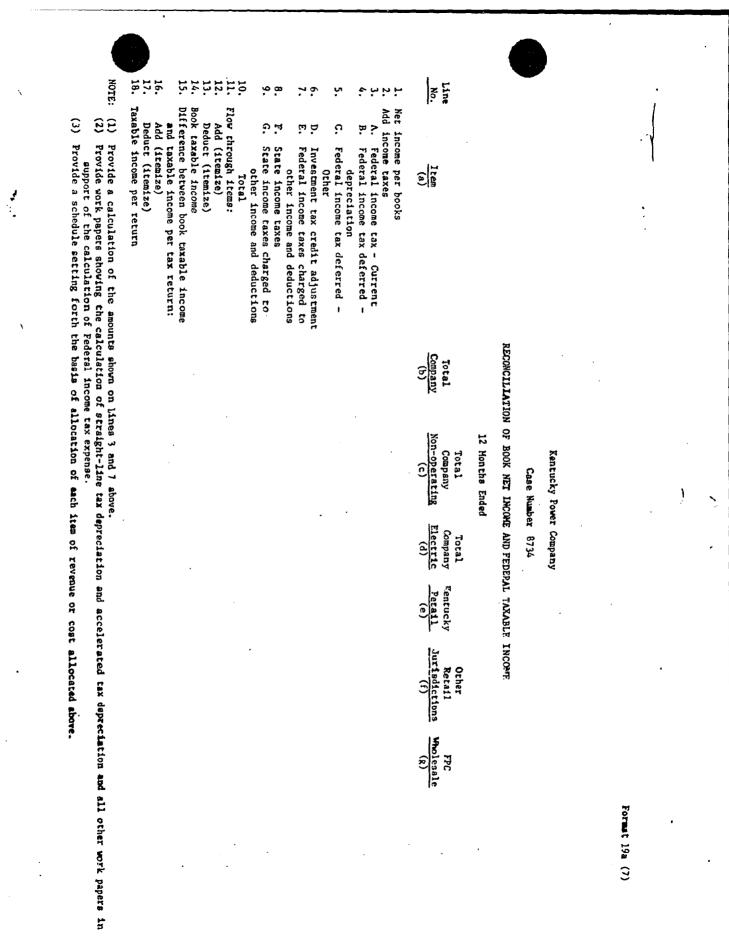
- <u>ဖ</u> Total Salaries and wages charged expense (L2 through L6 + L8)
- 10. Wages capitalized
- Ë Total of salaries and wages
- 12. • Ratio of salaries and wages charged expense to total wages (L9 ÷ L11)
- 13.

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3

NOTE : Ratio of salaries and wages capitalized to total wages (L10 + L11) Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

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	ω •	2.						1.	Line No.		
Total per Books (L 2 and L 3) Explain items in this column.	Other Jurisdictions	Total Kentucky Retail (L 1 (a) through L 1 (e)	(e) Other Taxes	(d) Payroll (employers Portion)	(c) Ad Valorem	(b) Franchise Fees	(a) State Income	Kentucky Retail:	Item (a)		
									12	- 4	A

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Format 19b Schedule 1

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Kentucky Power Company

Case No. 8734

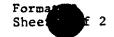
NALYSIS OF OTHER OPERATING TAXES-Electric

12 Months Ended

(8¹000)

Charged Expense (b)
Charged to Construction (c)
Charged to Other <u>Accounts 1/</u> (d)
Amount Acci (e)

crued



Case No. 8734

NET INCOME PER 1000 KWH SOLD

For the Calendar Year 1977 through 1981

And for the 12 Months Ended

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•••

(Total Company)

(000's)

				12 Mo	nths_	Ended	
	•		Cal	endar	Year	8	
			Prior	to T	est Y	ear	Test
Line	Ttom		4th	3rd		lst	Year
No	(a)	(b)	(c)	(ď)	(e)	(f)	(g)
	. (a)						
1.	Operating Income						
2.	Operating revenues						
3.	Operating Income Deductions						
4.	Operation and maintenance expenses:						
5.	Fuel						
6.	Other power production expenses						
7.	Transmission expenses						
8.	Distribution expenses						
9.	Customer accounts expense						
10.	Sales expense						
11.	Administrative and general expense						
12.	Total (L5 through L11)						
13.	Depreciation expenses						
14.	Amortization of utility plant acquisition						
	adjustment						
15.	Taxes other than income taxes						
16.	Income taxes - Federal						
17.	Income taxes - other						
18.	Provision for deferred income taxes						
19.	Investment tax credit adjustment - net						
20.	Total utility operating expenses						
21.	Net utility operating income						
22.	Other Income and Deductions						
23.	Other income:						
24.	Allowance for funds used during construct	ction	L				
25.	Miscellaneous nonoperating income						
26.	Total other income						
27.	Other income deductions:						
28.	Miscellaneous income deductions						
29.	Taxes applicable to other income and deduct	tions	s:				
30.	Income taxes and investment tax credits						
31.	Taxes other than income taxes						
32.	Total taxes on other income and deduct	ions					
33.	Net other income and deductions						

Case No. 8734

NET INCOME PER 1000 KWH SOLD

at 20 t 2 of 2

12 Months Ended

For the Calendar Year 1977 through 1981

And for the 12 Months Ended

(Total Company)

(000's)

		Calendar Years
Line		Prior to Test Yesr Test
No.	Item	$\frac{5\text{th}}{(\text{b})} \frac{4\text{th}}{(\text{c})} \frac{3\text{rd}}{(\text{d})} \frac{2\text{nd}}{(\text{e})} \frac{1\text{st}}{(\text{f})} \frac{4\text{rear}}{(\text{g})}$
	(a)	$\overline{(b)}$ $\overline{(c)}$ $\overline{(d)}$ $\overline{(e)}$ $\overline{(f)}$ $\overline{(g)}$

34.	Interest	Charges
-----	----------	---------

35. Interest on long-term debt

36. Amortization of debt expense

37. Other interest expense

38. Total interest charges

39. Net income

. . .-

40. 1000 KWH sold

											plant	Depreciation Expense: Per \$100 of average gross plant in service	15. I 16.	<u>مر مر</u>
											- Charged Expense: oyee	Wages and Salaries - Charge Per average employee	13. 14.	
												Cost Per 1000 KWH Sold: Coal Oil Gas	9. 10. 11. 12.	•
												Cost Per Million BTU: Coal Oil Gas	8765 8.	
												Fuel Costs: Coal - cost per ton Oil - cost per gallon Gas - cost per MCF	4. 3. 1.	
	1st x (k)		<u>Test Year</u> 2nd 2nd X 05t Inc.	12 Months Ended for to Test Yea 2nd 2 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	12 Mg Prior 1 d 1 nc. (g)	12 1 Years Prior 3rd Z Cost Inc. (f) (g)	endar (e)	Cald 4th Cost	(c)	5th Cost (b)		Item (A)	Line No.	
							ompany)	(Total Company)	(T					
					;h 1981	Through	1977 Ended	Years eriod	lendar onth P	For the Calendar Years 1977 and the 12-Month Period Ended	For and t			
					CS	ATISTI	TING SI	COMPARATIVE OPERATING STATISTICS	RATIVE	COMPA				
							8734	Case No.	Ca					
						эny	т Сопр	Kentucky Power Company	(entucl					
of 2	Format 21 Sheet 1 of	E S									-			

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Schedule 2 of Format 21

			No.	Line		
Per 1000 KWH Purchased	Purchased Power:	(a)	Item			
	(a)	Cost		5th		
	ઉ	Inc.	2	сь Г		
	(a) (Cost		41	(
	(6)	Inc.	2	7	alenda	
	(a) (b)	Cost		3	r Years	
	(6)	Inc.	24	rd	Prior	12 Mont
	(a)	Cost		2nd	or to Test	hs Ended
	(6)	Inc.	X	a	Year	đ
	(a)	Cost		18		
	(Ъ)	Inc.	ы			
	(a)	Cost		Test		
	(a) (b)	Inc.	ы	Year		

- **19.** 20. **Rents:**
- Per \$109 of average gross plant in service
- 21. 22. Property Taxes:
- Per average \$100 of average gross (net) plant in service
- Payroll Taxes:
- 23. 24. Per average number of employees whose salary is charged to expense
- 25. Per average salary of employees whole salary is charged to expense Per 1000 KWH sold
- 26.
- Interest Expense:
- 27. 28. 30. Per \$100 of average debt outstanding Per \$100 of average plant investment Per \$100 KWH sold

Hydraulic Production Plant 330 Land and land rights 331 Structures and improvements 332 Reservoirs, dams and waterwa 333 Water wheels turbines and ge Accessory electric equipment Miscellaneous power plant equipment	Steam P 310 Land 311 Struc 312 Boile 314 Turbo 315 Acces 316 Misce 106 Compl 105 Tot	Intang <u>1</u> 301 Organ	Account Number					
Hydraulic Production Plant Land and land rights Structures and improvements Reservoirs, dams and waterways Water wheels turbines and generators Accessory electric equipment Miscellaneous power plant equipment	Steam Production Plant Land and land rights Structures and improvements Boiler plant equipment Turbogenerator units Accessory electric equipment Miscellaneous power plant equipment Completed construction - not classified Total steam production plant	6	Calendar Years Prior to Test Year Sth 4th 3rd 2nd	(Total Company)	For the Calendar Year 1977 Through 1981 and the Test Year Ended	AVERAGE ELECTRIC PLANT IN SERVICE BY ACCOUNT PER 1000 KWH SOLD	Case No. 8734	Additucky itwest company
		(e)	Ended Test Year 2nd					
		3	lst					

Test Year (g)

Roads, railroads and bridges Completed construction - not classified Total hydraulic production plant

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-Format 22 Sheet 1 of 3

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Kentucky Power Company

106	373	372	371	370	369 805	367	366			362	361	360		106	359	358	357	356	355	354	353	352	350		106	346				341	340		Number	Account	
Completed construction - not classified Total distribution plant			Installations on customers' premises	Matara	Services	Underground conductors and devices	conduit	Overhead conductors and devices	Poles, towers and fixtures	Station equipment	Structures and improvements	Distribution Plant Land and land rights	Total transmission plant	Completed construction - not classified	Roads and trails	Underground conductors and devices		Overhead conductors and devices	Poles and fixtures	Towers and fixtures	Station equipment	Structures and improvements	Transmission Plant Land and land rights	Total other production plant	Completed construction - not classified	Accessory erective equipment Miscellaneous power plant equipment	Accordent of outside on signat	Prime movers	Fuel holders, producers and accessories	Structures and improvements	Other Production Plant Land and land rights	(a)	Title of Accounts		
•																																	<u>5th</u>	Ca	
																																(c)	4th	lendar Yea	
																																(d)	3rd	Years Prior (12 Month Ended
																																(e)	. 1	Prior to Test Year	ı Ended
																																(1)		ar	

Format 22 ' Sheet 2 of 3

Test (g)

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2~2	endar Years Prior to Test Year	12 H
500	or to Test	12 Nonth Ended
107	Year	
Veat	Tes	

<u>5th</u>	
4ch (c)	Calendar
<u>3rd</u> (d)	Years Prior
2nd (e)	Prior to Test
(f)	Year
) Year	Test

399	398	394	392		Account
106	397	395	393		Number
Other tangible property Completed construction - not classified Total general plant	Fower operation equipment Communication equipment Miscellaneous equipment	Tools, shop and garage equipment Laboratory equipment	Transportation equipment Stores equipment	General Plant Land and land rights Structures and improvements Office furniture and equipment	Title of Accounts (a)

1000 KWH Sold

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Total electric plant in service

330 331 335 106	310 311 312 314 314 316 316	301	Account Number				
Hydraulic Production Plant Land and land rights Structures and improvements Reservoirs, dams and waterways Water wheels turbines and generators Accessory electric equipment Miscellaneous power plant equipment Roads, railroads and bridges Completed construction - not classified Total hydraulic production plant	Steam Production Plant Land and land rights Structures and improvements Boiler plant equipment Turbogenerator units Accessory electric equipment Miscellaneous power plant equipment Completed construction - not classified Total steam production plant	Intangible Plant Organization	Title of Accounts (a)	12 Mon ths Ended (Tota	STATEMENT OF I	ŝ	Kentucl
	-		Beginning Balance (b)	Ended (Total Company)	STATEMENT OF ELECTRIC PLANT IN SERVICE	Case No. 8734	K entuck y Power Company
			Additions (c)		IN SERVICE		
			Retirements (d)				
			Transfers (e)				
			Ending Balance (f)				

Format 23 Sheet 1 of 3

				Completed construction - not classified	373 106
				Leased property on customers premises	372
					371
				Meters	370
				Services	369
				Line transformers	368
				Underground conductors and devices	367
				Underground conduit	366
				Overhead conductors and devices	
				H	
				Station equipment	262
				Structures and improvements	361
				Land and land rights	360
				Total transmission plant	
				Completed construction - not classified	106
				Roads and trails	359
				Underground conductors and devices	358
				Underground conduit	357
				Overhead conductors and devices	356
				Poles and fixtures	355
				Towers and fixtures	354
				Station equipment	353
				Structures and improvements	352
				Land and land rights	350
				Transmission Plant	
				Total produc ti on plant	
				Total other production plant	
				Completed construction - not classified	106
				Miscellaneous power plant equipment	346
				Accessory electric equipment	345
				Generators	
				Prime movers	ł
				Fuel holders, producers and accessories	262 745
				Ctructures and improvements	175
				Land and land rights	340
Transfers (e)	Retirements (d)	Additions (c)	Balance (b)	Title of Accounts	Number
			Berinning		A o com t
Schedule					
. Format	•.				

Format 23 Schedule 2 of 3

Ending Balance (f)

Completed construction - not crassive Total distribution plant

100.1	392 392 393 394 395 396 397 398	Account <u>Number</u>
Total electric plant in service 1000 KWH Sold	General Plant Land and land rights Structures and improvements Office furniture and equipment Transportation equipment Tools, shop and garage equipment Laboratory equipment Power operated equipment Communication equipment Other tangible property Completed construction - not classified Total general plant	Title of Accounts (a)
		Beginning Balance (b)
		Additions (c)
		Retirements (d)
		Format 23 Sheet 3 of 3 Transfers (e)
		Ending Balance (f)

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Case No. 8734

ACCOUNT 913 - ADVERTISING EXPENSE

For the 12 Months Ended

Líne No.	<u>Item</u>	Sales or Promotional <u>Advertising</u>	Institutional Advertising	Conservation Advertising	Rate	Other	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)

1. Newspaper

2. Magazines and Other

3. Television

4. Radio

5. Direct Mail

6. Sales Aids

7. Total

c 24a

Format 24b

Amount (b)

Case No. 8734

ACCOUNT 930 - MISCELLANEOUS GENERAL EXPENSES

For the 12 Months Ended

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(Total Company)

(000's)

	Line No.	<u>Item</u> (a)
°	1.	Industry Association Dues
	2.	Stockholder and Debt Servicing Expenses
	3.	Institutional Advertising
	4.	Conservation Advertising
	5.	Rate Department Load Studies
	6.	Director's Fees and Expenses
	7.	Dues and Subscriptions
•	8.	Miscellaneous
	9.	Total

. .

10. Amount Assigned to Kentucky

For 4c Kentucky Power Company Case Number 8734 ACCOUNT 426 - MISCELLANEOUS INCOME DEDUCTIONS For the 12 Months Ended Line Item (a) Amount No. (b) 1. Donations 2. Civic Activities 3. Political Activities Other 4. 5. Total

t <u>2</u> 8(e
<u> </u>

Case No. 8734

in Franklin Real Estate Company & Indiana Franklin Realty, Inc. ANALYSIS OF INVESTMENT

For the Twelve Months Ending

Beginning of Year Book Cost Year During Additions 0 F Purchases

Dispositions or Other Sales During Year

> Year End of Book Cost

Gain or Disposal Loss from Investment

Date of Initial

Investment

Investment

Commonwealth of Kentucky

Case No. 8734

AVERAGE RATES OF RETURN

12 Months Ended

Line <u>No.</u> 1.	Calendar Years <u>Prior to Test Year</u> (a) Original Cost Net Investment:	Electric Department (b)	Gas Department (c)	Total <u>Company</u> (d)
2.	5th Year			
3:	4th Year			
4.	- 3rd Year	,		
5.	2nd Year			•
6.	lst Year			
7.	Test Year		·	
8.	Original Cost Common Equity:			•
9.	5th Year			
10. ·	4th Year			
11.	3rd Year			
12.	2nd Year			
13.	lst Year			u a
14.	Test Year			

NOTE: Provide work papers in support of the above calculations.

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Case No. 8734

Professional Service Expenses

For the Twelve Months Ended

Line No	Item	Rate Case	Annual Audit	<u>Other</u>	<u>Total</u>	
1.	Legal					
2.	Engineering					۰.
3.	Accounting	· .				
4.	Other	-				
5.	Total					