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Efficiency and Effectiveness Metrics
Kentucky Power Company

December 2016

2016 Efficiency & Effectiveness Metric Performance (vs. Target)

OPERATING COMPANY OVERALL

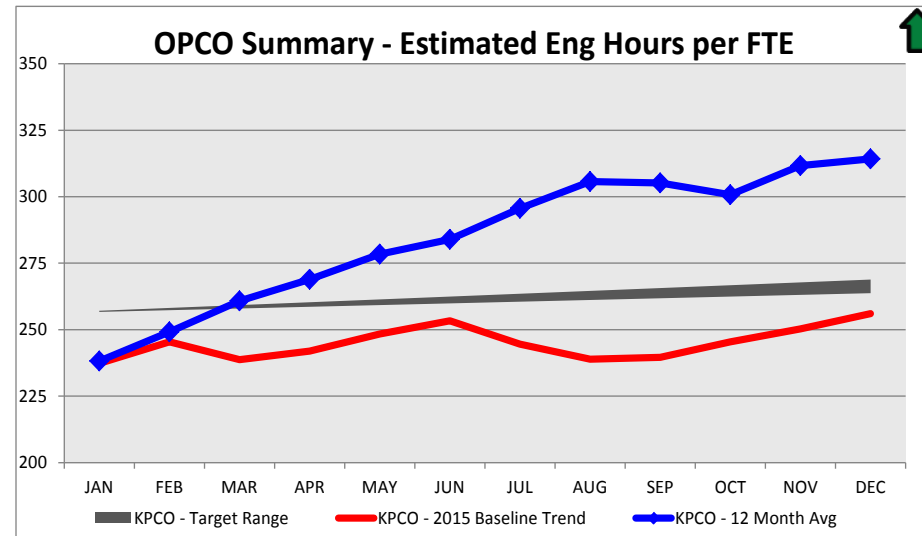
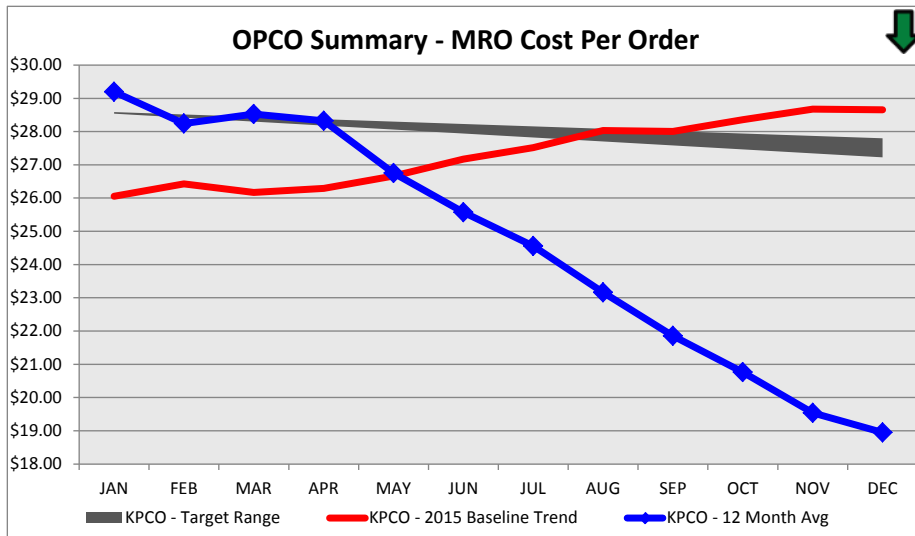
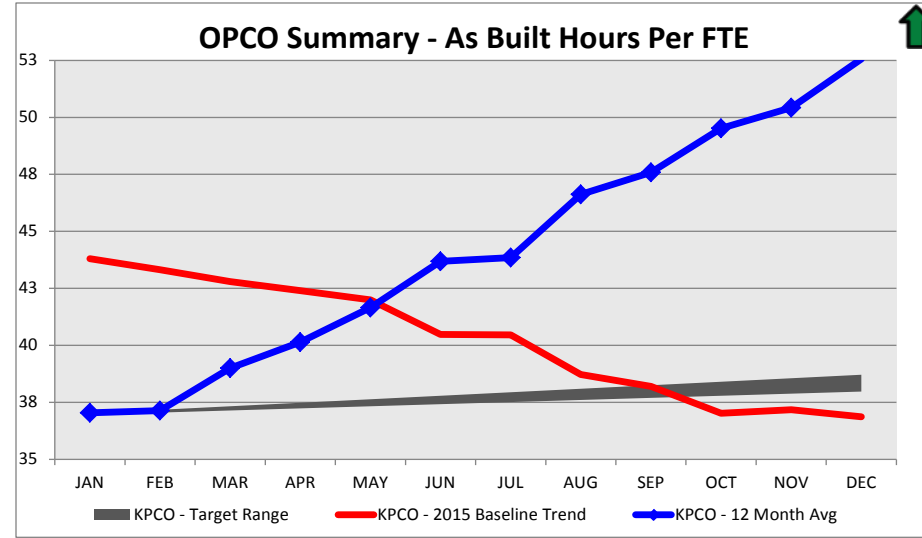
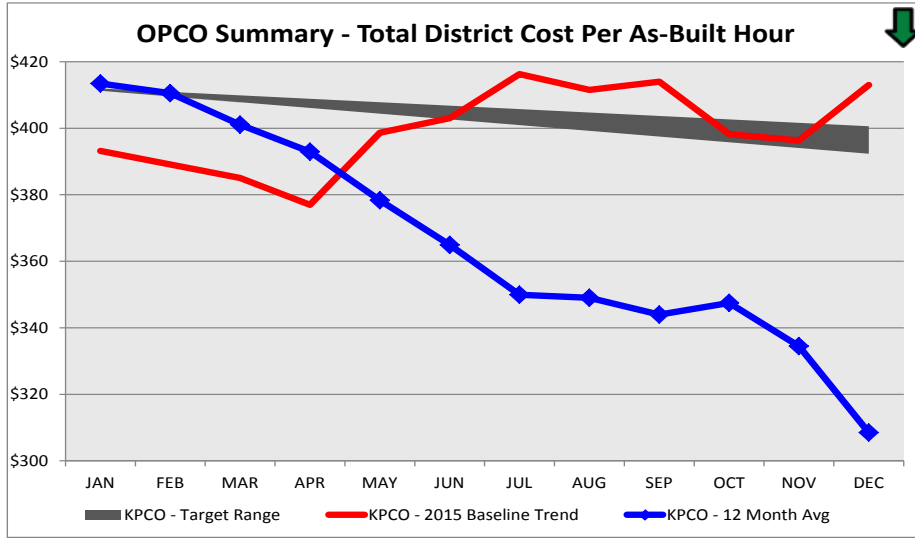
Operating Company Operational Performance Metrics 12-Month Rolling Average - December 2016

Focus Area	Metric	KPCO	
		YTD Target	Actual
Key Metrics	Total District Cost per As Built Hour	\$401	\$308
	MRO Cost per Order Completed	\$27.80	\$18.95
	As Built Hours per FTE	38.0	52.6
	Est Engineering Hours Per FTE	264	314

Color Coding reflects favorable/unfavorable performance relative to Operational Target

Efficiency & Effectiveness Metrics Performance

KPCO



2016 Efficiency & Effectiveness Metric Performance (vs. Target)

ALL DISTRICTS

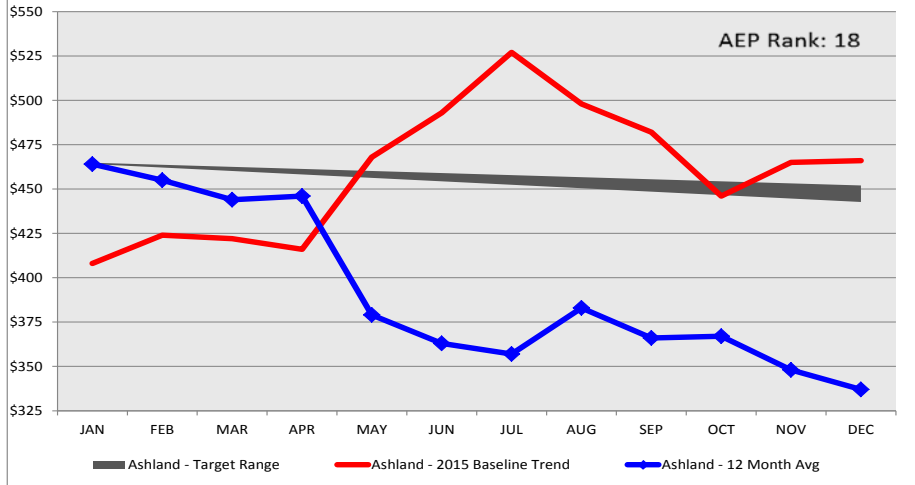
District Operational Performance Metrics - 12-Month Rolling Average - December 2016

Focus		Ashland		Hazard		Pikeville	
Area	Metric	YTD Target	Actual	YTD Target	Actual	YTD Target	Actual
Key Metrics	Total District Cost per As Built Hour	\$452	\$337	\$365	\$333	\$393	\$274
	MRO Cost per Order Completed	\$28.62	\$17.48	\$31.85	\$23.15	\$24.64	\$17.80
	As Built Hours per FTE	32.5	45.1	46.6	53.7	35.5	57.5
	Est Engineering Hours Per FTE	235	307	271	285	281	341

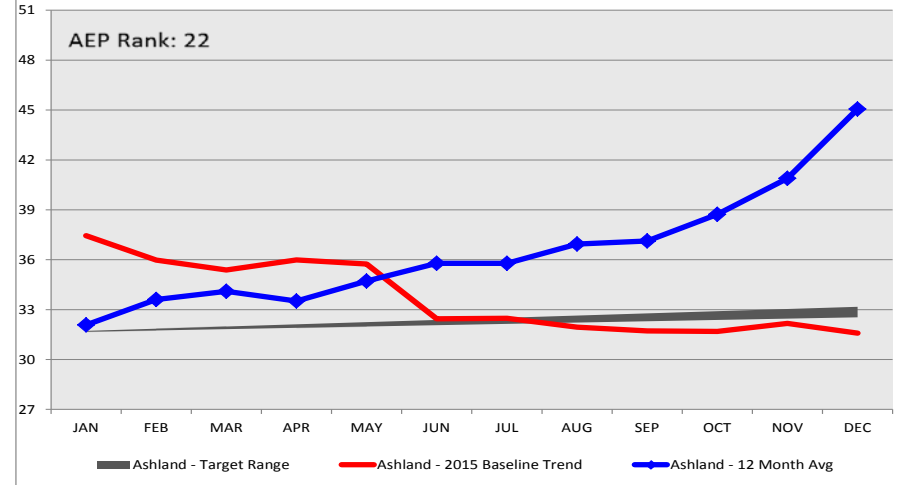
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Efficiency & Effectiveness Metrics Performance

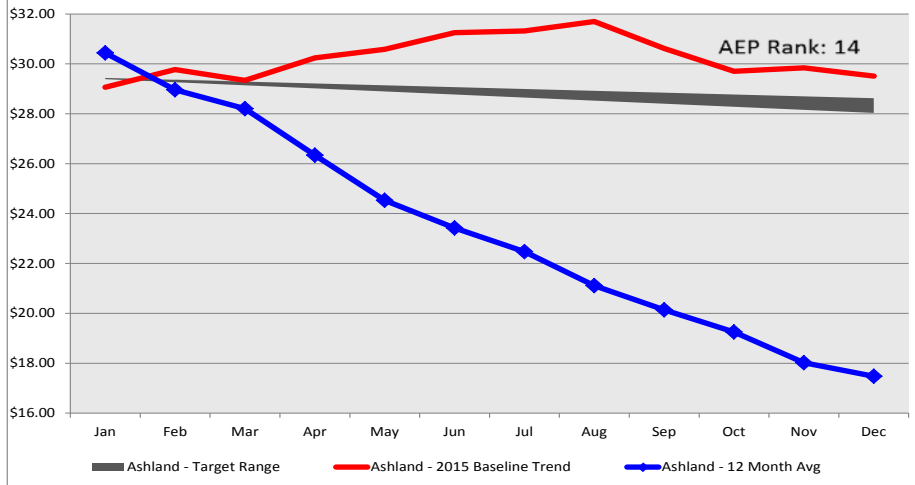
Monetization: Total District Cost Per As-Built Hour



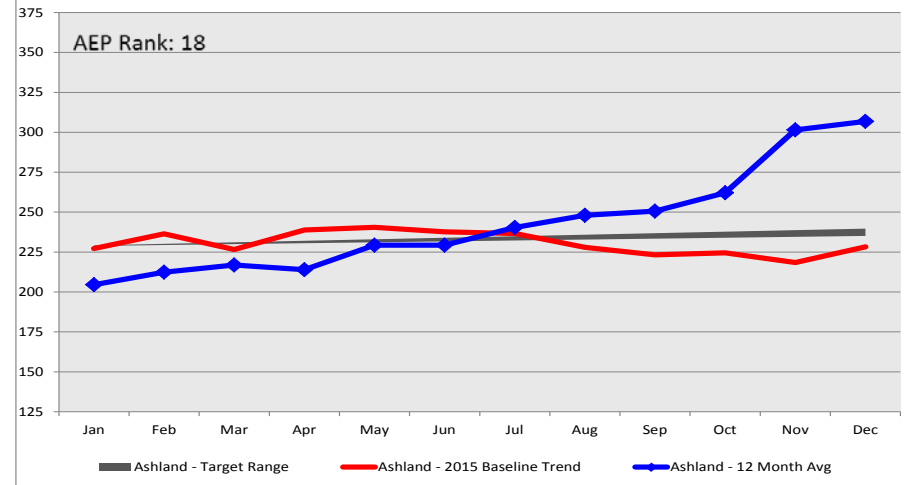
Crew: As Built Hours per FTE



MRO: Cost per Order Completed



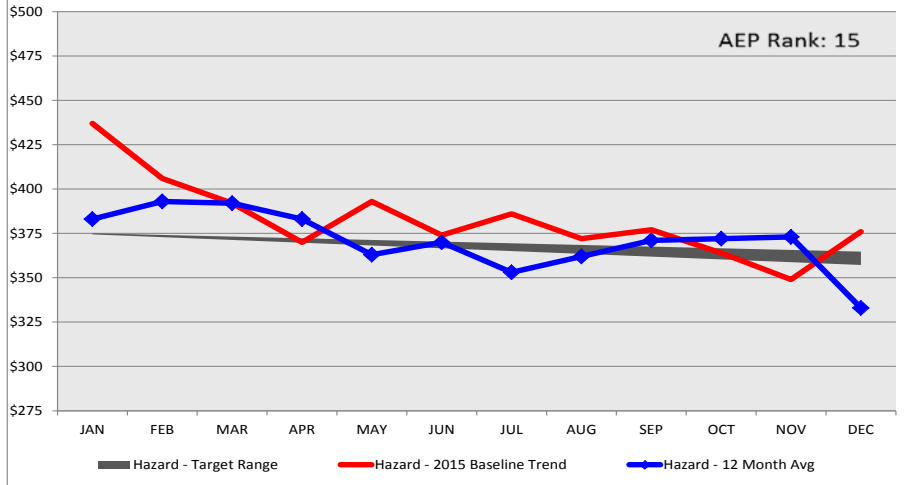
Design: Engineering Productivity - Engineering Hrs per FTE



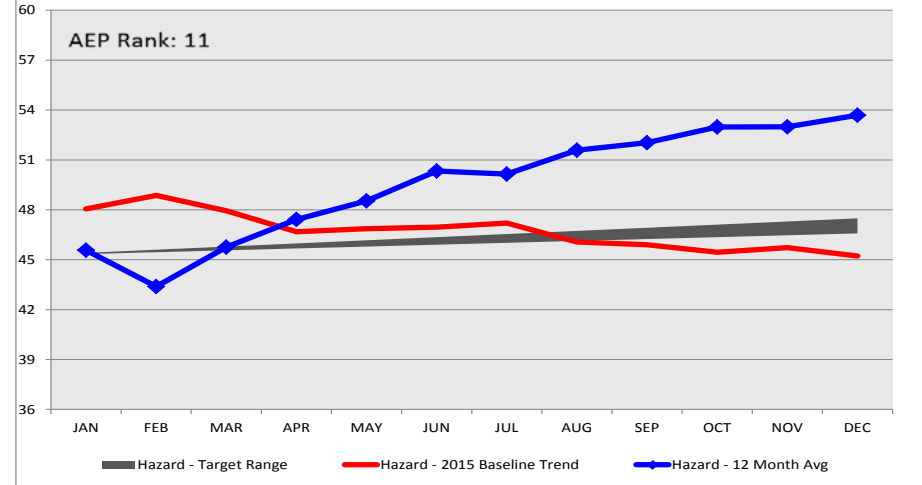
Efficiency & Effectiveness Metrics Performance

HAZARD

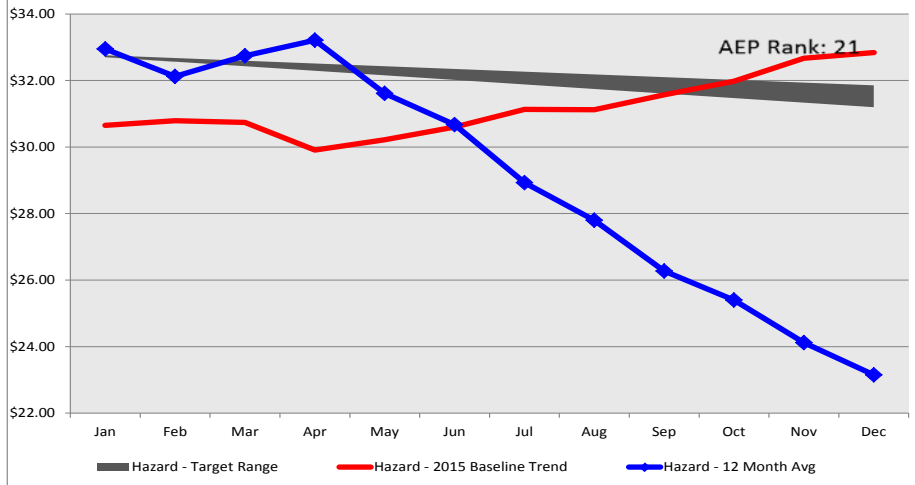
Monetization: Total District Cost Per As-Built Hour



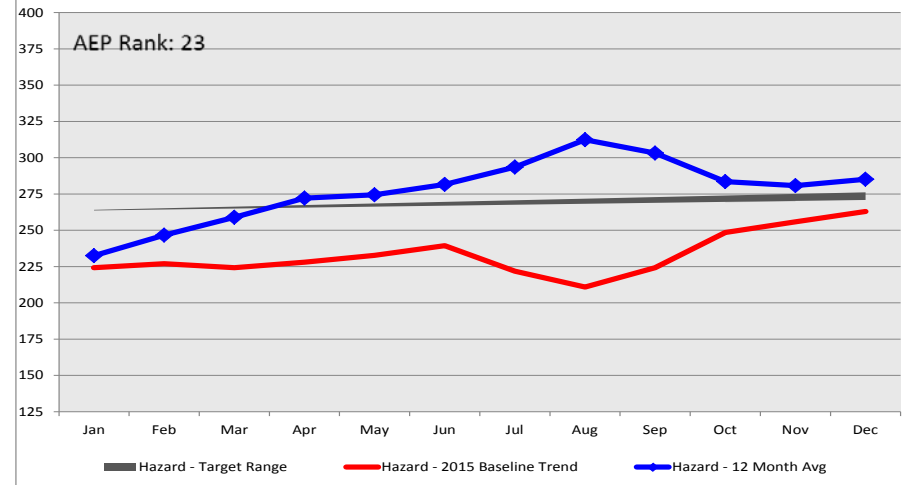
Crew: As Built Hours per FTE



MRO: Cost per Order Completed

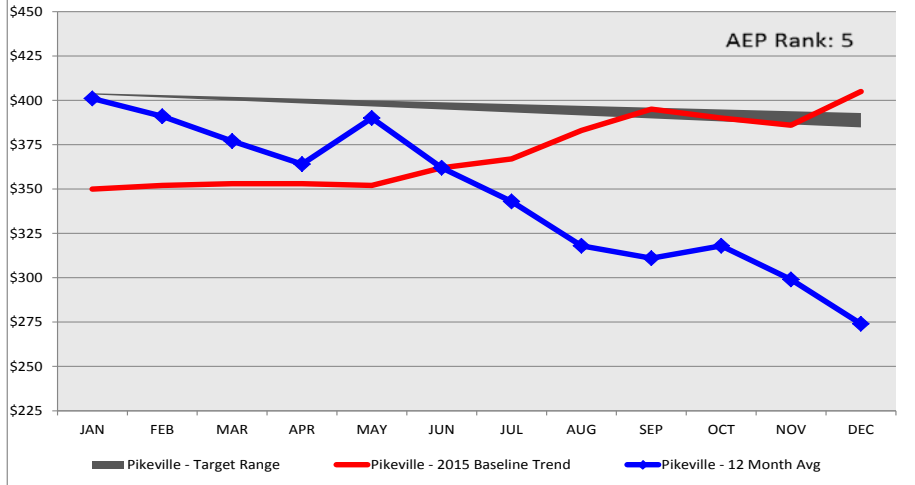


Design: Engineering Productivity - Engineering Hrs per FTE

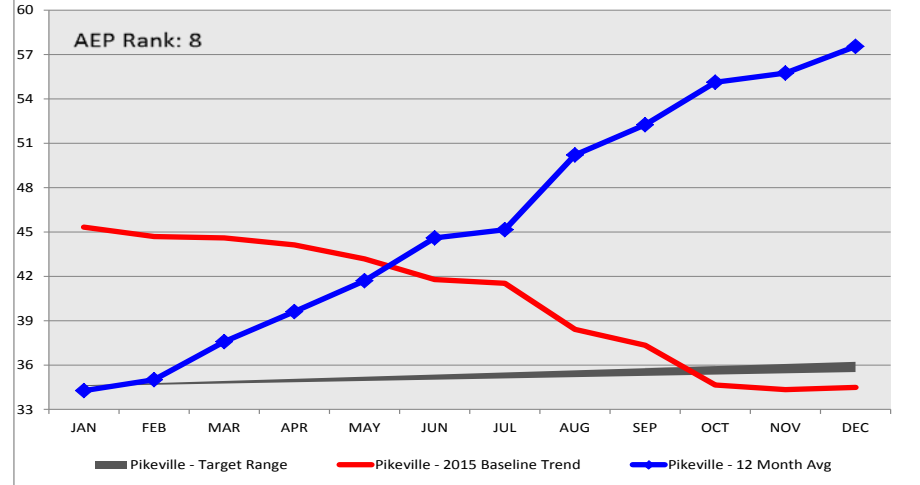


Efficiency & Effectiveness Metrics Performance

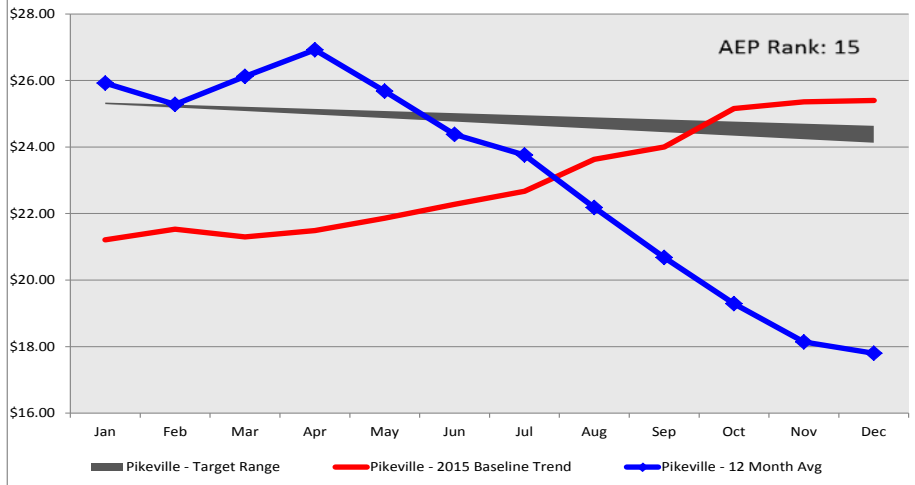
Monetization: Total District Cost Per As-Built Hour



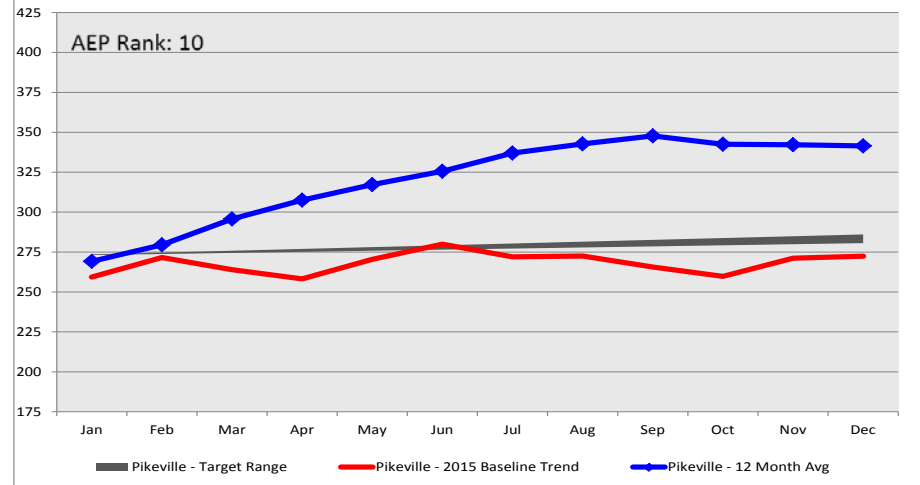
Crew: As Built Hours per FTE



MRO: Cost per Order Completed



Design: Engineering Productivity - Engineering Hrs per FTE



2016 Efficiency & Effectiveness Macro Metric Performance (vs. Baseline Performance)

ALL DISTRICTS

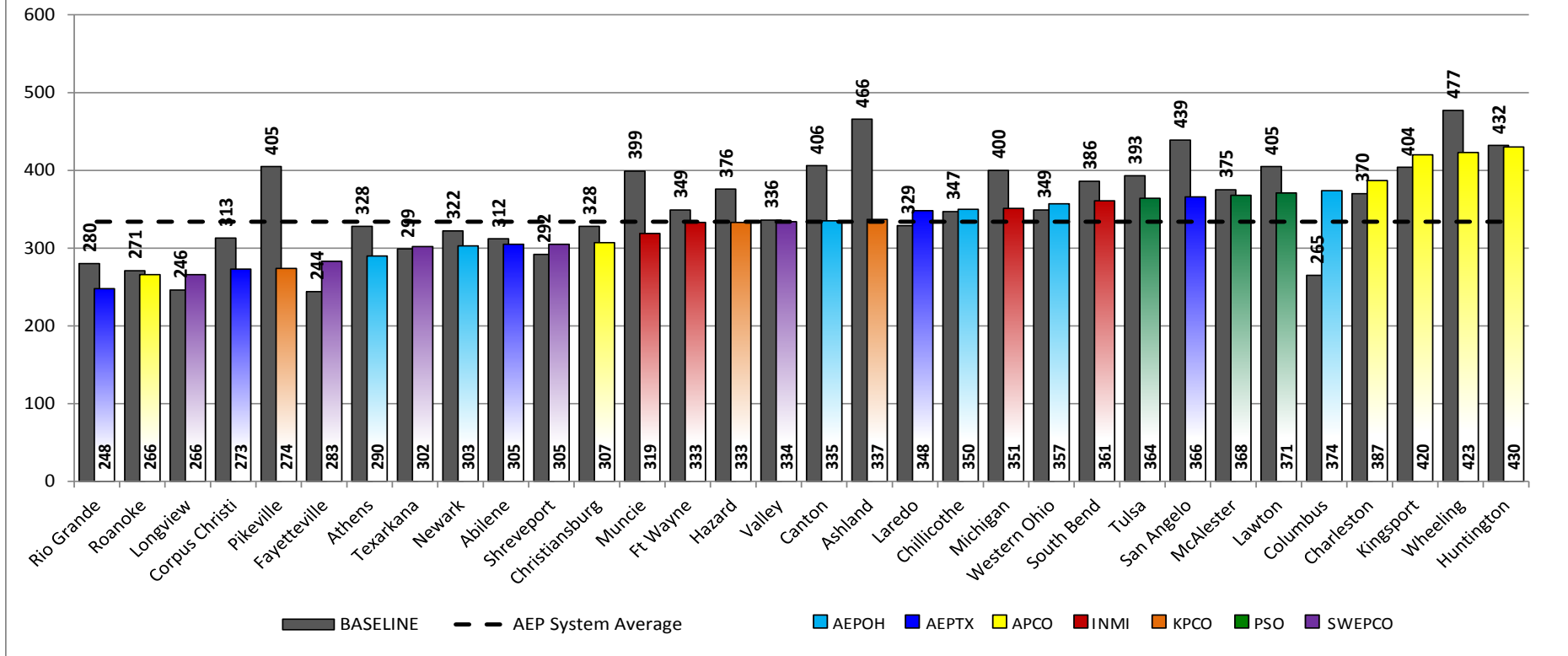
District Lean Macro Metrics - Rolling 12-Month December 2016

Metric	Ashland		Hazard		Pikeville	
	YTD		YTD		YTD	
	Baseline	Actual	Baseline	Actual	Baseline	Actual
Company Labor Cost per As Built Hour	\$329	\$230	\$240	\$195	\$315	\$185
Contractor Labor Cost per As Built Hour	\$255	\$228	\$248	\$207	\$224	\$228
Contractor Cost	\$199,917	\$169,185	\$209,410	\$162,665	\$248,183	\$254,099
Discretionary OT Hrs - Dist Front Line	1,071	788	1737	952	1273	1193
Discretionary OT Hours - Engineering	794	279	421	5	1433	124
Discretionary OT Hours - MRO	738	801	596	663	651	529
Average MRO Orders per MRO FTE	249	339	179	267	285	347
As Built Hours per FTE (with Adders)	\$0	\$0	0	0.0	0	0.0
Productivity - ASB Hours / Labor Hours	33%	40%	41%	44%	31%	45%
Efficiency - ASB Hrs / Jobsite Hrs	62%	77%	56%	64%	51%	59%
Availability - Jobsite Hrs / Labor Hrs	71%	68%	61%	61%	56%	60%
Design to Build Accuracy	100%	97%	89%	93%	94%	92%

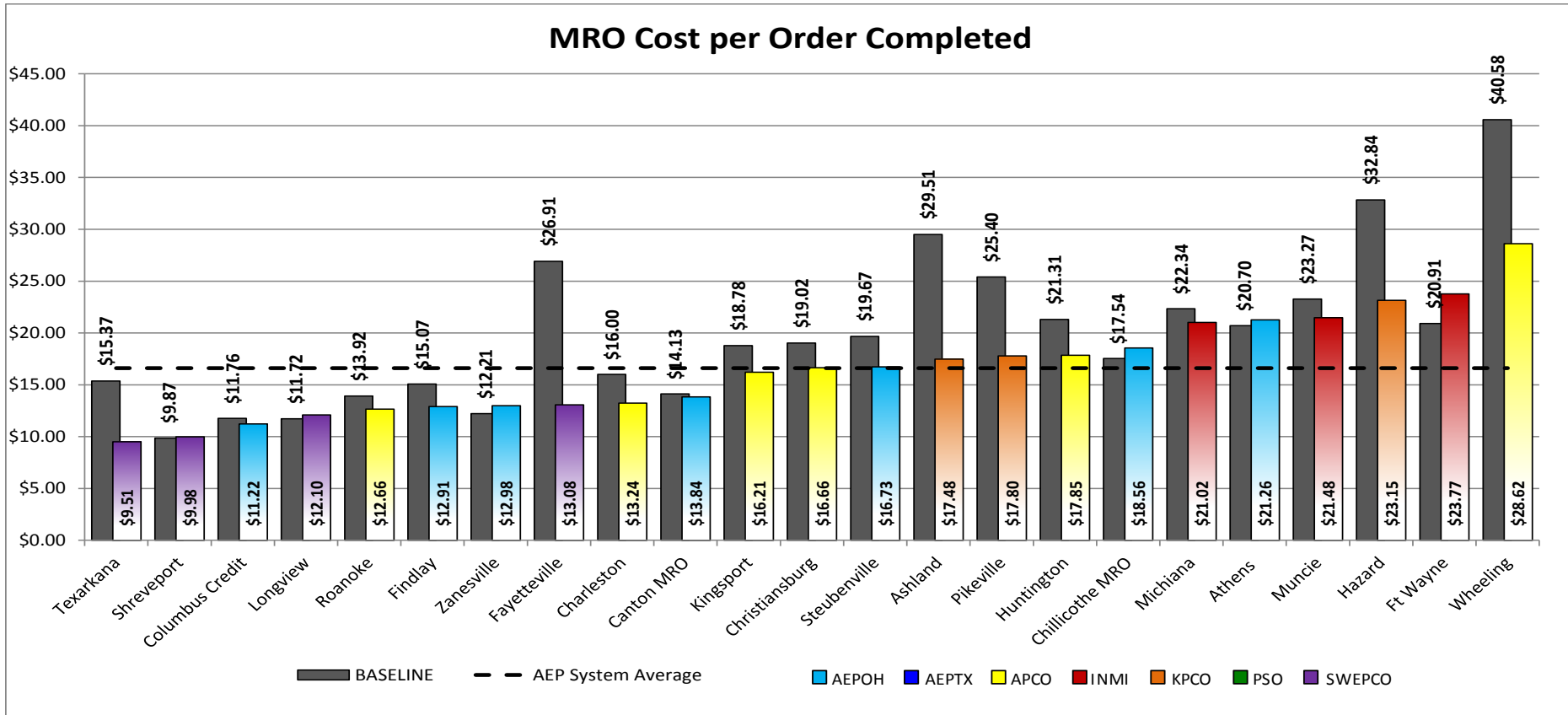
Color Coding reflects favorable/unfavorable performance relative to Baseline

2016 Efficiency & Effectiveness Metric Performance – Ranking Across Districts

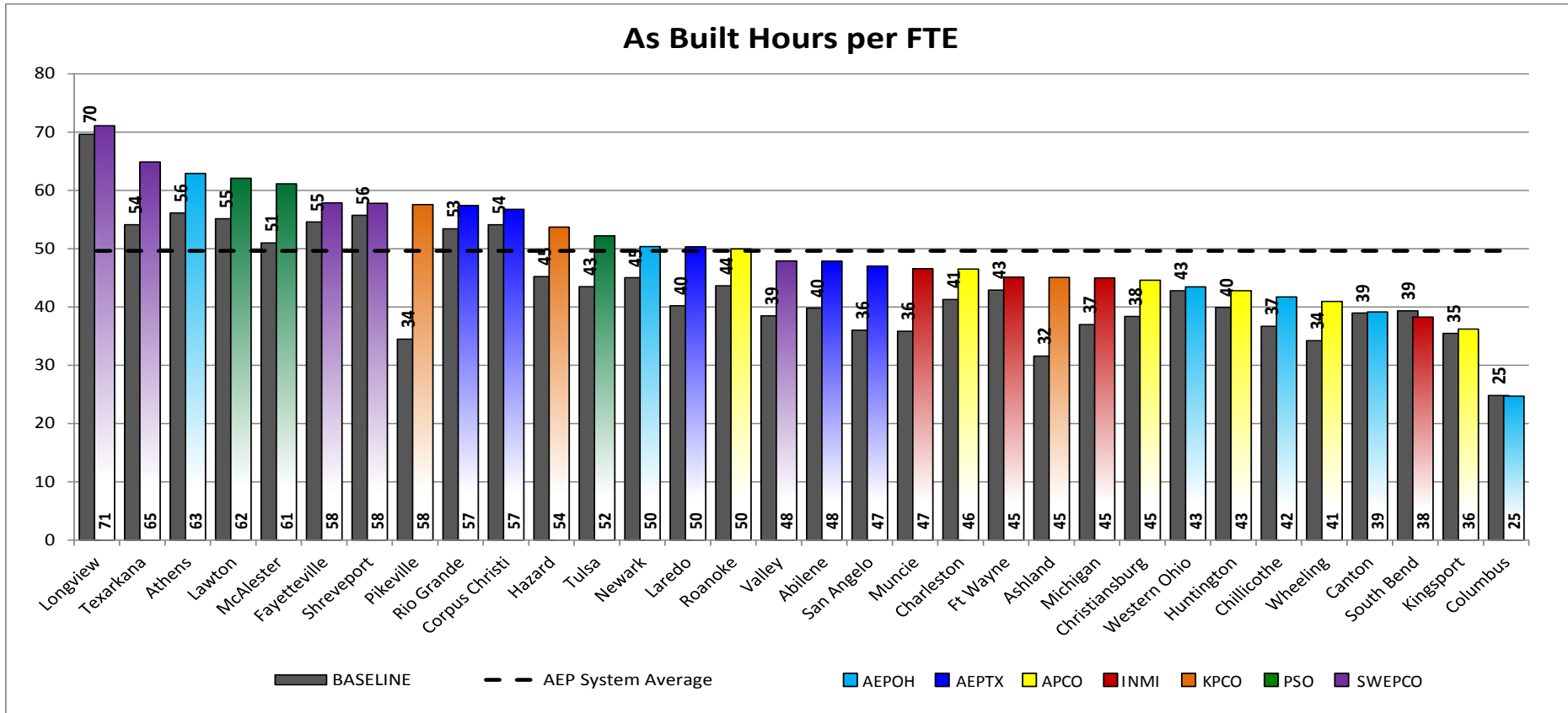
Total District Cost per As Built Hour



2016 Efficiency & Effectiveness Metric Performance – Ranking Across Districts



2016 Efficiency & Effectiveness Metric Performance – Ranking Across Districts



2016 Efficiency & Effectiveness Metric Performance – Ranking Across Districts

Engineering Productivity Est Average Engineering Hours per FTE

