

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER COMPANY)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY AUTHORIZING THE COMPANY) CASE NO. 2013-00430
TO CONVERT BIG SANDY UNIT 1 TO A NATURAL)
GAS-FIRED UNIT AND FOR ALL OTHER)
REQUIRED APPROVALS AND RELIEF)

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on June 4, 2014 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on June 4, 2014 in this proceeding;
- The written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the hearing conducted on June 4, 2014.

A copy of this Notice, the certification of the digital video record, exhibit list, and hearing log have been served by first class mail upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at http://psc.ky.gov/av_broadcast/2013-

00430/2013-00430 04Jun14 Inter.asx. Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

The exhibits introduced at the evidentiary hearing may be downloaded at <http://psc.ky.gov/Home/Library?type=Cases&folder=2013%20Cases/2013-00430>.

Done at Frankfort, Kentucky, this 6th day of June 2014.

A handwritten signature in cursive script, reading "Linda Faulkner", written in black ink. The signature is positioned above a horizontal line.

Linda Faulkner
Director, Filings Division
Public Service Commission of Kentucky

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CONVERT BIG SANDY UNIT 1 TO A NATURAL GAS-)
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APPROVALS AND RELIEF)

CERTIFICATE

I, Sonya Harward, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on June 4, 2014. Hearing Log, Exhibit, Exhibit List, and Witness List are included with the recording on June 4, 2014.

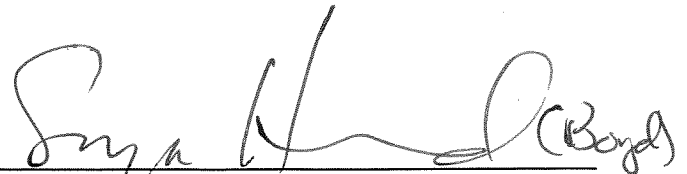
2. I am responsible for the preparation of the digital recording.

3. The digital recording accurately and correctly depicts the Hearing of June 4, 2014.

4. The "Exhibit List" attached to this Certificate correctly lists the Exhibit introduced at the Hearing of June 4, 2014.

5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the Hearing of June 4, 2014 and the time at which each occurred.

Given this 4th day of June, 2014.



Sonya Harward (Boyd), Notary Public
State at Large

My commission expires: August 27, 2017



Session Report - Detail

2013-00430_04Jun14

Kentucky Power Company

Date:	Type:	Location:	Department:
6/4/2014	Other	Public Service Commission	Hearing Room 1 (HR 1)

Judge: David Armstrong; Linda Breathitt; Jim Gardner
 Witness: Joseph Karrasch - KY Power; Robert Walton - KY Power; Scott Weaver - KY Power; Ranie Wohnhas - KY Power
 Clerk: Sonya Harward

Event Time	Log Event
8:57:23 AM	Session Started
8:57:26 AM	Session Paused
9:08:32 AM	Session Resumed
9:08:35 AM	Chairman Armstrong - preliminary remarks
9:09:03 AM	Chairman David Armstrong introduces Vice Chairman Jim Gardner and Commissioner Linda Breathitt
9:09:18 AM	Introductions - Attorneys Mark Overstreet and Kenneth Gish for KY Power
9:09:47 AM	Introductions - Attorneys Quang Nguyen and Jonathan Beyer for PSC Staff
9:09:54 AM	Atty. Nguyen Note: Harward, Sonya KIUC, an intervenor, will not be present at this hearing.
9:10:17 AM	Confirmation that public notice was given.
9:10:25 AM	No outstanding motions.
9:10:40 AM	Public Comment Note: Harward, Sonya No one currently present for public comments.
9:11:31 AM	Scott Weaver, witness for KY Power, takes the stand and is sworn in. Note: Harward, Sonya Managing Director of Resource, Planning, and Operational Analysis for AEP
9:12:26 AM	Atty. Overstreet direct exam of Witness Weaver Note: Harward, Sonya No changes to Witness's pre-filed testimony.
9:13:09 AM	Atty. Nguyen cross exam of Witness Weaver Note: Harward, Sonya Referencing Witness Weaver's Direct Testimony, p. 20.
9:17:06 AM	Atty. Nguyen to Witness Weaver Note: Harward, Sonya Continuing to question about updated commodity pricing.
9:19:05 AM	Atty. Nguyen to Witness Weaver Note: Harward, Sonya Asking about recent PJM capacity market results.
9:21:47 AM	Atty. Nguyen to Witness Weaver Note: Harward, Sonya Asking about EPA's recent draft rule on greenhouse gas regulation and its impact on this case.
9:24:24 AM	Vice Chairman Gardner cross exam of Witness Weaver Note: Harward, Sonya Asking about the reason the Witness did not consider combined cycle.
9:24:58 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya Asking about 111(b) and it's impact on Big Sandy 1.
9:26:07 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya Asking about re-run of Strategist and if it's still the least-cost alternative.
9:26:38 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya Asking if this unit is going to be a peaking unit.
9:27:36 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya Asking if the capacity factor a variable in the Strategist model.
9:28:44 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya Asking what the useful life of this unit will be.

9:33:57 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Continuing to ask about the impact on conforming proposals.
9:35:06 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Asking if Witness is familiar with IRP submitted in CN 2013-00475 and then asking about the IRP.
9:40:47 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Referencing the IRP, in CN 2013-00475, page 2, fn 6.
9:44:07 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Asking about MATS and the timing in this case, and what happens if plant is not operational by 2016.
9:45:58 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Asking about Mitchell case and doubling of DSM spending.
9:50:12 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Asking about IRP, and the discussion about that the addition of 100 MW of wind energy beginning in 2015.
9:52:26 AM	Vice Chairman Gardner to Witness Weaver Note: Harward, Sonya	Asking if Big Sandy 1 refueling would be needed if KY Power participated in the PJM capacity market.
9:52:55 AM	Commissioner Breathitt cross exam of Witness Weaver Note: Harward, Sonya	Asking Witness to describe the Power Coordination Agreement.
9:55:17 AM	Commissioner Breathitt to Witness Weaver Note: Harward, Sonya	Asking about the capacity load now being 9 to 15 percent.
9:56:12 AM	Commissioner Breathitt to Witness Weaver Note: Harward, Sonya	Asking what this unit could be called upon to do, and its ability to run for long periods of time.
9:58:22 AM	Atty. Overstreet redirect exam of Witness Weaver Note: Harward, Sonya	Asking about reviewing the fundamental forecast.
9:59:50 AM	Atty. Overstreet to Witness Weaver Note: Harward, Sonya	Asking about Big Sandy 1 and how long it can run as a natural gas facility.
10:02:41 AM	Atty. Overstreet to Witness Weaver Note: Harward, Sonya	Asking if Witness has exhibits he can share that can help explain the need for the conversion of the Big Sandy 1 unit.
10:03:35 AM	Exhibit 1 - KY Power Note: Harward, Sonya	3 pages: (1) Winter Capacity Position, (2) Capacity Position--By Hour, and (3) PJM (Summer) Capacity Position
10:04:33 AM	Atty. Overstreet to Witness Weaver Note: Harward, Sonya	Asking witness to explain Exhibit 1 - KY Power to this Hearing, starting with p. 1, Winter Capacity Position.
10:11:49 AM	Atty. Overstreet to Witness Weaver Note: Harward, Sonya	Continuing to ask questions about Exhibit 1 - KY Power, at column I of Winter Capacity Position, p. 1.
10:12:47 AM	Atty. Overstreet to Witness Weaver Note: Harward, Sonya	Asking Witness to describe p. 2 of Exhibit 1- KY Power, Capacity Position--by Hour.
10:16:14 AM	Commissioner Breathitt interjects a question to Witness Weaver Note: Harward, Sonya	Asking about what happens in 2025 where there is a steep increase in the exhibit being discussed, Exhibit 1 - KY Power.
10:19:07 AM	Atty. Overstreet to Witness Weaver Note: Harward, Sonya	Asking Witness to describe p. 3 of Exhibit 1 - KY Power, PJM (Summer) Capacity Position.
10:23:42 AM	Atty. Nguyen re-cross exam of Witness Weaver Note: Harward, Sonya	Asking question about the economic modeling assuming a 15 percent capacity factor.

10:25:03 AM POST HEARING DATA REQUEST by Atty. Nguyen
Note: Harward, Sonya Provide an updated SCW-1.

10:25:49 AM Vice Chairman Gardner re-cross exam of Witness Weaver
Note: Harward, Sonya Asking questions about the load forecast of this case and the IRP.

10:32:11 AM Atty. Overstreet additional re-direct exam of Witness Weaver
Note: Harward, Sonya Asking questions to offer more clarity about questions asked in cross exam.

10:33:09 AM Witness Weaver dismissed from the stand.

10:33:34 AM Public Comment
Note: Harward, Sonya No one currently present for public comments.

10:34:37 AM Break

10:34:48 AM Session Paused

10:43:54 AM Session Resumed

10:44:10 AM Joseph Karrasch, witness for KY Power, takes the stand and is sworn in.
Note: Harward, Sonya Manager of Assest, Investments, and Renewables for AEP in Columbus, OH.

10:45:05 AM Atty. Gish direct exam. of Witness Karrasch
Note: Harward, Sonya No changes to Witness's pre-filed testimony.

10:45:22 AM Atty. Nguyen cross exam of Witness Karrasch
Note: Harward, Sonya Referencing Witness's Direct Testimony, p. 11.

10:48:25 AM Atty. Nguyen to Witness Karrasch
Note: Harward, Sonya Asking Witness to explain what some of the unit condition risks are as mentioned in the middle of p. 11 of his Direct Testimony.

10:51:54 AM Vice Chairman Gardner cross exam of Witness Karrasch
Note: Harward, Sonya Asking about counter-party risks.

10:55:18 AM Vice Chairman Gardner to Witness Karrasch
Note: Harward, Sonya Referencing Witness's Direct Testimony, p. 3.

10:56:45 AM Vice Chairman Gardner to Witness Karrasch
Note: Harward, Sonya Asking about use of outside company's when running RFPs in other cases...and if KY Power is satisfied that the bidding was robust enough to see what the market was.

10:58:05 AM Vice Chairman Gardner to Witness Karrasch
Note: Harward, Sonya If Big Sandy 1 is reconfigured, will they be able to provide ancillary services on the market.

10:59:37 AM Commissioner Breathitt cross exam of Witness Karrasch
Note: Harward, Sonya Referencing Witness's Direct Testimony, p. 10, and the termination of the RFP.

11:00:57 AM Atty. Gish re-direct exam of Witness Karrasch
Note: Harward, Sonya Asking questions to offer more clarity about questions asked in cross exam.

11:01:53 AM Witness Karrasch dismissed from the stand.

11:02:05 AM Robert Walton, witness for KY Power, takes the stand and is sworn in.
Note: Harward, Sonya Managing of Director of Projects for AEP

11:02:53 AM Atty. Gish direct exam of Witness Walton
Note: Harward, Sonya No changes to Witness's pre-filed testimony.

11:03:21 AM Atty. Nguyen cross exam of Witness Walton
Note: Harward, Sonya Referencing Witness's Direct Testimony, pp. 2 -3, and asks Witness to describe the scope of the projects.

11:09:07 AM Atty. Nguyen to Witness Walton
Note: Harward, Sonya Asking about gas procurement policies.

11:11:05 AM Atty. Nguyen to Witness Walton
Note: Harward, Sonya Asking Witness to describe the factors which would decrease Big Sandy 1's capacity from a 278 MW to a 268MW generating unit.

11:12:41 AM	Atty. Nguyen to Witness Walton Note: Harward, Sonya	Asking Witness to discuss the operation of Big Sandy 1 as a peaking unit and being able to be picked up in the PJM market.
11:15:13 AM	Atty. Nguyen to Witness Walton Note: Harward, Sonya	Asking about useful life of Big Sandy 1 once converted to natural gas.
11:16:46 AM	Atty. Nguyen to Witness Walton Note: Harward, Sonya	Asking about his involvement in the RFP process.
11:18:10 AM	Vice Chairman Gardner cross exam of Witness Walton Note: Harward, Sonya	Asking if he provided the cost estimate for the project.
11:19:26 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Asking what the longest period of time a converted unit in the AEP system has run.
11:22:21 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Asking about how crucial Big Sandy 1 will be for ancillary services.
11:23:56 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Referencing Witness's response to Commission Staff's Second Request for Information, Item 2.
11:24:50 AM	Witness Walton to Vice Chairman Gardner Note: Harward, Sonya	Suggests the referencing of his Exhibit 3 in order to answer Vice Chairman Gardner's question.
11:28:34 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Asking how long Big Sandy 1 will have to be shut down for the refueling to occur.
11:32:14 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Asking what phase of the project KY Power is in.
11:33:18 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Referencing Witness's response to Commission Staff's Initial Request for Information, Item 3.
11:37:40 AM	Vice Chairman Gardner to Witness Walton Note: Harward, Sonya	Asking about the cost difference between firm and non-firm transportation.
11:40:25 AM	Commissioner Breathitt cross exam of Witness Walton Note: Harward, Sonya	Referencing Witness's Direct Testimony, p. 3, line 20, regarding anticipated performance.
11:43:06 AM	Atty. Gish re-direct exam of Witness Walton Note: Harward, Sonya	Asking questions to offer more clarity about questions asked in cross exam.
11:43:49 AM	Atty. Nguyen re-cross exam of Witness Walton Note: Harward, Sonya	Asking about reliability of gas line lateral, and if it was a factor taken into consideration in the proposals for the lateral RFP.
11:46:59 AM	Atty. Nguyen to Witness Walton Note: Harward, Sonya	Asking about outages and how they may affect the gas line.
11:48:38 AM	Atty. Gish additional re-direct exam of Witness Walton	
11:49:20 AM	Witness Walton dismissed from the stand.	
11:49:54 AM	Session Paused	
11:51:16 AM	Session Resumed	
11:51:19 AM	Break for Lunch	
11:51:24 AM	Session Paused	
1:01:57 PM	Session Resumed	
1:02:00 PM	Ranie Wohnhas, witness for KY Power, takes the stand and is sworn in. Note: Harward, Sonya	Managing Director of Regulatory and Finance for KY Power
1:02:55 PM	Atty. Overstreet direct exam of Witness Wohnhas Note: Harward, Sonya	No changes to Witness's pre-filed testimony.

1:03:21 PM Atty. Nguyen cross exam of Witness Wohnhas
Note: Harward, Sonya Asking if KY Power will use interally generated funds and external financing for this project.

1:04:48 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Referencing Witness's Direct Testimony, Exhibit RKW-1.

1:08:30 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Continuing to ask about the capacity factor.

1:09:57 PM Vice Chairman Gardner interjected a question to Witness Wohnhas

1:11:56 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Referencing Witness's Supplemental Testimony, p. 3.

1:16:18 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Asking about storage capacity at Big Sandy 1.

1:18:29 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Referencing Witness's Supplemental Testimony, pp. 4-5.

1:20:54 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Asking about PJM and penatlies concerning firm delivery of gas.

1:23:01 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Asking if KY Power can sell firm transmission interest to another entity.

1:23:42 PM POST HEARING DATA REQUEST by Atty. Nguyen
Note: Harward, Sonya Provide a response about KY Power being able to sell firm transmission interest to another entity when not being used at Big Sandy 1.

1:24:57 PM POST HEARING DATA REQUEST by Atty. Nguyen
Note: Harward, Sonya Provide the nine proposals that were submitted in response to the lateral RFP.

1:25:44 PM POST HEARING DATA REQUEST by Atty. Nguyen
Note: Harward, Sonya Provide analysis and supportive work papers that was used to determine the least-cost proposal.

1:26:19 PM Vice Chairman Gardner cross exam of Witness Wohnhas

1:27:18 PM Vice Chairman Gardner to Witness Wohnhas
Note: Harward, Sonya Asking if KY Power is asking the Commission to approve the transportation cost contract with Columbia.

1:31:31 PM Vice Chairman Gardner to Witness Wohnhas
Note: Harward, Sonya Asking about compliance with 111(b).

1:31:57 PM POST HEARING DATA REQUEST by Vice Chairman Gardner
Note: Harward, Sonya Provide KY Power's position as to whether 111(b) is applicable to this project.

1:34:34 PM Vice Chairman Gardner to Witness Wohnhas
Note: Harward, Sonya Asking about determining the load forecast.

1:38:54 PM Vice Chairman Gardner to Witness Wohnhas
Note: Harward, Sonya Asking what load forecast was used for input when this case was filed.

1:42:38 PM Vice Chairman Gardner to Witness Wohnhas
Note: Harward, Sonya Asking about East Kentucky's economy.

1:44:56 PM Chairman Armstrong interjects a question about job creation to Witness Wohnhas.

1:45:16 PM POST HEARING DATA REQUEST by Chairman Armstrong
Note: Harward, Sonya Provide number of construction jobs that will be created by this project.

1:47:20 PM POST HEARING DATA REQUEST by Chairman Armstrong
Note: Harward, Sonya Provide the net book value of Big Sandy 1.

1:47:51 PM Vice Chairman Gardner to Witness Wohnhas
Note: Harward, Sonya Asking about KY Power considering bidding energy efficiency and DSM into the PJM base residual auction.

1:49:07 PM Commissioner Breathitt cross exam of Witness Wohnhas
Note: Harward, Sonya Asking about termination of the RFP after the Mitchell case.

1:52:03 PM Atty. Overstreet re-direct exam of Witness Wohnhas
Note: Harward, Sonya Asking questions to offer more clarity about questions asked in cross exam.

1:55:26 PM Commissioner Breathitt re-cross exam of Witness Wohnhas
Note: Harward, Sonya Asking if there is a Day-of Market...buying on the day you need it.

1:56:05 PM Atty. Nguyen re-cross exam of Witness Wohnhas
Note: Harward, Sonya Referencing RKW-1, and does the 2.13 percent include cost of rate impact of the lateral.

1:57:35 PM Vice Chairman Gardner interjected a clarifying question to Witness Wohnhas

1:58:47 PM Atty. Nguyen to Witness Wohnhas
Note: Harward, Sonya Asking if there is a scenario where energy can be accepted by PJM for the Day-ahead Market but can then be determined that it is not needed.

2:01:00 PM Witness Wohnhas dismissed from the stand.

2:01:17 PM Witness Weaver takes the stand again.

2:01:24 PM Vice Chairman Gardner re-cross exam. of Witness Weaver
Note: Harward, Sonya Referencing Witness's Direct Testimony, top of p. 20.

2:02:24 PM Vice Chairman Gardner to Witness Weaver
Note: Harward, Sonya Referencing Witness's response to Commission Staff's Initial Request for Information, Item 9.b.

2:08:26 PM Vice Chairman Gardner to Witness Weaver
Note: Harward, Sonya Asking about other model that Witness mentioned.

2:10:05 PM Vice Chairman Gardner to Witness Weaver
Note: Harward, Sonya Asking if Witness is aware if there is an additional load forecast has been produced since that which was used in this case.

2:10:51 PM Witness Weaver dismissed from the stand.

2:11:05 PM POST HEARING REQUEST DUE BY FRIDAY, 6/13/14

2:11:42 PM POST HEARING BRIEF DUE BY MONDAY, 6/16/14

2:12:10 PM Hearing adjourned

2:12:17 PM Session Paused

2:58:56 PM Session Ended



Exhibit List Report

2013-00430_04Jun14

Kentucky Power Company

Judge: David Armstrong; Linda Breathitt; Jim Gardner

Witness: Joseph Karrasch - KY Power; Robert Walton - KY Power; Scott Weaver - KY Power; Ranie Wohnhas - KY Power

Clerk: Sonya Harward

Name:

Description:

Exhibit 1 - KY Power

3 pages: (1) Winter Capacity Position, (2) Capacity Position--By Hour, and (3) PJM (Summer) Capacity Position

Kentucky Power Company
Winter Capacity Position

MW

Winter Capacity Position									
WITHOUT a 'MINIMUM' Reserve Margin Criteria for Reliability					WITH a 'MINIMUM' Reserve Margin Criteria for Reliability				
(A)	(B)	(C)=(B)-(A)	(D)	(E)=(C)-(D)	(F)	(G)=(B)-(A)x[1+(F)]	(H)	(I)=(G)-(H)	
<i>As Set Forth in KPCo's 2013 IRP (pg. 189)</i>									
<i>Planning Year</i>	KPCo "Total (Winter) Demand (Net)" (col. 7)	KPCo "Total Capacity" ⁽¹⁾ (col. 13)	= KPCo "Reserve Margin" ⁽¹⁾ (col. 16)	LESS: Big Sandy U1 ICAP Contribution	KPCo Capacity "Reserve Margin" EXCLUDING Big Sandy U1	Comparable "Winter" MINIMUM Reserve Margin Criterion	Comparable Winter "Capacity Position" ⁽¹⁾	LESS: Big Sandy U1 ICAP Contribution	KPCo Winter "Capacity Position" ⁽¹⁾ EXCLUDING Big Sandy U1
2015	1,432	1,456	24	278	(254)	15.7%	(201)	278	(479)
2016	1,431	1,458	27	268	(241)	15.7%	(198)	268	(466)
2017	1,431	1,523	92	268	(176)	15.7%	(133)	268	(401)
2018	1,432	1,524	92	268	(176)	15.7%	(133)	268	(401)
2019	1,430	1,533	103	268	(165)	15.7%	(122)	268	(390)
2020	1,436	1,539	103	268	(165)	15.7%	(122)	268	(390)
2021	1,439	1,546	107	268	(161)	15.7%	(119)	268	(387)
2022	1,438	1,547	109	268	(159)	15.7%	(117)	268	(385)
2023	1,438	1,549	111	268	(157)	15.7%	(115)	268	(383)
2024	1,444	1,554	110	268	(158)	15.7%	(117)	268	(385)
2025	1,448	1,554	106	268	(162)	15.7%	(121)	268	(389)
2026	1,452	1,557	105	268	(163)	15.7%	(123)	268	(391)
2027	1,454	1,561	107	268	(161)	15.7%	(121)	268	(389)
2028	1,459	1,554	95	268	(173)	15.7%	(134)	268	(402)

(1) Inclusive of ecoPower (58.5 MW, beginning 2017/18) as well as incremental DSM-EE, new wind & solar resources that vary by year, per the Kentucky Power 2013 IRP.

Kentucky Power Company
Capacity Position -- By Hour (i.e., Energy Position)

MW

Hours (% of time) in which
'Available KPCo Resources'
Fail to Match (Hourly) KPCo Internal Demand

Year	WITH Big Sandy 1		WITHOUT Big Sandy 1	
	# Hours	% of Time	# Hours	% of Time
2015	0	0%	N/A	
Jan	0	0%	N/A	
Feb	0	0%	N/A	
Mar	0	0%	N/A	
Oct	0	0%	N/A	
Nov	0	0%	N/A	
Dec	0	0%	N/A	
2020	31	0.4%	229	2.6%
Jan	0	0.0%	12	1.6%
Feb	31	4.6%	160	23.8%
Mar	0	0.0%	50	6.7%
Oct	0	0%	7	0.9%
Nov	0	0%	0	0.0%
Dec	0	0%	0	0.0%
2025	171	2.0%	1,026	11.7%
Jan	0	0.0%	4	0.5%
Feb	0	0.0%	20	3.0%
Mar	0	0.0%	0	0.0%
Oct	0	0%	481	65%
Nov	167	23%	293	41%
Dec	0	0%	23	3%
2030	2	0.0%	404	4.6%
Jan	0	0.0%	3	0.4%
Feb	0	0.0%	17	2.5%
Mar	2	0.3%	190	25.5%
Oct	0	0%	0	0.0%
Nov	0	0%	79	10.6%
Dec	0	0%	0	0.0%

- Add'l Notes:
- 1) 'Jan-Mar' and 'Oct-Dec' "sums" may not add to *Annual* totals as other months may have some hours of resource deficiency.
 - 2) "Available KPCo Resources" are inclusive of ecoPower (58.5 MW, beginning 2017/18), as well as incremental DSM-EE, new wind & solar resources --that vary by year-- per the 2013 IRP.
 - 3) KPCo (Hourly) load shape projections utilized reflect (30-year) normalized weather.

Kentucky Power Company

PJM (Summer) Capacity Position

(Available Resource 'UCAP' - 'UCAP Obligation')

MW		(PJM) SUMMER Capacity Position								
		(A)		(B)		(C)		(D)= (A)-(C)		(E)= (B)-(C)
Planning Year	As Set Forth in KPCo's 2013 IRP (pg. 188)		REVISED Nearer-Term Based on UPDATED PJM Forecast of Demand (Jan. 2014)		LESS: Big Sandy U1 UCAP Contribution		KPCo (PJM) Capacity Position EXCLUDING Big Sandy U1			
	"w/o New (IRP) Capacity" (col. 19)	"with New ⁽¹⁾ (IRP) Capacity" (col. 20)	"w/o New (IRP) Capacity"	"with New ⁽¹⁾ (IRP) Capacity"			"w/o New (IRP) Capacity"	"with New ⁽¹⁾ (IRP) Capacity"		
2015	(2)	38	59	(3)	142	163	(5)	263	(121)	(100)
2016	(2)	22	46	(3)	128	152	(5)	263	(135)	(111)
2017	(4)	167	247	(3)	117	197	(5)	263	(146)	(66)
2018	(4)	171	153		171	153	(6)	260	(89)	(107)
2019	(4)	170	255		170	255	(6)	260	(90)	(5)
2020	(4)	174	267		174	267	(6)	260	(86)	7
2021	(4)	169	273		169	273	(6)	260	(91)	13
2022	(4)	164	272		164	272	(6)	260	(96)	12
2023	(4)	162	276		162	276	(6)	260	(98)	16
2024	(4)	161	284		161	284	(6)	260	(99)	24
2025	(4)	151	281		151	281	(6)	260	(109)	21
2026	(4)	147	285		147	285	(6)	260	(113)	25
2027	(4)	141	287		141	287	(6)	260	(119)	27
2028	(4)	136	285		136	285	(6)	260	(124)	25

(1) Inclusive of ecoPower (58.5 MW, beginning 2017/18) as well as incremental DSM-EE, new wind & solar resources that vary by year, per the IRP

(2) "UCAP Obligation" for 2015/16-2016/17 planning years based on PJM forecast of 'AEP Zonal' demand dated: January 2013

(3) "UCAP Obligation" for 2015/16-2017/18 planning years based on PJM forecast of 'AEP Zonal' demand dated: January 2014

(4) Based on AEP Economic Forecasting projection of KPCo peak demand

(5) Based on current BS1 summer installed capacity (278 MW) x 1-unit EFORd basis (5.273%) provided to PJM

(6) Based on future (post-gas unit PJM certification) BS1 summer installed capacity (268 MW) x 1 - est. unit EFORd basis (3.0%)