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AUG 31 2017

PUBLIC SERVICE
COMMISSION

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August 31, 2017

HAND DELIVERED

John S. Lyons
Acting Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

Mark R. Overstreet
(502) 209-1219
(502) 223-4387 FAX
moverstreet@stites.com

RE: **Case No. 2017-00196**

Dear Mr. Lyons:

Enclosed please find and accept a cashier's check in the amount of \$2,500 in payment of the proposed civil penalty recommended by Commission Staff and described in your letter of August 17, 2017.

Payment is being made in conformity with the statement in the August 17, 2017 letter that "Kentucky Power's payment of the proposed civil penalty will not be considered an admission by Kentucky Power that it willfully violated KRS 278.042 or any other provision of KRS Chapter 278." Your letter also indicates that "Kentucky Power's payment of the proposed civil penalty will satisfy and resolve any and all claims against Kentucky Power for any violation of KRS Chapter 278 and for any penalty under KRS 278.990 and arising out of the July 9, 2015 incident."

Finally, it is my understanding that with the payment of the proposed civil penalty, Case No. 2017-00196 will be closed and removed from the Commission's docket. Accordingly, Kentucky Power understands it need not appear at the scheduled September 12, 2017 show-cause hearing in this matter.

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

John S. Lyons
August 31, 2017
Page 2

Very truly yours,

Mark R. Overstreet

A handwritten signature in blue ink, appearing to read 'MRO', with a large, stylized flourish extending to the right.

MRO
Enclosure

cc: John Park (without enclosure)