



A unit of American Electric Power

Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky

Attn: Daryl Newby

P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

February 20, 2012

RECEIVED

FEB 20 2012

PUBLIC SERVICE
COMMISSION

Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated January 2012 fuel costs with an adjustment reflecting actual December 2011 fuel costs.

The fuel adjustment clause factor of \$0.00100/kWh will be applied to the March 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$(0.0007068)/kWh (credit) will also be applied to the March 2012 billing.

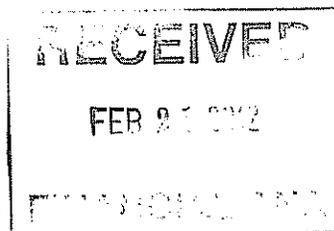
The March 2012 billing will use the combined factor of \$0.0002932/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

Attachments



KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

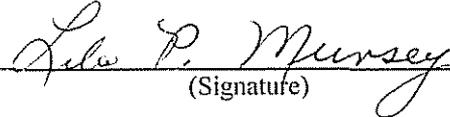
Month Ended: January 2012

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00100
2	System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0007068)</u>
3	Total Adjustment Clause Factors		<u><u>\$0.0002932</u></u>

Effective Date for Billing

February 29, 2012

Submitted by:


(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

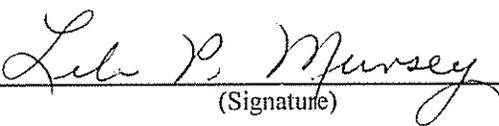
February 20, 2012

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **January 2012**

Fuel Fm (Fuel Cost Schedule)	<u>\$20,284,124</u>		
Sales Sm (Sales Schedule)	689,840,000	(+)	0.02940
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00100</u></u> (\$/KWH)

Effective Date for Billing February 29, 2012

Submitted by: 
 (Signature)

Title: Manager, Regulatory Services

Date Submitted: February 20, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: January 2012

A. Company Generation			
Coal Burned	(+)	\$7,674,466	
Oil Burned	(+)	453,232	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total		<u>8,127,698</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	18,765,495	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>18,765,495</u>	
C. Inter-System Sales Fuel Costs		<u>5,533,214</u>	*
Sub Total		<u>5,533,214</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$21,359,979</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>December 2011</u> and the estimated cost originally reported. <u>\$17,231,255</u> - <u>\$19,012,494</u> = <u>(1,781,239)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>72,023</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$19,506,717</u>	
H. Net Transmission Marginal Line Loss for month of <u>January 2012</u> (Accounts 4470207 and 447208)		<u>777,407</u>	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$20,284,124</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
January 2012

<u>\$8,127,698</u>			
269,112,000	0.03020	/KWH	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: January 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	269,112,000
Purchases Including Interchange In	(+)	<u>621,374,000</u>
Sub Total		890,486,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	183,219,000
System Losses	(+)	<u>17,427,000</u> *
Sub Total		<u>200,646,000</u>
Total Sales (A - B)		<u><u>689,840,000</u></u>

* Does not include 474,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: January 2012

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0 00056
2	Retail KWH Billed at Above Rate	(x)	<u>685,575,811</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>383,922</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	565,900,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,190,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>558,709,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		312,877
8	Over or (Under) Recovery (L3 - L7)		71,045
9	Total Sales (Page 3)	(+)	689,840,000
10	Kentucky Jurisdictional Sales	(/)	<u>680,476,600</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1 01376
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>72,023</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: December 2011

A. Company Generation			
Coal Burned	(+)	\$18,847,690	
Oil Burned	(+)	489,832	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(29,085,000 KWH X \$0.017073)	(+)	496,568	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>19,834,090</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	2,406,554	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(29,085,000 KWH X \$0.017073)	(-)	<u>496,568</u>	
Sub-total		<u>1,909,986</u>	
C. Inter-System Sales Fuel Costs		<u>4,512,821</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$17,231,255</u>	
E. Net Transmission Marginal Line Loss for month	<u>December 2011</u>	799,428	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$18,030,683</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: **January 2012**

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,341,487
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>528,886</u>
3	Increase/(Decrease) of System Sales Net Revenue		812,601
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		487,561
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>689,840,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0007068)</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

February 29, 2012

Submitted by:

Lela P. Munsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

February 20, 2012

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: January 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$5,012,229	(\$49,503)	\$4,962,726
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	5,012,229	(49,503)	4,962,726
4	Sales For Resale Expenses	\$3,784,284	(\$108,494)	\$3,675,790
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(54,551)	0	(54,551)
7	Total System Sales Expenses	3,729,733	(108,494)	3,621,239
8	Total System Sales Net Revenues	<u>\$1,282,496</u>	<u>\$58,991</u>	<u>\$1,341,487</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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MAR 19 2012

PUBLIC SERVICE
COMMISSION

Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
Attn: Daryl Newby
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

March 19, 2012

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MAR 19 2012

PUBLIC SERVICE
COMMISSION

Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated February 2012 fuel costs with an adjustment reflecting actual January 2012 fuel costs.

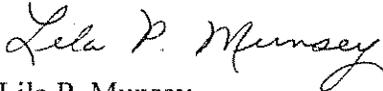
The fuel adjustment clause factor of \$(0.00442)/kWh (credit) will be applied to the April 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$(0.0005271)/kWh (credit) will also be applied to the April 2012 billing.

The April 2012 billing will use the combined factor of \$(0.0049471)/kWh (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,


Lila P. Munsey
Manager, Regulatory Services

Attachments

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MAR 20 2012

FINANCIAL ANA

bcc: (via email – all w/attachment)
Robbin Wiseman, Canton
Ellen McAninch, Columbus

Matthew Horeled, Columbus
Andrea M. Wallace, Columbus

O. J. Sever, Jr., Columbus
Steve M. Trammell, Tulsa
Brian Rupp, Columbus
Angela Farber, Canton

Jeff Brubaker, Columbus
KPCo Regulatory File Book
Deborah Snyder, Columbus

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: February 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00442)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.005271)</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0049471)</u></u>

Effective Date for Billing

March 29, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

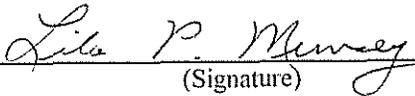
March 19, 2012

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **February 2012**

Fuel Fm (Fuel Cost Schedule)	<u>\$14,703,812</u>		
Sales Sm (Sales Schedule)	613,200,000	(+)	0.02398
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>(0.00442)</u></u> (\$/KWH)

Effective Date for Billing March 29, 2012

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: March 19, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: February 2012

A.	Company Generation				
	Coal Burned	(+)	\$2,443,925		
	Oil Burned	(+)	88,538		
	Gas Burned	(+)	0		
	Fuel (jointly owned plant)	(+)	0		
	Fuel (assigned cost during F. O.)	(+)	0		
	Fuel (substitute for F. O.)	(-)			
	Sub Total				<u>2,532,463</u>
B.	Purchases				
	Net Energy Cost - Economy Purchases	(+)	0		
	Identifiable Fuel Cost - Other Purchases	(+)	21,663,018	*	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0		
	Sub Total				<u>21,663,018</u>
C.	Inter-System Sales Fuel Costs				<u>4,515,746</u> *
	Sub Total				<u>4,515,746</u>
D.	Total Fuel Cost (A + B - C)				<u><u>\$19,679,735</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>January 2012</u> and the estimated cost originally reported.				
			<u>\$15,814,125</u>	-	<u>\$21,359,979</u>
			(actual)		(estimated)
				=	<u>(5,545,854)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12				<u>2,305</u>
G.	Grand Total Fuel Cost (D + E - F)				<u>\$14,131,576</u>
H.	Net Transmission Marginal Line Loss for month of <u>February 2012</u> (Accounts 4470207 and 447208)				572,236
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)				<u><u>\$14,703,812</u></u>

* Estimated - based on actual Kentucky generation unit costs in
February 2012

<u>\$2,532,463</u>			
80,747,000	0.03136	/KWH	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: February 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	80,747,000
Purchases Including Interchange In	(+)	<u>690,785,000</u>
Sub Total		771,532,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	143,997,000
System Losses	(+)	<u>14,335,000</u> *
Sub Total		<u>158,332,000</u>
Total Sales (A - B)		<u><u>613,200,000</u></u>

* Does not include 418,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: February 2012

Line No.			
1	FAC Rate Billed	(+)	(0.00373)
2	Retail KWH Billed at Above Rate	(x)	<u>636,366,071</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,373,645)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	645,696,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,720,300</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>636,975,700</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(2,375,919)
8	Over or (Under) Recovery (L3 - L7)		2,274
9	Total Sales (Page 3)	(+)	613,200,000
10	Kentucky Jurisdictional Sales	(/)	<u>604,831,500</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01384
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>2,305</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: January 2012

A. Company Generation			
Coal Burned	(+)	\$13,185,163	
Oil Burned	(+)	471,531	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub-total			<u>13,656,694</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	4,405,002	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	0	
Sub-total			<u>4,405,002</u>
C. Inter-System Sales Fuel Costs			<u>2,247,571</u> (1)
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$15,814,125</u>
E. Net Transmission Marginal Line Loss for month		<u>January 2012</u>	777,406
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$16,591,531</u></u>

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: February 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	873,897
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>335,167</u>
3	Increase/(Decrease) of System Sales Net Revenue		538,730
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		323,238
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>613,200,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0005271)</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

March 29, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

March 19, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: February 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$4,084,133	\$23,418	\$4,107,551
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	4,084,133	23,418	4,107,551
4	Sales For Resale Expenses	\$3,259,328	(\$16,790)	\$3,242,538
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(8,884)	0	(8,884)
7	Total System Sales Expenses	3,250,444	(16,790)	3,233,654
8	Total System Sales Net Revenues	<u>\$833,689</u>	<u>\$40,208</u>	<u>\$873,897</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky

Attn: Daryl Newby

P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

April 20, 2012

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PUBLIC SERVICE
COMMISSION

Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated March 2012 fuel costs with an adjustment reflecting actual February 2012 fuel costs.

The fuel adjustment clause factor of \$(0.00630)/kWh (credit) will be applied to the May 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$0.0007317/kWh will also be applied to the May 2012 billing.

The May 2012 billing will use the combined factor of \$(0.0055683)/kWh (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

Attachments

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APR 20 2012

FINANCIAL ANA

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: March 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00630)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0007317</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0055683)</u></u>

Effective Date for Billing April 30, 2012

Submitted by: *Lila P. Mursey*
(Signature)

Title: Manager, Regulatory Services

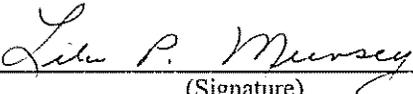
Date Submitted: April 20, 2012

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: March 2012

Fuel Fm (Fuel Cost Schedule)	<u>\$11,794,772</u>			
Sales Sm (Sales Schedule)	533,620,000	(+)		0.02210
Fuel (Fb)	<u>\$16,138,627</u>			
Sales (Sb)	568,162,000	(-)		<u>0.02840</u> *
				<u>(0.00630) (\$/KWH)</u>

Effective Date for Billing April 30, 2012

Submitted by: 
 (Signature)

Title: Manager, Regulatory Services

Date Submitted: April 20, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: March 2012

A. Company Generation			
Coal Burned	(+)	\$6,999,341	
Oil Burned	(+)	492,943	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>7,492,284</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	13,948,212	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>13,948,212</u>	
C. Inter-System Sales Fuel Costs		<u>3,410,759</u>	*
Sub Total		<u>3,410,759</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$18,029,737</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>February 2012</u> and the estimated cost originally reported. <u>\$12,972,650</u> - <u>\$19,679,735</u> = <u>(6,707,085)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(107,937)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$11,430,589</u>	
H. Net Transmission Marginal Line Loss for month of <u>March 2012</u> (Accounts 4470207 and 447208)		364,183	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$11,794,772</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
March 2012

\$7,492,284
227,657,000

0.03291 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: March 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	227,657,000
Purchases Including Interchange In	(+)	<u>423,829,000</u>
Sub Total		651,486,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	103,639,000
System Losses	(+)	<u>14,227,000</u> *
Sub Total		<u>117,866,000</u>
Total Sales (A - B)		<u><u>533,620,000</u></u>

* Does not include 275,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **March 2012**

Line No.			
1	FAC Rate Billed	(+)	0 00100
2	Retail KWH Billed at Above Rate	(x)	<u>573,983,502</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>573,984</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	689,840,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>9,363,400</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>680,476,600</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		680,477
8	Over or (Under) Recovery (L3 - L7)		(106,493)
9	Total Sales (Page 3)	(+)	533,620,000
10	Kentucky Jurisdictional Sales	(/)	<u>526,479,800</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1 01356
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(107,937)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: February 2012

A. Company Generation			
Coal Burned	(+)	\$7,548,671	
Oil Burned	(+)	107,366	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>7,656,037</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	6,720,186	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>6,720,186</u>	
C. Inter-System Sales Fuel Costs		<u>1,403,573</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$12,972,650</u>	
E. Net Transmission Marginal Line Loss for month	<u>February 2012</u>	572,236	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$13,544,886</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: March 2012

Line
No.

1	Current Month (Tm) Net Revenue Level	(+)	879,707
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,530,489</u>
3	Increase/(Decrease) of System Sales Net Revenue		(650,782)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(390,469)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>533,620,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0007317</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

April 30, 2012

Submitted by:

Lela P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

April 20, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: March 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$3,548,515	(\$17,292)	\$3,531,223
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	3,548,515	(17,292)	3,531,223
4	Sales For Resale Expenses	\$2,676,575	\$6,129	\$2,682,704
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(31,188)	0	(31,188)
7	Total System Sales Expenses	2,645,387	6,129	2,651,516
8	Total System Sales Net Revenues	<u>\$903,128</u>	<u>(\$23,421)</u>	<u>\$879,707</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
Attn: Daryl Newby
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED

MAY 18 2012

PUBLIC SERVICE
COMMISSION

May 18, 2012

Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated April 2012 fuel costs with an adjustment reflecting actual March 2012 fuel costs.

The fuel adjustment clause factor of \$(0.00412)/kWh (credit) will be applied to the June 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$.0007578/kWh will also be applied to the June 2012 billing.

The June 2012 billing will use the combined factor of \$(0.0033622)/kWh (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: April 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00412)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0007578</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0033622)</u></u>

Effective Date for Billing

May 30, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

May 18, 2012

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: April 2012

A. Company Generation			
Coal Burned	(+)	\$13,033,139	
Oil Burned	(+)	132,504	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total		<u>13,165,643</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	11,192,000	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>11,192,000</u>	
C. Inter-System Sales Fuel Costs		<u>8,292,466</u>	*
Sub Total		8,292,466	
D. Total Fuel Cost (A + B - C)		<u><u>\$16,065,177</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>March 2012</u> and the estimated cost originally reported. <u>\$14,182,207</u> - <u>\$18,029,737</u> = <u>(3,847,530)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>467,084</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$11,750,563</u>	
H. Net Transmission Marginal Line Loss for month of <u>April 2012</u> (Accounts 4470207 and 447208)		430,527	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$12,181,090</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
April 2012 \$13,165,643
421,821,000 0.03121 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: April 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	421,821,000
Purchases Including Interchange In	(+)	<u>358,603,000</u>
Sub Total		780,424,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	265,699,000
System Losses	(+)	<u>12,988,000</u> *
Sub Total		<u>278,687,000</u>
Total Sales (A - B)		<u><u>501,737,000</u></u>

* Does not include 282,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: April 2012

Line No			
1	FAC Rate Billed	(+)	(0.00442)
2	Retail KWH Billed at Above Rate	(x)	<u>500,543,516</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,212,402)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	613,200,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,368,500</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>604,831,500</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(2,673,355)
8	Over or (Under) Recovery (L3 - L7)		460,953
9	Total Sales (Page 3)	(+)	501,737,000
10	Kentucky Jurisdictional Sales	(/)	<u>495,149,400</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01330
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>467,084</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: March 2012

A. Company Generation			
Coal Burned	(+)	\$9,611,078	
Oil Burned	(+)	652,013	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>10,263,091</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	5,852,420	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>5,852,420</u>	
C. Inter-System Sales Fuel Costs		<u>1,933,304</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$14,182,207</u>	
E. Net Transmission Marginal Line Loss for month	<u>March 2012</u>	364,184	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$14,546,391</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: April 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	737,801
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,371,521</u>
3	Increase/(Decrease) of System Sales Net Revenue		(633,720)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(380,232)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>501,737,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0007578</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

May 30, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

May 18, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: April 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$3,852,250	(\$113,546)	\$3,738,704
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	3,852,250	(113,546)	3,738,704
4	Sales For Resale Expenses	\$3,052,621	\$2,405	\$3,055,026
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(54,123)	0	(54,123)
7	Total System Sales Expenses	2,998,498	2,405	3,000,903
8	Total System Sales Net Revenues	<u>\$853,752</u>	<u>(\$115,951)</u>	<u>\$737,801</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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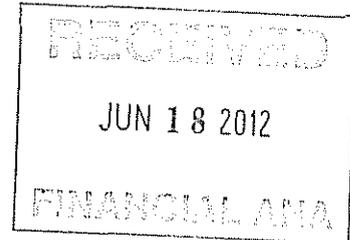
JUN 18 2012

PUBLIC SERVICE
COMMISSION

Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
Attn: Daryl Newby
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

June 18, 2012



Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated May 2012 fuel costs with an adjustment reflecting actual April 2012 fuel costs.

The fuel adjustment clause factor of \$0.00039/kWh will be applied to the July 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$.0002898/kWh will also be applied to the July 2012 billing.

The July 2012 billing will use the combined factor of \$0.0006798/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

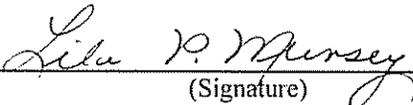
Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: May 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00039
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0002898</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0006798</u></u>

Effective Date for Billing June 28, 2012

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: June 18, 2012

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: May 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	121,214,000
Purchases Including Interchange In	(+)	<u>561,277,000</u>
Sub Total		682,491,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	136,722,000
System Losses	(+)	<u>12,777,000</u> *
Sub Total		<u>149,499,000</u>
Total Sales (A - B)		<u><u>532,992,000</u></u>

* Does not include 223,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: May 2012

Line No.			
1	FAC Rate Billed	(+)	(0 00630)
2	Retail KWH Billed at Above Rate	(x)	<u>499,468,239</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(3,146,650)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	533,620,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,140,200</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>526,479,800</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(3,316,823)
8	Over or (Under) Recovery (L3 - L7)		170,173
9	Total Sales (Page 3)	(+)	532,992,000
10	Kentucky Jurisdictional Sales	(/)	<u>525,701,700</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1.01387
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>172,533</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: April 2012

A. Company Generation			
Coal Burned	(+)	\$17,834,191	
Oil Burned	(+)	186,164	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>18,020,355</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	1,292,742	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>1,292,742</u>	
C. Inter-System Sales Fuel Costs		<u>4,853,627</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$14,459,470</u>	
E. Net Transmission Marginal Line Loss for month	<u>April 2012</u>	430,527	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$14,889,997</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: May 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,050,028	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,307,472</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(257,444)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(154,466)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>532,992,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0002898</u></u>	*

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

June 28, 2012

Submitted by:

Lila P. McKinsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

June 18, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: May 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$4,026,920	(\$191)	\$4,026,729
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	4,026,920	(191)	4,026,729
4	Sales For Resale Expenses	\$3,094,993	\$39,337	\$3,134,330
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(157,629)	0	(157,629)
7	Total System Sales Expenses	2,937,364	39,337	2,976,701
8	Total System Sales Net Revenues	<u>\$1,089,556</u>	<u>(\$39,528)</u>	<u>\$1,050,028</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



**KENTUCKY
POWER**

A unit of American Electric Power

Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky

Attn: Daryl Newby

P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

July 20, 2012

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JUL 20 2012

PUBLIC SERVICE
COMMISSION

Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated June 2012 fuel costs with an adjustment reflecting actual May 2012 fuel costs.

The fuel adjustment clause factor of \$(0.00004)/kWh (credit) will be applied to the August 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$ (0.0005911)/kWh (credit) will also be applied to the August 2012 billing.

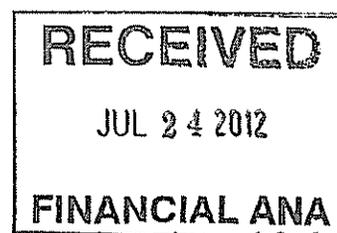
The August 2012 billing will use the combined factor of \$(0.0006311)/kWh (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

Attachments



KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: June 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00004)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0005911)</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0006311)</u></u>

Effective Date for Billing

July 30, 2012

Submitted by:

Lila P. Mersey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

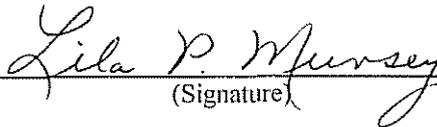
July 20, 2012

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **June 2012**

Fuel Fm (Fuel Cost Schedule)	<u>\$15,093,974</u>		
Sales Sm (Sales Schedule)	532,190,000	(+)	0.02836
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>(0.00004)</u></u> (\$/KWH)

Effective Date for Billing July 30, 2012

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: July 20, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No. 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: June 2012

A. Company Generation			
Coal Burned	(+)	\$12,371,937	
Oil Burned	(+)	593,025	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>12,964,962</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	13,737,840	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>13,737,840</u>	
C. Inter-System Sales Fuel Costs		<u>7,921,372</u>	*
Sub Total		<u>7,921,372</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$18,781,430</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>May 2012</u> and the estimated cost originally reported. <u>\$12,280,170</u> - <u>\$16,640,810</u> = <u>(4,360,640)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(106,918)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$14,527,708</u>	
H. Net Transmission Marginal Line Loss for month of <u>June 2012</u> (Accounts 4470207 and 447208)		566,266	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$15,093,974</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
June 2012

\$12,964,962
376,497,000

0.03444 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: June 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	376,497,000
Purchases Including Interchange In	(+)	<u>398,892,000</u>
Sub Total		775,389,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	230,005,000
System Losses	(+)	<u>13,194,000</u> *
Sub Total		<u>243,199,000</u>
Total Sales (A - B)		<u><u>532,190,000</u></u>

* Does not include 321,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: June 2012

Line No.			
1	FAC Rate Billed	(+)	(0.00412)
2	Retail KWH Billed at Above Rate	(x)	<u>520,734,590</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,145,427)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	501,737,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,587,600</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>495,149,400</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(2,040,016)
8	Over or (Under) Recovery (L3 - L7)		(105,411)
9	Total Sales (Page 3)	(+)	532,190,000
10	Kentucky Jurisdictional Sales	(/)	<u>524,686,200</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1.01430
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(106,918)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: May 2012

A. Company Generation			
Coal Burned	(+)	\$6,919,663	
Oil Burned	(+)	190,571	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(297,373,000 KWH X \$0.020098)	(+)	5,976,603	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>13,086,837</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	7,037,438	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(297,373,000 KWH X \$0.020098)	(-)	<u>5,976,603</u>	
Sub-total		<u>1,060,835</u>	
C. Inter-System Sales Fuel Costs		<u>1,867,502</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$12,280,170</u>	
E. Net Transmission Marginal Line Loss for month	<u>May 2012</u>	480,282	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$12,760,452</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: June 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,291,406	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>767,124</u>	
3	Increase/(Decrease) of System Sales Net Revenue		524,282	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		314,569	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>532,190,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u>(0.0005911)</u>	*

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month

Effective Date for Billing:

July 30, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

July 20, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: June 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$4,614,254	(\$47,176)	\$4,567,078
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	4,614,254	(47,176)	4,567,078
4	Sales For Resale Expenses	\$3,330,678	\$21,437	\$3,352,115
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(76,443)	0	(76,443)
7	Total System Sales Expenses	3,254,235	21,437	3,275,672
8	Total System Sales Net Revenues	<u>\$1,360,019</u>	<u>(\$68,613)</u>	<u>\$1,291,406</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



RECEIVED
Kentucky Power
P O Box 5190
Frankfort, KY 40602-5190
AUG 17 2012

PUBLIC SERVICE
COMMISSION

August 17, 2012

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
Attn: Daryl Newby
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

Attention: Daryl Newby

RE: The Standard Fuel Adjustment Clause

Dear Mr. Newby,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated July 2012 fuel costs with an adjustment reflecting actual June 2012 fuel costs.

The fuel adjustment clause factor of \$0.00202/kWh will be applied to the September 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$ (0.0019506)/kWh (credit) will also be applied to the September 2012 billing.

The September 2012 billing will use the combined factor of \$0.0000694/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

Attachments

RECEIVED
AUG 17 2012
FINANCIAL ANA

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: July 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00202
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0019506)</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0000694</u></u>

Effective Date for Billing

August 28, 2012

Submitted by:

Lib P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

August 17, 2012

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: July 2012

A. Company Generation			
Coal Burned	(+)	\$18,136,321	
Oil Burned	(+)	133,776	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>18,270,097</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	15,914,562	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>15,914,562</u>	
C. Inter-System Sales Fuel Costs		<u>14,451,816</u>	*
Sub Total		<u>14,451,816</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$19,732,843</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>June 2012</u> and the estimated cost originally reported.			
		<u>\$15,893,524</u>	-
	(actual)		
		<u>\$18,781,430</u>	-
	(estimated)		
			=
			<u>(2,887,906)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>9,000</u>	
G. Grand Total Fuel Cost (D + E - F)		<u><u>\$16,835,937</u></u>	
H. Net Transmission Marginal Line Loss for month of <u>July 2012</u> (Accounts 4470207 and 447208)			634,697
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$17,470,634</u></u>	

* Estimated - based on actual Kentucky generation unit costs in July 2012

\$18,270,097
544,744,000

0.03354 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: July 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	544,744,000
Purchases Including Interchange In	(+)	<u>474,495,000</u>
Sub Total		1,019,239,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	430,883,000
System Losses	(+)	<u>14,074,000</u> *
Sub Total		<u>444,957,000</u>
Total Sales (A - B)		<u><u>574,282,000</u></u>

* Does not include 264,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: July 2012

<u>Line No.</u>			
1	FAC Rate Billed	(+)	0.00039
2	Retail KWH Billed at Above Rate	(x)	<u>548,421,823</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>213,885</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	532,992,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,290,300</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>525,701,700</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		205,024
8	Over or (Under) Recovery (L3 - L7)		8,861
9	Total Sales (Page 3)	(+)	574,282,000
10	Kentucky Jurisdictional Sales	(/)	<u>565,401,100</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01571
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>9,000</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: June 2012

A. Company Generation			
Coal Burned	(+)	\$17,026,353	
Oil Burned	(+)	632,452	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>17,658,805</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	1,807,944	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>1,807,944</u>	
C. Inter-System Sales Fuel Costs		<u>3,573,225</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$15,893,524</u>	
E. Net Transmission Marginal Line Loss for month	<u>June 2012</u>	566,266	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$16,459,790</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: July 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	2,483,188
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>616,234</u>
3	Increase/(Decrease) of System Sales Net Revenue		1,866,954
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		1,120,172
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>574,282,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0019506)</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

August 28, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

August 17, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: July 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$8,074,352	(\$2,653)	\$8,071,699
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	8,074,352	(2,653)	8,071,699
4	Sales For Resale Expenses	\$5,659,938	(\$6,346)	\$5,653,592
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(65,081)	0	(65,081)
7	Total System Sales Expenses	5,594,857	(6,346)	5,588,511
8	Total System Sales Net Revenues	<u>\$2,479,495</u>	<u>\$3,693</u>	<u>\$2,483,188</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky

Attn: Daryl Newby
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

September 17, 2012

RECEIVED

SEP 17 2012

PUBLIC SERVICE
COMMISSION

Gentlemen:

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated August 2012 fuel costs with an adjustment reflecting actual July 2012 fuel costs.

The fuel adjustment clause factor of \$0.00276/kWh will be applied to the October 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$ 0.0009045/kWh will also be applied to the October 2012 billing.

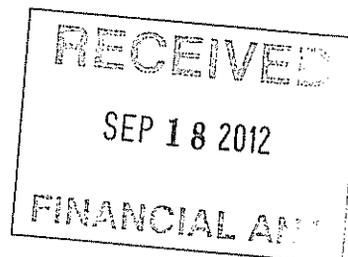
The October 2012 billing will use the combined factor of \$0.0036645/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Manager, Regulatory Services

Attachments



KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: **August 2012**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00276
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0009045</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0036645</u></u>

Effective Date for Billing

September 27, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

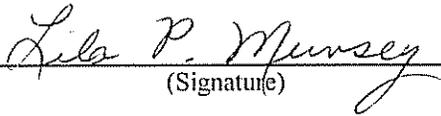
September 17, 2012

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: August 2012

Fuel Fm (Fuel Cost Schedule)	<u>\$17,546,584</u>		
Sales Sm (Sales Schedule)	563,180,000	(+)	0.03116
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00276</u></u> (\$/KWH)

Effective Date for Billing September 27, 2012

Submitted by: 
 (Signature)

Title: Manager, Regulatory Services

Date Submitted: September 17, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No. 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: August 2012

A	Company Generation			
	Coal Burned	(+)	\$13,953,496	
	Oil Burned	(+)	232,111	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)		
	Sub Total		<u>14,185,607</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	17,624,750	*
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>17,624,750</u>	
C.	Inter-System Sales Fuel Costs		<u>13,270,670</u>	*
	Sub Total		<u>13,270,670</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$18,539,687</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>July 2012</u> and the estimated cost originally reported. <u>\$18,001,865</u> - <u>\$19,732,843</u> = <u>(1,730,978)</u> (actual) (estimated)			
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(1,082)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$16,809,791</u>	
H.	Net Transmission Marginal Line Loss for month of <u>August 2012</u> (Accounts 4470207 and 447208)		736,793	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$17,546,584</u></u>	

* Estimated - based on actual Kentucky generation unit costs in August 2012

\$14,185,607
440,120,000

0.03223 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: August 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	440,120,000
Purchases Including Interchange In	(+)	<u>546,843,000</u>
Sub Total		986,963,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	411,749,000
System Losses	(+)	<u>12,034,000</u> *
Sub Total		<u>423,783,000</u>
Total Sales (A - B)		<u><u>563,180,000</u></u>

* Does not include 235,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: August 2012

Line No.			
1	FAC Rate Billed	(+)	(0.00004)
2	Retail KWH Billed at Above Rate	(x)	<u>551,331,819</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(22,053)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	532,190,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,503,800</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>524,686,200</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(20,987)
8	Over or (Under) Recovery (L3 - L7)		(1,066)
9	Total Sales (Page 3)	(+)	563,180,000
10	Kentucky Jurisdictional Sales	(/)	<u>554,923,500</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1.01488
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(1,082)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: July 2012

A. Company Generation			
Coal Burned	(+)	\$23,859,968	
Oil Burned	(+)	150,606	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(44,073,000 KWH X \$0.023404)	(+)	1,031,484	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>25,042,058</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	1,902,066	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(44,073,000 KWH X \$0.023404)	(-)	<u>1,031,484</u>	
Sub-total		<u>870,582</u>	
C. Inter-System Sales Fuel Costs		<u>7,910,775</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$18,001,865</u>	
E. Net Transmission Marginal Line Loss for month	<u>July 2012</u>	634,697	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$18,636,562</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: August 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,287,658	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>2,136,652</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(848,994)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(509,396)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>563,180,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0009045</u></u>	*

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

September 27, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

September 17, 2012

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: August 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$6,840,299	(\$1,136)	\$6,839,163
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	6,840,299	(1,136)	6,839,163
4	Sales For Resale Expenses	\$5,548,873	\$115,014	\$5,663,887
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(112,382)	0	(112,382)
7	Total System Sales Expenses	5,436,491	115,014	5,551,505
8	Total System Sales Net Revenues	<u>\$1,403,808</u>	<u>(\$116,150)</u>	<u>\$1,287,658</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

October 16, 2012

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

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OCT 16 2012

PUBLIC SERVICE
COMMISSION

Attention: Daryl Newby

RE: The Standard Fuel Adjustment Clause

Dear Mr. Newby,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated September 2012 fuel costs with an adjustment reflecting actual August 2012 fuel costs.

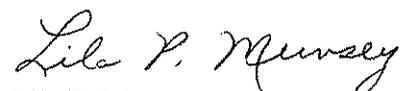
The fuel adjustment clause factor of \$(0.00034)/kWh (credit) will be applied to the November 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$0.0008381/kWh will also be applied to the November 2012 billing.

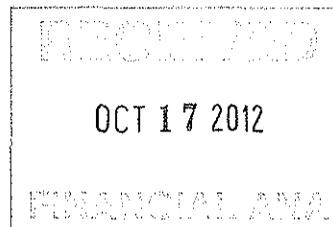
The November 2012 billing will use the combined factor of \$0.0004981/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,


Lila P. Munsey
Manager, Regulatory Services

Attachments



KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: September 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00034)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0008381</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0004981</u></u>

Effective Date for Billing

October 26, 2012

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

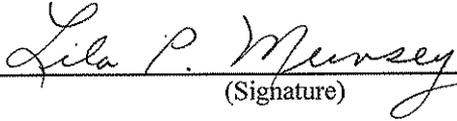
October 16, 2012

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

	Month Ended:	September 2012		
Fuel Fm (Fuel Cost Schedule)	<u>\$12,859,860</u>			
Sales Sm (Sales Schedule)	458,278,000	(+)		0.02806
Fuel (Fb)	<u>\$16,138,627</u>			
Sales (Sb)	568,162,000	(-)		<u>0.02840</u> *
				<u>(0.00034)</u> (\$/KWH)

Effective Date for Billing October 26, 2012

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: October 16, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No. 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: September 2012

A. Company Generation			
Coal Burned	(+)	\$187,119	
Oil Burned	(+)	25,921	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total			<u>213,040</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	21,035,266	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>21,035,266</u>
C. Inter-System Sales Fuel Costs			<u>7,183,590</u> *
Sub Total			<u>7,183,590</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$14,064,716</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>August 2012</u> and the estimated cost originally reported.			
		<u>\$16,747,760</u>	-
	(actual)		<u>\$18,539,687</u>
			=
			<u>(1,791,927)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(67,302)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$12,340,091</u>
H. Net Transmission Marginal Line Loss for month of <u>September 2012</u> (Accounts 4470207 and 447208)			519,769
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$12,859,860</u></u>

* Estimated - based on actual Kentucky generation unit costs in September 2012

\$213,040
7,072,000

0.03012 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: September 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	7,072,000
Purchases Including Interchange In	(+)	<u>698,382,000</u>
Sub Total		705,454,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	238,499,000
System Losses	(+)	<u>8,677,000</u> *
Sub Total		<u>247,176,000</u>
Total Sales (A - B)		<u><u>458,278,000</u></u>

* Does not include 195,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: September 2012

Line No.			
1	FAC Rate Billed	(+)	0.00202
2	Retail KWH Billed at Above Rate	(x)	<u>532,581,309</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,075,814</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	574,282,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,880,900</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>565,401,100</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,142,110
8	Over or (Under) Recovery (L3 - L7)		(66,296)
9	Total Sales (Page 3)	(+)	458,278,000
10	Kentucky Jurisdictional Sales	(/)	<u>451,424,300</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01518
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(67,302)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: August 2012

A. Company Generation			
Coal Burned	(+)	\$19,640,420	
Oil Burned	(+)	274,641	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>19,915,061</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	2,503,122	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>2,503,122</u>	
C. Inter-System Sales Fuel Costs		<u>5,670,423</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$16,747,760</u>	
E. Net Transmission Marginal Line Loss for month	<u>August 2012</u>	736,793	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$17,484,553</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: September 2012

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,210,409
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,850,577</u>
3	Increase/(Decrease) of System Sales Net Revenue		(640,168)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(384,101)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>458,278,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0008381</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

October 26, 2012

Submitted by:

Lila P. Newsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

October 16, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: September 2012

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$5,551,076	\$43,700	\$5,594,776
2	-0-	-0-	-0-
3	5,551,076	43,700	5,594,776
4	\$4,353,786	\$194,848	\$4,548,634
5	-0-	-0-	-0-
6	(164,267)	0	(164,267)
7	4,189,519	194,848	4,384,367
8	<u>\$1,361,557</u>	<u>(\$151,148)</u>	<u>\$1,210,409</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

November 16, 2012

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

Attention: Chris Whelan

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated October 2012 fuel costs with an adjustment reflecting actual September 2012 fuel costs.

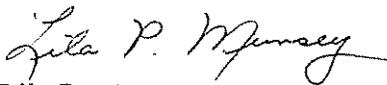
The fuel adjustment clause factor of \$(0.00070)/kWh (credit) will be applied to the December 2012 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$.0006639/kWh will also be applied to the December 2012 billing.

The December 2012 billing will use the combined factor of \$(0.0000361)/kWh (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,


Lila P. Munsey
Manager, Regulatory Services

Attachments

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KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: October 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00070)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0006639</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.000361)</u></u>

Effective Date for Billing November 28, 2012

Submitted by: *Lila P. Munsey*
(Signature)

Title: Manager, Regulatory Services

Date Submitted: November 16, 2012

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **October 2012**

Fuel Fm (Fuel Cost Schedule)	<u>\$14,536,082</u>		
Sales Sm (Sales Schedule)	524,802,000	(+)	0.02770
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u>(0.00070) (\$/KWH)</u>

Effective Date for Billing November 28, 2012

Submitted by: *Lela P. Mursey*
(Signature)

Title: Manager, Regulatory Services

Date Submitted: November 16, 2012

*Pursuant to PSC Order dated May 31, 2011 in Case No 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: October 2012

A. Company Generation			
Coal Burned	(+)	\$0	
Oil Burned	(+)	(17,704)	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total			<u>(17,704)</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	25,874,801	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>25,874,801</u>
C. Inter-System Sales Fuel Costs			<u>8,127,780</u> *
Sub Total			<u>8,127,780</u>
D. Total Fuel Cost (A + B - C)			<u>\$17,729,317</u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>September 2012</u> and the estimated cost originally reported.			
		<u>\$10,111,635</u>	-
		(actual)	
		<u>\$14,064,716</u>	=
		(estimated)	
			<u>(3,953,081)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(199,514)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$13,975,750</u>
H. Net Transmission Marginal Line Loss for month of <u>October 2012</u> (Accounts 4470207 and 447208)			560,332
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u>\$14,536,082</u>

* Estimated - average of past five months (May 2012 through September 2012) actual generation and fuel cost.

\$ 9,865,966.80

297,929,400

0.03312

/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: October 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	0
Purchases Including Interchange In	(+)	<u>781,244,000</u>
Sub Total		781,244,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	245,404,000
System Losses	(+)	<u>11,038,000</u> *
Sub Total		<u>256,442,000</u>
Total Sales (A - B)		<u><u>524,802,000</u></u>

* Does not include 263,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: October 2012

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0.00276
2	Retail KWH Billed at Above Rate	(x)	<u>483,581,078</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,334,684</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	563,180,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,256,500</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>554,923,500</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,531,589
8	Over or (Under) Recovery (L3 - L7)		(196,905)
9	Total Sales (Page 3)	(+)	524,802,000
10	Kentucky Jurisdictional Sales	(/)	<u>517,939,900</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1.01325
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(199,514)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: September 2012

A. Company Generation			
Coal Burned	(+)	\$5,253,478	
Oil Burned	(+)	54,055	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>5,307,533</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	6,997,026	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>6,997,026</u>	
C. Inter-System Sales Fuel Costs		<u>2,192,924</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$10,111,635</u>	
E. Net Transmission Marginal Line Loss for month	<u>September 2012</u>	519,769	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$10,631,404</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: **October 2012**

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,158,991	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,739,665</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(580,674)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(348,404)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>524,802,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0006639</u></u>	*

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

November 28, 2012

Submitted by:

Lela P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

November 16, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: October 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$6,501,536	(\$7,165)	\$6,494,371
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	6,501,536	(7,165)	6,494,371
4	Sales For Resale Expenses	\$5,407,074	\$66,009	\$5,473,083
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(137,703)	0	(137,703)
7	Total System Sales Expenses	5,269,371	66,009	5,335,380
8	Total System Sales Net Revenues	<u>\$1,232,165</u>	<u>(\$73,174)</u>	<u>\$1,158,991</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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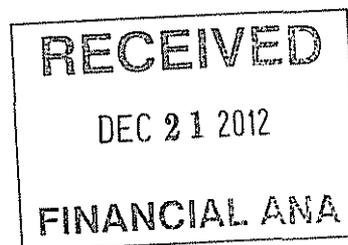
Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

DEC 21 2012

PUBLIC SERVICE
COMMISSION

December 21, 2012

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615



Attention: Chris Whelan

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated November 2012 fuel costs with an adjustment reflecting actual October 2012 fuel costs.

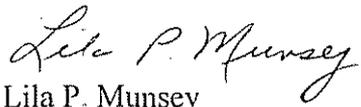
The fuel adjustment clause factor of $\$(0.00672)/\text{kWh}$ (credit) will be applied to the January 2013 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of $\$.0009852/\text{kWh}$ will also be applied to the January 2013 billing.

The January 2013 billing will use the combined factor of $\$(0.0057348)/\text{kWh}$ (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,


Lila P. Munsey
Manager, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: **November 2012**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00672)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0009852</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0057348)</u></u>

Effective Date for Billing

December 31, 2012

Submitted by:

Lela P. Murvey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

December 21, 2012

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: November 2012

A. Company Generation			
Coal Burned	(+)	(\$624,794)	
Oil Burned	(+)	112,832	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>(511,962)</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	24,311,272	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>24,311,272</u>	
C. Inter-System Sales Fuel Costs		<u>5,167,879</u>	*
Sub Total		5,167,879	
D. Total Fuel Cost (A + B - C)		<u>\$18,631,431</u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>October 2012</u> and the estimated cost originally reported. <u>\$11,093,872</u> - <u>\$17,729,317</u> = <u>(6,635,445)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(22,916)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$12,018,902</u>	
H. Net Transmission Marginal Line Loss for month of <u>November 2012</u> (Accounts 4470207 and 447208)		719,722	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u>\$12,738,624</u>	

* Estimated - average of May 2012 through September 2012 actual generation and fuel cost.

\$ 9,865,966.80

297,929,400

0.03312

/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: November 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	21,774,000
Purchases Including Interchange In	(+)	<u>734,036,000</u>
Sub Total		755,810,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	156,035,000
System Losses	(+)	<u>12,097,000</u> *
Sub Total		<u>168,132,000</u>
Total Sales (A - B)		<u><u>587,678,000</u></u>

* Does not include 366,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: November 2012

Line No.			
1	FAC Rate Billed	(+)	(0 00034)
2	Retail KWH Billed at Above Rate	(x)	<u>517,888,061</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(176,082)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	458,278,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,853,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>451,424,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(153,484)
8	Over or (Under) Recovery (L3 - L7)		(22,598)
9	Total Sales (Page 3)	(+)	587,678,000
10	Kentucky Jurisdictional Sales	(/)	<u>579,513,700</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01409
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(22,916)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: October 2012

A. Company Generation			
Coal Burned	(+)	\$4,934,785	
Oil Burned	(+)	28,472	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
	Sub-total		<u>4,963,257</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,620,759	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
	Sub-total		<u>8,620,759</u>
C. Inter-System Sales Fuel Costs		<u>2,490,144</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$11,093,872</u>	
E. Net Transmission Marginal Line Loss for month	<u>October 2012</u>	560,332	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$11,654,204</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: November 2012

Line
No.

1	Current Month (Tm) Net Revenue Level	(+)	573,454
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,538,455</u>
3	Increase/(Decrease) of System Sales Net Revenue		(965,001)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(579,001)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>587,678,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0009852</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month

Effective Date for Billing:

December 31, 2012

Submitted by:

Lila P. Munsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

December 21, 2012

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: November 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$5,318,995	(\$2,188)	\$5,316,807
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	5,318,995	(2,188)	5,316,807
4	Sales For Resale Expenses	\$4,653,400	\$141,604	\$4,795,004
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(51,651)	0	(51,651)
7	Total System Sales Expenses	4,601,749	141,604	4,743,353
8	Total System Sales Net Revenues	<u>\$717,246</u>	<u>(\$143,792)</u>	<u>\$573,454</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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JAN 18 2013

PUBLIC SERVICE
COMMISSION

Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

January 18, 2013

Jeff R. Derouen, Executive Director
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

Attention: Chris Whelan

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated December 2012 fuel costs with an adjustment reflecting actual November 2012 fuel costs.

The fuel adjustment clause factor of \$0.00429/kWh will be applied to the February 2013 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 28, 2010, in Case No. 2009-00459. The net system sales factor of \$0.0004889/kWh will also be applied to the February 2013 billing.

The February 2013 billing will use the combined factor of \$0.0047789/kWh for all usage billed.

If you have any questions, please contact me at 502-696-7010.

Sincerely,

Lila P. Munsey
Lila P. Munsey
Manager, Regulatory Services

Attachments

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KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: December 2012

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00429
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0004889</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0047789</u></u>

Effective Date for Billing January 30, 2013

Submitted by: *Lila P. Mursey*
(Signature)

Title: Manager, Regulatory Services

Date Submitted: January 18, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: December 2012

Fuel Fm (Fuel Cost Schedule)	<u>\$20,256,025</u>		
Sales Sm (Sales Schedule)	619,547,000	(+)	0.03269
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00429</u></u> (\$/KWH)

Effective Date for Billing January 30, 2013

Submitted by: *Lilo P. Mursey*
(Signature)

Title: Manager, Regulatory Services

Date Submitted: January 18, 2013

*Pursuant to PSC Order dated May 31, 2011 in Case No. 2010-00490

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: December 2012

A. Company Generation			
Coal Burned	(+)	\$5,467,065	
Oil Burned	(+)	883,181	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>6,350,246</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	33,610,165	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>33,610,165</u>	
C. Inter-System Sales Fuel Costs		<u>13,296,454</u>	*
Sub Total		13,296,454	
D. Total Fuel Cost (A + B - C)		<u><u>\$26,663,957</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>November 2012</u> and the estimated cost originally reported.			
		<u>\$11,431,173</u>	-
	(actual)		
		<u>\$18,631,431</u>	=
	(estimated)		
			<u>(7,200,258)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(61,210)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$19,524,909</u>
H. Net Transmission Marginal Line Loss for month of <u>December 2012</u> (Accounts 4470207 and 447208)			731,116
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$20,256,025</u></u>
* Estimated - based on actual Kentucky generation unit costs in December 2012		<u>\$6,350,246</u>	
		150,586,000	0.04217 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: December 2012

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	150,586,000
Purchases Including Interchange In	(+)	<u>797,016,000</u>
Sub Total		947,602,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	315,306,000
System Losses	(+)	<u>12,749,000</u> *
Sub Total		<u>328,055,000</u>
Total Sales (A - B)		<u><u>619,547,000</u></u>

* Does not include 409,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: December 2012

Line No.			
1	FAC Rate Billed	(+)	(0.00070)
2	Retail KWH Billed at Above Rate	(x)	<u>604,129,091</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(422,890)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	524,802,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,862,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>517,939,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(362,558)
8	Over or (Under) Recovery (L3 - L7)		(60,332)
9	Total Sales (Page 3)	(+)	619,547,000
10	Kentucky Jurisdictional Sales	(/)	<u>610,660,900</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1.01455
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(61,210)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: November 2012

A. Company Generation			
Coal Burned	(+)	\$4,094,134	
Oil Burned	(+)	162,642	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(0 KWH X \$0.000000)	(+)	0	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>4,256,776</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,231,379	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>8,231,379</u>	
C. Inter-System Sales Fuel Costs		<u>1,056,982</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$11,431,173</u>	
E. Net Transmission Marginal Line Loss for month	<u>November 2012</u>	719,722	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$12,150,895</u></u>	

(1) Includes total Energy Costs of non-economy purchase per KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreement in Case No. 2009-00459**

Month Ended: **December 2012**

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,063,250
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2009-00459)	(-)	<u>1,568,121</u>
3	Increase/(Decrease) of System Sales Net Revenue		(504,871)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(302,923)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>619,547,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0004889</u></u> *

* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

Effective Date for Billing:

January 30, 2013

Submitted by:

Lila P. Munsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

January 18, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: December 2012

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$6,714,893	(\$80)	\$6,714,813
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	6,714,893	(80)	6,714,813
4	Sales For Resale Expenses	\$5,778,255	\$16,594	\$5,794,849
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(143,286)	0	(143,286)
7	Total System Sales Expenses	5,634,969	16,594	5,651,563
8	Total System Sales Net Revenues	<u>\$1,079,924</u>	<u>(\$16,674)</u>	<u>\$1,063,250</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs