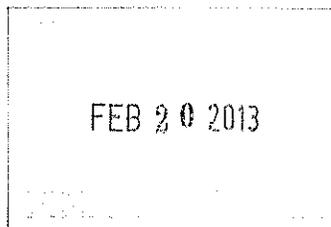




A unit of American Electric Power

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

February 18, 2013



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

RECEIVED

FEB 18 2013

PUBLIC SERVICE
COMMISSION

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 January 2013 fuel costs with an adjustment reflecting actual December 2012 fuel costs.

The fuel adjustment clause factor of $\$(0.00489)/\text{kWh}$ (credit) will be applied to the March 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 $\$(0.0006511)/\text{kWh}$ (credit) will also be applied to the March 2013 billing.

The March 2013 billing will use the combined factor of $\$(0.0055411)/\text{kWh}$ (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: **January 2013**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00489)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0006511)</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0055411)</u></u>

Effective Date for Billing

February 28, 2013

Submitted by:

Rita P. Munsey / rje
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

February 18, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **January 2013**

Fuel Fm (Fuel Cost Schedule)	<u>\$16,045,204</u>		
Sales Sm (Sales Schedule)	682,479,000	(+)	0.02351
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>(0.00489)</u></u> (\$/KWH)

Effective Date for Billing February 28, 2013

Submitted by: *Lila P. Mansory Page*
(Signature)

Title: Manager, Regulatory Services

Date Submitted: February 18, 2013

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

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: January 2013

A. Company Generation			
Coal Burned	(+)	\$12,112,144	
Oil Burned	(+)	387,936	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total		<u>12,500,080</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	23,664,783	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>23,664,783</u>	
C. Inter-System Sales Fuel Costs		<u>12,102,038</u>	*
Sub Total		12,102,038	
D. Total Fuel Cost (A + B - C)		<u>\$24,062,825</u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>December 2012</u> and the estimated cost originally reported. <u>\$17,312,980</u> - <u>\$26,663,957</u> = <u>(9,350,977)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(632,477)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$15,344,325</u>	
H. Net Transmission Marginal Line Loss for month of <u>January 2013</u> (Accounts 4470207 and 447208)		700,879	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u>\$16,045,204</u>	

* Estimated - based on actual Kentucky generation unit costs in
January 2013

<u>\$12,500,080</u>		
361,369,000	0.03459	/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: January 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	361,369,000
Purchases Including Interchange In	(+)	<u>684,151,000</u>
Sub Total		1,045,520,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	349,871,000
System Losses	(+)	<u>13,170,000</u> *
Sub Total		<u>363,041,000</u>
Total Sales (A - B)		<u><u>682,479,000</u></u>

* Does not include 541,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: January 2013

Line No.			
1	FAC Rate Billed	(+)	(0.00672)
2	Retail KWH Billed at Above Rate	(x)	<u>672,287,874</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(4,517,775)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	587,678,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,164,300</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>579,513,700</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(3,894,332)
8	Over or (Under) Recovery (L3 - L7)		(623,443)
9	Total Sales (Page 3)	(+)	682,479,000
10	Kentucky Jurisdictional Sales	(/)	<u>672,730,300</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01449
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(632,477)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: December 2012

A. Company Generation			
Coal Burned	(+)	\$11,312,678	
Oil Burned	(+)	908,736	
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>12,221,414</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,733,343	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>8,733,343</u>	
C. Inter-System Sales Fuel Costs		<u>3,641,777</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$17,312,980</u>	
E. Net Transmission Marginal Line Loss for month	<u>December 2012</u>	731,116	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$18,044,096</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 2013**

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,269,435
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		740,549
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		444,329
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>682,479,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0006511)</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 28, 2013

Submitted by:

Lila P. Murray / age
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

February 18, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: **January 2013**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$7,281,103	\$6,824	\$7,287,927
2	-0-	-0-	-0-
3	7,281,103	6,824	7,287,927
4	\$5,953,358	\$165,981	\$6,119,339
5	-0-	-0-	-0-
6	(100,847)	0	(100,847)
7	5,852,511	165,981	6,018,492
8	<u>\$1,428,592</u>	<u>(\$159,157)</u>	<u>\$1,269,435</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



RECEIVED

MAR 22 2013

FUEL ADJUSTMENT
COMMISSION

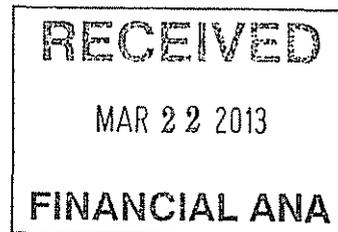
Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

March 22, 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 February 2013 fuel costs with an adjustment reflecting actual January 2013 fuel costs.

The fuel adjustment clause factor of \$0.00104/kWh will be applied to the April 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 \$(0.0003138)/kWh (credit) will also be applied to the April 2013 billing.

The April 2013 billing will use the combined factor of \$0.0007262/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: February 2013

- | | | |
|---|-----|---------------------------|
| 1 Fuel Adjustment Clause Factor (Page 1 of 5) | (+) | \$0.00104 |
| 2 System Sales Clause Factor (Page 1 of 2) | (+) | <u>(\$0.0003138)</u> |
| 3 Total Adjustment Clause Factors | | <u><u>\$0.0007262</u></u> |

Effective Date for Billing

April 1, 2013

Submitted by:

Lela P. Mummy / aje
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

March 22, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: February 2013

Fuel Fm (Fuel Cost Schedule)	\$17,866,105		
Sales Sm (Sales Schedule)	606,955,000	(+)	0.02944
Fuel (Fb)	\$16,138,627		
Sales (Sb)	568,162,000	(-)	0.02840 *
			0.00104 (\$/KWH)

Effective Date for Billing April 1, 2013

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

Title: Manager, Regulatory Services

Date Submitted: March 22, 2013

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

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: February 2013

A. Company Generation			
Coal Burned	(+)	\$13,722,408	
Oil Burned	(+)	635,358	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>14,357,766</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	16,231,467	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>16,231,467</u>	
C. Inter-System Sales Fuel Costs		<u>8,977,781</u>	*
Sub Total		8,977,781	
D. Total Fuel Cost (A + B - C)		<u><u>\$21,611,452</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>January 2013</u> and the estimated cost originally reported. <u>\$19,777,330</u> - <u>\$24,062,825</u> = <u>(4,285,495)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>45,822</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$17,280,135</u>	
H. Net Transmission Marginal Line Loss for month of <u>February 2013</u> (Accounts 4470207 and 447208)		585,970	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$17,866,105</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
February 2013

<u>\$14,357,766</u>		
411,362,000	0.03490	/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: February 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	411,362,000
Purchases Including Interchange In	(+)	<u>465,085,000</u>
Sub Total		876,447,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	257,243,000
System Losses	(+)	<u>12,249,000</u> *
Sub Total		<u>269,492,000</u>
Total Sales (A - B)		<u><u>606,955,000</u></u>

* Does not include 538,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: February 2013

Line No.			
1	FAC Rate Billed	(+)	0.00429
2	Retail KWH Billed at Above Rate	(x)	<u>621,188,973</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>2,664,901</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	619,547,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,886,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>610,660,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		2,619,735
8	Over or (Under) Recovery (L3 - L7)		45,166
9	Total Sales (Page 3)	(+)	606,955,000
10	Kentucky Jurisdictional Sales	(/)	<u>598,259,700</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (L9 / L10)		1.01453
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>45,822</u></u>

KENTUCKY POWER COMPANY

**FINAL
FUEL COST SCHEDULE**

Month Ended: **January 2013**

A. Company Generation			
Coal Burned	(+)	\$18,065,319	
Oil Burned	(+)	436,442	
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>18,501,761</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	6,808,106	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>6,808,106</u>	
C. Inter-System Sales Fuel Costs		<u>5,532,537</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$19,777,330</u>	
E. Net Transmission Marginal Line Loss for month	<u>January 2013</u>	700,879	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$20,478,209</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	652,568
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		317,401
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		190,441
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>606,955,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0003138)</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 1, 2013

Submitted by:

Lela P. Mursey / age
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

March 22, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: February 2013

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$5,375,184	(\$24,019)	\$5,351,165
2	-0-	-0-	-0-
3	5,375,184	(24,019)	5,351,165
4	\$4,653,023	\$49,509	\$4,702,532
5	-0-	-0-	-0-
6	(3,935)	0	(3,935)
7	4,649,088	49,509	4,698,597
8	<u>\$726,096</u>	<u>(\$73,528)</u>	<u>\$652,568</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



RECEIVED

APR 19 2013

PUBLIC SERVICE
COMMISSION

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

April 19, 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 March 2013 fuel costs with an adjustment reflecting actual February 2013 fuel costs.

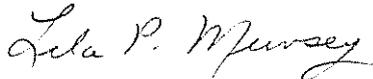
The fuel adjustment clause factor of \$0.00030/kWh will be applied to the May 2013 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to 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 \$0.0006959/kWh will also be applied to the May 2013 billing.

The May 2013 billing will use the combined factor of \$0.0009959/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

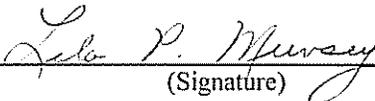
RECEIVED
APR 22 2013
FINANCIAL / NA

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: March 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00030
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0006959</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0009959</u></u>

Effective Date for Billing April 30, 2013

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

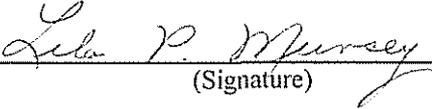
Date Submitted: April 19, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: March 2013

Fuel Fm (Fuel Cost Schedule)	\$17,965,648		
Sales Sm (Sales Schedule)	626,039,000	(+)	0.02870
Fuel (Fb)	\$16,138,627		
Sales (Sb)	568,162,000	(-)	0.02840 *
			0.00030 (\$/KWH)

Effective Date for Billing April 30, 2013

Submitted by: 
 (Signature)

Title: Manager, Regulatory Services

Date Submitted: April 19, 2013

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

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: March 2013

A. Company Generation			
Coal Burned	(+)	\$19,716,510	
Oil Burned	(+)	(239,388)	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>19,477,122</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	11,598,427	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>11,598,427</u>	
C. Inter-System Sales Fuel Costs		<u>10,218,374</u>	*
Sub Total		<u>10,218,374</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$20,857,175</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>February 2013</u> and the estimated cost originally reported.			
		<u>\$18,346,277</u>	-
		(actual)	
		<u>\$21,611,452</u>	-
		(estimated)	
	=		<u>(3,265,175)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>327,673</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$17,264,327</u>	
H. Net Transmission Marginal Line Loss for month of <u>March 2013</u> (Accounts 4470207 and 447208)			701,321
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$17,965,648</u></u>	

* Estimated - based on actual Kentucky generation unit costs in March 2013

\$19,477,122

598,568,000

0.03254

/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: March 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	598,568,000
Purchases Including Interchange In	(+)	<u>356,436,000</u>
Sub Total		955,004,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	314,025,000
System Losses	(+)	<u>14,940,000</u> *
Sub Total		<u>328,965,000</u>
Total Sales (A - B)		<u><u>626,039,000</u></u>

* Does not include 533,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: March 2013

Line No.			
1	FAC Rate Billed	(+)	(0.00489)
2	Retail KWH Billed at Above Rate	(x)	<u>606,679,178</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,966,661)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	682,479,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>9,748,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>672,730,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(3,289,651)
8	Over or (Under) Recovery (L3 - L7)		322,990
9	Total Sales (Page 3)	(+)	626,039,000
10	Kentucky Jurisdictional Sales	(/)	<u>617,090,540</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01450
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>327,673</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: February 2013

A. Company Generation			
Coal Burned	(+)	\$16,614,189	
Oil Burned	(+)	683,198	
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>17,297,387</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	5,506,951	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	0	
Sub-total		<u>5,506,951</u>	
C. Inter-System Sales Fuel Costs			
		<u>4,458,061</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)			
		<u>\$18,346,277</u>	
E. Net Transmission Marginal Line Loss for month	<u>February 2013</u>		
		585,970	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$18,932,247</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	804,420
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		(726,069)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(435,641)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>626,039,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0006959</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, 2013

Submitted by:

Lula P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

April 19, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: March 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$5,396,453	(\$14,968)	\$5,381,485
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	5,396,453	(14,968)	5,381,485
4	Sales For Resale Expenses	\$4,523,290	\$35,016	\$4,558,306
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	18,759	0	18,759
7	Total System Sales Expenses	4,542,049	35,016	4,577,065
8	Total System Sales Net Revenues	<u>\$854,404</u>	<u>(\$49,984)</u>	<u>\$804,420</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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MAY 20 2013

PUBLIC SERVICE
COMMISSION

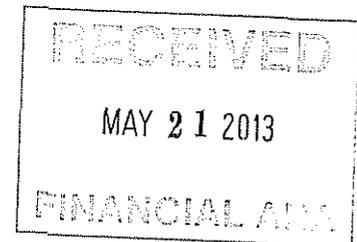
Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort KY 40602-5190
KentuckyPower.com

May 20, 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 April 2013 fuel costs with an adjustment reflecting actual March 2013 fuel costs.

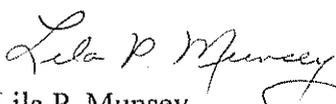
The fuel adjustment clause factor of \$0.00331/kWh will be applied to the June 2013 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to 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 \$0.0008619/kWh will also be applied to the June 2013 billing.

The June 2013 billing will use the combined factor of \$0.0041719/kWh for all usage billed.

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

Sincerely,


Lila P. Munsey
Manager, Regulatory Services

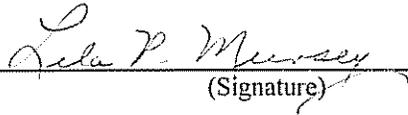
Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: April 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00331
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0008619</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0041719</u></u>

Effective Date for Billing May 30, 2013

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

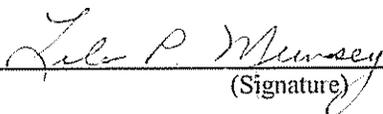
Date Submitted: May 20, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: April 2013

Fuel Fm (Fuel Cost Schedule)	<u>\$15,871,984</u>		
Sales Sm (Sales Schedule)	500,514,000	(+)	0.03171
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00331</u></u> (\$/KWH)

Effective Date for Billing May 30, 2013

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: May 20, 2013

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

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: April 2013

A. Company Generation			
Coal Burned	(+)	\$14,631,270	
Oil Burned	(+)	31,327	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total		<u>14,662,597</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	9,950,539	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>9,950,539</u>	
C. Inter-System Sales Fuel Costs		<u>8,076,078</u>	*
Sub Total		8,076,078	
D. Total Fuel Cost (A + B - C)		<u><u>\$16,537,058</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>March 2013</u> and the estimated cost originally reported. <u>\$19,648,474</u> - <u>\$20,857,175</u> = <u>(1,208,701)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(28,076)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$15,356,433</u>	
H. Net Transmission Marginal Line Loss for month of <u>April 2013</u> (Accounts 4470207 and 447208)		515,551	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$15,871,984</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
April 2013 \$14,662,597
455,195,000 0.03221 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: April 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	455,195,000
Purchases Including Interchange In	(+)	<u>308,927,000</u>
Sub Total		764,122,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	250,732,000
System Losses	(+)	<u>12,876,000</u> *
Sub Total		<u>263,608,000</u>
Total Sales (A - B)		<u><u>500,514,000</u></u>

* Does not include 303,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: April 2013

Line No			
1	FAC Rate Billed	(+)	0.00104
2	Retail KWH Billed at Above Rate	(x)	<u>571,624,491</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>594,489</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	606,955,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,695,300</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>598,259,700</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		622,190
8	Over or (Under) Recovery (L3 - L7)		(27,701)
9	Total Sales (Page 3)	(+)	500,514,000
10	Kentucky Jurisdictional Sales	(/)	<u>493,824,000</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01355
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(28,076)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: March 2013

A. Company Generation			
Coal Burned	(+)	\$22,955,816	
Oil Burned	(+)	(227,552)	
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>22,728,264</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	3,855,571	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	0	
Sub-total			<u>3,855,571</u>
C. Inter-System Sales Fuel Costs			<u>6,935,361</u> (1)
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$19,648,474</u>
E. Net Transmission Marginal Line Loss for month		<u>March 2013</u>	701,321
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$20,349,795</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 2013

Line
No.

1	Current Month (Tm) Net Revenue Level	(+)	652,536	
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		(718,985)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(431,391)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>500,514,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u>0.0008619</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, 2013

Submitted by:

Lela P. Munsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

May 20, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: April 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$4,822,368	\$118,199	\$4,940,567
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	4,822,368	118,199	4,940,567
4	Sales For Resale Expenses	\$4,277,470	\$17,517	\$4,294,987
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(6,956)	0	(6,956)
7	Total System Sales Expenses	4,270,514	17,517	4,288,031
8	Total System Sales Net Revenues	<u>\$551,854</u>	<u>\$100,682</u>	<u>\$652,536</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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JUN 18 2013

PUBLIC SERVICE
COMMISSION

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

June 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 May 2013 fuel costs with an adjustment reflecting actual April 2013 fuel costs.

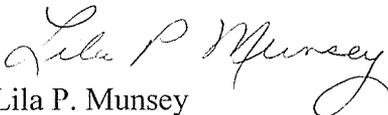
The fuel adjustment clause factor of \$0.00708/kWh will be applied to the July 2013 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased power costs to 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 \$0.0007858/kWh will also be applied to the July 2013 billing.

The July 2013 billing will use the combined factor of \$0.0078658/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 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00708
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0007858</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0078658</u></u>

Effective Date for Billing

June 28, 2013

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

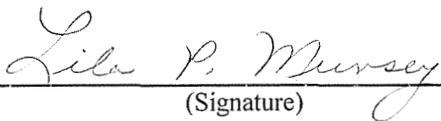
June 18, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: May 2013

Fuel Fm (Fuel Cost Schedule)	\$17,576,583			
Sales Sm (Sales Schedule)	495,428,000	(+)		0.03548
Fuel (Fb)	\$16,138,627			
Sales (Sb)	568,162,000	(-)		0.02840 *
				0.00708 (\$/KWH)

Effective Date for Billing June 28, 2013

Submitted by:

 (Signature)

Title: Manager, Regulatory Services

Date Submitted: June 18, 2013

**Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: May 2013

A. Company Generation				
Coal Burned	(+)	\$1,911,384		
Oil Burned	(+)	73,096		
Gas Burned	(+)	0		
Fuel (jointly owned plant)	(+)	0		
Fuel (assigned cost during F. O.)	(+)	0		
Fuel (substitute for F. O.)	(-)			
Sub Total				<u>1,984,480</u>
B. Purchases				
Net Energy Cost - Economy Purchases	(+)	0		
Identifiable Fuel Cost - Other Purchases	(+)	20,758,099	*	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0		
Sub Total				<u>20,758,099</u>
C. Inter-System Sales Fuel Costs				<u>4,987,336</u> *
Sub Total				4,987,336
D. Total Fuel Cost (A + B - C)				<u><u>\$17,755,243</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>April 2013</u> and the estimated cost originally reported. <u>\$15,762,605</u> - <u>\$16,537,058</u> = <u>(774,453)</u> (actual) (estimated)				
F. Total Company Over or (Under) Recovery from Page 4, Line 12				<u>(44,398)</u>
G. Grand Total Fuel Cost (D + E - F)				<u>\$17,025,188</u>
H. Net Transmission Marginal Line Loss for month of <u>May 2013</u> (Accounts 4470207 and 447208)				551,395
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)				<u><u>\$17,576,583</u></u>

* Estimated - based on actual Kentucky generation unit costs in
May 2013 \$1,984,480
56,804,000 0.03494 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: May 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	56,804,000
Purchases Including Interchange In	(+)	<u>594,107,000</u>
Sub Total		650,911,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	142,740,000
System Losses	(+)	<u>12,743,000</u> *
Sub Total		<u>155,483,000</u>
Total Sales (A - B)		<u><u>495,428,000</u></u>

* Does not include 226,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: May 2013

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0.00030
2	Retail KWH Billed at Above Rate	(x)	<u>471,104,232</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>141,331</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	626,039,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,948,400</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>617,090,600</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		185,127
8	Over or (Under) Recovery (L3 - L7)		(43,796)
9	Total Sales (Page 3)	(+)	495,428,000
10	Kentucky Jurisdictional Sales	(/)	<u>488,712,200</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01374
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(44,398)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: April 2013

A. Company Generation			
Coal Burned	(+)	\$17,688,584	
Oil Burned	(+)	46,128	
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>17,734,712</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	2,647,713	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>2,647,713</u>	
C. Inter-System Sales Fuel Costs		<u>4,619,820</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$15,762,605</u>	
E. Net Transmission Marginal Line Loss for month	<u>April 2013</u>	515,551	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$16,278,156</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	658,651	
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		(648,821)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(389,293)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>495,428,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0007858</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, 2013

Submitted by:

Lila P. Munsay
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

June 18, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: May 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$3,989,701	(\$67,941)	\$3,921,760
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	3,989,701	(67,941)	3,921,760
4	Sales For Resale Expenses	\$3,391,861	(\$10,802)	\$3,381,059
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(117,950)	0	(117,950)
7	Total System Sales Expenses	3,273,911	(10,802)	3,263,109
8	Total System Sales Net Revenues	<u>\$715,790</u>	<u>(\$57,139)</u>	<u>\$658,651</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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JUL 19 2013

PUBLIC SERVICE
COMMISSION

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

July 19, 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 June 2013 fuel costs with an adjustment reflecting actual May 2013 fuel costs.

The fuel adjustment clause factor of \$0.00385/kWh will be applied to the August 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 (\$0.0003992)/kWh will also be applied to the August 2013 billing.

The August 2013 billing will use the combined factor of \$0.0034508/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: June 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00385
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0003992)</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0034508</u></u>

Effective Date for Billing July 30, 2013

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: July 19, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: June 2013

Fuel Fm (Fuel Cost Schedule)	\$16,876,261			
Sales Sm (Sales Schedule)	523,223,000	(+)		0.03225
Fuel (Fb)	\$16,138,627			
Sales (Sb)	568,162,000	(-)		0.02840 *
				0.00385 (\$/KWH)

Effective Date for Billing July 30, 2013

Submitted by: 
 (Signature)

Title: Manager, Regulatory Services

Date Submitted: July 19, 2013

**Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: June 2013

A. Company Generation			
Coal Burned	(+)	\$4,163,783	
Oil Burned	(+)	401,519	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>4,565,302</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	25,133,999	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>25,133,999</u>	
C. Inter-System Sales Fuel Costs		<u>8,818,953</u>	*
Sub Total		8,818,953	
D. Total Fuel Cost (A + B - C)		<u>\$20,880,348</u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>May 2013</u> and the estimated cost originally reported.			
		<u>\$13,227,670</u>	-
	(actual)		
		<u>\$17,755,243</u>	-
	(estimated)		
			=
			<u>(4,527,573)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(2,354)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$16,355,129</u>
H. Net Transmission Marginal Line Loss for month of <u>June 2013</u> (Accounts 4470207 and 447208)			521,132
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u>\$16,876,261</u>
* Estimated - based on actual Kentucky generation unit costs in June 2013		<u>\$4,565,302</u>	
		117,583,000	0.03883 /KWH

KENTUCKY POWER COMPANY**SALES SCHEDULE****Month Ended: June 2013**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	117,583,000
Purchases Including Interchange In	(+)	<u>647,283,000</u>
Sub Total		764,866,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	227,117,000
System Losses	(+)	<u>14,526,000</u> *
Sub Total		<u>241,643,000</u>
Total Sales (A - B)		<u><u>523,223,000</u></u>

* Does not include 257,000 KWH of company usage.

KENTUCKY POWER COMPANY

OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: June 2013

Line No.			
1	FAC Rate Billed	(+)	0.00331
2	Retail KWH Billed at Above Rate	(x)	<u>493,122,664</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,632,236</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	500,514,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,690,000</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>493,824,000</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,634,557
8	Over or (Under) Recovery (L3 - L7)		(2,321)
9	Total Sales (Page 3)	(+)	523,223,000
10	Kentucky Jurisdictional Sales	(/)	<u>515,833,900</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01432
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(2,354)</u></u>

KENTUCKY POWER COMPANY**FINAL
FUEL COST SCHEDULE****Month Ended: May 2013**

A. Company Generation			
Coal Burned	(+)	\$5,508,914	
Oil Burned	(+)	181,733	
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>5,690,647</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,843,938	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(0 KWH X \$0.000000)	(-)	<u>0</u>	
Sub-total		<u>8,843,938</u>	
C. Inter-System Sales Fuel Costs		<u>1,306,915</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$13,227,670</u>	
E. Net Transmission Marginal Line Loss for month	<u>May 2013</u>	551,395	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$13,779,065</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,115,203	
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		348,079	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		208,847	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>523,223,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0003992)</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:

July 30, 2013

Submitted by:

Lila P. Meinsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

July 19, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: June 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$5,956,986	(\$15,272)	\$5,941,714
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	5,956,986	(15,272)	5,941,714
4	Sales For Resale Expenses	\$4,962,206	(\$6,638)	\$4,955,568
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(129,057)	0	(129,057)
7	Total System Sales Expenses	4,833,149	(6,638)	4,826,511
8	Total System Sales Net Revenues	<u>\$1,123,837</u>	<u>(\$8,634)</u>	<u>\$1,115,203</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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AUG 19 2013

PUBLIC SERVICE
COMMISSION

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

August 19, 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 July 2013 fuel costs with an adjustment reflecting actual June 2013 fuel costs.

The fuel adjustment clause factor of (\$0.00062)/kWh (credit) will be applied to the September 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 (\$0.0020139)/kWh (credit) will also be applied to the September 2013 billing.

The September 2013 billing will use the combined factor of (\$0.0026339)/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: July 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00062)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0020139)</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0026339)</u></u>

Effective Date for Billing

August 28, 2013

Submitted by:

Lela P. Munsey /aje
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

August 19, 2013

KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: July 2013

Fuel Fm (Fuel Cost Schedule)	<u>\$15,372,896</u>		
Sales Sm (Sales Schedule)	553,449,000	(+)	0.02778
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u>(0.00062)</u> (\$/KWH)

Effective Date for Billing August 28, 2013

Submitted by: Lila P. Munsey / ajc
(Signature)

Title: Manager, Regulatory Services

Date Submitted: August 19, 2013

*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: July 2013

A. Company Generation			
Coal Burned	(+)	\$4,500,315	
Oil Burned	(+)	303,657	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>4,803,972</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	29,322,981	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>29,322,981</u>	
C. Inter-System Sales Fuel Costs		<u>13,014,824</u>	*
Sub Total		<u>13,014,824</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$21,112,129</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>June 2013</u> and the estimated cost originally reported. <u>\$14,550,839</u> - <u>\$20,880,348</u> = <u>(6,329,509)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>284,041</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$14,498,579</u>	
H. Net Transmission Marginal Line Loss for month of <u>July 2013</u> (Accounts 4470207 and 447208)		<u>874,317</u>	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$15,372,896</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
July 2013 \$4,803,972

129,852,000 0.03700 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: July 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	129,852,000
Purchases Including Interchange In	(+)	<u>792,513,000</u>
Sub Total		922,365,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	351,752,000
System Losses	(+)	<u>17,164,000</u> *
Sub Total		<u>368,916,000</u>
Total Sales (A - B)		<u><u>553,449,000</u></u>

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

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: July 2013

Line No.			
1	FAC Rate Billed	(+)	0.00708
2	Retail KWH Billed at Above Rate	(x)	<u>528,248,647</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>3,740,000</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	495,428,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,715,800</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>488,712,200</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		3,460,082
8	Over or (Under) Recovery (L3 - L7)		279,918
9	Total Sales (Page 3)	(+)	553,449,000
10	Kentucky Jurisdictional Sales	(/)	<u>545,415,000</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01473
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>284,041</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: June 2013

A. Company Generation			
Coal Burned	(+)	\$8,261,795	
Oil Burned	(+)	547,928	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(339,468,000 KWH X \$0.023454)	(+)	7,961,882	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>16,771,605</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,562,960	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(339,468,000 KWH X \$0.023454)	(-)	<u>7,961,882</u>	
Sub-total		<u>601,078</u>	
C. Inter-System Sales Fuel Costs		<u>2,821,844</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$14,550,839</u>	
E. Net Transmission Marginal Line Loss for month	<u>June 2013</u>	521,132	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$15,071,971</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	2,473,866
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		1,857,632
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		1,114,579
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>553,449,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>(0.0020139)</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, 2013

Submitted by:

Lila P. Mansley/ajl
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

August 19, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: July 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$9,528,649	\$10,450	\$9,539,099
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	9,528,649	10,450	9,539,099
4	Sales For Resale Expenses	\$7,220,074	\$25,268	\$7,245,342
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(180,109)	0	(180,109)
7	Total System Sales Expenses	7,039,965	25,268	7,065,233
8	Total System Sales Net Revenues	<u>\$2,488,684</u>	<u>(\$14,818)</u>	<u>\$2,473,866</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



A unit of American Electric Power

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

September 17, 2013

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

RECEIVED

SEP 17 2013

**PUBLIC SERVICE
COMMISSION**

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 August 2013 fuel costs with an adjustment reflecting actual July 2013 fuel costs.

The fuel adjustment clause factor of (\$0.00042)/kWh (credit) will be applied to the October 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 \$0.0009925/kWh will also be applied to the October 2013 billing.

The October 2013 billing will use the combined factor of \$0.0005725/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



bcc: (via email – all w/attachment)
Brian Elswick, Columbus
Brian Hamborg, Columbus

Ellen McAninch, Columbus

O. J. Sever, Jr., Columbus
Steve M. Trammell, Tulsa
KPCo Regulatory File Book
Deborah Snyder, Columbus
John Lowry, Columbus

Jeff Brubaker, Columbus
Brian Lysiak, Columbus

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: August 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00042)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0009925</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0005725</u></u>

Effective Date for Billing

September 27, 2013

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

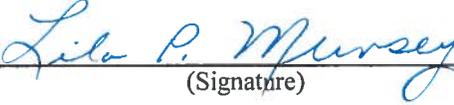
September 17, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: August 2013

Fuel Fm (Fuel Cost Schedule)	<u>\$15,170,229</u>		
Sales Sm (Sales Schedule)	542,214,000	(+)	0.02798
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>(0.00042)</u></u> (\$/KWH)

Effective Date for Billing September 27, 2013

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: September 17, 2013

*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: August 2013

A. Company Generation			
Coal Burned	(+)	\$4,054,076	
Oil Burned	(+)	16,356	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)		
Sub Total		<u>4,070,432</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	30,934,761	*
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>30,934,761</u>	
C. Inter-System Sales Fuel Costs		<u>14,108,237</u>	*
Sub Total		<u>14,108,237</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$20,896,956</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>July 2013</u> and the estimated cost originally reported. <u>\$14,933,792</u> - <u>\$21,112,129</u> = <u>(6,178,337)</u> (actual) (estimated)			
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>30,037</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$14,688,583</u>	
H. Net Transmission Marginal Line Loss for month of <u>August 2013</u> (Accounts 4470207 and 447208)		481,646	
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$15,170,229</u></u>	

* Estimated - based on actual Kentucky generation unit costs in
August 2013 \$4,070,432
108,582,000 0.03749 /KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: August 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	108,582,000
Purchases Including Interchange In	(+)	<u>825,147,000</u>
Sub Total		933,729,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	376,320,000
System Losses	(+)	<u>15,195,000</u> *
Sub Total		<u>391,515,000</u>
Total Sales (A - B)		<u><u>542,214,000</u></u>

* Does not include 251,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: August 2013

Line No.			
1	FAC Rate Billed	(+)	0.00385
2	Retail KWH Billed at Above Rate	(x)	<u>523,524,618</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>2,015,570</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	523,223,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,389,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>515,833,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,985,961
8	Over or (Under) Recovery (L3 - L7)		29,609
9	Total Sales (Page 3)	(+)	542,214,000
10	Kentucky Jurisdictional Sales	(/)	<u>534,481,900</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01447
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>30,037</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: July 2013

A. Company Generation			
Coal Burned	(+)	\$10,765,661	
Oil Burned	(+)	331,090	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(323,767,000 KWH X \$0.023329)	(+)	7,553,160	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>18,649,911</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,629,834	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(323,767,000 KWH X \$0.023329)	(-)	<u>7,553,160</u>	
Sub-total		<u>1,076,674</u>	
C. Inter-System Sales Fuel Costs		<u>4,792,793</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$14,933,792</u>	
E. Net Transmission Marginal Line Loss for month	<u>July 2013</u>	874,317	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$15,808,109</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,239,726
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		(896,926)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(538,156)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>542,214,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0009925</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, 2013

Submitted by:

Lila P. Mervsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

September 17, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: August 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$8,280,312	\$17,745	\$8,298,057
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	8,280,312	17,745	8,298,057
4	Sales For Resale Expenses	\$7,086,134	\$164,519	\$7,250,653
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(192,322)	0	(192,322)
7	Total System Sales Expenses	6,893,812	164,519	7,058,331
8	Total System Sales Net Revenues	<u>\$1,386,500</u>	<u>(\$146,774)</u>	<u>\$1,239,726</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

HAND DELIVERED

October 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 September 2013 fuel costs with an adjustment reflecting actual August 2013 fuel costs.

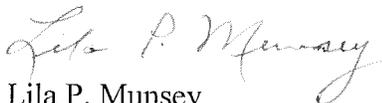
The fuel adjustment clause factor of (\$0.00286)/kWh (credit) will be applied to the November 2013 billing. In accordance with the Commission's Order dated October 3, 2002, in Case No. 2000-495B, page 5 reflects the peaking unit equivalent approach used to calculate the level of non-economy purchased 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 \$0.0010694/kWh will also be applied to the November 2013 billing.

The November 2013 billing will use the combined factor of (\$0.0017906)/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

RECEIVED
OCT 18 2013
**PUBLIC SERVICE
COMMISSION**

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: September 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00286)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0010694</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.0017906)</u></u>

Effective Date for Billing

October 28, 2013

Submitted by:

Lela P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

October 18, 2013

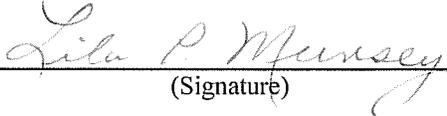
KENTUCKY POWER COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: September 2013

Fuel Fm (Fuel Cost Schedule)	<u>\$12,129,595</u>		
Sales Sm (Sales Schedule)	474,833,000	(+)	0.02554
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u>(0.00286)</u> (\$/KWH)

Effective Date for Billing October 28, 2013

Submitted by: 
(Signature)

Title: Manager, Regulatory Services

Date Submitted: October 18, 2013

*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: September 2013

A.	Company Generation			
	Coal Burned	(+)	\$3,356,477	
	Oil Burned	(+)	15,952	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)		
	Sub Total		<u>3,372,429</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	24,997,034	*
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>24,997,034</u>	
C.	Inter-System Sales Fuel Costs		<u>10,975,009</u>	*
	Sub Total		10,975,009	
D.	Total Fuel Cost (A + B - C)		<u>\$17,394,454</u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>August 2013</u> and the estimated cost originally reported.			
			<u>\$15,167,688</u>	-
			(actual)	
			<u>\$20,896,956</u>	-
			(estimated)	
		=	<u>(5,729,268)</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>23,252</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$11,641,934</u>	
H.	Net Transmission Marginal Line Loss for month of <u>September 2013</u> (Accounts 4470207 and 447208)		487,661	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u>\$12,129,595</u>	

* Estimated - based on actual Kentucky generation unit costs in September 2013

<u>\$3,372,429</u>		
95,190,000	0.03543	/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: September 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	95,190,000
Purchases Including Interchange In	(+)	<u>705,533,000</u>
Sub Total		800,723,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	309,766,000
System Losses	(+)	<u>16,124,000</u> *
Sub Total		<u>325,890,000</u>
Total Sales (A - B)		<u><u>474,833,000</u></u>

* Does not include 269,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **September 2013**

Line No.			
1	FAC Rate Billed	(+)	(0.00062)
2	Retail KWH Billed at Above Rate	(x)	<u>508,434,259</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(315,229)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	553,449,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,034,000</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>545,415,000</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(338,157)
8	Over or (Under) Recovery (L3 - L7)		22,928
9	Total Sales (Page 3)	(+)	474,833,000
10	Kentucky Jurisdictional Sales	(/)	<u>468,223,300</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01412
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>23,252</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: August 2013

A. Company Generation			
Coal Burned	(+)	\$9,607,614	
Oil Burned	(+)	71,985	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(384,074,000 KWH X \$0.024915)	(+)	9,569,204	
Fuel (substitute for F. O.)	(-)	0	
Sub-total		<u>19,248,803</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	10,267,691	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(384,074,000 KWH X \$0.024915)	(-)	<u>9,569,204</u>	
Sub-total		<u>698,487</u>	
C. Inter-System Sales Fuel Costs		<u>4,779,602</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$15,167,688</u>	
E. Net Transmission Marginal Line Loss for month	<u>August 2013</u>	481,646	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$15,649,334</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,004,247
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		(846,330)
4	Customer 60% Sharing	(x)	<u>60%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(507,798)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>474,833,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0010694</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 28, 2013

Submitted by:

Lila P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

October 18, 2013

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: September 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$7,131,238	\$3,483	\$7,134,721
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	7,131,238	3,483	7,134,721
4	Sales For Resale Expenses	\$6,168,710	\$81,006	\$6,249,716
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(119,242)	0	(119,242)
7	Total System Sales Expenses	6,049,468	81,006	6,130,474
8	Total System Sales Net Revenues	<u>\$1,081,770</u>	<u>(\$77,523)</u>	<u>\$1,004,247</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

HAND DELIVERED

November 25, 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,

In accordance with Commission Order Dated November 22, 2013 in Case No. 2013-00261, Kentucky Power is hereby amending its previously filed Fuel Adjustment Clause and System Sales Clause factors for December 2013 billing.

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules are attached. These calculations are based on estimated October 2013 fuel costs with an adjustment reflecting actual September 2013 fuel costs.

The fuel adjustment clause factor of (\$0.00112)/kWh (credit) will be applied to the December 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 \$0.0022993/kWh will also be applied to the December 2013 billing.

The December 2013 billing will use the combined factor of \$0.0011793/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



KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: October 2013

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00112)
2	System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0022993</u>
3	Total Adjustment Clause Factors		<u><u>\$0.0011793</u></u>

Effective Date for Billing November 26, 2013

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

Title: Manager, Regulatory Services

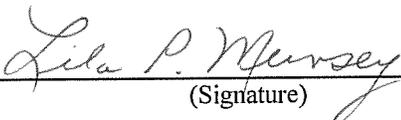
Date Submitted: November 25, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: October 2013

Fuel Fm (Fuel Cost Schedule)	\$13,284,121			
Sales Sm (Sales Schedule)	486,952,000	(+)		0.02728
Fuel (Fb)	\$16,138,627			
Sales (Sb)	568,162,000	(-)		0.02840 *
				(0.00112) (\$/KWH)

Effective Date for Billing November 26, 2013

Submitted by:

 (Signature)

Title: Manager, Regulatory Services

Date Submitted: November 25, 2013

**Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: October 2013

A.	Company Generation			
	Coal Burned	(+)	\$312,525	
	Oil Burned	(+)	12,116	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)		
	Sub Total		<u>324,641</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	24,763,138	*
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>24,763,138</u>	
C.	Inter-System Sales Fuel Costs		<u>6,729,079</u>	*
	Sub Total		<u>6,729,079</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$18,358,700</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>September 2013</u> and the estimated cost originally reported.			
			<u>\$12,072,979</u>	-
			(actual)	
			<u>\$17,394,454</u>	-
			(estimated)	
		=	<u>(5,321,475)</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>32,238</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$13,004,987</u>	
H.	Net Transmission Marginal Line Loss for month of <u>October 2013</u> (Accounts 4470207 and 447208)		448,353	
H1.	Refund due to misallocated PJM charges and credits		169,220	(1)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H -H1)		<u><u>\$13,284,121</u></u>	

* Estimated - average of past five months (May 2013 through September 2013) actual generation and fuel cost.

<u>\$3,759,323</u>		
101,602,200	0.03700	/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: October 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	16,734,000
Purchases Including Interchange In	(+)	<u>669,274,000</u>
Sub Total		686,008,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	181,867,000
System Losses	(+)	<u>17,189,000</u> *
Sub Total		<u>199,056,000</u>
Total Sales (A - B)		<u><u>486,952,000</u></u>

* Does not include 239,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: October 2013

Line No.			
1	FAC Rate Billed	(+)	(0.00042)
2	Retail KWH Billed at Above Rate	(x)	<u>458,776,496</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(192,686)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	542,214,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,732,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>534,481,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(224,482)
8	Over or (Under) Recovery (L3 - L7)		31,796
9	Total Sales (Page 3)	(+)	486,952,000
10	Kentucky Jurisdictional Sales	(/)	<u>480,272,900</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01391
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>32,238</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: September 2013

A. Company Generation			
Coal Burned	(+)	\$8,025,005	
Oil Burned	(+)	113,195	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(300,808,000 KWH X \$0.023415)	(+)	7,043,419	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>15,181,619</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,107,764	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(300,808,000 KWH X \$0.023415)	(-)	<u>7,043,419</u>	
Sub-total		<u>1,064,345</u>	
C. Inter-System Sales Fuel Costs		<u>4,172,985</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$12,072,979</u>	
E. Net Transmission Marginal Line Loss for month	<u>September 2013</u>	487,661	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$12,560,640</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 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	421,995	
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		(1,317,670)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(790,602)	
5A.	Charge Due to PJM/LSE Reclassification		329,046	(1)
5B.	Total (5-5A)		(1,119,648)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>486,952,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		<u><u>0.0022993</u></u>	*

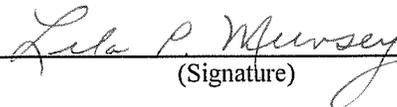
* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

(1) In accordance with Order Dated November 22, 2013 in
Case No. 2013-00261

Effective Date for Billing:

November 26, 2013

Submitted by:


(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

November 25, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: October 2013

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$5,296,183	(\$3,980)	\$5,292,203
2	-0-	-0-	-0-
3	5,296,183	(3,980)	5,292,203
4	\$4,860,860	\$92,709	\$4,953,569
5	-0-	-0-	-0-
6	(83,361)	0	(83,361)
7	4,777,499	92,709	4,870,208
8	<u>\$518,684</u>	<u>(\$96,689)</u>	<u>\$421,995</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

HAND DELIVERED

December 23, 2013



RECEIVED

DEC 23 2013

**PUBLIC SERVICE
COMMISSION**

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 2013 fuel costs with an adjustment reflecting actual October 2013 fuel costs.

The fuel adjustment clause factor of \$0.00213/kWh will be applied to the January 2014 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 \$0.00000/kWh will also be applied to the January 2014 billing.

The January 2014 billing will use the combined factor of \$0.0021300/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: November 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$0.00213
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>.000000</u>
3 Total Adjustment Clause Factors	<u><u>\$0.0021300</u></u>

Effective Date for Billing

December 31, 2013

Submitted by:

Lila P. Munsey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

December 23, 2013

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **November 2013**

Fuel Fm (Fuel Cost Schedule)	<u>\$17,681,028</u>		
Sales Sm (Sales Schedule)	579,155,000	(+)	0.03053
Fuel (Fb)	<u>\$16,138,627</u>		
Sales (Sb)	568,162,000	(-)	<u>0.02840</u> *
			<u><u>0.00213</u></u> (\$/KWH)

Effective Date for Billing December 31, 2013

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

Title: Manager, Regulatory Services

Date Submitted: December 23, 2013

*Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: November 2013

A.	Company Generation			
	Coal Burned	(+)	\$1,406,854	
	Oil Burned	(+)	669,112	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)		
	Sub Total		<u>2,075,966</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	25,671,652	*
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>25,671,652</u>	
C.	Inter-System Sales Fuel Costs		<u>5,130,679</u>	*
	Sub Total		5,130,679	
D.	Total Fuel Cost (A + B - C)		<u><u>\$22,616,939</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>October 2013</u> and the estimated cost originally reported.			
			<u>\$12,847,772</u>	-
			(actual)	
			<u>\$18,358,700</u>	-
			(estimated)	
		=	<u>(5,510,928)</u>	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(69,380)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$17,175,391</u>	
H.	Net Transmission Marginal Line Loss for month of <u>November 2013</u> (Accounts 4470207 and 447208)		505,637	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$17,681,028</u></u>	

* Estimated - average of past six months (May 2013 through October 2013) actual generation and fuel cost.

<u>\$3,186,876</u>		
87,457,500	0.03644	/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: November 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	35,869,000
Purchases Including Interchange In	(+)	<u>704,491,000</u>
Sub Total		740,360,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	140,798,000
System Losses	(+)	<u>20,407,000</u> *
Sub Total		<u>161,205,000</u>
Total Sales (A - B)		<u><u>579,155,000</u></u>

* Does not include 284,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: November 2013

Line No.			
1	FAC Rate Billed	(+)	(0.00286)
2	Retail KWH Billed at Above Rate	(x)	<u>492,152,400</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(1,407,556)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	474,833,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,609,700</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>468,223,300</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(1,339,119)
8	Over or (Under) Recovery (L3 - L7)		(68,437)
9	Total Sales (Page 3)	(+)	579,155,000
10	Kentucky Jurisdictional Sales	(/)	<u>571,285,300</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01378
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(69,380)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: October 2013

A. Company Generation			
Coal Burned	(+)	\$5,779,237	
Oil Burned	(+)	97,077	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(306,432,000 KWH X \$0.025560)	(+)	7,832,402	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total		<u>13,708,716</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,805,114	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(306,432,000 KWH X \$0.025560)	(-)	<u>7,832,402</u>	
Sub-total		<u>972,712</u>	
C. Inter-System Sales Fuel Costs		<u>1,833,656</u>	(1)
D. SUB-TOTAL FUEL COST (A + B - C)		<u>\$12,847,772</u>	
E. Net Transmission Marginal Line Loss for month	<u>October 2013</u>	448,353	
F. GRAND TOTAL FUEL COSTS (D + E)		<u><u>\$13,296,125</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 Agreements in Case Nos. 2009-00459 and 2012-00578**

Month Ended: November 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	73,029	
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		(1,465,426)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(879,256)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>579,155,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0015182	*
8	System Sales Clause Factor		<u>.0000000</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.

**In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

December 31, 2013

Submitted by:

Lilo P. Mursey
(Signature)

Title:

Manager, Regulatory Services

Date Submitted:

December 23, 2013

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: November 2013

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$3,972,366	\$2,017	\$3,974,383
2	-0-	-0-	-0-
3	3,972,366	2,017	3,974,383
4	\$3,858,827	\$61,964	\$3,920,791
5	-0-	-0-	-0-
6	(19,437)	0	(19,437)
7	3,839,390	61,964	3,901,354
8	<u>\$132,976</u>	<u>(\$59,947)</u>	<u>\$73,029</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA. Whelan



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

HAND DELIVERED

January 21, 2014

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

RECEIVED

JAN 21 2014

PUBLIC SERVICE
COMMISSION

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 2013 fuel costs with an adjustment reflecting actual November 2013 fuel costs.

The fuel adjustment clause factor of $(\$0.00177)/\text{kWh}$ (credit) will be applied to the February 2014 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 Orders dated June 28, 2010, in Case No. 2009-00459. In accordance with the Commission's Order dated October 7, 2013 in Case No. 2012-00578, the net system sales factor of $\$0.0000000/\text{kWh}$ will also be applied to the February 2014 billing.

The February 2014 billing will use the combined factor of $(\$0.00177)/\text{kWh}$ (credit) for all usage billed.

If you have any questions, please contact me at 502-696-7004.

Sincerely,

Ranie K. Wohnhas
Managing Director, Regulatory & Finance

JAN 22 2014

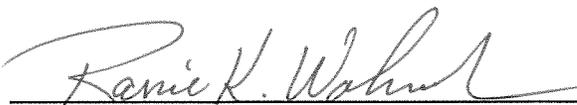
Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: December 2013

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00177)
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>.000000</u>
3 Total Adjustment Clause Factors		<u><u>(\$0.001770)</u></u>

Effective Date for Billing January 30, 2014

Submitted by: 
(Signature)

Title: Managing Director, Regulatory and Finance

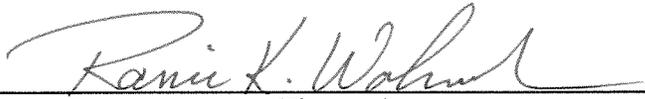
Date Submitted: January 21, 2014

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: December 2013

Fuel Fm (Fuel Cost Schedule)	\$16,892,829			
Sales Sm (Sales Schedule)	634,238,000	(+)		0.02663
Fuel (Fb)	\$16,138,627			
Sales (Sb)	568,162,000	(-)		0.02840 *
				(0.00177) (\$/KWH)

Effective Date for Billing January 30, 2014

Submitted by:

 (Signature)

Title: Managing Director, Regulatory and Finance

Date Submitted: January 21, 2014

**Pursuant to PSC Order dated June 5, 2013 in Case No. 2012-00550*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: December 2013

A.	Company Generation				
	Coal Burned	(+)	\$12,920,074		
	Oil Burned	(+)	304,686		
	Gas Burned	(+)	0		
	Fuel (jointly owned plant)	(+)	0		
	Fuel (assigned cost during F. O.)	(+)	0		
	Fuel (substitute for F. O.)	(-)			
	Sub Total				<u>13,224,760</u>
B.	Purchases				
	Net Energy Cost - Economy Purchases	(+)	0		
	Identifiable Fuel Cost - Other Purchases	(+)	25,838,216	*	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0		
	Sub Total				<u>25,838,216</u>
C.	Inter-System Sales Fuel Costs				<u>16,123,680</u> *
	Sub Total				16,123,680
D.	Total Fuel Cost (A + B - C)				<u><u>\$22,939,296</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>November 2013</u> and the estimated cost originally reported.				
			<u>\$15,717,496</u>	-	<u>\$22,616,939</u>
			(actual)		(estimated)
				=	<u>(6,899,443)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12				<u>(167,278)</u>
G.	Grand Total Fuel Cost (D + E - F)				<u>\$16,207,131</u>
H.	Net Transmission Marginal Line Loss for month of <u>December 2013</u> (Accounts 4470207 and 447208)				685,698
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)				<u><u>\$16,892,829</u></u>

* Estimated - based on Kentucky generation unit costs in December 2013

<u>\$13,224,760</u>			
379,794,000	0.03482	/KWH	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: December 2013

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	379,794,000
Purchases Including Interchange In	(+)	<u>742,051,000</u>
Sub Total		1,121,845,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	463,058,000
System Losses	(+)	<u>24,549,000</u> *
Sub Total		<u>487,607,000</u>
Total Sales (A - B)		<u><u>634,238,000</u></u>

* Does not include 432,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **December 2013**

Line No.			
1	FAC Rate Billed	(+)	(0.00112)
2	Retail KWH Billed at Above Rate	(x)	<u>627,505,160</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(702,806)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	486,952,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,679,100</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>480,272,900</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(537,906)
8	Over or (Under) Recovery (L3 - L7)		(164,900)
9	Total Sales (Page 3)	(+)	634,238,000
10	Kentucky Jurisdictional Sales	(/)	<u>625,220,800</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01442
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(167,278)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: November 2013

A. Company Generation			
Coal Burned	(+)	\$7,483,000	
Oil Burned	(+)	704,991	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)			
(352,669,000 KWH X \$0.023566)	(+)	8,310,998	
Fuel (substitute for F. O.)	(-)	<u>0</u>	
Sub-total			<u>16,498,989</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	9,104,576	(1)
Identifiable Fuel Cost (substitute for F. O.)			
(352,669,000 KWH X \$0.023566)	(-)	<u>8,310,998</u>	
Sub-total			<u>793,578</u>
C. Inter-System Sales Fuel Costs			<u>1,575,071</u> (1)
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$15,717,496</u>
E. Net Transmission Marginal Line Loss for month		<u>November 2013</u>	505,637
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$16,223,133</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 Agreements in Case Nos. 2009-00459 and 2012-00578**

Month Ended: December 2013

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	1,085,986	
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		(482,135)	
4	Customer 60% Sharing	(x)	<u>60%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(289,281)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>634,238,000</u>	
7	As Calculated System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0004561	*
8	System Sales Clause Factor		<u><u>.0000000</u></u>	**

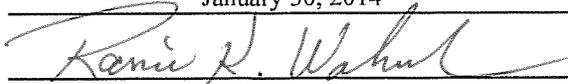
* This factor is a credit to the customer when current month net revenue levels exceed the base month; and a charge when the current month net revenues levels are below the base month.

**In accordance with the Stipulation and Settlement Agreement modified and approved by the Commission in Order Dated October 7, 2013 in Case No. 2012-000578.

Effective Date for Billing:

January 30, 2014

Submitted by:


(Signature)

Title:

Managing Director, Regulatory and Finance

Date Submitted:

January 21, 2014

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: December 2013

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$8,699,722	\$1,278	\$8,701,000
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	8,699,722	1,278	8,701,000
4	Sales For Resale Expenses	\$7,598,052	\$32,602	\$7,630,654
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	(15,640)	0	(15,640)
7	Total System Sales Expenses	7,582,412	32,602	7,615,014
8	Total System Sales Net Revenues	<u>\$1,117,310</u>	<u>(\$31,324)</u>	<u>\$1,085,986</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs