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FINANCIAL ANA

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

HAND DELIVERED

January 23, 2017

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED

JAN 23 2017

PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the December 2016 billing month are attached. These calculations are based on estimated December 2016 fuel costs with an adjustment reflecting actual November 2016 fuel costs. In accordance with the Commission's Order Dated January 11, 2017 in Case No. 2016-00230, Kentucky Power has made an adjustment in the amount of \$32,674.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

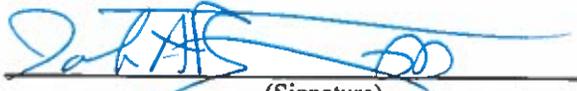
Month Ended: December 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00103
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0004127</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0014427</u></u>

Effective Month for Billing

February 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

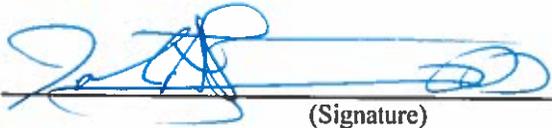
January 23, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **December 2016**

Fuel Fm (Fuel Cost Schedule)	<u>\$16,154,152</u>		
Sales Sm (Sales Schedule)	<u>571,200,000</u>	(+)	0.02828
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	<u>458,919,000</u>	(-)	<u>0.02725</u> *
			<u>0.00103</u> (\$/KWH)

Effective Month for Billing February 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: January 23, 2016

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **December 2016**

A.	Company Generation			
	Coal Burned	(+)	\$9,692,450	
	Oil Burned	(+)	72,036	
	Gas Burned	(+)	1,672,421	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		11,436,907	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,852,262	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		7,852,262	
C.	Inter-System Sales Fuel Costs		3,580,827	
	Sub Total		3,580,827	
D.	Total Fuel Cost (A + B - C)		\$15,708,342	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>November 2016</u> and the estimated cost originally reported.			
	<u>\$13,164,721</u>	-	<u>\$13,141,781</u>	=
	(actual)		(estimated)	22,940
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		416,767	
G.	Grand Total Fuel Cost (D + E - F)		\$15,314,515	
H.	Net Transmission Marginal Line Loss for month of <u>December 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		872,311	
H1.	Forced Outage Calculation Refund		32,674	(1)
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H - H1)		\$16,154,152	

(1) In accordance with Paragraph 2 of KPSC Order Dated January 11, 2017 in Case No. 2016-00230.

KENTUCKY POWER COMPANY**SALES SCHEDULE**

Month Ended: December 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	446,532,000
Purchases Including Interchange In	(+)	<u>300,855,000</u>
Sub Total		747,387,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	148,921,000
System Losses	(+)	<u>27,266,000</u> *
Sub Total		<u>176,187,000</u>
Total Sales (A - B)		<u><u>571,200,000</u></u>

* Does not include 377,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **December 2016**

Line No.			
1	FAC Rate Billed	(+)	0.00345
2	Retail KWH Billed at Above Rate	(x)	<u>528,950,295</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,824,879</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	415,353,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,491,982</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>409,861,018</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,414,021
8	Over or (Under) Recovery (L3 - L7)		410,858
9	Total Sales (Page 3)	(+)	571,200,000
10	Kentucky Jurisdictional Sales	(/)	<u>563,101,218</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01438
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>416,767</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: November 2016

A. Company Generation					
Coal Burned				(+)	\$10,631,245
Oil Burned				(+)	49,331
Gas Burned				(+)	3,117,057
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
(0	KWH X	\$0.000000)		(+)	0
Fuel (substitute for F. O.)				(-)	0
					<u>13,797,634</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	5,758,728
Identifiable Fuel Cost (substitute for F. O.)					
(0	KWH X	\$0.000000)		(-)	0
Purchase Adjustment for Peaking Unit Equivalent				(-)	19 (1)
					<u>5,758,710</u>
C. Inter-System Sales Fuel Costs					<u>6,391,622</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$13,164,721</u>
E. Net Transmission Marginal Line Loss for month					
			<u>November 2016</u>		483,654
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$13,648,375</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: December 2016

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	822,146	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	1,136,496	
3	Increase/(Decrease) of System Sales Net Revenue		(314,350)	
4	Customer 75% Sharing	(x)	75%	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(235,763)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	571,200,000	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0004127	*

* 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 Month for Billing:

February 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

January 23, 2016

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: December 2016

<u>Line No.</u>	<u>CURRENT MONTH</u>	<u>PRIOR MO. TRUE-UP ADJUSTMENT</u>	<u>TOTAL</u>	
1	Sales For Resale Revenues	\$5,149,681	\$4,013	\$5,153,694
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	5,149,681	4,013	5,153,694
4	Sales For Resale Expenses	\$3,948,453	(\$7,712)	\$3,940,741
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	390,807 **	0	390,807
7	Total System Sales Expenses	4,339,260	(7,712)	4,331,548
8	Total System Sales Net Revenues	<u>\$810,421</u>	<u>\$11,725</u>	<u>\$822,146</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA



A unit of American Electric Power

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

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DEC 21 2016

December 20, 2016

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DEC 20 2016

PUBLIC SERVICE
COMMISSION

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the January 2017 billing month are attached. These calculations are based on estimated November 2016 fuel costs with an adjustment reflecting actual October 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: November 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00236
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0002066)</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0021534</u></u>

Effective Month for Billing

January 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

December 23, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

	Month Ended:	November 2016		
Fuel Fm (Fuel Cost Schedule)	<u>\$13,793,354</u>			
Sales Sm (Sales Schedule)	465,829,000	(+)		0.02961
Fuel (Fb)	<u>\$12,504,307</u>			
Sales (Sb)	458,919,000	(-)	<u>0.02725</u>	*
			<u>0.00236</u>	(\$/KWH)

Effective Month for Billing

January 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

December 23, 2016

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: November 2016

A.	Company Generation		
	Coal Burned	(+)	\$10,631,245
	Oil Burned	(+)	49,331
	Gas Burned	(+)	3,117,057
	Fuel (jointly owned plant)	(+)	0
	Fuel (assigned cost during F. O.)	(+)	0
	Fuel (substitute for F. O.)	(-)	0
	Sub Total		<u>13,797,634</u>
B.	Purchases		
	Net Energy Cost - Economy Purchases	(+)	0
	Identifiable Fuel Cost - Other Purchases	(+)	5,758,728
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0
	Sub Total		<u>5,758,728</u>
C.	Inter-System Sales Fuel Costs		<u>6,414,581</u>
	Sub Total		6,414,581
D.	Total Fuel Cost (A + B - C)		<u><u>\$13,141,781</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>October 2016</u> and the estimated cost originally reported. <u>\$12,267,527</u> - <u>\$12,268,092</u> = <u>(565)</u> (actual) (estimated)		
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(168,485)</u>
G.	Grand Total Fuel Cost (D + E - F)		<u>\$13,309,700</u>
H.	Net Transmission Marginal Line Loss for month of <u>November 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		483,654
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$13,793,354</u></u>

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: November 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	560,942,000
Purchases Including Interchange In	(+)	<u>217,237,000</u>
Sub Total		778,179,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	290,669,000
System Losses	(+)	<u>21,681,000</u> *
Sub Total		<u>312,350,000</u>
Total Sales (A - B)		<u><u>465,829,000</u></u>

* Does not include 291,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: November 2016

Line No.			
1	FAC Rate Billed	(+)	0.00370
2	Retail KWH Billed at Above Rate	(x)	<u>405,548,859</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,500,531</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	456,943,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,481,497</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>450,461,503</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,666,708
8	Over or (Under) Recovery (L3 - L7)		(166,177)
9	Total Sales (Page 3)	(+)	465,829,000
10	Kentucky Jurisdictional Sales	(/)	<u>459,446,588</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01389
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(168,485)</u></u>

**KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE SCHEDULE
Case No. 9061 and
Settlement Agreements in Case Nos. 2009-00459 and 2014-00396**

Month Ended: November 2016

Line
No.

1	Current Month (Tm) Net Revenue Level	(+)	1,317,088
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,188,760</u>
3	Increase/(Decrease) of System Sales Net Revenue		128,328
4	Customer 75% Sharing	(x)	<u>75%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		96,246
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>465,829,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0002066) *

* 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 Month for Billing:

January 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

December 23, 2016

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: November 2016

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$8,939,209	\$107,555	\$9,046,765
2	-0-	-0-	-0-
3	8,939,209	107,555	9,046,765
4	\$6,910,712	\$10,722	\$6,921,434
5	-0-	-0-	-0-
6	808,243 **	0	808,243
7	7,718,955	10,722	7,729,677
8	<u>\$1,220,254</u>	<u>\$96,834</u>	<u>\$1,317,088</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA



A unit of American Electric Power

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

HAND DELIVERED

November 23, 2016

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NOV 23 2016

PUBLIC SERVICE
COMMISSION

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: The Standard Fuel Adjustment Clause – Revised

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the December 2016 billing month are attached. These calculations are based on estimated October 2016 fuel costs with an adjustment reflecting actual September 2016 fuel costs.

The attached Fuel Adjustment Clause Schedules replace those previously filed on November 21, 2016.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: October 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00345
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0013508</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0048008</u></u>

Effective Month for Billing

December 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

November 23, 2016

KENTUCKY POWER COMPANY

ESTIMATED FUEL COST SCHEDULE

Month Ended: October 2016

A. Company Generation			
Coal Burned	(+)	\$2,753,235	
Oil Burned	(+)	116,955	
Gas Burned	(+)	1,488,253	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total			<u>4,358,443</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	9,762,189	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>9,762,189</u>
C. Inter-System Sales Fuel Costs			<u>1,852,540</u>
Sub Total			<u>1,852,540</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$12,268,092</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>September 2016</u> and the estimated cost originally reported.			
		<u>\$13,724,872</u>	-
	(actual)		<u>\$13,852,186</u>
			(estimated)
			= <u>(127,313)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(360,490)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$12,501,268</u>
H. Net Transmission Marginal Line Loss for month of <u>October 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)			250,289
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$12,751,558</u></u>

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: October 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	146,464,000
Purchases Including Interchange In	(+)	<u>362,707,000</u>
Sub Total		509,171,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	74,587,000
System Losses	(+)	<u>19,231,000</u> *
Sub Total		<u>93,818,000</u>
Total Sales (A - B)		<u><u>415,353,000</u></u>

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

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **October 2016**

Line No.			
1	FAC Rate Billed	(+)	0.00351
2	Retail KWH Billed at Above Rate	(x)	<u>431,269,026</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,513,754</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	540,609,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,994,472</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>532,614,528</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,869,477
8	Over or (Under) Recovery (L3 - L7)		(355,723)
9	Total Sales (Page 3)	(+)	415,353,000
10	Kentucky Jurisdictional Sales	(/)	<u>409,861,018</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01340
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(360,490)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: September 2016

A. Company Generation					
Coal Burned				(+)	\$5,062,526
Oil Burned				(+)	165,325
Gas Burned				(+)	2,602,383
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
(37,602,061	KWH X	\$0.025531)		(+)	960,018
Fuel (substitute for F. O.)				(-)	<u>0</u>
	Sub-total				<u>8,790,252</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	7,270,845
Identifiable Fuel Cost (substitute for F. O.)					
(37,602,061	KWH X	\$0.026376)		(-)	991,792
Purchase Adjustment for Peaking Unit Equivalent				(-)	75,733 (1)
	Sub-total				<u>6,203,320</u>
C. Inter-System Sales Fuel Costs					<u>1,268,700</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$13,724,872</u>
E. Net Transmission Marginal Line Loss for month				<u>September 2016</u>	363,146
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$14,088,018</u></u>

(1) As calculated in accordance with KPSC Order dated October 3, 2002 in Case No. 2000-495-B.

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

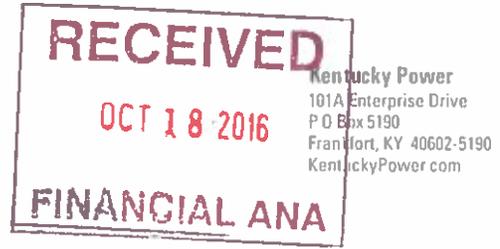
Month Ended: October 2016

<u>Line No.</u>	<u>CURRENT MONTH</u>	<u>PRIOR MO. TRUE-UP ADJUSTMENT</u>	<u>TOTAL</u>	
1	Sales For Resale Revenues	\$2,678,936	(\$26,461)	\$2,652,475
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	2,678,936	(26,461)	2,652,475
4	Sales For Resale Expenses	\$2,005,353	\$24,836	\$2,030,189
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	218,632 **	0	218,632
7	Total System Sales Expenses	2,223,985	24,836	2,248,821
8	Total System Sales Net Revenues	<u>\$454,950</u>	<u>(\$51,297)</u>	<u>\$403,654</u>

***Source:**

ES Form 1.0, Line 3
ES Form 3.3, Line 4
Non-Associated Environmental Costs

**** Includes an \$18,700 adjustment for environmental rate base retirements for the expense months of May thru September 2016. Please refer to the testimony of Company witness Elliott in Case No. 2016-00336.**



HAND DELIVERED

October 17, 2016

Chris Whelan
 Public Service Commission of Kentucky
 P. O. Box 615
 211 Sower Boulevard
 Frankfort, KY 40602-0615



RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the November 2016 billing month are attached. These calculations are based on estimated September 2016 fuel costs with an adjustment reflecting actual August 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
 Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: September 2016

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00370
2	System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0008694</u>
3	Total Adjustment Clause Factors		<u><u>\$0.0045694</u></u>

Effective Month for Billing

November 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

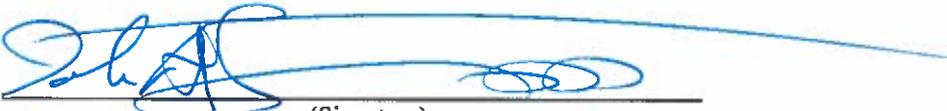
October 17, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: September 2016

Fuel Fm (Fuel Cost Schedule)	<u>\$14,140,732</u>		
Sales Sm (Sales Schedule)	456,943,000	(+)	0.03095
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u>0.00370</u> (\$/KWH)

Effective Month for Billing November 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: October 17, 2016

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **September 2016**

A.	Company Generation			
	Coal Burned	(+)	\$5,062,526	
	Oil Burned	(+)	165,325	
	Gas Burned	(+)	2,602,383	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		7,830,234	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,270,844	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		7,270,844	
C.	Inter-System Sales Fuel Costs		1,248,892	
	Sub Total		1,248,892	
D.	Total Fuel Cost (A + B - C)		\$13,852,186	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>August 2016</u> and the estimated cost originally reported.			
	<u>\$15,241,777</u>	-	<u>\$15,330,028</u>	=
	(actual)		(estimated)	(88,251)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(13,651)	
G.	Grand Total Fuel Cost (D + E - F)		\$13,777,585	
H.	Net Transmission Marginal Line Loss for month of <u>September 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		363,146	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$14,140,732	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: September 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	251,781,000
Purchases Including Interchange In	(+)	<u>271,935,000</u>
Sub Total		523,716,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	43,948,000
System Losses	(+)	<u>22,825,000</u> *
Sub Total		<u>66,773,000</u>
Total Sales (A - B)		<u><u>456,943,000</u></u>

* Does not include 271,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **September 2016**

Line No.			
1	FAC Rate Billed	(+)	0.00255
2	Retail KWH Billed at Above Rate	(x)	<u>495,945,424</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,264,661</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	508,874,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,650,946</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>501,223,054</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,278,119
8	Over or (Under) Recovery (L3 - L7)		(13,458)
9	Total Sales (Page 3)	(+)	456,943,000
10	Kentucky Jurisdictional Sales	(/)	<u>450,461,503</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01439
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(13,651)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: August 2016

A. Company Generation			
Coal Burned		(+)	\$8,204,102
Oil Burned		(+)	132,967
Gas Burned		(+)	3,914,089
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	351,712
(11,888,985 KWH X \$0.029583)		(-)	0
Fuel (substitute for F. O.)		(-)	0
	Sub-total		<u>12,602,869</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	8,793,557
Identifiable Fuel Cost (substitute for F. O.)		(-)	461,459
(11,888,985 KWH X \$0.038814)		(-)	16,702 (1)
Purchase Adjustment for Peaking Unit Equivalent		(-)	16,702 (1)
	Sub-total		<u>8,315,396</u>
C. Inter-System Sales Fuel Costs			<u>5,676,488</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$15,241,777</u>
E. Net Transmission Marginal Line Loss for month	<u>August 2016</u>		689,016
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$15,930,793</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: September 2016

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	569,855	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,099,550</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(529,695)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(397,271)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>456,943,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0008694	*

* 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 Month for Billing:

November 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

October 17, 2016

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: September 2016

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1 Sales For Resale Revenues	\$1,877,835	\$31,656	\$1,909,491
2 Interchange-Delivered Revenues	-0-	-0-	-0-
3 Total System Sales Revenues	1,877,835	31,656	1,909,491
4 Sales For Resale Expenses	\$1,320,940	(\$133,663)	\$1,187,277
5 Interchange-Delivered Expenses	-0-	-0-	-0-
6 Non-Associated Utilities Monthly Environmental Costs*	152,359	0	152,359
7 Total System Sales Expenses	1,473,299	(133,663)	1,339,636
8 Total System Sales Net Revenues	<u>\$404,536</u>	<u>\$165,319</u>	<u>\$569,855</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

SEP 20 2016

September 19, 2016

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED

SEP 19 2016

PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the October 2016 billing month are attached. These calculations are based on estimated August 2016 fuel costs with an adjustment reflecting actual July 2016 fuel costs.

This is the first FAC filing using the information from the PJM billing to estimate power purchases and sales instead of the Company's previous method of using Kentucky Power's average owned generation costs for estimating power purchase and sales. The change in methodology was presented at the July 12, 2016 informal conference.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments



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

bcc: (via email – all w/attachment)
Brian Elswick, Columbus
Brian Hamborg, 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 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00351
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0003807</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0038907</u></u>

Effective Month for Billing

October 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

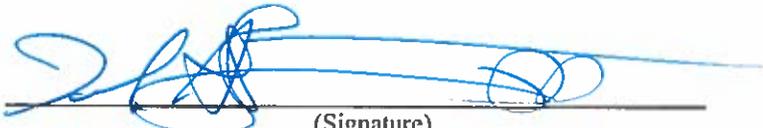
September 19, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: August 2016

Fuel Fm (Fuel Cost Schedule)	<u>\$16,631,325</u>		
Sales Sm (Sales Schedule)	540,609,000	(+)	0.03076
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>0.00351</u> (\$/KWH)

Effective Month for Billing October 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: September 19, 2016

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY
ESTIMATED FUEL COST SCHEDULE

Month Ended: **August 2016**

A.	Company Generation			
	Coal Burned	(+)	\$8,204,102	
	Oil Burned	(+)	132,967	
	Gas Burned	(+)	3,914,089	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		12,251,157	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	8,793,557	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		8,793,557	
C.	Inter-System Sales Fuel Costs		5,714,686	
	Sub Total		5,714,686	
D.	Total Fuel Cost (A + B - C)		\$15,330,028	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>July 2016</u> and the estimated cost originally reported.			
	\$14,432,453	-	\$13,786,400	=
	(actual)		(estimated)	
			646,053	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		33,772	
G.	Grand Total Fuel Cost (D + E - F)		\$15,942,309	
H.	Net Transmission Marginal Line Loss for month of <u>August 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		689,016	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$16,631,325	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: August 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	463,328,000
Purchases Including Interchange In	(+)	<u>298,250,000</u>
Sub Total		761,578,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	196,162,000
System Losses	(+)	<u>24,807,000</u> *
Sub Total		<u>220,969,000</u>
Total Sales (A - B)		<u><u>540,609,000</u></u>

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

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: **August 2016**

Line No.			
1	FAC Rate Billed	(+)	0.00098
2	Retail KWH Billed at Above Rate	(x)	<u>500,664,142</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>490,651</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	473,438,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,725,770</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>466,712,230</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		457,378
8	Over or (Under) Recovery (L3 - L7)		33,273
9	Total Sales (Page 3)	(+)	540,609,000
10	Kentucky Jurisdictional Sales	(/)	<u>532,614,528</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01501
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>33,772</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended:

July 2016

A. Company Generation					
Coal Burned				(+)	\$9,782,892
Oil Burned				(+)	62,001
Gas Burned				(+)	3,349,916
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
(0	KWH X	\$0.000000)	(+)	0
Fuel (substitute for F. O.)				(-)	0
					<u>13,194,809</u>
Sub-total					
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	6,586,114
Identifiable Fuel Cost (substitute for F. O.)					
(0	KWH X	\$0.000000)	(-)	0
Purchase Adjustment for Peaking Unit Equivalent				(-)	0 (1)
					<u>6,586,114</u>
Sub-total					
C. Inter-System Sales Fuel Costs					<u>5,348,471</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$14,432,453</u>
E. Net Transmission Marginal Line Loss for month					
			July 2016		<u>757,323</u>
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$15,189,776</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: August 2016

Line
No.

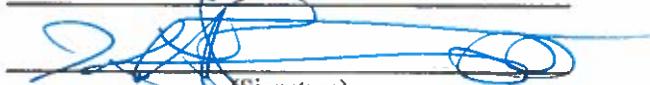
1	Current Month (Tm) Net Revenue Level	(+)	817,220	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,091,614</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(274,394)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(205,796)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>540,609,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0003807	*

* 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 Month for Billing:

October 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

September 19, 2016

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: August 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$7,375,709	\$7,482	\$7,383,191
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	7,375,709	7,482	7,383,191
4	Sales For Resale Expenses	\$6,137,185	(\$105,376)	\$6,031,809
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	534,162	0	534,162
7	Total System Sales Expenses	6,671,347	(105,376)	6,565,971
8	Total System Sales Net Revenues	<u>\$704,361</u>	<u>\$112,858</u>	<u>\$817,220</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



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AUG 23 2016
FINANCIAL AND

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

HAND DELIVERED

August 19, 2016

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED
AUG 19 2016
PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the September 2016 billing month are attached. These calculations are based on estimated July 2016 fuel costs with an adjustment reflecting actual June 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: July 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00255
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>(\$0.0006069)</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0019431</u></u>

Effective Month for Billing

September 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

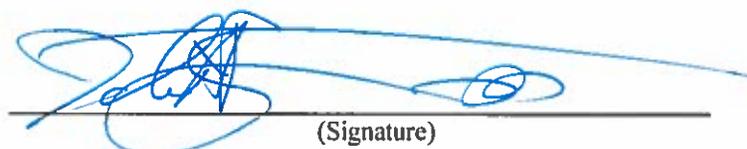
August 29, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: **July 2016**

Fuel Fm (Fuel Cost Schedule)	<u>\$15,164,338</u>		
Sales Sm (Sales Schedule)	508,874,000	(+)	0.02980
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>0.00255</u> (\$/KWH)

Effective Month for Billing September 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: August 29, 2016

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: July 2016

A. Company Generation			
Coal Burned	(+)	\$9,782,892	
Oil Burned	(+)	62,001	
Gas Burned	(+)	3,349,916	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total			<u>13,194,809</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	6,567,510	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>6,567,510</u>
C. Inter-System Sales Fuel Costs			<u>5,975,920</u>
Sub Total			<u>5,975,920</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$13,786,400</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>June 2016</u> and the estimated cost originally reported.			
		<u>\$13,458,305</u>	-
	(actual)		<u>\$12,955,873</u>
			(estimated)
			=
			<u>502,432</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(118,183)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$14,407,015</u>
H. Net Transmission Marginal Line Loss for month of <u>July 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)			757,323
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$15,164,338</u></u>

* Estimated - based on average generation unit cost

\$13,194,809

507,892,000

0.02598 /KWH

(I) In accordance with Paragraph 2 of KPSC Order Dated July 7, 2016 in Case No. 2016-00001.

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: July 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	507,892,000
Purchases Including Interchange In	(+)	<u>252,791,000</u>
Sub Total		760,683,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	230,020,000
System Losses	(+)	<u>21,789,000</u> *
Sub Total		<u>251,809,000</u>
Total Sales (A - B)		<u><u>508,874,000</u></u>

* Does not include 276,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: July 2016

Line No.			
1	FAC Rate Billed	(+)	(0.00319)
2	Retail KWH Billed at Above Rate	(x)	<u>472,014,095</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(1,505,725)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	441,473,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,950,123</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>435,522,877</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(1,389,318)
8	Over or (Under) Recovery (L3 - L7)		(116,407)
9	Total Sales (Page 3)	(+)	508,874,000
10	Kentucky Jurisdictional Sales	(/)	<u>501,223,054</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01526
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(118,183)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended:

June 2016

A. Company Generation			
Coal Burned		(+)	\$10,043,716
Oil Burned		(+)	54,575
Gas Burned		(+)	1,745,425
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	0
(0 KWH X \$0.000000)		(+)	0
Fuel (substitute for F. O.)		(-)	0
	Sub-total		<u>11,843,717</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	5,377,896
Identifiable Fuel Cost (substitute for F. O.)		(-)	0
(0 KWH X \$0.000000)		(-)	0
Purchase Adjustment for Peaking Unit Equivalent		(-)	9,031 (1)
	Sub-total		<u>5,368,865</u>
C. Inter-System Sales Fuel Costs			<u>3,754,276</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$13,458,305</u>
E. Net Transmission Marginal Line Loss for month	<u>June 2016</u>		541,017
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$13,999,322</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: July 2016

**Line
No.**

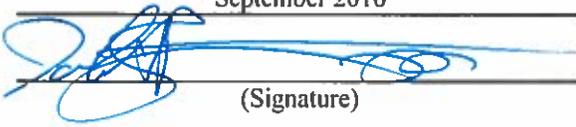
1	Current Month (Tm) Net Revenue Level	(+)	1,811,498	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,399,696</u>	
3	Increase/(Decrease) of System Sales Net Revenue		411,802	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		308,852	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>508,874,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		(0.0006069)	*

* 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 Month for Billing:

September 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

August 29, 2016

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: July 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$8,274,689	(\$66,691)	\$8,207,998
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	8,274,689	(66,691)	8,207,998
4	Sales For Resale Expenses	\$5,871,534	(\$59,527)	\$5,812,007
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	584,493	0	584,493
7	Total System Sales Expenses	6,456,027	(59,527)	6,396,500
8	Total System Sales Net Revenues	<u>\$1,818,662</u>	<u>(\$7,164)</u>	<u>\$1,811,498</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

Not FA



RECEIVED
AUG 01 2016
FINANCIAL AND

Kentucky Power
181A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

HAND DELIVERED

July 29, 2016

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED

JUL 29 2016

PUBLIC SERVICE
COMMISSION

RE: The Standard Fuel Adjustment Clause - Revised

Dear Ms. Whelan,

Kentucky Power Company's Revised Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the August 2016 billing month are attached. These calculations are based on estimated June 2016 fuel costs with an adjustment reflecting actual May 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: June 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00098
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0002194</u>
3 Total Adjustment Clause Factors		<u><u>\$0.0011994</u></u>

Effective Month for Billing

August 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

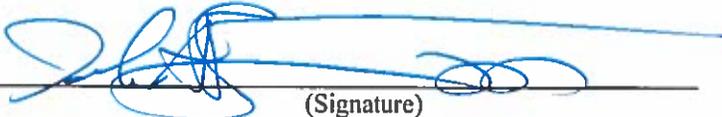
Date Submitted:

July 29, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

	Month Ended:	June 2016		
Fuel Fm (Fuel Cost Schedule)	<u>\$13,366,848</u>			
Sales Sm (Sales Schedule)	<u>473,438,000</u>	(+)		0.02823
Fuel (Fb)	<u>\$12,504,307</u>			
Sales (Sb)	<u>458,919,000</u>	(-)		<u>0.02725</u> *
				<u>0.00098</u> (\$/KWH)

Effective Month for Billing August 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: July 29, 2016

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: June 2016

A. Company Generation			
Coal Burned	(+)	\$10,043,716	
Oil Burned	(+)	54,575	
Gas Burned	(+)	1,745,425	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total		<u>11,843,717</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	5,611,933	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total		<u>5,611,933</u>	
C. Inter-System Sales Fuel Costs		<u>4,499,777</u>	
Sub Total		<u>4,499,777</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$12,955,873</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>May 2016</u> and the estimated cost originally reported.			
		<u>\$10,790,095</u>	-
	(actual)		<u>\$10,929,976</u>
			(estimated)
			=
			<u>(139,881)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(16,463)</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$12,832,455</u>	
H. Net Transmission Marginal Line Loss for month of <u>June 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		541,017	
H1. Purchased power in excess of limitation--prior period over-recovery		\$ 6,624	(1)
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H-H1)		<u><u>\$13,366,848</u></u>	

* Estimated - based on average generation unit cost

<u>\$11,843,717</u>		
447,099,000	0.02649	/KWH

(1) In accordance with Paragraph 2 of KPSC Order Dated July 7, 2016 in Case No. 2016-00001.

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: June 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	447,099,000
Purchases Including Interchange In	(+)	<u>211,851,000</u>
Sub Total		658,950,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	169,867,000
System Losses	(+)	<u>15,645,000</u> *
Sub Total		<u>185,512,000</u>
Total Sales (A - B)		<u><u>473,438,000</u></u>

* Does not include 245,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: June 2016

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	(0.00206)
2	Retail KWH Billed at Above Rate	(x)	<u>440,546,445</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(907,526)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	438,583,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>5,914,616</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>432,668,384</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(891,297)
8	Over or (Under) Recovery (L3 - L7)		(16,229)
9	Total Sales (Page 3)	(+)	473,438,000
10	Kentucky Jurisdictional Sales	(/)	<u>466,712,230</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01441
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(16,463)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULEMonth Ended: May 2016

A. Company Generation			
Coal Burned		(+)	\$4,598,721
Oil Burned		(+)	207,463
Gas Burned		(+)	0
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	448,088
(19,734,349 KWH X \$0.022706)		(+)	
Fuel (substitute for F. O.)		(-)	<u>0</u>
	Sub-total		<u>5,254,272</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	7,213,164
Identifiable Fuel Cost (substitute for F. O.)		(-)	454,581
(19,734,349 KWH X \$0.023035)		(-)	
Purchase Adjustment for Peaking Unit Equivalent		(-)	147,634 (1)
	Sub-total		<u>6,610,949</u>
C. Inter-System Sales Fuel Costs			<u>1,075,126</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$10,790,095</u>
E. Net Transmission Marginal Line Loss for month		<u>May 2016</u>	243,293
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$11,033,388</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: June 2016

**Line
No.**

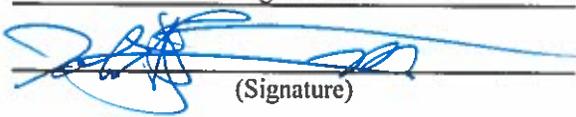
1	Current Month (Tm) Net Revenue Level	(+)	1,032,676	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,171,190</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(138,514)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(103,885)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>473,438,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0002194	*

* 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 Month for Billing:

August 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

July 29, 2016

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: June 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$5,620,075	(\$12,170)	\$5,607,905
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	5,620,075	(12,170)	5,607,905
4	Sales For Resale Expenses	\$4,120,848	(\$8,756)	\$4,112,092
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	463,137	0	463,137
7	Total System Sales Expenses	4,583,984	(8,756)	4,575,228
8	Total System Sales Net Revenues	<u>\$1,036,090</u>	<u>(\$3,414)</u>	<u>\$1,032,676</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

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June 20, 2016

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JUN 20 2016

PUBLIC SERVICE
COMMISSION

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the July 2016 billing month are attached. These calculations are based on estimated May 2016 fuel costs with an adjustment reflecting actual April 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

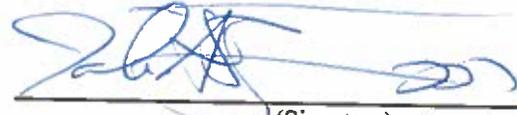
Month Ended: May 2016

- | | | |
|---|-----|-----------------------------|
| 1 Fuel Adjustment Clause Factor (Page 1 of 5) | (+) | (\$0.00319) |
| 2 System Sales Clause Factor (Page 1 of 2) | (+) | <u>\$0.0018844</u> |
| 3 Total Adjustment Clause Factors | | <u><u>(\$0.0013056)</u></u> |

Effective Month for Billing

July 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

June 20, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

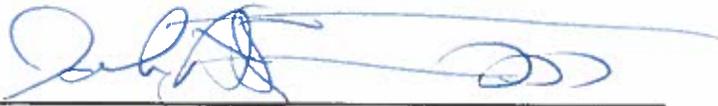
Month Ended: **May 2016**

Fuel Fm (Fuel Cost Schedule)	<u>\$10,622,574</u>		
Sales Sm (Sales Schedule)	441,473,000	(+)	0.02406
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u>(0.00319) (\$/KWH)</u>

Effective Month for Billing

July 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

June 20, 2016

**Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450*

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: May 2016

A.	Company Generation			
	Coal Burned	(+)	\$4,598,721	
	Oil Burned	(+)	207,463	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		<u>4,806,184</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,247,688	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>7,247,688</u>	
C.	Inter-System Sales Fuel Costs		<u>1,123,896</u>	
	Sub Total		<u>1,123,896</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$10,929,976</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>April 2016</u> and the estimated cost originally reported.			
			<u>\$11,547,381</u>	-
			(actual)	
			<u>\$12,085,475</u>	=
			(estimated)	
				<u>(538,094)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>12,601</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$10,379,281</u>	
H.	Net Transmission Marginal Line Loss for month of <u>May 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		<u>243,293</u>	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$10,622,574</u></u>	

* Estimated - based on average generation unit cost

<u>\$4,806,184</u>			
200,283,000	0.02400	/KWH	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: May 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	200,283,000
Purchases Including Interchange In	(+)	<u>301,987,000</u>
Sub Total		502,270,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	46,829,000
System Losses	(+)	<u>13,968,000</u> *
Sub Total		<u>60,797,000</u>
Total Sales (A - B)		<u><u>441,473,000</u></u>

* Does not include 237,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: May 2016

<u>Line No.</u>			
1	FAC Rate Billed	(+)	(0.00018)
2	Retail KWH Billed at Above Rate	(x)	<u>407,783,644</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(73,401)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	483,533,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,687,102</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>476,845,898</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(85,832)
8	Over or (Under) Recovery (L3 - L7)		12,431
9	Total Sales (Page 3)	(+)	441,473,000
10	Kentucky Jurisdictional Sales	(/)	<u>435,522,877</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01366
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>12,601</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: April 2016

A. Company Generation			
Coal Burned		(+)	\$5,416,082
Oil Burned		(+)	171,363
Gas Burned		(+)	0
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	157,637
(7,111,964 KWH X \$0.022165)		(-)	0
Fuel (substitute for F. O.)		(-)	<u>0</u>
	Sub-total		<u>5,745,082</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	6,890,415
Identifiable Fuel Cost (substitute for F. O.)		(-)	157,637
(7,111,964 KWH X \$0.022165)		(-)	261,520 (1)
Purchase Adjustment for Peaking Unit Equivalent		(-)	
	Sub-total		<u>6,471,258</u>
C. Inter-System Sales Fuel Costs			<u>668,960</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$11,547,380</u>
E. Net Transmission Marginal Line Loss for month		<u>April 2016</u>	309,943
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$11,857,323</u></u>

(1) As calculated in accordance with 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 2014-00396

Month Ended: May 2016

Line
No.

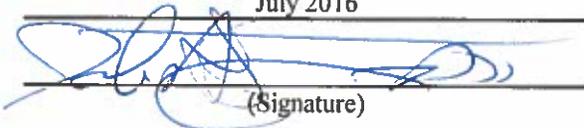
1	Current Month (Tm) Net Revenue Level	(+)	129,692
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,238,911</u>
3	Increase/(Decrease) of System Sales Net Revenue		(1,109,219)
4	Customer 75% Sharing	(x)	<u>75%</u>
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(831,914)
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>441,473,000</u>
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0018844 *

* 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 Month for Billing:

July 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

June 20, 2016

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: May 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$1,485,229	(\$23,413)	\$1,461,816
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	1,485,229	(23,413)	1,461,816
4	Sales For Resale Expenses	\$1,179,335	\$14,823	\$1,194,158
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	137,966	0	137,966
7	Total System Sales Expenses	1,317,301	14,823	1,332,124
8	Total System Sales Net Revenues	<u>\$167,928</u>	<u>(\$38,236)</u>	<u>\$129,692</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA



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

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May 23, 2016

RECEIVED

MAY 23 2016

PUBLIC SERVICE
COMMISSION

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the June 2016 billing month are attached. These calculations are based on estimated April 2016 fuel costs with an adjustment reflecting actual March 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: April 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) (\$0.00206)
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>\$0.0017742</u>
3 Total Adjustment Clause Factors	<u><u>(\$0.0002858)</u></u>

Effective Month for Billing

June 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

May 23, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

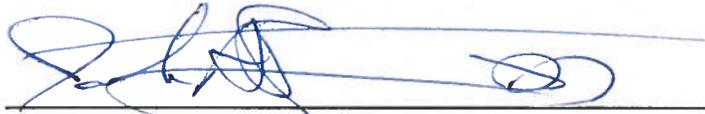
Month Ended: **April 2016**

Fuel Fm (Fuel Cost Schedule)	<u>\$11,047,815</u>		
Sales Sm (Sales Schedule)	438,583,000	(+)	0.02519
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>(0.00206)</u> (\$/KWH)

Effective Month for Billing

June 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

May 23, 2016

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: April 2016

A.	Company Generation			
	Coal Burned	(+)	\$5,416,082	
	Oil Burned	(+)	171,363	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		<u>5,587,445</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,201,921	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>7,201,921</u>	
C.	Inter-System Sales Fuel Costs		<u>703,891</u>	
	Sub Total		<u>703,891</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$12,085,475</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>March 2016</u> and the estimated cost originally reported.			
			<u>\$11,687,664</u>	-
			(actual)	
			<u>\$12,846,385</u>	=
			(estimated)	
				<u>(1,158,721)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>188,883</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$10,737,871</u>	
H.	Net Transmission Marginal Line Loss for month of <u>April 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		<u>309,943</u>	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$11,047,815</u></u>	

* Estimated - based on average generation unit cost

<u>\$5,587,445</u>			
208,307,000	0.02682	/KWH	

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: April 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	208,307,000
Purchases Including Interchange In	(+)	<u>268,528,000</u>
Sub Total		476,835,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	26,245,000
System Losses	(+)	<u>12,007,000</u> *
Sub Total		<u>38,252,000</u>
Total Sales (A - B)		<u><u>438,583,000</u></u>

* Does not include 285,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: April 2016

Line No.			
1	FAC Rate Billed	(+)	(0.00167)
2	Retail KWH Billed at Above Rate	(x)	<u>445,188,132</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(743,464)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	564,781,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>8,014,903</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>556,766,097</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(929,799)
8	Over or (Under) Recovery (L3 - L7)		186,335
9	Total Sales (Page 3)	(+)	438,583,000
10	Kentucky Jurisdictional Sales	(/)	<u>432,668,384</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01367
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>188,883</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended:

March 2016

A. Company Generation			
Coal Burned		(+)	\$8,336,791
Oil Burned		(+)	91,310
Gas Burned		(+)	0
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	0
(0 KWH X \$0.000000)		(+)	0
Fuel (substitute for F. O.)		(-)	<u>0</u>
	Sub-total		<u>8,428,101</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	4,233,946
Identifiable Fuel Cost (substitute for F. O.)		(-)	0
(0 KWH X \$0.000000)		(-)	0
Purchase Adjustment for Peaking Unit Equivalent		(-)	116,163 (1)
	Sub-total		<u>4,117,783</u>
C. Inter-System Sales Fuel Costs			<u>858,219</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$11,687,664</u>
E. Net Transmission Marginal Line Loss for month	<u>March 2016</u>		269,346
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$11,957,010</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: April 2016

**Line
No.**

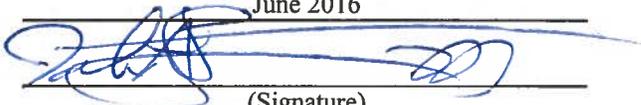
1	Current Month (Tm) Net Revenue Level	(+)	182,392	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,219,883</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,037,491)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(778,118)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>438,583,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0017742	*

* 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 Month for Billing:

June 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

May 23, 2016

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: April 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$980,836	(\$5,826)	\$975,010
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	980,836	(5,826)	975,010
4	Sales For Resale Expenses	\$715,280	(\$5,437)	\$709,843
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	82,775	0	82,775
7	Total System Sales Expenses	798,055	(5,437)	792,618
8	Total System Sales Net Revenues	<u>\$182,781</u>	<u>(\$389)</u>	<u>\$182,392</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA



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APR 20 2016
FINANCIAL ANA

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

HAND DELIVERED

April 19, 2016

RECEIVED

APR 19 2016

**PUBLIC SERVICE
COMMISSION**

Chris Whelan
Public Service Commission of Kentucky
P. O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: The Standard Fuel Adjustment Clause

Dear Ms. Whelan,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the May 2016 billing month are attached. These calculations are based on estimated March 2016 fuel costs with an adjustment reflecting actual February 2016 fuel costs.

Also attached is the System Sales Clause Schedule with a supporting net revenue schedule calculated pursuant to the Commission's Order dated June 22, 2015, in Case No. 2014-00396.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: March 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) (\$0.00018)
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>\$0.0017166</u>
3 Total Adjustment Clause Factors	<u><u>\$0.0015366</u></u>

Effective Month for Billing

May 2016

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

April 19, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: March 2016

Fuel Fm (Fuel Cost Schedule)	<u>\$13,089,234</u>		
Sales Sm (Sales Schedule)	483,533,000	(+)	0.02707
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>(0.00018) (\$/KWH)</u>

Effective Month for Billing May 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: April 19, 2016

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: March 2016

A.	Company Generation				
	Coal Burned	(+)	\$8,336,791		
	Oil Burned	(+)	91,310		
	Gas Burned	(+)	0		
	Fuel (jointly owned plant)	(+)	0		
	Fuel (assigned cost during F. O.)	(+)	0		
	Fuel (substitute for F. O.)	(-)	0		
	Sub Total				<u>8,428,101</u>
B.	Purchases				
	Net Energy Cost - Economy Purchases	(+)	0		
	Identifiable Fuel Cost - Other Purchases	(+)	5,387,336		
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0		
	Sub Total				<u>5,387,336</u>
C.	Inter-System Sales Fuel Costs				<u>969,052</u>
	Sub Total				<u>969,052</u>
D.	Total Fuel Cost (A + B - C)				<u><u>\$12,846,385</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>February 2016</u> and the estimated cost originally reported. <u>\$13,298,935</u> - <u>\$13,136,744</u> = <u>162,191</u> (actual) (estimated)				
F.	Total Company Over or (Under) Recovery from Page 4, Line 12				<u>188,689</u>
G.	Grand Total Fuel Cost (D + E - F)				<u>\$12,819,887</u>
H.	Net Transmission Marginal Line Loss for month of <u>March 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)				269,346
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)				<u><u>\$13,089,234</u></u>
	* Estimated - based on average generation unit cost December 2015 <u>\$8,428,101</u> 325,903,000			0.02586	/KWH

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: March 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	325,903,000
Purchases Including Interchange In	(+)	<u>208,327,000</u>
Sub Total		534,230,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	37,473,000
System Losses	(+)	<u>13,224,000</u> *
Sub Total		<u>50,697,000</u>
Total Sales (A - B)		<u><u>483,533,000</u></u>

* Does not include 402,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: March 2016

<u>Line No.</u>			
1	FAC Rate Billed	(+)	(0.00141)
2	Retail KWH Billed at Above Rate	(x)	<u>524,342,891</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(739,323)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	665,788,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>9,473,815</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>656,314,185</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(925,403)
8	Over or (Under) Recovery (L3 - L7)		186,080
9	Total Sales (Page 3)	(+)	483,533,000
10	Kentucky Jurisdictional Sales	(/)	<u>476,845,898</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01402
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>188,689</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: February 2016

A. Company Generation					
Coal Burned				(+)	\$9,915,543
Oil Burned				(+)	(82,831)
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>9,832,712</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	4,466,806
Identifiable Fuel Cost (substitute for F. O.)					
(0	KWH X	\$0.000000)		(-)	0
Purchase Adjustment for Peaking Unit Equivalent				(-)	257,792 (1)
	Sub-total				<u>4,209,015</u>
C. Inter-System Sales Fuel Costs					<u>742,792</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$13,298,935</u>
E. Net Transmission Marginal Line Loss for month				February 2016	689,057
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$13,987,993</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: March 2016

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	265,928	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,372,664</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,106,736)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(830,052)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>483,533,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0017166	*

* 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 Month for Billing:

May 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

April 19, 2016

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: March 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$1,287,192	\$8,506	\$1,295,698
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	1,287,192	8,506	1,295,698
4	Sales For Resale Expenses	\$939,642	\$3,102	\$942,745
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	87,025	0	87,025
7	Total System Sales Expenses	1,026,667	3,102	1,029,770
8	Total System Sales Net Revenues	<u>\$260,524</u>	<u>\$5,404</u>	<u>\$265,928</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs



**KENTUCKY
POWER**

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March 21, 2016

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 for the April 2016 billing month are attached. These calculations are based on estimated February 2016 fuel costs with an adjustment reflecting actual January 2016 fuel costs.

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

Sincerely,

John A. Rogness III
Director, Regulatory Services

Attachments



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

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MAR 21 2016

**PUBLIC SERVICE
COMMISSION**

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

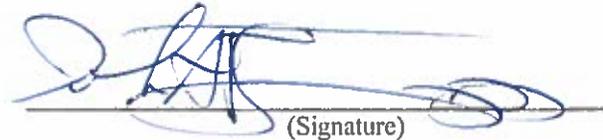
Month Ended: February 2016

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+) (\$0.00167)
2 System Sales Clause Factor (Page 1 of 2)	(+) <u>\$0.0017816</u>
3 Total Adjustment Clause Factors	<u><u>\$0.0001116</u></u>

Effective Month for Billing

April 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

March 21, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Month Ended: February 2016

Fuel Fm (Fuel Cost Schedule)	<u>\$14,448,360</u>		
Sales Sm (Sales Schedule)	564,781,000	(+)	0.02558
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u>(0.00167)</u> (\$/KWH)

Effective Month for Billing April 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: March 21, 2016

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: February 2016

A. Company Generation			
Coal Burned	(+)	\$9,915,543	
Oil Burned	(+)	(82,831)	
Gas Burned	(+)	0	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O.)	(+)	0	
Fuel (substitute for F. O.)	(-)	0	
Sub Total			<u>9,832,712</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	4,059,086	
Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
Sub Total			<u>4,059,086</u>
C. Inter-System Sales Fuel Costs			<u>755,054</u>
Sub Total			<u>755,054</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$13,136,744</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>January 2016</u> and the estimated cost originally reported.			
		<u>\$16,373,912</u>	-
	(actual)		<u>\$15,857,008</u>
			(estimated)
			= <u>516,904</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(105,654)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$13,759,303</u>
H. Net Transmission Marginal Line Loss for month of <u>February 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)			689,057
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H - H1)			<u><u>\$14,448,360</u></u>

* Estimated - based on average generation unit cost
December 2015 \$9,832,712
434,003,000 0.02266 /KWH

(1) In accordance with Paragraph 15 of KPSC Order Dated June 22, 2015 in Case No. 2014-00396.

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: February 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	434,003,000
Purchases Including Interchange In	(+)	<u>179,130,000</u>
Sub Total		613,133,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	33,321,000
System Losses	(+)	<u>15,031,000</u> *
Sub Total		<u>48,352,000</u>
Total Sales (A - B)		<u><u>564,781,000</u></u>

* Does not include 543,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: February 2016

Line No.			
1	FAC Rate Billed	(+)	(0.00124)
2	Retail KWH Billed at Above Rate	(x)	<u>588,442,120</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(729,668)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	511,879,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,432,620</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>504,446,380</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(625,514)
8	Over or (Under) Recovery (L3 - L7)		(104,154)
9	Total Sales (Page 3)	(+)	564,781,000
10	Kentucky Jurisdictional Sales	(/)	<u>556,766,097</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01440
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(105,654)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: January 2016

A. Company Generation					
Coal Burned			(+)	\$8,646,947	
Oil Burned			(+)	173,919	
Gas Burned			(+)	0	
Fuel (jointly owned plant)			(+)	0	
Fuel (assigned cost during F. O.)			(+)	285,831	
(12,121,240	KWH X	\$0.023581)			
Fuel (substitute for F. O.)			(-)	0	
	Sub-total				<u>9,106,697</u>
B. Purchases					
Net Energy Cost - Economy Purchases			(+)	0	
Identifiable Fuel Cost - Other Purchases			(+)	8,935,644	
Identifiable Fuel Cost (substitute for F. O.)			(-)	355,055	
(12,121,240	KWH X	\$0.029292)			
Purchase Adjustment for Peaking Unit Equivalent			(-)	731,561 (1)	
	Sub-total				<u>7,849,028</u>
C. Inter-System Sales Fuel Costs					<u>581,811</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$16,373,913</u>
E. Net Transmission Marginal Line Loss for month				<u>January 2016</u>	955,980
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$17,329,893</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: February 2016

**Line
No.**

1	Current Month (Tm) Net Revenue Level	(+)	72,308	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,413,908</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,341,600)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(1,006,200)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>564,781,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0017816	*

* 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 Month for Billing:

Submitted by:

Title:

Date Submitted:

April 2016

(Signature)

Director, Regulatory Services

March 21, 2016

KENTUCKY POWER COMPANY
SYSTEM SALES CLAUSE NET REVENUE

Month Ended: February 2016

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$1,007,591	(\$46,827)	\$960,764
2	-0-	-0-	-0-
3	1,007,591	(46,827)	960,764
4	\$810,379	\$1,853	\$812,231
5	-0-	-0-	-0-
6	76,224	0	76,224
7	886,603	1,853	888,455
8	<u>\$120,988</u>	<u>(\$48,680)</u>	<u>\$72,308</u>

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

FA



A unit of American Electric Power

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FEB 23 2016
FINANCIAL ANA

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

HAND DELIVERED

February 22, 2016

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 for the March 2016 billing month are attached. These calculations are based on estimated January 2016 fuel costs with an adjustment reflecting actual December 2015 fuel costs.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'John A. Rogness III', with a long horizontal line extending to the right.

John A. Rogness III
Director, Regulatory Services

Attachments

KENTUCKY POWER COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

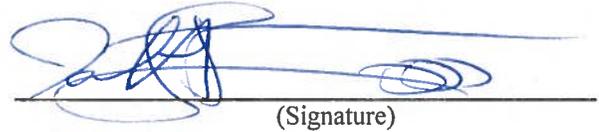
Month Ended: January 2016

- | | |
|---|---------------------------|
| 1 Fuel Adjustment Clause Factor (Page 1 of 5) | (+) (\$0.00141) |
| 2 System Sales Clause Factor (Page 1 of 2) | (+) <u>\$0.0017708</u> |
| 3 Total Adjustment Clause Factors | <u><u>\$0.0003608</u></u> |

Effective Month for Billing

March 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

February 22, 2016

KENTUCKY POWER COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

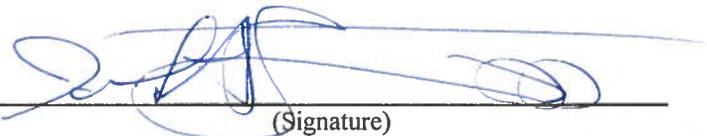
Month Ended: January 2016

Fuel Fm (Fuel Cost Schedule)	<u>\$17,202,769</u>		
Sales Sm (Sales Schedule)	<u>665,788,000</u>	(+)	0.02584

Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	<u>458,919,000</u>	(-)	<u>0.02725</u> *

(0.00141) (\$/KWH)

Effective Month for Billing March 2016

Submitted by: 
(Signature)

Title: Director, Regulatory Services

Date Submitted: February 22, 2016

*Pursuant to PSC Order dated August 11, 2015 in Case No. 2014-00450

KENTUCKY POWER COMPANY

FUEL COST SCHEDULE

Month Ended: January 2016

A.	Company Generation			
	Coal Burned	(+)	\$8,646,947	
	Oil Burned	(+)	173,919	
	Gas Burned	(+)	0	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O.)	(+)	0	
	Fuel (substitute for F. O.)	(-)	0	
	Sub Total		<u>8,820,866</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	7,538,545	
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0	
	Sub Total		<u>7,538,545</u>	
C.	Inter-System Sales Fuel Costs		<u>502,402</u>	
	Sub Total		502,402	
D.	Total Fuel Cost (A + B - C)		<u><u>\$15,857,008</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>December 2015</u> and the estimated cost originally reported.			
			<u>\$12,097,103</u>	-
			(actual)	
			<u>\$11,995,226</u>	=
			(estimated)	
				<u>101,877</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(287,904)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$16,246,789</u>	
H.	Net Transmission Marginal Line Loss for month of <u>January 2016</u> (Accounts 4470207, 447208, 5550326, and 5550327)		955,980	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H - H1)		<u><u>\$17,202,769</u></u>	

* Estimated - based on average generation unit cost
December 2015 \$8,820,866
379,541,000 0.02324 /KWH

(1) In accordance with Paragraph 15 of KPSC Order Dated June 22, 2015 in Case No. 2014-00396.

KENTUCKY POWER COMPANY

SALES SCHEDULE

Month Ended: January 2016

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	379,541,000
Purchases Including Interchange In	(+)	<u>324,378,000</u>
Sub Total		703,919,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	21,618,000
System Losses	(+)	<u>16,513,000</u> *
Sub Total		<u>38,131,000</u>
Total Sales (A - B)		<u><u>665,788,000</u></u>

* Does not include 401,000 KWH of company usage.

KENTUCKY POWER COMPANY
OVER OR (UNDER) RECOVERY SCHEDULE

Month Ended: January 2016

Line No.			
1	FAC Rate Billed	(+)	(0.00306)
2	Retail KWH Billed at Above Rate	(x)	<u>567,845,023</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(1,737,606)</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	481,798,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>6,700,799</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>475,097,201</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(1,453,797)
8	Over or (Under) Recovery (L3 - L7)		(283,809)
9	Total Sales (Page 3)	(+)	665,788,000
10	Kentucky Jurisdictional Sales	(/)	<u>656,314,185</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01443
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(287,904)</u></u>

KENTUCKY POWER COMPANY

FINAL
FUEL COST SCHEDULE

Month Ended: December 2015

A. Company Generation			
Coal Burned		(+)	\$5,501,822
Oil Burned		(+)	151,517
Gas Burned		(+)	0
Fuel (jointly owned plant)		(+)	0
Fuel (assigned cost during F. O.)		(+)	2,271,861
(96,089,084 KWH X \$0.023643)		(+)	
Fuel (substitute for F. O.)		(-)	<u>0</u>
	Sub-total		<u>7,925,200</u>
B. Purchases			
Net Energy Cost - Economy Purchases		(+)	0
Identifiable Fuel Cost - Other Purchases		(+)	7,195,507
Identifiable Fuel Cost (substitute for F. O.)		(-)	2,469,668
(96,089,084 KWH X \$0.025702)		(-)	
Purchase Adjustment for Peaking Unit Equivalent		(-)	152,373 (1)
	Sub-total		<u>4,573,466</u>
C. Inter-System Sales Fuel Costs			<u>401,563</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$12,097,103</u>
E. Net Transmission Marginal Line Loss for month		<u>December 2015</u>	370,544
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$12,467,647</u></u>

(1) As calculated in accordance with 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 2014-00396**

Month Ended: January 2016

**Line
No.**

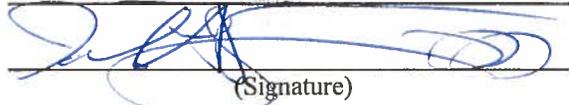
1	Current Month (Tm) Net Revenue Level	(+)	79,659	
2	Base Month (Tb) Net Revenue Level (Tariff Sheet No. 19-2, Case No. 2014-00396)	(-)	<u>1,651,587</u>	
3	Increase/(Decrease) of System Sales Net Revenue		(1,571,928)	
4	Customer 75% Sharing	(x)	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(1,178,946)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	(/)	<u>665,788,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0017708	*

* 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 Month for Billing:

March 2016

Submitted by:


(Signature)

Title:

Director, Regulatory Services

Date Submitted:

February 22, 2016

KENTUCKY POWER COMPANY

SYSTEM SALES CLAUSE NET REVENUE

Month Ended: January 2016

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$766,057	(\$10,084)	\$755,974
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	766,057	(10,084)	755,974
4	Sales For Resale Expenses	\$605,749	\$10,052	\$615,801
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	60,514	0	60,514
7	Total System Sales Expenses	666,263	10,052	676,315
8	Total System Sales Net Revenues	\$99,795	(\$20,136)	\$79,659

*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs