

421 West Main Street  
Post Office Box 634  
Frankfort, KY 40602-0634  
[502] 223-3477  
[502] 223-4124 Fax

December 20, 2018

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

**HAND DELIVERED**

Gwen R. Pinson  
Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
Frankfort, Kentucky 40601

RECEIVED  
JAN 22 2019  
PUBLIC SERVICE  
COMMISSION

Re: Standard Fuel Adjustment Clause Filing

Dear Ms. Pinson:

Enclosed are Kentucky Power Company's Fuel Adjustment Clause schedules with supporting sales and fuel cost schedules for the February 2019 billing month. The calculations are based on estimated December 2018 fuel costs with an adjustment reflecting actual November 2018 fuel costs.

Please contact Ranie K. Wohnhas at (606) 327-2605 if you have any questions about this filing.

Very truly yours,

STITES & HARBISON PLLC

Mark R. Overstreet

MRO  
Enclosure

RECEIVED

JAN 22 2019

PUBLIC SERVICE  
COMMISSION

KENTUCKY POWER COMPANY  
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: **December 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	(\$0.00016)
2	System Sales Clause Factor	(+)	<u>\$0.0003000</u> *
3	Total Adjustment Clause Factors		\$0.00014

Effective Month for Billing

February 2019

Submitted by:

  
(Signature)

Title:

Managing Director, Regulatory and Finance

Date Submitted:

January 22, 2019

\* See Form 1.0, 2018 System Sales Clause Update, August 15, 2018 filing in Post-Case Filings, Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      December 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$14,817,829</u>		
Sales Sm (Sales Schedule)	546,887,000	(+)	0.02709
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>(0.00016)</u></u>

Effective Month for Billing February 2019

Submitted by:   
(Signature)

Title: Managing Director, Regulatory and Finance

Date Submitted: January 22, 2019

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended:      **December 2018**

A.	Company Generation			
	Coal Burned	(+)	\$3,215,429	
	Oil Burned	(+)	174,424	
	Gas Burned	(+)	576,793	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		3,966,646	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	10,759,203	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		10,759,203	
C.	Inter-System Sales Fuel Costs		482,236	
	Sub Total		482,236	
D.	Total Fuel Cost (A + B - C)		\$14,243,613	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>November 2018</u> and the estimated cost originally reported.			
	<u>\$16,602,436</u>	-	<u>\$16,667,025</u>	=
	(actual)		(estimated)	(64,589)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		38,561	
G.	Grand Total Fuel Cost (D + E - F)		\$14,140,463	
H.	Fuel-Related PJM Billing Line Items	<u>December 2018</u>	677,366	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$14,817,829	

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: December 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	226,352,000
Purchases Including Interchange In	(+)	<u>359,262,000</u>
Sub Total		585,614,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	14,496,000
System Losses	(+)	<u>24,231,000</u> *
Sub Total		<u>38,727,000</u>
Total Sales (A - B)		<u><u>546,887,000</u></u>

\* Does not include 504,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:      **December 2018**

Line No.			
1	FAC Rate Billed	( + )	0.00039
2	Retail KWH Billed at Above Rate	( x )	<u>536,512,457</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>209,240</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	445,306,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,279,017</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>439,026,983</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		171,221
8	Over or (Under) Recovery (L3 - L7)		38,019
9	Total Sales (Page 3)	( + )	546,887,000
10	Kentucky Jurisdictional Sales	( / )	<u>539,201,605</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9//L10)		1.01425
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>38,561</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: November 2018

A. Company Generation					
Coal Burned				(+)	\$3,594,448
Oil Burned				(+)	95,374
Gas Burned				(+)	1,739,679
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)				(+)	457,471
( 12,028,580	KWH X	\$0.038032	)	(-)	<u>0</u>
Fuel (substitute for F. O.)					
	Sub-total				<u>5,886,972</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	11,770,743
Identifiable Fuel Cost (substitute for F. O.)				(-)	524,602
( 12,028,580	KWH X	\$0.043613	)	(-)	0 (1)
Purchase Adjustment for Peaking Unit Equivalent					
	Sub-total				<u>11,246,141</u>
C. Inter-System Sales Fuel Costs					<u>530,677</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$16,602,436</u>
E. Fuel-Related PJM Billing Line Items					<u>877,425</u>
					<u>November 2018</u>
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$17,479,861</u></u>

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

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Executive Director  
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211 Sower Boulevard  
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Re: Standard Fuel Adjustment Clause Filing

Dear Ms. Pinson:

Enclosed are Kentucky Power Company's Fuel Adjustment Clause schedules with supporting sales and fuel cost schedules for the January 2019 billing month. The calculations are based on estimated November 2018 fuel costs with an adjustment reflecting actual October 2018 fuel costs.

Please contact Matthew A. Horeled at (606) 327-2603 if you have any questions about this filing.

Very truly yours,

STITES & HARBISON PLLC

Mark R. Overstreet



MRO  
Enclosure

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    November 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00825
2	System Sales Clause Factor	(+)	<u>\$0.0003000</u> *
3	Total Adjustment Clause Factors		\$0.00855

Effective Month for Billing

January 2018

Submitted by:

*Matthew A. Hordick*

(Signature)

Title:

Director, Regulatory Services

Date Submitted:

December 21, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      November 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$17,598,099</u>		
Sales Sm (Sales Schedule)	495,678,000	(+)	0.03550
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>0.00825</u></u>

Effective Month for Billing January 2018

Submitted by: Matthew A. Hord  
(Signature)

Title: Director, Regulatory Services

Date Submitted: December 21, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended:      **November 2018**

A.	Company Generation			
	Coal Burned	(+)	\$3,594,448	
	Oil Burned	(+)	95,374	
	Gas Burned	(+)	1,739,679	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		5,429,501	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	11,770,743	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		11,770,743	
C.	Inter-System Sales Fuel Costs		533,219	
	Sub Total		533,219	
D.	Total Fuel Cost (A + B - C)		\$16,667,025	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>October 2018</u> and the estimated cost originally reported.			
	<u>\$12,107,501</u>	-	<u>\$12,132,265</u>	=
	(actual)		(estimated)	(24,764)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(78,414)	
G.	Grand Total Fuel Cost (D + E - F)		\$16,720,675	
H.	Fuel-Related PJM Billing Line Items	<u>November 2018</u>	877,425	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$17,598,099	

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: November 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	180,842,000
Purchases Including Interchange In	(+)	<u>351,292,000</u>
Sub Total		532,134,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	14,978,000
System Losses	(+)	<u>21,478,000</u> *
Sub Total		<u>36,456,000</u>
Total Sales (A - B)		<u><u>495,678,000</u></u>

\* Does not include 330,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:      November 2018**

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	( + )	0.00317
2	Retail KWH Billed at Above Rate	( x )	<u>426,450,971</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,351,850</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	457,153,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,317,962</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>450,835,038</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,429,147
8	Over or (Under) Recovery (L3 - L7)		(77,297)
9	Total Sales (Page 3)	( + )	495,678,000
10	Kentucky Jurisdictional Sales	( / )	<u>488,617,237</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01445
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(78,414)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULEMonth Ended: **October 2018**

A. Company Generation			
Coal Burned		( + )	\$6,050,224
Oil Burned		( + )	218,483
Gas Burned		( + )	2,979,466
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>9,248,174</u>
B. Purchases			
Net Energy Cost - Economy Purchases		( + )	0
Identifiable Fuel Cost - Other Purchases		( + )	5,653,128
Identifiable Fuel Cost (substitute for F. O. )		( - )	0
( 0 KWH X \$0.000000 )		( - )	0
Purchase Adjustment for Peaking Unit Equivalent		( - )	18,357 (1)
	Sub-total		<u>5,634,770</u>
C. Inter-System Sales Fuel Costs			<u>2,775,444</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$12,107,501</u>
E. Fuel-Related PJM Billing Line Items		<u>October 2018</u>	246,188
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$12,353,689</u></u>

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

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    November 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00825
2	System Sales Clause Factor	(+)	<u>\$0.0003000</u> *
3	Total Adjustment Clause Factors		\$0.00855

Effective Month for Billing January 2018

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: December 21, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

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COMMISSION**

Re: Standard Fuel Adjustment Clause Filing

Dear Ms. Pinson:

Enclosed are Kentucky Power Company's Fuel Adjustment Clause schedules with supporting sales and fuel cost schedules for the December 2018 billing month. The calculations are based on estimated October 2018 fuel costs with an adjustment reflecting actual September 2018 fuel costs.

Please contact Matthew A. Horeled at (606) 327-2603 if you have any questions about this filing.

Very truly yours,

STITES & HARBISON PLLC

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NOV 15 2018

PUBLIC SERVICE  
COMMISSION

KENTUCKY POWER COMPANY  
SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: **October 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00039
2	System Sales Clause Factor	(+)	<u>\$0.0003000</u> *
3	Total Adjustment Clause Factors		\$0.00069

Effective Month for Billing

December 2018

Submitted by:

*Matthew A. Rowland*

(Signature)

Title:

Director, Regulatory Services

Date Submitted:

November 15 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

	Month Ended:	October 2018		
Fuel Fm (Fuel Cost Schedule)	<u>\$12,308,894</u>			
Sales Sm (Sales Schedule)	445,306,000	(+)		0.02764
Fuel (Fb)	<u>\$12,504,307</u>			
Sales (Sb)	458,919,000	(-)		<u>0.02725</u> *
				<u><u>0.00039</u></u>

Effective Month for Billing December 2018

Submitted by: Matthew A. Howald  
(Signature)

Title: Director, Regulatory Services

Date Submitted: November 15 2018

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

## KENTUCKY POWER COMPANY

## ESTIMATED FUEL COST SCHEDULE

Month Ended: October 2018

A. Company Generation			
Coal Burned	(+)	\$5,694,095	
Oil Burned	(+)	218,483	
Gas Burned	(+)	3,335,566	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O. )	(+)	0	
Fuel (substitute for F. O. )	(-)	0	
Sub Total			<u>9,248,145</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	5,653,127	
Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
Sub Total			<u>5,653,127</u>
C. Inter-System Sales Fuel Costs			<u>2,769,007</u>
Sub Total			<u>2,769,007</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$12,132,265</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>September 2018</u> and the estimated cost originally reported.			
		<u>\$13,094,963</u>	-
	(actual)		<u>\$13,260,088</u>
			(estimated)
			=
			<u>(165,125)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>(95,566)</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$12,062,706</u>
H. Fuel-Related PJM Billing Line Items		<u>October 2018</u>	246,188
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$12,308,894</u></u>

**KENTUCKY POWER COMPANY****SALES SCHEDULE**Month Ended: **October 2018**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	327,854,000
Purchases Including Interchange In	(+)	<u>234,037,000</u>
Sub Total		561,891,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	98,775,000
System Losses	(+)	<u>17,810,000</u> *
Sub Total		<u>116,585,000</u>
Total Sales (A - B)		<u><u>445,306,000</u></u>

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

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:           **October 2018**

Line No.			
1	FAC Rate Billed	( + )	0.00170
2	Retail KWH Billed at Above Rate	( x )	<u>433,600,448</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>737,121</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	496,364,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>7,340,375</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>489,023,625</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		831,340
8	Over or (Under) Recovery (L3 - L7)		(94,219)
9	Total Sales (Page 3)	( + )	445,306,000
10	Kentucky Jurisdictional Sales	( / )	<u>439,026,983</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01430
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(95,566)</u></u>

**KENTUCKY POWER COMPANY****FINAL  
FUEL COST SCHEDULE****Month Ended: September 2018**

<b>A. Company Generation</b>					
Coal Burned			( + )	\$5,541,200	
Oil Burned			( + )	250,545	
Gas Burned			( + )	3,820,909	
Fuel (jointly owned plant)			( + )	0	
Fuel (assigned cost during F. O. )					
( 22,608,450	KWH X	\$0.022828	( + )	516,106	
Fuel (substitute for F. O. )			( - )	<u>0</u>	
	<b>Sub-total</b>				<u>10,128,760</u>
<b>B. Purchases</b>					
Net Energy Cost - Economy Purchases			( + )	0	
Identifiable Fuel Cost - Other Purchases			( + )	6,145,993	
Identifiable Fuel Cost (substitute for F. O. )					
( 22,608,450	KWH X	\$0.029461	( - )	666,068	
Purchase Adjustment for Peaking Unit Equivalent			( - )	18,563 (1)	
	<b>Sub-total</b>				<u>5,461,362</u>
<b>C. Inter-System Sales Fuel Costs</b>					<u>2,495,159</u>
<b>D. SUB-TOTAL FUEL COST (A + B - C)</b>					<u>\$13,094,963</u>
<b>E. Fuel-Related PJM Billing Line Items</b>				<u>September 2018</u>	588,677
<b>F. GRAND TOTAL FUEL COSTS (D + E)</b>					<u><u>\$13,683,640</u></u>

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

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Dear Ms. Pinson:

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Please contact Matthew A. Horeled at (606) 327-2603 if you have any questions about this filing.

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OCT 15 2018

PUBLIC SERVICE  
COMMISSION

KENTUCKY POWER COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Month Ended: **September 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00317
2	System Sales Clause Factor	(+)	<u>\$0.0003000</u> *
3	Total Adjustment Clause Factors		\$0.00347

Effective Month for Billing

November 2018

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

October 16, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      September 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$13,907,954</u>		
Sales Sm (Sales Schedule)	457,153,000	( + )	0.03042
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	( - )	<u>0.02725</u> *
			<u><u>0.00317</u></u>

Effective Month for Billing November 2018

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: October 16, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended:      **September 2018**

A.	Company Generation		
	Coal Burned	(+)	\$5,541,200
	Oil Burned	(+)	250,545
	Gas Burned	(+)	3,820,909
	Fuel (jointly owned plant)	(+)	0
	Fuel (assigned cost during F. O.)	(+)	0
	Fuel (substitute for F. O.)	(-)	0
	Sub Total		<u>9,612,654</u>
B.	Purchases		
	Net Energy Cost - Economy Purchases	(+)	0
	Identifiable Fuel Cost - Other Purchases	(+)	6,139,853
	Identifiable Fuel Cost (substitute for F. O.)	(-)	0
	Sub Total		<u>6,139,853</u>
C.	Inter-System Sales Fuel Costs		<u>2,492,419</u>
	Sub Total		<u>2,492,419</u>
D.	Total Fuel Cost (A + B - C)		<u><u>\$13,260,088</u></u>
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>August 2018</u> and the estimated cost originally reported.		
	<u>\$14,078,505</u>	-	<u>\$14,051,446</u>
	(actual)		(estimated)
		=	<u>27,059</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(32,130)</u>
G.	Grand Total Fuel Cost (D + E - F)		<u>\$13,319,277</u>
H.	Fuel-Related PJM Billing Line Items	<u>September 2018</u>	588,677
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$13,907,954</u></u>

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: September 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	348,580,000
Purchases Including Interchange In	(+)	<u>230,889,000</u>
Sub Total		579,469,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	103,317,000
System Losses	(+)	<u>18,999,000</u> *
Sub Total		<u>122,316,000</u>
Total Sales (A - B)		<u><u>457,153,000</u></u>

\* Does not include 309,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:        September 2018**

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	(+)	0.00146
2	Retail KWH Billed at Above Rate	(x)	<u>473,427,610</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>691,204</u>
4	KWH Used to Determine Last FAC Rate Billed	(+)	502,560,000
5	Non-Jurisdictional KWH Included in L4	(-)	<u>7,429,979</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>495,130,021</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		722,890
8	Over or (Under) Recovery (L3 - L7)		(31,686)
9	Total Sales (Page 3)	(+)	457,153,000
10	Kentucky Jurisdictional Sales	(/)	<u>450,835,038</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01401
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(32,130)</u></u>

**KENTUCKY POWER COMPANY****FINAL  
FUEL COST SCHEDULE****Month Ended: August 2018**

<b>A. Company Generation</b>			
Coal Burned		( + )	\$9,499,506
Oil Burned		( + )	130,540
Gas Burned		( + )	3,648,048
Fuel (jointly owned plant)		( + )	0
Fuel (assigned cost during F. O. )			
( 591,412	KWH X	\$0.021578 )	( + ) 12,761
Fuel (substitute for F. O. )		( - )	<u>0</u>
	Sub-total		<u>13,290,855</u>
<b>B. Purchases</b>			
Net Energy Cost - Economy Purchases		( + )	0
Identifiable Fuel Cost - Other Purchases		( + )	5,290,221
Identifiable Fuel Cost (substitute for F. O. )			
( 591,412	KWH X	\$0.022030 )	( - ) 13,029
Purchase Adjustment for Peaking Unit Equivalent		( - )	0 (1)
	Sub-total		<u>5,277,192</u>
<b>C. Inter-System Sales Fuel Costs</b>			<u>4,489,542</u>
<b>D. SUB-TOTAL FUEL COST (A + B - C)</b>			<u>\$14,078,505</u>
<b>E. Fuel-Related PJM Billing Line Items</b>			<u>453,639</u>
			<u>August 2018</u>
<b>F. GRAND TOTAL FUEL COSTS (D + E)</b>			<u><u>\$14,532,144</u></u>

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



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September 17, 2018

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SEP 17 2018

PUBLIC SERVICE  
COMMISSION

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

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the September 2018 billing month are attached. These calculations are based on estimated August 2018 fuel costs with an adjustment reflecting actual July 2018 fuel costs.

If you have any questions, please contact me at 606-327-2603.

Sincerely,

A handwritten signature in blue ink that reads "Matt Horeled / s". The signature is written in a cursive, slightly slanted style.

Matthew A. Horeled  
Director, Regulatory Services

Attachments

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

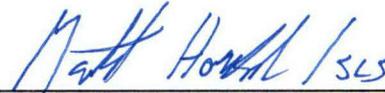
**Month Ended: August 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00170
2 System Sales Clause Factor	(+)	<u>\$0.0003000</u> *
3 Total Adjustment Clause Factors		\$0.00200

Effective Month for Billing

October 2018

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

September 17, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**

**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: August 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$14,369,715</u>		
Sales Sm (Sales Schedule)	496,364,000	(+)	0.02895
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>0.00170</u></u>

Effective Month for Billing October 2018

Submitted by:   
(Signature)

Title: Director, Regulatory Services

Date Submitted: September 17, 2018

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

## KENTUCKY POWER COMPANY

## ESTIMATED FUEL COST SCHEDULE

Month Ended: August 2018

A.	Company Generation			
	Coal Burned	(+)	\$9,499,506	
	Oil Burned	(+)	130,540	
	Gas Burned	(+)	3,648,048	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		<u>13,278,093</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	5,290,221	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		<u>5,290,221</u>	
C.	Inter-System Sales Fuel Costs		<u>4,516,868</u>	
	Sub Total		<u>4,516,868</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$14,051,446</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>July 2018</u> and the estimated cost originally reported. <u>\$14,492,582</u> - <u>\$14,615,742</u> = <u>(123,160)</u> (actual) (estimated)			
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>12,211</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$13,916,076</u>	
H.	Fuel-Related PJM Billing Line Items <u>August 2018</u>		<u>453,639</u>	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u><u>\$14,369,715</u></u>	

**KENTUCKY POWER COMPANY****SALES SCHEDULE**Month Ended: **August 2018**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	503,936,000
Purchases Including Interchange In	(+)	<u>206,395,000</u>
Sub Total		710,331,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	194,942,000
System Losses	(+)	<u>19,025,000</u> *
Sub Total		<u>213,967,000</u>
Total Sales (A - B)		<u><u>496,364,000</u></u>

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

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            August 2018**

<u>Line No.</u>			
1	FAC Rate Billed	( + )	0.00302
2	Retail KWH Billed at Above Rate	( x )	<u>470,994,304</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,422,403</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	473,917,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,906,193</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>467,010,807</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,410,373
8	Over or (Under) Recovery (L3 - L7)		12,030
9	Total Sales (Page 3)	( + )	496,364,000
10	Kentucky Jurisdictional Sales	( / )	<u>489,023,625</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>12,211</u></u>

**KENTUCKY POWER COMPANY****FINAL  
FUEL COST SCHEDULE****Month Ended: July 2018**

A. Company Generation				
Coal Burned		(+)	\$9,245,183	
Oil Burned		(+)	145,201	
Gas Burned		(+)	3,978,073	
Fuel (jointly owned plant)		(+)	0	
Fuel (assigned cost during F. O.)				
( 18,098,406	KWH X	\$0.022363 )	(+)	404,735
Fuel (substitute for F. O.)		(-)	<u>0</u>	
	Sub-total		<u>13,773,192</u>	
B. Purchases				
Net Energy Cost - Economy Purchases		(+)	0	
Identifiable Fuel Cost - Other Purchases		(+)	5,117,718	
Identifiable Fuel Cost (substitute for F. O.)				
( 18,098,406	KWH X	\$0.026086 )	(-)	472,115
Purchase Adjustment for Peaking Unit Equivalent		(-)	0 (1)	
	Sub-total		<u>4,645,603</u>	
C. Inter-System Sales Fuel Costs			<u>3,926,213</u>	
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$14,492,582</u>	
E. Fuel-Related PJM Billing Line Items		<u>July 2018</u>	260,205	
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$14,752,788</u></u>	

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



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August 20, 2018

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PUBLIC SERVICE  
COMMISSION

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

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the September 2018 billing month are attached. These calculations are based on estimated July 2018 fuel costs with an adjustment reflecting actual June 2018 fuel costs.

If you have any questions, please contact me at 606-327-2603.

Sincerely,

A handwritten signature in blue ink that reads "Matt A. Horeled /SL5". The signature is written in a cursive, flowing style.

Matthew A. Horeled  
Director, Regulatory Services

Attachments

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

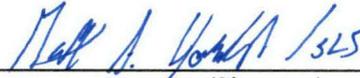
**Month Ended: July 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00146
2 System Sales Clause Factor	(+)	<u>\$0.0000000</u> *
3 Total Adjustment Clause Factors		\$0.00146

Effective Month for Billing

September 2018

Submitted by:



(Signature)

Title:

Director, Regulatory Services

Date Submitted:

August 20, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: July 2018**

Fuel Fm (Fuel Cost Schedule)	\$14,429,355			
Sales Sm (Sales Schedule)	502,560,000	( + )		0.02871
Fuel (Fb)	\$12,504,307			
Sales (Sb)	458,919,000	( - )		0.02725 *
				0.00146

Effective Month for Billing September 2018

Submitted by:   
 (Signature)

Title: Director, Regulatory Services

Date Submitted: August 20, 2018

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

## KENTUCKY POWER COMPANY

## ESTIMATED FUEL COST SCHEDULE

Month Ended: July 2018

A. Company Generation			
Coal Burned	(+)	\$9,245,183	
Oil Burned	(+)	145,201	
Gas Burned	(+)	3,978,073	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O. )	(+)	0	
Fuel (substitute for F. O. )	(-)	0	
Sub Total			<u>13,368,457</u>
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	5,117,718	
Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
Sub Total			<u>5,117,718</u>
C. Inter-System Sales Fuel Costs			<u>3,870,433</u>
Sub Total			<u>3,870,433</u>
D. Total Fuel Cost (A + B - C)			<u><u>\$14,615,742</u></u>
E. Adjustment indicating the difference in actual fuel cost for the month of <u>June 2018</u> and the estimated cost originally reported.			
		<u>\$14,014,910</u>	-
	(actual)		<u>\$14,374,560</u>
			(estimated)
			=
			<u>(359,650)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12			<u>86,943</u>
G. Grand Total Fuel Cost (D + E - F)			<u>\$14,169,149</u>
H. Fuel-Related PJM Billing Line Items		<u>July 2018</u>	260,205
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)			<u><u>\$14,429,355</u></u>

**KENTUCKY POWER COMPANY****SALES SCHEDULE**Month Ended: **July 2018**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	492,108,000
Purchases Including Interchange In	(+)	<u>195,918,000</u>
Sub Total		688,026,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	165,909,000
System Losses	(+)	<u>19,557,000</u> *
Sub Total		<u>185,466,000</u>
Total Sales (A - B)		<u><u>502,560,000</u></u>

\* Does not include 289,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:            **July 2018**

Line No.			
1	FAC Rate Billed	( + )	0.00283
2	Retail KWH Billed at Above Rate	( x )	<u>488,086,950</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,381,286</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	464,278,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,458,721</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>457,819,279</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,295,629
8	Over or (Under) Recovery (L3 - L7)		85,657
9	Total Sales (Page 3)	( + )	502,560,000
10	Kentucky Jurisdictional Sales	( / )	<u>495,130,021</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>86,943</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: June 2018

A. Company Generation					
Coal Burned				( + )	\$4,876,836
Oil Burned				( + )	301,684
Gas Burned				( + )	1,975,884
Fuel (jointly owned plant)				( + )	0
Fuel (assigned cost during F. O. )				( + )	2,720,584
( 110,136,192	KWH X	\$0.024702	)		
Fuel (substitute for F. O. )				( - )	<u>0</u>
	Sub-total				<u>9,874,988</u>
B. Purchases					
Net Energy Cost - Economy Purchases				( + )	0
Identifiable Fuel Cost - Other Purchases				( + )	8,801,666
Identifiable Fuel Cost (substitute for F. O. )				( - )	3,058,152
( 110,136,192	KWH X	\$0.027767	)		
Purchase Adjustment for Peaking Unit Equivalent				( - )	0 (1)
	Sub-total				<u>5,743,515</u>
C. Inter-System Sales Fuel Costs					<u>1,603,593</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$14,014,910</u>
E. Fuel-Related PJM Billing Line Items					<u>827,023</u>
					<u>June 2018</u>
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$14,841,932</u></u>

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



A unit of American Electric Power

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

**HAND DELIVERED**

July 20, 2018

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



RECEIVED  
JUL 20 2018  
PUBLIC SERVICE  
COMMISSION

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the August 2018 billing month are attached. These calculations are based on estimated June 2018 fuel costs with an adjustment reflecting actual May 2018 fuel costs.

If you have any questions, please contact me at 606-327-2603.

Sincerely,

Matthew A. Horeled  
Director, Regulatory Services

Attachments

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    June 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00302
2	System Sales Clause Factor	(+)	<u>\$0.0000000</u> *
3	Total Adjustment Clause Factors		\$0.00302

Effective Month for Billing

August 2018

Submitted by:

Mat A. Hord /sls  
(Signature)

Title:

Director, Regulatory Services & Project Management

Date Submitted:

July 20, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: June 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$14,347,276</u>		
Sales Sm (Sales Schedule)	473,917,000	(+)	0.03027
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u><u>0.00302</u></u>

Effective Month for Billing August 2018

Submitted by: Math A. Howler / 545  
(Signature)

Title: Director, Regulatory Services & Project Management

Date Submitted: July 20, 2018

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

## KENTUCKY POWER COMPANY

## ESTIMATED FUEL COST SCHEDULE

Month Ended: June 2018

A. Company Generation			
Coal Burned	(+)	\$4,876,836	
Oil Burned	(+)	301,684	
Gas Burned	(+)	1,975,884	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O. )	(+)	0	
Fuel (substitute for F. O. )	(-)	0	
Sub Total		<u>7,154,404</u>	
B. Purchases			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	8,801,667	
Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
Sub Total		<u>8,801,667</u>	
C. Inter-System Sales Fuel Costs		<u>1,581,511</u>	
Sub Total		<u>1,581,511</u>	
D. Total Fuel Cost (A + B - C)		<u><u>\$14,374,560</u></u>	
E. Adjustment indicating the difference in actual fuel cost for the month of <u>May 2018</u> and the estimated cost originally reported.			
		<u>\$13,061,891</u>	-
	(actual)		<u>\$13,749,091</u>
			(estimated)
			=
			<u>(687,200)</u>
F. Total Company Over or (Under) Recovery from Page 4, Line 12		<u>167,107</u>	
G. Grand Total Fuel Cost (D + E - F)		<u>\$13,520,253</u>	
H. Fuel-Related PJM Billing Line Items	<u>June 2018</u>		<u>827,023</u>
I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H + H1)			<u><u>\$14,347,276</u></u>

**KENTUCKY POWER COMPANY****SALES SCHEDULE****Month Ended: June 2018**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	224,651,000
Purchases Including Interchange In	(+)	<u>325,549,000</u>
Sub Total		550,200,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	59,412,000
System Losses	(+)	<u>16,871,000</u> *
Sub Total		<u>76,283,000</u>
Total Sales (A - B)		<u><u>473,917,000</u></u>

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

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            June 2018**

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	( + )	0.00642
2	Retail KWH Billed at Above Rate	( x )	<u>457,527,098</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>2,937,324</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	438,038,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,160,673</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>431,877,327</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		2,772,652
8	Over or (Under) Recovery (L3 - L7)		164,672
9	Total Sales (Page 3)	( + )	473,917,000
10	Kentucky Jurisdictional Sales	( / )	<u>467,010,807</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01479
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>167,107</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULEMonth Ended: **May 2018**

A. Company Generation					
Coal Burned			(+)	\$8,127,669	
Oil Burned			(+)	588,616	
Gas Burned			(+)	703,800	
Fuel (jointly owned plant)			(+)	0	
Fuel (assigned cost during F. O.)					
( 46,437,456	KWH X	\$0.024079 )	(+)	1,118,168	
Fuel (substitute for F. O.)			(-)	<u>0</u>	
	Sub-total				<u>10,538,252</u>
B. Purchases					
Net Energy Cost - Economy Purchases			(+)	0	
Identifiable Fuel Cost - Other Purchases			(+)	6,564,364	
Identifiable Fuel Cost (substitute for F. O.)					
( 46,437,456	KWH X	\$0.038137 )	(-)	1,770,985	
Purchase Adjustment for Peaking Unit Equivalent			(-)	890 (1)	
	Sub-total				<u>4,792,489</u>
C. Inter-System Sales Fuel Costs					<u>2,268,849</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$13,061,891</u>
E. Fuel-Related PJM Billing Line Items				<u>May 2018</u>	-636,015
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$12,425,877</u></u>

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



**KENTUCKY  
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101A Enterprise Drive  
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Frankfort, KY 40602-5190  
KentuckyPower.com

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June 19, 2018

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

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the July 2018 billing month are attached. These calculations are based on estimated May 2018 fuel costs with an adjustment reflecting actual April 2018 fuel costs.

If you have any questions, please contact me at 606-327-2603.

Sincerely,

*Matthew A. Horeled/sjs*

Matthew A. Horeled  
Director, Regulatory Services & Project Management

Attachments

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**KENTUCKY POWER COMPANY**

**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended: May 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00283
2 System Sales Clause Factor	(+)	<u>\$0.0000000</u> *
3 Total Adjustment Clause Factors		\$0.00283

Effective Month for Billing

July 2018

Submitted by:

*Mark A. Howard / SL5*  
(Signature)

Title:

Director, Regulatory Services & Project Management

Date Submitted:

June 19, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: May 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$13,965,876</u>		
Sales Sm (Sales Schedule)	464,278,000	(+)	0.03008
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725 *</u>
			<u><u>0.00283</u></u>

Effective Month for Billing July 2018

Submitted by: *Mark A. Howard / KLS*  
(Signature)

Title: Director, Regulatory Services & Project Management

Date Submitted: June 19, 2018

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

## KENTUCKY POWER COMPANY

## ESTIMATED FUEL COST SCHEDULE

Month Ended: May 2018

A.	Company Generation			
	Coal Burned	(+)	\$8,127,669	
	Oil Burned	(+)	588,616	
	Gas Burned	(+)	703,800	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		<u>9,420,085</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	6,564,344	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		<u>6,564,344</u>	
C.	Inter-System Sales Fuel Costs		<u>2,235,338</u>	
	Sub Total		<u>2,235,338</u>	
D.	Total Fuel Cost (A + B - C)		<u><u>\$13,749,091</u></u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>April 2018</u> and the estimated cost originally reported.			
			<u>\$14,952,465</u>	-
			(actual)	
			<u>\$14,957,966</u>	-
			(estimated)	
				=
				<u>(5,501)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(858,301)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$14,601,891</u>	
H.	Fuel-Related PJM Billing Line Items			
			<u>May 2018</u>	
				<u>-636,015</u>
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H + H1)		<u><u>\$13,965,876</u></u>	

**KENTUCKY POWER COMPANY**

**SALES SCHEDULE**

**Month Ended: May 2018**

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	331,644,000
Purchases Including Interchange In	(+)	<u>230,002,000</u>
Sub Total		561,646,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	81,210,000
System Losses	(+)	<u>16,158,000</u> *
Sub Total		<u>97,368,000</u>
Total Sales (A - B)		<u><u>464,278,000</u></u>

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

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            May 2018**

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	( + )	0.00955
2	Retail KWH Billed at Above Rate	( x )	<u>419,761,677</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>4,008,724</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	515,732,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>7,346,347</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>508,385,653</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		4,855,083
8	Over or (Under) Recovery (L3 - L7)		(846,359)
9	Total Sales (Page 3)	( + )	464,278,000
10	Kentucky Jurisdictional Sales	( / )	<u>457,819,279</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01411
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(858,301)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULEMonth Ended: **April 2018**

A. Company Generation					
Coal Burned				( + )	\$391,647
Oil Burned				( + )	174,544
Gas Burned				( + )	435,765
Fuel (jointly owned plant)				( + )	0
Fuel (assigned cost during F. O. )					
( 2,474,220	KWH X	\$0.033832	)	( + )	83,708
Fuel (substitute for F. O. )				( - )	<u>0</u>
	Sub-total				<u>1,085,664</u>
B. Purchases					
Net Energy Cost - Economy Purchases				( + )	0
Identifiable Fuel Cost - Other Purchases				( + )	14,472,254
Identifiable Fuel Cost (substitute for F. O. )					
( 2,474,220	KWH X	\$0.034268	)	( - )	84,787
Purchase Adjustment for Peaking Unit Equivalent				( - )	4,127 (1)
	Sub-total				<u>14,383,340</u>
C. Inter-System Sales Fuel Costs					<u>516,539</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$14,952,465</u>
E. Fuel-Related PJM Billing Line Items				<u>April 2018</u>	622,487
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$15,574,952</u></u>

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



An **AEP** Company

BOUNDLESS ENERGY™

Kentucky Power  
101A Enterprise Drive  
Frankfort, KY 40601  
KentuckyPower.com

**HAND DELIVERED**

May 24, 2018

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

**Attention: Matthew S. Baer**

RE: REVISED Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company filed its Fuel Adjustment Clause (FAC) Schedules for the June 2018 billing month on May 22, 2018. The filing reflected estimated April 2018 fuel costs as adjusted for actual March 2018 fuel costs and the recovery of the final \$1 million installment of the \$3 million in January 2018 deferred fuel costs.

Subsequent to the May 22 filing, Kentucky Power identified certain PJM billing lines that were not included in its FAC filings for the months of January through April 2018. The omitted billing line items, numbers 2211, 2215, and 2415, were to be substituted for billing line item number 2210 in accordance with the Commission's January 18, 2018 Order in Case No. 2017-00179.

The revision of the Company's May 22, 2018 filing to reflect the three substituted PJM billing line items reduces the amount required to be recovered in June 2018 by a net amount of \$1,690,681. Kentucky Power proposes to do so by removing the \$1 million deferral previously scheduled to be recovered in June 2018, providing a credit adjustment in the amount of \$770,891, and revising the April PJM billing line item amount to reflect an increase of \$80,210.

The credit amount is reflected on line H1 of Page 2 of 5. Line H of page 2 of 5 of the revised calculation reflects the PJM billing line items and as increased by \$80,210.

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With this filing, the Company is also providing revisions to the PJM billing line item documentation that was provided in the monthly FAC backup filings for the months of January, February, and March.

If you have any questions, please contact Amy Elliott or me at 502-696-7013.

Sincerely,

A handwritten signature in blue ink that reads "Ranie Wohnhas /SLJ".

Ranie K. Wohnhas  
Managing Director, Regulatory & Finance

Attachments

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MAY 24 2018

PUBLIC SERVICE  
COMMISSION

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended: April 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00642
2 System Sales Clause Factor	(+)	<u>\$0.0000000</u> *
3 Total Adjustment Clause Factors		\$0.00642

Effective Month for Billing

June 2018

Submitted by:

Rami Wolman / SLS  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

May 24, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: April 2018**

Fuel Fm (Fuel Cost Schedule)	\$14,750,157		
Sales Sm (Sales Schedule)	438,038,000	(+)	0.03367
Fuel (Fb)	\$12,504,307		
Sales (Sb)	458,919,000	(-)	0.02725 *
			0.00642

Effective Month for Billing June 2018

Submitted by: *Ravi Wobler /SLG*  
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: May 24, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

**Month Ended:      April 2018**

A.	Company Generation			
	Coal Burned	(+)	\$391,647	
	Oil Burned	(+)	174,544	
	Gas Burned	(+)	435,765	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		1,001,956	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	14,472,255	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		14,472,255	
C.	Inter-System Sales Fuel Costs		516,245	
	Sub Total		516,245	
D.	Total Fuel Cost (A + B - C)		\$14,957,966	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>March 2018</u> and the estimated cost originally reported.			
	<u>\$15,508,009</u>	-	<u>\$15,544,545</u>	=
	(actual)		(estimated)	(36,536)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		22,869	
G.	Grand Total Fuel Cost (D + E - F)		\$14,898,561	
H.	Fuel-Related PJM Billing Line Items	<u>April 2018</u>	622,487	
H1.	PJM Billing Line Item Credit Adjustment		\$ (770,891) *	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H + H1)		\$14,750,157	

\* Reflects deferred January expenses (3/3) of \$1,000,000 and a credit of \$1,770,891 of identified PJM billing line items not included in previous monthly fuel filings.

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: April 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	14,990,000
Purchases Including Interchange In	(+)	<u>456,258,000</u>
Sub Total		471,248,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	17,726,000
System Losses	(+)	<u>15,484,000</u> *
Sub Total		<u>33,210,000</u>
Total Sales (A - B)		<u><u>438,038,000</u></u>

\* Does not include 398,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            April 2018**

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	( + )	0.00339
2	Retail KWH Billed at Above Rate	( x )	<u>473,652,090</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>1,605,681</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	473,769,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,768,086</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>467,000,914</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		1,583,133
8	Over or (Under) Recovery (L3 - L7)		22,548
9	Total Sales (Page 3)	( + )	438,038,000
10	Kentucky Jurisdictional Sales	( / )	<u>431,877,327</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01426
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>22,869</u></u>

**KENTUCKY POWER COMPANY****FINAL  
FUEL COST SCHEDULE****Month Ended: March 2018**

<b>A. Company Generation</b>					
Coal Burned				( + )	\$309,970
Oil Burned				( + )	8,906
Gas Burned				( + )	551,091
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>869,967</u>
<b>B. Purchases</b>					
Net Energy Cost - Economy Purchases				( + )	0
Identifiable Fuel Cost - Other Purchases				( + )	15,121,126
Identifiable Fuel Cost (substitute for F. O.)					
( 0	KWH X	\$0.000000 )		( - )	0
Purchase Adjustment for Peaking Unit Equivalent				( - )	38,189 (1)
	Sub-total				<u>15,082,938</u>
<b>C. Inter-System Sales Fuel Costs</b>					<u>444,896</u>
<b>D. SUB-TOTAL FUEL COST (A + B - C)</b>					<u>\$15,508,009</u>
<b>E. Fuel-Related PJM Billing Line Items</b>					
			<u>March 2018</u>		1,077,868
<b>F. GRAND TOTAL FUEL COSTS (D + E)</b>					<u><u>\$16,585,877</u></u>

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

January 2018

Allowable BLI	Description	Amount
1200	Day-ahead Spot Market Energy	-
1200a		-
1205	Balancing Spot Market Energy	-
1205a		-
1210	Day-ahead Transmission Congestion	5,289,345.54
1210a		
1215	Balancing Transmission Congestion	(1,289,065.96)
1215a		
1218	Planning Period Congestion Uplift	
1218a		
1220	Day-ahead Transmission Losses	3,648,805.91
1220a		
1225	Balancing Transmission Losses	(227,210.60)
1225a		
1230	Inadvertent Interchange	39,552.29
1230a		10.50
1250	Meter Error Correction	80,422.53
1250a		(331.49)
1260	Emergency Energy	
1260a		
1340	Regulation and Frequency Response Service Charge	384,195.47
1340a		
1350	Energy Imbalance Service Charge	
1350a		
1380	Synchronized Reserve Charge	68,304.12
1380a		0.05
1370	Day-ahead Operating Reserve Charge	39,462.21
1370a		
1375	Balancing Operating Reserve	215,112.57
1375a		(312.10)
1377	Synchronous Condensing Charge	377.28
1377a		
1378	Reactive Services Charge	38,054.81
1378a		
1400	Load Reconciliation for Spot Market Energy	
1400a		
1410	Load Reconciliation for Transmission Congestion	
1410a		
1420	Load Reconciliation Transmission Losses	-
1420a		
1430	Load Reconciliation for Inadvertent Interchange	
1430a		
1460	Load Reconciliation for Regulation and Frequency Response Service	
1460a		
1470	Load Reconciliation for Synchronized Reserve	
1470a		
1478	Load Reconciliation for Balancing Operating Reserve	
1478a		
1480	Load Reconciliation for Synchronous Condensing	
1480a		
1490	Load Reconciliation for Reactive Services	
1490a		
1500	Financial Transmission Rights Auction	249,360.28
1500a		
1930	Generation Deactivation Charge	
1930a		2,919.97
2210	Transmission Congestion Credit	
2210a		306.90
2211	Day-ahead Transmission Congestion	(3,510,874.54)
2211a		
2215	Balancing Transmission	89,784.17
2215a		0.23
2217	Planning Period Excess Congestion Credit	
2217a		(2,319.89)
2218	Planning Period Congestion Uplift Credit	
2218a		
2220	Transmission Losses Credit	(626,287.84)
2220a		(0.25)
2260	Emergency Energy Credit	
2260a		
2340	Regulation and Frequency Response Service Credit	(689,526.55)
2340a		
2350	Energy Imbalance Service Credit	
2350a		
2360	Synchronized Reserve Credit	(49,080.82)
2360a		
2370	Day-ahead Operating Reserve Credit	-
2370a		
2375	Balancing Operating Reserve Credit	(133,136.23)
2375a		
2377	Synchronous Condensing Credit	
2377a		
2378	Reactive Services Credit	
2378a		
2415	Balancing Transmission Congestion Load Reconciliation	
2415a		
2420	Load Reconciliation for Transmission Losses	
2420a		
2500	Financial Transmission Rights Auction	
2500a		
2510	Auction Revenue Rights	(304,208.27)
2510a		
2830	Generation Deactivation Credit	
2830a		

Sum of Allowable BLIs (In accounts outside those already being captured)

3,271,859.97

February 2018

Allowable BLI	Description	Amount
1200	Day-ahead Spot Market Energy	-
1200a		-
1205	Balancing Spot Market Energy	-
1205a		-
1210	Day-ahead Transmission Congestion	200,838.76
1210a		
1215	Balancing Transmission Congestion	(28,422.08)
1215a		
1218	Planning Period Congestion Uplift	
1218a		
1220	Day-ahead Transmission Losses	565,468.31
1220a		
1225	Balancing Transmission Losses	(39,813.09)
1225a		
1230	Inadvertent Interchange	1,966.23
1230a		
1250	Meter Error Correction	(135,525.51)
1250a		(277,183.15)
1280	Emergency Energy	
1280a		
1340	Regulation and Frequency Response Service Charge	44,071.20
1340a		202.89
1350	Energy Imbalance Service Charge	
1350a		
1360	Synchronized Reserve Charge	3,952.89
1360a		
1370	Day-ahead Operating Reserve Charge	25,311.82
1370a		
1375	Balancing Operating Reserve	27,133.02
1375a		(1,248.84)
1377	Synchronous Condensing Charge	-
1377a		
1378	Reactive Services Charge	-
1378a		
1400	Load Reconciliation for Spot Market Energy	
1400a		
1410	Load Reconciliation for Transmission Congestion	
1410a		
1420	Load Reconciliation Transmission Losses	
1420a		
1430	Load Reconciliation for Inadvertent Interchange	
1430a		
1460	Load Reconciliation for Regulation and Frequency Response Service	
1460a		
1470	Load Reconciliation for Synchronized Reserve	
1470a		
1478	Load Reconciliation for Balancing Operating Reserve	
1478a		
1480	Load Reconciliation for Synchronous Condensing	
1480a		
1490	Load Reconciliation for Reactive Services	
1490a		
1500	Financial Transmission Rights Auction	225,228.64
1500a		
1930	Generation Deactivation Charge	
1930a		3,017.31
2210	Transmission Congestion Credit	
2210a		977.73
2211	Day-ahead Transmission Congestion	(184,073.40)
2211a		
2215	Balancing Transmission	33,737.45
2215a		
2217	Planning Period Excess Congestion Credit	
2217a		(6,919.30)
2218	Planning Period Congestion Uplift Credit	
2218a		
2220	Transmission Losses Credit	(128,768.81)
2220a		(0.25)
2280	Emergency Energy Credit	
2280a		
2340	Regulation and Frequency Response Service Credit	(18,285.00)
2340a		
2350	Energy Imbalance Service Credit	
2350a		
2380	Synchronized Reserve Credit	(89.93)
2380a		
2370	Day-ahead Operating Reserve Credit	
2370a		
2375	Balancing Operating Reserve Credit	(2,770.99)
2375a		
2377	Synchronous Condensing Credit	
2377a		
2378	Reactive Services Credit	
2378a		
2415	Balancing Transmission Congestion Load Reconciliation	
2415a		
2420	Load Reconciliation for Transmission Losses	
2420a		
2500	Financial Transmission Rights Auction	
2500a		
2510	Auction Revenue Rights	(348,813.84)
2510a		
2930	Generation Deactivation Credit	
2930a		

Sum of Allowable BLIs (in accounts outside those already being captured)

(39,697.94)

March 2018

Allowable BLJ	Description	Amount
1200	Day-ahead Spot Market Energy	-
1200a		-
1205	Balancing Spot Market Energy	-
1205a		-
1210	Day-ahead Transmission Congestion	680,448.19
1210a		
1215	Balancing Transmission Congestion	(23,559.53)
1216a		
1218	Planning Period Congestion Uplift	
1218a		
1220	Day-ahead Transmission Losses	577,452.94
1220a		
1225	Balancing Transmission Losses	(11,402.21)
1225a		
1230	Inadvertent Interchange	538.91
1230a		
1250	Meter Error Correction	(321.51)
1250a		(72,427.38)
1260	Emergency Energy	
1260a		
1340	Regulation and Frequency Response Service Charge	82,644.54
1340a		84.83
1350	Energy Imbalance Service Charge	
1350a		
1360	Synchronized Reserve Charge	17,507.48
1360a		(0.02)
1370	Day-ahead Operating Reserve Charge	34,492.27
1370a		
1375	Balancing Operating Reserve	20,439.59
1375a		(166.27)
1377	Synchronous Condensing Charge	
1377a		
1378	Reactive Services Charge	
1378a		
1400	Load Reconciliation for Spot Market Energy	
1400a		
1410	Load Reconciliation for Transmission Congestion	
1410a		
1420	Load Reconciliation Transmission Losses	
1420a		
1430	Load Reconciliation for Inadvertent Interchange	
1430a		
1460	Load Reconciliation for Regulation and Frequency Response Service	
1460a		
1470	Load Reconciliation for Synchronized Reserve	
1470a		
1478	Load Reconciliation for Balancing Operating Reserve	
1478a		
1480	Load Reconciliation for Synchronous Condensing	
1480a		
1490	Load Reconciliation for Reactive Services	
1490a		
1500	Financial Transmission Rights Auction	249,360.28
1500a		
1930	Generation Deactivation Charge	
1930a		1,329.60
2210	Transmission Congestion Credit	
2210a		
2211	Day-ahead Transmission Congestion	(271,381.83)
2211a		
2215	Balancing Transmission	93,864.40
2215a		
2217	Planning Period Excess Congestion Credit	
2217a		
2218	Planning Period Congestion Uplift Credit	
2218a		
2220	Transmission Losses Credit	(204,613.06)
2220a		(0.25)
2260	Emergency Energy Credit	
2260a		
2340	Regulation and Frequency Response Service Credit	(15,299.14)
2340a		
2350	Energy Imbalance Service Credit	
2350a		
2360	Synchronized Reserve Credit	(2,219.58)
2360a		
2370	Day-ahead Operating Reserve Credit	
2370a		
2375	Balancing Operating Reserve Credit	(547.68)
2375a		
2377	Synchronous Condensing Credit	
2377a		
2378	Reactive Services Credit	
2378a		
2415	Balancing Transmission Congestion Load Reconciliation	
2415a		
2420	Load Reconciliation for Transmission Losses	
2420a		
2500	Financial Transmission Rights Auction	
2500a		
2510	Auction Revenue Rights	(255,883.92)
2510a		
2930	Generation Deactivation Credit	
2930a		

Sum of Allowable BLJs (In accounts outside those already being captured)

900,350.57



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

**HAND DELIVERED**

April 24, 2018

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

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the May 2018 billing month are attached. These calculations are based on estimated March 2018 fuel costs with an adjustment reflecting actual February 2018 fuel costs.

If you have any questions, please contact Amy Elliott at 502-696-7013.

Sincerely,

Ranie K. Wohnhas  
Managing Director, Regulatory & Finance

Attachments

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APR 24 2018

PUBLIC SERVICE  
COMMISSION

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    March 2018**

- |   |   |     |                      |
|---|---|-----|----------------------|
| 1 | Fuel Adjustment Clause Factor (Page 1 of 5) | (+) | \$0.00955            |
| 2 | System Sales Clause Factor                  | (+) | <u>\$0.0000000</u> * |
| 3 | Total Adjustment Clause Factors             |     | \$0.00955            |

Effective Month for Billing

May 2018

Submitted by:

*Ranice K. Wobinkas /QE*  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

April 24, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended:                      March 2018**

Fuel Fm (Fuel Cost Schedule)	\$18,981,324			
Sales Sm (Sales Schedule)	515,732,000	( + )		0.03680
Fuel (Fb)	\$12,504,307			
Sales (Sb)	458,919,000	( - )		0.02725 *
				0.00955

Effective Month for Billing May 2018

Submitted by: (Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: April 24, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended: **March 2018**

A.	Company Generation			
	Coal Burned	(+)	\$309,970	
	Oil Burned	(+)	8,906	
	Gas Burned	(+)	551,091	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		869,967	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	15,121,126	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		15,121,126	
C.	Inter-System Sales Fuel Costs		446,548	
	Sub Total		446,548	
D.	Total Fuel Cost (A + B - C)		\$15,544,545	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>February 2018</u> and the estimated cost originally reported.			
	<u>\$12,303,517</u>	-	<u>\$12,317,497</u>	=
	(actual)		(estimated)	(13,980)
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(1,372,890)	
G.	Grand Total Fuel Cost (D + E - F)		\$16,903,456	
H.	Fuel-Related PJM Billing Line Items	<u>March 2018</u>	1,077,868	
HI.	Deferred January Expense (2/3)		\$ 1,000,000	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$18,981,324	

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: March 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	13,252,000
Purchases Including Interchange In	(+)	<u>536,726,000</u>
Sub Total		549,978,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	14,915,000
System Losses	(+)	<u>19,331,000</u> *
Sub Total		<u>34,246,000</u>
Total Sales (A - B)		<u><u>515,732,000</u></u>

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

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            March 2018**

<u>Line No.</u>			
1	FAC Rate Billed	( + )	0.00738
2	Retail KWH Billed at Above Rate	( x )	<u>473,119,000</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>3,491,618</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	666,166,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>9,668,416</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>656,497,584</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		4,844,952
8	Over or (Under) Recovery (L3 - L7)		(1,353,334)
9	Total Sales (Page 3)	( + )	515,732,000
10	Kentucky Jurisdictional Sales	( / )	<u>508,385,653</u>
11	Ratio of Total Sales to KY. Jurisdictional Sales (L9 / L10)		1.01445
12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(1,372,890)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: February 2018

A. Company Generation			
Coal Burned		( + )	\$5,305,272
Oil Burned		( + )	142,664
Gas Burned		( + )	630,561
Fuel (jointly owned plant)		( + )	0
Fuel (assigned cost during F. O. )		( + )	379,549
( 8,040,090 KWH X \$0.047207 )		( + )	379,549
Fuel (substitute for F. O. )		( - )	<u>0</u>
	Sub-total		<u>6,458,045</u>
B. Purchases			
Net Energy Cost - Economy Purchases		( + )	0
Identifiable Fuel Cost - Other Purchases		( + )	6,901,503
Identifiable Fuel Cost (substitute for F. O. )		( - )	379,549
( 8,040,090 KWH X \$0.047207 )		( - )	379,549
Purchase Adjustment for Peaking Unit Equivalent		( - )	0 (1)
	Sub-total		<u>6,521,954</u>
C. Inter-System Sales Fuel Costs			<u>676,482</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$12,303,517</u>
E. Fuel-Related PJM Billing Line Items		<u>February 2018</u>	110,638
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$12,414,155</u></u>

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



March 20, 2018



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

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

RECEIVED

MAR 21 2018

PUBLIC SERVICE  
COMMISSION

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the April 2018 billing month are attached. These calculations are based on estimated February 2018 fuel costs with an adjustment reflecting actual January 2018 fuel costs.

As stated in the Company's February 20, 2018 Informal Conference with the Commission Staff, February 2018 fuel expenses (April 2018 billing month) will reflect the first \$1 million installment of the \$3 million dollars in January 2018 fuel expenses that were deferred from January 2018. The remaining deferred expenses will be reflected \$1 million installments in the March and April 2018 fuel expenses.

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. This will be the Company's final monthly System Sales Clause filing, as the Company will begin making annual System Sales Clause filings August 15, 2018 pursuant to the Commission's Order dated January 18, 2018 in Case No. 2017-00179.

The Fuel Adjustment Clause Factor and System Sales Clause Factor for the April 2018 billing month will be prorated to reflect an effective date of the Company's new rates for service rendered on and after January 19, 2018. The attached pages will show two different Fuel Adjustment Clause Factors and System Sales Clause Factors that will be used to calculate the customer's bill on a prorated basis.

If you have any questions, please contact Amy Elliott at 502-696-7013.

Sincerely,

Ranie K. Wohnhas  
Managing Director, Regulatory & Finance

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended: February 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00400
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0021859</u>
3 Total Adjustment Clause Factors		\$0.00619

Effective Month for Billing

April 2018

Submitted by:

*Rainie K. Wohlschlag /as*  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

March 20, 2018

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

	Month Ended:	February 2018	
Fuel Fm (Fuel Cost Schedule)	<u>\$14,803,119</u>		
Sales Sm (Sales Schedule)	473,769,000	(+)	0.03125
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	(-)	<u>0.02725</u> *
			<u><u>0.00400</u></u>

Effective Month for Billing April 2018

Submitted by: Rene K. Wolkhaas / ae  
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: March 20, 2018

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



## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: February 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	249,385,000
Purchases Including Interchange In	(+)	<u>268,703,000</u>
Sub Total		518,088,000
 B. Pumped Storage Energy	 (+)	 0
Inter-System Sales Including Interchange Out	(+)	27,540,000
System Losses	(+)	<u>16,779,000</u> *
Sub Total		<u>44,319,000</u>
Total Sales (A - B)		<u><u>473,769,000</u></u>

\* Does not include 498,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended: February 2018**

<u>Line No.</u>			
1	FAC Rate Billed	( + )	0.00026
2	Retail KWH Billed at Above Rate	( x )	<u>558,069,480</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>145,098</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	582,926,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>8,421,938</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>574,504,062</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		149,371
8	Over or (Under) Recovery (L3 - L7)		(4,273)
9	Total Sales (Page 3)	( + )	473,769,000
10	Kentucky Jurisdictional Sales	( / )	<u>467,000,914</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>(4,335)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: January 2018

A. Company Generation					
Coal Burned			( + )	\$8,503,823	
Oil Burned			( + )	100,375	
Gas Burned			( + )	4,411,606	
Fuel (jointly owned plant)			( + )	0	
Fuel (assigned cost during F. O. )					
( 5,040,120	KWH X	\$0.044065 )	( + )	0	
Fuel (substitute for F. O. )			( - )	0	
	Sub-total				<u>13,015,805</u>
B. Purchases					
Net Energy Cost - Economy Purchases			( + )	0	
Identifiable Fuel Cost - Other Purchases			( + )	12,585,147	
Identifiable Fuel Cost (substitute for F. O. )					
( 5,040,120	KWH X	\$0.061681 )	( - )	0	
Purchase Adjustment for Peaking Unit Equivalent			( - )	(949) (1)	
	Sub-total				<u>12,586,097</u>
C. Inter-System Sales Fuel Costs					<u>5,708,255</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$19,893,646</u>
E. Net Transmission Marginal Line Loss for month				<u>January 2018</u>	2,793,307
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$22,686,953</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 2018

Line  
No.

1	Current Month (Tm) Net Revenue Level	( + )	33,062	
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		(1,380,846)	
4	Customer 75% Sharing	( x )	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(1,035,634)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	( / )	<u>473,769,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0021859	*

\* 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:

April 2018

Submitted by:

Rance B. Nicholas/RC  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

March 20, 2018

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

**Month Ended: February 2018**

Line No.	CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	\$750,484	\$119,634	\$870,117
2	-0-	-0-	-0-
3	750,484	119,634	870,117
4	\$692,867	\$63,084	\$755,951
5	-0-	-0-	-0-
6	81,104	0	81,104
7	773,971	63,084	837,055
8	<u>(\$23,487)</u>	<u>\$56,550</u>	<u>\$33,062</u>

\*Source:  
ES Form 1.0, Line 3  
ES Form 3.3, Line 4  
Non-Associated Environmental Costs

\*\* Pursuant to PSC Order dated February 22, 2018 in Case No. 2017-00327

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended: February 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00339
2 System Sales Clause Factor	(+)	<u>\$0.0000000</u> *
3 Total Adjustment Clause Factors		\$0.00339

Effective Month for Billing

April 2018

Submitted by:

Rame K. Nohakas PE  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

March 20, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**  
**FUEL ADJUSTMENT CLAUSE SCHEDULE**

	Month Ended:	February 2018	
Fuel Fm (Fuel Cost Schedule)	\$14,516,669		
Sales Sm (Sales Schedule)	473,769,000	(+)	0.03064
Fuel (Fb)	\$12,504,307		
Sales (Sb)	458,919,000	(-)	0.02725 *
			0.00339

Effective Month for Billing April 2018

Submitted by:   
 (Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: March 20, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended:      **February 2018**

A.	Company Generation			
	Coal Burned	(+)	\$5,305,272	
	Oil Burned	(+)	142,664	
	Gas Burned	(+)	630,561	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	0	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		6,078,497	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	6,901,503	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	0	
	Sub Total		6,901,503	
C.	Inter-System Sales Fuel Costs		662,503	
	Sub Total		662,503	
D.	Total Fuel Cost (A + B - C)		\$12,317,497	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>January 2018</u> and the estimated cost originally reported.			
	<u>\$19,893,646</u>	-	<u>\$18,809,447</u>	=
	(actual)		(estimated)	
			1,084,199	
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		(4,335)	
G.	Grand Total Fuel Cost (D + E - F)		\$13,406,031	
H.	Fuel-Related PJM Billing Line Items For	<u>February 2018</u>	110,638	
H1.	Deferred January Expense (1/3)		\$ 1,000,000	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		\$14,516,669	

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: February 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	249,385,000
Purchases Including Interchange In	(+)	<u>268,703,000</u>
Sub Total		518,088,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	27,540,000
System Losses	(+)	<u>16,779,000</u> *
Sub Total		<u>44,319,000</u>
Total Sales (A - B)		<u><u>473,769,000</u></u>

\* Does not include 498,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:      February 2018

Line No.			
1	FAC Rate Billed	( + )	0.00026
2	Retail KWH Billed at Above Rate	( x )	<u>558,069,480</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>145,098</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	582,926,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>8,421,938</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>574,504,062</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		149,371
8	Over or (Under) Recovery (L3 - L7)		(4,273)
9	Total Sales (Page 3)	( + )	473,769,000
10	Kentucky Jurisdictional Sales	( / )	<u>467,000,914</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>(4,335)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULEMonth Ended: **January 2018**

A. Company Generation			
Coal Burned		( + )	\$8,503,823
Oil Burned		( + )	100,375
Gas Burned		( + )	4,411,606
Fuel (jointly owned plant)		( + )	0
Fuel (assigned cost during F. O. )			
( 5,040,120	KWH X	\$0.044065 )	( + ) 0
Fuel (substitute for F. O. )		( - )	<u>0</u>
	Sub-total		<u>13,015,805</u>
B. Purchases			
Net Energy Cost - Economy Purchases		( + )	0
Identifiable Fuel Cost - Other Purchases		( + )	12,585,147
Identifiable Fuel Cost (substitute for F. O. )			
( 5,040,120	KWH X	\$0.061681 )	( - ) 0
Purchase Adjustment for Peaking Unit Equivalent		( - )	(949) (1)
	Sub-total		<u>12,586,097</u>
C. Inter-System Sales Fuel Costs			<u>5,708,255</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$19,893,646</u>
E. Fuel-Related PJM Billing Line Items For	<u>January 2018</u>		6,712,750
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$26,606,396</u></u>

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



**KENTUCKY  
POWER**

A unit of American Electric Power

**HAND DELIVERED**



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

February 19, 2018

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

RECEIVED

FEB 19 2018

PUBLIC SERVICE  
COMMISSION

**Attention: Matthew S. Baer**

RE: The Standard Fuel Adjustment Clause

Dear Mr. Baer,

Kentucky Power Company's Fuel Adjustment Clause Schedules with supporting sales and fuel cost schedules for the January 2018 billing month are attached. These calculations are based on estimated January 2018 fuel costs with an adjustment reflecting actual December 2017 fuel costs.

The Fuel Adjustment Clause Factor and System Sales Clause Factor for the March 2018 billing month will be prorated to reflect an effective date of the Company's new rates for service rendered on and after January 19, 2018. The attached pages will show the two different Fuel Adjustment Clause Factors and System Sales Clause Factors that will be used to calculate the customer's bill on a pro-rata basis.

Please note that on page two of five Kentucky Power is modifying its calculation of the Company's fuel adjustment clause factor to help to mitigate the effect of the prolonged period of extreme cold in January 2018 on the costs recoverable through the fuel adjustment clause factor. The modification embodies the approach (but not the recovery period) taken by Duke Energy Kentucky, Inc. in 2014 as described in Duke's February 20, 2014 letter to Mr. Derouen and Ms. Whelan. Kentucky Power proposes to recover \$3,000,000 of the January 2018 costs otherwise recoverable ratably over a three month period beginning in the April 2018 billing month. Please do not hesitate to contact the Company if you have any questions or concerns about this modification.

If you have any questions, please contact me or Amy Elliott at 502-696-7013.

Sincerely,

Ranie K. Wohnhas  
Attachments

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    January 2018**

1 Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00150
2 System Sales Clause Factor (Page 1 of 2)	(+)	<u>\$0.0012526</u>
3 Total Adjustment Clause Factors		\$0.00275

Effective Month for Billing

March 2018

Submitted by:

Rami K. Wokosha / OE  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

February 19, 2018

**KENTUCKY POWER COMPANY**

**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: January 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$19,149,397</u>		
Sales Sm (Sales Schedule)	666,166,000	( + )	0.02875
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	( - )	<u>0.02725 *</u>
			<u><u>0.00150</u></u>

Effective Month for Billing March 2018

Submitted by:   
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: February 19, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended: **January 2018**

A.	Company Generation			
	Coal Burned	(+)	\$8,503,823	
	Oil Burned	(+)	100,375	
	Gas Burned	(+)	4,411,606	
	Fuel (jointly owned plant)	(+)	0	
	Fuel (assigned cost during F. O. )	(+)	222,095	
	Fuel (substitute for F. O. )	(-)	0	
	Sub Total		<u>13,237,900</u>	
B.	Purchases			
	Net Energy Cost - Economy Purchases	(+)	0	
	Identifiable Fuel Cost - Other Purchases	(+)	12,585,148	
	Identifiable Fuel Cost (substitute for F. O. )	(-)	310,881	
	Purchase Adjustment for Peaking Unit Equivalent		1,044,846	
	Sub Total		<u>11,229,421</u>	
C.	Inter-System Sales Fuel Costs		<u>5,657,874</u>	
	Sub Total		5,657,874	
D.	Total Fuel Cost (A + B - C)		<u>\$18,809,447</u>	
E.	Adjustment indicating the difference in actual fuel cost for the month of <u>December 2017</u> and the estimated cost originally reported.			
			<u>\$14,975,108</u>	-
			(actual)	
			<u>\$15,066,210</u>	=
			(estimated)	
				<u>(91,103)</u>
F.	Total Company Over or (Under) Recovery from Page 4, Line 12		<u>(637,746)</u>	
G.	Grand Total Fuel Cost (D + E - F)		<u>\$19,356,090</u>	
H.	Net Transmission Marginal Line Loss for month of <u>January 2018</u> (Accounts 5550326 and 5550327)		2,793,307	
H1.	Amount to be collected in future months		(3,000,000)	
I.	ADJUSTED GRAND TOTAL FUEL COSTS (G + H)		<u>\$19,149,397</u>	

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: January 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	462,856,000
Purchases Including Interchange In	(+)	<u>336,147,000</u>
Sub Total		799,003,000
 B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	104,997,000
System Losses	(+)	<u>27,840,000</u> *
Sub Total		<u>132,837,000</u>
Total Sales (A - B)		<u><u>666,166,000</u></u>

\* Does not include 670,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

**Month Ended:            January 2018**

<u>Line</u> <u>No.</u>			
1	FAC Rate Billed	( + )	(0.00337)
2	Retail KWH Billed at Above Rate	( x )	<u>654,672,149</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,206,245)</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	474,769,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,591,827</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>468,177,173</u>
7	Recoverable FAC Revenue/(Refund) (L1 * L6)		(1,577,757)
8	Over or (Under) Recovery (L3 - L7)		(628,488)
9	Total Sales (Page 3)	( + )	666,166,000
10	Kentucky Jurisdictional Sales	( / )	<u>656,497,584</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>(637,746)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: December 2017

A. Company Generation					
Coal Burned				(+)	\$8,437,950
Oil Burned				(+)	57,804
Gas Burned				(+)	2,046,069
Fuel (jointly owned plant)				(+)	0
Fuel (assigned cost during F. O.)					
( 2,943,990	KWH X	\$0.024897 )		(+)	73,297
Fuel (substitute for F. O.)				(-)	<u>0</u>
	Sub-total				<u>10,615,120</u>
B. Purchases					
Net Energy Cost - Economy Purchases				(+)	0
Identifiable Fuel Cost - Other Purchases				(+)	8,305,595
Identifiable Fuel Cost (substitute for F. O.)					
( 2,943,990	KWH X	\$0.024897 )		(-)	73,297
Purchase Adjustment for Peaking Unit Equivalent				(-)	16,361 (1)
	Sub-total				<u>8,215,937</u>
C. Inter-System Sales Fuel Costs					<u>3,855,949</u>
D. SUB-TOTAL FUEL COST (A + B - C)					<u>\$14,975,108</u>
E. Net Transmission Marginal Line Loss for month				December 2017	983,334
F. GRAND TOTAL FUEL COSTS (D + E)					<u><u>\$15,958,442</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 2018**

**Line  
No.**

1	Current Month (Tm) Net Revenue Level	( + )	538,965	
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		(1,112,622)	
4	Customer 75% Sharing	( x )	<u>75%</u>	
5	Customer Share of Increase/(Decrease) in System Sales Net Revenue		(834,466)	
6	Current Month (Sm) Sales Level (Page 3 of 5)	( / )	<u>666,166,000</u>	
7	System Sales Clause Factor - \$/Kwh (Ln 5 / Ln 6)		0.0012526	*

\* 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 2018

Submitted by:

*Ranee L. Wolcott /ae*  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

February 19, 2018

**KENTUCKY POWER COMPANY**  
**SYSTEM SALES CLAUSE NET REVENUE**

Month Ended:      **January 2018**

Line No.		CURRENT MONTH	PRIOR MO. TRUE-UP ADJUSTMENT	TOTAL
1	Sales For Resale Revenues	\$6,950,244	(\$147,979)	\$6,802,265
2	Interchange-Delivered Revenues	-0-	-0-	-0-
3	Total System Sales Revenues	6,950,244	(147,979)	6,802,265
4	Sales For Resale Expenses	\$5,762,852	\$107,096	\$5,869,948
5	Interchange-Delivered Expenses	-0-	-0-	-0-
6	Non-Associated Utilities Monthly Environmental Costs*	393,352	0	393,352
7	Total System Sales Expenses	6,156,204	107,096	6,263,300
8	Total System Sales Net Revenues	<u>\$794,041</u>	<u>(\$255,075)</u>	<u>\$538,965</u>

\*Source:

ES Form 1.0, Line 3

ES Form 3.3, Line 4

Non-Associated Environmental Costs

**KENTUCKY POWER COMPANY**  
**SUMMARY OF ADJUSTMENT CLAUSES**

**Month Ended:    January 2018**

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	\$0.00738
2	System Sales Clause Factor	(+)	<u>\$0.0000000</u> *
3	Total Adjustment Clause Factors		\$0.00738

Effective Month for Billing

March 2018

Submitted by:

*Lanie K. Wotaha /ae*  
(Signature)

Title:

Managing Director, Regulatory & Finance

Date Submitted:

February 19, 2018

\* In accordance with the Commission's Order Dated January 18, 2018 in Case No. 2017-00179.

**KENTUCKY POWER COMPANY**

**FUEL ADJUSTMENT CLAUSE SCHEDULE**

**Month Ended: January 2018**

Fuel Fm (Fuel Cost Schedule)	<u>\$23,068,840</u>		
Sales Sm (Sales Schedule)	666,166,000	( + )	0.03463
Fuel (Fb)	<u>\$12,504,307</u>		
Sales (Sb)	458,919,000	( - )	<u>0.02725 *</u>
			<u><u>0.00738</u></u>

Effective Month for Billing March 2018

Submitted by: *Ranice K. Wokarua/az*  
(Signature)

Title: Managing Director, Regulatory & Finance

Date Submitted: February 19, 2018

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

**KENTUCKY POWER COMPANY**  
**ESTIMATED FUEL COST SCHEDULE**

Month Ended: **January 2018**

<b>A. Company Generation</b>			
Coal Burned	(+)	\$8,503,823	
Oil Burned	(+)	100,375	
Gas Burned	(+)	4,411,606	
Fuel (jointly owned plant)	(+)	0	
Fuel (assigned cost during F. O. )	(+)	222,095	
Fuel (substitute for F. O. )	(-)	0	
Sub Total			<u>13,237,900</u>
<b>B. Purchases</b>			
Net Energy Cost - Economy Purchases	(+)	0	
Identifiable Fuel Cost - Other Purchases	(+)	12,585,148	
Identifiable Fuel Cost (substitute for F. O. )	(-)	310,881	
Purchase Adjustment for Peaking Unit Equivalent		1,044,846	
Sub Total			<u>11,229,421</u>
<b>C. Inter-System Sales Fuel Costs</b>			
Sub Total			<u>5,657,874</u>
<b>D. Total Fuel Cost (A + B - C)</b>			<u>\$18,809,447</u>
<b>E. Adjustment indicating the difference in actual fuel cost for the month of <u>December 2017</u> and the estimated cost originally reported.</b>			
		<u>\$14,975,108</u>	-
		(actual)	(estimated)
			<u>\$15,066,210</u>
			=
			<u>(91,103)</u>
<b>F. Total Company Over or (Under) Recovery from Page 4, Line 12</b>			<u>(637,746)</u>
<b>G. Grand Total Fuel Cost (D + E - F)</b>			<u>\$19,356,090</u>
<b>H. Fuel-Related PJM Billing Line Items</b>		<u>January 2018</u>	6,712,750
<b>H1. January Amount to be collected in future months</b>			\$ (3,000,000)
<b>I. ADJUSTED GRAND TOTAL FUEL COSTS (G + H)</b>			<u>\$23,068,840</u>

## KENTUCKY POWER COMPANY

## SALES SCHEDULE

Month Ended: January 2018

		<u>Kilowatt-Hours</u>
A. Generation (Net)	(+)	462,856,000
Purchases Including Interchange In	(+)	<u>336,147,000</u>
Sub Total		799,003,000
B. Pumped Storage Energy	(+)	0
Inter-System Sales Including Interchange Out	(+)	104,997,000
System Losses	(+)	<u>27,840,000</u> *
Sub Total		<u>132,837,000</u>
Total Sales (A - B)		<u><u>666,166,000</u></u>

\* Does not include 670,000 KWH of company usage.

**KENTUCKY POWER COMPANY**  
**OVER OR (UNDER) RECOVERY SCHEDULE**

Month Ended:        **January 2018**

Line No.			
1	FAC Rate Billed	( + )	(0.00337)
2	Retail KWH Billed at Above Rate	( x )	<u>654,672,149</u>
3	FAC Revenue/(Refund) (L1 * L2)		<u>(2,206,245)</u>
4	KWH Used to Determine Last FAC Rate Billed	( + )	474,769,000
5	Non-Jurisdictional KWH Included in L4	( - )	<u>6,591,827</u>
6	Kentucky Jurisdictional KWH Included in L4 (L4 - L5)		<u>468,177,173</u>
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12	Total Company Over or (Under) Recovery (L8 * L11)		<u><u>(637,746)</u></u>

## KENTUCKY POWER COMPANY

FINAL  
FUEL COST SCHEDULE

Month Ended: December 2017

A. Company Generation			
Coal Burned		( + )	\$8,437,950
Oil Burned		( + )	57,804
Gas Burned		( + )	2,046,069
Fuel (jointly owned plant)		( + )	0
Fuel (assigned cost during F. O. )		( + )	73,297
( 2,943,990 KWH X \$0.024897 )		( - )	0
Fuel (substitute for F. O. )		( - )	0
	Sub-total		<u>10,615,120</u>
B. Purchases			
Net Energy Cost - Economy Purchases		( + )	0
Identifiable Fuel Cost - Other Purchases		( + )	8,305,595
Identifiable Fuel Cost (substitute for F. O. )		( - )	73,297
( 2,943,990 KWH X \$0.024897 )		( - )	16,361 (1)
Purchase Adjustment for Peaking Unit Equivalent		( - )	16,361 (1)
	Sub-total		<u>8,215,937</u>
C. Inter-System Sales Fuel Costs			<u>3,855,949</u>
D. SUB-TOTAL FUEL COST (A + B - C)			<u>\$14,975,108</u>
E. Net Transmission Marginal Line Loss for month	<u>December 2017</u>		983,334
F. GRAND TOTAL FUEL COSTS (D + E)			<u><u>\$15,958,442</u></u>

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