

**Kentucky Power Company**

**REQUEST**

Refer to the response to KCTA Request No. 14. What is the source of the \$38,113,935.88 accumulated reserve amount for account 364 shown in the response? Please provide the calculation of this amount. Also, please provide the calculation of the reserve amounts by account for all accounts as of this date.

**RESPONSE**

The Company's property accounting software, "PowerPlant" was the source of the \$38,113,935.88 response to KCTA request No. 14. The software makes the calculations using allocation factors that are based on a survivor curve or dollar year basis.

See attached schedule that shows the depreciation reserve by functional class and category as maintained by the Company.

**WITNESS:** Errol K Wagner

Kentucky Power Company  
Accumulated Depreciation Reserve  
At 6/30/2005

KPSC Case No. 2005-0341  
AG-2nd Set Data Requests  
Item No. 55  
Page 2 of 2

Item	Account	Plnt Acct	Accumulated Depreciation at 6/2005
Production Plant	1080001	310-316	\$174,513,011.45
Transmission Plant	1080001	350-359	\$116,061,842.83
Distribution Plant	1080001	360-373	\$131,121,319.82
General Plant	1080001	389-399	\$5,894,920.38
	<b>1080001 Total</b>		<b>\$427,591,094.48</b>
Franchises and consents	1110001	302	\$47,104.13
Intangible Plant	1110001	303	\$8,714,594.44
Amortization of Leasehold Improvements	1110001	390	\$202,523.03
Amortization of SCR Catalyst	1110001	312	\$1,142,470.76
	<b>1110001 Total</b>		<b>\$10,106,692.36</b>
	<b>Grand Total</b>		<b>\$437,697,786.84</b>

Note: Does not include retirement work in-progress



## Kentucky Power Company

### REQUEST

Please refer to page 7 of Mr. Henderson's direct testimony, and page 31 of Mr. Wagner's testimony. Please explain why the Company has calculated its depreciation adjustment using functional composite rates when Mr. Henderson recommended the use of plant account rates. Does the Company intend to use the plant account rates and reserves as recommended by Mr. Henderson in tracking depreciation?

### RESPONSE

The Company intends to use the individual plant account depreciation rates as recommended by Mr. Henderson if the Kentucky Public Service Commission approves that recommendation. The Company calculated its depreciation adjustment using functional composite rates because the use of functional composite rates is what the Company currently has Commission approval to use. There would be a very small dollar difference between using the depreciation rates by account that were recommended by Mr. Henderson and the functional composite rates that were used by Mr. Wagner to calculate the depreciation adjustment.

WITNESS – James Henderson

KENTUCKY POWER COMPANY  
ANNUAL DEPRECIATION RATES AND ACCRUALS BY THE REMAINING LIFE METHOD  
BASED ON PLANT IN SERVICE AT JUNE 30, 2005

ACCOUNT		ORIGINAL	CURRENT	CURRENT	STUDY	ACCRUAL	DIFFERENCE
NO.	TITLE	COST AT	RATE	ANNUAL	RATE	6/30/2005	(DECREASE)
(1)	(2)	6/30/2005	(4)	ACCRUAL	(6)	(7)	(8)
		(3)		(5)			
<b>PRODUCTION PLANT</b>							
<u>Steam Production</u>							
<u>Big Sandy Plant</u>							
311	Structures & Improvements	37,865,248	3.78%	1,431,306	2.35%	889,833	(541,473)
312	Boiler Plant Equipment	326,971,046	3.95%	12,911,866 (a)	3.92%	12,817,265	(94,601)
314	Turbogenerator Units	72,850,142	3.78%	2,753,735	2.98%	2,170,934	(582,801)
315	Accessory Electrical Equipment	13,745,976	3.78%	519,598	2.21%	303,786	(215,812)
316	Misc. Power Plant Equipment	<u>6,646,831</u>	3.78%	<u>251,250</u>	2.64%	<u>175,476</u>	<u>(75,774)</u>
	Total Steam Production	<u>458,079,243</u>	3.90%	<u>17,867,755</u>	3.57%	<u>16,357,295</u>	<u>(1,510,460)</u>
				Study Composite	3.57%		
<b>TRANSMISSION PLANT</b>							
350.1	Rights of Way	23,311,444	1.71%	398,626	1.44%	335,685	(62,941)
352.0	Structures & Improvements	6,395,287	1.71%	109,359	2.01%	128,545	19,186
353.0	Station Equipment	123,276,000	1.71%	2,108,020	2.66%	3,279,142	1,171,122
354.0	Towers & Fixtures	92,364,356	1.71%	1,579,430	2.73%	2,521,547	942,116
355.0	Poles & Fixtures	39,064,826	1.71%	668,009	4.70%	1,836,047	1,168,038
356.0	OH Cond. & Devices	100,849,331	1.71%	1,724,524	2.36%	2,380,044	655,521
357.0	Underground Conduit	11,590	1.71%	198	3.23%	374	176
358.0	Underground Conductor	<u>106,066</u>	1.71%	<u>1,814</u>	2.53%	<u>2,683</u>	<u>870</u>
	Total Transmission Plant	<u>385,378,900</u>	1.71%	<u>6,589,979</u>	2.72%	<u>10,484,067</u>	<u>3,894,088</u>
				Study Composite	2.71%		
<b>DISTRIBUTION PLANT</b>							
360.1	Rights of Way	3,691,803	3.52%	129,951	1.30%	47,993	(81,958)
361.0	Structures & Improvements	4,231,063	3.52%	148,933	1.42%	60,081	(88,852)
362.0	Station Equipment	42,654,612	3.52%	1,501,442	3.28%	1,399,071	(102,371)
364.0	Poles, Towers, & Fixtures	126,864,495	3.52%	4,465,630	4.92%	6,241,733	1,776,103
365.0	Overhead Conductor & Devices	102,420,174	3.52%	3,605,190	2.63%	2,693,651	(911,540)
366.0	Underground Conduit	3,053,885	3.52%	107,497	1.98%	60,467	(47,030)
367.0	Underground Conductor	5,923,247	3.52%	208,498	1.59%	94,180	(114,319)
368.0	Line Transformers	84,645,406	3.52%	2,979,518	2.55%	2,158,458	(821,060)
369.0	Services	32,586,289	3.52%	1,147,037	3.81%	1,241,538	94,500
370.0	Meters	20,941,912	3.52%	737,155	3.61%	756,003	18,848
371.0	Installations on Custs. Prem.	16,201,414	3.52%	570,290	8.23%	1,333,376	763,087
373.0	Street Lighting & Signal Sys.	<u>2,788,123</u>	3.52%	<u>98,142</u>	5.17%	<u>144,146</u>	<u>46,004</u>
	Total Distribution Plant	<u>446,002,423</u>	3.52%	<u>15,699,285</u>	3.64%	<u>16,230,697</u>	<u>531,412</u>
				Study Composite	3.64%		
<b>GENERAL PLANT</b>							
389.1	Land Rights	182,589	2.54%	4,638	1.43%	2,611	(2,027)
390.0	Structures & Improvements	19,295,996	2.54%	490,118	5.27%	1,016,899	526,781
391.0	Office Furniture & Equipment	1,737,579	2.54%	44,135	3.27%	56,819	12,684
392.0	Transportation Equipment	5,819	2.54%	148	5.33%	310	162
393.0	Stores Equipment	189,262	2.54%	4,807	3.90%	7,381	2,574
394.0	Tools Shop & Garage Equipment	2,115,769	2.54%	53,741	3.41%	72,148	18,407
395.0	Laboratory Equipment	307,661	2.54%	7,815	6.18%	19,013	11,199
396.0	Power Operated Equipment	5,931	2.54%	151	15.41%	914	763
397.0	Communication Equipment	4,856,361	2.54%	123,352	6.86%	333,146	209,795
398.0	Miscellaneous Equipment	<u>778,240</u>	2.54%	<u>19,767</u>	6.07%	<u>47,239</u>	<u>27,472</u>
	Total General Plant	<u>29,475,207</u>	2.54%	<u>748,670</u>	5.28%	<u>1,556,481</u>	<u>807,811</u>
				Study Composite	5.31%		
	Total Depreciable Plant	<u>1,318,935,773</u>	3.10%	<u>40,905,690 (a)</u>	3.38%	<u>44,628,540</u>	<u>3,722,850</u>
	Section V, Workpaper S-4, Page 8, Ln 5						<u>3,691,830</u>
	Sub-Total						<u>31,020</u>
	Allocation Factor-GP-TOT						<u>0,990</u>
	Jurisdictional Difference						<u>30,710</u>

(a) Includes \$552,360 of amortization related to SCR Catalysts



**Kentucky Power Company**

**REQUEST**

Please provide the current depreciation rates, split into three separate components: capital recovery, gross salvage and cost of removal.

**RESPONSE**

The Company's current depreciation rates identify a removal cost for only the Production Plant function. The Company does not separately split out the salvage component of its depreciation rates. The attached workpaper identifies the removal cost component of the Production Plant depreciation rate and the combined capital recovery and salvage component of the rate.

**WITNESS – James E. Henderson**

Kentucky Power Company  
 Split of Depreciation Rates

Rate Without Removal	2.62%
Removal	1.16%
Total	3.78%

Account	Orig Cost at 12/89	Allocated Reserve at 12/89	Remaining to be Recovered	Average Remaining Life	Accrual W/O Removal	Rate
311	6,480,055	3,565,895	2,914,160	23.40	124,536.75	
311	18,472,125	9,678,085	8,794,040	19.30	455,649.74	
312	18,821,907	10,163,328	8,658,579	22.00	393,571.77	
312	86,737,669	42,871,279	43,866,390	17.80	2,464,403.93	
314	16,294,658	7,819,889	8,474,769	22.20	381,746.35	
314	34,042,698	17,517,623	16,525,075	17.80	928,375.00	
315	2,481,884	1,317,496	1,164,388	23.20	50,189.14	
315	9,401,515	4,742,531	4,658,984	19.10	243,925.86	
316	1,042,317	580,773	461,544	22.10	20,884.34	
316	2,959,278	1,423,339	1,535,939	18.80	81,698.88	
Total	196,734,106	99,680,238	97,053,868		5,144,982	2.62%





**Kentucky Power Company**

**REQUEST**

Please provide the proposed depreciation rates, split into three separate components: capital recovery, gross salvage and cost of removal.

**RESPONSE**

The Company has not made the requested computation. The depreciation study workpapers provide the capital recovery, gross salvage and cost of removal components of the recommended depreciation rates that provide the data needed to make the computation.

**WITNESS – James E. Henderson**



**Kentucky Power Company**

**REQUEST**

Follow-up to Question 179.

- a. When was the TACOS software first used by AEP.
- b. When was the TACOS software first used by KPC.

**RESPONSE**

- a. The TACOS software was first used by AEP's Appalachian Power Company in its 2002 Annual Information Filing in Virginia. That filing was made in 2003.
- b. This is the first case in which KPCo has used the TACOS software.

**WITNESS – Larry C. Foust**



**Kentucky Power Company**

**REQUEST**

Follow-up to Question 179. On page 9, lines 7 and 8 of Mr. Foust's testimony he states that this cost of service study is substantially the same as the study filed in the Company's last rate case.

- a. Please confirm that the TACOS Gold software was used by the Company in its last rate case, Case No. 91-066.
- b. Please provide a copy of the Cost of Service Study filed by the Company in its last rate case, Case No. 91-066. Because of space constraints, the documents previously provided to the Attorney General in Case No. 91-066 has been destroyed in accord with the document retention policy.

**RESPONSE**

- a. The Company did not use TACOS Gold in its last case. Please see the response to AG-2nd Set, Question 59.
- b. A copy of the cost of service study filed in Case No. 91-066 is attached.

**WITNESS – Larry C. Foust**

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

SUMMARY	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	DL	SL
<b>RATE BASE</b>	<b>T1</b>							
ELECTRIC PLANT IN SERVICE	EPIS		709813033.	179914030.	153961857.	333875887.	5653723.	2238241.
PLANT HELD FOR FUTURE USE	TOT105		343632.	71029.	56028.	127057.	47.	14.
DUMONT UHV TEST CENTER	DUMONT	BTPD	378680.	79638.	61946.	141584.	0.	0.
CONSTRUCT WORK IN PROGRESS	TOT107		10983944.	2627116.	2239121.	4866237.	76546.	24597.
GROSS UTILITY PLANT	GUP		721519289.	182691813.	156318953.	339010766.	5730315.	2262852.
<b>DEPRECIATION RESERVE</b>	<b>TOT108</b>		<b>210973073.</b>	<b>50390454.</b>	<b>41994081.</b>	<b>92384535.</b>	<b>1124265.</b>	<b>441914.</b>
NET UTILITY PLANT	NP		510546216.	132301359.	114324872.	246626230.	4606051.	1820938.
<b>WORKING CAPITAL</b>	<b>TOTHC</b>		<b>49281736.</b>	<b>10822958.</b>	<b>9903461.</b>	<b>20726419.</b>	<b>620362.</b>	<b>114917.</b>
RATE BASE OFFSETS	RBO		-81174951.	-20712335.	-18893558.	-39605892.	-1472939.	-238054.
<b>TOTAL RATE BASE</b>	<b>RB</b>		<b>478653001.</b>	<b>122411982.</b>	<b>105334775.</b>	<b>227746757.</b>	<b>3753473.</b>	<b>1697801.</b>
<b>OPERATING REVENUES</b>	<b>T2</b>							
SALES OF ELECTRICITY	RSale		246080379.	47244501.	42999205.	90243706.	2159298.	664303.
OTHER OPERATING REVENUES	TOR		6682605.	1410085.	1188451.	2598536.	29752.	6056.
<b>TOTAL OPERATING REVENUES</b>	<b>TR</b>		<b>252762984.</b>	<b>48654586.</b>	<b>44187656.</b>	<b>92842242.</b>	<b>2189050.</b>	<b>670359.</b>
<b>OPERATING EXPENSES</b>	<b>T3</b>							
OPER & MAINT EXPENSES	OMX		165248593.	35221425.	31994890.	67216316.	1923228.	328997.
DEPRECIATION EXPENSE	DX		20746618.	5430992.	4679417.	10110410.	186235.	76690.
OTHER TAXES	TOTOT		6295791.	1583506.	1433967.	3017473.	83178.	20434.
STATE INCOME TAX	SIT		3222104.	72272.	114597.	186868.	-10796.	13663.
FEDERAL INCOME TAX	FIT		9044189.	-475824.	-225886.	-701711.	-75542.	44478.
<b>TOTAL OPERATING EXPENSE</b>	<b>TOE</b>		<b>204557295.</b>	<b>41832371.</b>	<b>37996985.</b>	<b>79829356.</b>	<b>2106304.</b>	<b>484262.</b>
<b>NET OPERATING INCOME</b>	<b>NOI</b>		<b>48205689.</b>	<b>6822214.</b>	<b>6190672.</b>	<b>13012886.</b>	<b>82746.</b>	<b>186097.</b>
AFUDC OFFSET	AAFDCO		874549.	219105.	205193.	424298.	14454.	2673.
<b>NET OPERATING INCOME</b>	<b>NOIA</b>		<b>49080238.</b>	<b>7041319.</b>	<b>6395864.</b>	<b>13437184.</b>	<b>97200.</b>	<b>188770.</b>
<b>RATE OF RETURN - %</b>	<b>ROR</b>		<b>10.25</b>	<b>5.75</b>	<b>6.07</b>	<b>5.90</b>	<b>2.59</b>	<b>11.12</b>
<b>RATE OF RETURN INDEX</b>	<b>RORI</b>		<b>1.00</b>	<b>0.56</b>	<b>0.59</b>	<b>0.58</b>	<b>0.25</b>	<b>1.08</b>

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

SUMMARY	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
<b>RATE BASE</b>								
ELECTRIC PLANT IN SERVICE	T1							
PLANT HELD FOR FUTURE USE	EPIS		7338295.	87120239.	103124402.	59913076.	108863494.	1685677.
DUMONT UHV TEST CENTER	TOT105		2067.	37015.	52321.	40989.	83394.	727.
CONSTRUCT WORK IN PROGRESS	DUMONT	BTPD	2305.	41661.	58429.	44924.	88971.	806.
GROSS UTILITY PLANT	TOT107		107285.	1293084.	1597074.	1028587.	1965552.	24982.
	GUP		7449952.	88491999.	104832225.	61027577.	111001411.	1712193.
DEPRECIATION RESERVE	TOT108		1883515.	24975514.	31266754.	20231993.	38181176.	483407.
NET UTILITY PLANT	NP		5566437.	63516485.	73565471.	40795584.	72820234.	1228786.
WORKING CAPITAL	TOTHC		615328.	5327279.	6490324.	4694205.	10571217.	121684.
RATE BASE OFFSETS	RBO		-1121581.	-9592937.	-10981489.	-6380003.	-11601200.	-180854.
<b>TOTAL RATE BASE</b>	<b>RB</b>		<b>5060184.</b>	<b>59250827.</b>	<b>69074306.</b>	<b>39109785.</b>	<b>71790251.</b>	<b>1169616.</b>
<b>OPERATING REVENUES</b>								
SALES OF ELECTRICITY	T2							
OTHER OPERATING REVENUES	RSAL		3677448.	30469703.	37544552.	26610881.	54023512.	686976.
TOTAL OPERATING REVENUES	TOR		63263.	752272.	972593.	715137.	1531657.	13338.
	TR		3740711.	31221975.	38517145.	27326018.	55555169.	700314.
<b>OPERATING EXPENSES</b>								
OPER & MAINT EXPENSES	T3							
DEPRECIATION EXPENSE	OMX		1974516.	17509153.	21842440.	16466270.	37579962.	407711.
OTHER TAXES	DX		226191.	2604119.	2999775.	1630558.	2862297.	50344.
STATE INCOME TAX	TOTOT		84340.	766996.	872936.	504256.	931594.	14583.
FEDERAL INCOME TAX	SIT		102773.	631048.	796353.	575806.	911961.	14428.
TOTAL OPERATING EXPENSE	FIT		352836.	2022372.	2570279.	1891597.	2892469.	47412.
	TOE		2740656.	23533688.	29081783.	21068488.	45178282.	534478.
NET OPERATING INCOME	NOI		1000056.	7688287.	9435362.	6257530.	10376888.	165837.
AFUDC OFFSET	AAFDCO		13125.	104554.	116732.	68297.	128481.	1933.
NET OPERATING INCOME	NOIA		1013181.	7792842.	9552094.	6325828.	10505369.	167770.
RATE OF RETURN - %	ROR		20.02	13.15	13.83	16.17	14.63	14.34
RATE OF RETURN INDEX	RORI		1.95	1.28	1.35	1.58	1.43	1.40



ADJUSTED  
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KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL -----	ITEM IDENT.	ALLOC.	TOTAL RETAIL -----	RS HEAT -----	RS NON-HEAT -----	RS TOTAL -----	OL -----	SL -----
P-T-D PLANT IN SERVICE	TI							
PRODUCTION -DEMAND	PPD	CPG	200271353.	42117766.	32761360.	74879126.	0.	0.
TRAN -BULK -DEMAND	BTPD	CPT	171202290.	36004440.	28006102.	64010542.	0.	0.
-SUBT -DEMAND	STPD	CPST	59218019.	11623595.	9563448.	21187043.	31478.	9378.
-TOTAL-DEMAND	TPD		230420309.	47628036.	37569550.	85197585.	31478.	9378.

ADJUSTED  
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KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

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DETAIL -----	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
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P-T-D PLANT IN SERVICE	TI							
PRODUCTION -DEMAND	PPD	CPG	1219216.	22032937.	30900933.	23758865.	47053794.	426481.
TRAN -BULK -DEMAND	BTPD	CPT	1042249.	18834892.	26415712.	20310304.	40224012.	364578.
-SUBT -DEMAND	STPD	CPST	343637.	5985324.	8667754.	7174930.	15695474.	123003.
-TOTAL-DEMAND	TPD		1385886.	24820216.	35083466.	27485235.	55919486.	487581.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>DISTRIBUTION</b>								
	T2							
360 LAND & LD RIGHTS DEM	DP360	CPD	3237897.	1054420.	800183.	1854603.	0.	0.
361 STRUCT & IMPROVE DEM	DP361	CPD	1827890.	595252.	451727.	1046979.	0.	0.
362 STATION EQUIP DEM	DP362	CPD	23060765.	7509731.	5699014.	13208745.	0.	0.
364 POLES PRI DEM	DP364PD	POHAF	39905126.	12995092.	9861767.	22856859.	0.	0.
364 POLES SEC DEM	DP364SD	SOHAF	26948829.	10032467.	10407409.	20439875.	140962.	36242.
365 OH LINES PRI DEM	DP365PD	POHAF	36076998.	11748463.	8915720.	20664184.	0.	0.
365 OH LINES SEC DEM	DP365SD	SOHAF	16891726.	6288425.	6523441.	12811866.	88356.	22717.
366 UG CONDUIT PRI DEM	DP366PD	PUGAF	653788.	247016.	26151.	273167.	0.	0.
366 UG CONDUIT SEC DEM	DP366SD	SUGAF	303442.	155867.	19978.	175845.	0.	0.
367 UG LINES PRI DEM	DP367PD	PUGAF	1449589.	547688.	57982.	605670.	0.	0.
367 UG LINES SEC DEM	DP367SD	SUGAF	672796.	345591.	44295.	389887.	0.	0.
368 OH TRANSFORMERS DEM	DP368OHD	SOHAF	48469585.	18044179.	18718542.	36762721.	253531.	65185.
368 UG TRANSFORMERS DEM	DP368UGD	SUGAF	3896000.	2001235.	256504.	2257739.	0.	0.
369 SERVICES OH CUST	DP369OHC	SERV OH	10739042.	3518594.	6273485.	9792079.	0.	0.
369 SERVICES UG CUST	DP369UGC	SERV UG	3000776.	1933740.	425995.	2359735.	0.	0.
370 METERS CUST	DP370	METER	17542851.	3403033.	5373545.	8776578.	0.	0.
371 INSTALL ON CUST PREM	DP371	DIR371	4215339.	0.	0.	0.	4215339.	0.
373 STREET LIGHTING	DP373	DIR373	1974712.	0.	0.	0.	0.	1974712.
<b>DISTRIBUTION PLANT SUMMARY</b>								
	T3							
DIST DEMAND	DPD		203374431.	71565425.	61782713.	133348138.	482849.	124144.
DIST CUSTOMER	DPC		37472720.	8855368.	12073025.	20928392.	4215339.	1974712.
TOTAL	DP		240867151.	80420793.	73855737.	154276530.	4698188.	2098856.
<b>P-T-D PLANT SUMMARY</b>								
	T4							
DEMAND	PTDD		634086093.	161311227.	132113623.	293424850.	514327.	133522.
CUSTOMER	PTDC		37472720.	8855368.	12073025.	20928392.	4215339.	1974712.
TOTAL	PTD		671558813.	170166595.	144186647.	314353242.	4729666.	2108234.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
<b>DISTRIBUTION</b>								
	T2							
360 LAND & LD RIGHTS DEM	DP360	CPD	29173.	517257.	620984.	176660.	28484.	10736.
361 STRUCT & IMPROVE DEM	DP361	CPD	16469.	292007.	350564.	99730.	16080.	6061.
362 STATION EQUIP DEM	DP362	CPD	207777.	3683982.	4422735.	1258195.	202865.	76465.
364 POLES PRI DEM	DP364PD	POHAF	359544.	6374886.	7653250.	2177224.	351045.	132318.
364 POLES SEC DEM	DP364SD	SOHAF	495291.	3896860.	1852542.	0.	0.	87057.
365 OH LINES PRI DEM	DP365PD	POHAF	325053.	5763339.	6919068.	1968361.	317369.	119624.
365 OH LINES SEC DEM	DP365SD	SOHAF	310452.	2442581.	1161187.	0.	0.	54568.
366 UG CONDUIT PRI DEM	DP366PD	PUGAF	1013.	54750.	269377.	55162.	0.	319.
366 UG CONDUIT SEC DEM	DP366SD	SUGAF	1015.	25765.	100664.	0.	0.	153.
367 UG LINES PRI DEM	DP367PD	PUGAF	2246.	121392.	597268.	122307.	0.	707.
367 UG LINES SEC DEM	DP367SD	SUGAF	2251.	57126.	223193.	0.	0.	339.
368 OH TRANSFORMERS DEM	DP368OHD	SOHAF	890820.	7008809.	3331941.	0.	0.	156579.
368 UG TRANSFORMERS DEM	DP368UGD	SUGAF	13037.	330805.	1292457.	0.	0.	1961.
369 SERVICES OH CUST	DP369OHC	SERVUH	474673.	453362.	16275.	0.	0.	2653.
369 SERVICES UG CUST	DP369UGC	SERVUG	128331.	395431.	116665.	0.	0.	614.
370 METERS CUST	DP370	METER	742117.	4285965.	3483807.	190659.	23374.	40351.
371 INSTALL ON CUST PREM	DP371	DIR371	0.	0.	0.	0.	0.	0.
373 STREET LIGHTING	DP373	DIR373	0.	0.	0.	0.	0.	0.
<b>DISTRIBUTION PLANT SUMMARY</b>								
	T3							
DIST DEMAND	DPD		2654141.	30569559.	28795230.	5857639.	915842.	646887.
DIST CUSTOMER	DPC		1345121.	5134758.	3616746.	190659.	23374.	43618.
TOTAL	DP		3999263.	35704317.	32411977.	6048298.	939217.	690505.
<b>P-T-D PLANT SUMMARY</b>								
	T4							
DEMAND	PTDD		5259244.	77422712.	94779629.	57101739.	103889122.	1560949.
CUSTOMER	PTDC		1345121.	5134758.	3616746.	190659.	23374.	43618.
TOTAL	PTD		6604365.	82557470.	98396375.	57292398.	103912497.	1604567.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
GENERAL PLANT		T2						
PRODUCTION -DEMAND	GPRD		9738556.	2048052.	1593080.	3641133.	0.	0.
-ENERGY	GPPE		4937708.	864129.	728889.	1593017.	21772.	6443.
-TOTAL	GPPP		14676264.	2912181.	2321969.	5234150.	21772.	6443.
TRAN -BULK -DEMAND	GPBTD		1903998.	400418.	311465.	711883.	0.	0.
-SUBT -DEMAND	GPSTD		658584.	129270.	106358.	235628.	350.	104.
-TOTAL	GPTD		2562582.	529687.	417824.	947511.	350.	104.
DISTRIBUTN -DEMAND	GPDD		9755504.	3383953.	2894793.	6278747.	19826.	5097.
-CUSTOMER	GPDC		2698097.	634444.	944934.	1579378.	211821.	114896.
-TOTAL	GPDP		12453600.	4018397.	3839728.	7858125.	231647.	119994.
CUST.ACCTS -CUSTOMER	GPCA		5166959.	1462036.	2198560.	3660596.	430875.	3039.
CUST.SERV -CUSTOMER	GPCS		1579952.	443461.	700245.	1143706.	239412.	428.
GENERAL PLANT SUMMARY		T3						
DEMAND	GPD		22056642.	5961693.	4905697.	10867390.	20176.	5202.
ENERGY	GPE		4937708.	864129.	728889.	1593017.	21772.	6443.
CUSTOMER	GPC		9445007.	2539941.	3843740.	6383681.	882108.	118363.
TOTAL	GP	DML	36439357.	9365763.	9478326.	18844089.	924057.	130007.
HANGING ROCK-JEFFERSON AFUDC		T4						
HRJ -BULK -DEMAND	HRJ	BTPD	1814863.	381672.	296884.	678556.	0.	0.
TOTAL ELECTRIC PLANT		T5						
DEMAND	EPISD		657957598.	167654592.	137316204.	304970796.	534503.	138723.
ENERGY	EPISE		4937708.	864129.	728889.	1593017.	21772.	6443.
CUSTOMER	EPISC		46917727.	11395309.	15916764.	27312073.	5097447.	2093075.
TOTAL	EPIS		709813033.	179914030.	153961857.	333875887.	5653723.	2238241.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
GENERAL PLANT	T2							
PRODUCTION -DEMAND	GPPD		59287.	1071391.	1502614.	1155318.	2288076.	20738.
-ENERGY	GPPE		37343.	453769.	649209.	600919.	1560993.	14243.
-TOTAL	GPPP		96629.	1525160.	2151823.	1756237.	3849069.	34981.
TRAN -BULK -DEMAND	GPBTD		11591.	209469.	293778.	225878.	447345.	4055.
-SUBT -DEMAND	GPSTD		3822.	66565.	96397.	79795.	174555.	1368.
-TOTAL	GPTD		15413.	276034.	390175.	305673.	621899.	5423.
DISTRIBUTN -DEMAND	GPDD		121972.	1484053.	1443283.	320647.	50492.	31388.
-CUSTOMER	GPDC		110735.	389411.	272128.	14572.	1783.	3372.
-TOTAL	GPDP		232706.	1873464.	1715411.	335219.	52274.	34761.
CUST.ACCTS -CUSTOMER	GPCA		284188.	594077.	183648.	7714.	1265.	1558.
CUST.SERV -CUSTOMER	GPCS		93945.	94372.	6945.	532.	87.	524.
GENERAL PLANT SUMMARY	T3							
DEMAND	GPD		196671.	2831478.	3336071.	1781637.	2960467.	57549.
ENERGY	GPE		37343.	453769.	649209.	600919.	1560993.	14243.
CUSTOMER	GPC		488867.	1077860.	462721.	22819.	3134.	5453.
TOTAL	GP	OML	722881.	4363107.	4448002.	2405375.	4524595.	77246.
HANGING ROCK-JEFFERSON AFUDC HRJ -BULK -DEMAND	T4 HRJ	BTPD	11049.	199663.	280025.	215303.	426402.	3865.
TOTAL ELECTRIC PLANT	T5							
DEMAND	EPISD		5466963.	80453853.	98395725.	59098680.	107275992.	1622363.
ENERGY	EPISE		37343.	453769.	649209.	600919.	1560993.	14243.
CUSTOMER	EPISC		1833989.	6212618.	4079467.	213478.	26509.	49071.
TOTAL	EPIS		7338295.	87120239.	103124402.	59913076.	108863494.	1685677.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
PLANT HELD FOR FUTURE USE								
	T1							
TRAN -BULK -DEMAND	BP105D	BTPD	255319.	53694.	41766.	95461.	0.	0.
-SUBT -DEMAND	SP105D	STPD	88313.	17335.	14262.	31597.	47.	14.
-TOTAL	TP105D		343632.	71029.	56028.	127057.	47.	14.
PLANT HELD SUMMARY								
	T2							
DEMAND	TOT105D		343632.	71029.	56028.	127057.	47.	14.
ENERGY	TOT105E		0.	0.	0.	0.	0.	0.
CUSTOMER	TOT105C		0.	0.	0.	0.	0.	0.
TOTAL	TOT105		343632.	71029.	56028.	127057.	47.	14.
DUMONT UHV TEST CENTER								
DUMONT-BULK-DEMAND	T3 DUMONT	BTPD	378680.	79638.	61946.	141584.	0.	0.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MW	
PLANT HELD FOR FUTURE USE									
	T1								
TRAN -BULK -DEMAND	BP105D	BTPD	1554.	28089.	39394.	30289.	59987.	544.	
-SUBT -DEMAND	SP105D	STPD	512.	8926.	12926.	10700.	23407.	183.	
-TOTAL	TP105D		2067.	37015.	52321.	40989.	83394.	727.	
PLANT HELD SUMMARY									
	T2								
DEMAND	TOT105D		2067.	37015.	52321.	40989.	83394.	727.	
ENERGY	TOT105E		0.	0.	0.	0.	0.	0.	
CUSTOMER	TOT105C		0.	0.	0.	0.	0.	0.	
TOTAL	TOT105		2067.	37015.	52321.	40989.	83394.	727.	
DUMONT UHV TEST CENTER									
DUMONT-BULK-DEMAND	T3	DUMONT	BTPD	2305.	41661.	58429.	44924.	88971.	806.



ADJUSTED  
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KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990  
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DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>CONSTRUCTION WORK IN PROGRESS T1</b>								
PRODUCTION -DEMAND	PP107	PPD	1023335.	215211.	167402.	382613.	0.	0.
TRAN -BULK -DEMAND	BP107D	BTPD	4790482.	1007455.	783650.	1791105.	0.	0.
-SUBT -DEMAND	SP107D	STPD	1657004.	325245.	267599.	592843.	881.	262.
-TOTAL	TP107D		6447486.	1332700.	1051249.	2383949.	881.	262.
DISTRIBUTN -DEMAND	DP107D		1936468.	681357.	588218.	1269575.	4597.	1182.
-CUSTOMER	DP107C		356769.	84310.	114944.	199254.	40133.	18801.
-TOTAL	DP107	DP	2293237.	765667.	703162.	1468829.	44730.	19983.
GENERAL PT -DEMAND	GP107D		738394.	199581.	164229.	363809.	675.	174.
-ENERGY	GP107E		165300.	28929.	24401.	53330.	729.	216.
-CUSTOMER	GP107C		316192.	85030.	128677.	213707.	29530.	3962.
-TOTAL	GP107	GP	1219886.	313539.	317307.	630846.	30935.	4352.
<b>CNIP SUMMARY T2</b>								
DEMAND	TOT107D		10145683.	2428848.	1971098.	4399946.	6153.	1618.
ENERGY	TOT107E		165300.	28929.	24401.	53330.	729.	216.
CUSTOMER	TOT107C		672961.	169340.	243622.	412962.	69664.	22763.
TOTAL	TOT107		10983944.	2627116.	2239121.	4866237.	76546.	24597.
<b>GROSS UTILITY PLANT SUMMARY T3</b>								
DEMAND	GUPD		668825593.	170234107.	139405277.	309639384.	540704.	140356.
ENERGY	GUPE		5103009.	893057.	753290.	1646347.	22501.	6659.
CUSTOMER	GUPC		47590687.	11564649.	16160386.	27725035.	5167111.	2115838.
TOTAL	GUP		721519289.	182691813.	156318953.	339010766.	5730315.	2262852.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MH
CONSTRUCTION WORK IN PROGRESS T1								
PRODUCTION -DEMAND	PP107	PPD	6230.	112583.	157896.	121402.	240433.	2179.
TRAN -BULK -DEMAND	BP107D	BTPD	29164.	527027.	739149.	568311.	1125525.	10201.
-SUBT -DEMAND	SP107D	STPD	9615.	167478.	242536.	200765.	439182.	3442.
-TOTAL	TP107D		38779.	694505.	981685.	769076.	1564706.	13643.
DISTRIBUTN -DEMAND	DP107D		25269.	291045.	274152.	55769.	8720.	6159.
-CUSTOMER	DP107C		12807.	48887.	34434.	1815.	223.	415.
-TOTAL	DP107	DP	38076.	339932.	308586.	57584.	8942.	6574.
GENERAL PT -DEMAND	GP107D		6584.	94790.	111682.	59644.	99108.	1927.
-ENERGY	GP107E		1250.	15191.	21734.	20117.	52258.	477.
-CUSTOMER	GP107C		16366.	36084.	15491.	764.	105.	183.
-TOTAL	GP107	GP	24200.	146064.	148906.	80525.	151471.	2586.
CHIP SUMMARY T2								
DEMAND	TOT107D		76862.	1192922.	1525415.	1005891.	1912967.	23908.
ENERGY	TOT107E		1250.	15191.	21734.	20117.	52258.	477.
CUSTOMER	TOT107C		29172.	84970.	49925.	2579.	327.	598.
TOTAL	TOT107		107285.	1293084.	1597074.	1028587.	1965552.	24982.
GROSS UTILITY PLANT SUMMARY T3								
DEMAND	GUPD		5548198.	81725451.	100031890.	60190484.	109361323.	1647804.
ENERGY	GUPE		38593.	468959.	670943.	621036.	1613251.	14720.
CUSTOMER	GUPC		1863161.	6297589.	4129392.	216057.	26836.	49669.
TOTAL	GUP		7449952.	88491999.	104832225.	61027577.	111001411.	1712193.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
DEPRECIATION RESERVE	T1							
PRODUCTION -DEMAND	PP108	PPD	104243427.	21922757.	17052646.	38975403.	0.	0.
TRAN -BULK -DEMAND	BP108D	BTPD	38295597.	8053698.	6264580.	14318278.	0.	0.
-SUBT -DEMAND	SP108D	STPD	13246256.	2600038.	2139212.	4739250.	7041.	2098.
-TOTAL	TP108D		51541853.	10653736.	8403791.	19057528.	7041.	2098.
DISTRIBUTN -DEMAND	DP108D		39980160.	14067235.	12144299.	26211533.	94911.	24402.
-CUSTOMER	DP108C		7365813.	1740652.	2373130.	4113783.	828587.	388159.
-TOTAL	DP108	DP	47345973.	15807887.	14517429.	30325316.	923498.	412561.
GENERAL PT -DEMAND	GP108D		4624108.	1249851.	1028465.	2278316.	4230.	1091.
-ENERGY	GP108E		1035176.	181162.	152809.	333971.	4565.	1351.
-CUSTOMER	GP108C		1980117.	532491.	805828.	1338319.	184931.	24814.
-TOTAL	GP108	GP	7639401.	1963504.	1987102.	3950606.	193726.	27256.
HRJ -BULK -DEMAND	HRJ108	BTPD	202419.	42569.	33113.	75682.	0.	0.
-TOTAL	T108		210973073.	50390454.	41994081.	92384535.	1124265.	441914.
DEPRECIATION SUMMARY	T6							
DEMAND	TOT108D		200591967.	47936149.	38662313.	86598462.	106182.	27590.
ENERGY	TOT108E		1035176.	181162.	152809.	333971.	4565.	1351.
CUSTOMER	TOT108C		9345930.	2273143.	3178959.	5452102.	1013518.	412973.
TOTAL	TOT108		210973073.	50390454.	41994081.	92384535.	1124265.	441914.
NET PLANT	T7							
DEMAND	NPD		468233626.	122297958.	100742964.	223040922.	434521.	112765.
ENERGY	NPE		4067833.	711895.	600480.	1312376.	17937.	5308.
CUSTOMER	NPC		38244757.	9291505.	12981428.	22272933.	4153593.	1702865.
TOTAL NET PLANT	NP		510546216.	132301359.	114324872.	246626230.	4606051.	1820938.

KENTUCKY POWER COMPANY  
 12 CP CLASS COST OF SERVICE STUDY  
 12 MONTHS ENDED DECEMBER 31, 1990

ADJUSTED

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
DEPRECIATION RESERVE	T1							
PRODUCTION -DEMAND	PP108	PPD	634615.	11468386.	16084273.	12366749.	24492014.	221988.
TRAN -BULK -DEMAND	BP108D	BTPD	233137.	4213106.	5908831.	4543136.	8997558.	81551.
-SUBT -DEMAND	SP108D	STPD	76867.	1338835.	1938857.	1604933.	3510862.	27514.
-TOTAL	TP108D		310004.	5551941.	7847689.	6148069.	12508420.	109065.
DISTRIBUTION -DEMAND	DP108D		521710.	6008895.	5660125.	1151405.	180022.	127155.
-CUSTOMER	DP108C		264403.	1009312.	710925.	37477.	4595.	8574.
-TOTAL	DP108	DP	786114.	7018207.	6371050.	1188882.	184617.	135729.
GENERAL PT -DEMAND	GP108D		41232.	593611.	699397.	373515.	620653.	12065.
-ENERGY	GP108E		7829.	95131.	136105.	125981.	327257.	2986.
-CUSTOMER	GP108C		102490.	225970.	97008.	4786.	657.	1143.
-TOTAL	GP108	GP	151550.	914712.	932510.	504280.	948568.	16194.
HRJ -BULK -DEMAND	HRJ108	BTPD	1232.	22269.	31232.	24014.	47558.	431.
-TOTAL	T108		1883515.	24975514.	31266754.	20231993.	38181176.	483407.
DEPRECIATION SUMMARY	T6							
DEMAND	TOT108D		1508793.	23645101.	30322716.	20063751.	37848667.	470704.
ENERGY	TOT108E		7829.	95131.	136105.	125981.	327257.	2986.
CUSTOMER	TOT108C		366893.	1235282.	807933.	42261.	5252.	9717.
TOTAL	TOT108		1883515.	24975514.	31266754.	20231993.	38181176.	483407.
NET PLANT	T7							
DEMAND	NPD		4039404.	58080350.	69709173.	40126733.	71512656.	1177100.
ENERGY	NPE		30764.	373828.	534838.	495055.	1285993.	11734.
CUSTOMER	NPC		1496268.	5062306.	3321459.	173796.	21585.	39952.
TOTAL NET PLANT	NP		5566437.	63516485.	73565471.	40795584.	72820234.	1228786.

ADJUSTED

KENTUCKY POWER COMPANY  
 12 CP CLASS COST OF SERVICE STUDY  
 12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>WORKING CAPITAL - CASH</b>								
	T1							
PRODUCTION -DEMAND	MCCAPD		5279402.	1108926.	862741.	1971667.	0.	0.
-ENERGY	MCCAPE		4165141.	728893.	614822.	1343715.	18366.	5435.
-TOTAL	MCCAP		9444543.	1837819.	1477563.	3315382.	18366.	5435.
TRAN -BULK -DEMAND	MCCABTD		198526.	40598.	31717.	72315.	0.	0.
-SUBT -DEMAND	MCCASTD		68710.	13095.	10821.	23917.	37.	11.
-TOTAL	MCCATP		267235.	53693.	42538.	96231.	37.	11.
DISTRIBUTN -DEMAND	MCCADD		5454550.	1891379.	1618323.	3509701.	11103.	2852.
-CUSTOMER	MCCADC		1507172.	354268.	527622.	881891.	118523.	64206.
-TOTAL	MCCADP		6961722.	2245647.	2145945.	4391592.	129626.	67057.
CUST.ACCTS -CUSTOMER	MCCACA		2527154.	715061.	1075296.	1790357.	210750.	1486.
CUST.SERV -CUSTOMER	MCCACS		939114.	263585.	416216.	679800.	142310.	254.
TOTAL MC CASH EX SYSTEM SALES	MCCAO	OMLPP	20139768.	5115806.	5157558.	10273364.	501089.	74243.
SYSTEM SALES ADD BACK - DEMAND	MCCASSD	PPD	1970540.	414411.	322351.	736762.	0.	0.
SYSTEM SALES ADD BACK - ENERGY	MCCASSE	ENER	3969918.	694759.	586027.	1280786.	17505.	5180.
<b>M.C. CASH SUMMARY</b>								
	T2							
DEMAND	MCCAD		12971727.	3468409.	2845953.	6314362.	11140.	2862.
ENERGY	MCCAE		8135059.	1423653.	1200848.	2624501.	35871.	10615.
CUSTOMER	MCCAC		4973439.	1332915.	2019134.	3352048.	471583.	65946.
TOTAL	MCCA		26080226.	6224977.	6065935.	12290912.	518594.	79423.

KPSC Case No. 2005-00341  
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ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
WORKING CAPITAL - CASH	T1							
PRODUCTION -DEMAND	HCCAPD		32187.	580676.	814616.	626875.	1242134.	11247.
-ENERGY	HCCAPE		31501.	382766.	547630.	506909.	1316806.	12014.
-TOTAL	HCCAP		63688.	963441.	1362246.	1133783.	2558939.	23262.
TRAN -BULK -DEMAND	HCCABTD		1249.	21721.	30657.	24031.	48126.	427.
-SUBT -DEMAND	HCCASTD		411.	6895.	10062.	8495.	18739.	144.
-TOTAL	HCCATP		1660.	28617.	40719.	32526.	66866.	570.
DISTRIBUTN -DEMAND	HCCADD		68366.	830206.	807200.	179322.	28229.	17570.
-CUSTOMER	HCCADC		61917.	217556.	152052.	8145.	997.	1885.
-TOTAL	HCCADP		130283.	1047763.	959253.	187467.	29226.	19455.
CUST.ACCTS -CUSTOMER	HCCACA		139012.	290570.	89825.	3773.	619.	762.
CUST.SERV -CUSTOMER	HCCACS		55845.	56095.	4128.	316.	52.	311.
TOTAL WC CASH EX SYSTEM SALES	HCCAO	OMLPP	390488.	2386486.	2456171.	1357866.	2655701.	44360.
SYSTEM SALES ADD BACK - DEMAND	HCCASSD	PPD	11996.	216790.	304045.	233772.	462979.	4196.
SYSTEM SALES ADD BACK - ENERGY	HCCASSE	ENER	30024.	364830.	521964.	483139.	1255039.	11451.
W.C. CASH SUMMARY	T2							
DEMAND	HCCAD		114209.	1656288.	1966581.	1072494.	1800207.	33584.
ENERGY	HCCAE		61525.	747596.	1069594.	990048.	2571844.	23466.
CUSTOMER	HCCAC		256774.	564221.	246006.	12235.	1667.	2958.
TOTAL	HCCA		432508.	2968105.	3282181.	2074777.	4373719.	60008.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
WORKING CAPITAL - M & S	T1							
FUEL STOCK -ENERGY	WCMSFUEL ENER		14442479.	2527520.	2131952.	4659473.	63683.	18846.
PRODUCTION -DEMAND	WCMSPD PPD		4781644.	1005596.	782205.	1787801.	0.	0.
TRAN -BULK -DEMAND	WCMSBD		1152712.	242419.	188566.	430985.	0.	0.
-SUBT -DEMAND	WCMSSD		394535.	77441.	63716.	141157.	210.	62.
-TOTAL	WCMSD		1547247.	319860.	252282.	572142.	210.	62.
DISTRIBUTN -DEMAND	WCMSDD		1355098.	476798.	411622.	888420.	3217.	827.
-CUSTOMER	WCMSDC		249659.	58998.	80435.	139434.	28084.	13156.
-TOTAL	WCMSDP		1604756.	535797.	492057.	1027854.	31301.	13983.
M & S SUMMARY	T2							
DEMAND	WCMSD		7683988.	1802255.	1446108.	3248364.	3427.	890.
ENERGY	WCMSSE		14442479.	2527520.	2131952.	4659473.	63683.	18846.
CUSTOMER	WCMSC		249659.	58998.	80435.	139434.	28084.	13156.
TOTAL	WCMS		22376126.	4388774.	3658496.	8047270.	95194.	32891.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
WORKING CAPITAL - M & S	T1							
FUEL STOCK -ENERGY	MCMSFUEL ENER		109225.	1327244.	1898895.	1757649.	4565805.	41659.
PRODUCTION -DEMAND	MCMSPD PPD		29110.	526055.	737785.	567263.	1123448.	10183.
TRAN -BULK -DEMAND	MCMSBD		7018.	126816.	177858.	136750.	270830.	2455.
-SUBT -DEMAND	MCMSDD		2289.	39877.	57748.	47802.	104570.	819.
-TOTAL	MCMSD		9307.	166693.	235606.	184552.	375400.	3274.
DISTRIBUTN -DEMAND	MCMSDD		17683.	203667.	191846.	39026.	6102.	4310.
-CUSTOMER	MCMSDC		8962.	34210.	24096.	1270.	156.	291.
-TOTAL	MCMSDP		26645.	237877.	215942.	40296.	6257.	4600.
M & S SUMMARY	T2							
DEMAND	MCMSD		56100.	896414.	1165237.	790841.	1504950.	17767.
ENERGY	MCMSSE		109225.	1327244.	1898895.	1757649.	4565805.	41659.
CUSTOMER	MCMSC		8962.	34210.	24096.	1270.	156.	291.
TOTAL	MCMS		174287.	2257868.	3088229.	2549760.	6070910.	59717.



ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
WORKING CAPITAL - PREPAY	T1							
PRODUCTION -DEMAND	MCPPD		232879.	48975.	38096.	87071.	0.	0.
TRAN -BULK -DEMAND	MCPPBD		201188.	42310.	32911.	75222.	0.	0.
-SUBT -DEMAND	MCPPSD		68860.	13516.	11121.	24637.	37.	11.
-TOTAL	MCPPTD		270047.	55827.	44032.	99858.	37.	11.
DISTRIBUTN -DEMAND	MCPPDD		236511.	83218.	71842.	155060.	561.	144.
-CUSTOMER	MCPPDC		43574.	10297.	14039.	24336.	4902.	2296.
-TOTAL	MCPPDP		280085.	93515.	85881.	179396.	5463.	2441.
GENERAL PT -DEMAND	MCPPGD		25648.	6932.	5704.	12637.	23.	6.
-ENERGY	MCPPGE		5742.	1005.	848.	1852.	25.	7.
-CUSTOMER	MCPPGC		10983.	2953.	4470.	7423.	1026.	138.
-TOTAL	MCPPGP		42372.	10891.	11022.	21912.	1075.	151.
PREPAYMENTS SUMMARY	T2							
DEMAND	MCPPD		765086.	194952.	159674.	354626.	622.	161.
ENERGY	MCPPPE		5742.	1005.	848.	1852.	25.	7.
CUSTOMER	MCPPC		54557.	13251.	18508.	31759.	5927.	2434.
TOTAL	MCPP	EPIS	825384.	209207.	179030.	388237.	6574.	2603.
TOTAL H.C. REQUIREMENT	T3							
DEMAND	TOTMCD		21420801.	5465616.	4451735.	9917351.	15188.	3913.
ENERGY	TOTMCE		22583280.	3952178.	3333648.	7285826.	99579.	29468.
CUSTOMER	TOTMCC		5277655.	1405163.	2118078.	3523241.	505595.	81536.
TOTAL	TOTMC		49281736.	10822958.	9903461.	20726419.	620362.	114917.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MW
WORKING CAPITAL - PREPAY	T1							
PRODUCTION -DEMAND	MCPPPD		1418.	25620.	35932.	27627.	54715.	496.
TRAN -BULK -DEMAND	MCPPBD		1225.	22134.	31042.	23868.	47269.	428.
-SUBT -DEMAND	MCPPSD		400.	6960.	10079.	8343.	18251.	143.
-TOTAL	MCPPTD		1624.	29094.	41121.	32211.	65520.	571.
DISTRIBUTN -DEMAND	MCPPDD		3086.	35547.	33484.	6811.	1065.	752.
-CUSTOMER	MCPPDC		1564.	5971.	4206.	222.	27.	51.
-TOTAL	MCPPDP		4650.	41518.	37689.	7033.	1092.	803.
GENERAL PT -DEMAND	MCPPGD		229.	3292.	3879.	2072.	3442.	67.
-ENERGY	MCPPGE		43.	528.	755.	699.	1815.	17.
-CUSTOMER	MCPPGC		568.	1253.	538.	27.	4.	6.
-TOTAL	MCPPGP		841.	5074.	5172.	2797.	5261.	90.
PREPAYMENTS SUMMARY	T2							
DEMAND	MCPPD		6357.	93553.	114416.	68721.	124743.	1887.
ENERGY	MCPEE		43.	528.	755.	699.	1815.	17.
CUSTOMER	MCPPC		2133.	7224.	4744.	248.	31.	57.
TOTAL	MCPP	EPIS	8533.	101305.	119915.	69668.	126589.	1960.
TOTAL W.C. REQUIREMENT	T3							
DEMAND	TOTMCD		176666.	2646256.	3246234.	1932056.	3429899.	53237.
ENERGY	TOTMCE		170794.	2075367.	2969244.	2748396.	7139464.	65142.
CUSTOMER	TOTMCC		267869.	605655.	274846.	13753.	1854.	3305.
TOTAL	TOTMC		615328.	5327279.	6490324.	4694205.	10571217.	121684.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>RATE BASE OFFSETS</b>								
	T1							
DEFERRED FIT	RBOFIT	GUP	-75406788.	-19093326.	-16337069.	-35430394.	-598882.	-236493.
CUSTOMER ADVANCES	RBOCA	TOTCUST	-861598.	-241833.	-381866.	-623700.	-130559.	-233.
CUSTOMER DEPOSITS	RBOCD	TOTCUST	-4906565.	-1377175.	-2174623.	-3551798.	-743499.	-1328.
<b>RATE BASE OFFSET SUMMARY</b>								
	T2							
DEMAND	RBD		-74373229.	-19299966.	-16849279.	-36149245.	-138984.	-14766.
ENERGY	RBOE		-560795.	-101249.	-91047.	-192295.	-5784.	-701.
CUSTOMER	RBOC		-6240927.	-1311120.	-1953232.	-3264352.	-1328171.	-222588.
TOTAL	RBO		-81174951.	-20712335.	-18893558.	-39605892.	-1472939.	-238054.
<b>TOTAL RATE BASE</b>								
	T3							
DEMAND	RBD		415281197.	108463609.	88345420.	196809029.	310725.	101913.
ENERGY	RBE		26090318.	4562825.	3843082.	8405907.	111732.	34075.
CUSTOMER	RBC		37281485.	9385549.	13146273.	22531822.	3331016.	1561813.
TOTAL	RB		478653001.	122411982.	105334775.	227746757.	3753473.	1697801.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP. CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MW
<b>RATE BASE OFFSETS</b>								
	T1							
DEFERRED FIT	RBODFIT	GUP	-778603.	-9248398.	-10956133.	-6378060.	-11600882.	-178943.
CUSTOMER ADVANCES	RBOCA	TOTCUST	-51231.	-51464.	-3787.	-290.	-48.	-285.
CUSTOMER DEPOSITS	RBOCD	TOTCUST	-291747.	-293075.	-21569.	-1653.	-271.	-1626.
<b>RATE BASE OFFSET SUMMARY</b>								
	T2							
DEMAND	RBOD		-835274.	-8859868.	-10478760.	-6292491.	-11429788.	-174053.
ENERGY	RBOE		-5810.	-50837.	-70281.	-64925.	-168607.	-1555.
CUSTOMER	RBOC		-280497.	-682232.	-432448.	-22587.	-2805.	-5246.
TOTAL	RBO		-1121581.	-9592937.	-10981489.	-6380003.	-11601200.	-180854.
<b>TOTAL RATE BASE</b>								
	T3							
DEMAND	RBOD		3380796.	51866738.	62476648.	35766297.	63512767.	1056284.
ENERGY	RBE		195748.	2398359.	3433802.	3178526.	8256850.	75321.
CUSTOMER	RBC		1483640.	4985730.	3163857.	164962.	20634.	38011.
TOTAL	RB		5060184.	59250827.	69074306.	39109785.	71790251.	1169616.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>OPERATING REVENUES</b>								
	T1							
SALES REVENUE	T2							
BASE	BASER		254884729.	48730426.	44297654.	93028080.	2197538.	675617.
FUEL	FUELR		-8804350.	-1485925.	-1298449.	-2784374.	-38240.	-11314.
TOTAL	RSALE		246080379.	47244501.	42999205.	90243706.	2159298.	664303.
<b>SALES REVENUE SUMMARY</b>								
	T3							
DEMAND	RSALD		141435392.	27852436.	23089568.	50942003.	56846.	29311.
ENERGY	RSALEE		83063116.	14072776.	11890755.	25963530.	348690.	108667.
CUSTOMER	RSALEC		21581871.	5319290.	8018883.	13338172.	1753762.	526325.
TOTAL	RSALE		246080379.	47244501.	42999205.	90243706.	2159298.	664303.
<b>OTHER OPERATING REVENUE</b>								
	T4							
FORFEITED DISCOUNTS	R450	FORDIS	1462150.	282265.	256902.	539167.	12901.	0.
MISCELLANEOUS SERVICE REV	R451	DP	247775.	82727.	75974.	158701.	4833.	2159.
RENT FRM ELEC PROP-PROD	R454P	PPD	35373.	7439.	5786.	13226.	0.	0.
RENT FRM ELEC PROP-BULK TRAN	R454BT	BTPD	10853.	2282.	1775.	4058.	0.	0.
RENT FRM ELEC PROP-SUBTRAN	R454ST	STPD	3754.	737.	606.	1343.	2.	1.
RENT FRM ELEC PROP-DST POLES	R454DPOL	DP364	396708.	136644.	120276.	256921.	836.	215.
RENT FRM ELEC PROP-DST OTHER	R454DOTH	DP	20332.	6788.	6234.	13023.	397.	177.
RENT FRM ELEC PROP-GEN	R454G	GP	346.	89.	90.	179.	9.	1.
OTHER ELEC REV - DIST.	R456DP	DP	106815.	35663.	32752.	68416.	2083.	931.
OTHER ELEC REV - WHEELING	R456TP	BTPD	125265.	26344.	20491.	46835.	0.	0.
INTERRUPTIBL - DEMAND	IRPD	PPD	2302248.	484171.	376613.	860784.	0.	0.
- ENERGY	IRPE	ENER	1970986.	344934.	290951.	635885.	8691.	2572.
- TOTAL	IRP		4273234.	829105.	667564.	1496669.	8691.	2572.
<b>OTHER OPERATING REV SUMMARY</b>								
	T5							
DEMAND	ORD		4034370.	936083.	760424.	1696507.	1937.	409.
ENERGY	ORE		2466254.	429074.	362195.	791268.	10810.	2572.
CUSTOMER	ORC		181981.	44928.	65832.	110760.	17006.	3075.
TOTAL	TOR		6682605.	1410085.	1188451.	2598536.	29752.	6056.
<b>TOTAL OPERATING REVENUES</b>								
	T6							
DEMAND	TRD		145469762.	28788519.	23849992.	52638511.	58782.	29720.
ENERGY	TRE		85529370.	14501849.	12252949.	26754799.	359500.	111239.
CUSTOMER	TRC		21763852.	5364218.	8084715.	13448933.	1770767.	529400.
TOTAL	TR		252762984.	48654586.	44187656.	92842242.	2189050.	670359.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
<b>OPERATING REVENUES</b>								
	T1							
SALES REVENUE	T2							
BASE	BASER		3742799.	31263259.	38694257.	27701123.	56870150.	711906.
FUEL	FUELR		-65351.	-793556.	-1149705.	-1090242.	-2846638.	-24930.
TOTAL	RSALE		3677448.	30469703.	37544552.	26610881.	54023512.	686976.
<b>SALES REVENUE SUMMARY</b>								
	T3							
DEMAND	RSALE		1681609.	19830036.	24913636.	16173184.	27384999.	423769.
ENERGY	RSALE		654044.	7681191.	11079252.	10355717.	26627958.	244067.
CUSTOMER	RSALE		1341795.	2958476.	1551665.	81980.	10555.	19140.
TOTAL	RSALE		3677448.	30469703.	37544552.	26610881.	54023512.	686976.
<b>OTHER OPERATING REVENUE</b>								
	T4							
FORFEITED DISCOUNTS	R450	FORDIS	21971.	182043.	224312.	158988.	322767.	0.
MISCELLANEOUS SERVICE REV	R451	DP	4114.	36728.	33342.	6222.	966.	710.
RENT FRM ELEC PROP-PROD	R454P	PPD	215.	3892.	5458.	4196.	8311.	75.
RENT FRM ELEC PROP-BULK TRAN	R454BT	BTPD	66.	1194.	1675.	1288.	2550.	23.
RENT FRM ELEC PROP-SUBTRAN	R454ST	STPD	22.	379.	549.	455.	995.	8.
RENT FRM ELEC PROP-DST POLES	R454DPOL	DP364	5073.	60952.	56407.	12920.	2083.	1302.
RENT FRM ELEC PROP-DST OTHER	R454DOTH	DP	338.	3014.	2736.	511.	79.	58.
RENT FRM ELEC PROP-GEN	R454G	GP	7.	41.	42.	23.	43.	1.
OTHER ELEC REV - DIST	R456DP	DP	1774.	15833.	14373.	2682.	417.	306.
OTHER ELEC REV - WHEELING	R456TP	BTPD	763.	13781.	19328.	14861.	29431.	267.
INTERRUPTIBL - DEMAND	IRPD	PPD	14016.	253283.	355226.	273123.	540914.	4903.
- ENERGY	IRPE	ENER	14906.	181131.	259145.	239869.	623102.	5685.
- TOTAL	IRP		28922.	434414.	614371.	512992.	1164016.	10588.
<b>OTHER OPERATING REV SUMMARY</b>								
	T5							
DEMAND	ORD		34366.	499626.	632267.	412480.	749193.	7585.
ENERGY	ORE		18859.	227246.	325569.	301879.	782366.	5685.
CUSTOMER	ORC		10038.	25400.	14757.	778.	98.	68.
TOTAL	TOR		63263.	752272.	972593.	715137.	1531657.	13338.
<b>TOTAL OPERATING REVENUES</b>								
	T6							
DEMAND	TRD		1715975.	20329661.	25545903.	16585664.	28134192.	431354.
ENERGY	TRE		672903.	7908437.	11404820.	10657596.	27410324.	249752.
CUSTOMER	TRC		1351833.	2983877.	1566422.	82758.	10654.	19208.
TOTAL	TR		3740711.	31221975.	38517145.	27326018.	55555169.	700314.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
OPERATION & MAINTENANCE EXP T1								
PRODUCTION -DEMAND	OXGD	PPD	12093841.	2543377.	1978369.	4521746.	0.	0.
-ENERGY	OXGE	ENER	6473412.	1132886.	955584.	2088470.	28544.	8447.
-DEFERRED FUEL	OXGF	ENER	4861390.	850772.	717623.	1568395.	21436.	6343.
PURCH PMR & FUEL - DEMAND	OX555D	PPD	32330737.	6799267.	5288819.	12088086.	0.	0.
- ENERGY	OX555E	ENER	67599626.	11830340.	9978840.	21809180.	298074.	88208.
SYS CNTL -DEMAND	OX556D	PPD	673557.	141651.	110184.	251835.	0.	0.
PRODUCTION SUMMARY T3								
DEMAND	POMXD		45098135.	9484296.	7377372.	16861667.	0.	0.
ENERGY	POMXE		78934428.	13813998.	11652047.	25466045.	348054.	102999.
TOTAL	POMX		124032563.	23298294.	19029419.	42327713.	348054.	102999.
TRAN -BULK -DEMAND OMXBT BTPD -254469. -53516. -41627. -95143. 0. 0.								
-SUBT -DEMAND OMXST STPD -88020. -17277. -14215. -31492. -47. -14.								
-TOTAL-DEMAND OMXTD -342489. -70793. -55842. -126635. -47. -14.								

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MH
<b>OPERATION &amp; MAINTENANCE EXP</b>								
	T1							
PRODUCTION -DEMAND	OXGD	PPD	73625.	1330509.	1866023.	1434733.	2841450.	25754.
-ENERGY	OXGE	ENER	48957.	594898.	851123.	787814.	2046486.	18673.
-DEFERRED FUEL	OXGF	ENER	36766.	446755.	639175.	591631.	1536866.	14023.
PURCH PWR & FUEL - DEMAND	OX55D	PPD	196824.	3556880.	4988481.	3835504.	7596113.	68849.
- ENERGY	OX55E	ENER	511242.	6212313.	8887991.	8226872.	21370755.	194991.
SYS CNTL -DEMAND	OX556D	PPD	4100.	74102.	103927.	79906.	158252.	1434.
<b>PRODUCTION SUMMARY</b>								
	T3							
DEMAND	POMXD		274549.	4961490.	6958431.	5350144.	10595816.	96037.
ENERGY	POMXE		596964.	7253966.	10378289.	9606317.	24954107.	227687.
TOTAL	POMX		871514.	12215456.	17336720.	14956460.	35549923.	323724.
<b>TRAN -BULK -DEMAND</b>								
	OMXBT	BTPD	-1549.	-27996.	-39263.	-30189.	-59788.	-542.
-SUBT -DEMAND	OMXST	STPD	-511.	-8896.	-12883.	-10665.	-23329.	-183.
-TOTAL-DEMAND	OMXTD		-2060.	-36892.	-52147.	-40853.	-83117.	-725.



ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>DIST OPERATION</b>								
	T2							
580 SUPER & ENG DEM	OX580D		590630.	205804.	175082.	380886.	1227.	316.
580 SUPER & ENG CUST	OX580C		360212.	78573.	119992.	198565.	21334.	13288.
581 LOAD DSPCH DEM	OX581	CPD	9727.	3168.	2404.	5571.	0.	0.
582 STATION EXP DEM	OX582	CPD	185739.	60486.	45902.	106388.	0.	0.
583 OH LINES PRI DEM	OX583PD	POHAF	447590.	145758.	110613.	256371.	0.	0.
583 OH LINES SEC DEM	OX583SD	OHLSD	209568.	78018.	80933.	158951.	1096.	282.
584 UG LINES PRI DEM	OX584PD	PUGAF	13353.	5045.	534.	5579.	0.	0.
584 UG LINES SEC DEM	OX584SD	UGLSD	6197.	3183.	408.	3591.	0.	0.
585 STREET LIGHTING	OX585	DIR373	50478.	0.	0.	0.	0.	50478.
586 METERS	OX586	METER	1058748.	205380.	324305.	529685.	0.	0.
587 CUSTOMER INSTALL	OX587	OHPCUST	453722.	127430.	201217.	328647.	68796.	123.
588 MISC DIST DEM	OX588D		2115309.	744283.	642542.	1386825.	5022.	1291.
588 MISC DIST CUST	OX588C		389717.	92096.	125560.	217656.	43840.	20537.
589 RENTS DEM	OX589D		306989.	108016.	93250.	201266.	729.	187.
589 RENTS CUST	OX589C		56559.	13366.	18222.	31588.	6362.	2980.
<b>DIST OPERATION SUMMARY</b>								
DEMAND	DOXD		3885102.	1353760.	1151668.	2505428.	8074.	2076.
CUSTOMER	DOXC		2369436.	516845.	789296.	1306141.	140331.	87406.
TOTAL	TOTDOX		6254538.	1870604.	1940965.	3811569.	148406.	89482.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
<b>DIST OPERATION</b>								
	T2							
580 SUPER & ENG DEM	OX580D		7404.	89414.	87529.	18999.	2970.	1887.
580 SUPER & ENG CUST	OX580C		15741.	62199.	45745.	2480.	303.	557.
581 LOAD DSPCH DEM	OX581	CPD	88.	1554.	1866.	531.	86.	32.
582 STATION EXP DEM	OX582	CPD	1674.	29672.	35622.	10134.	1634.	616.
583 OH LINES PRI DEM	OX583PD	POHAF	4033.	71503.	85842.	24421.	3937.	1484.
583 OH LINES SEC DEM	OX583SD	OHLSD	3852.	30304.	14406.	0.	0.	677.
584 UG LINES PRI DEM	OX584PD	PUGAF	21.	1118.	5502.	1127.	0.	7.
584 UG LINES SEC DEM	OX584SD	UGLSD	21.	526.	2056.	0.	0.	3.
585 STREET LIGHTING	OX585	DIR373	0.	0.	0.	0.	0.	0.
586 METERS	OX586	METER	44788.	258667.	210255.	11507.	1411.	2435.
587 CUSTOMER INSTALL	OX587	OHPCUST	26995.	27118.	1833.	58.	3.	150.
588 MISC DIST DEM	OX588D		27603.	317924.	299471.	60920.	9525.	6728.
588 MISC DIST CUST	OX588C		13989.	53402.	37614.	1983.	243.	454.
589 RENTS DEM	OX589D		4006.	46140.	43462.	8841.	1382.	976.
589 RENTS CUST	OX589C		2030.	7750.	5459.	288.	35.	66.
<b>DIST OPERATION SUMMARY</b>								
	T3							
DEMAND	DOXD		48700.	588155.	575755.	124971.	19534.	12409.
CUSTOMER	DOXC		103544.	409135.	300906.	16315.	1995.	3662.
TOTAL	TOTDOX		152244.	997290.	876661.	141286.	21528.	16071.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
<b>DIST MAINTENANCE</b>								
	T4							
590 SUPER & ENG DEM	MX590D		756921.	262069.	224699.	486768.	1524.	392.
590 SUPER & ENG CUST	MX590C		105686.	28079.	40258.	68337.	11954.	5581.
591 STRUCTURES DEM	MX591	CPD	105652.	34406.	26110.	60515.	0.	0.
592 STATION EQP DEM	MX592	CPD	775055.	252396.	191540.	443936.	0.	0.
593 OH LINES PRI DEM	MX593PD	POHAF	4297352.	1399431.	1062006.	2461437.	0.	0.
593 OH LINES SEC DEM	MX593SD	OHLSO	2479508.	923067.	957565.	1880632.	12970.	3335.
593 OH LINES SEC CUST	MX593SC	OHLSO	607372.	199003.	354812.	553815.	0.	0.
594 UG LINES PRI DEM	MX594PD	PUGAF	70015.	26453.	2801.	29254.	0.	0.
594 UG LINES SEC DEM	MX594SD	UGLSO	32496.	16692.	2139.	18832.	0.	0.
594 UG LINES SEC CUST	MX594SC	UGLSO	99887.	64368.	14180.	78548.	0.	0.
595 LINE XFORMER OH DEM	MX595OHD		868895.	323471.	335560.	659031.	4545.	1169.
595 LINE XFORMER UG DEM	MX595UGD		69842.	35875.	4598.	40474.	0.	0.
596 STREET LIGHTING	MX596	DIR373	64136.	0.	0.	0.	0.	64136.
597 METERS	MX597	METER	305799.	59320.	93669.	152989.	0.	0.
598 MISC DIST CUST	MX598	DIR371	137383.	0.	0.	0.	137383.	0.
<b>DIST MAINTENANCE SUMMARY</b>								
DEMAND	DMXD		9455736.	3273861.	2807017.	6080878.	19039.	4895.
CUSTOMER	DMXC		1320263.	350770.	502919.	853689.	149337.	69717.
TOTAL	TOTDMX		10775999.	3624631.	3309936.	6934567.	168376.	74612.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
DIST MAINTENANCE	T4							
590 SUPER & ENG DEM	MX590D		9454.	115376.	111905.	25097.	3964.	2443.
590 SUPER & ENG CUST	MX590C		3833.	9877.	5702.	289.	35.	76.
591 STRUCTURES DEM	MX591	CPD	952.	16878.	20263.	5764.	929.	350.
592 STATION EQP DEM	MX592	CPD	6983.	123816.	148645.	42287.	6818.	2570.
593 OH LINES PRI DEM	MX593PD	POHAF	38719.	686507.	824173.	234464.	37804.	14249.
593 OH LINES SEC DEM	MX593SD	OHLSD	45571.	358542.	170449.	0.	0.	8010.
593 OH LINES SEC CUST	MX593SC	OHLSC	26846.	25641.	920.	0.	0.	150.
594 UG LINES PRI DEM	MX594PD	PUGAF	108.	5863.	28848.	5907.	0.	34.
594 UG LINES SEC DEM	MX594SD	UGLSD	109.	2759.	10780.	0.	0.	16.
594 UG LINES SEC CUST	MX594SC	UGLSC	4272.	13163.	3883.	0.	0.	20.
595 LINE XFORMER OH DEM	MX595OHD		15969.	125644.	59730.	0.	0.	2807.
595 LINE XFORMER UG DEM	MX595UGD		234.	5930.	23169.	0.	0.	35.
596 STREET LIGHTING	MX596	DIR373	0.	0.	0.	0.	0.	0.
597 METERS	MX597	METER	12936.	74711.	60728.	3323.	407.	703.
598 MISC DIST CUST	MX598	DIR371	0.	0.	0.	0.	0.	0.
DIST MAINTENANCE SUMMARY	T5							
DEMAND	DMXD		118099.	1441315.	1397962.	313519.	49515.	30515.
CUSTOMER	DMXC		47888.	123392.	71234.	3613.	443.	950.
TOTAL	TOTDMX		165986.	1564707.	1469196.	317132.	49958.	31465.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
OPERATION & MAINTENANCE EXP	T1							
DISTRIBUTION O&M SUMMARY	T2							
DEMAND	DOMXD		13340838.	4627621.	3958685.	8586306.	27113.	6971.
CUSTOMER	DOMXC		3689699.	867614.	1292216.	2159830.	289669.	157123.
TOTAL	DOMX		17030537.	5495235.	5250901.	10746136.	316781.	164094.
P-T-D O&M SUMMARY	T3							
DEMAND	PTDOMXD		58096484.	14041124.	11280215.	25321339.	27066.	6957.
ENERGY	PTDOMXE		78934428.	13813998.	11652047.	25466045.	348054.	102999.
CUSTOMER	PTDOMXC		3689699.	867614.	1292216.	2159830.	289669.	157123.
TOTAL	PTDOMX		140720611.	28722736.	24224478.	52947214.	664788.	267079.
OTHER O&M EXPENSES	T4							
CUST.ACCTG -CUSTOMER	T5							
SUPERVISION	OX601	OX60234	461222.	130507.	196252.	326758.	38462.	271.
METER READING	OX602	DIR602	1574343.	486794.	768667.	1255461.	0.	0.
CUST RECORDS	OX603	DIR603	2882993.	752809.	1188718.	1941527.	406421.	2903.
UNCOLLECTIBLES	OX604	DIR604	479054.	157193.	143067.	300260.	5227.	0.
MISCELLANEOUS	OX605	OX60234	524261.	148344.	223075.	371419.	43718.	308.
TOTAL	OXCA		5921873.	1675646.	2519779.	4195425.	493828.	3483.
CUST.SERV -CUSTOMER	T6							
TOTAL	OXCS	TOTCUST	2350337.	659693.	1041685.	1701378.	356150.	636.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MM
OPERATION & MAINTENANCE EXP	T1							
DISTRIBUTION O&M SUMMARY	T2							
DEMAND	DOMXD		166799.	2029470.	1973717.	438490.	69049.	42924.
CUSTOMER	DOMXC		151432.	532527.	372140.	19928.	2438.	4612.
TOTAL	DOMX		318231.	2561998.	2345857.	458418.	71486.	47536.
P-T-D O&M SUMMARY	T3							
DEMAND	PTDOMXD		439288.	6954069.	8880001.	5747781.	10581748.	138237.
ENERGY	PTDOMXE		596964.	7253966.	10378289.	9606317.	24954107.	227687.
CUSTOMER	PTDOMXC		151432.	532527.	372140.	19928.	2438.	4612.
TOTAL	PTDOMX		1187684.	14740562.	19630430.	15374026.	35538293.	370535.
OTHER O&M EXPENSES	T4							
CUST.ACCTG -CUSTOMER	T5							
SUPERVISION	OX601	OX60234	25368.	53029.	16393.	689.	113.	139.
METER READING	OX602	DIR602	103124.	173390.	37397.	3757.	615.	599.
CUST RECORDS	OX603	DIR603	159478.	320409.	47160.	3613.	593.	889.
UNCOLLECTIBLES	OX604	DIR604	8904.	73768.	90895.	0.	0.	0.
MISCELLANEOUS	OX605	OX60234	28835.	60277.	18634.	783.	128.	158.
TOTAL	OXCA		325709.	680874.	210479.	8841.	1449.	1785.
CUST.SERV -CUSTOMER	T6							
TOTAL	OXCS	TOTCUST	139752.	140388.	10332.	792.	130.	779.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
ADMIN & GENERAL EXPENSE	T1							
PRODUCTION -DEMAND	AGXPD		4283756.	900889.	700758.	1601646.	0.	0.
-ENERGY	AGXPE		2171979.	380109.	320621.	700730.	9577.	2834.
-TOTAL	AGXPP		6455735.	1280998.	1021378.	2302376.	9577.	2834.
TRAN -BULK -DEMAND	AGXBTD		837523.	176134.	137006.	313140.	0.	0.
-SUBT -DEMAND	AGXSTD		289695.	56863.	46784.	103647.	154.	46.
-TOTAL	AGXTD		1127218.	232997.	183791.	416787.	154.	46.
DISTRIBUTN -DEMAND	AGXDD		4291211.	1488519.	1273350.	2761869.	8721.	2242.
-CUSTOMER	AGXDC		1186828.	279077.	415654.	694730.	93175.	50540.
-TOTAL	AGXDP		5478038.	1767596.	1689004.	3456600.	101896.	52782.
CUST.ACCTS -CUSTOMER	AGXCA		2272820.	643114.	967094.	1610208.	189532.	1337.
CUST.SERV -CUSTOMER	AGXCS		694983.	195068.	308021.	503089.	105312.	188.
TOTAL A&G LESS REGULATORY	AGXO	OML	16028794.	4119773.	4169287.	8289060.	406470.	57187.
REGULATORY -DEMAND	AGXREGD		211630.	40606.	35370.	75976.	188.	38.
-ENERGY	AGXREGE		1799.	213.	191.	404.	8.	2.
-CUSTOMER	AGXREGC		13549.	2758.	4100.	6859.	1796.	573.
-TOTAL	AGXREG	RSAL	226978.	43577.	39661.	83238.	1992.	613.
A&G EXPENSE SUMMARY	T2							
DEMAND	AGXD		9913815.	2663011.	2193268.	4856278.	9063.	2326.
ENERGY	AGXE		2173778.	380322.	320812.	701134.	9585.	2836.
CUSTOMER	AGXC		4168180.	1120017.	1694869.	2814886.	389814.	52638.
TOTAL	AGX		16255772.	4163350.	4208948.	8372298.	408462.	57800.
O&M EXPENSE SUMMARY	T3							
DEMAND	OMXD		68010299.	16704134.	13473483.	30177617.	36129.	9283.
ENERGY	OMXE		81108206.	14194321.	11972858.	26167179.	357639.	105835.
CUSTOMER	OMXC		16130088.	4322970.	6548549.	10871519.	1529460.	213879.
TOTAL	OMX		165248593.	35221425.	31994890.	67216316.	1923228.	328997.

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ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MW
ADMIN & GENERAL EXPENSE	T1							
PRODUCTION -DEMAND	AGXPD		26079.	471279.	660963.	508196.	1006469.	9122.
-ENERGY	AGXPE		16426.	199602.	285572.	264330.	686643.	6265.
-TOTAL	AGXPP		42505.	670881.	946535.	772526.	1693113.	15387.
TRAN -BULK -DEMAND	AGXBTD		5099.	92140.	129226.	99358.	196776.	1784.
-SUBT -DEMAND	AGXSTD		1681.	29280.	42403.	35100.	76782.	602.
-TOTAL	AGXTD		6780.	121421.	171629.	134458.	273559.	2385.
DISTRIBUTN -DEMAND	AGXDD		53652.	652799.	634865.	141045.	22210.	13807.
-CUSTOMER	AGXDC		48710.	171293.	119703.	6410.	784.	1483.
-TOTAL	AGXDP		102362.	824092.	754568.	147455.	22994.	15290.
CUST.ACCTS -CUSTOMER	AGXCA		125007.	261320.	80782.	3393.	556.	685.
CUST.SERV -CUSTOMER	AGXCS		41324.	41512.	3055.	234.	38.	230.
TOTAL A&G LESS REGULATORY	AGXO	OML	317978.	1919225.	1956569.	1058066.	1990260.	33978.
REGULATORY -DEMAND	AGXREGD		2526.	25961.	33035.	24207.	49089.	610.
-ENERGY	AGXREGE		18.	149.	228.	256.	729.	5.
-CUSTOMER	AGXREGC		848.	1995.	1366.	82.	12.	18.
-TOTAL	AGXREG	RSALE	3392.	28104.	34630.	24545.	49830.	634.
A&G EXPENSE SUMMARY	T2							
DEMAND	AGXD		89037.	1271459.	1500493.	807907.	1351327.	25924.
ENERGY	AGXE		16444.	199751.	285800.	264585.	687373.	6271.
CUSTOMER	AGXC		215889.	476120.	204906.	10119.	1390.	2417.
TOTAL	AGX		321370.	1947330.	1991199.	1082611.	2040090.	34612.
O&M EXPENSE SUMMARY	T3							
DEMAND	OMXD		528325.	8225528.	10380494.	6555687.	11933074.	164161.
ENERGY	OMXE		613408.	7453716.	10664089.	9870902.	25641480.	233957.
CUSTOMER	OMXC		832782.	1829909.	797858.	39680.	5407.	9593.
TOTAL	OMX		1974516.	17509153.	21842440.	16466270.	37579962.	407711.



ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	TOTAL RETAIL	RS HEAT	RS NON-HEAT	RS TOTAL	OL	SL
DEPRECIATION EXPENSE	T1							
PRODUCTION -DEMAND	DXPP	PPD	7530207.	1583629.	1231828.	2815457.	0.	0.
TRAN -BULK -DEMAND	DXBD	BTPD	2930892.	616377.	479450.	1095826.	0.	0.
-SUBT -DEMAND	DXSD	STPD	1013781.	198990.	163721.	362711.	539.	161.
-TOTAL	DXTD		3944673.	815367.	643171.	1458537.	539.	161.
DISTRIBUTN -DEMAND	DXDD		7129931.	2508705.	2165775.	4674479.	16926.	4352.
-CUSTOMER	DXDC		1313595.	310422.	423216.	733639.	147767.	69223.
-TOTAL	DXDP	DP	8443526.	2819127.	2588991.	5408118.	164694.	73575.
GENERAL PT -DEMAND	DXGD		501314.	135500.	111499.	247000.	459.	118.
-ENERGY	DXGE		112227.	19640.	16567.	36207.	495.	146.
-CUSTOMER	DXGC		214671.	57729.	87362.	145092.	20049.	2690.
-TOTAL	DXGP	GP	828212.	212870.	215428.	428298.	21002.	2955.
DEPR EXPENSE SUMMARY	T2							
DEMAND	DXD		19106125.	5043200.	4152272.	9195473.	17924.	4631.
ENERGY	DXE		112227.	19640.	16567.	36207.	495.	146.
CUSTOMER	DXC		1528266.	368151.	510579.	878730.	167816.	71913.
TOTAL	DX		20746618.	5430992.	4679417.	10110410.	186235.	76690.

ADJUSTED

KENTUCKY POWER COMPANY  
12 CP CLASS COST OF SERVICE STUDY  
12 MONTHS ENDED DECEMBER 31, 1990

DETAIL	ITEM IDENT.	ALLOC.	GS FIXED	GS OTHER	LGS	QP	CIP-TOD	MW
DEPRECIATION EXPENSE	T1							
PRODUCTION -DEMAND	DXPR	PPD	45843.	828439.	1161876.	893334.	1769224.	16036.
TRAN -BULK -DEMAND	DXBD	BTPD	17843.	322443.	452223.	347702.	688614.	6241.
-SUBT -DEMAND	DXSD	STPD	5883.	102466.	148387.	122831.	268698.	2106.
-TOTAL	DXTD		23726.	424909.	600610.	470533.	957312.	8347.
DISTRIBUTN -DEMAND	DXDD		93040.	1071607.	1009408.	205338.	32105.	22676.
-CUSTOMER	DXDC		47153.	179997.	126784.	6683.	819.	1529.
-TOTAL	DXDP	DP	140193.	1251604.	1136192.	212021.	32924.	24205.
GENERAL PT -DEMAND	DXGD		4470.	64355.	75824.	40494.	67287.	1308.
-ENERGY	DXGE		849.	10313.	14756.	13658.	35479.	324.
-CUSTOMER	DXGC		11111.	24498.	10517.	519.	71.	124.
-TOTAL	DXGP	GP	16430.	99167.	101096.	54671.	102837.	1756.
DEPR. EXPENSE SUMMARY	T2							
DEMAND	DXD		167078.	2389310.	2847718.	1609698.	2825927.	48367.
ENERGY	DXE		849.	10313.	14756.	13658.	35479.	324.
CUSTOMER	DXC		58264.	204496.	137301.	7202.	891.	1653.
TOTAL	DX		226191.	2604119.	2999775.	1630558.	2862297.	50344.