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January 3, 2014

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HAND DELIVERED

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

RECEIVED
JAN 03 2014
PUBLIC SERVICE
COMMISSION

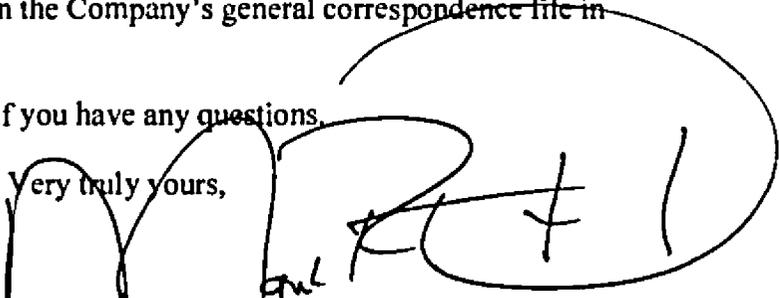
**Re: Case No. 2013-00144 (To Be Filed In Kentucky Power's General
Correspondence File Per Paragraph 13 Of The Commission's October 10, 2013
Order)**

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of Kentucky Power Company's first status report. It is being filed pursuant to paragraph 12 of the Commission's October 10, 2013 Order. It should be filed in the Company's general correspondence file in accordance with paragraph 13 of the order.

Please do not hesitate to contact me if you have any questions.

Very truly yours,


Mark R. Overstreet

MRO

Enclosure

cc: Jennifer B. Hans
Michael L. Kurtz

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF KENTUCKY
POWER COMPANY FOR: (1) THE
APPROVAL OF THE TERMS AND
CONDITIONS OF THE RENEWABLE
ENERGY PURCHASE AGREEMENT FOR
BIOMASS ENERGY RESOURCES
BETWEEN THE COMPANY AND
ECOPOWER GENERATION-HAZARD
LLC; (2) AUTHORIZATION TO ENTER
INTO THE AGREEMENT; (3) THE GRANT
OF CERTAIN DECLARATORY RELIEF;
AND (4) THE GRANT OF ALL OTHER
REQUIRED APPROVALS AND RELIEF

RECEIVED
JAN 03 2014
PUBLIC SERVICE
COMMISSION

CASE NO. 2013-00144

January 3, 2014 Status Report

In conformity with paragraph 12 of the Commission's October 10, 2013 Order¹, Kentucky Power Company submits the following status report regarding ecoPower's construction of the Biomass Facility, subject to the terms and conditions of the Biomass REPA, as amended:

1. ecoPower representatives indicate that construction at the site began on April 22, 2013 and continued through approximately August 2013, consisting of site excavation, site

¹ This Order is currently under appeal by the Kentucky Industrial Customers, Inc. in Franklin Circuit Court Civil Action No. 13-CI-1372. The Biomass REPA, as amended, that is the subject of the Order and appeal remains, amongst other items, subject to the Conditions Precedent set forth in Article 6 of the REPA.

preparation to create a compacted, load bearing surface on the mine spoil site, and construction of the foundation for the fuel handling chipper building.

2. ecoPower indicates that it suspended construction work and does not anticipate any further construction during the pendency of the appeal by Kentucky Industrial Customers, Inc. of the Commission's October 10, 2013 Order. ecoPower indicates that resumption of construction work by ecoPower is conditioned upon, amongst other items, ecoPower's Financial Closing as set forth in the Biomass REPA.

3. The construction schedule and resulting commercial operation date are subject to the resolution of the current appeal of the REPA and the requisite conditions precedent of the Biomass REPA being met.

4. Representatives of ecoPower indicate that all construction permits necessary for the construction of the Biomass Facility are in place, and that the necessary operating permits, a KPDES permit for industrial wastewater discharge and the renewal of the Title V Air Permit, will both be secured at a later date.

5. ecoPower indicates that a response from PJM on the System Impact Study is expected by the end of January 2014.

6. Photographs provided to Kentucky Power by ecoPower representatives of the work related to the foundation for the fuel handling chipper building are attached as EXHIBIT 1.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark R. Overstreet', written over a horizontal line. The signature is stylized and somewhat cursive.

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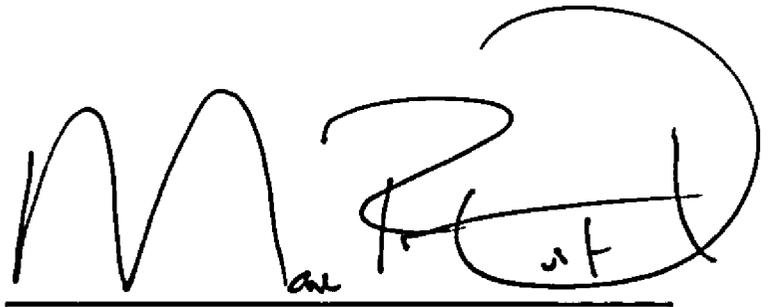
COUNSEL FOR KENTUCKY POWER
COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by U.S. Mail, postage prepaid, upon the following parties of record, this 3rd day of January, 2014.

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Kurt Boehm
Jody Kyler Cohn
Boehm, Kurtz & Lowry
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Cincinnati, OH 45202

Jennifer Black Hans
Dennis G. Howard II
Lawrence W. Cook
Assistant Attorney General
Office for Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

A handwritten signature in black ink, appearing to read 'Mark R. Overstreet', written over a horizontal line. The signature is stylized with large, sweeping letters and a large circular flourish at the end.

Mark R. Overstreet

EXHIBIT 1

