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JUN 29 2015

PUBLIC SERVICE
COMMISSION

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June 29, 2015

HAND DELIVERED

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

RE: Case No. 2013-00144 (To Be Retained In Kentucky Power's General Correspondence File)

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of Kentucky Power's Company's June 29, 2015 Status Report. It is being filed in conformity with paragraph 12 of the Commission's October 10, 2013 Order.

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

Very truly yours,

Mark R. Overstreet

MRO

cc: Counsel of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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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) Case No. 2013-00144
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)

June 29, 2015 Status Report

In conformity with Paragraph 12 of the Commission's October 10, 2013 Order,¹ Kentucky Power Company submits its fourth status report regarding ecoPower's construction of the Biomass Facility, subject to the terms and conditions of the Biomass REPA, as amended:

1. On June 23, 2015, ecoPower confirmed there has been no further work at the site since, as reported in the January 3, 2014 status report, site work was suspended on October 24, 2013. ecoPower indicated that it does not anticipate any further construction during the pendency of the appeal by Kentucky Industrial Utility Customers, Inc. of the Commission's October 10, 2013 Order. ecoPower further indicated that resumption of construction work by ecoPower is conditioned upon, among other items, ecoPower's Financial Closing as set forth in the Biomass REPA.

¹ The October 10, 2013 Order currently is being appealed by the Kentucky Industrial Utility Customers, Inc. ("KIUC"). On February 18, 2015, in Civil Action No. 13-CI-1372, the Franklin Circuit Court upheld the Commission's October 10, 2013 Order. KIUC filed a notice of appeal of the Franklin Circuit Court's order to the Kentucky Court of Appeals. 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. The parties have not yet briefed the case and oral argument has not yet been scheduled.

2. The construction schedule and resulting commercial operation date are subject to the resolution of the current appeal of the REPA and the satisfaction of the requisite conditions precedent of the Biomass REPA, as amended², being met.

3. On June 23, 2015 ecoPower indicated that site grading, access roads, and foundation work will commence upon financial close of the project. ecoPower also reported that, subject to the conditions precedent of the REPA, a four to six month due diligence period will be required after a final non-appealable order before financial close occurs. ecoPower stated that upon final notice to proceed to the Engineering, Procurement and Construction contractor, the work schedule calls for a thirty-two month construction and start-up period prior to commercial operation.

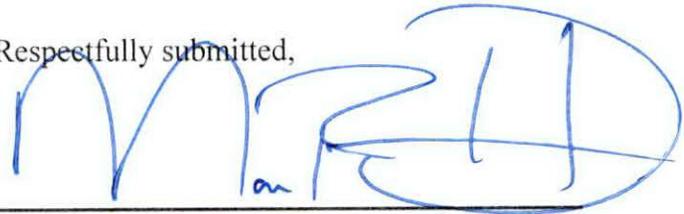
4. Representatives of ecoPower indicated on June 23, 2015 that construction permits necessary for the construction of the Biomass Facility currently remain in place. An application for renewal of the Title V Air Permit was submitted on November 12, 2014. The application was deemed complete as of December 11, 2014. A Proposed Permit was issued by the Kentucky Division of Air Quality on April 22, 2015 authorizing operation and construction of the Biomass Facility in accordance with the terms and conditions of the permit. The EPA 45 day review period of the Proposed Permit expired on June 13, 2015. Modification of the existing construction waste water permit will be requested prior to physical resumption of site work.

5. Representatives of ecoPower indicated on June 23, 2015 that PJM completed the System Impact Study and tendered a draft Facilities Study Agreement for consideration on October 6, 2014. Upon review of all reasonable alternatives and the schedule and cost of each, ecoPower notified PJM in November 2014 that it was withdrawing from the current queue and

² Kentucky Power filed with the Commission on June 18, 2015 an application in Case No. 2015-00190 seeking approval of the Sixth Amendment to the ecoPower REPA.

would re-apply in a future queue in order to accommodate the project delay associated with the continuing appeal of the Commission Approval Order of October 10, 2013.

Respectfully submitted,



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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 29th day of June, 2015.

Michael L. Kurtz
Kurt Boehm
Jody Kyler Cohn
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A handwritten signature in blue ink, appearing to read 'MR OVERSTREET', written over a horizontal line.

Mark R. Overstreet