

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)	
THE FUEL ADJUSTMENT CLAUSE OF)	CASE NO.
KENTUCKY POWER COMPANY FROM)	2015-00232
NOVEMBER 1, 2014 THROUGH APRIL 30, 2015)	

ORDER

Pursuant to 807 KAR 5:056, the Commission established this case on August 14, 2015, to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Kentucky Power Company ("Kentucky Power") for the six-month period that ended on April 30, 2015. As part of this review, Kentucky Power submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing on this matter on October 7, 2015. On October 21, 2015, Kentucky Power filed its response to requests made at the hearing.

The Commission has previously established Kentucky Power's base fuel cost as 27.25 mills per kWh.¹ A review of Kentucky Power's monthly FAC filings shows that the fuel cost billed for the six-month period under review ranged from a low of 16.39 mills in December 2014 to a high of 27.02 mills in November 2014, with a six-month average of 22.87 mills. Given the Commission's disallowance of certain fuel costs related to the

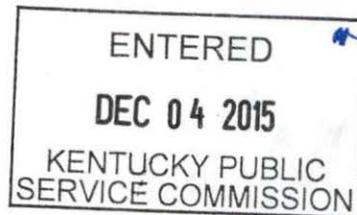
¹ Case No. 2014-00450, *An Examination of the Application of the Fuel Adjustment Clause of Kentucky Power Company from November 1, 2012 through October 31, 2014* (Ky. PSC Aug. 11, 2015).

Mitchell Generating Station in Case No. 2014-00225, the fuel costs for the period were lower than they would have otherwise been.²

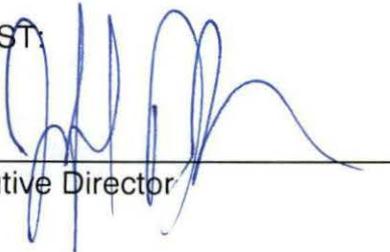
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of Kentucky Power's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by Kentucky Power through its FAC for the period November 1, 2014, through April 30, 2015, are approved.

By the Commission



ATTEST:



Executive Director

² See the January 22, 2015 Order in Case No. 2014-00225, *An Examination of the Application of the Fuel Adjustment Clause of Kentucky Power Company from November 1, 2013 through April 30, 2014*.

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