

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCY

IN THE MATTER OF

AN EXAMINATION OF THE APPLICATION)
OF THE FUEL ADJUSTMENT CLAUSE OF)
KENTUCKY POWER COMPANY FROM) CASE NO. 2013-00261
NOVEMBER 1, 2012 THROUGH APRIL 30, 2013)

KENTUCKY POWER COMPANY RESPONSE TO
COMMISSION STAFF'S SUPPLEMENTAL SET OF DATA REQUESTS

October 11, 2013

Kentucky Power Company

REQUEST

Refer to Kentucky Power's response to Item 26 of the Commission's August 8, Information Request.

- a. For each amount shown in the table, provide the PJM costs by PJM code and code title that are included in the amount.
- b. Provide a listing of all PJM codes and code titles that Kentucky Power believes are eligible for inclusion in the fuel adjustment clause calculation and an explanation for why they are includible.

October 10, 2013 Response As Corrected

a/b. For clarification, PJM costs are billed to American Electric Power Service Corporation ("AEPSC") using PJM billing line items ("BLI") and not PJM "codes." AEPSC assigns PJM costs to off system sales obligations and internal load requirements; then allocates these costs to the four member companies of the AEP-East Pool based on each members' member load ratio share. The PJM BLI detail is not recorded in the Company's general ledger during this process. Accordingly, the requested information is only available by FERC account number and cannot be readily segregated by BLI.

The PJM BLIs listed below are eligible for inclusion in the FAC:

PJM Billing			FERC
Line Item	PJM Billing Line Description	Type of Charge	Account
1200	Day-ahead Spot Market Energy	Energy Purchases	555
1205	Balancing Spot Market Energy	Energy Purchases	555
1220	Day-ahead Transmission Losses	Marginal Line Losses	4470207
1225	Balancing Transmission Losses	Marginal Line Losses	4470207
1420	Load Reconciliation for Transmission Losses Charge	Marginal Line Losses	4470207
2220	Transmission Losses Credit	Marginal Line Loss Credit	4470208
2420	Load Reconciliation for Transmission Losses Credit	Marginal Line Loss Credit	4470208

Amounts included in the FAC for PJM BLI 1200 and 1205 represent PJM spot market energy purchase amounts allocated to internal load recorded in FERC Account 555.

PJM BLI 1220, 1225, 1420, 2220 and 2420 are for marginal line losses and credits, and are recorded to accounts 4470207 and 4470208. For internal load, these costs are billed and recovered through the FAC in accordance with Commission Order Dated June 12, 2008 in Case No. 2007-00522.

Please see the table below identifying the relevant FERC accounts, the PJM BLIs included in the FERC accounts, and the corresponding costs as set out in the Company's October 10, 2013 revised response to KPSC 1-26.

FERC Account	PJM Billing Line Item	Revised Response to KPSC 1-26
555	1200, 1205	176,075
4470207	1220, 1225, 1420	5,016,522
4470208	2220, 2420	(1,061,963)

WITNESS: Amy J. Elliott