

PJM LSE-OSS Reclassification July 2011 - April 2013

As Originally Filed

LINE	DESCRIPTION	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	January 2012	February 2012	March 2012	April 2012
LINE 1	CRR from ES FORM 3.00	\$5,653,443	\$5,467,944	\$4,319,397	\$3,871,782	\$3,485,386	\$3,814,158	\$3,654,543	\$4,809,453	\$3,284,764	\$3,444,998	\$3,223,502	\$3,026,068
LINE 2	Br from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040
LINE 3	E(m) (LINE 1 - LINE 2)	\$1,730,853	\$1,840,670	\$514,072	(\$217,048)	(\$254,624)	\$553,856	\$868,503	\$735,132	(\$706,399)	(\$145,812)	(\$427,872)	(\$620,972)
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	77.6%	72.7%	68.3%	76.2%	79.7%	78.0%	83.3%	83.0%	88.6%	88.9%	90.6%	80.4%
LINE 5A	Net KY Retail E(m) (LINE 3 * LINE 4)	\$1,343,142	\$1,338,167	\$351,111	(\$165,390)	(\$202,935)	\$432,008	\$723,463	\$610,160	(\$625,869)	(\$129,627)	(\$387,852)	(\$499,261)
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$629,557)	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 6	(Over)/Under Recovery Adjustment from ES FORM 3.30	\$179,377	\$7,110	(\$235,309)	(\$197,884)	\$5,290	(\$27,561)	\$15,676	(\$122,928)	(\$105,459)	(\$74,511)	(\$211,240)	(\$17,621)
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$1,522,519	\$1,345,277	\$115,802	(\$363,274)	(\$197,645)	\$404,447	\$739,139	\$487,232	(\$731,328)	(\$204,138)	(\$1,228,449)	(\$516,882)
LINE 8	Net KY Retail E(m) (Line 7)	\$1,522,519	\$1,345,277	\$115,802	(\$363,274)	(\$197,645)	\$404,447	\$739,139	\$487,232	(\$731,328)	(\$204,138)	(\$1,228,449)	(\$516,882)
LINE 9	KY Retail R(m) from ES FORM 3.30	\$40,424,987	\$46,953,714	\$46,534,433	\$47,519,210	\$44,097,032	\$38,287,502	\$42,852,396	\$50,620,415	\$55,884,283	\$48,360,835	\$44,915,695	\$35,695,838
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	3.7663%	2.8651%	0.2489%	-0.7645%	-0.4482%	1.0563%	1.7248%	0.9625%	-1.3086%	-0.4221%	-2.7350%	-1.4480%

As Revised

LINE	DESCRIPTION	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	January 2012	February 2012	March 2012	April 2012
LINE 11	CRR from ES FORM 3.00	\$5,653,443	\$5,467,944	\$4,319,397	\$3,871,782	\$3,485,386	\$3,814,158	\$3,654,543	\$4,809,453	\$3,284,764	\$3,444,998	\$3,223,502	\$3,026,068
LINE 12	Br from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040
LINE 13	E(m) (LINE 11 - LINE 12)	\$1,730,853	\$1,840,670	\$514,072	(\$217,048)	(\$254,624)	\$553,856	\$868,503	\$735,132	(\$706,399)	(\$145,812)	(\$427,872)	(\$620,972)
LINE 14	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	77.6%	72.7%	68.5%	76.3%	79.7%	78.0%	83.3%	83.1%	88.6%	89.0%	90.6%	80.4%
LINE 15	Net KY Retail E(m) (LINE 13 * LINE 14)	\$1,343,142	\$1,338,167	\$352,139	(\$165,607)	(\$202,935)	\$432,008	\$723,463	\$610,895	(\$625,869)	(\$129,773)	(\$387,852)	(\$499,261)
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$629,557)	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 16	(Over)/Under Recovery Adjustment from ES FORM 3.30	\$179,377	\$7,110	(\$235,309)	(\$197,884)	\$5,290	(\$27,561)	\$15,676	(\$122,928)	(\$105,459)	(\$74,511)	(\$211,240)	(\$17,621)
LINE 17	Net KY Retail E(m) (LINE 15 + LINE 16)	\$1,522,519	\$1,345,277	\$116,830	(\$363,491)	(\$197,645)	\$404,447	\$739,139	\$487,967	(\$731,328)	(\$204,284)	(\$1,228,449)	(\$516,882)
LINE 18	Net KY Retail E(m) (Line 17)	\$1,522,519	\$1,345,277	\$116,830	(\$363,491)	(\$197,645)	\$404,447	\$739,139	\$487,967	(\$731,328)	(\$204,284)	(\$1,228,449)	(\$516,882)
LINE 19	KY Retail R(m) from ES FORM 3.30	\$40,424,987	\$46,953,714	\$46,534,433	\$47,519,210	\$44,097,032	\$38,287,502	\$42,852,396	\$50,620,415	\$55,884,283	\$48,360,835	\$44,915,695	\$35,695,838
LINE 20	Environmental Surcharge Factor for Expense Month (Line 18 / LINE 19)	3.7663%	2.8651%	0.2511%	-0.7649%	-0.4482%	1.0563%	1.7248%	0.9640%	-1.3086%	-0.4224%	-2.7350%	-1.4480%
LINE 21	Difference (Line 18 - Line 8)	\$0	\$0	\$1,028	(\$217)	\$0	\$0	\$0	\$735	\$0	(\$146)	\$0	\$0

As Originally Filed

PJLISE-OSS Reclassification July 2011 - April 2013

Review Period
 Total
 (Over) / Under
 Recovery
 in Test Period

LINE	DESCRIPTION	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	Total
LINE 1	CRR from ES FORM 3.00	\$2,391,424	\$2,882,566	\$3,327,923	\$3,236,799	\$2,324,588	\$2,316,161	\$2,344,576	\$2,918,789	\$3,129,219	\$3,543,964	\$3,855,280	\$3,567,081	
LINE 2	Br from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040	
LINE 3	E(m) (LINE 1 - LINE 2)	(\$1,531,166)	(\$744,708)	(\$477,402)	(\$852,031)	(\$1,415,422)	(\$944,141)	(\$441,464)	(\$1,155,532)	(\$861,944)	(\$46,846)	\$203,906	(\$79,959)	
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	86.0%	81.8%	72.7%	76.0%	83.6%	81.3%	86.1%	82.1%	79.5%	84.7%	79.3%	82.6%	
LINE 5A	KY Retail E(m) (LINE 3 * LINE 4)	(\$1,316,803)	(\$609,171)	(\$347,071)	(\$647,544)	(\$1,183,293)	(\$767,587)	(\$380,100)	(\$948,682)	(\$685,245)	(\$39,679)	\$161,697	(\$66,046)	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	(\$452,811)	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 6	(Over)/Under Recovery Adjustment from ES FORM 3.30	(\$224,683)	\$42,619	\$240,902	\$169,488	\$75,457	(\$103,039)	(\$117,808)	\$257,480	\$237,731	\$263,437	(\$7,291)	\$39,254	
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$1,541,486)	(\$566,552)	(\$106,169)	(\$478,056)	(\$1,107,836)	(\$870,626)	(\$950,719)	(\$691,212)	(\$447,514)	\$223,758	\$154,406	(\$731,084)	
<u>SURCHARGE FACTOR</u>														
LINE 8	Net KY Retail E(m) (Line 7)	(\$1,541,486)	(\$566,552)	(\$106,169)	(\$478,056)	(\$1,107,836)	(\$870,626)	(\$950,719)	(\$691,212)	(\$447,514)	\$223,758	\$154,406	(\$731,084)	
LINE 9	KY Retail R(m) from ES FORM 3.30	\$34,553,138	\$38,175,818	\$42,364,193	\$41,135,196	\$40,601,205	\$37,297,076	\$38,818,782	\$45,052,309	\$47,675,984	\$52,588,752	\$44,820,096	\$45,261,359	
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-4.4612%	-1.4841%	-0.2506%	-1.1622%	-2.7286%	-2.3343%	-2.4491%	-1.5342%	-0.9387%	0.4255%	0.3445%	-1.6152%	

As Revised

LINE	DESCRIPTION	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	Total
LINE 11	CRR from ES FORM 3.00	\$2,391,424	\$2,882,566	\$3,327,923	\$3,236,799	\$2,324,588	\$2,316,161	\$2,344,576	\$2,918,789	\$3,129,219	\$3,543,964	\$3,855,280	\$3,567,081	
LINE 12	Br from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040	
LINE 13	E(m) (LINE 11 - LINE 12)	(\$1,531,166)	(\$744,708)	(\$477,402)	(\$852,031)	(\$1,415,422)	(\$944,141)	(\$441,464)	(\$1,155,532)	(\$861,944)	(\$46,846)	\$203,906	(\$79,959)	
LINE 14	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	86.0%	81.9%	72.8%	76.1%	83.8%	81.5%	86.2%	82.3%	79.6%	84.7%	79.3%	82.6%	
LINE 15	KY Retail E(m) (LINE 13 * LINE 14)	(\$1,316,803)	(\$609,916)	(\$347,549)	(\$648,396)	(\$1,186,123)	(\$769,475)	(\$380,542)	(\$951,003)	(\$686,107)	(\$39,679)	\$161,697	(\$66,046)	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	(\$452,811)	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 16	(Over)/Under Recovery Adjustment from ES FORM 3.30	(\$224,683)	\$42,619	\$240,902	\$169,488	\$75,457	(\$103,039)	(\$117,808)	\$257,480	\$237,731	\$263,437	(\$7,291)	\$39,254	
LINE 17	Net KY Retail E(m) (LINE 15 + LINE 16)	(\$1,541,486)	(\$567,297)	(\$106,647)	(\$478,908)	(\$1,110,666)	(\$872,514)	(\$951,161)	(\$693,523)	(\$448,376)	\$223,758	\$154,406	(\$731,084)	
LINE 18	Net KY Retail E(m) (Line 17)	(\$1,541,486)	(\$567,297)	(\$106,647)	(\$478,908)	(\$1,110,666)	(\$872,514)	(\$951,161)	(\$693,523)	(\$448,376)	\$223,758	\$154,406	(\$731,084)	
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LINE 20	Environmental Surcharge Factor for Expense Month (Line 18 / LINE 19)	-4.4612%	-1.4860%	-0.2517%	-1.1642%	-2.7355%	-2.3394%	-2.4503%	-1.5394%	-0.9405%	0.4255%	0.3445%	-1.6152%	
LINE 21	Difference (Line 18 - Line 8)	\$0	(\$745)	(\$478)	(\$852)	(\$2,830)	(\$1,888)	(\$442)	(\$2,311)	(\$862)	\$0	\$0	\$0	
													<u>(\$9,008)</u>	
													<u>(\$9,008)</u>	
													Total Over Collection	

PJM LSE-OSS Reclassification with Additional Consumption and Allowance Gain Adjustments (January 2012 - April 2013)

As Originally Filed

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LINE 3	E(m) (LINE 1 - LINE 2)	\$1,730,853	\$1,840,670	\$514,072	(\$217,048)	(\$254,624)	\$553,856	\$868,503	\$735,132	(\$706,399)	(\$145,812)	(\$427,872)	(\$620,972)
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LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 6	(Over)/Under Recovery Adjustment from ES FORM 3.30	\$179,377	\$7,110	(\$235,309)	(\$197,884)	\$5,290	(\$27,561)	\$15,676	(\$122,928)	(\$105,459)	(\$74,511)	(\$211,240)	(\$17,621)
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LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	3.7663%	2.8651%	0.2489%	-0.7645%	-0.4482%	1.0563%	1.7248%	0.9625%	-1.3086%	-0.4221%	-2.7350%	-1.4480%

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LINE 12	Br from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040
LINE 13	E(m) (LINE 11 - LINE 12)	\$1,730,853	\$1,840,670	\$514,072	(\$217,048)	(\$254,624)	\$553,856	\$868,503	\$735,132	\$2,702,292	(\$138,566)	(\$424,442)	(\$619,362)
LINE 14	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	77.6%	72.7%	68.5%	76.3%	79.7%	78.0%	83.3%	83.1%	88.6%	89.0%	90.6%	80.4%
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LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$629,557)	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LINE 16	(Over)/Under Recovery Adjustment from ES FORM 3.30	\$179,377	\$7,110	(\$235,309)	(\$197,884)	\$5,290	(\$27,561)	\$15,676	(\$122,928)	(\$105,459)	(\$74,511)	(\$211,240)	(\$17,621)
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LINE 20	Environmental Surcharge Factor for Expense Month (Line 18 / LINE 19)	3.7663%	2.8651%	0.2511%	-0.7649%	-0.4482%	1.0563%	1.7248%	0.9640%	4.0956%	-0.4091%	-2.7281%	-1.4444%
LINE 21	Difference (Line 18 - Line 8)	\$0	\$0	\$1,028	(\$217)	\$0	\$0	\$0	\$735	\$3,020,101	\$6,303	\$3,108	\$1,294

KENTUCKY POWER COMPANY
ENVIRONMENTAL SURCHARGE REPORT
CALCULATION OF E(m) and SURCHARGE FACTOR

Review Period
Total
(Over) / Under
Recovery
in Test Period

As Originally Filed
PJM LSE-OSS Reclassification with Additional Consumption and Allowance Gain Adjustments (January 2012 - April 2013)

LINE	DESCRIPTION	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	Review Period Total (Over) / Under Recovery in Test Period
LINE 1	CRR from ES FORM 3.00	\$2,391,424	\$2,882,566	\$3,327,923	\$3,236,799	\$2,324,588	\$2,316,161	\$2,344,576	\$2,918,789	\$3,129,219	\$3,543,964	\$3,855,280	\$3,567,081	
LINE 2	Brr from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040	
LINE 3	E(m) (LINE 1 - LINE 2)	(\$1,531,166)	(\$744,708)	(\$477,402)	(\$852,031)	(\$1,415,422)	(\$944,141)	(\$441,464)	(\$1,155,532)	(\$861,944)	(\$46,846)	\$203,906	(\$79,959)	
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	86.0%	81.8%	72.7%	76.0%	83.6%	81.3%	86.1%	82.1%	79.5%	84.7%	79.3%	82.6%	
LINE 5A	KY Retail E(m) (LINE 3 * LINE 4)	(\$1,316,803)	(\$609,171)	(\$347,071)	(\$647,544)	(\$1,183,293)	(\$767,587)	(\$380,100)	(\$948,692)	(\$685,245)	(\$39,679)	\$161,697	(\$66,046)	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 6	(Over)/Under Recovery Adjustment from ES FORM 3.30	(\$224,683)	\$42,619	\$240,902	\$169,488	\$75,457	(\$103,039)	(\$117,808)	\$257,480	\$237,731	\$283,437	(\$7,291)	\$39,254	
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$1,541,486)	(\$566,552)	(\$106,169)	(\$478,056)	(\$1,107,836)	(\$870,626)	(\$950,719)	(\$691,212)	(\$447,514)	\$223,758	\$154,406	(\$731,084)	
LINE 8	Net KY Retail E(m) (Line 7)	(\$1,541,486)	(\$566,552)	(\$106,169)	(\$478,056)	(\$1,107,836)	(\$870,626)	(\$950,719)	(\$691,212)	(\$447,514)	\$223,758	\$154,406	(\$731,084)	
LINE 9	KY Retail R(m) from ES FORM 3.30	\$34,553,138	\$38,175,818	\$42,364,193	\$41,135,196	\$40,601,205	\$37,297,076	\$38,818,782	\$45,052,309	\$47,675,984	\$52,588,752	\$44,820,096	\$45,261,359	
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-4.4612%	-1.4841%	-0.2506%	-1.1622%	-2.7286%	-2.3343%	-2.4491%	-1.5342%	-0.9387%	0.4255%	0.3445%	-1.6152%	
As Revised														
LINE 11	CRR from ES FORM 3.00	\$2,395,255	\$2,886,398	\$3,331,755	\$3,240,631	\$2,328,417	\$2,319,980	\$2,333,450	\$2,922,621	\$3,782,353	\$3,520,209	\$3,855,855	\$3,567,822	
LINE 12	Brr from ES FORM 1.10	\$3,922,590	\$3,627,274	\$3,805,325	\$4,088,830	\$3,740,010	\$3,260,302	\$2,786,040	\$4,074,321	\$3,991,163	\$3,590,810	\$3,651,374	\$3,647,040	
LINE 13	E(m) (LINE 11 - LINE 12)	(\$1,527,335)	(\$740,876)	(\$473,570)	(\$848,199)	(\$1,411,593)	(\$940,312)	(\$452,590)	(\$1,151,700)	(\$228,810)	(\$70,601)	\$204,481	(\$79,218)	
LINE 14	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	86.0%	81.9%	72.8%	76.1%	83.8%	81.5%	86.2%	82.3%	79.6%	84.7%	79.3%	82.6%	
LINE 15	KY Retail E(m) (LINE 13 * LINE 14)	(\$1,313,508)	(\$606,777)	(\$344,759)	(\$645,479)	(\$1,182,914)	(\$766,354)	(\$390,133)	(\$947,849)	(\$182,133)	(\$59,799)	\$162,153	(\$65,434)	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2011-00031, dated April 16, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00273, dated December 12, 2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 5B	Environmental Surcharge Clause Adjustment Case No. 2012-00504, dated May 13, 2013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LINE 6	(Over)/Under Recovery Adjustment from ES FORM 3.30	(\$224,683)	\$42,619	\$240,902	\$169,488	\$75,457	(\$103,039)	(\$117,808)	\$257,480	\$237,731	\$283,437	(\$7,291)	\$39,254	
LINE 16	Net KY Retail E(m) (LINE 15 + LINE 16)	(\$1,538,191)	(\$564,158)	(\$103,857)	(\$475,991)	(\$1,107,457)	(\$869,393)	(\$960,752)	(\$690,369)	(\$278,400)	\$203,638	\$154,862	(\$730,472)	
LINE 17	Net KY Retail E(m) (Line 17)	(\$1,538,191)	(\$564,158)	(\$103,857)	(\$475,991)	(\$1,107,457)	(\$869,393)	(\$960,752)	(\$690,369)	(\$278,400)	\$203,638	\$154,862	(\$730,472)	
LINE 19	KY Retail R(m) from ES FORM 3.30	\$34,553,138	\$38,175,818	\$42,364,193	\$41,135,196	\$40,601,205	\$37,297,076	\$38,818,782	\$45,052,309	\$47,675,984	\$52,588,752	\$44,820,096	\$45,261,359	
LINE 20	Environmental Surcharge Factor for Expense Month (Line 18 / LINE 19)	-4.4617%	-1.4778%	-0.2452%	-1.1571%	-2.7276%	-2.3310%	-2.4750%	-1.5324%	0.1166%	0.3872%	0.3455%	-1.6139%	
LINE 21	Difference (Line 18 - Line 8)	\$3,295	\$2,394	\$2,312	\$2,065	\$379	\$1,233	(\$10,033)	\$843	\$503,112	(\$20,120)	\$456	\$612	
													\$3,518,900	
													\$3,518,900	

Total Under Collection

Revised - September 26, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of July 2011

CALCULATION OF E(m)		As Revised in Case No. 2012-00504 (1)	Revised Sep-13 (2)	Difference (3) (2) - (1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$4,319,397	\$4,319,397	\$0
LINE 2	Brr from ES FORM 1.10	3,805,325	3,805,325	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	\$514,072	\$514,072	\$0
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	68.3%	68.5%	0.2%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	\$351,111	\$352,139	\$1,028
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$235,309)	(\$235,309)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$115,802	\$116,830	\$1,028
SURCHARGE FACTOR				
LINE 8	Net KY Retail E(m) (Line 7)	\$115,802	\$116,830	\$1,028
LINE 9	KY Retail R(m) from ES FORM 3.30	\$46,534,433	\$46,534,433	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	0.2489%	0.2511%	0.0022%

Effective Date for Billing: August 29, 2011

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : August 19, 2011

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of July 2011

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$46,534,433	68.5%	\$46,534,433	68.3%
2	FERC Wholesale Revenues	\$530,987	0.8%	\$530,987	0.8%
3	Associated Utilities Revenues	\$8,031,761	11.8%	\$8,031,761	11.8%
4	Non-Assoc. Utilities Revenues	\$12,852,366	18.9%	\$13,076,250	19.1%
5	Total Revenues for Surcharges Purposes	\$67,949,547	100.0%	\$68,173,431	100.0%
6	Non-Physical Revenues for Month	\$1,036,488		\$1,036,488	
7	Total Revenues for Month	\$68,986,035		\$69,209,919	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for May 2011	3.8659%
2	Kentucky Retail Revenues for Current Expense Month	\$46,511,912
3	Surcharge Collected (1) * (2)	\$1,798,104
4	Surcharge Amount To Be Collected	\$1,562,795
5	Over / (Under) Recovery (3) - (4) = (5)	\$235,309

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - September 26, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of August 2011

CALCULATION OF E(m)		Previously Revised in Case No. 2012-00504 (1)	Revised Sep-13 (2)	Difference (3) (2) - (1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$3,871,782	\$3,871,782	\$0
LINE 2	Brr from ES FORM 1.10	4,088,830	4,088,830	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$217,048)	(\$217,048)	\$0
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	76.2%	76.3%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$165,390)	(\$165,607)	(\$217)
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$197,884)	(\$197,884)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$363,274)	(\$363,491)	(\$217)
SURCHARGE FACTOR				
LINE 8	Net KY Retail E(m) (Line 7)	(\$363,274)	(\$363,491)	(\$217)
LINE 9	KY Retail R(m) from ES FORM 3.30	\$47,519,210	\$47,519,210	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-0.7645%	-0.7649%	-0.0004%

Effective Date for Billing: September 28, 2011

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : September 16, 2011

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of August 2011

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$47,519,210	76.3%	\$47,519,210	76.2%
2	FERC Wholesale Revenues	\$525,287	0.8%	\$525,287	0.8%
3	Associated Utilities Revenues	\$5,676,708	9.1%	\$5,676,708	9.1%
4	Non-Assoc. Utilities Revenues	\$8,596,412	13.8%	\$8,673,690	13.9%
5	Total Revenues for Surcharges Purposes	\$62,317,617	100.0%	\$62,394,895	100.0%
6	Non-Physical Revenues for Month	\$844,708		\$844,708	
7	Total Revenues for Month	\$63,162,325		\$63,239,603	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for June 2011	2.9277%
2	Kentucky Retail Revenues for Current Expense Month	\$53,713,290
3	Surcharge Collected (1) * (2)	\$1,572,564
4	Surcharge Amount To Be Collected	\$1,374,680
5	Over / (Under) Recovery (3) - (4) = (5)	\$197,884

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - September 26, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of September 2011

<u>CALCULATION OF E(m)</u>		Previously Revised in Case No. 2012-(1)	Revised Sep-13 (2)	Difference (3) (2)-(1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$3,485,386	\$3,485,386	\$0
LINE 2	Brr from ES FORM 1.10	3,740,010	3,740,010	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$254,624)	(\$254,624)	\$0
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	79.7%	79.7%	0.0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$202,935)	(\$202,935)	\$0
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$5,290	\$5,290	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$197,645)	(\$197,645)	\$0
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$197,645)	(\$197,645)	\$0
LINE 9	KY Retail R(m) from ES FORM 3.30	\$44,097,032	\$44,097,032	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-0.4482%	-0.4482%	0.0000%

1/

Effective Date for Billing: October 27, 2011

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : October 17, 2011

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of September 2011

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$44,097,032	79.7%	\$44,097,032	79.7%
2	FERC Wholesale Revenues	\$438,222	0.8%	\$438,222	0.8%
3	Associated Utilities Revenues	\$4,158,869	7.5%	\$4,158,869	7.5%
4	Non-Assoc. Utilities Revenues	\$6,608,520	12.0%	\$6,653,495	12.0%
5	Total Revenues for Surcharges Purposes	\$55,302,643	100.0%	\$55,347,618	100.0%
6	Non-Physical Revenues for Month	\$308,585		\$308,585	
7	Total Revenues for Month	\$55,611,228		\$55,656,203	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for July 2011	0.3272%
2	Kentucky Retail Revenues for Current Expense Month	\$44,922,066
3	Surcharge Collected (1) * (2)	\$146,985
4	Surcharge Amount To Be Collected	\$152,275
5	Over / (Under) Recovery (3) - (4) = (5)	(\$5,290)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - September 26, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of October 2011

<u>CALCULATION OF E(m)</u> E(m) = CRR - BRR		Previously Revised in Case No. 2012-00504 (1)	Revised Sep-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,814,158	\$3,814,158	\$0
LINE 2	Brr from ES FORM 1.10	3,260,302	3,260,302	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	\$553,856	\$553,856	\$0
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	78.0%	78.0%	0.0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	\$432,008	\$432,008	\$0
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$27,561)	(\$27,561)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$404,447	\$404,447	\$0
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	\$404,447	\$404,447	\$0
LINE 9	KY Retail R(m) from ES FORM 3.30	\$38,287,502	\$38,287,502	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	1.0563%	1.0563%	0.0000%

Effective Date for Billing: November 29, 2011

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : November 18, 2011

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of October 2011

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$38,287,502	78.0%	\$38,287,502	78.0%
2	FERC Wholesale Revenues	\$394,110	0.8%	\$394,110	0.8%
3	Associated Utilities Revenues	\$6,275,626	12.8%	\$6,275,626	12.8%
4	Non-Assoc. Utilities Revenues	\$4,108,070	8.4%	\$4,110,816	8.4%
5	Total Revenues for Surcharges Purposes	\$49,065,308	100.0%	\$49,068,054	100.0%
6	Non-Physical Revenues for Month	\$89,285		\$89,285	
7	Total Revenues for Month	\$49,154,593		\$49,157,339	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for August 2011	-0.1794%
2	Kentucky Retail Revenues for Current Expense Month	\$32,154,404
3	Surcharge Collected (1) * (2)	(\$57,685)
4	Surcharge Amount To Be Collected	(\$85,246)
5	Over / (Under) Recovery (3) - (4) = (5)	\$27,561

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - September 26, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of November 2011

CALCULATION OF E(m) E(m) = CRR - BRR		Previously Revised in Case No. 2012-00504 (1)	Revised Sep-13 (2)	Difference (3) (2) -(1)
LINE 1	CRR from ES FORM 3.00	\$3,654,543	\$3,654,543	\$0
LINE 2	Brr from ES FORM 1.10	2,786,040	2,786,040	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	\$868,503	\$868,503	\$0
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	83.3%	83.3%	0.0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	\$723,463	\$723,463	\$0
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$15,676	\$15,676	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$739,139	\$739,139	\$0
SURCHARGE FACTOR				
LINE 8	Net KY Retail E(m) (Line 7)	\$739,139	\$739,139	\$0
LINE 9	KY Retail R(m) from ES FORM 3.30	\$42,852,396	\$42,852,396	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	1.7248%	1.7248%	0.0000%

Effective Date for Billing: December 30, 2011

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : December 19, 2011

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of November 2011

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$42,852,396	83.3%	\$42,852,396	83.3%
2	FERC Wholesale Revenues	\$437,049	0.8%	\$437,049	0.8%
3	Associated Utilities Revenues	\$4,682,074	9.1%	\$4,682,074	9.1%
4	Non-Assoc. Utilities Revenues	\$3,472,010	6.8%	\$3,475,489	6.8%
5	Total Revenues for Surcharges Purposes	\$51,443,529	100.0%	\$51,447,008	100.0%
6	Non-Physical Revenues for Month	(\$109,958)		(\$109,958)	
7	Total Revenues for Month	\$51,333,571		\$51,337,050	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for September 2011	0.5174%
2	Kentucky Retail Revenues for Current Expense Month	\$41,071,318
3	Surcharge Collected (1) * (2)	\$212,503
4	Surcharge Amount To Be Collected	\$228,179
5	Over / (Under) Recovery (3) - (4) = (5)	(\$15,676)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - September 26, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of December 2011

CALCULATION OF E(m) E(m) = CRR - BRR		Previously Revised in Case No. 2012-00504 (1)	Revised Sep-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$4,809,453	\$4,809,453	\$0
LINE 2	Brr from ES FORM 1.10	4,074,321	4,074,321	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	\$735,132	\$735,132	\$0
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	83.0%	83.1%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	\$610,160	\$610,895	\$735
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$122,928)	(\$122,928)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$487,232	\$487,967	\$735
SURCHARGE FACTOR				
LINE 8	Net KY Retail E(m) (Line 7)	\$487,232	\$487,967	\$735
LINE 9	KY Retail R(m) from ES FORM 3.30	\$50,620,415	\$50,620,415	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	0.9625%	0.9640%	0.0015%

Effective Date for Billing: January 31, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : January 20, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of December 2011

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$50,620,415	83.1%	\$50,620,415	83.0%
2	FERC Wholesale Revenues	\$524,598	0.9%	\$524,598	0.9%
3	Associated Utilities Revenues	\$5,272,444	8.7%	\$5,272,444	8.6%
4	Non-Assoc. Utilities Revenues	\$4,532,626	7.3%	\$4,557,585	7.5%
5	Total Revenues for Surcharges Purposes	\$60,950,083	100.0%	\$60,975,042	100.0%
6	Non-Physical Revenues for Month	(\$121,093)		(\$121,093)	
7	Total Revenues for Month	\$60,828,990		\$60,853,949	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for October 2011	1.0410%
2	Kentucky Retail Revenues for Current Expense Month	\$50,094,428
3	Surcharge Collected (1) * (2)	\$521,483
4	Surcharge Amount To Be Collected	\$398,555
5	Over / (Under) Recovery (3) - (4) = (5)	\$122,928

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 24, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of January 2012

CALCULATION OF E(m) E(m) = CRR - BRR		Previously Revised In Case No. 2012-00504 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,284,764	\$6,693,455	\$3,408,691
LINE 2	Brr from ES FORM 1.10	3,991,163	\$3,991,163	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$706,399)	\$2,702,292	\$3,408,691
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	88.6%	88.6%	0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$625,869)	\$2,394,231	\$3,020,100
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$105,459)	(\$105,459)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$731,328)	\$2,288,772	\$3,020,100
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$731,328)	\$2,288,772	\$3,020,100
LINE 9	KY Retail R(m) from ES FORM 3.30	\$55,884,283	\$55,884,283	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-1.3086%	4.0956%	5.4042%

Effective Date for Billing: February 29, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : February 20, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 24, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of January 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2012-00504		Revised Amount	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,240,039		\$6,648,730
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$44,725		\$44,725
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,284,764		\$6,693,455

Revised - October 24, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of January 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2012-00504		Revised Amount	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$69,108,096)		(\$69,108,096)	
3	Less Accum. Def. Income Taxes	(\$38,700,903)		(\$38,700,903)	
4	Net Utility Plant		\$83,643,444		\$83,643,444
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$12,948,207		\$12,948,207
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$176,685		\$176,685
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$2,484,327		\$2,909,940
8	Total Rate Base		\$99,252,663		\$99,678,276
9	Weighted Average Cost of Capital - ES FORM 3.15	10.69%		10.69%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.89%		0.89%
11	Monthly Return of Rate Base (8) * (10)		\$883,349		\$887,137
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$10,527		\$10,527
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$806,043		\$806,043
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$210,120		\$212,025
18	Monthly SO2 Emission Allowance Consumption		\$693,396		\$4,096,394
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,356,690		\$5,761,593
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,240,039		\$6,648,730

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of January 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	474,169	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	9,564	13,670	(\$3,402,998)	(\$5,103,980)	(\$373.371)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	622		\$345,324		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	4,468	695,531	\$348,072	\$56,626,137	\$81.414
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,137,053		\$12,948,207	\$11.388
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06407

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of January 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	45	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	23,693	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		10,000		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of January 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,729	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	500	3,980	\$33,750	\$2,057,440	\$516.945
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance					
Adjustment	(6)	(6)	(\$1,905)	(\$1,905)	\$317.500
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	569	26,454	\$13,565	\$1,878,850	\$71.023
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		22,249		\$176,685	\$7.941

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 24, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of January 2012

		Previously Revised in Case No. 2012-00504		Revised Amount	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$10,527		\$10,527	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$131,264		\$131,264	
3	Monthly SO2 Allowance Consumption	<u>\$693,396</u>		<u>\$4,096,394</u>	
4	Total 1997 Plan O&M Expenses		\$835,187		\$4,238,185
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$151,952		\$151,952	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$13,565		\$15,470	
9	Equipment - Associated Operating Expenses	\$2,745		\$2,745	
10	Equipment - Associated Maintenance Expenses	<u>\$41,858</u>		<u>\$41,858</u>	
11	Total 2003 Plan O&M Expenses		\$210,120		\$212,025
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		2,344		\$2,344
14	Total Monthly O&M Expenses		<u>\$1,047,651</u>		<u>\$4,452,554</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$130,956		\$556,569
16	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
17	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
18	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
19	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
20	Cash Working Capital Allowance (August 2011 ES Form 3.13)		\$114,073		\$114,073
21	Cash Working Capital Allowance (July 2011 ES Form 3.13)		\$137,469		\$137,469
22	Cash Working Capital Allowance (June 2011 ES Form 3.13)		\$279,734		\$279,734
23	Cash Working Capital Allowance (May 2011 ES Form 3.13)		\$301,464		\$301,464
24	Cash Working Capital Allowance (April 2011 ES Form 3.13)		\$315,341		\$315,341
25	Cash Working Capital Allowance (March 2011 ES Form 3.13)		\$300,958		\$300,958
26	Cash Working Capital Allowance (February 2011 ES Form 3.13)		<u>\$351,365</u>		<u>\$351,365</u>
27	Total Twelve Month Total Cash Working Capital Allowance		\$2,484,327		\$2,909,940

Total Cost at Line 11 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of January 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$55,884,283	88.6%	\$55,884,283	88.6%
2	FERC Wholesale Revenues	\$580,219	0.9%	\$580,219	0.9%
3	Associated Utilities Revenues	\$1,908,090	3.0%	\$1,908,090	3.0%
4	Non-Assoc. Utilities Revenues	\$4,670,184	7.5%	\$4,714,834	7.5%
5	Total Revenues for Surcharges Purposes	\$63,042,776	100.0%	\$63,087,426	100.0%
6	Non-Physical Revenues for Month	\$247,893		\$247,893	
7	Total Revenues for Month	\$63,290,669		\$63,335,319	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for November 2011	1.6812%
2	Kentucky Retail Revenues for Current Expense Month	\$49,126,279
3	Surcharge Collected (1) * (2)	\$825,911
4	Surcharge Amount To Be Collected	\$720,452
5	Over / (Under) Recovery (3) - (4) = (5)	\$105,459

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised October 24, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of February 2012

<u>CALCULATION OF E(m)</u> E(m) = CRR - BRR		Previously Revised in Case No. 2012-00504 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,444,998	\$3,452,244	\$7,246
LINE 2	Brr from ES FORM 1.10	3,590,810	3,590,810	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$145,812)	(\$138,566)	\$7,246
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	88.9%	89.0%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$129,627)	(\$123,324)	\$6,303
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$74,511)	(\$74,511)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$204,138)	(\$197,835)	\$6,303
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$204,138)	(\$197,835)	\$6,303
LINE 9	KY Retail R(m) from ES FORM 3.30	\$48,360,835	\$48,360,835	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-0.4221%	-0.4091%	0.0130%

Effective Date for Billing: March 29, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : March 19, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 24, 2012

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of February 2012

ES FORM 3.00

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2012-00504		Revised Amount	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,398,989		\$3,406,235
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$46,009		\$46,009
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,444,998		\$3,452,244

Revised - October 24, 2012

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of February 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2012-00504		Revised Amount	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$69,731,770)		(\$69,731,770)	
3	Less Accum. Def. Income Taxes	(\$38,522,976)		(\$38,522,976)	
4	Net Utility Plant		\$83,197,697		\$83,197,697
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$12,160,358		\$12,160,358
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$83,231		\$83,231
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$2,264,370		\$2,690,415
8	Total Rate Base		\$97,705,656		\$98,131,701
9	Weighted Average Cost of Capital - ES FORM 3.15	10.69%		10.69%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.89%		0.89%
11	Monthly Return of Rate Base (8) * (10)		\$869,580		\$873,372
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$10,527		\$10,527
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$991,380		\$991,380
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$105,868		\$106,503
18	Monthly SO2 Emission Allowance Consumption		\$785,030		\$787,849
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,529,409		\$2,532,863
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,398,989		\$3,406,235

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of February 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	474,169	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	(28)	13,642	(\$2,819)	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	1,414		\$785,030		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	0	696,945	\$0	\$57,411,167	\$82.375
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,135,611		\$12,160,358	\$10.708
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06409

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of February 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	23,693	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		10,000		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of February 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	101	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	(716)	3,264	(\$86,548)	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	(2)	(8)	(\$635)	(\$2,540)	\$317.500
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	476	26,930	\$6,271	\$1,885,121	\$70.001
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		21,156		\$83,231	\$3.934

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 24, 2012

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of February 2012

		Previously Revised in Case No. 2012-00504		Revised Amount	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$10,527		\$10,527	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$147,498		\$147,498	
3	Monthly SO2 Allowance Consumption	<u>\$785,030</u>		<u>\$787,849</u>	
4	Total 1997 Plan O&M Expenses		\$943,055		\$945,874
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$261		\$261	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$6,271		\$6,906	
9	Equipment - Associated Operating Expenses	\$5,611		\$5,611	
10	Equipment - Associated Maintenance Expenses	<u>\$93,725</u>		<u>\$93,725</u>	
11	Total 2003 Plan O&M Expenses		\$105,868		\$106,503
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		2,344		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,051,267</u>		<u>\$1,054,721</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$131,408		\$131,840
16	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
17	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
18	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
19	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
20	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
21	Cash Working Capital Allowance (August 2011 ES Form 3.13)		\$114,073		\$114,073
22	Cash Working Capital Allowance (July 2011 ES Form 3.13)		\$137,469		\$137,469
23	Cash Working Capital Allowance (June 2011 ES Form 3.13)		\$279,734		\$279,734
24	Cash Working Capital Allowance (May 2011 ES Form 3.13)		\$301,464		\$301,464
25	Cash Working Capital Allowance (April 2011 ES Form 3.13)		\$315,341		\$315,341
26	Cash Working Capital Allowance (March 2011 ES Form 3.13)		<u>\$300,958</u>		\$300,958
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$2,264,370</u>		<u>\$2,690,415</u>

Total Cost at Line 11 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of February 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$48,360,835	89.0%	\$48,360,835	88.9%
2	FERC Wholesale Revenues	\$529,207	1.0%	\$529,207	1.0%
3	Associated Utilities Revenues	\$1,465,576	2.7%	\$1,465,576	2.7%
4	Non-Assoc. Utilities Revenues	\$3,994,446	7.3%	\$4,024,660	7.4%
5	Total Revenues for Surcharges Purposes	\$54,350,064	100.0%	\$54,380,278	100.0%
6	Non-Physical Revenues for Month	\$82,892		\$82,892	
7	Total Revenues for Month	\$54,432,956		\$54,463,170	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for December 2011	0.9289%
2	Kentucky Retail Revenues for Current Expense Month	\$58,643,449
3	Surcharge Collected (1) * (2)	\$544,739
4	Surcharge Amount To Be Collected	\$470,228
5	Over / (Under) Recovery (3) - (4) = (5)	\$74,511

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of March 2012

CALCULATION OF E(m)		As Revised in Case No. 2012- 00504 (1)	Revised Oct-13 (2)	Difference (2) - (1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$3,223,502	\$3,226,932	\$3,429
LINE 2	Brr from ES FORM 1.10	3,651,374	3,651,374	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$427,872)	(\$424,442)	\$3,429
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	90.6%	90.6%	0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$387,652)	(\$384,545)	\$3,107
LINE 5A	Environmental Surcharge Clause Adjustment per Order in Case No. 2011 - 00031 dated April 16, 2012	(\$629,557)	(\$629,557)	\$0
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$211,240)	(\$211,240)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$1,228,449)	(\$1,225,342)	\$3,107
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$1,228,449)	(\$1,225,342)	\$3,107
LINE 9	KY Retail R(m) from ES FORM 3.30	\$44,915,695	\$44,915,695	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-2.7350%	-2.7281%	0.0069%

Effective Date for Billing: April 30, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : April 20, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of March 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2012-00504		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,175,982		\$3,179,816
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$47,520		\$47,520
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$405	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$405	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$405
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,223,502		\$3,226,932

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of March 2012

LINE NO.	COST COMPONENT	Previously Revised In Case No. 2012-00504		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$70,355,453)		(\$70,355,453)	
3	Less Accum. Def. Income Taxes	(\$38,304,693)		(\$38,304,693)	
4	Net Utility Plant		\$82,792,297		\$82,792,297
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$11,747,007		\$11,747,007
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$78,726		\$78,726
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$2,067,173		\$2,493,218
8	Total Rate Base		\$96,685,203		\$97,111,248
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$870,167		\$874,001
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$10,527		\$10,527
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$986,544		\$986,544
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$258,789		\$258,789
18	Monthly SO2 Emission Allowance Consumption		\$413,351		\$413,351
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,305,815		\$2,305,815
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,175,982		\$3,179,816

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of March 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) As Filed Dollar Value of Activity	(4) As Revised Dollar Value of Activity	(5) Cumulative Dollar Balance	(6) Weighted Average Cost
BEGINNING INVENTORY		754,608			\$4,685,726	\$6.209
Additions -						
EPA Allowances	0	474,169	\$0	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	(\$2,819)	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -						
P & E Transfers Out	0	11,382	\$0	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	215		\$119,365	\$119,365		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	3,774	700,934	\$293,986	\$293,986	\$57,824,518	\$82.496
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,131,622			\$11,747,007	\$10.381
Expense Month Member Load Ratio for AEP/Kentucky Power						0.06409

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of March 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	23,693	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		10,000		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of March 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) As Filed Dollar Value of Activity	(4) As Revised Dollar Value of Activity	(5) Cumulative Dollar Balance	(6) Weighted Average Cost
BEGINNING INVENTORY		0			\$0	\$0.000
Additions -						
EPA Allowances	0	44,830	\$0	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0	\$0.000
External Purchases	0	3,264	(\$86,548)	(\$86,548)	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(8)	(\$635)	\$0	(\$2,540)	\$317.500
Withdrawals -						
P & E Transfers Out	0	0	\$0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	342	27,272	\$4,505	\$4,505	\$1,889,626	\$69.288
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		20,814			\$78,726	\$3.782

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of March 2012

		Previously Revised in Case No. 2012 00504		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$10,527		\$10,527	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$145,080		\$145,080	
3	Monthly SO2 Allowance Consumption	\$413,351		\$413,351	
4	Total 1997 Plan O&M Expenses		\$568,958		\$568,958
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$176,281		\$176,281	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$4,505		\$4,505	
9	Equipment - Associated Operating Expenses	\$839		\$839	
10	Equipment - Associated Maintenance Expenses	\$77,165		\$77,165	
11	Total 2003 Plan O&M Expenses		\$258,789		\$258,789
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		\$2,344		\$2,344
14	Total Monthly O&M Expenses		\$830,091		\$830,091
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$103,761		\$103,761
16	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
17	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
18	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
19	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
20	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
21	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
22	Cash Working Capital Allowance (August 2011 ES Form 3.13)		\$114,073		\$114,073
23	Cash Working Capital Allowance (July 2011 ES Form 3.13)		\$137,469		\$137,469
24	Cash Working Capital Allowance (June 2011 ES Form 3.13)		\$279,734		\$279,734
25	Cash Working Capital Allowance (May 2011 ES Form 3.13)		\$301,464		\$301,464
26	Cash Working Capital Allowance (April 2011 ES Form 3.13)		\$315,341		\$315,341
27	Total Twelve Month Total Cash Working Capital Allowance		\$2,067,173		\$2,493,218

Total Cost at Line 11 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of March 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description			Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$44,915,695	90.6%	\$44,915,695	90.6%
2	FERC Wholesale Revenues	\$471,485	1.0%	\$471,485	1.0%
3	Associated Utilities Revenues	\$707,330	1.4%	\$707,330	1.4%
4	Non-Assoc. Utilities Revenues	\$3,454,307	7.0%	\$3,466,813	7.0%
5	Total Revenues for Surcharges Purposes	\$49,548,817	100.0%	\$49,561,323	100.0%
6	Non-Physical Revenues for Month	\$64,412		\$64,412	
7	Total Revenues for Month	\$49,613,229		\$49,625,735	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for January 2012	-1.3419%
2	Kentucky Retail Revenues for Current Expense Month	\$40,140,696
3	Surcharge Collected (1) * (2)	(\$538,648)
4	Surcharge Amount To Be Collected	(\$749,888)
5	Over / (Under) Recovery (3) - (4) = (5)	\$211,240

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of April 2012

<u>CALCULATION OF E(m)</u>		Revised in Case No. 2012-00504	Revised Oct-13	Difference (3) (2) - (1)
E(m) = CRR - BRR		(1)	(2)	(3)
LINE 1	CRR from ES FORM 3.00	\$3,026,068	\$3,027,678	\$1,610
LINE 2	Brr from ES FORM 1.10	3,647,040	3,647,040	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$620,972)	(\$619,362)	\$1,610
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	80.4%	80.4%	0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$499,261)	(\$497,967)	\$1,294
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$17,621)	(\$17,621)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$516,882)	(\$515,588)	\$1,294
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$516,882)	(\$515,588)	\$1,294
LINE 9	KY Retail R(m) from ES FORM 3.30	\$35,695,838	\$35,695,838	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-1.4480%	-1.4444%	0.0036%

Effective Date for Billing: May 30, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : May 18, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - September 24, 2012

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of April 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2012-00504		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$2,978,550		\$2,980,160
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$47,518		\$47,518
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month		\$0		\$0
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month		\$0		\$0
	Total Net Proceeds from SO ₂ Allowances		\$0		\$0
	1) NO _x - ERC Sales Proceeds, received during Expense Month		\$0		\$0
	2) NO _x - EPA Auction Proceeds, received during Expense Month		\$0		\$0
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month		\$0		\$0
	Total Net Proceeds from NO _x Allowances		\$0		\$0
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,026,068		\$3,027,678

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of April 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2012-00504		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$70,979,118)		(\$70,979,118)	
3	Less Accum. Def. Income Taxes	(\$31,388,015)		(\$31,388,015)	
4	Net Utility Plant		\$89,085,310		\$89,085,310
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$11,168,228		\$11,168,228
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$74,535		\$74,535
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,880,294		\$2,306,061
8	Total Rate Base		\$102,208,367		\$102,634,134
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$919,875		\$923,707
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$10,527		\$10,527
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$470,820		\$470,820
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$361,945		\$359,723
18	Monthly SO2 Emission Allowance Consumption		\$578,779		\$578,779
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,058,675		\$2,056,453
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,978,550		\$2,980,160

Revised - October 25, 2013

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of April 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) As Filed Dollar Value of Activity	(4) As Revised Dollar Value of Activity	(5) Cumulative Dollar Balance	(6) Weighted Average Cost
BEGINNING INVENTORY		754,608			\$4,685,726	\$6.209
Additions -						
EPA Allowances	0	474,169	\$0	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	(\$2,819)	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -						
P & E Transfers Out	0	11,382	\$0	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0	\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	7,430	708,364	\$578,779	\$578,779	\$58,403,297	\$82.448
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,124,192			\$11,168,228	\$9.934
Expense Month Member Load Ratio for AEP/Kentucky Power						0.05931

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of April 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	23,693	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		10,000		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of April 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	7	(1)	\$2,222	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	474	27,746	\$6,413	\$1,896,039	\$68.336
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		20,347		\$74,535	\$3.663

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of April 2012

		Previously Revised in Case No. 2012-00504		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$10,527		\$10,527	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$74,100		\$74,100	
3	Monthly SO2 Allowance Consumption	<u>\$578,779</u>		<u>\$578,779</u>	
4	Total 1997 Plan O&M Expenses		\$663,406		\$663,406
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$352,211		\$352,211	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$6,413		\$4,191	
9	Equipment - Associated Operating Expenses	\$692		\$692	
10	Equipment - Associated Maintenance Expenses	<u>\$2,629</u>		<u>\$2,629</u>	
11	Total 2003 Plan O&M Expenses		<u>\$361,945</u>		<u>\$359,723</u>
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,027,695</u>		<u>\$1,025,473</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$128,462		\$128,184
16	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
17	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
18	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
19	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
20	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
21	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
22	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
23	Cash Working Capital Allowance (August 2011 ES Form 3.13)		\$114,073		\$114,073
24	Cash Working Capital Allowance (July 2011 ES Form 3.13)		\$137,469		\$137,469
25	Cash Working Capital Allowance (June 2011 ES Form 3.13)		\$279,734		\$279,734
26	Cash Working Capital Allowance (May 2011 ES Form 3.13)		<u>\$301,464</u>		\$301,464
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,880,294</u>		<u>\$2,306,061</u>

Total Cost at Line 11 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of April 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$35,695,838	80.4%	\$35,695,838	80.4%
2	FERC Wholesale Revenues	\$402,101	0.9%	\$402,101	0.9%
3	Associated Utilities Revenues	\$4,532,087	10.2%	\$4,532,087	10.2%
4	Non-Assoc. Utilities Revenues	\$3,759,496	8.5%	\$3,784,648	8.5%
5	Total Revenues for Surcharges Purposes	\$44,389,522	100.0%	\$44,414,674	100.0%
6	Non-Physical Revenues for Month	(\$45,945)		(\$45,945)	
7	Total Revenues for Month	\$44,343,577		\$44,368,729	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for February 2012	-0.4570%
2	Kentucky Retail Revenues for Current Expense Month	\$44,506,565
3	Surcharge Collected (1) * (2)	(\$203,395)
4	Surcharge Amount To Be Collected	(\$221,016)
5	Over / (Under) Recovery (3) - (4) = (5)	\$17,621

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of May 2012

<u>CALCULATION OF E(m)</u> E(m) = CRR - BRR		Previously Revised in Case No. 2013-00141 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$2,391,424	\$2,395,255	\$3,831
LINE 2	Brr from ES FORM 1.10	3,922,590	3,922,590	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$1,531,166)	(\$1,527,335)	\$3,831
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	86.0%	86.0%	\$0
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$1,316,803)	(\$1,313,508)	\$3,295
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$224,683)	(\$224,683)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$1,541,486)	(\$1,538,191)	\$3,295
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$1,541,486)	(\$1,538,191)	\$3,295
LINE 9	KY Retail R(m) from ES FORM 3.30	\$34,553,138	\$34,553,138	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-4.4612%	-4.4517%	0.0095%

Effective Date for Billing: June 28, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : June 18, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of May 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2013-00141		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$2,346,333		\$2,350,164
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$45,091		\$45,091
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO2 - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO2 - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO2 Allowances	\$0		\$0	
	1) NOx - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NOx - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NOx - Net Gain or Loss from NOx Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NOx Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$2,391,424		\$2,395,255

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of May 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2013-00141		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$71,602,792)		(\$71,602,792)	
3	Less Accum. Def. Income Taxes	(\$31,263,666)		(\$31,263,666)	
4	Net Utility Plant		\$88,585,985		\$88,585,985
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$10,951,984		\$10,951,984
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$71,180		\$71,180
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,629,356		\$2,055,123
8	Total Rate Base		\$101,238,505		\$101,664,272
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$911,147		\$914,978
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$10,527		\$10,527
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$479,940		\$479,940
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$91,871		\$91,871
18	Monthly SO2 Emission Allowance Consumption		\$216,244		\$216,244
19	Total Operating Expenses [Line 12 thru Line 18]		\$1,435,186		\$1,435,186
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,346,333		\$2,350,164

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of May 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	474,169	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	2,776	711,140	\$216,244	\$58,619,541	\$82.430
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,121,416		\$10,951,984	\$9.766
Expense Month Member Load Ratio for AEP/Kentucky Power					0.05931

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of May 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	250	23,943	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		9,750		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of May 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	248	27,994	\$3,355	\$1,899,394	\$67.850
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		20,099		\$71,180	\$3.541

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of May 2012

		Previously Revised in Case No. 2013-00141		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$10,527		\$10,527	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$83,220		\$83,220	
3	Monthly SO2 Allowance Consumption	<u>\$216,244</u>		<u>\$216,244</u>	
4	Total 1997 Plan O&M Expenses		\$309,991		\$309,991
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$79,463		\$79,463	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$3,355		\$3,355	
9	Equipment - Associated Operating Expenses	\$128		\$128	
10	Equipment - Associated Maintenance Expenses	<u>\$8,925</u>		<u>\$8,925</u>	
11	Total 2003 Plan O&M Expenses		\$91,871		\$91,871
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		\$2,344		\$2,344
14	Total Monthly O&M Expenses		<u>\$404,205</u>		<u>\$404,205</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$50,526		\$50,526
16	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
17	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
18	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
19	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
20	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
21	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
22	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
23	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
24	Cash Working Capital Allowance (August 2011 ES Form 3.13)		\$114,073		\$114,073
25	Cash Working Capital Allowance (July 2011 ES Form 3.13)		\$137,469		\$137,469
26	Cash Working Capital Allowance (June 2011 ES Form 3.13)		<u>\$279,734</u>		\$279,734
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,629,356</u>		<u>\$2,055,123</u>

Total Cost at Line 11 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of May 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$34,553,138	86.0%	\$34,553,138	86.0%
2	FERC Wholesale Revenues	\$460,615	1.1%	\$460,615	1.1%
3	Associated Utilities Revenues	\$1,103,412	2.7%	\$1,103,412	2.7%
4	Non-Assoc. Utilities Revenues	\$4,087,493	10.2%	\$4,101,073	10.2%
5	Total Revenues for Surcharges Purposes	\$40,204,658	100.0%	\$40,218,238	100.0%
6	Non-Physical Revenues for Month	(\$74,345)		(\$74,345)	
7	Total Revenues for Month	\$40,130,313		\$40,143,893	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for March 2012	-2.7707%
2	Kentucky Retail Revenues for Current Expense Month	\$36,805,789
3	Surcharge Collected (1) * (2)	(\$1,019,778)
4	Surcharge Amount To Be Collected	(\$1,244,461)
5	Over / (Under) Recovery (3) - (4) = (5)	\$224,683

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of June 2012

<u>CALCULATION OF E(m)</u>		Previously Revised in Case No. 2013-00141 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$2,882,566	\$2,886,398	\$3,832
LINE 2	Brr from ES FORM 1.10	3,627,274	3,627,274	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$744,708)	(\$740,876)	\$3,832
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	81.8%	81.9%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$609,171)	(\$606,777)	\$2,394
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$42,619	\$42,619	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$566,552)	(\$564,158)	\$2,394
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$566,552)	(\$564,158)	\$2,394
LINE 9	KY Retail R(m) from ES FORM 3.30	\$38,175,818	\$38,175,818	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-1.4841%	-1.4778%	0.0063%

Effective Date for Billing: July 30, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : July 20, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of June 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2013-00141		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$2,837,422		\$2,841,254
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$45,144		\$45,144
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$2,882,566		\$2,886,398

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of June 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2013-00141		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$72,226,466)		(\$72,226,466)	
3	Less Accum. Def. Income Taxes	(\$31,139,319)		(\$31,139,319)	
4	Net Utility Plant		\$88,086,658		\$88,086,658
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$10,392,835		\$10,392,835
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$64,496		\$64,496
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,462,920		\$1,888,687
8	Total Rate Base		\$100,006,909		\$100,432,676
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$900,062		\$903,894
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$10,527		\$10,527
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$471,960		\$471,960
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$259,120		\$259,120
18	Monthly SO2 Emission Allowance Consumption		\$559,149		\$559,149
19	Total Operating Expenses [Line 12 thru Line 18]		\$1,937,360		\$1,937,360
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,837,422		\$2,841,254

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of June 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	474,169	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	7,178	718,318	\$559,149	\$59,178,690	\$82.385
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,114,238		\$10,392,835	\$9.327
Expense Month Member Load Ratio for AEP/Kentucky Power					0.05931

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of June 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	493	24,436	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		9,257		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of June 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	494	28,488	\$6,684	\$1,906,078	\$66.908
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		19,605		\$64,496	\$3.290

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of June 2012

		Previously Revised in Case No. 2013-00141		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$10,527		\$10,527	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$75,240		\$75,240	
3	Monthly SO2 Allowance Consumption	\$559,149		\$559,149	
4	Total 1997 Plan O&M Expenses		\$644,916		\$644,916
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$243,093		\$243,093	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$6,684		\$6,684	
9	Equipment - Associated Operating Expenses	\$1,433		\$1,433	
10	Equipment - Associated Maintenance Expenses	\$7,910		\$7,910	
11	Total 2003 Plan O&M Expenses		\$259,120		\$259,120
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		\$2,344		\$2,344
14	Total Monthly O&M Expenses		\$906,380		\$906,380
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$113,298		\$113,298
16	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
17	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
18	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
19	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
20	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
21	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
22	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
23	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
24	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
25	Cash Working Capital Allowance (August 2011 ES Form 3.13)		\$114,073		\$114,073
26	Cash Working Capital Allowance (July 2011 ES Form 3.13)		\$137,469		\$137,469
27	Total Twelve Month Total Cash Working Capital Allowance		\$1,462,920		\$1,888,687

Total Cost at Line 13 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of June 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$38,175,818	81.9%	\$38,175,818	81.8%
2	FERC Wholesale Revenues	\$479,071	1.0%	\$479,071	1.0%
3	Associated Utilities Revenues	\$3,321,605	7.1%	\$3,321,605	7.1%
4	Non-Assoc. Utilities Revenues	\$4,654,350	10.0%	\$4,701,724	10.1%
5	Total Revenues for Surcharges Purposes	\$46,630,844	100.0%	\$46,678,218	100.0%
6	Non-Physical Revenues for Month	(\$134,647)		(\$134,647)	
7	Total Revenues for Month	\$46,496,197		\$46,543,571	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for April 2012	-1.4835%
2	Kentucky Retail Revenues for Current Expense Month	\$38,569,599
3	Surcharge Collected (1) * (2)	(\$572,180)
4	Surcharge Amount To Be Collected	(\$529,561)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$42,619)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of July 2012

<u>CALCULATION OF E(m)</u> E(m) = CRR - BRR		Previously Revised in Case No. 2013-00141 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,327,923	\$3,331,755	\$3,832
LINE 2	Brr from ES FORM 1.10	3,805,325	3,805,325	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$477,402)	(\$473,570)	\$3,832
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	72.7%	72.8%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$347,072)	(\$344,759)	\$2,313
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$240,902	\$240,902	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$106,170)	(\$103,857)	\$2,313
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$106,170)	(\$103,857)	\$2,313
LINE 9	KY Retail R(m) from ES FORM 3.30	\$42,364,193	\$42,364,193	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-0.2506%	-0.2452%	0.0054%

Effective Date for Billing: August 28, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : August 17, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of July 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2013-00141		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10 , Line 20		\$3,288,074		\$3,291,906
2	Second Component: Associated with Rockport Plant [((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)] ES FORM 3.20 , Line 16		\$39,849		\$39,849
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month		\$0		\$0
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month		\$0		\$0
	Total Net Proceeds from SO ₂ Allowances		\$0		\$0
	1) NO _x - ERC Sales Proceeds, received during Expense Month		\$0		\$0
	2) NO _x - EPA Auction Proceeds, received during Expense Month		\$0		\$0
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month		\$0		\$0
	Total Net Proceeds from NO _x Allowances		\$0		\$0
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,327,923		\$3,331,755

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of July 2012

LINE NO.	COST COMPONENT	As Revised in Case No. 2013-00141		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$72,850,140)		(\$72,850,140)	
3	Less Accum. Def. Income Taxes	(\$31,014,966)		(\$31,014,966)	
4	Net Utility Plant		\$87,587,337		\$87,587,337
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$9,655,612		\$9,655,612
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$54,484		\$54,484
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,496,445		\$1,922,212
8	Total Rate Base		\$98,793,878		\$99,219,645
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$889,145		\$892,977
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$21,113		\$21,113
	Monthly Environmental AEP Pool Capacity Costs				
16	from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$481,080		\$481,080
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$522,909		\$522,909
18	Monthly SO2 Emission Allowance Consumption		\$737,223		\$737,223
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,398,929		\$2,398,929
20	Total Revenue Requirement - Big Sandy				
	Record on ES FORM 3.00, Line 1		\$3,288,074		\$3,291,906

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of July 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	34,945	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	9,464	727,782	\$737,223	\$59,915,913	\$82.327
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,139,719		\$9,655,612	\$8.472
Expense Month Member Load Ratio for AEP/Kentucky Power					0.05931

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of July 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	740	25,176	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		8,517		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of July 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	740	29,228	\$10,012	\$1,916,090	\$65.557
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		18,865		\$54,484	\$2.888

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of July 2012

		As Revised in Case No. 2013-00141		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$21,113		\$21,113	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$84,360		\$84,360	
3	Monthly SO2 Allowance Consumption	<u>\$737,223</u>		<u>\$737,223</u>	
4	Total 1997 Plan O&M Expenses		\$842,696		\$842,696
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$496,816		\$496,816	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$10,012		\$10,012	
9	Equipment - Associated Operating Expenses	\$404		\$404	
10	Equipment - Associated Maintenance Expenses	<u>\$15,676</u>		<u>\$15,676</u>	
11	Total 2003 Plan O&M Expenses		\$522,909		\$522,909
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		\$2,344		\$2,344
14	Total Monthly O&M Expenses		<u>\$1,367,948</u>		<u>\$1,367,948</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$170,994		\$170,994
16	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
17	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
18	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
19	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
20	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
21	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
22	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
23	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
24	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
25	Cash Working Capital Allowance (September 2011 ES Form 3.13)		\$83,681		\$83,681
26	Cash Working Capital Allowance (August 2011 ES Form 3.13)		<u>\$114,073</u>		<u>\$114,073</u>
27	Total Twelve Month Total Cash Working Capital Allowance		\$1,496,445		\$1,922,212

Total Cost at Line 13 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of July 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$42,364,193	72.8%	\$42,364,193	72.7%
2	FERC Wholesale Revenues	\$760,421	1.3%	\$760,421	1.3%
3	Associated Utilities Revenues	\$7,388,476	12.7%	\$7,388,476	12.7%
4	Non-Assoc. Utilities Revenues	\$7,685,810	13.2%	\$7,734,212	13.3%
5	Total Revenues for Surcharges Purposes	\$58,198,900	100.0%	\$58,247,302	100.0%
6	Non-Physical Revenues for Month	\$337,485		\$337,485	
7	Total Revenues for Month	\$58,536,385		\$58,584,787	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for May 2012	-4.4967%
2	Kentucky Retail Revenues for Current Expense Month	\$39,909,955
3	Surcharge Collected (1) * (2)	(\$1,794,611)
4	Surcharge Amount To Be Collected	(\$1,553,709)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$240,902)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of August 2012

<u>CALCULATION OF E(m)</u>		Previously Revised in Case No. 2013-00141 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$3,236,799	\$3,240,631	\$3,832
LINE 2	Brr from ES FORM 1.10	4,088,830	4,088,830	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$852,031)	(\$848,199)	\$3,832
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	76.0%	76.1%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$647,544)	(\$645,480)	\$2,064
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$169,488	\$169,488	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$478,056)	(\$475,992)	\$2,064
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$478,056)	(\$475,992)	\$2,064
LINE 9	KY Retail R(m) from ES FORM 3.30	\$41,135,196	\$41,135,196	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-1.1622%	-1.1571%	0.0051%

Effective Date for Billing: September 27, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : September 17, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of August 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2013-00141		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10 , Line 20		\$3,196,231		\$3,200,063
2	Second Component: Associated with Rockport Plant [((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)] ES FORM 3.20 , Line 16		\$40,568		\$40,568
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month		\$0		\$0
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month		\$0		\$0
	Total Net Proceeds from SO ₂ Allowances		\$0		\$0
	1) NO _x - ERC Sales Proceeds, received during Expense Month		\$0		\$0
	2) NO _x - EPA Auction Proceeds, received during Expense Month		\$0		\$0
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month		\$0		\$0
	Total Net Proceeds from NO _x Allowances		\$0		\$0
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,236,799		\$3,240,631

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of August 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2013-00141		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$73,476,814)		(\$73,476,814)	
3	Less Accum. Def. Income Taxes	(\$30,890,623)		(\$30,890,623)	
4	Net Utility Plant		\$87,085,006		\$87,085,006
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$9,047,076		\$9,047,076
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$46,474		\$46,474
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,526,303		\$1,952,070
8	Total Rate Base		\$97,704,859		\$98,130,626
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$879,344		\$883,176
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$21,113		\$21,113
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$672,724		\$672,724
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$377,910		\$377,910
18	Monthly SO2 Emission Allowance Consumption		\$608,536		\$608,536
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,316,887		\$2,316,887
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,196,231		\$3,200,063

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of August 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	34,945	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	7,812	735,594	\$608,536	\$60,524,449	\$82.280
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,131,907		\$9,047,076	\$7.993
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06074

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transactions for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOX EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of August 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	592	25,768	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,925		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of August 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	592	29,820	\$8,010	\$1,924,100	\$64.524
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		18,273		\$46,474	\$2.543

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of August 2012

		Previously Revised in Case No. 2013-00141		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$21,113		\$21,113	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$141,546		\$141,546	
3	Monthly SO2 Allowance Consumption	<u>\$608,536</u>		<u>\$608,536</u>	
4	Total 1997 Plan O&M Expenses		\$771,195		\$771,195
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$349,185		\$349,185	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$8,010		\$8,010	
9	Equipment - Associated Operating Expenses	\$359		\$359	
10	Equipment - Associated Maintenance Expenses	<u>\$20,355</u>		<u>\$20,355</u>	
11	Total 2003 Plan O&M Expenses		\$377,910		\$377,910
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,151,449</u>		<u>\$1,151,449</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$143,931		\$143,931
16	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
17	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
18	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
19	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
20	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
21	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
22	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
23	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
24	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
25	Cash Working Capital Allowance (October 2011 ES Form 3.13)		\$125,673		\$125,673
26	Cash Working Capital Allowance (September 2011 ES Form 3.13)		<u>\$83,681</u>		<u>\$83,681</u>
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,526,303</u>		<u>\$1,952,070</u>

Total Cost at Line 13 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of August 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$41,135,196	76.1%	\$41,135,196	76.0%
2	FERC Wholesale Revenues	\$279,341	0.5%	\$279,341	0.5%
3	Associated Utilities Revenues	\$5,662,339	10.5%	\$5,662,339	10.5%
4	Non-Assoc. Utilities Revenues	\$6,965,815	12.9%	\$7,067,971	13.0%
5	Total Revenues for Surcharges Purposes	\$54,042,691	100.0%	\$54,144,847	100.0%
6	Non-Physical Revenues for Month	(\$228,807)		(\$228,807)	
7	Total Revenues for Month	\$53,813,884		\$53,916,040	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for June 2012	-1.5101%
2	Kentucky Retail Revenues for Current Expense Month	\$49,399,245
3	Surcharge Collected (1) * (2)	(\$745,978)
4	Surcharge Amount To Be Collected	(\$576,490)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$169,488)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of September 2012

<u>CALCULATION OF E(m)</u> E(m) = CRR - BRR		Previously Revised in Case No. 2013-00141 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$2,324,588	\$2,328,420	\$3,832
LINE 2	Brr from ES FORM 1.10	3,740,010	3,740,010	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$1,415,422)	(\$1,411,590)	\$3,832
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	83.6%	83.8%	0.2%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$1,183,293)	(\$1,182,912)	\$381
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$75,457	\$75,457	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$1,107,836)	(\$1,107,455)	\$381
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$1,107,836)	(\$1,107,455)	\$381
LINE 9	KY Retail R(m) from ES FORM 3.30	\$40,601,205	\$40,601,205	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-2.7286%	-2.7276%	0.0010%

Effective Date for Billing: October 26, 2012

Submitted By: _____

Title: Manager Regulatory Services

Date Submitted: October 16, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of September 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2013-00141		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$2,283,993		\$2,287,825
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$40,595		\$40,595
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$2,324,588		\$2,328,420

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of September 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2013-00141		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$74,097,488)		(\$74,097,488)	
3	Less Accum. Def. Income Taxes	(\$30,766,275)		(\$30,766,275)	
4	Net Utility Plant		\$86,588,680		\$86,588,680
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$8,919,168		\$8,919,168
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$42,347		\$42,347
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,473,480		\$1,899,247
8	Total Rate Base		\$97,023,675		\$97,449,442
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$873,213		\$877,045
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$21,113		\$21,113
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$619,454		\$619,454
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$5,701		\$5,701
18	Monthly SO2 Emission Allowance Consumption		\$127,908		\$127,908
19	Total Operating Expenses [Line 12 thru Line 18]		\$1,410,780		\$1,410,780
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,283,993		\$2,287,825

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of September 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	34,945	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	1,642	737,236	\$127,908	\$60,652,357	\$82.270
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,130,265		\$8,919,168	\$7.891
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06074

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of September 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	305	26,073	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,620		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of September 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,830	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance					
Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	305	30,125	\$4,127	\$1,928,227	\$64.008
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		17,968		\$42,347	\$2.357

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of September 2012

		Previously Revised in Case No. 2013-00141		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$21,113		\$21,113	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$89,798		\$89,798	
3	Monthly SO2 Allowance Consumption	<u>\$127,908</u>		<u>\$127,908</u>	
4	Total 1997 Plan O&M Expenses		\$238,819		\$238,819
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	(\$933)		(\$933)	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$4,127		\$4,127	
9	Equipment - Associated Operating Expenses	\$49		\$49	
10	Equipment - Associated Maintenance Expenses	<u>\$2,458</u>		<u>\$2,458</u>	
11	Total 2003 Plan O&M Expenses		<u>\$5,701</u>		<u>\$5,701</u>
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$246,864</u>		<u>\$246,864</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$30,858		\$30,858
16	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
17	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
18	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
19	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
20	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
21	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
22	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
23	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
24	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
25	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
26	Cash Working Capital Allowance (October 2011 ES Form 3.13)		<u>\$125,673</u>		\$125,673
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,473,480</u>		<u>\$1,899,247</u>

Total Cost at Line 13 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of September 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$40,601,205	83.8%	\$40,601,205	83.6%
2	FERC Wholesale Revenues	\$438,255	0.9%	\$438,255	0.9%
3	Associated Utilities Revenues	\$1,948,473	4.0%	\$1,948,473	4.0%
4	Non-Assoc. Utilities Revenues	\$5,465,543	11.3%	\$5,552,238	11.5%
5	Total Revenues for Surcharges Purposes	\$48,453,476	100.0%	\$48,540,171	100.0%
6	Non-Physical Revenues for Month	\$42,530		\$42,530	
7	Total Revenues for Month	\$48,496,006		\$48,582,701	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for July 2012	-0.2711%
2	Kentucky Retail Revenues for Current Expense Month	\$70,195,869
3	Surcharge Collected (1) * (2)	(\$190,301)
4	Surcharge Amount To Be Collected	(\$114,844)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$75,457)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of October 2012

<u>CALCULATION OF E(m)</u>		Previously Revised in Case No. 2013-00141 (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
E(m) = CRR - BRR				
LINE 1	CRR from ES FORM 3.00	\$2,316,161	\$2,319,990	\$3,829
LINE 2	Brr from ES FORM 1.10	3,260,302	3,260,302	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$944,141)	(\$940,312)	\$3,829
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	81.3%	81.5%	0.2%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$767,587)	(\$766,354)	\$1,233
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$103,039)	(\$103,039)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$870,626)	(\$869,393)	\$1,233
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$870,626)	(\$869,393)	\$1,233
LINE 9	KY Retail R(m) from ES FORM 3.30	\$37,297,076	\$37,297,076	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-2.3343%	-2.3310%	0.0033%

1/

Effective Date for Billing: November 28, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : November 16, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of October 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	Previously Revised in Case No. 2013-00141		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$2,274,129		\$2,277,958
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$42,032		\$42,032
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$2,316,161		\$2,319,990

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of October 2012

LINE NO.	COST COMPONENT	Previously Revised in Case No. 2013-00141		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$74,721,162)		(\$74,721,162)	
3	Less Accum. Def. Income Taxes	(\$30,641,924)		(\$30,641,924)	
4	Net Utility Plant		\$86,089,357		\$86,089,357
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$8,808,865		\$8,808,865
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$38,663		\$38,663
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,378,359		\$1,803,833
8	Total Rate Base		\$96,315,244		\$96,740,718
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$866,837		\$870,666
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$21,113		\$21,113
	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$637,980		\$637,980
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$1,292		\$1,292
18	Monthly SO2 Emission Allowance Consumption		\$110,303		\$110,303
19	Total Operating Expenses [Line 12 thru Line 18]		\$1,407,292		\$1,407,292
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,274,129		\$2,277,958

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of October 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	34,945	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	1,416	738,652	\$110,303	\$60,762,660	\$82.262
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,128,849		\$8,808,865	\$7.803
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06073

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of October 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,425	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	1	26,074	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,619		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of October 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	89	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	280	30,405	\$3,684	\$1,931,911	\$63.539
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		17,777		\$38,663	\$2.175

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of October 2012

		Previously Revised in Case No. 2013-00141		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$21,113		\$21,113	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$109,368		\$109,368	
3	Monthly SO2 Allowance Consumption	<u>\$110,303</u>		<u>\$110,303</u>	
4	Total 1997 Plan O&M Expenses		\$240,784		\$240,784
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$454		\$454	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$3,684		\$3,684	
9	Equipment - Associated Operating Expenses	\$0		\$0	
10	Equipment - Associated Maintenance Expenses	<u>(\$2,846)</u>		<u>(\$2,846)</u>	
11	Total 2003 Plan O&M Expenses		\$1,292		\$1,292
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		\$2,344		\$2,344
14	Total Monthly O&M Expenses		<u>\$244,420</u>		<u>\$244,420</u>
15	Cash Working Capital Allowance (Line 12 X 1/8)		\$30,552		\$30,552
16	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,565
17	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
18	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
19	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
20	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
21	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
22	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
23	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
24	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
25	Cash Working Capital Allowance (December 2011 ES Form 3.13)		\$238,235		\$238,235
26	Cash Working Capital Allowance (November 2011 ES Form 3.13)		\$105,378		\$105,378
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,378,359</u>		<u>\$1,803,833</u>

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of October 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$37,297,076	81.5%	\$37,297,076	81.3%
2	FERC Wholesale Revenues	\$399,529	0.9%	\$399,529	0.9%
3	Associated Utilities Revenues	\$1,569,773	3.4%	\$1,569,773	3.4%
4	Non-Assoc. Utilities Revenues	\$6,510,773	14.2%	\$6,593,617	14.4%
5	Total Revenues for Surcharges Purposes	\$45,777,151	100.0%	\$45,859,995	100.0%
6	Non-Physical Revenues for Month	(\$99,246)		(\$99,246)	
7	Total Revenues for Month	\$45,677,905		\$45,760,749	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for August 2012	-1.1851%
2	Kentucky Retail Revenues for Current Expense Month	\$32,442,326
3	Surcharge Collected (1) * (2)	(\$384,474)
4	Surcharge Amount To Be Collected	(\$487,513)
5	Over / (Under) Recovery (3) - (4) = (5)	\$103,039

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of November 2012

CALCULATION OF E(m)		As Filed	Revised	Difference
E(m) = CRR - BRR		(1)	Oct-13	(3)
			(2)	(2) - (1)
LINE 1	CRR from ES FORM 3.00	\$2,344,576	\$2,333,450	(\$11,126)
LINE 2	Brr from ES FORM 1.10	2,786,040	2,786,040	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$441,464)	(\$452,590)	(\$11,126)
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	86.1%	86.2%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$380,100)	(\$390,132)	(\$10,032)
LINE 5A	Environmental Surcharge Clause Adjustment per Order in Case No. 2012 - 00273 dated December 12, 2012	(\$452,811)	(\$452,811)	\$0
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$117,808)	(\$117,808)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$950,719)	(\$960,751)	(\$10,032)
SURCHARGE FACTOR				
LINE 8	Net KY Retail E(m) (Line 7)	(\$950,719)	(\$960,751)	(\$10,032)
LINE 9	KY Retail R(m) from ES FORM 3.30	\$38,818,782	\$38,818,782	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-2.4491%	-2.4750%	-0.0259%

Effective Date for Billing: December 31, 2012

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : December 21, 2012

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of November 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	As Filed		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$2,303,002		\$2,306,834
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$41,574		\$41,574
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$14,958	
	Total Net Proceeds from NO _x Allowances	\$0		\$14,958	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$14,958
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$2,344,576		\$2,333,450

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of November 2012

LINE NO.	COST COMPONENT	As Filed		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$75,344,836)		(\$75,344,836)	
3	Less Accum. Def. Income Taxes	(\$30,517,578)		(\$30,517,578)	
4	Net Utility Plant		\$85,590,029		\$85,590,029
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$8,683,606		\$8,683,606
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$34,558		\$34,558
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,308,119		\$1,733,886
8	Total Rate Base		\$95,616,312		\$96,042,079
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$860,547		\$864,379
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$21,113		\$21,113
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$637,980		\$637,980
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$21,499		\$21,499
18	Monthly SO2 Emission Allowance Consumption		\$125,259		\$125,259
19	Total Operating Expenses [Line 12 thru Line 18]		\$1,442,455		\$1,442,455
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,303,002		\$2,306,834

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of November 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	34,945	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	109,405	\$0	\$33,456,375	\$305.803
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	59,987	\$0	\$4,855,950	\$80.950
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	1,608	740,260	\$125,259	\$60,887,919	\$82.252
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,127,241		\$8,683,606	\$7.703
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06073

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of November 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,048	\$0	\$0	
P&E Transfers In	0	0	\$0	\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	554	2,979	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	1	26,075	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,064		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of November 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	89	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	312	30,717	\$4,105	\$1,936,016	\$63.028
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		17,465		\$34,558	\$1.979

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of November 2012

		As Filed		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$21,113		\$21,113	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$110,887		\$110,887	
3	Monthly SO2 Allowance Consumption	<u>\$125,259</u>		<u>\$125,259</u>	
4	Total 1997 Plan O&M Expenses		\$257,259		\$257,259
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$505		\$505	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$4,105		\$4,105	
9	Equipment - Associated Operating Expenses	\$185		\$185	
10	Equipment - Associated Maintenance Expenses	<u>\$16,705</u>		<u>\$16,705</u>	
11	Total 2003 Plan O&M Expenses		<u>\$21,499</u>		<u>\$21,499</u>
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$281,102</u>		<u>\$281,102</u>
15	Cash Working Capital Allowance (Line 14 X 1/8)		\$35,138		\$35,138
16	Cash Working Capital Allowance (October 2012 ES Form 3.13)		\$30,552		\$30,552
17	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,858
18	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
19	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
20	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
21	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
22	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
23	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
24	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
25	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
26	Cash Working Capital Allowance (December 2011 ES Form 3.13)		<u>\$238,235</u>		<u>\$238,235</u>
27	Total Twelve Month Total Cash Working Capital Allowance		\$1,308,119		\$1,733,886

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of November 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$38,818,782	86.2%	\$38,818,782	86.1%
2	FERC Wholesale Revenues	\$497,455	1.1%	\$497,455	1.1%
3	Associated Utilities Revenues	\$495,532	1.1%	\$495,532	1.1%
4	Non-Assoc. Utilities Revenues	\$5,240,295	11.6%	\$5,282,003	11.7%
5	Total Revenues for Surcharges Purposes	\$45,052,064	100.0%	\$45,093,772	100.0%
6	Non-Physical Revenues for Month	\$34,804		\$34,804	
7	Total Revenues for Month	\$45,086,868		\$45,128,576	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for September 2012	-2.7553%
2	Kentucky Retail Revenues for Current Expense Month	\$36,325,772
3	Surcharge Collected (1) * (2)	(\$1,000,884)
4	Surcharge Amount To Be Collected	(\$1,118,692)
5	Over / (Under) Recovery (3) - (4) = (5)	\$117,808

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 25, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of December 2012

<u>CALCULATION OF E(m)</u>		As Filed	Revised	Difference
E(m) = CRR - BRR		(2)	Oct-13 (1)	(3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$2,918,789	\$2,922,621	\$3,832
LINE 2	Brr from ES FORM 1.10	4,074,321	4,074,321	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$1,155,532)	(\$1,151,700)	\$3,832
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	82.1%	82.3%	0.2%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$948,692)	(\$947,849)	\$843
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$257,480	\$257,480	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$691,212)	(\$690,369)	\$843
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$691,212)	(\$690,369)	\$843
LINE 9	KY Retail R(m) from ES FORM 3.30	\$45,052,309	\$45,052,309	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-1.5342%	-1.5324%	0.0018%

Effective Date for Billing: January 30, 2013

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : January 18, 2013

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 25, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of December 2012

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	As Filed	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20	\$2,876,449	\$2,880,281
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16	\$42,340	\$42,340
	Third Component: Net Proceeds from Emission Allowances Sales AS		
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0	\$0
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0	\$0
	Total Net Proceeds from SO ₂ Allowances	\$0	\$0
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0	\$0
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0	\$0
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0	\$0
	Total Net Proceeds from NO _x Allowances	\$0	\$0
3	Total Net Gain or (Loss) from Emission Allowance Sales	\$0	\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.	\$2,918,789	\$2,922,621

Revised - October 25, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of December 2012

LINE NO.	COST COMPONENT	As Filed		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$191,452,443		\$191,452,443	
2	Less Accumulated Depreciation	(\$75,968,510)		(\$75,968,510)	
3	Less Accum. Def. Income Taxes	(\$30,393,228)		(\$30,393,228)	
4	Net Utility Plant				
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$85,090,705		\$85,090,705
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$14,135,924		\$14,135,924
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$28,270		\$28,270
8	Total Rate Base		\$1,169,929		\$1,595,696
9	Weighted Average Cost of Capital - ES FORM 3.15	10.85%		10.85%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$903,823		\$907,655
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$13,322		\$13,322
15	Monthly Kentucky Air Emissions Fee		\$130,032		\$130,032
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$663,234		\$663,234
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$107,493		\$107,493
18	Monthly SO2 Emission Allowance Consumption		\$435,263		\$435,263
19	Total Operating Expenses [Line 12 thru Line 18]		\$1,972,626		\$1,972,626
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$2,876,449		\$2,880,281

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of December 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	20,689	130,094	\$6,096,125	\$39,552,500	\$304.030
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	13,642	\$0	(\$5,106,799)	(\$374.344)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	1,744	61,731	\$208,544	\$5,064,494	\$82.041
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	3,640	743,900	\$435,263	\$61,323,182	\$82.435
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,142,546		\$14,135,924	\$12.372
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06073

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of December 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	45	37,093	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	554	2,979	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	1	26,075	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,109		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transactions for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of December 2012

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	(1)	\$0	(\$318)	\$318.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	0	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	853	31,570	\$6,288	\$1,942,304	\$61.524
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		16,612		\$28,270	\$1.702

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 25, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of December 2012

		As Filed		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$130,032		\$130,032	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$125,226		\$125,226	
3	Monthly SO2 Allowance Consumption	\$435,263		\$435,263	
4	Total 1997 Plan O&M Expenses		\$690,521		\$690,521
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$101,567		\$101,567	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$6,288		\$6,288	
9	Equipment - Associated Operating Expenses	\$5,536		\$5,536	
10	Equipment - Associated Maintenance Expenses	(\$5,898)		(\$5,898)	
11	Total 2003 Plan O&M Expenses		\$107,493		\$107,493
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		\$2,344		\$2,344
14	Total Monthly O&M Expenses		\$800,358		\$800,358
15	Cash Working Capital Allowance (Line 14 X 1/8)		\$100,045		\$100,045
16	Cash Working Capital Allowance (November 2012 ES Form 3.13)		\$35,138		\$35,138
17	Cash Working Capital Allowance (October 2012 ES Form 3.13)		\$30,552		\$30,552
18	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,858
19	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
20	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
21	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
22	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
23	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
24	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
25	Cash Working Capital Allowance (February 2012 ES Form 3.13)		\$131,408		\$131,840
26	Cash Working Capital Allowance (January 2012 ES Form 3.13)		\$130,956		\$556,569
27	Total Twelve Month Total Cash Working Capital Allowance		\$1,169,929		\$1,595,696

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of December 2012

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$45,052,309	82.3%	\$45,052,309	82.1%
2	FERC Wholesale Revenues	\$553,189	1.0%	\$553,189	1.0%
3	Associated Utilities Revenues	\$2,473,229	4.5%	\$2,473,229	4.5%
4	Non-Assoc. Utilities Revenues	\$6,693,565	12.2%	\$6,769,308	12.4%
5	Total Revenues for Surcharges Purposes	\$54,772,292	100.0%	\$54,848,035	100.0%
6	Non-Physical Revenues for Month	(\$54,496)		(\$54,496)	
7	Total Revenues for Month	\$54,717,796		\$54,793,539	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for October 2012	-2.3607%
2	Kentucky Retail Revenues for Current Expense Month	\$48,204,770
3	Surcharge Collected (1) * (2)	(\$1,137,970)
4	Surcharge Amount To Be Collected	(\$880,490)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$257,480)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 28, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of January 2013

<u>CALCULATION OF E(m)</u>				
E(m) = CRR - BRR		As Filed (1)	Revised Oct-13 (2)	Difference (3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,129,219	\$3,762,353	\$633,133
LINE 2	Brr from ES FORM 1.10	3,991,163	3,991,163	0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$861,944)	(\$228,810)	\$633,133
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	79.5%	79.6%	0.1%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$685,245)	(\$182,133)	\$503,112
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$237,731	\$237,731	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$447,514)	\$55,598	\$503,112
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$447,514)	\$55,598	\$503,112
LINE 9	KY Retail R(m) from ES FORM 3.30	\$47,675,984	\$47,675,984	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-0.9387%	0.1166%	1.0553%

Effective Date for Billing: February 28, 2013

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : February 18, 2013

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 28, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of January 2013

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	As Filed		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,091,638		\$3,754,716
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$37,581		\$37,581
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month		\$0		\$0
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month		\$0		\$0
	Total Net Proceeds from SO ₂ Allowances		\$0		\$0
	1) NO _x - ERC Sales Proceeds, received during Expense Month		\$0		\$0
	2) NO _x - EPA Auction Proceeds, received during Expense Month		\$0		\$0
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month		\$0		\$29,944
	Total Net Proceeds from NO _x Allowances		\$0		\$29,944
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$29,944
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,129,219		\$3,762,353

Revised - October 28, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of January 2013

LINE NO.	COST COMPONENT		As Filed	As Revised
	Return on Rate Base :			
1	Utility Plant at Original Cost	\$193,120,620		
2	Less Accumulated Depreciation	(\$76,592,184)		
3	Less Accum. Def. Income Taxes	(\$30,571,465)		
4	Net Utility Plant		\$85,956,971	\$85,956,971
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$12,895,373	\$12,895,373
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$24,328	\$24,328
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,169,721	\$1,252,666
8	Total Rate Base		\$100,046,393	\$100,129,338
9	Weighted Average Cost of Capital - ES FORM 3.15	10.79%		
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%	0.90%
11	Monthly Return of Rate Base (8) * (10)		\$900,418	\$901,164
	Operating Expenses :			
12	Monthly Depreciation Expense		\$577,252	\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030	\$46,030
14	Monthly Property Taxes		\$12,771	\$12,771
15	Monthly Kentucky Air Emissions Fee		\$39,266	\$39,266
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$614,125	\$614,125
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$323,544	\$323,557
18	Monthly SO2 Emission Allowance Consumption		\$578,232	\$1,240,551
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,191,220	\$2,853,552
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,091,638	\$3,754,716

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of January 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	130,094	\$0	\$39,552,500	\$304.030
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	1,674	15,316	(\$662,319)	(\$5,769,118)	(\$376.673)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	61,731	\$0	\$5,064,494	\$82.041
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	6,440	750,340	\$578,232	\$61,901,414	\$82.498
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,137,780		\$12,895,373	\$11.334
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06083

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOX EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of January 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,093	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,979	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	26,075	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,109		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of January 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	(1)	(2)	(\$13)	(\$331)	\$165.500
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	750	750	\$2,306	\$2,306	\$0.000
NOx Consumed By Kentucky Power	528	32,098	\$1,623	\$1,943,927	\$60.562
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		15,333		\$24,328	\$1.587

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 28, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of January 2013

		As Filed		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$39,266		\$39,266	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$102,595		\$102,595	
3	Monthly SO2 Allowance Consumption	<u>\$578,232</u>		<u>\$1,240,551</u>	
4	Total 1997 Plan O&M Expenses		\$720,093		\$1,382,412
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$312,968		\$312,968	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$1,623		\$1,636	
9	Equipment - Associated Operating Expenses	\$49		\$49	
10	Equipment - Associated Maintenance Expenses	<u>\$8,904</u>		<u>\$8,904</u>	
11	Total 2003 Plan O&M Expenses		<u>\$323,544</u>		<u>\$323,557</u>
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,045,981</u>		<u>\$1,708,313</u>
15	Cash Working Capital Allowance (Line 14 X 1/8)		\$130,748		\$213,539
16	Cash Working Capital Allowance (December 2012 ES Form 3.13)		\$100,045		\$100,045
17	Cash Working Capital Allowance (November 2012 ES Form 3.13)		\$35,138		\$35,138
18	Cash Working Capital Allowance (October 2012 ES Form 3.13)		\$30,552		\$30,552
19	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,858
20	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
21	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
22	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
23	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
24	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
25	Cash Working Capital Allowance (March 2012 ES Form 3.13)		\$103,761		\$103,761
26	Cash Working Capital Allowance (February 2012 ES Form 3.13)		<u>\$131,408</u>		<u>\$131,840</u>
27	Total Twelve Month Total Cash Working Capital Allowance		\$1,169,721		\$1,252,666

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of January 2013

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$47,675,984	79.6%	\$47,675,984	79.5%
2	FERC Wholesale Revenues	\$592,140	1.0%	\$592,140	1.0%
3	Associated Utilities Revenues	\$4,658,686	7.8%	\$4,658,686	7.8%
4	Non-Assoc. Utilities Revenues	\$6,980,480	11.6%	\$7,067,920	11.7%
5	Total Revenues for Surcharges Purposes	\$59,907,290	100.0%	\$59,994,730	100.0%
6	Non-Physical Revenues for Month	\$219,954		\$219,954	
7	Total Revenues for Month	\$60,127,244		\$60,214,684	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for November 2012	-2.4491%
2	Kentucky Retail Revenues for Current Expense Month	\$48,525,989
3	Surcharge Collected (1) * (2)	(\$1,188,450)
4	Surcharge Amount To Be Collected	(\$950,719)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$237,731)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 28, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of February 2013

<u>CALCULATION OF E(m)</u>		<u>As Filed</u>	<u>Revised</u>	<u>Difference</u>
E(m) = CRR - BRR		(1)	Oct-13 (2)	(3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,543,964	\$3,520,209	(\$23,755)
LINE 2	Brr from ES FORM 1.10	3,590,810	3,590,810	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$46,846)	(\$70,601)	(\$23,755)
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	84.7%	84.7%	0.0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$39,679)	(\$59,799)	(\$20,120)
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$263,437	\$263,437	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$223,758	\$203,638	(\$20,120)
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	\$223,758	\$203,638	(\$20,120)
LINE 9	KY Retail R(m) from ES FORM 3.30	\$52,588,752	\$52,588,752	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	0.4255%	0.3872%	-0.0383%

Effective Date for Billing: April 1, 2013

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : March 22, 2013

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 28, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of February 2013

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	As Filed		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,505,925		\$3,507,626
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$38,039		\$38,039
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$0	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$0	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$25,456	
	Total Net Proceeds from NO _x Allowances	\$0		\$25,456	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$25,456
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,543,964		\$3,520,209

Revised - October 28, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of February 2013

LINE NO.	COST COMPONENT	As Filed		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$193,120,620		\$193,120,620	
2	Less Accumulated Depreciation	(\$77,217,955)		(\$77,217,955)	
3	Less Accum. Def. Income Taxes	(\$30,446,890)		(\$30,446,890)	
4	Net Utility Plant		\$85,455,775		\$85,455,775
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$12,320,866		\$12,320,866
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$20,492		\$20,492
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,205,909		\$1,288,543
8	Total Rate Base		\$99,003,042		\$99,085,676
9	Weighted Average Cost of Capital - ES FORM 3.15	10.79%		10.79%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$891,027		\$891,771
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$12,771		\$12,771
15	Monthly Kentucky Air Emissions Fee		\$39,266		\$39,266
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$784,740		\$784,740
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$581,289		\$581,289
18	Monthly SO2 Emission Allowance Consumption		\$573,550		\$574,507
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,614,898		\$2,615,855
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,505,925		\$3,507,626

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of February 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	130,094	\$0	\$39,552,500	\$304.030
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	(8)	15,308	(\$957)	(\$5,770,075)	(\$376.932)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	61,731	\$0	\$5,064,494	\$82.041
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	6,388	756,728	\$573,550	\$62,474,964	\$82.559
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,131,384		\$12,320,866	\$10.890
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06214

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of February 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,093	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,979	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	26,075	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,109		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of February 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	(1)	(3)	(\$13)	(\$344)	\$114.667
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	810	1,560	\$2,489	\$4,795	\$0.000
NOx Consumed By Kentucky Power	434	32,532	\$1,334	\$1,945,261	\$59.795
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		14,088		\$20,492	\$1.455

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 28, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of February 2013

		As Filed		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$39,266		\$39,266	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$144,320		\$144,320	
3	Monthly SO2 Allowance Consumption	<u>\$573,550</u>		<u>\$574,507</u>	
4	Total 1997 Plan O&M Expenses		\$757,136		\$758,093
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$510,701		\$510,701	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$1,334		\$1,347	
9	Equipment - Associated Operating Expenses	\$3,014		\$3,014	
10	Equipment - Associated Maintenance Expenses	<u>\$66,240</u>		<u>\$66,240</u>	
11	Total 2003 Plan O&M Expenses		<u>\$581,289</u>		<u>\$581,302</u>
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,340,769</u>		<u>\$1,341,739</u>
15	Cash Working Capital Allowance (Line 14 X 1/8)		\$167,596		\$167,717
16	Cash Working Capital Allowance (January 2013 ES Form 3.13)		\$130,748		\$213,539
17	Cash Working Capital Allowance (December 2012 ES Form 3.13)		\$100,045		\$100,045
18	Cash Working Capital Allowance (November 2012 ES Form 3.13)		\$35,138		\$35,138
19	Cash Working Capital Allowance (October 2012 ES Form 3.13)		\$30,552		\$30,552
20	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,858
21	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
22	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
23	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
24	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
25	Cash Working Capital Allowance (April 2012 ES Form 3.13)		\$128,462		\$128,184
26	Cash Working Capital Allowance (March 2012 ES Form 3.13)		<u>\$103,761</u>		<u>\$103,761</u>
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,205,909</u>		<u>\$1,288,543</u>

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of February 2013

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$52,588,752	84.7%	\$52,588,752	84.7%
2	FERC Wholesale Revenues	\$511,044	0.8%	\$511,044	0.8%
3	Associated Utilities Revenues	\$3,811,596	6.1%	\$3,811,596	6.1%
4	Non-Assoc. Utilities Revenues	\$5,152,045	8.4%	\$5,184,571	8.4%
5	Total Revenues for Surcharges Purposes	\$62,063,437	100.0%	\$62,095,963	100.0%
6	Non-Physical Revenues for Month	\$166,378		\$166,378	
7	Total Revenues for Month	\$62,229,815		\$62,262,341	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for December 2012	-1.5342%
2	Kentucky Retail Revenues for Current Expense Month	\$62,224,547
3	Surcharge Collected (1) * (2)	(\$954,649)
4	Surcharge Amount To Be Collected	(\$691,212)
5	Over / (Under) Recovery (3) - (4) = (5)	(\$263,437)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 28, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of March 2013

<u>CALCULATION OF E(m)</u>		As Filed	Revised	Difference
E(m) = CRR - BRR		(1)	Oct-13 (2)	(3) (2)-(1)
LINE 1	CRR from ES FORM 3.00	\$3,855,280	\$3,855,855	\$575
LINE 2	Brr from ES FORM 1.10	3,651,374	3,651,374	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	\$203,906	\$204,481	\$575
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	79.3%	79.3%	0.0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	\$161,697	\$162,153	\$456
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	(\$7,291)	(\$7,291)	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	\$154,406	\$154,862	\$456
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	\$154,406	\$154,862	\$456
LINE 9	KY Retail R(m) from ES FORM 3.30	\$44,820,096	\$44,820,096	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	0.3445%	0.3455%	0.0010%

Effective Date for Billing: April 30, 2013

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : April 19, 2013

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 28, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of March 2013

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	As Filed		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,814,116		\$3,814,855
2	Second Component: Associated with Rockport Plant [((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)] ES FORM 3.20, Line 16		\$41,164		\$41,164
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month	\$0		\$0	
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month	\$0		\$164	
	Total Net Proceeds from SO ₂ Allowances	\$0		\$164	
	1) NO _x - ERC Sales Proceeds, received during Expense Month	\$0		\$0	
	2) NO _x - EPA Auction Proceeds, received during Expense Month	\$0		\$0	
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month	\$0		\$0	
	Total Net Proceeds from NO _x Allowances	\$0		\$0	
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$164
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,855,280		\$3,855,855

Revised - October 28, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of March 2013

LINE NO.	COST COMPONENT	As Filed		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$193,120,620		\$193,120,620	
2	Less Accumulated Depreciation	(\$77,843,726)		(\$77,843,726)	
3	Less Accum. Def. Income Taxes	(\$30,322,320)		(\$30,322,320)	
4	Net Utility Plant		\$84,954,574		\$84,954,574
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$11,488,734		\$11,488,734
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$22,771		\$22,771
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,308,585		\$1,390,656
8	Total Rate Base		\$97,774,664		\$97,856,735
9	Weighted Average Cost of Capital - ES FORM 3.15	10.79%		10.79%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$879,972		\$880,711
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$12,771		\$12,771
15	Monthly Kentucky Air Emissions Fee		\$39,266		\$39,266
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$786,040		\$786,040
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$640,653		\$640,653
18	Monthly SO2 Emission Allowance Consumption		\$832,132		\$832,132
19	Total Operating Expenses [Line 12 thru Line 18]		<u>\$2,934,144</u>		<u>\$2,934,144</u>
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,814,116		\$3,814,855

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of March 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	130,094	\$0	\$39,552,500	\$304.030
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	15,308	\$0	(\$5,770,075)	(\$376.932)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	61,731	\$0	\$5,064,494	\$82.041
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	9,268	765,996	\$832,132	\$63,307,096	\$82.647
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,122,116		\$11,488,734	\$10.238
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06223

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transactions for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of March 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,093	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,979	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	26,075	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,109		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of March 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	57	54	\$4,505	\$4,161	\$77.056
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	1,560	\$0	\$4,795	\$0.000
NOx Consumed By Kentucky Power	599	33,131	\$2,226	\$1,947,487	\$58.781
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		13,546		\$22,771	\$1.681

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 28, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of March 2013

		As Filed		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$39,266		\$39,266	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$137,100		\$137,100	
3	Monthly SO2 Allowance Consumption	<u>\$832,132</u>		<u>\$832,132</u>	
4	Total 1997 Plan O&M Expenses		\$1,008,498		\$1,008,498
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$483,404		\$483,404	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$2,226		(\$2,279)	
9	Equipment - Associated Operating Expenses	\$0		\$0	
10	Equipment - Associated Maintenance Expenses	<u>\$155,023</u>		<u>\$155,023</u>	
11	Total 2003 Plan O&M Expenses		\$640,653		\$636,148
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,651,495</u>		<u>\$1,646,990</u>
15	Cash Working Capital Allowance (Line 14 X 1/8)		\$206,437		\$205,874
16	Cash Working Capital Allowance (February 2013 ES Form 3.13)		\$167,596		\$167,717
17	Cash Working Capital Allowance (January 2013 ES Form 3.13)		\$130,748		\$213,539
18	Cash Working Capital Allowance (December 2012 ES Form 3.13)		\$100,045		\$100,045
19	Cash Working Capital Allowance (November 2012 ES Form 3.13)		\$35,138		\$35,138
20	Cash Working Capital Allowance (October 2012 ES Form 3.13)		\$30,552		\$30,552
21	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,858
22	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
23	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
24	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
25	Cash Working Capital Allowance (May 2012 ES Form 3.13)		\$50,526		\$50,526
26	Cash Working Capital Allowance (April 2012 ES Form 3.13)		<u>\$128,462</u>		<u>\$128,184</u>
27	Total Twelve Month Total Cash Working Capital Allowance		<u>\$1,308,585</u>		<u>\$1,390,656</u>

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

ES FORM 3.30

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of March 2013

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$44,820,096	79.3%	\$44,820,096	79.3%
2	FERC Wholesale Revenues	\$532,193	0.9%	\$532,193	0.9%
3	Associated Utilities Revenues	\$5,963,863	10.6%	\$5,963,863	10.6%
4	Non-Assoc. Utilities Revenues	\$5,181,489	9.2%	\$5,204,544	9.2%
5	Total Revenues for Surcharges Purposes	\$56,497,641	100.0%	\$56,520,696	100.0%
6	Non-Physical Revenues for Month	\$176,941		\$176,941	
7	Total Revenues for Month	\$56,674,582		\$56,697,637	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for January 2013	-0.9387%
2	Kentucky Retail Revenues for Current Expense Month	\$46,897,092
3	Surcharge Collected (1) * (2)	(\$440,223)
4	Surcharge Amount To Be Collected	(\$447,514)
5	Over / (Under) Recovery (3) - (4) = (5)	\$7,291

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.

Revised - October 28, 2013

ES FORM 1.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CALCULATION OF E(m) and SURCHARGE FACTOR
 For the Expense Month of April 2013

CALCULATION OF E(m)		As Filed	Revised	Difference
E(m) = CRR - BRR		(1)	Oct-13 (2)	(3) (2) - (1)
LINE 1	CRR from ES FORM 3.00	\$3,567,081	\$3,567,822	\$741
LINE 2	Brr from ES FORM 1.10	3,647,040	3,647,040	\$0
LINE 3	E(m) (LINE 1 - LINE 2)	(\$79,959)	(\$79,218)	\$741
LINE 4	Kentucky Retail Jurisdictional Allocation Factor, from ES FORM 3.30, Schedule of Revenues, LINE 1	82.6%	82.6%	0.0%
LINE 5	KY Retail E(m) (LINE 3 * LINE 4)	(\$66,046)	(\$65,434)	\$612
LINE 5A	Environmental Surcharge Clause Adjustment per Order in Case No. 2012 - 00504 dated May 13, 2013	(\$704,292)	(\$704,292)	\$0
LINE 6	(Over) / Under Recovery Adjustment from ES FORM 3.30	\$39,254	\$39,254	\$0
LINE 7	Net KY Retail E(m) (LINE 5 + LINE 6)	(\$731,084)	(\$730,472)	\$612
<u>SURCHARGE FACTOR</u>				
LINE 8	Net KY Retail E(m) (Line 7)	(\$731,084)	(\$730,472)	\$612
LINE 9	KY Retail R(m) from ES FORM 3.30	\$45,261,359	\$45,261,359	\$0
LINE 10	Environmental Surcharge Factor for Expense Month (Line 8 / LINE 9)	-1.6152%	-1.6139%	0.0013%

Effective Date for Billing: May 30, 2013

Submitted By : _____

Title : Manager Regulatory Services

Date Submitted : May 20, 2013

1/ Case No. 2009-00459, dated June 28, 2010

Revised - October 28, 2013

ES FORM 3.00

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 For the Expense Month of April 2013

CALCULATION OF CURRENT PERIOD REVENUE REQUIREMENT

LINE NO.	COMPONENTS	As Filed		As Revised	
1	First Component: Associated with Big Sandy Plant ((RB KP(C)) (ROR KP(C)/12)) + OE KP(C) ES FORM 3.10, Line 20		\$3,525,822		\$3,526,563
2	Second Component: Associated with Rockport Plant (((RB IM(C)) (ROR IM(C)/12)) + OE IM(C)) ES FORM 3.20, Line 16		\$41,259		\$41,259
	Third Component: Net Proceeds from Emission Allowances Sales AS				
	1) SO ₂ - EPA Auction Proceeds received during Expense Month		\$0		\$0
	2) SO ₂ - Net Gain or (Loss) from Allowance Sales, in compliance with the AEP Interim Allowance Agreement, received during Expense Month		\$0		\$0
	Total Net Proceeds from SO ₂ Allowances		\$0		\$0
	1) NO _x - ERC Sales Proceeds, received during Expense Month		\$0		\$0
	2) NO _x - EPA Auction Proceeds, received during Expense Month		\$0		\$0
	3) NO _x - Net Gain or Loss from NO _x Allowances Sales, received during Expense Month		\$0		\$0
	Total Net Proceeds from NO _x Allowances		\$0		\$0
3	Total Net Gain or (Loss) from Emission Allowance Sales		\$0		\$0
4	Total Current Period Revenue Requirement, CRR Record on ES FORM 1.00.		\$3,567,081		\$3,567,822

Revised - October 28, 2013

ES FORM 3.10

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 COSTS ASSOCIATED WITH BIG SANDY

For the Expense Month of April 2013

LINE NO.	COST COMPONENT	As Filed		As Revised	
	Return on Rate Base :				
1	Utility Plant at Original Cost	\$193,120,620		\$193,120,620	
2	Less Accumulated Depreciation	(\$78,469,497)		(\$78,469,497)	
3	Less Accum. Def. Income Taxes	(\$30,197,750)		(\$30,197,750)	
4	Net Utility Plant		\$84,453,373		\$84,453,373
5	SO2 Emission Allowance Inventory from ES FORM 3.11		\$10,890,583		\$10,890,583
6	ECR & NOx Emission Allowance Inventory from ES FORM 3.12		\$21,403		\$21,403
7	Cash Working Capital Allowance from ES FORM 3.13, Line 13		\$1,351,941		\$1,434,290
8	Total Rate Base		\$96,717,300		\$96,799,649
9	Weighted Average Cost of Capital - ES FORM 3.15	10.82%		10.82%	
10	Monthly Weighted Avg. Cost of Capital (9) / 12		0.90%		0.90%
11	Monthly Return of Rate Base (8) * (10)		\$870,456		\$871,197
	Operating Expenses :				
12	Monthly Depreciation Expense		\$577,252		\$577,252
13	Monthly Catalyst Amortization Expense		\$46,030		\$46,030
14	Monthly Property Taxes		\$12,771		\$12,771
15	Monthly Kentucky Air Emissions Fee		\$39,266		\$39,266
16	Monthly Environmental AEP Pool Capacity Costs from ES FORM 3.14, Page 1 of 11, Column 5, Line 10		\$809,804		\$809,804
17	Monthly 2003 Plan Non-Fuel O&M Expenses from ES FORM 3.13		\$572,092		\$572,092
18	Monthly SO2 Emission Allowance Consumption		\$598,151		\$598,151
19	Total Operating Expenses [Line 12 thru Line 18]		\$2,655,366		\$2,655,366
20	Total Revenue Requirement - Big Sandy Record on ES FORM 3.00, Line 1		\$3,525,822		\$3,526,563

ES FORM 3.11

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SO2 EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of April 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		754,608		\$4,685,726	\$6.209
Additions -					
EPA Allowances	0	509,114	\$0	\$0	\$0.000
Gavin Reallocation	0	94,744	\$0	\$0	\$0.000
P & E Transfers In	0	327,201	\$0	\$4,855,695	\$14.840
Intercompany Purchases	0	130,094	\$0	\$39,552,500	\$304.030
Other (List)	0	433,206	\$0	\$67,152,857	\$155.014
SO2 Emissions Allowance Adjustment	0	15,308	\$0	(\$5,770,075)	(\$376.932)
Withdrawals -					
P & E Transfers Out	0	11,382	\$0	\$836,106	\$73.459
Intercompany Sales	0	61,731	\$0	\$5,064,494	\$82.041
Off - System Sales	0	303,050	\$0	\$29,780,273	\$98.269
SO2 Emissions Allowance Adjustment	0	0	\$0	\$0	\$0.000
SO2 Emissions Allowances Consumed By Kentucky Power - 1:1 (Year 2009 & Prior)	0		\$0		
SO2 Emissions Allowances Consumed By Kentucky Power - 2:1 (Years 2010 to 2014)	6,662	772,658	\$598,151	\$63,905,247	\$82.708
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		1,115,454		\$10,890,583	\$9.763
Expense Month Member Load Ratio for AEP/Kentucky Power					0.06223

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

ES FORM 3.12 A

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 SEASONAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of April 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	37,093	\$0	\$0	
P&E Transfers In	0	0		\$0	
Intercompany Purchases	0	0	\$0	\$0	\$0.000
Other (List)	0	0	\$0	\$0	\$0.000
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	2,979	\$0	\$0	\$0.000
ERC Consumed By Kentucky Power	0	930	\$0	\$0	\$0.000
NOx Consumed By Kentucky Power	0	26,075	\$0	\$0	\$0.000
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		7,109		\$0	\$0.000

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Note : For any sale or transfer of ERCs or NOx emission allowances, attach to this report documentation showing the currently available market prices for similar ERC or NOx allowances.

Total Early Reduction Credits (ERC)	930
Consumed:	
June 2004	420
July 2004	510
Total Consumed	930
Remaining Early Reduction Credits (ERC)	0

ES FORM 3.12 B

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 ANNUAL NOx EMISSIONS ALLOWANCE INVENTORY

For the Expense Month of April 2013

	(1) Allowance Activity in Month	(2) Cumulative Balance	(3) Dollar Value of Activity	(4) Cumulative Dollar Balance	(5) Weighted Average Cost
BEGINNING INVENTORY		0		\$0	\$0.000
Additions -					
EPA Allowances	0	44,919	\$0	\$0	\$0.000
P&E Transfers In	0	0	\$0	\$0	\$0.000
Intercompany Purchases	0	0	\$0	\$0	\$0.000
External Purchases	0	3,264	\$0	\$1,970,892	\$603.827
Other (List)	0	0	\$0	\$0	\$0.000
NOx Emissions Allowance Adjustment	0	54	\$0	\$4,161	\$77.056
Withdrawals -					
P & E Transfers Out	0	0	\$0	\$0	\$0.000
Intercompany Sales	0	0	\$0	\$0	\$0.000
Off - System Sales	0	1,560	\$0	\$4,795	\$0.000
NOx Consumed By Kentucky Power	368	33,499	\$1,368	\$1,948,855	\$58.177
ENDING INVENTORY - Record Balance in Column (4) on ES FORM 3.10, Line 5		13,178		\$21,403	\$1.624

Columns 1 and 2 -

Record the number of allowances in any transaction (purchase, sale, transfer) which occurred during the Expense Month. Multiple transactions for a given category are to be shown as the total activity for that category during the Expense Month. For each transaction shown in Column 1, update the cumulative balance in Column 2.

Columns 3 and 4 -

For each transaction reflected in Column 1, record the total dollars of the transaction. Multiple transaction for a given category are to be shown as the total dollar amount for that category during the Expense Month. For each transaction shown in Column 3, update the cumulative dollar balance in Column 4. Include transactions that total zero dollars. Record amounts in whole dollars.

Column 5 -

Compute the Weighted Average Cost by dividing the Cumulative Dollar Balance (Co. 4) by the corresponding Cumulative Balance (Col. 2). Perform this calculation for the Beginning Inventory, Ending Inventory and all additions and withdrawals made during the Expense Month. The Weighted Average Cost should be carried out to 3 decimal places.

Revised - October 28, 2013

ES FORM 3.13

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT

For the Expense Month of April 2013

		As Filed		As Revised	
	1997 Plan :				
1	Monthly Kentucky Air Emissions Fee	\$39,266		\$39,266	
	Total Monthly AEP Pool				
2	Environmental Capacity Costs	\$162,692		\$162,692	
3	Monthly SO2 Allowance Consumption	<u>\$598,151</u>		<u>\$598,151</u>	
4	Total 1997 Plan O&M Expenses		\$800,109		\$800,109
	2003 Plan :				
5	Monthly Variable Cladding at Big Sandy Unit 1	\$0		\$0	
6	Monthly Urea Consumption at Big Sandy Unit 2	\$419,712		\$419,712	
7	Monthly Catalyst Replacement at Big Sandy Unit 2	\$0		\$0	
8	Monthly ERC & NOx Allowance Consumption	\$1,368		\$1,368	
9	Equipment - Associated Operating Expenses	\$1,466		\$1,466	
10	Equipment - Associated Maintenance Expenses	<u>\$149,546</u>		<u>\$149,546</u>	
11	Total 2003 Plan O&M Expenses		<u>\$572,092</u>		<u>\$572,092</u>
12	KPCO's Rockport Unit Power O&M:				
13	E.S. Form 3.20, Line 11 X 15%		<u>\$2,344</u>		<u>\$2,344</u>
14	Total Monthly O&M Expenses		<u>\$1,374,545</u>		<u>\$1,374,545</u>
15	Cash Working Capital Allowance (Line 14 X 1/8)		\$171,818		\$171,818
16	Cash Working Capital Allowance (March 2013 ES Form 3.13)		\$206,437		\$205,874
17	Cash Working Capital Allowance (February 2013 ES Form 3.13)		\$167,596		\$167,717
18	Cash Working Capital Allowance (January 2013 ES Form 3.13)		\$130,748		\$213,539
19	Cash Working Capital Allowance (December 2012 ES Form 3.13)		\$100,045		\$100,045
20	Cash Working Capital Allowance (November 2012 ES Form 3.13)		\$35,138		\$35,138
21	Cash Working Capital Allowance (October 2012 ES Form 3.13)		\$30,552		\$30,552
22	Cash Working Capital Allowance (September 2012 ES Form 3.13)		\$30,858		\$30,858
23	Cash Working Capital Allowance (August 2012 ES Form 3.13)		\$143,931		\$143,931
24	Cash Working Capital Allowance (July 2012 ES Form 3.13)		\$170,994		\$170,994
25	Cash Working Capital Allowance (June 2012 ES Form 3.13)		\$113,298		\$113,298
26	Cash Working Capital Allowance (May 2012 ES Form 3.13)		<u>\$50,526</u>		<u>\$50,526</u>
27	Total Twelve Month Total Cash Working Capital Allowance		\$1,351,941		\$1,434,290

Total Cost at Line 27 is to be recorded on ES FORM 3.10, Line 7.

Revised - September 26, 2013

KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 MONTHLY REVENUES, JURISDICTIONAL ALLOCATION FACTOR,
 and OVER/(UNDER) RECOVERY ADJUSTMENT

For the Expense Month of April 2013

SCHEDULE OF MONTHLY REVENUES

Line No.	Description	Revised Monthly Revenues	Revised % of Total Revenues	Monthly Revenues	Percentage of Total Revenues
1	Kentucky Retail Revenues	\$45,261,359	82.6%	\$45,261,359	82.6%
2	FERC Wholesale Revenues	\$445,504	0.8%	\$445,504	0.8%
3	Associated Utilities Revenues	\$4,304,848	7.9%	\$4,304,848	7.9%
4	Non-Assoc. Utilities Revenues	\$4,763,791	8.7%	\$4,779,471	8.7%
5	Total Revenues for Surcharges Purposes	\$54,775,502	100.0%	\$54,791,182	100.0%
6	Non-Physical Revenues for Month	\$161,095		\$161,095	
7	Total Revenues for Month	\$54,936,597		\$54,952,277	

The Kentucky Retail Monthly Revenues and Percentage of Total Revenues (Line 1) are to be recorded on ES FORM 1.00, Lines 9 and 4. The Percentage of Kentucky Retail Revenues to the Total Revenues for the Expense Month will be the Kentucky Retail Jurisdictional Allocation Factor.

OVER/(UNDER) RECOVERY ADJUSTMENT

Line No.	Description	Amounts
1	Kentucky Retail Surcharge Factor for February 2013	0.4255%
2	Kentucky Retail Revenues for Current Expense Month	\$43,361,692
3	Surcharge Collected (1) * (2)	\$184,504
4	Surcharge Amount To Be Collected	\$223,758
5	Over / (Under) Recovery (3) - (4) = (5)	(\$39,254)

The Over/(Under) Recovery amount is to be recorded on ES FORM 1.00, LINE 6.

NOTE : The sign on LINE 5 of ES FORM 3.30 will be changed on LINE 6 of ES FORM 1.00 in order to properly adjust the collection of the current month's expense.