



A unit of American Electric Power

Kentucky Power  
101A Enterprise Drive  
P O Box 5190  
Frankfort, KY 40602-5190  
KentuckyPower.com

HAND DELIVERED

January 14, 2014

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

RECEIVED  
JAN 14 2014  
PUBLIC SERVICE  
COMMISSION

**Attention: Chris Whelan**

RE: THE STANDARD FUEL ADJUSTMENT CLAUSE BACKUP FILING

Dear Ms. Whelan:

In compliance with the Commission's Order dated November 25, 1981 in Case No. 8058-A, Kentucky Power is forwarding herewith for the month of November 2013 the required backup information for the fuel adjustment clause applied to customers' bills in the month of January 2014.

Pursuant to the Commission's Order dated October 3, 2002 in Case No. 2000-495-B, the Company began using the peaking unit equivalent approach to calculate the level of non-economy purchased power costs to flow through the fuel adjustment clause in the actual fuel costs. These fuel costs are documented on the attached Power Transaction Schedule.

1. Fuel Inventory Schedule -- Coal
2. Fuel Inventory Schedule -- Oil
3. Fuel Purchase Schedule -- Coal
4. Fuel Purchase Schedule -- Oil
5. Power Transaction Schedule
6. Copies of new fuel contracts or price change notices
7. Unit Performance Data

Should you have any questions, please call me at (502) 696-7010.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ranie K. Wohnhas', written over a horizontal line.

Ranie K. Wohnhas  
Managing Director, Regulatory & Finance

Attachment

bcc: James Sorrels – Columbus  
Brian Elswick– Columbus  
Deborah Snyder – Columbus  
Brian Lysiak – Columbus  
John Lowry – Columbus  
Megan Pratt- Columbus  
Doreen Hohl - Columbus

KENTUCKY POWER COMPANY  
BIG SANDY PLANT  
NOVEMBER 2013

COAL INVENTORY SCHEDULE

		<u>Tons</u>	<u>Amount</u>	<u>Per Unit</u>
Beginning Inventory		694,051.36	\$55,560,538.09	\$80.0525
Purchases		86,315.67	\$6,878,338.55	\$79.6882
Adjustments	1	<u>0.00</u>	<u>\$0.00</u>	<u>\$0.0000</u>
Sub-Total		780,367.03	\$62,438,876.64	\$80.0122
Less Coal Burned	2	<u>17,583.00</u>	<u>\$1,406,854.36</u>	<u>\$80.0122</u>
Ending Inventory		<u>762,784.03</u>	<u>\$61,032,022.28</u>	<u>\$80.0122</u>

1 Coal Pile Survey Adjustment

2 Includes 0 tons and \$0 of fuel used in power conversion transaction.

**KENTUCKY POWER COMPANY  
 BIG SANDY PLANT  
 NOVEMBER 2013**

**OIL INVENTORY SCHEDULE**

	<u>Gallons</u>		<u>Amount</u>	<u>Per Unit</u>
Beginning Inventory	279,319.50	\$	852,138.12	\$3.0508
Purchases	173,242.00	\$	543,789.56	\$3.1389
Adjustments	0.00		0.00	\$0.0000
Sub-Total	452,561.50	\$	1,395,927.68	\$3.0845
Less Disposed				
Generation	216,927.10	\$	669,112.47	\$3.0845
Chemical Cleaning/Other	0.00		0.00	\$0.0000
Ending Inventory	235,634.40	\$	726,815.21	\$3.0845

Explain any adjustments fully. Use additional sheets if necessary.

Includes 0 tons and \$0 of fuel used in power conversion transaction.

KENTUCKY POWER COMPANY													
ANALYSIS OF COAL PURCHASES													
NOVEMBER 2013													
P	P												
B	O												
D	C	M											
U	N	I	ST	District	Tons	BTU	No.	Price	FOB Mine	Trans Cost	Delivered Cost		
(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Station and Supplier					Per Ton	Per Ton	Per Ton	Per Ton	Per Ton	Per Ton	Per Ton	Per Ton	Per Ton
(a)					(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)
<b>BIG SANDY PLANT</b>													
Long Term Contracts:													
P	03-30-08-901	A	KY	08	15,570.29	12,115	24.23	78.09	322.29	0.00	0.00	78.09	322.29
P	03-30-10-900	A	KY	08	22,784.91	11,870	23.74	76.85	323.72	0.00	0.00	76.85	323.72
P	03-30-10-901	A	KY	08	15,311.02	12,043	24.09	78.85	327.31	0.00	0.00	78.85	327.31
P	03-30-12-900	A	KY	08	32,649.45	12,551	25.10	75.80	301.99	0.00	0.00	75.80	301.99
Station Weighted Average													
					88,315.67	12,195	24.39	77.03	315.83	2.65	10.87	79.68	326.69
<b>TOTAL SYSTEM WEIGHTED AVERAGE</b>													
					86,315.67	12,195	24.39	77.03	315.83	2.65	10.87	79.68	326.69
<b>ANALYSIS OF OIL PURCHASES</b>													
B	O												
D	C	M											
U	N	I											
(b)	(c)	(d)											
Supplier			Station		Gal or	BTU per	Delivered	Cents Per					
(a)			Name		Purchased	Unit	Cost Per Gal	MMBTU	%				
			(e)		(f)	(g)	(h)	(i)	(j)				
Ports Petroleum Company, Inc.	406288	T	Big Sandy		15,092.00	136,600	3.1300	2,291.33	0.36				
Marathon Petroleum	406288	T	Big Sandy		7,650.00	136,600	3.1606	2,313.73	0.36				
John W. Clark	406288	T	Big Sandy		52,819.00	136,600	3.1232	2,286.98	0.36				
Petroleum Traders	406288	T	Big Sandy		97,781.00	136,600	3.1471	2,303.87	0.36				

**KENTUCKY POWER COMPANY  
POWER TRANSACTION SCHEDULE  
November 2013**

TRANSACTION TYPES \*

F	FIRM
LT CAPACITY	LONG TERM CAPACITY
AEP-E DYNAMIC	EAST-WEST TRANSFER (SIA POOL)
AEP-E DYNAMIC	EAST-WEST TRANSFER (SIA FIRM)
AEP-E STATIC	EAST-WEST TRANSFER (SIA NON-FIRM)
SPOT MARKET ENERGY - DA	PJM MARKET SPOT ENERGY - DAY AHEAD
SPOT MARKET ENERGY - BAL	PJM MARKET SPOT ENERGY - BALANCING
CMP-UPR	COMPANY UNIT POWER
NF	NON-FIRM
BKSYSEXCESS	BUCKEYE EXCESS POWER
BKSYSPLUS	BUCKEYE SYSTEM PLUS POWER

OTHER

HR	HOURLY
DY	DAILY
WK	WEEKLY
MO	MONTHLY
YR	YEAR

\* Due to voluminous transactions, they are aggregated by type rather than by interconnected utility.

PURCHASES

BILLING COMPONENTS

<u>TRANSACTION TYPE</u>	<u>MWH</u>	<u>FUEL CHARGE (\$)</u>	<u>DEMAND (\$)</u>	<u>OTHER CHARGES (\$)</u>	<u>TOTAL CHARGES (\$)</u>
HR-F	203	6,710.88	0.00	0.00	6,710.88
HR-NF	1,298	38,858.32	0.00	0.00	38,858.32
SPOT MARKET ENERGY - BAL	18,845	647,816.65	0.00	0.00	647,816.65
SPOT MARKET ENERGY - DA	3,768	100,207.66	0.00	0.00	100,207.66
	24,114 <sup>(1)</sup>	793,593.51	0.00	0.00	793,593.51
<b>AEP POOL PRIMARY PURCHASES:</b>	<b>352,669</b>	<b>8,310,982.94</b>	<b>0.00</b>	<b>1,512,123.85</b>	<b>9,823,106.79</b>
INTERRUPTIBLE BUY/THROUGH (AEP AFF. COS.)	0	0.00	0.00	0.00	0.00
<b>BOOKOUTS/OPTIONS:</b>	<b>24,700</b>	<b>0.00</b>	<b>0.00</b>	<b>882,529.99</b>	<b>882,529.99</b>
<b>TOTALS:</b>	<b>401,483</b>	<b>9,104,576.45</b>	<b>0.00</b>	<b>2,394,653.84</b>	<b>11,499,230.29</b>

<sup>(1)</sup> ALLOCATED TO SYSTEM SALES:  
 ALLOCATED TO INTERNAL CUSTOMERS:

LESS: PJM IMPLICIT CONGESTION INCLUDED IN THE INTERNAL CUSTOMER'S FIGURE:  
 NET INCLUDABLE ENERGY CHARGES:

Add: AEP POOL PRIMARY PURCHASES FUEL CHARGE (PAGE 2)  
 Less: BOOKOUTS/OPTIONS FUEL CHARGE (PAGE 2)  
 PURCHASES - IDENTIFIABLE FUEL COST - OTHER PURCHASES (Page 4)

<u>MWH</u>	<u>Total Energy Charges</u>
24,114	567,107.68
8,264	226,485.83
32,378	793,593.51
0	0.00
32,378	793,593.51
	8,310,982.94
	0.00
	9,104,576.45

KENTUCKY POWER COMPANY  
 POWER TRANSACTION SCHEDULE  
 MONTH ENDED: NOVEMBER 2013

SALES  TRANSACTION TYPE	KPCO MLR SHARE OF DELIVERED MWH	BILLING COMPONENTS					TOTAL CHARGES (\$)
		SUPPLIED BY KPCO SOURCES		DEMAND (\$)	OTHER CHARGES (\$)		
		MWH	FUEL CHARGE (\$)				
AEP-E DYNAMIC	773	961	23,533	0	(799)	22,734	
BKSYSEXCESS	1,062	461	16,428	0	27,313	43,740	
HR-NF	1,325	444	12,969	0	25,218	38,187	
MO-F	11,731	9,740	246,220	0	175,037	421,257	
POT MARKET ENERGY - BAL	7,787	2,915	72,398	0	166,851	239,249	
POT MARKET ENERGY - DA	83,915	39,981	1,141,143	0	1,990,211	3,131,354	
YR-F	2,724	2,569	64,172	0	43,164	107,337	
	109,316	57,071	1,574,400.46 <sup>(1)</sup>	0.00	2,429,457.55	4,003,858.01	
AEP POOL SALES (PRIMARY/ECONOMY)	0	0	0.00	0.00	0.00	0.00	
INTERRUPTIBLE BUY/THROUGH (AEP AFF. CO./KY EL. STEEL)	0	21	670.08	0.00	0.00	670.08	
BOOKOUTS/OPTIONS:	24,217	0	0.00	0.00	1,359,286.79	1,359,286.79	
TOTALS:	133,533	57,091	1,575,070.54	0.00	3,788,744.34	5,363,814.88	
KPCo's other costs incurred, (other than fuel from Account 151):						112,859.43	
KPCo's MLR share of AEP energy cost less the actual energy costs incurred by KPCo:						2,210,554.01	
KPCo's MLR share of the difference (Total AEP energy charges - Total AEP energy costs):						106,044.11	
Total (Other Charges):						2,429,457.56	
SUPPLIED BY KPCo SOURCES - FUEL CHARGE (Page 3)						1,575,070.54	
Add: ALLOCATED TO SYSTEM SALES (PAGE 2)						567,107.68	
Less: FUEL ALLOCATED TO SYSTEM SALES						567,107.67	
INTER-SYSTEM SALES - FUEL COSTS (PAGE 4)						0.01	
						1,575,070.55	

<sup>(1)</sup> Includes (\$2,462) adjustment for chemicals carried over to Other Charges.



FINAL SCHEDULE NOVEMBER 2013 COSTS - ACTUAL

KENTUCKY POWER COMPANY  
 FUEL COST SCHEDULE  
 MONTH ENDED: NOVEMBER 2013

(A) COMPANY GENERATION	BIG SANDY (PLANT)	ROCKPORT UNIT #1	ROCKPORT UNIT #2	FUEL AMOUNTS (\$)
COAL BURNED	1,406,854.36	2,890,431.36	3,185,714.12	7,482,999.83
OIL BURNED	669,112.47	17,498.82	18,379.74	704,991.03
GAS BURNED				-----
FUEL (JOINTLY OWNED PLANT)				-----
FUEL (ASSIGNED COST DURING F.O.) ( 352,669 x 23.566 )	8310997.654			8,310,997.65
FUEL (SUBSTITUTE FOR F.O.)				-----
<b>SUB-TOTAL</b>				16,498,988.52
<b>(B) PURCHASES</b>				
NET ENERGY COST - ECONOMY PURCHASES				0.00
<sup>(1)</sup> IDENTIFIABLE FUEL COST - OTHER PURCHASES				9,104,576.45
IDENTIFIABLE FUEL COST (SUBSTITUTE FOR F.O.) ( 352,669 x 23.566 )				8,310,997.65
<b>SUB-TOTAL</b>				793,578.80
<b>(C) INTER-SYSTEM SALES</b>				
<sup>(1)</sup> FUEL COSTS				1,575,070.54
TOTAL FUEL COSTS (A + B - C)				15,717,496.78
F.O. = FORCED OUTAGE				
DETAILS:				
<u>FUEL (ASSIGNED COST DURING F.O.)</u>				
QUANTITY OF SUBSTITUTE ENERGY GIVEN AN ASSIGNED COST (Kwh):				352,669,000
AT THE BIG SANDY FUEL RATE OF:		57.876	MILLS/KWH \$	20,411,194.79
<u>IDENTIFIABLE FUEL COST (SUBSTITUTE FOR F.O.)</u>				
<u>PURCHASES SUBSTITUTED FOR F.O.:</u>				
PRIMARY ENERGY (AEP POOL)	352,669,000	KWH	23.566	MILLS/KWH \$ 8,310,997.65
CASH PURCHASES FROM NON-AFFILIATED COS.		KWH		MILLS/KWH \$ 0.00
TOTAL PURCHASES (IDENTIFIABLE FUEL COST) (SUBSTITUTE FOR F.O.):		Kwh	23.566	MILLS/KWH \$ 8,310,997.65

<sup>(1)</sup> INCLUDES TOTAL ENERGY COSTS OF NON-ECONOMY PURCHASES AS PER KPSC ORDER OF OCTOBER 3, 2002 IN CASE NO. 2000-00495-B.

AMERICAN ELECTRIC POWER SERVICE CORPORATION  
 FUEL AND ENERGY SYSTEM PRACTICES  
 KENTUCKY POWER

MONTHLY PURCHASE SUMMARY REPORT FOR  
 (Year:2013 Month:11 Cycle:Actual) East Purchase Power Report for Book Name: Actual November 2013

NERC Id	Transaction Class	TOTAL			ALLOCATED			FIRM		
		MWH	ENERGY COST	FUEL COST	MWH	ENERGY COST	FUEL COST	MWH	ENERGY COST	FUEL COST
LGE	HR-NF	19	934.19	934.19	19	934.19	934.19	431	11,085.03	-
MISO	HR-NF	629	19,234.07	19,234.07	199	8,149.04	8,149.04	-	-	-
NPCI2	HR-NF	-	-	-	-	-	-	-	-	-
OVPS	OVPS	-	-	-	-	-	-	-	-	-
TVAM	HR-F	203	6,710.88	6,710.88	203	6,710.88	6,710.88	-	-	-
TVAM	HR-NF	650	18,890.06	18,890.06	511	15,362.97	15,362.97	138	3,327.09	3,327.09
PJM	SPOT MARKET ENERGY - BAL	18,845	647,816.65	647,816.65	14,041	511,410.01	511,410.01	4,804	136,406.64	136,406.64
PJM	SPOT MARKET ENERGY - DA	3,786	100,207.86	100,207.86	876	24,540.59	24,540.59	2,891	75,667.07	75,667.07
Total		24,114	793,693.50	793,693.50	15,850	567,107.67	567,107.67	8,264	228,485.63	228,485.63



**AEP Order Number: 03-FO-13-002**  
**Date: December 3, 2013**

**Seller** John W. Clark Oil Co., Inc.  
**Address:** P.O. Box 1396  
 Ashland, KY 41105-1396  
 Attn: Charlie Clark  
 Phone: 606-325-8536

**Buyer** Kentucky Power Company  
**Address:** 155 West Nationwide Boulevard  
 Columbus, OH 43215  
 Attn: Karen Carey  
 Phone: 614-583-6431  
 Fax: 614-583-1627

**Goods:** #2 Red Dyed Ultra Low Sulfur Diesel Fuel. All product delivered under this Purchase Order ("Order") will be off-road diesel fuel. Any variation in product delivered will be mutually agreed upon by Buyer and Seller prior to shipment.

**Destination:** Big Sandy Plant, 23000 Highway 23 North, Louisa, KY

**Term:** This Order shall commence on November 30, 2013 and end on December 2, 2013 (Term).

**Quantity:** Each tanker truck delivery shall be 7,500 gallons. There shall be no annual minimum or maximum established.

**Quantity:** Approximately 85,000 gallons.

**Order Price:** \$3.11 per gallon

**Transportation and Freight Adder:** \$0.0285 per gallon

**Invoicing and Taxes:** Buyer and Seller agree that the following taxes shall apply to deliveries under this Order to the extent, and only to the extent, that the taxes are not already included in the OPIS price: sales and use taxes, the Federal Oil Spill Liability Tax and the Federal Leaking Underground Storage Tank Tax.

Seller's invoice shall reflect the Order Price, based upon the components as enumerated below:

- 1) The Selling Price
- 2) The net weight in gallons
- 3) Demurrage Charge, if applicable
- 4) Taxes as individual line item charges, as applicable:
  - a) sales and use taxes
  - b) Federal Oil Spill Liability Tax (the "Environmental Fee")
  - c) Federal Leaking Underground Storage Tank Tax or L.U.S.T. Tax

With regard to federal and state excise taxes and environmental taxes and fees not named herein, Seller shall inform Buyer in writing, no less than thirty (30) days in advance, of the relevant legislation enacting such new federal and state excise taxes and environmental taxes and fees (hereafter "New Taxes and/or Fees"). Unless Buyer disputes Seller's advice within thirty (30) days after receipt of Seller's written notification, then thereafter such other New Taxes and/or Fees shall be reflected in Seller's invoicing as individual line item charges. Should Buyer dispute the applicability of any such New Taxes and/or Fees, then the parties shall meet to discuss a resolution to the disputed New Taxes and/or Fees.

AEP Order Number: 03-FO-13-002  
Date: December 3, 2013

Buyer shall have no obligation to pay any interest or penalties on any taxes unless such interest or penalties arise solely as a result of Buyer's conduct.

Seller shall send its invoices by e-mail to: [cantonfuelaccounting@aep.com](mailto:cantonfuelaccounting@aep.com)

or by mail to: Attn: Manager – Fuel Accounting  
American Electric Power Service Corporation  
155 W. Nationwide Boulevard, Suite 500  
Columbus, OH 43215

Buyer shall provide Seller with Buyer's direct pay permit or exemption certification where applicable.

**Delivery Instructions:**

By tanker truck in accordance with instructions provided by Buyer.

**Notice Addresses:**

For Seller:  
John W. Clark Oil Co., Inc.  
P.O. Box 1396  
Ashland, KY 41105-1396  
Attn: Charlie Clark

For Buyer:  
Attn: Fuel Contract Administration  
American Electric Power Service Corporation  
155 West Nationwide Boulevard  
Columbus, OH 43215

**Terms and Conditions:**

The AEP Fuel Oil Order Terms and Conditions are attached hereto and made a part of this Order, and by signing below the parties agree to be bound.

**Accepted:**

**Seller:**



Signature

Charles G Clark

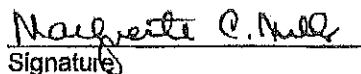
Name (Print)

V.P. / operations

Title

Date: 12/11/13

**Buyer:**



Signature

Marguerite C. Mills

Vice President, Fuel Procurement  
On behalf of American Electric Power  
Service Corporation, as agent for  
Kentucky Power Company

Date: 12/6/13



## AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

The following terms and conditions shall apply to all purchase orders and change orders ("Order").

**1. Definitions.** "Goods" means all conforming goods, including documentation and services provided by Seller under the Order. "Buyer" and "Seller" mean the entities identified on the Order. Buyer and Seller may be referred to each individually as "Party" or collectively as "Parties".

**2. Priority.** The Order consists of the following documents, listed in their order of priority in the event of a conflict: the numbered Order; these AEP Fuel Oil Order Terms and Conditions and any exhibits or schedules incorporated into the Order. Acceptance of the Order is expressly limited to the terms of the Order. Additional or different terms contained in Seller's acceptance shall not become a part of the Order unless expressly agreed to in writing and signed by Buyer.

**3. Payment.** Seller shall invoice Buyer for the Order Price after delivery of the Goods to Buyer. Buyer shall remit to Seller, upon submission of a proper invoice, payment for Goods delivered and accepted. Buyer may withhold all or part of payment if Buyer disputes Seller's compliance with the terms of the Order. Buyer's payment of this Order is not acceptance of the Goods. The Order number must appear on all invoices, notices and packing materials. Seller's price shall include all taxes, except sales and use taxes. Buyer shall provide Seller with Buyer's direct pay permit or exemption certificate where applicable. Seller shall invoice for all Goods accepted hereunder by Buyer within 30 days of Buyer's receipt. Buyer shall issue payment net 20 days following receipt of Seller's proper invoice. Overdue payments shall accrue interest which shall be calculated as the annual prime rate of interest for U.S. Dollars as published from time to time during such period by the Wall Street Journal, but not to exceed the maximum applicable lawful interest rate from the due date until paid. If not already provided in the Order, Seller shall provide Buyer all pertinent remittance instructions in a letter (containing the bank name, account name, financial institution routing and transit number, and account number, as well as Seller's federal tax identification number) which shall be signed by a duly authorized representative of Seller. Any change in the remittance instructions shall be provided by Seller in the same manner.

**4. Shipment and Delivery.** Seller must comply with any packing, shipping, and weighing instructions issued by Buyer. Seller is responsible for loss or damage to the Goods caused by improper delivery. Seller is responsible for additional costs caused by Seller's failure to comply with shipping instructions. Seller must give Buyer immediate notice of its anticipated failure to meet the shipment or delivery schedule. If Goods are not shipped or delivered in accordance with the delivery schedule, or in the event of any other failure to perform this Order by Seller, Buyer may, at its option, in whole or in part: (a) cancel the Order; (b) return the Goods to Seller at Seller's expense; (c) keep the Goods; and (d) purchase similar goods in the open market, in which

case Seller must pay Buyer the amount equal to the positive difference, if any, obtained by subtracting the Order Price from the Replacement Price, plus any additional delivery and transportation costs incurred by Buyer due to Seller's failure to perform. Except for the indemnification responsibility of the parties, SUBPARTS 4(a)-(d) REPRESENT BUYER'S SOLE REMEDIES FOR SELLER'S FAILURE TO PERFORM THIS ORDER. "Replacement Price" means the price, determined by Buyer in a commercially reasonable manner, at which Buyer purchases (if at all) substitute Goods for the deficiency or, absent such a purchase, the market price for such quantity of Goods at the consigned destination. Buyer's retention of Goods is not acceptance of the Goods. In the event that any cancellation by Buyer is determined to be without proper cause, Seller's damages shall be limited to the damages payable under Section 14. Buyer reserves the right to have all or any part of the Goods re-consigned for delivery to alternative destinations and shall be responsible for any additional delivery and transportation costs incurred as a result of such re-consignment. If necessary for Buyer's exercise of these rights, Buyer shall notify Seller and provide alternative shipping and invoicing instructions.

Each Party hereby stipulates that the payment obligations set forth above are reasonable in light of the anticipated harm and each Party hereby waives the right to contest such payments as an unreasonable penalty or otherwise.

**5. Force Majeure.** Neither Party shall be in breach of the Order to the extent that any delay or default in performance is due to causes beyond the reasonable control of the delayed or defaulting Party. A Party affected by force majeure shall advise the other promptly of any force majeure conditions, describing the force majeure conditions, its effect on deliveries and expected duration. Whether any deficiencies in shipments caused by the force majeure event are made up as well as the scheduling of such, shall be at Buyer's sole discretion. If Seller claims force majeure under this Order and has obligations to provide goods of a similar type and quality under other goods sales agreements, then any reductions in Seller's deliveries or Buyer's purchases (as applicable) shall be allocated by the party claiming force majeure on a pro rata basis among the Order and such other goods sales agreements.

**6. Title and Risk of Loss.** Title to and risk of loss of the Goods shall pass to Buyer as the Goods pass from Seller's equipment to Buyer's tank. Title to the Goods shall be free and clear of all liens and encumbrances.

**7. Inspection and Acceptance.** Upon delivery of the Goods to Buyer's site, Buyer shall promptly inspect the Goods for conformance to the Order. Buyer's inspection or acceptance of the Goods shall not relieve Seller of its

AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

obligation to comply with the terms of the Order. Quality or quantity claims must be delivered to Seller in writing within 30 days after delivery of the Goods, and all other claims must be delivered within 60 days after the event giving rise to the claim. Buyer shall preserve, and permit Seller to inspect and sample, the subject Goods if claimed by Buyer to be non-conforming. Buyer may reject non-conforming Goods at any time at Seller's expense.

**8. Warranty.** Seller warrants that the Goods delivered pursuant to the Order shall meet applicable Seller, Buyer or ASTM specifications and that it has good title to Goods, free of all liens. **THIS WARRANTY IS IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** Seller will, at Buyer's option and at Seller's cost (including expense of return and re-delivery), remedy the defect in, replace, or refund the purchase price of, any Goods that fail to meet this warranty. **THIS IS BUYER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY.**

**9. On-Site Activities.** At any time while Seller is on Buyer's site, Seller shall (a) comply with the workers' compensation and occupational disease law of the state where the services are performed; (b) maintain commercial general liability insurance with limits of not less than \$5,000,000 each occurrence and aggregate; (c) maintain commercial general automobile liability insurance with limits for bodily injury and property damage of not less than \$5,000,000 each accident; provided, however, that Seller may, as permitted by law, self-insure during performance of this Order to meet the requirements of this Section and shall, upon Buyer's written request, provide documentation of its self-insured status prior to entering Buyer's site. Policies written on a claims-made basis shall be maintained for five years after performance of the Order is completed. Prior to entering Buyer's site, Seller shall provide Buyer with an acceptable certificate of insurance waiving subrogation against Buyer. The certificate of insurance must state that the insurance carrier has issued the insurance specified, that such policies are in force and that Seller will give Buyer 30 days' prior written notice of any material change in, or cancellation of, such policies. The insurance required by this section shall include contractual liability insurance covering the obligations under this Order.

**10. Compliance with Laws.** Seller and its representatives shall comply with all applicable laws, rules, regulations and orders of any governmental authority, and will obtain at its expense all permits and licenses, pertaining to its obligations under this Order. Unless exempted, Seller shall comply with the equal employment opportunity clause in Section 202 of Executive Order 11246 and all applicable rules, regulations, and relevant orders pertaining to Executive

Order 11246, Section 503 of the Rehabilitation Act of 1973, and Section 4212 of the Vietnam Era Readjustment Assistance Act of 1974, as amended. Seller shall comply with all applicable project and site rules. Seller agrees to indemnify and save Buyer harmless from and against any liability or damages, including attorneys' fees, for non-compliance by Seller.

**11. Safety.** Seller and its representatives shall comply with all of Buyer's safety rules and procedures. Seller shall perform its work in a safe and careful manner and use such safety devices and methods as are necessary to protect its employees, agents, subcontractors, Buyer's employees and agents and the public from harm and damage. In connection with the Goods, Seller shall ensure that Seller's employees, subcontractors and agents are drug free.

**12. Infringement.** Seller warrants that the purchase or use of the Goods by Buyer will not infringe upon or violate any trademarks, patents, copyrights, trade secrets or other third party property rights. Seller agrees to indemnify and save Buyer harmless from and against any liability or damages, including attorneys' fees, arising out of any alleged infringement or violation.

**13. Confidentiality.** The Parties and their respective affiliates shall keep confidential any and all matters relating to the Order, except those readily obtainable from public information, required by a regulatory commission, or otherwise required by law to be disclosed.

**14. Termination.** Buyer may, for its convenience, terminate all or any part of the Order upon 30 days written notice to Seller. Upon termination, Seller shall immediately stop work on the terminated portion of the Order and shall submit to Buyer an invoice with supporting information setting forth the Order price for the Goods delivered prior to the notice of termination, plus Seller's actual, direct unavoidable costs resulting from the termination, less salvage value. Buyer shall not be liable to Seller for Seller's lost profits on the terminated part of the Order.

Upon termination for cause, Buyer shall not be liable to Seller for Seller's lost profits on the termination portion of the Order. Buyer shall be entitled to terminate the Order without notice for cause under the following circumstances: (a) Seller's refusal or failure to perform Seller's responsibilities in a competent or satisfactory manner; (b) Seller's engagement in activities or conduct injurious to the best interest or reputation of the Buyer; (c) Seller's violation of any of the material terms and conditions of the Order, or (d) Seller's unauthorized disclosure, dissemination, or misappropriation of confidential, proprietary, and/or trade secret information. Upon termination for cause, Buyer may pursue all rights and remedies available under the law.

AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

**15. Indemnification.** TO THE EXTENT PERMITTED BY LAW, EACH PARTY (the "INDEMNITOR") WILL INDEMNIFY, DEFEND AND HOLD HARMLESS THE OTHER PARTY AND ITS EMPLOYEES AND AGENTS ("INDEMNITEES") AGAINST ANY LOSS, CLAIM, LIABILITY, EXPENSE (INCLUDING COURT COSTS, ATTORNEY FEES, AND LITIGATION EXPENSES) OR PENALTY OF ANY KIND (COLLECTIVELY, A "LIABILITY"), ARISING OUT OF, OR RELATING TO INJURIES, DISEASE, OR DEATH TO PERSONS OR DAMAGE TO PROPERTY CAUSED BY INDEMNITOR'S NEGLIGENCE OR INTENTIONAL MISCONDUCT IN THE HANDLING, PROCESSING, TRANSPORTATION OR SELECTION OF ANY GOODS, OR ANY OTHER OBLIGATIONS HEREUNDER. WITH RESPECT TO CLAIMS AGAINST INDEMNITEE BY INDEMNITOR'S EMPLOYEES, INDEMNITOR AGREES TO EXPRESSLY WAIVE ITS IMMUNITY AS A COMPLYING EMPLOYER UNDER THE WORKERS' COMPENSATION LAW, BUT ONLY TO THE EXTENT THAT SUCH IMMUNITY WOULD BAR OR AFFECT RECOVERY UNDER OR ENFORCEMENT OF THIS INDEMNIFICATION OBLIGATION. With respect to the State of Ohio, this waiver applies to Section 35, Article II of the Ohio Constitution and Ohio Rev. Code Section 4123.74. Indemnitor shall pay Indemnitee's reasonable attorneys' fees and litigation costs associated with enforcement of this Section 15 obligation.

**16. Limitation of Liability.** Except as expressly provided herein, neither Party shall be liable to the other for any incidental, indirect, special, punitive or consequential damages. Seller must bring any cause of action arising under this Order within one year from the time the cause of action accrues. The affiliated companies of the American Electric Power System are severally and not jointly liable for obligations arising hereunder.

**17. Assignment.** Neither Party may subcontract, assign, or otherwise dispose of the Order without the prior written consent of the other Party, however, Buyer may assign the Order to an affiliate without consent.

**18. Governing Law; Waiver of Jury Trial; UCC; Venue.** This Contract shall be construed, enforced, and performed in accordance with the laws of the State of Ohio, without regard to its conflict of laws provisions. Each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Order. Except as otherwise provided for herein, the provisions of the Uniform Commercial Code ("UCC") of the State of Ohio shall govern this Order and Goods provided hereunder shall be deemed to be "goods" for purposes of the UCC. Each Party hereby submits to the exclusive jurisdiction of state, federal, and appellate courts located in Franklin County, Ohio and waives any objection which it may

have at any time to the proceedings being brought in such court, waives any claims that such proceedings have been brought in an inconvenient forum, and further waives the right to object, with respect to such proceedings, that such court does not have jurisdiction over such party.

**19. Financial Responsibility.** Seller shall have and maintain, during the Term of the Order, creditworthiness acceptable to Buyer. Specific financial requirements, if any, will be enumerated in the Order.

**20. Forward Contract.** Buyer and Seller each acknowledge that it is a "forward contract merchant" and that this Order constitutes a "forward contract" within the means of the United States Bankruptcy Code.

**21. Netting and Set-off.** If Buyer and Seller are required to pay any amount on the same day or in the same month, then such amounts with respect to each Party may be aggregated and the Parties may discharge their obligations to pay through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the other Party owed the difference between the amounts owed. Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Order and any other contract between the Parties hereto may be offset or recouped against each other.

**22. Notices.** Each Party shall designate in writing a representative to receive any and all notices required under this Order. Notices shall be in writing and shall be given to the representative designated to receive them, either by personal delivery, certified mail, facsimile, e-mail or any similar means, properly addressed to such representative. All notices shall be effective upon receipt, or upon such later date following receipt as set forth in the notice. Either Party may, by written notice to the other, change the representative or the address to which such notices are to be sent.

**23. Miscellaneous.** Seller shall be an independent contractor of Buyer in the performance of this Order. No waiver by either Party of any default shall be deemed a waiver of any subsequent default. If any provision of this Order is held to be invalid, such invalidity shall not affect the remaining provisions of this Order. The Order constitutes the entire agreement between the Parties and supersedes any prior understanding or representations, and except as otherwise provided herein, shall not be modified unless in writing and signed by both Parties.



**AEP Order Number:** 03-FO-13-004  
**Date:** December 20, 2013

**Seller  
Address:**

Marathon Petroleum Company LP  
539 S. Main Street  
Findlay, OH 45840-3229  
Attn: Craig N. Schnipke  
Phone: 419-421-3646

**Buyer  
Address:** Kentucky Power Company  
155 West Nationwide Boulevard  
Columbus, OH 43215  
Attn: Karen Carey  
Phone: 614-583-6431  
Fax: 614-583-1627

**Goods:**

#2 Red Dyed Ultra Low Sulfur Diesel Fuel with 0-5% Biodiesel. All product delivered under this Purchase Order ("Order") will be off-road diesel fuel. Any variation in product delivered will be mutually agreed upon by Buyer and Seller prior to shipment.

**Destination:**

Big Sandy Plant, 23000 Highway 23 North, Louisa, KY

**Term:**

This Order shall commence on November 30, 2013 and end on December 2, 2013 (Term).

**Quantity:**

Each tanker truck delivery shall be 7,500 gallons. There shall be no annual minimum or maximum established.

**Quantity:**

Approximately 40,000 gallons.

**Order Price:**

Viney Branch rack pricing on November 30 and December 1, 2013 (\$3.08 per gallon) plus freight adder at \$0.0255 per gallon

**Invoicing and  
Taxes:**

Buyer and Seller agree that the following taxes shall apply to deliveries under this Order to the extent, and only to the extent, that the taxes are not already included in the OPIS price: sales and use taxes, the Federal Oil Spill Liability Tax and the Federal Leaking Underground Storage Tank Tax.

Seller's invoice shall reflect the Order Price, based upon the components as enumerated below:

- 1) The Selling Price
- 2) The net weight in gallons
- 3) Demurrage Charge, if applicable
- 4) Taxes as individual line item charges, as applicable:
  - a) sales and use taxes
  - b) Federal Oil Spill Liability Tax (the "Environmental Fee")
  - c) Federal Leaking Underground Storage Tank Tax or L.U.S.T. Tax

With regard to federal and state excise taxes and environmental taxes and fees not named herein, Seller shall inform Buyer in writing, no less than thirty (30) days in advance, of the relevant legislation enacting such new federal and state excise taxes and environmental taxes and fees (hereafter "New Taxes and/or Fees"). Unless Buyer disputes Seller's advice within thirty (30) days after receipt of Seller's written notification, then thereafter such other New Taxes and/or Fees shall be reflected in Seller's invoicing as individual line item charges. Should Buyer dispute the applicability of any such New Taxes and/or Fees, then the parties shall meet to discuss a resolution to the disputed New Taxes and/or Fees.



AEP Order Number: 03-FO-13-004  
Date: December 20, 2013

Buyer shall have no obligation to pay any interest or penalties on any taxes unless such interest or penalties arise solely as a result of Buyer's conduct.

Seller shall send its invoices by e-mail to: [cantonfuelaccounting@aep.com](mailto:cantonfuelaccounting@aep.com)

or by mail to: Attn: Manager – Fuel Accounting  
American Electric Power Service Corporation  
155 W. Nationwide Boulevard, Suite 500  
Columbus, OH 43215

Buyer shall provide Seller with Buyer's direct pay permit or exemption certification where applicable.

**Delivery Instructions:**

By tanker truck in accordance with instructions provided by Buyer.

**Notice Addresses:**

For Seller:  
Marathon Petroleum Company LP  
539 S. Main Street  
Findlay, OH 45840-3229  
Attn: Craig N. Schnipke  
Phone: 419-421-3646

For Buyer:  
Attn: Fuel Contract Administration  
American Electric Power Service Corporation  
155 West Nationwide Boulevard  
Columbus, OH 43215

**Terms and Conditions:**

The AEP Fuel Oil Order Terms and Conditions are attached hereto and made a part of this Order, and by signing below the parties agree to be bound.

The following exceptions to the T&C's are incorporated herein by specific reference:

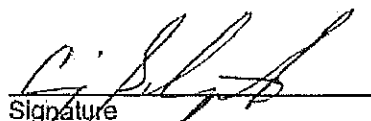
**Item 3. Payment.** The ninth sentence shall be replaced in its entirety with the following:

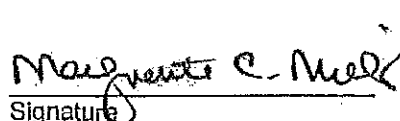
Buyer shall issue payment net 10 days following receipt of Seller's proper invoice.

**Accepted:**

**Seller:**

**Buyer:**

  
Signature

  
Signature

Craig Schnipke  
Name (Print)

Marguerite C. Mills

Territory Manager  
Title

Vice President, Fuel Procurement  
On behalf of American Electric Power  
Service Corporation, as agent for  
Kentucky Power Company

Date: 12/20/13

Date: 12/20/13

## AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

The following terms and conditions shall apply to all purchase orders and change orders ("Order").

**1. Definitions.** "Goods" means all conforming goods, including documentation and services provided by Seller under the Order. "Buyer" and "Seller" mean the entities identified on the Order. Buyer and Seller may be referred to each individually as "Party" or collectively as "Parties".

**2. Priority.** The Order consists of the following documents, listed in their order of priority in the event of a conflict: the numbered Order; these AEP Fuel Oil Order Terms and Conditions and any exhibits or schedules incorporated into the Order. Acceptance of the Order is expressly limited to the terms of the Order. Additional or different terms contained in Seller's acceptance shall not become a part of the Order unless expressly agreed to in writing and signed by Buyer.

**3. Payment.** Seller shall invoice Buyer for the Order Price after delivery of the Goods to Buyer. Buyer shall remit to Seller, upon submission of a proper invoice, payment for Goods delivered and accepted. Buyer may withhold all or part of payment if Buyer disputes Seller's compliance with the terms of the Order. Buyer's payment of this Order is not acceptance of the Goods. The Order number must appear on all invoices, notices and packing materials. Seller's price shall include all taxes, except sales and use taxes. Buyer shall provide Seller with Buyer's direct pay permit or exemption certificate where applicable. Seller shall invoice for all Goods accepted hereunder by Buyer within 30 days of Buyer's receipt. Buyer shall issue payment net 20 days following receipt of Seller's proper invoice. Overdue payments shall accrue interest which shall be calculated as the annual prime rate of interest for U.S. Dollars as published from time to time during such period by the Wall Street Journal, but not to exceed the maximum applicable lawful interest rate from the due date until paid. If not already provided in the Order, Seller shall provide Buyer all pertinent remittance instructions in a letter (containing the bank name, account name, financial institution routing and transit number, and account number, as well as Seller's federal tax identification number) which shall be signed by a duly authorized representative of Seller. Any change in the remittance instructions shall be provided by Seller in the same manner.

**4. Shipment and Delivery.** Seller must comply with any packing, shipping, and weighing instructions issued by Buyer. Seller is responsible for loss or damage to the Goods caused by improper delivery. Seller is responsible for additional costs caused by Seller's failure to comply with shipping instructions. Seller must give Buyer immediate notice of its anticipated failure to meet the shipment or delivery schedule. If Goods are not shipped or delivered in accordance with the delivery schedule, or in the event of any other failure to perform this Order by Seller, Buyer may, at its option, in whole or in part: (a) cancel the Order; (b) return the Goods to Seller at Seller's expense; (c) keep the Goods; and (d)

purchase similar goods in the open market, in which case Seller must pay Buyer the amount equal to the positive difference, if any, obtained by subtracting the Order Price from the Replacement Price, plus any additional delivery and transportation costs incurred by Buyer due to Seller's failure to perform. Except for the indemnification responsibility of the parties, SUBPARTS 4(a)-(d) REPRESENT BUYER'S SOLE REMEDIES FOR SELLER'S FAILURE TO PERFORM THIS ORDER. "Replacement Price" means the price, determined by Buyer in a commercially reasonable manner, at which Buyer purchases (if at all) substitute Goods for the deficiency or, absent such a purchase, the market price for such quantity of Goods at the consigned destination. Buyer's retention of Goods is not acceptance of the Goods. In the event that any cancellation by Buyer is determined to be without proper cause, Seller's damages shall be limited to the damages payable under Section 14. Buyer reserves the right to have all or any part of the Goods re-consigned for delivery to alternative destinations and shall be responsible for any additional delivery and transportation costs incurred as a result of such re-consignment. If necessary for Buyer's exercise of these rights, Buyer shall notify Seller and provide alternative shipping and invoicing instructions.

Each Party hereby stipulates that the payment obligations set forth above are reasonable in light of the anticipated harm and each Party hereby waives the right to contest such payments as an unreasonable penalty or otherwise.

**5. Force Majeure.** Neither Party shall be in breach of the Order to the extent that any delay or default in performance is due to causes beyond the reasonable control of the delayed or defaulting Party. A Party affected by force majeure shall advise the other promptly of any force majeure conditions, describing the force majeure conditions, its effect on deliveries and expected duration. Whether any deficiencies in shipments caused by the force majeure event are made up as well as the scheduling of such, shall be at Buyer's sole discretion. If Seller claims force majeure under this Order and has obligations to provide goods of a similar type and quality under other goods sales agreements, then any reductions in Seller's deliveries or Buyers purchases (as applicable) shall be allocated by the party claiming force majeure on a pro rata basis among the Order and such other goods sales agreements.

**6. Title and Risk of Loss.** Title to and risk of loss of the Goods shall pass to Buyer as the Goods pass from Seller's equipment to Buyer's tank. Title to the Goods shall be free and clear of all liens and encumbrances.

**7. Inspection and Acceptance.** Upon delivery of the Goods to Buyer's site, Buyer shall promptly inspect the

AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

Goods for conformance to the Order. Buyer's inspection or acceptance of the Goods shall not relieve Seller of its obligation to comply with the terms of the Order. Quality or quantity claims must be delivered to Seller in writing within 30 days after delivery of the Goods, and all other claims must be delivered within 60 days after the event giving rise to the claim. Buyer shall preserve, and permit Seller to inspect and sample, the subject Goods if claimed by Buyer to be non-conforming. Buyer may reject non-conforming Goods at any time at Seller's expense.

**8. Warranty.** Seller warrants that the Goods delivered pursuant to the Order shall meet applicable Seller, Buyer or ASTM specifications and that it has good title to Goods, free of all liens. **THIS WARRANTY IS IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** Seller will, at Buyer's option and at Seller's cost (including expense of return and re-delivery), remedy the defect in, replace, or refund the purchase price of, any Goods that fail to meet this warranty. **THIS IS BUYER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY.**

**9. On-Site Activities.** At any time while Seller is on Buyer's site, Seller shall (a) comply with the workers' compensation and occupational disease law of the state where the services are performed; (b) maintain commercial general liability insurance with limits of not less than \$5,000,000 each occurrence and aggregate; (c) maintain commercial general automobile liability insurance with limits for bodily injury and property damage of not less than \$5,000,000 each accident; provided, however, that Seller may, as permitted by law, self-insure during performance of this Order to meet the requirements of this Section and shall, upon Buyer's written request, provide documentation of its self-insured status prior to entering Buyer's site. Policies written on a claims-made basis shall be maintained for five years after performance of the Order is completed. Prior to entering Buyer's site, Seller shall provide Buyer with an acceptable certificate of insurance waiving subrogation against Buyer. The certificate of insurance must state that the insurance carrier has issued the insurance specified, that such policies are in force and that Seller will give Buyer 30 days' prior written notice of any material change in, or cancellation of, such policies. The insurance required by this section shall include contractual liability insurance covering the obligations under this Order.

**10. Compliance with Laws.** Seller and its representatives shall comply with all applicable laws, rules, regulations and orders of any governmental authority, and will obtain at its expense all permits and licenses, pertaining to its obligations under this Order. Unless exempted, Seller shall comply with the equal employment opportunity clause in Section 202 of

Executive Order 11246 and all applicable rules, regulations, and relevant orders pertaining to Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and Section 4212 of the Vietnam Era Readjustment Assistance Act of 1974, as amended. Seller shall comply with all applicable project and site rules. Seller agrees to indemnify and save Buyer harmless from and against any liability or damages, including attorneys' fees, for non-compliance by Seller.

**11. Safety.** Seller and its representatives shall comply with all of Buyer's safety rules and procedures. Seller shall perform its work in a safe and careful manner and use such safety devices and methods as are necessary to protect its employees, agents, subcontractors, Buyer's employees and agents and the public from harm and damage. In connection with the Goods, Seller shall ensure that Seller's employees, subcontractors and agents are drug free.

**12. Infringement.** Seller warrants that the purchase or use of the Goods by Buyer will not infringe upon or violate any trademarks, patents, copyrights, trade secrets or other third party property rights. Seller agrees to indemnify and save Buyer harmless from and against any liability or damages, including attorneys' fees, arising out of any alleged infringement or violation.

**13. Confidentiality.** The Parties and their respective affiliates shall keep confidential any and all matters relating to the Order, except those readily obtainable from public information, required by a regulatory commission, or otherwise required by law to be disclosed.

**14. Termination.** Buyer may, for its convenience, terminate all or any part of the Order upon 30 days written notice to Seller. Upon termination, Seller shall immediately stop work on the terminated portion of the Order and shall submit to Buyer an invoice with supporting information setting forth the Order price for the Goods delivered prior to the notice of termination, plus Seller's actual, direct unavoidable costs resulting from the termination, less salvage value. Buyer shall not be liable to Seller for Seller's lost profits on the terminated part of the Order.

Upon termination for cause, Buyer shall not be liable to Seller for Seller's lost profits on the termination portion of the Order. Buyer shall be entitled to terminate the Order without notice for cause under the following circumstances: (a) Seller's refusal or failure to perform Seller's responsibilities in a competent or satisfactory manner; (b) Seller's engagement in activities or conduct injurious to the best interest or reputation of the Buyer; (c) Seller's violation of any of the material terms and conditions of the Order, or (d) Seller's unauthorized disclosure, dissemination, or misappropriation of confidential, proprietary, and/or trade secret information.

AEP FUEL OIL ORDER TERMS AND CONDITIONS -- 7/6/11

Upon termination for cause, Buyer may pursue all rights and remedies available under the law.

**15. Indemnification.** TO THE EXTENT PERMITTED BY LAW, EACH PARTY (the "INDEMNITOR") WILL INDEMNIFY, DEFEND AND HOLD HARMLESS THE OTHER PARTY AND ITS EMPLOYEES AND AGENTS ("INDEMNITEES") AGAINST ANY LOSS, CLAIM, LIABILITY, EXPENSE (INCLUDING COURT COSTS, ATTORNEY FEES, AND LITIGATION EXPENSES) OR PENALTY OF ANY KIND (COLLECTIVELY, A "LIABILITY"), ARISING OUT OF, OR RELATING TO INJURIES, DISEASE, OR DEATH TO PERSONS OR DAMAGE TO PROPERTY CAUSED BY INDEMNITOR'S NEGLIGENCE OR INTENTIONAL MISCONDUCT IN THE HANDLING, PROCESSING, TRANSPORTATION OR SELECTION OF ANY GOODS, OR ANY OTHER OBLIGATIONS HEREUNDER. WITH RESPECT TO CLAIMS AGAINST INDEMNITEE BY INDEMNITOR'S EMPLOYEES, INDEMNITOR AGREES TO EXPRESSLY WAIVE ITS IMMUNITY AS A COMPLYING EMPLOYER UNDER THE WORKERS' COMPENSATION LAW, BUT ONLY TO THE EXTENT THAT SUCH IMMUNITY WOULD BAR OR AFFECT RECOVERY UNDER OR ENFORCEMENT OF THIS INDEMNIFICATION OBLIGATION. With respect to the State of Ohio, this waiver applies to Section 35, Article II of the Ohio Constitution and Ohio Rev. Code Section 4123.74. Indemnitor shall pay Indemnitee's reasonable attorneys' fees and litigation costs associated with enforcement of this Section 15 obligation.

**16. Limitation of Liability.** Except as expressly provided herein, neither Party shall be liable to the other for any incidental, indirect, special, punitive or consequential damages. Seller must bring any cause of action arising under this Order within one year from the time the cause of action accrues. The affiliated companies of the American Electric Power System are severally and not jointly liable for obligations arising hereunder.

**17. Assignment.** Neither Party may subcontract, assign, or otherwise dispose of the Order without the prior written consent of the other Party, however, Buyer may assign the Order to an affiliate without consent.

**18. Governing Law; Waiver of Jury Trial; UCC; Venue.** This Contract shall be construed, enforced, and performed in accordance with the laws of the State of Ohio, without regard to its conflict of laws provisions. Each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Order. Except as otherwise provided for herein, the provisions of the Uniform Commercial Code ("UCC") of the State of Ohio shall govern this Order and Goods provided hereunder shall be deemed to be "goods" for purposes of the UCC.

Each Party hereby submits to the exclusive jurisdiction of state, federal, and appellate courts located in Franklin County, Ohio and waives any objection which it may have at any time to the proceedings being brought in such court, waives any claims that such proceedings have been brought in an inconvenient forum, and further waives the right to object, with respect to such proceedings, that such court does not have jurisdiction over such party.

**19. Financial Responsibility.** Seller shall have and maintain, during the Term of the Order, creditworthiness acceptable to Buyer. Specific financial requirements, if any, will be enumerated in the Order.

**20. Forward Contract.** Buyer and Seller each acknowledge that it is a "forward contract merchant" and that this Order constitutes a "forward contract" within the means of the United States Bankruptcy Code.

**21. Netting and Set-off.** If Buyer and Seller are required to pay any amount on the same day or in the same month, then such amounts with respect to each Party may be aggregated and the Parties may discharge their obligations to pay through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the other Party owed the difference between the amounts owed. Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Order and any other contract between the Parties hereto may be offset or recouped against each other.

**22. Notices.** Each Party shall designate in writing a representative to receive any and all notices required under this Order. Notices shall be in writing and shall be given to the representative designated to receive them, either by personal delivery, certified mail, facsimile, e-mail or any similar means, properly addressed to such representative. All notices shall be effective upon receipt, or upon such later date following receipt as set forth in the notice. Either Party may, by written notice to the other, change the representative or the address to which such notices are to be sent.

**23. Miscellaneous.** Seller shall be an independent contractor of Buyer in the performance of this Order. No waiver by either Party of any default shall be deemed a waiver of any subsequent default. If any provision of this Order is held to be invalid, such invalidity shall not affect the remaining provisions of this Order. The Order constitutes the entire agreement between the Parties and supersedes any prior understanding or representations, and except as otherwise provided herein, shall not be modified unless in writing and signed by both Parties.



155 West Nationwide Boulevard  
Columbus, OH 43215

**AEP Order Number:** 03-FO-13-003  
**Date:** December 3, 2013

**Seller**  
**Address:** Ports Petroleum, Co. Inc.  
1337 Blachleyville Road  
Wooster, Ohio 44691  
Attn: Robert Lay  
Phone: 330-804-9106  
Fax: 330-804-9107

**Buyer**  
**Address:** Kentucky Power Company  
155 West Nationwide Boulevard  
Columbus, OH 43215  
Attn: Karen Carey  
Phone: 614-583-6431  
Fax: 614-583-1627

**Goods:** #2 Red Dyed Ultra Low Sulfur Diesel Fuel. All product delivered under this Purchase Order ("Order") will be off-road diesel fuel. Any variation in product delivered will be mutually agreed upon by Buyer and Seller prior to shipment.

**Destination:** Big Sandy Plant, 23000 Highway 23 North, Louisa, KY

**Term:** This Order shall commence on November 30, 2013 and end on December 2, 2013 (Term).

**Quantity:** Each tanker truck delivery shall be 7,500 gallons. There shall be no annual minimum or maximum established.

**Quantity:** Approximately 30,000 gallons.

**Order Price:** \$3.1450 per gallon

**Invoicing and Taxes:** Buyer and Seller agree that the following taxes shall apply to deliveries under this Order to the extent, and only to the extent, that the taxes are not already included in the OPIS price: sales and use taxes, the Federal Oil Spill Liability Tax and the Federal Leaking Underground Storage Tank Tax.

Seller's invoice shall reflect the Order Price, based upon the components as enumerated below:

- 1) The Selling Price
- 2) The gross weight in gallons
- 3) Demurrage Charge, if applicable
- 4) Taxes as individual line item charges, as applicable:
  - a) sales and use taxes
  - b) Federal Oil Spill Liability Tax (the "Environmental Fee")
  - c) Federal Leaking Underground Storage Tank Tax or L.U.S.T. Tax

With regard to federal and state excise taxes and environmental taxes and fees not named herein, Seller shall inform Buyer in writing, no less than thirty (30) days in advance, of the relevant legislation enacting such new federal and state excise taxes and environmental taxes and fees (hereafter "New Taxes and/or Fees"). Unless Buyer disputes Seller's advice within thirty (30) days after receipt of Seller's written notification, then thereafter such other New Taxes and/or Fees shall be reflected in Seller's invoicing as individual line item charges. Should Buyer dispute the applicability of any such New Taxes and/or Fees, then the parties shall meet to discuss a resolution to the disputed New Taxes and/or Fees.

155 West Nationwide Boulevard  
Columbus, OH 43215

AEP Order Number: 03-FO-13-003

Date: December 3, 2013

Buyer shall have no obligation to pay any interest or penalties on any taxes unless such interest or penalties arise solely as a result of Buyer's conduct.

Seller shall send its invoices by e-mail to: [cantonfuelaccounting@aep.com](mailto:cantonfuelaccounting@aep.com)

or by mail to: Attn: Manager – Fuel Accounting  
American Electric Power Service Corporation  
155 W. Nationwide Boulevard, Suite 500  
Columbus, OH 43215

Buyer shall provide Seller with Buyer's direct pay permit or exemption certification where applicable.

**Delivery  
Instructions:**

By tanker truck in accordance with instructions provided by Buyer.

**Notice**

**Addresses:**

For Seller:  
Ports Petroleum, Co. Inc.  
1337 Blachleyville Road  
Wooster, Ohio 44691  
Attn: Robert Lay

For Buyer:

Attn: Fuel Contract Administration  
American Electric Power Service Corporation  
155 West Nationwide Boulevard  
Columbus, OH 43215

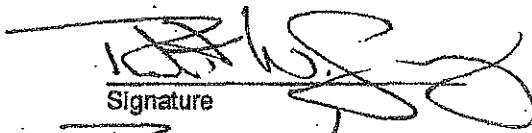
**Terms and  
Conditions:**

The AEP Fuel Oil Order Terms and Conditions are attached hereto and made a part of this Order, and by signing below the parties agree to be bound.

**Accepted:**

**Seller:**

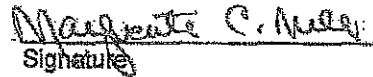
**Buyer:**

  
Signature

Robert Lay  
Name (Print)

Govt Sales  
Title

Date: 9 Dec 2013

  
Signature

Marguerite C. Mills

Vice President, Fuel Procurement  
On behalf of American Electric Power  
Service Corporation, as agent for  
Kentucky Power Company

Date: 12/6/13



## AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

The following terms and conditions shall apply to all purchase orders and change orders ("Order").

**1. Definitions.** "Goods" means all conforming goods, including documentation and services provided by Seller under the Order. "Buyer" and "Seller" mean the entities identified on the Order. Buyer and Seller may be referred to each individually as "Party" or collectively as "Parties".

**2. Priority.** The Order consists of the following documents, listed in their order of priority in the event of a conflict: the numbered Order; these AEP Fuel Oil Order Terms and Conditions and any exhibits or schedules incorporated into the Order. Acceptance of the Order is expressly limited to the terms of the Order. Additional or different terms contained in Seller's acceptance shall not become a part of the Order unless expressly agreed to in writing and signed by Buyer.

**3. Payment.** Seller shall invoice Buyer for the Order Price after delivery of the Goods to Buyer. Buyer shall remit to Seller, upon submission of a proper invoice, payment for Goods delivered and accepted. Buyer may withhold all or part of payment if Buyer disputes Seller's compliance with the terms of the Order. Buyer's payment of this Order is not acceptance of the Goods. The Order number must appear on all invoices, notices and packing materials. Seller's price shall include all taxes, except sales and use taxes. Buyer shall provide Seller with Buyer's direct pay permit or exemption certificate where applicable. Seller shall invoice for all Goods accepted hereunder by Buyer within 30 days of Buyer's receipt. Buyer shall issue payment net 20 days following receipt of Seller's proper invoice. Overdue payments shall accrue interest which shall be calculated as the annual prime rate of interest for U.S. Dollars as published from time to time during such period by the Wall Street Journal, but not to exceed the maximum applicable lawful interest rate from the due date until paid. If not already provided in the Order, Seller shall provide Buyer all pertinent remittance instructions in a letter (containing the bank name, account name, financial institution routing and transit number, and account number, as well as Seller's federal tax identification number) which shall be signed by a duly authorized representative of Seller. Any change in the remittance instructions shall be provided by Seller in the same manner.

**4. Shipment and Delivery.** Seller must comply with any packing, shipping, and weighing instructions issued by Buyer. Seller is responsible for loss or damage to the Goods caused by improper delivery. Seller is responsible for additional costs caused by Seller's failure to comply with shipping instructions. Seller must give Buyer immediate notice of its anticipated failure to meet the shipment or delivery schedule. If Goods are not shipped or delivered in accordance with the delivery schedule, or in the event of any other failure to perform this Order by Seller, Buyer may, at its option, in whole or in part: (a) cancel the Order; (b) return the Goods to Seller at Seller's expense; (c) keep the Goods; and (d) purchase similar goods in the open market, in which

case Seller must pay Buyer the amount equal to the positive difference, if any, obtained by subtracting the Order Price from the Replacement Price, plus any additional delivery and transportation costs incurred by Buyer due to Seller's failure to perform. Except for the indemnification responsibility of the parties, SUBPARTS 4(a)-(d) REPRESENT BUYER'S SOLE REMEDIES FOR SELLER'S FAILURE TO PERFORM THIS ORDER. "Replacement Price" means the price, determined by Buyer in a commercially reasonable manner, at which Buyer purchases (if at all) substitute Goods for the deficiency or, absent such a purchase, the market price for such quantity of Goods at the consigned destination. Buyer's retention of Goods is not acceptance of the Goods. In the event that any cancellation by Buyer is determined to be without proper cause, Seller's damages shall be limited to the damages payable under Section 14. Buyer reserves the right to have all or any part of the Goods re-consigned for delivery to alternative destinations and shall be responsible for any additional delivery and transportation costs incurred as a result of such re-consignment. If necessary for Buyer's exercise of these rights, Buyer shall notify Seller and provide alternative shipping and invoicing instructions.

Each Party hereby stipulates that the payment obligations set forth above are reasonable in light of the anticipated harm and each Party hereby waives the right to contest such payments as an unreasonable penalty or otherwise.

**5. Force Majeure.** Neither Party shall be in breach of the Order to the extent that any delay or default in performance is due to causes beyond the reasonable control of the delayed or defaulting Party. A Party affected by force majeure shall advise the other promptly of any force majeure conditions, describing the force majeure conditions, its effect on deliveries and expected duration. Whether any deficiencies in shipments caused by the force majeure event are made up as well as the scheduling of such, shall be at Buyer's sole discretion. If Seller claims force majeure under this Order and has obligations to provide goods of a similar type and quality under other goods sales agreements, then any reductions in Seller's deliveries or Buyer's purchases (as applicable) shall be allocated by the party claiming force majeure on a pro rata basis among the Order and such other goods sales agreements.

**6. Title and Risk of Loss.** Title to and risk of loss of the Goods shall pass to Buyer as the Goods pass from Seller's equipment to Buyer's tank. Title to the Goods shall be free and clear of all liens and encumbrances.

**7. Inspection and Acceptance.** Upon delivery of the Goods to Buyer's site, Buyer shall promptly inspect the Goods for conformance to the Order. Buyer's inspection or acceptance of the Goods shall not relieve Seller of its

## AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

obligation to comply with the terms of the Order. Quality or quantity claims must be delivered to Seller in writing within 30 days after delivery of the Goods, and all other claims must be delivered within 60 days after the event giving rise to the claim. Buyer shall preserve, and permit Seller to inspect and sample, the subject Goods if claimed by Buyer to be non-conforming. Buyer may reject non-conforming Goods at any time at Seller's expense.

**8. Warranty.** Seller warrants that the Goods delivered pursuant to the Order shall meet applicable Seller, Buyer or ASTM specifications and that it has good title to Goods, free of all liens. **THIS WARRANTY IS IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** Seller will, at Buyer's option and at Seller's cost (including expense of return and re-delivery), remedy the defect in, replace, or refund the purchase price of, any Goods that fail to meet this warranty. **THIS IS BUYER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY.**

**9. On-Site Activities.** At any time while Seller is on Buyer's site, Seller shall (a) comply with the workers' compensation and occupational disease law of the state where the services are performed; (b) maintain commercial general liability insurance with limits of not less than \$5,000,000 each occurrence and aggregate; (c) maintain commercial general automobile liability insurance with limits for bodily injury and property damage of not less than \$5,000,000 each accident; provided, however, that Seller may, as permitted by law, self-insure during performance of this Order to meet the requirements of this Section and shall, upon Buyer's written request, provide documentation of its self-insured status prior to entering Buyer's site. Policies written on a claims-made basis shall be maintained for five years after performance of the Order is completed. Prior to entering Buyer's site, Seller shall provide Buyer with an acceptable certificate of insurance waiving subrogation against Buyer. The certificate of insurance must state that the insurance carrier has issued the insurance specified, that such policies are in force and that Seller will give Buyer 30 days' prior written notice of any material change in, or cancellation of, such policies. The insurance required by this section shall include contractual liability insurance covering the obligations under this Order.

**10. Compliance with Laws.** Seller and its representatives shall comply with all applicable laws, rules, regulations and orders of any governmental authority, and will obtain at its expense all permits and licenses, pertaining to its obligations under this Order. Unless exempted, Seller shall comply with the equal employment opportunity clause in Section 202 of Executive Order 11246 and all applicable rules, regulations, and relevant orders pertaining to Executive

Order 11246, Section 503 of the Rehabilitation Act of 1973, and Section 4212 of the Vietnam Era Readjustment Assistance Act of 1974, as amended. Seller shall comply with all applicable project and site rules. Seller agrees to indemnify and save Buyer harmless from and against any liability or damages, including attorneys' fees, for non-compliance by Seller.

**11. Safety.** Seller and its representatives shall comply with all of Buyer's safety rules and procedures. Seller shall perform its work in a safe and careful manner and use such safety devices and methods as are necessary to protect its employees, agents, subcontractors, Buyer's employees and agents and the public from harm and damage. In connection with the Goods, Seller shall ensure that Seller's employees, subcontractors and agents are drug free.

**12. Infringement.** Seller warrants that the purchase or use of the Goods by Buyer will not infringe upon or violate any trademarks, patents, copyrights, trade secrets or other third party property rights. Seller agrees to indemnify and save Buyer harmless from and against any liability or damages, including attorneys' fees, arising out of any alleged infringement or violation.

**13. Confidentiality.** The Parties and their respective affiliates shall keep confidential any and all matters relating to the Order, except those readily obtainable from public information, required by a regulatory commission, or otherwise required by law to be disclosed.

**14. Termination.** Buyer may, for its convenience, terminate all or any part of the Order upon 30 days written notice to Seller. Upon termination, Seller shall immediately stop work on the terminated portion of the Order and shall submit to Buyer an invoice with supporting information setting forth the Order price for the Goods delivered prior to the notice of termination, plus Seller's actual, direct unavoidable costs resulting from the termination, less salvage value. Buyer shall not be liable to Seller for Seller's lost profits on the terminated part of the Order.

Upon termination for cause, Buyer shall not be liable to Seller for Seller's lost profits on the termination portion of the Order. Buyer shall be entitled to terminate the Order without notice for cause under the following circumstances: (a) Seller's refusal or failure to perform Seller's responsibilities in a competent or satisfactory manner; (b) Seller's engagement in activities or conduct injurious to the best interest or reputation of the Buyer; (c) Seller's violation of any of the material terms and conditions of the Order, or (d) Seller's unauthorized disclosure, dissemination, or misappropriation of confidential, proprietary, and/or trade secret information. Upon termination for cause, Buyer may pursue all rights and remedies available under the law.



AEP FUEL OIL ORDER TERMS AND CONDITIONS – 7/6/11

**15. Indemnification.** TO THE EXTENT PERMITTED BY LAW, EACH PARTY (the "INDEMNITOR") WILL INDEMNIFY, DEFEND AND HOLD HARMLESS THE OTHER PARTY AND ITS EMPLOYEES AND AGENTS ("INDEMNITEES") AGAINST ANY LOSS, CLAIM, LIABILITY, EXPENSE (INCLUDING COURT COSTS, ATTORNEY FEES, AND LITIGATION EXPENSES) OR PENALTY OF ANY KIND (COLLECTIVELY, A "LIABILITY"), ARISING OUT OF, OR RELATING TO INJURIES, DISEASE, OR DEATH TO PERSONS OR DAMAGE TO PROPERTY CAUSED BY INDEMNITOR'S NEGLIGENCE OR INTENTIONAL MISCONDUCT IN THE HANDLING, PROCESSING, TRANSPORTATION OR SELECTION OF ANY GOODS, OR ANY OTHER OBLIGATIONS HEREUNDER. WITH RESPECT TO CLAIMS AGAINST INDEMNITEE BY INDEMNITOR'S EMPLOYEES, INDEMNITOR AGREES TO EXPRESSLY WAIVE ITS IMMUNITY AS A COMPLYING EMPLOYER UNDER THE WORKERS' COMPENSATION LAW, BUT ONLY TO THE EXTENT THAT SUCH IMMUNITY WOULD BAR OR AFFECT RECOVERY UNDER OR ENFORCEMENT OF THIS INDEMNIFICATION OBLIGATION. With respect to the State of Ohio, this waiver applies to Section 35, Article II of the Ohio Constitution and Ohio Rev. Code Section 4123.74. Indemnitor shall pay Indemnitee's reasonable attorneys' fees and litigation costs associated with enforcement of this Section 15 obligation.

**16. Limitation of Liability.** Except as expressly provided herein, neither Party shall be liable to the other for any incidental, indirect, special, punitive or consequential damages. Seller must bring any cause of action arising under this Order within one year from the time the cause of action accrues. The affiliated companies of the American Electric Power System are severally and not jointly liable for obligations arising hereunder.

**17. Assignment.** Neither Party may subcontract, assign, or otherwise dispose of the Order without the prior written consent of the other Party, however, Buyer may assign the Order to an affiliate without consent.

**18. Governing Law; Waiver of Jury Trial; UCC; Venue.** This Contract shall be construed, enforced, and performed in accordance with the laws of the State of Ohio, without regard to its conflict of laws provisions. Each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Order. Except as otherwise provided for herein, the provisions of the Uniform Commercial Code ("UCC") of the State of Ohio shall govern this Order and Goods provided hereunder shall be deemed to be "goods" for purposes of the UCC. Each Party hereby submits to the exclusive jurisdiction of state, federal, and appellate courts located in Franklin County, Ohio and waives any objection which it may

have at any time to the proceedings being brought in such court, waives any claims that such proceedings have been brought in an inconvenient forum, and further waives the right to object, with respect to such proceedings, that such court does not have jurisdiction over such party.

**19. Financial Responsibility.** Seller shall have and maintain, during the Term of the Order, creditworthiness acceptable to Buyer. Specific financial requirements, if any, will be enumerated in the Order.

**20. Forward Contract.** Buyer and Seller each acknowledge that it is a "forward contract merchant" and that this Order constitutes a "forward contract" within the means of the United States Bankruptcy Code.

**21. Netting and Set-off.** If Buyer and Seller are required to pay any amount on the same day or in the same month, then such amounts with respect to each Party may be aggregated and the Parties may discharge their obligations to pay through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the other Party owed the difference between the amounts owed. Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Order and any other contract between the Parties hereto may be offset or recouped against each other.

**22. Notices.** Each Party shall designate in writing a representative to receive any and all notices required under this Order. Notices shall be in writing and shall be given to the representative designated to receive them, either by personal delivery, certified mail, facsimile, e-mail or any similar means, properly addressed to such representative. All notices shall be effective upon receipt, or upon such later date following receipt as set forth in the notice. Either Party may, by written notice to the other, change the representative or the address to which such notices are to be sent.

**23. Miscellaneous.** Seller shall be an independent contractor of Buyer in the performance of this Order. No waiver by either Party of any default shall be deemed a waiver of any subsequent default. If any provision of this Order is held to be invalid, such invalidity shall not affect the remaining provisions of this Order. The Order constitutes the entire agreement between the Parties and supersedes any prior understanding or representations, and except as otherwise provided herein, shall not be modified unless in writing and signed by both Parties.

## APPENDIX A

### KENTUCKY POWER COMPANY BIG SANDY - TOTAL PLANT NOVEMBER 2013

<u>Line No.</u>	<u>Item Description</u>		
1.	<b>Unit Performance:</b>		
	a. Capacity (name plate rating) (MW)	1,096.8	
	b. Capacity (average load) (MW)	216.1	
	c. Net Demonstrated Capability (MW)	1,078.0	
	d. Net Capability Factor (%)	4.6	
2.	<b>Heat Rate:</b>		
	a. Btu's Consumed (MMBTU)	427.1	
	b. Gross Generation (MWH)	41,113	
	c. Net Generation (MWH)	35,869	
	d. Heat Rate (L2a divided by L2c) (BTU/KWH)	12,146	
3.	<b>Operating Availability:</b>		
	a. Hours Unit Operated		Reported on Unit Basis Only
	b. Hours Available		Reported on Unit Basis Only
	c. Hours During the Period		Reported on Unit Basis Only
	d. Availability Factor (%)		Reported on Unit Basis Only
4.	<b>Cost per KWH:</b>		
	a. Gross Generation - FAC Basis (Cents/KWH)	5.0	
	b. Net Generation - FAC Basis (Cents/KWH)	5.8	
5.	<b>Inventory Analysis:</b>		
	a. Number of Days Supply based on actual burn at the station	260.1	

## APPENDIX A

**KENTUCKY POWER COMPANY  
 BIG SANDY - UNIT 1  
 NOVEMBER 2013**

<u>Line No.</u>	<u>Item Description</u>		
1.	Unit Performance:		
	a. Capacity (name plate rating) (MW)	280.5	
	b. Capacity (average load) (MW)	172.1	
	c. Net Demonstrated Capability (MW)	278.0	
	d. Net Capability Factor (%)	17.8	
2.	Heat Rate:		
	a. Btu's Consumed (MMBTU)	398.6	
	b. Gross Generation (MWH)	37,664	
	c. Net Generation (MWH)	35,583	
	d. Heat Rate (L2a divided by L2c) (BTU/KWH)	11,203	
3.	Operating Availability:		
	a. Hours Unit Operated	206.8	
	b. Hours Available	206.8	
	c. Hours During the Period	721.0	
	d. Availability Factor (L3b divided by L3c) (%)	28.7	
4.	Cost per KWH:		
	a. Gross Generation - FAC Basis (Cents/KWH)		Reported on total plant basis only
	b. Net Generation - FAC Basis (Cents/KWH)		Reported on total plant basis only
5.	Inventory Analysis:		
	a. Number of Days Supply based on actual burn at the station		Reported on total plant basis only

## APPENDIX A

**KENTUCKY POWER COMPANY  
 BIG SANDY - UNIT 2  
 NOVEMBER 2013**

<u>Line No.</u>	<u>Item Description</u>		
1.	Unit Performance:		
	a. Capacity (name plate rating) (MW)	816.3	
	b. Capacity (average load) (MW)	44.0	
	c. Net Demonstrated Capability (MW)	800.0	
	d. Net Capability Factor (%)	0.1	
2.	Heat Rate:		
	a. Btu's Consumed (MMBTU)	28.5	
	b. Gross Generation (MWH)	3,449	
	c. Net Generation (MWH)	286	
	d. Heat Rate (L2a divided by L2c) (BTU/KWH)	0	
3.	Operating Availability:		
	a. Hours Unit Operated	6.5	
	b. Hours Available	6.5	
	c. Hours During the Period	721.0	
	d. Availability Factor (L3b divided by L3c) (%)	0.9	
4.	Cost per KWH:		
	a. Gross Generation - FAC Basis (Cents/KWH)		Reported on total plant basis only
	b. Net Generation - FAC Basis (Cents/KWH)		Reported on total plant basis only
5.	Inventory Analysis:		
	a. Number of Days Supply based on actual burn at the station		Reported on total plant basis only