

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

The Application of the Fuel Adjustment Clause of)	
Kentucky Power Company From November 1, 2013)	Case No. 2014-00225
Through April 30, 2014)	

<p>EXHIBITS</p> <p>OF</p> <p>LANE KOLLEN</p>

ON BEHALF OF THE
KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC. AND
ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

OCTOBER 2014

COMMONWEALTH OF KENTUCKY
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The Application of the Fuel Adjustment Clause of)
Kentucky Power Company From November 1, 2013) **Case No. 2014-00225**
Through April 30, 2014)

Exhibit__(LK-1)
OF
LANE KOLLEN

RESUME OF LANE KOLLEN, VICE PRESIDENT

EDUCATION

University of Toledo, BBA
Accounting

University of Toledo, MBA

Luther Rice University, MA

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant (CPA)

Certified Management Accountant (CMA)

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Institute of Management Accountants

Mr. Kollen has more than thirty years of utility industry experience in the financial, rate, tax, and planning areas. He specializes in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Mr. Kollen has expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

RESUME OF LANE KOLLEN, VICE PRESIDENT

EXPERIENCE**1986 to****Present:**

J. Kennedy and Associates, Inc.: Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to**1986:**

Energy Management Associates: Lead Consultant.

Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to**1983:**

The Toledo Edison Company: Planning Supervisor.

Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.

Construction project cancellations and write-offs.

Construction project delays.

Capacity swaps.

Financing alternatives.

Competitive pricing for off-system sales.

Sale/leasebacks.

RESUME OF LANE KOLLEN, VICE PRESIDENT

CLIENTS SERVED

Industrial Companies and Groups

Air Products and Chemicals, Inc.	Lehigh Valley Power Committee
Airco Industrial Gases	Maryland Industrial Group
Alcan Aluminum	Multiple Intervenors (New York)
Armco Advanced Materials Co.	National Southwire
Armco Steel	North Carolina Industrial
Bethlehem Steel	Energy Consumers
Connecticut Industrial Energy Consumers	Occidental Chemical Corporation
ELCON	Ohio Energy Group
Enron Gas Pipeline Company	Ohio Industrial Energy Consumers
Florida Industrial Power Users Group	Ohio Manufacturers Association
Gallatin Steel	Philadelphia Area Industrial Energy
General Electric Company	Users Group
GPU Industrial Intervenors	PSI Industrial Group
Indiana Industrial Group	Smith Cogeneration
Industrial Consumers for	Taconite Intervenors (Minnesota)
Fair Utility Rates - Indiana	West Penn Power Industrial Intervenors
Industrial Energy Consumers - Ohio	West Virginia Energy Users Group
Kentucky Industrial Utility Customers, Inc.	Westvaco Corporation
Kimberly-Clark Company	

Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
Georgia Public Service Commission Staff
Kentucky Attorney General's Office, Division of Consumer Protection
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York State Energy Office
Office of Public Utility Counsel (Texas)

RESUME OF LANE KOLLEN, VICE PRESIDENT

Utilities

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation

Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdiction	Party	Utility	Subject
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR-87-223	MN	Taconite Intervenor	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County, completion.
2/88	10064	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, O&M expense, capital structure, excess deferred income taxes.

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Date	Case	Jurisdct.	Party	Utility	Subject
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric Corp.	Financial workout plan.
5/88	M-87017-1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017-2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017-1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
7/88	M-87017-2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170-EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171-EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800-355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71).
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.
6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.
7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.

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Date	Case	Jurisdct.	Party	Utility	Subject
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Surrebuttal (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19 th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenors	Niagara Mohawk Power Corp.	Incentive regulation.
5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231-E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue requirements.

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12/91	91-410-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	PUC Docket 10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
11/92	8649	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Armco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.
12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CWIP in rate base.
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.

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3/93	93-01-EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
4/93	92-1464-EL-AIR	OH	Air Products Armco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities /Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.
1/94	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/94	U-20647 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
5/94	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.
9/94	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
9/94	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/94	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/94	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/94	U-19904 Initial Post-Merger Earnings Review (Rebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/94	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95	U-21485 (Supplemental Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
12/95	U-21485 (Surrebuttal)				
1/96	95-299-EL-AIR 95-300-EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co., The Cleveland Electric Illuminating Co.	Competition, asset write-offs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC Docket 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.
7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co., and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.
9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.

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Date	Case	Jurisdiction	Party	Utility	Subject
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co., Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.
8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness.
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenor	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenor	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenor	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenor	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.

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Date	Case	Jurisdiction	Party	Utility	Subject
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.
11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	Ct	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.

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Date	Case	Jurisd. dict.	Party	Utility	Subject
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Request for accounting order regarding electric industry restructuring costs.
6/99	U-23358	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.
7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452-E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452-E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	PUC Docket 21527	TX	The Dallas-Fort Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.

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11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
04/00	99-1212-EL-ETP 99-1213-EL-ATA 99-1214-EL-AAM	OH	Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.
05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	PUC Docket 22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	SOAH Docket 473-00-1015 PUC Docket 22350	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.
12/00	U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.

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Date	Case	Jurisdct.	Party	Utility	Subject
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.
01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300F0095 A-110400F0040	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp.	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
07/01	U-21453, U-20925, U-22092 (Subdocket B) Transmission and Distribution Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.

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Date	Case	Jurisdic.	Party	Utility	Subject
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	PUC Docket 25230	TX	The Dallas-Fort Worth Hospital Council and the Coalition of Independent Colleges and Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.
02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02	U-25687 (Suppl. Surrebuttal)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 U-22092 (Subdocket C)	LA	Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless conditions.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.
09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-26527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.

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06/03	EL01-88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.
11/03	ER03-583-000, ER03-583-001, ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001, ER03-682-002 ER03-744-000, ER03-744-001 (Consolidated)	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P., and Entergy Power, Inc.	Unit power purchases and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.
03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459 PUC Docket 29206	TX	Cities Served by Texas- New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including valuation issues, ITC, ADIT, excess earnings.
05/04	04-169-EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.

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Date	Case	Jurisdct.	Party	Utility	Subject
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.
08/04	SOAH Docket 473-04-4555 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case Nos. 2004-00321, 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, et al.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.
02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.
03/05	Case Nos. 2004-00426, 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.

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Date	Case	Jurisdict.	Party	Utility	Subject
09/05	20298-U Panel with Victoria Taylor	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization, cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider, Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06	PUC Docket 31994	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change.
05/06	31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Retrospective ADFIT, prospective ADFIT.
03/06	U-21453, U-20925, U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
03/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPoint Energy Houston Electric	Proposed Regulations affecting flow- through to ratepayers of excess deferred income taxes and investment tax credits on generation plant that is sold or deregulated.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et. al.	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated program costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925, U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
03/07	PUC Docket 33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.

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Date	Case	Jurisdct.	Party	Utility	Subject
03/07	PUC Docket 33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental and Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts.
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.
05/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC, Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post-test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.
11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.

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11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
04/08	2007-00562, 2007-00563	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas and Electric Co.	Merger surcredit.
04/08	26837 Direct Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Suppl Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, including costs recovered in existing rates, TIER.
07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, including projected test year rate base and expenses.
07/08	27163 Taylor, Kollen Panel	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.

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Date	Case	Jurisdict.	Party	Utility	Subject
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	6690-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.
09/08	08-935-EL-SSO, 08-918-EL-SSO	OH	Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO	OH	Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-00564, 2007-00565, 2008-00251 2008-00252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset AD FIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.
02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.

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Date	Case	Jurisdiction	Party	Utility	Subject
03/09	U-21453, U-20925 U-22092 (Sub J) Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	Rebuttal				
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.
04/09	PUC Docket 36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct- Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U- 20925, U-22092 (Subdocket J) Supplemental Rebuttal	LA	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
09/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.
09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdic.	Party	Utility	Subject
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.
12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	EL09-50 Rebuttal Supplemental Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
02/10	30442 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue requirement issues.
02/10	30442 McBride-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc., Attorney General	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR-09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.
03/10	EL10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation expense and effects on System Agreement tariffs.
04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00458, 2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	Revenue requirement issues.
08/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdict.	Party	Utility	Subject
08/10	31647 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.
08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.
09/10	38339 Direct and Cross-Rebuttal	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation FIN 48; AMS surcharge including roll-in to base rates; rate case expenses.
09/10	EL10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
09/10	2010-00167	KY	Gallatin Steel	East Kentucky Power Cooperative, Inc.	Revenue requirements.
09/10	U-23327 Subdocket E Direct	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: SO ₂ allowance expense, variable O&M expense, off-system sales margin sharing.
11/10	U-23327 Rebuttal	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: SO ₂ allowance expense, variable O&M expense, off-system sales margin sharing.
09/10	U-31351	LA	Louisiana Public Service Commission Staff	SWEPCO and Valley Electric Membership Cooperative	Sale of Valley assets to SWEPCO and dissolution of Valley.
10/10	10-1261-EL-UNC	OH	Ohio OCC, Ohio Manufacturers Association, Ohio Energy Group, Ohio Hospital Association, Appalachian Peace and Justice Network	Columbus Southern Power Company	Significantly excessive earnings test.
10/10	10-0713-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, Potomac Edison Power Company	Merger of First Energy and Allegheny Energy.
10/10	U-23327 Subdocket F Direct	LA	Louisiana Public Service Commission Staff	SWEPCO	AFUDC adjustments in Formula Rate Plan.
11/10	EL10-55 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
12/10	ER10-1350 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
01/11	ER10-1350 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdiction	Party	Utility	Subject
03/11	ER10-2001 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Arkansas, Inc.	EAI depreciation rates.
04/11	Cross-Answering				
04/11	U-23327 Subdocket E	LA	Louisiana Public Service Commission Staff	SWEPSCO	Settlement, incl resolution of SO2 allowance expense, var O&M expense, sharing of OSS margins.
04/11	38306 Direct	TX	Cities Served by Texas- New Mexico Power Company	Texas-New Mexico Power Company	AMS deployment plan, AMS Surcharge, rate case expenses.
05/11	Suppl Direct				
05/11	11-0274-E-GI	WV	West Virginia Energy Users Group	Appalachian Power Company, Wheeling Power Company	Deferral recovery phase-in, construction surcharge.
05/11	2011-00036	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements.
06/11	29849	GA	Georgia Public Service Commission Staff	Georgia Power Company	Accounting issues related to Vogtle risk-sharing mechanism.
07/11	ER11-2161 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
07/11	PUE-2011-00027	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Return on equity performance incentive.
07/11	11-346-EL-SSO 11-348-EL-SSO 11-349-EL-AAM 11-350-EL-AAM	OH	Ohio Energy Group	AEP-OH	Equity Stabilization Incentive Plan; actual earned returns; ADIT offsets in riders.
08/11	U-23327 Subdocket F Rebuttal	LA	Louisiana Public Service Commission Staff	SWEPSCO	Depreciation rates and service lives; AFUDC adjustments.
08/11	05-UR-105	WI	Wisconsin Industrial Energy Group	WE Energies, Inc.	Suspended amortization expenses; revenue requirements.
08/11	ER11-2161 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
09/11	PUC Docket 39504	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Investment tax credit, excess deferred income taxes; normalization.
09/11	2011-00161 2011-00162	KY	Kentucky Industrial Utility Consumers, Inc.	Louisville Gas & Electric Company, Kentucky Utilities Company	Environmental requirements and financing.
10/11	11-4571-EL-UNC 11-4572-EL-UNC	OH	Ohio Energy Group	Columbus Southern Power Company, Ohio Power Company	Significantly excessive earnings.

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdickt.	Party	Utility	Subject
10/11	4220-UR-117 Direct	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	4220-UR-117 Surrebuttal	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	PUC Docket 39722	TX	Cities Served by AEP Texas Central Company	AEP Texas Central Company	Investment tax credit, excess deferred income taxes; normalization.
02/12	PUC Docket 40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Temporary rates.
03/12	2011-00401	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Big Sandy 2 environmental retrofits and environmental surcharge recovery.
4/12	2011-00036 Direct Rehearing Supplemental Direct Rehearing	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Rate case expenses, depreciation rates and expense.
04/12	10-2929-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, CRES capacity charges, Equity Stabilization Mechanism
05/12	11-346-EL-SSO 11-348-EL-SSO	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, Equity Stabilization Mechanism, Retail Stability Rider.
05/12	11-4393-EL-RDR	OH	Ohio Energy Group	Duke Energy Ohio, Inc.	Incentives for over-compliance on EE/PDR mandates.
06/12	40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Revenue requirements, including ADIT, bonus depreciation and NOL, working capital, self insurance, depreciation rates, federal income tax expense.
07/12	120015-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Revenue requirements, including vegetation management, nuclear outage expense, cash working capital, CWIP in rate base.
07/12	2012-00063	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental retrofits, including environmental surcharge recovery.
09/12	05-UR-106	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Company	Section 1603 grants, new solar facility, payroll expenses, cost of debt.
10/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Revenue requirements, including off-system sales, outage maintenance, storm damage, injuries and damages, depreciation rates and expense.
10/12	120015-EI Direct	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
11/12	120015-EI Rebuttal	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdic.	Party	Utility	Subject
10/12	40604	TX	Steering Committee of Cities Served by Oncor	Cross Texas Transmission, LLC	Policy and procedural issues, revenue requirements, including AFUDC, ADIT – bonus depreciation & NOL, incentive compensation, staffing, self-insurance, net salvage, depreciation rates and expense, income tax expense.
11/12	40627 Direct	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
12/12	40443	TX	Cities Served by SWEPCO	Southwestern Electric Power Company	Revenue requirements, including depreciation rates and service lives, O&M expenses, consolidated tax savings, CWIP in rate base, Turk plant costs.
12/12	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Termination of purchased power contracts between EGSL and ETI, Spindletop regulatory asset.
01/13	ER12-1384 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Little Gypsy 3 cancellation costs.
02/13	40627 Rebuttal	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
03/13	12-426-EL-SSO	OH	The Ohio Energy Group	The Dayton Power and Light Company	Capacity charges under state compensation mechanism, Service Stability Rider, Switching Tracker.
04/13	12-2400-EL-UNC	OH	The Ohio Energy Group	Duke Energy Ohio, Inc.	Capacity charges under state compensation mechanism, deferrals, rider to recover deferrals.
04/13	2012-00578	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Resource plan, including acquisition of interest in Mitchell plant.
05/13	2012-00535	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
06/13	12-3254-EL-UNC	OH	The Ohio Energy Group, Inc., Office of the Ohio Consumers' Counsel	Ohio Power Company	Energy auctions under CBP, including reserve prices.
07/13	2013-00144	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Biomass renewable energy purchase agreement.
07/13	2013-00221	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Hawesville Smelter market access.
10/13	2013-00199	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
12/13	2013-00413	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Sebree Smelter market access.
01/14	ER10-1350	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 lease accounting and treatment in annual bandwidth filings.

**Expert Testimony Appearances
of
Lane Kollen
as of September 2014**

Date	Case	Jurisdict.	Party	Utility	Subject
04/14	ER13-432 Direct	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
05/14	PUE-2013-00132	VA	HP Hood LLC	Shenandoah Valley Electric Cooperative	Market based rate; load control tariffs.
07/14	PUE-2014-00033	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting, change in FAC Definitional Framework.
8/14	ER13-432 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

The Application of the Fuel Adjustment Clause of)
Kentucky Power Company From November 1, 2013) **Case No. 2014-00225**
Through April 30, 2014)

Exhibit __ (LK-2)
OF
LANE KOLLEN

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
TELEPHONE (614) 716-3724

KPSC Case No. 2014-00225
 KIUC's First Set of Data Requests
 Dated September 5, 2014
 Item No. 4
 Attachment 1
 Page 141 of 350

KENTUCKY POWER COMPANY
17TH ST. & CENTRAL AVE.
ASHLAND, KY 41101

ESTIMATE
07-Mar-14

UNIT 1
POWER BILL - - February, 2014

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF February, 2014
 KWH FOR THE MONTH

94,746,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	254,445
Return on Other Capital	48,457
Total Return	----- 302,902
Fuel	2,557,972
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	375,570
Depreciation Expense	494,430
Taxes Other Than Federal Income Tax	44,821
Federal Income Tax	301,544
TOTAL CURRENT UNIT POWER BILL	----- 4,074,614 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	291,196
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 291,196 -----

TOTAL UNIT POWER BILL

=====

4,365,810

=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - March 21, 2014

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

Monthly Data from KIUC 1_5_Attachment1
 Only Generation Allocation, Purchase Power Omitted

GROUPED BY MONTH					PSC 1-29 att 2 No Load \$	No Load % of Total	No Load % of NL
	month	OSS	NL	Total			
MWH	1	441,047	793,047	1,234,094			
\$ AMOUNT	1	10,770,832	25,492,410	36,263,242	9,512,301	26%	37%
\$ / MWH	1	24.42	32.14	29.38			
MWH	2	429,291	642,605	1,071,896			
\$ AMOUNT	2	11,138,587	20,312,024	31,450,611	7,510,062	24%	37%
\$ / MWH	2	25.95	31.61	29.34			
MWH	3	396,613	612,368	1,008,981			
\$ AMOUNT	3	9,672,312	17,755,209	27,427,520	6,782,073	25%	38%
\$ / MWH	3	24.39	28.99	27.18			
MWH	4	570,916	476,100	1,047,016			
\$ AMOUNT	4	12,766,507	16,376,813	29,143,320	7,844,746	27%	48%
\$ / MWH	4	22.36	34.40	27.83			
MWH	1,2,3,4	1,837,867	2,524,120	4,361,987			
\$ AMOUNT	1,2,3,4	44,348,237	79,936,456	124,284,693	31,649,182	25%	40%
\$ / MWH	1,2,3,4	24.13	31.67	28.49			

GROUPED BY DATA POINT					OSS%	NL%
		OSS	NL	Total		
\$ / MWH	1	24.42	32.14	29.38		
\$ / MWH	2	25.95	31.61	29.34		
\$ / MWH	3	24.39	28.99	27.18		
\$ / MWH	4	22.36	34.40	27.83		
\$ / MWH	1,2,3,4	24.13	31.67	28.49		
\$ AMOUNT	1	10,770,832	25,492,410	36,263,242	30%	70%
\$ AMOUNT	2	11,138,587	20,312,024	31,450,611	35%	65%
\$ AMOUNT	3	9,672,312	17,755,209	27,427,520	35%	65%
\$ AMOUNT	4	12,766,507	16,376,813	29,143,320	44%	56%
\$ AMOUNT	1,2,3,4	44,348,237	79,936,456	124,284,693	36%	54%
MWH	1	441,047	793,047	1,234,094	36%	64%
MWH	2	429,291	642,605	1,071,896	40%	60%
MWH	3	396,613	612,368	1,008,981	39%	61%
MWH	4	570,916	476,100	1,047,016	55%	45%
MWH	1,2,3,4	1,837,867	2,524,120	4,361,987	42%	58%

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2014-00226

FUEL ADJUSTMENT CLAUSE

RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 08/13/14

REQUEST 29

RESPONSIBLE PARTY: Julia J. Tucker

Request 29. If East Kentucky is familiar with the term "no load costs," provide a definition of the term and responses to the following:

Response 29. EKPC operates within the PJM market and EKPC's responses will be based on the PJM market rules. PJM commits units based on their production costs. Production costs envelope all variable costs to operate a unit for a particular period. PJM uses three different cost components to determine a generating unit's total production cost.

- Start-up cost
- No-load cost
- Incremental costs (energy cost per segment of output range)

In general, PJM commits units to achieve the lowest possible overall costs to the system while maintaining reliability. "No-load cost" is the cost needed to create the starting point of a monotonically increasing incremental cost curve. A portion of this cost is the fuel to sustain zero net output MW at synchronous generator speed. (Taken from PJM Manual 15, dated July 28, 2014)

Request 29a. If all or a portion of these costs are recovered through the FAC, explain how these costs are calculated and allocated between native-load sales and off-system sales each hour.

Response 29a. While PJM segregates these costs in the unit commitment process, EKPC does not parse these costs out. Since EKPC does not parse these costs out they are included in the fuel costs that are assigned to both serving native load and off-system sales. Fuel is allocated between native-load sales and off-system sales on a stacked cost basis. EKPC considers each hour of operation, determines if a sale was made from its system during that hour and then allocates the highest cost resource(s) to that sale for FAC purposes. The process of stacking and assigning the highest cost resources to off-system sales protects EKPC's native load from having no-load cost assigned inappropriately.

Request 29b. By month and generating unit, provide the amount of "no load costs" that have been allocated each to native-load customers and off-system sales from November 1, 2012, through April 30, 2014.

Response 29b. As stated above, no-load cost is a component of PJM's dispatch algorithm to determine which units to commit over a period of time to provide the best economic solution to dispatch. EKPC believes no-load cost is an appropriate price signal to consider in PJM's dispatch of the fleet. However, EKPC does not track no-load cost and does not segregate no-load cost in its energy accounting for the fuel clause. "Hourly production cost" is the cost per hour to operate a unit assuming a start has already occurred. It is calculated by summing all costs, which are incurred during one hour of operation including the hourly no-load cost and the incremental energy cost per output segment. EKPC accounts for hourly production cost in its systems and cost allocation

methodologies. EKPC accounted for hourly production costs in its system prior to joining PJM. EKPC has never separately accounted for "no load" costs.

REQUEST:

If Duke Kentucky is familiar with the term “no load costs,” provide a definition of the term and responses to the following:

- a. If all or a portion of these costs are recovered through the FAC, explain how these costs are calculated and allocated between native-load sales and off-system sales each hour.
- b. By month and generating unit, provide the amount of “no load costs” that have been allocated each to native-load customers and off-system sales from November 1, 2012, through April 30, 2014.

RESPONSE:

No-load energy (cost) is the amount of energy necessary to run a generating unit at a 0 MW output. No-load cost is used to calculate a generating units offer and is used for unit commitment purposes. Note that no-load cost is not a units start-up cost, as they are two different items in determining the components of a units cost.

- a. After the generating unit is dispatched, the actual energy costs consumed in a generating unit is allocated as either native or non-native based on a stacking process, allocating the lowest cost resources to native load first. An after-the-fact generation model is used to economically dispatch, on an hourly basis, the demand (load) with available supply resources (*i.e.* generation or purchases) which are economically stacked. To the extent that the energy produced by a generating unit is

allocated to native load, the units total energy cost, including no-load cost, is allocated to native load which is recovered through the FAC.

- b. No-load cost is a component of a unit's total energy cost consumed. Total energy cost consumed is allocated native or non-native based on a stacking process explained above. The company doesn't track how much of the total energy cost consumed in a month is related to no-load costs.

PERSON RESPONSIBLE: John Swez / Lisa Steinkuhl

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2014**

Case No. 2014-00227

Question No. 25

Witness: Robert M. Conroy

Q-25. Explain how purchase power costs are accounted for in the calculation of the FAC when KU experiences a planned generation outage and purchases power to meet load (i.e., is the entire amount of the purchase power recorded in the calculation, or is there a limit as to the amount recorded?). If there is a limit, explain the basis for the limitation and how it is calculated. If there is no limit, explain the basis for including 100 percent of the purchase power costs.

A-25. KU includes in its FAC all energy costs for purchased power when the purchase is economic. As discussed below, for "non-economy power purchases", KU includes a portion of the energy cost for the purchase up to the fuel cost of the highest cost generating unit available to be dispatched to serve native load during the reporting expense month. KU does not distinguish the reason for the purchase except for the exclusion for forced outages, as required by 807 KAR 5:056, Section 1(4). The Companies use the After-the-Fact Billing ("AFB") model to determine the joint dispatch savings between LG&E and KU and to allocate the highest cost energy to off-system sales. AFB stacks each source of energy, both generation and purchases, by cost from highest to lowest for each hour in the month. The stacked energy is then matched with hourly loads, and highest cost energy is assigned to off-system sales. This process ensures that KU's native load customers receive the lowest cost energy available in every hour.

On December 21, 2001, KU and LG&E entered into a settlement agreement² with parties to several Fuel Adjustment Clause review proceedings. The settlement agreement

² *In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1994 to April 30, 1995, Case No. 1994-00461-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from May 1, 1995 to October 31, 1995, Case No. 1994-00461-B; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1995 to April 30, 1996, Case No. 1994-00461-C; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1994 to October 31, 1996, Case No. 1996-00523; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1996 to April 30, 1997, Case No. 1996-00523-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky*

resolved all pending issues in the proceedings, including a clause addressing prospective interpretation of Administrative Regulation 807 KAR 5:056, Section 1(3) (Article 2 of the Agreement). Article 2 states that LG&E and KU shall be permitted to recover through their fuel adjustment clause the purchase power price of all economy power purchases. The agreement goes on to define economy power purchases as “purchases that are made for the purpose of serving native load, displace the utility’s higher cost generation and have an energy cost that is less than the utility’s total avoided variable cost of generation.”

In its May 17, 2002 Order accepting the Settlement Agreement, the Commission “carefully reviewed the signatories’ proposed interpretation of Administrative Regulation 807 KAR 5:056 regarding the recovery of purchased power costs. We find this interpretation is consistent with the literal language of the administrative regulation and with our recent interpretations of that administrative regulation. It should greatly enhance and expedite future reviews of all jurisdictional electric utilities’ FACs by providing a consistent framework for the treatment of purchased power costs.” Order at 7.

Utilities Company from May 1, 1997 to October 31, 1997, Case No. 1996-00523-B; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1997 to April 30, 1998, Case No. 1996-00523-C; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 1994 to October 31, 1996, Case No. 1996-00524; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1996 to October 31, 1998, Case No. 1998-00564; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1998 to April 30, 1999, Case No. 1998-00564-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from May 1, 1999 to October 31, 1999, Case No. 1998-00564-B; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1999 to April 30, 2000, Case No. 1998-00564-C; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1998 to October 31, 2000, Case No. 2000-00497; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2000 to April 30, 2001, Case No. 2000-00497-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 1998 to October 31, 2000, Case No. 2000-00498; and In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 2000 to April 30, 2001, Case No. 2000-00498-A.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2014**

Case No. 2014-00227

Question No. 27

Witness: Robert M. Conroy

Q-27. If KU is familiar with the term "no load costs," provide a definition of the term and responses to the following:

- a. If all or a portion of these costs are recovered through the FAC, explain how these costs are calculated and allocated between native-load sales and off-system sales each hour.
- b. By month and generating unit, provide the amount of "no load costs" that have been allocated each to native-load customers and off-system sales from November 1, 2012, through April 30, 2014.

A-27. KU does not utilize the term "No load costs" in the dispatch and operation of its system. The term appears in the PJM Manual 15: Cost Development Guidelines and is used by the PJM Regional Transmission Organization. In accordance with section 1.7.3 of the manual, "no load costs" is defined as follows:

1.7.3 No Load Cost

No-Load Fuel (MBTU/hour) is the total fuel to sustain zero net output MW at synchronous generator speed.

No-load cost is the cost needed to create the starting point of a monotonically increasing incremental cost curve. The calculated no-load cost may have to be adjusted to ensure that the slope of the Generator Offer Curve is monotonically increasing.

KU is not a member of PJM and does not develop a monotonically increasing cost curve for bidding generation into the wholesale power market. All KU generating units are available to service and utilized for native load customers. When the Commission approved the merger of KU and Louisville Gas and Electric Company ("LG&E"), the Commission expressly recognized that 'integrated system planning may be the single

most important benefit of the merger.”³ Since the merger of KU and LG&E, generation pricing has been based upon a “split-the-difference” approach where the purchasing company pays one half the difference between the cost it would have incurred to generate energy and the actual cost of the other company to generate, plus the other company’s cost to generate. The economic dispatch procedure has ensured that the other company’s units are only dispatched when its costs are less than any available unit owned by the company requiring the generation.⁴ As discussed in response to Question No. 25, the Companies use the After-the-Fact Billing (“AFB”) model to determine the joint dispatch savings between LG&E and KU and to allocate the highest cost energy to off-system sales. All fuel cost associated with generation not allocated to off-system sales or otherwise excluded from the FAC are recovered from native load sales.

- a. Not applicable.
- b. Not applicable

³ *In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of Merger*, Case No. 1997-00300, Order of September 12, 1997, pp. 18-21.

⁴ Order, p. 19.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2014**

Case No. 2014-00228

Question No. 25

Witness: Robert M. Conroy

Q-25. Explain how purchase power costs are accounted for in the calculation of the FAC when LG&E experiences a planned generation outage and purchases power to meet load (i.e., is the entire amount of the purchase power recorded in the calculation, or is there a limit as to the amount recorded?). If there is a limit, explain the basis for the limitation and how it is calculated. If there is no limit, explain the basis for including 100 percent of the purchase power costs.

A-25. LG&E includes in its FAC all energy costs for purchased power when the purchase is economic. As discussed below, for "non-economy purchases," LG&E includes a portion of the energy cost for the purchase up to the fuel cost of the highest cost generating unit available to be dispatched to serve native load during the reporting expense month. LG&E does not distinguish the reason for the purchase except for the exclusion for forced outages, as required by 807 KAR 5:056, Section 1(4). The Companies use the After the Fact Billing ("AFB") model to determine the joint dispatch savings between LG&E and KU and to allocate the highest cost energy to off-system sales. AFB stacks each source of energy, both generation and purchases, by cost from highest to lowest for each hour in the month. The stacked energy is then matched with hourly loads, and highest cost energy is assigned to off-system sales. This process ensures that LG&E's native load customers receive the lowest cost energy available in every hour.

On December 21, 2001, LG&E and KU entered into a settlement agreement² with parties to several Fuel Adjustment Clause review proceedings. The settlement agreement

² *In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1994 to April 30, 1995, Case No. 1994-00461-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from May 1, 1995 to October 31, 1995, Case No. 1994-00461-B; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1995 to April 30, 1996, Case No. 1994-00461-C; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1994 to October 31, 1996, Case No. 1996-00523; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1996 to April 30, 1997, Case No. 1996-00523-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky*

resolved all pending issues in the proceedings, including a clause addressing prospective interpretation of Administrative Regulation 807 KAR 5:056, Section 1(3) (Article 2 of the Agreement). Article 2 states that LG&E and KU shall be permitted to recover through their fuel adjustment clause the purchase power price of all economy power purchases. The agreement goes on to define economy power purchases as “purchases that are made for the purpose of serving native load, displace the utility’s higher cost generation and have an energy cost that is less than the utility’s total avoided variable cost of generation.”

In its May 17, 2002 Order accepting the Settlement Agreement, the Commission “carefully reviewed the signatories’ proposed interpretation of Administrative Regulation 807 KAR 5:056 regarding the recovery of purchased power costs. We find this interpretation is consistent with the literal language of the administrative regulation and with our recent interpretations of that administrative regulation. It should greatly enhance and expedite future reviews of all jurisdictional electric utilities’ FACs by providing a consistent framework for the treatment of purchased power costs.” Order at 7.

Utilities Company from May 1, 1997 to October 31, 1997, Case No. 1996-00523-B; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1997 to April 30, 1998, Case No. 1996-00523-C; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 1994 to October 31, 1996, Case No. 1996-00524; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1996 to October 31, 1998, Case No. 1998-00564; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1998 to April 30, 1999, Case No. 1998-00564-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from May 1, 1999 to October 31, 1999, Case No. 1998-00564-B; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1999 to April 30, 2000, Case No. 1998-00564-C; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1998 to October 31, 2000, Case No. 2000-00497; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2000 to April 30, 2001, Case No. 2000-00497-A; In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 1998 to October 31, 2000, Case No. 2000-00498; and In the Matter of: An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 2000 to April 30, 2001, Case No. 2000-00498-A.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2014**

Case No. 2014-00228

Question No. 27

Witness: Robert M. Conroy

Q-27. If LG&E is familiar with the term "no load costs," provide a definition of the term and responses to the following:

- a. If all or a portion of these costs are recovered through the FAC, explain how these costs are calculated and allocated between native-load sales and off-system sales each hour.
- b. By month and generating unit, provide the amount of "no load costs" that have been allocated each to native-load customers and off-system sales from November 1, 2012, through April 30, 2014.

A-27. LG&E does not utilize the term "No load costs" in the dispatch and operation of its system. The term appears in the PJM Manual 15: Cost Development Guidelines and is used by the PJM Regional Transmission Organization. In accordance with section 1.7.3 of the manual, "no load costs" is defined as follows:

1.7.3 No Load Cost

No-Load Fuel (MBTU/hour) is the total fuel to sustain zero net output MW at synchronous generator speed.

No-load cost is the cost needed to create the starting point of a monotonically increasing incremental cost curve. The calculated no-load cost may have to be adjusted to ensure that the slope of the Generator Offer Curve is monotonically increasing.

LG&E is not a member of PJM and does not develop a monotonically increasing cost curve for bidding generation into the wholesale power market. All LG&E generating units are available to service and utilized for native load customers. When the Commission approved the merger of Louisville Gas and Electric Company ("LG&E") and KU, the Commission expressly recognized that 'integrated system planning may be

the single most important benefit of the merger.”³ Since the merger of LG&E and KU, generation pricing has been based upon a “split-the-difference” approach where the purchasing company pays one half the difference between the cost it would have incurred to generate energy and the actual cost of the other company to generate, plus the other company’s cost to generate. The economic dispatch procedure has ensured that the other company’s units are only dispatched when its costs are less than any available unit owned by the company requiring the generation.⁴ As discussed in response to Question No. 25, the Companies use the After the Fact Billing (“AFB”) model to determine the joint dispatch savings between LG&E and KU and to allocate the highest cost energy to off-system sales. All fuel costs associated with generation not allocated to off-system sales or otherwise excluded from the FAC are recovered from native load sales.

- a. Not applicable.
- b. Not applicable.

³ *In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of Merger*, Case No. 1997-00300, Order of September 12, 1997, pp. 18-21.

⁴ Order, p. 19.

BIG RIVERS ELECTRIC CORPORATION

AN EXAMINATION OF THE APPLICATION OF THE FUEL
ADJUSTMENT CLAUSE OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2013 THROUGH APRIL 30, 2014
CASE NO. 2014-00230

Response to Commission Staff's Request for Information
dated August 13, 2014

August 27, 2014

1 Item 29) *If Big Rivers is familiar with the term "no load costs," provide*
2 *a definition of the term and responses to the following:*

- 3
- 4 a. *If all or a portion of these costs are recovered through the*
5 *FAC, explain how these costs are calculated and allocated*
6 *between native-load sales and off-system sales each hour.*
- 7 b. *By month and generating unit, provide the amount of "no*
8 *load costs" that have been allocated each to native-load*
9 *customers and off-system sales from November 1, 2012,*
10 *through April 30, 2014.*

11

12 **Response)** The book *Fundamentals of Power System Economics* defines no-load
13 cost as the theoretical cost for a unit "... to remain connected to the system while
14 supplying non electrical power, the no-load cost represents the cost of fuel
15 required to keep the unit running. Such a mode of operation is not possible for
16 most thermal generating units. The no-load cost is simply the constant term in
17 the cost curve and does not have physical meaning."¹

18 In the MISO market, in order to build an incremental cost curve for
19 offering units for economic dispatch, MISO utilizes a calculated reference value
20 known as no-load cost; however, this calculation is merely a reflection of the
21 beginning of the incremental cost curve.

¹ Kirschen, Daniel Sadi and Strbac, Goran. *Fundamentals of Power Economics*.
West Sussex, England: John Wiley and Sons, 2004. page 84

BIG RIVERS ELECTRIC CORPORATION

**AN EXAMINATION OF THE APPLICATION OF THE FUEL
ADJUSTMENT CLAUSE OF BIG RIVERS ELECTRIC CORPORATION
FROM NOVEMBER 1, 2013 THROUGH APRIL 30, 2014
CASE NO. 2014-00230**

**Response to Commission Staff's Request for Information
dated August 13, 2014**

August 27, 2014

1 Big Rivers concurs with this definition and simplifies it as "no-load
2 costs are the cost of operating generation at zero MWs." Big Rivers utilizes
3 startup fuel to achieve synchronous speed, then immediately ties units online.
4

5 a. The no-load cost is a cost Big Rivers does not quantify because
6 Big Rivers does not operate at a no-load state. Big Rivers' units
7 are set to begin generating positive MWs immediately upon
8 connection to the system. Any theoretical costs required to
9 operate Big Rivers' units at zero MWs are embedded in Big
10 Rivers' total fuel cost for generating, and Big Rivers makes no
11 attempt to segregate no-load costs from the average cost of
12 generating MWs. Thus, there is no distinction made in the
13 allocation of these theoretical costs between native-load and off-
14 system sales.

15 b. Any theoretical cost of operating at zero MW output is
16 embedded in total fuel costs and is not quantifiable, nor treated
17 differently, between native sales and off-system.
18
19

20 **Witnesses)** Wayne O'Bryan (*'No Load Costs' definition*) and
21 Nicholas R. Castlen (*FAC treatment of 'No Load Costs'*)
22

**BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY**

IN THE MATTER OF

**GENERAL ADJUSTMENTS IN
ELECTRIC RATES OF
KENTUCKY POWER COMPANY**

CASE NO. 2009-00459

**DIRECT TESTIMONY
OF
DANIEL E. HIGH

ON BEHALF OF
KENTUCKY POWER COMPANY**

December 29, 2009

**KENTUCKY POWER COMPANY
CLASS COST OF SERVICE STUDY
TWELVE MONTHS ENDED SEPTEMBER 30, 2009**

	<u>METHOD</u>	<u>TOTAL RETAIL</u>	<u>RS</u>	<u>SGS</u>	<u>MGS</u>	<u>LGS</u>	<u>QP</u>	<u>CIP-TOD</u>	<u>MW</u>	<u>DL</u>	<u>SL</u>
<u>OPERATION AND MAINTENANCE EXPENSE</u>											
<u>O&M EXPENSE PRODUCTION</u>											
GENERATION EXPENSE DEMAND	PROD_DEMAND	20,511,675	9,639,714	399,859	1,641,567	2,109,859	2,140,784	4,463,357	17,527	0	0
GENERATION EXPENSE ENERGY	PROD_ENERGY	9,981,548	3,627,008	166,881	831,673	1,057,385	1,238,265	3,044,351	11,217	82,531	12,237
GENERATION EXPENSE FUEL	PROD_ENERGY	191,973,390	67,634,335	3,786,577	15,995,415	20,336,500	23,815,334	58,551,486	215,742	1,202,643	235,359
SYSTEM SALES	PROD_DEMAND	(8,704,872)	(4,115,131)	(167,249)	(770,252)	(802,468)	(895,402)	(1,866,844)	(7,331)	0	0
SYSTEM SALES	PROD_ENERGY	(143,526,655)	(50,715,620)	(2,820,934)	(11,956,802)	(15,204,368)	(17,805,281)	(43,775,396)	(161,267)	(899,143)	(175,963)
PURCHASED POWER DEMAND	PROD_DEMAND	96,530,187	46,580,113	1,893,090	8,716,662	9,868,854	10,135,266	21,131,233	82,980	0	0
PURCHASED POWER ENERGY	PROD_ENERGY	152,824,335	54,000,807	3,014,382	12,733,477	16,188,286	18,858,692	46,611,105	171,746	957,388	187,362
SYSTEM CONTROL	PROD_DEMAND	394,700	186,584	7,563	34,926	40,014	40,601	84,549	332	0	0
TOTAL PRODUCTION EXPENSES		474,515,838	181,967,672	9,293,363	40,155,720	49,721,897	56,328,931	133,866,192	489,544	2,222,562	434,956
O&M EXPENSE TOTAL TRANSMISSION	RS_GUP_EPIS_T	308,744	144,479	5,941	27,316	31,332	32,616	67,773	258	0	0
O&M EXPENSE REGIONAL MARKET	TRANS_TOTAL	1,174,225	547,737	22,522	103,564	118,787	123,668	256,970	977	0	0
<u>DISTRIBUTION OPERATION EXPENSE</u>											
500 SUPERVISION & ENGINEERING	TOTOXEXP	913,466	578,676	56,322	67,229	96,536	92,760	4,061	803	34,418	10,740
501 LOAD DISPATCHING	DIST_CPD	2,432	1,904	66	299	313	147	0	3	0	0
502 STATION EXPENSES	DIST_CPD	233,407	153,961	6,370	26,655	30,051	14,102	0	270	0	0
503 OVERHEAD LINES	DIST_OHLINES	1,137,658	777,200	34,952	131,250	143,435	45,640	0	1,274	3,295	513
504 UNDERGROUND LINES	DIST_UGLINES	83,980	57,561	2,611	9,623	10,564	3,188	0	94	269	50
505 STREET LIGHTING	DIST_SL	53,816	0	0	0	0	0	0	0	0	53,816
506 METERS	DIST_METERS	820,535	409,717	188,171	96,741	58,770	40,019	24,945	171	0	0
507 CUSTOMER INSTALLS	DIST_PCUST	135,555	87,162	13,678	4,680	468	26	0	12	29,562	34
508 MISCELLANEOUS DISTRIBUTION	RS_GUP_EPIS_D	2,775,090	1,805,668	129,852	288,616	304,203	80,188	3,518	2,657	142,736	16,361
509 RENTS	RS_GUP_EPIS_D	1,575,316	1,025,175	66,603	163,637	172,695	51,197	1,597	1,608	81,026	9,287
TOTAL DISTRIBUTION OPER EXP	FORMULA	7,731,354	4,898,635	493,626	622,928	817,055	277,269	34,542	5,792	281,307	80,901
<u>DISTRIBUTION MAINTENANCE EXPENSE</u>											
500 SUPERVISION & ENGINEERING	TOTMXP	8,881	5,965	275	997	1,096	325	0	10	161	21
501 STRUCTURES	DIST_CPD	5,205	3,433	142	639	670	314	0	6	0	0
502 STATION EQUIPMENT	DIST_CPD	512,025	337,744	13,974	62,855	65,823	30,938	0	593	0	0
503 OVERHEAD LINES	TOTOHLINES	26,521,237	20,274,654	922,565	3,372,223	3,709,666	1,092,022	0	32,879	98,679	18,349
504 UNDERGROUND LINES	TOTUGLINES	185,163	127,644	5,787	21,351	23,418	7,067	0	208	506	111
505 LINE TRANSFORMER	DIST_TRANSF	175,156	124,474	6,083	18,696	21,537	2,873	0	188	1,100	206
506 STREET LIGHTING	DIST_SL	54,606	0	0	0	0	0	0	0	0	54,606
507 METERS	DIST_METERS	53,700	26,818	12,317	6,463	3,847	2,619	1,633	11	0	0
508 MISC DISTRIBUTION PLANT	DIST_PL	532,162	0	0	0	0	0	0	0	532,162	0
TOTAL DISTRIBUTION MAINT EXP	FORMULA	31,048,152	20,900,753	861,143	3,483,204	3,826,357	1,136,150	1,633	33,865	632,719	73,291
DISTRIBUTION EXPENSES		38,780,506	25,797,688	1,454,769	4,306,132	4,643,412	1,413,427	36,175	40,587	924,026	164,191
<u>CUSTOMER ACCOUNTS</u>											
901 SUPERVISION	TOTOX234	413,373	408,076	20,783	9,792	1,550	189	41	18	(28,111)	13
902 METER READ	CUST_902	754,340	601,634	94,411	46,658	6,234	1,092	228	84	0	0
903 CUSTOMER RECORDS	CUST_903	6,909,640	4,620,683	458,606	157,602	17,517	1,771	365	407	750,547	1,141
904 UNCOLLECTIBLES	CUST_TOTAL	(4,235,288)	(2,719,813)	(426,820)	(146,358)	(18,266)	(1,646)	(340)	(378)	(922,507)	(1,056)
905 MISCELLANEOUS	TOTOX234	7,516	7,435	376	178	26	4	1	0	(511)	0
TOTAL CUSTOMER ACCOUNTS		2,949,531	2,918,918	148,388	66,873	11,053	1,420	293	131	(200,561)	95
TOTAL CUSTOMER SERVICES	CUST_TOTAL	1,802,110	1,157,320	181,611	62,275	6,921	700	145	161	392,526	451

RECEIVED

JUL 02 2013

PUBLIC SERVICE
COMMISSION

421 West Main Street
Post Office Box 634
Frankfort, KY 40602-0634
(502) 223-3477
(502) 223-4324 Fax
www.stites.com

July 2, 2013

HAND DELIVERED

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

Mark R. Overstreet
(502) 209-1219
(502) 223-4387 FAX
moverstreet@stites.com

RE: Case No. 2012-00578

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of the following documents:

- (a) Notice of Filing of Stipulation and Settlement Agreement; and
- (b) Supplemental Testimony of Ranie K. Wohnhas in Support of Stipulation and Settlement Agreement.

By copy of this letter a copy of both documents is being served by overnight delivery on counsel of record in this proceeding.

If you have any questions please do not hesitate to contact me.

Very truly yours,



Mark R. Overstreet

MRO

cc: Michael L. Kurtz
Jennifer B. Hans
Shannon W. Fisk
Robb Kappla
Joe F. Childers

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF KENTUCKY POWER COMPANY FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING THE TRANSFER TO THE COMPANY OF AN UNDIVIDED FIFTY PERCENT INTEREST IN THE MITCHELL GENERATING STATION AND ASSOCIATED ASSETS; (2) APPROVAL OF THE ASSUMPTION BY KENTUCKY POWER COMPANY OF CERTAIN LIABILITIES IN CONNECTION WITH THE TRANSFER OF THE MITCHELL GENERATING STATION; (3) DECLARATORY RULINGS; (4) DEFERRAL OF COSTS INCURRED IN CONNECTION WITH THE COMPANY'S EFFORTS TO MEET FEDERAL CLEAN AIR ACT AND RELATED REQUIREMENTS; AND (5) ALL OTHER REQUIRED APPROVALS AND RELIEF

RECEIVED

JUL 02 2013

PUBLIC SERVICE
COMMISSION

Case No. 2012-00578

STIPULATION AND SETTLEMENT AGREEMENT

This Stipulation and Settlement Agreement, made and entered into this 2nd day of July, 2013, by and among Kentucky Power Company ("Kentucky Power" or "Company"); Kentucky Industrial Utility Customers, Inc. ("KIUC"); and Sierra Club, Alexander Desha, Tom Vierheller, and Beverly May ("Sierra Club"):

WITNESSETH:

WHEREAS, on December 19, 2012 Kentucky Power filed a verified application pursuant to KRS 278.020, 807 KAR 5:001, Section 9 (now 807 KAR 5:001, Section 15), KRS 278.300, and 807 KAR 5:001, Section 11 (now 807 KAR 5:001, Section 17). In its application, styled *In the Matter of: Application of Kentucky Power Company for: (1) A Certificate Of Public Convenience and Necessity Authorizing The Transfer To The Company Of An Undivided Fifty Percent Interest In The Mitchell Generating Station And Associated Assets; (2) Approval Of The Assumption By Kentucky Power Company Of Certain Liabilities In Connection With The Transfer Of Mitchell Generating Station; (3) Declaratory Rulings;*¹ *(4) Deferral Of Costs Incurred In Connection With The Company's Efforts To Meet Federal Clean Air Act And Related Requirements; And (5) For All Other Required Approvals And Relief*, Case No. 2012-00578 ("Transfer Application.") In the Transfer Application, the Company sought approval for all approvals necessary to effectuate the transfer of a fifty percent undivided interest in Ohio Power Company's Mitchell Generating Station, including the assumption of certain liabilities. In addition, the Company sought the authority, in accordance with Financial Accounting Standards Board Standards Codification 980-340-25-1, to accumulate and defer for review and recovery in its next base rate proceeding certain costs incurred from 2004 through 2012 in connection with the Company's ongoing efforts to meet Federal Clean Air Act and other environmental requirements with respect to Big Sandy Unit 2; and

WHEREAS, KIUC, Sierra Club, and the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("Attorney General") (collectively the

¹ On February 15, 2013 the Commission issued a declaratory order stating that prior approval pursuant to KRS 278.020(5) and KRS 278.020(6) is not required for the merger of Kentucky Power and NEWCO Kentucky.

“Intervenors”) filed motions for full intervention in P.S.C. Case No. 2012-00578. The Public Service Commission of Kentucky (“Commission”) granted each of the intervention motions; and

WHEREAS, Sierra Club and KIUC filed written testimony raising issues regarding Kentucky Power’s Transfer Application; and

WHEREAS, Kentucky Power and the Intervenors have had a full opportunity for discovery, including the filing of written data requests and responses; and

WHEREAS, Kentucky Power offered the Intervenors, along with Commission Staff, the opportunity to meet and review the issues presented by Kentucky Power’s application in this proceeding and for purposes of settlement; and

WHEREAS, during May 2013 representatives of Kentucky Power and the Intervenors, along with Commission Staff, met to review the issues and discuss settlement of the Transfer Application; and

WHEREAS, on May 28, 2013 Kentucky Power, along with Sierra Club and KIUC (“Settling Intervenors”), entered into a Memorandum of Understanding Regarding Stipulation and Settlement Agreement memorializing the basis for settling the issues in this proceeding; and

WHEREAS, Kentucky Power and the Settling Intervenors have reviewed the issues raised in P.S.C. Case No. 2012-0578, and have reached a settlement of the case, including the issues raised therein; and

WHEREAS, the Attorney General declined to enter into a settlement of the issues and thus there is not a unanimous settlement of the proceedings in Case No. 2012-00578; and

WHEREAS, Kentucky Power and the Settling Intervenors execute this Stipulation and Settlement Agreement (“Settlement Agreement”) for purposes of submitting it to the Public Service Commission of Kentucky for approval, and for such further approvals as are required to implement its provisions; and

WHEREAS, Kentucky Power and the Settling Intervenors believe that the relief, rates, and approvals provided for by this Settlement Agreement are in accordance with the requirements of Chapter 278; and

WHEREAS, the adoption of this Settlement Agreement will limit the need for the Commission and the parties to expend considerable resources in the litigation of this proceeding,

NOW THEREFORE, for and in consideration of the mutual premises set forth above, and the agreements and covenants set forth herein, Kentucky Power and the Settling Intervenors hereby agree:

1. On December 31, 2013, fifty percent of Mitchell Units 1 and 2 (including associated assets and liabilities) are to be transferred to Kentucky Power Company in the manner described in the Transfer Application. The transfer will be at actual net book value as of December 31, 2013, including all Accumulated Deferred Income Tax benefits, with no off-set to negate the transfer of those tax benefits to Kentucky ratepayers, in a manner consistent with the accounts and accounting entries shown on RKW-Exhibit 2 and RKW-Exhibit 3 (the net book value is currently estimated to be approximately \$536 million), and the calculation of the “Mitchell Plant Revenue Requirement” amounts shown on RKW-Exhibit 4 and the underlying workpapers for RKW-Exhibit 4. Such transfer shall be deemed a prudent component of rate base in future proceedings. The Company will use current Ohio Power Company depreciation rates

for Mitchell Units 1 and 2 until such rates are changed in the Base Rate Case, as that proceeding is defined in Paragraph 3. The Company shall propose depreciation rates that reflect a 2040 retirement date for the Mitchell units in the Base Rate Case.

2. Mitchell-related fuel costs shall be included in the calculation of charges or credits under Kentucky Power Company's Fuel Adjustment Clause. The Mitchell units will be included in the economic dispatch of Kentucky Power Company's generation resources. Because of the anticipated lower fuel costs of Mitchell Units 1 and 2 vis-à-vis the anticipated fuel costs of the Big Sandy units, the transfer of the Mitchell units to Kentucky Power is expected to provide Kentucky Power customers with the benefit of reduced fuel costs of approximately \$2.50/MWh. Based on 2012 jurisdictional kWh sales of 6.7 GWh, the benefits are estimated to total \$16.75 million annually.

3. Upon approval by the Commission of this Stipulation and Settlement Agreement, the Company shall withdraw any pending base rate case.² The Company agrees to maintain current base rates at least through May 31, 2015, subject to Paragraph 16 of this Settlement Agreement. In addition, the Company agrees to file a base rate proceeding ("Base Rate Case") no later than December 29, 2014 utilizing a September 30, 2014 test year. The Company agrees to propose combining, using the C.I.P.-T.O.D. rate design, the C.I.P.-T.O.D. and Q.P. tariff classes in the Base Rate Case. The Company agrees to remove all coal-related operating expenses related to Big Sandy 1, and all operating expenses related to Big Sandy Unit 2 from the cost of service study in the Base Rate Case. The Company further agrees to remove all coal-related plant and other capitalized costs, e.g., fuel inventories, materials and supplies inventories,

² Kentucky Power Company on May 17, 2013 filed its Notice of Intent to file an Application For General Adjustment of its Rates (Case No. 2013-00197). On June 28, 2013 the Company filed its Application seeking a 23.39% adjustment in its revenues (with the transmission adjustment).

etc., related to Big Sandy Unit 1, and all plant and other capitalized costs, e.g., fuel inventories, materials and supplies inventories, etc., related to Big Sandy Unit 2, from the cost of service study in the Base Rate Case, and instead recover these costs in the manner set forth in Paragraph 14 of this Settlement Agreement.

4. Effective January 1, 2014, the Company will implement an Asset Transfer Rider pursuant to the Tariff Asset Transfer Rider attached hereto as EXHIBIT 1. The Asset Transfer Rider is designed to collect \$44 million annually, with a true-up mechanism to ensure no over or under recovery. The charges payable under the Asset Transfer Rider are initially determined by first allocating the \$44 million revenue requirement between residential and all other customers based upon their respective percentage of total revenues as of the twelve month period ended September 30, 2013. The Asset Transfer Rider charges will be calculated as a percentage of total revenues for the residential class, and as a percentage of non-fuel revenues for all other customers. The Asset Transfer Rider will remain in place until the Commission sets new base rates for the Company that include the Mitchell units. After new base rates are established, the Asset Transfer Rider will be reset to remove the \$44 million by substituting Asset Transfer Rider-2 (Tariff A.T.R.-2), attached hereto as EXHIBIT 1-A, which thereafter will be used to recover the Big Sandy 1 and Big Sandy 2 retirement costs as described in Paragraph 14.

5. Effective January 1, 2014, the monthly Environmental Surcharge factor (Tariff E.S.) will be fixed and maintained at 0.00% until new base rates are set by the Commission. The revised Tariff E.S. is attached hereto as EXHIBIT 2.

6. When base rates are set in the Base Rate Case, all costs associated with the Mitchell Units 1 and 2 Flue Gas Desulfurization (FGD) equipment will be recovered through the

environmental surcharge (Tariff E.S.) approved in the Base Rate Case, and excluded from base rates in the Base Rate Case. This collection mechanism shall continue at least until the Commission sets new base rates for a period commencing after June 30, 2020 that include these costs. The charges payable under the Environmental Surcharge to be submitted for approval in the Base Rate Case will be determined by first allocating the revenue requirement between full requirements wholesale customers and retail customers in the same manner that it is presently allocated. The retail share of the revenue requirement will then be allocated between residential and non-residential retail customers based upon their respective total revenues. The Environmental Surcharge will be implemented as a percentage of total revenues for the residential class and as a percentage of non-fuel revenues for all other customers.

7. Effective January 1, 2014, the Company will set and maintain the System Sales Adjustment Factor (Tariff S.S.C.) to 0.0000 mills/kWh until new base rates are set by the Commission. The revised Tariff S.S.C. is attached hereto as **EXHIBIT 3**. Calendar year off-system sales margins above \$15,290,363, the level in current base rates, will be retained by the Company until new base rates are set.

8. The Company shall be authorized in accordance with Financial Accounting Standards Board Standards Codification 980-340-25-1 to accumulate and defer for review and recovery in the Base Rate Case the \$28,113,304 of costs incurred from 2004 through 2012 in connection with the Company's ongoing efforts to meet Federal Clean Air Act and other environmental requirements with respect to Big Sandy Unit 2. The Company shall be authorized to amortize and recover the regulatory asset over a five-year period commencing with the implementation of the base rates established in the Base Rate Case. The Company will be

authorized to apply carrying costs to the unamortized regulatory asset at a long-term debt rate of 6.48%.

9. Effective June 1, 2015, the availability of service under Tariff C.S.-I.R.P. shall increase to 75,000 kW in accordance with the revised Tariff C.S.-I.R.P. attached hereto as **EXHIBIT 4**. Further, the revised Tariff C.S.-I.R.P. provides that effective June 1, 2015 credits under Tariff C.S.-I.R.P. of \$3.68 /kW/month will be provided for interruptible load that qualifies under PJM's rules as capacity for the purposes of the Company's FRR obligation. This interruptible service will be consistent with PJM's Limited Demand Response, Emergency – Capacity Only Program, subject to any limitations on the availability of that Program by PJM. If insufficient MWs are available for PJM enrollment by Kentucky Power, the revised Tariff C.S.-I.R.P. provides that Company shall offer to substitute one of the other PJM Emergency Demand Response Programs that is available. To be eligible for the credit, customers must be able to provide interruptible load (not involving behind the meter diesel generation) of at least one MW at a single site and commit to a minimum 4-year contract term. Any such credits will be collected through the newly-established Purchase Power Adjustment to be implemented pursuant to Paragraph 15 of this Settlement Agreement.

10. The Company agrees to provide economic development support for Lawrence County, Kentucky and the Kentucky counties contiguous thereto in the total amount of \$100,000 per year for five years. Of this annual amount, \$33,000 will be set aside for job training, with a preference for training for weatherization and energy efficiency-related jobs. The \$100,000 annual contribution shall not be recoverable from Kentucky Power customers.

11. The Company agrees to increase its contribution to the Home Energy Assistance Program to 15 cents per residential meter per month. Such amounts shall not be recoverable from customers.

12. The Company agrees to institute a new two-year Demand-Side Management (“DSM”) program to help fund energy management programs for schools affected by KRS 160.325. The annual DSM funding level for this program will be \$75,000 in 2014 and \$50,000 in 2015. Further, Kentucky Power agrees to increase its aggregate annual spending on cost-effective DSM and energy efficiency measures through Commission-approved DSM programs to \$4 million in 2014; \$5 million in 2015; and \$6 million in 2016, 2017, and 2018. The Company also will seek to maintain a minimum spending level of \$6 million for Commission-approved cost-effective DSM and energy efficiency measures in years after 2018. The Sierra Club may participate in the Company’s DSM collaborative and receive the Company’s periodic reports and evaluations of its DSM programs.

13. The Company shall file with the Commission an application pursuant to KRS 278.020 for Certificate of Public Convenience of Necessity to convert the 268 MW Big Sandy Unit 1 to natural gas, and will exercise its option to terminate its March 28, 2013 Request for Proposals. All parties to this Settlement Agreement agree they will not move to intervene to challenge the Company’s filing for the required Certificate of Public Convenience and Necessity to convert Big Sandy Unit 1 to natural gas, provided the cost to convert is approximately \$60 million.

14. The Company shall be authorized to recover the coal-related retirement costs of Big Sandy Unit 1, the retirement costs of Big Sandy Unit 2, and other site-related retirement

costs that will not continue in use. The costs shall be recovered on a levelized basis, including a weighted average cost of capital (WACC) carrying cost, over a 25 year period beginning when base rates are set in the Base Rate Case. The term "Retirement Costs" as used in this agreement are defined as and shall include the net book value, materials and supplies that cannot be used economically at other plants owned by Kentucky Power, and removal costs and salvage credits, net of related ADIT. Related ADIT shall include the tax benefits from tax abandonment losses. The Company will use its best efforts to minimize the cost of dismantling and to maximize salvage credits. Such retirement costs will be recovered in the Asset Transfer Rider-2.

15. Beginning January 1, 2014, no outage associated with Big Sandy Unit 2, including that due to its retirement, shall be treated as a forced outage for purposes of the Fuel Adjustment Clause. After Big Sandy Unit 2 is retired or can no longer be economically operated, the Company shall be authorized to recover incremental purchased power costs associated with forced outages of other Kentucky Power plants, not otherwise recoverable through the Fuel Adjustment Clause, pursuant to the Purchase Power Adjustment attached hereto as EXHIBIT 5. Customers shall at all times be entitled to the least cost energy produced by generation owned, leased or purchased by the Company consistent with economic dispatch principles.

16. The retirement of Big Sandy Unit 2 prior to May 31, 2015, shall be considered a Force Majeure Event and the Company shall have the right to seek emergency rate relief from the Commission to prevent its credit or operations from being materially impaired or damaged under KRS 278.190 (2) consistent with the Commission's orders and precedent governing such relief. Such emergency rate relief shall be limited to \$24 million annually (\$2 million per month

for each remaining month through May 2015). For purposes of this provision, Big Sandy Unit 2 shall be deemed retired upon review of the retirement as required under the PJM tariff.

17. The Company agrees to continue to procure coal for the Mitchell units with no bias against coal produced in Kentucky.

18. The Company agrees to continue to work during the conversion of Big Sandy Unit 1 to use local labor sources, in connection with the conversion, when technically practical.

19. The Company agrees to issue a non-binding Request For Proposals for 100 MW of wind power for the purpose of incorporating the results of the RFP in its Integrated Resource Plan that will be filed in December 2013.

20. The Company's application in Case No. 2013-00144 (*In The Matter Of: The Application Of Kentucky Power Company For: (1) The Approval Of The Terms And Conditions Of The Renewable Energy Purchase Agreement For Biomass Energy Resources Between The Company And ecoPower Generation-Hazard LLC; (2) Authorization To Enter Into The Agreement; (3) The Grant Of Certain Declaratory Relief; And (4) The Grant Of All Other Required Approvals and Relief*) is to be decided separately by the Commission.

21. Kentucky Power and the Settling Intervenors agree:

(a) Any party can contest the reasonableness of the ongoing costs of environmental compliance in future proceedings. The Company acknowledges the authority of the Commission, upon its own motion, or upon application by the parties (including the Attorney General, Sierra Club, and KIUC), to determine following a full due process hearing that Mitchell Units 1 and 2 are no longer the least cost generation resource for the ratepayers of the Company

due to federal, state or local environmental laws or regulations imposing on Mitchell Units 1 and 2 costs or operational requirements associated with or related to greenhouse gas emissions, and to order upon such determination that Mitchell Units 1 and 2 shall be retired for Kentucky ratemaking purposes. Nothing in this Stipulation and Settlement Agreement shall bar the Commission or the parties (including the Attorney General, Sierra Club, and KIUC) from proceeding pursuant to KRS 278.260 to challenge the Company's rates on the ground the rates are unreasonable or unjustly discriminatory because Mitchell Units 1 and 2 are no longer the least cost generation resource for the ratepayers of the Company due to federal, state or local environmental laws or regulations imposing on Mitchell Units 1 and 2 costs or operational requirements associated with or related to greenhouse gas emissions. The Company and Settling Intervenor further agree to work collaboratively with the Kentucky and West Virginia Environmental Protection Agencies to attempt to reasonably address the potential regulation of carbon and its impact on Kentucky Power customers.

(b) Any costs resulting from federal, state or local environmental requirements relating to greenhouse gas emissions will be collected through the Environmental Surcharge or a similarly-structured surcharge mechanism consistent with the allocation specified in Paragraph 6.

(c) If Mitchell Units 1 or 2 are retired for Kentucky ratemaking purposes pursuant to Paragraph 21(a) or retired early as the result of federal, state or local environmental requirements relating to greenhouse gas emissions, the Company agrees to collect the Retirement Costs with a debt-only carrying cost. The recovery period and mechanism shall be approved by the Commission. Retirement Costs shall be as defined in Paragraph 14. The Company further agrees to include an economic analysis of all generating unit costs, including the costs of

complying with greenhouse gas emission regulation, in future Integrated Resource Plans. This Stipulation and Settlement Agreement does not bar any party from advocating any position it deems appropriate in a future Integrated Resource Plan docket, or any other future proceeding.

22. Filing Of Settlement Agreement With The Commission And Request For Approval.

Following the execution of this Settlement Agreement, Kentucky Power and the Settling Intervenors shall file this Settlement Agreement with the Commission along with a joint request to the Commission for consideration and approval of this Settlement Agreement.

23. Good Faith And Best Efforts To Seek Approval.

(a) This Settlement Agreement is subject to approval by the Commission.

(b) Kentucky Power and the Settling Intervenors shall act in good faith and use their best efforts to recommend to the Commission that this Settlement Agreement be approved in its entirety and without modification, and that the rates and charges set forth herein be implemented.

(c) Kentucky Power and certain Intervenors filed testimony in this case and Kentucky Power filed rebuttal testimony. Kentucky Power also filed testimony in support of this Settlement Agreement. For purposes of any hearing with respect to this Settlement Agreement or the Application in Case No. 2012-00578, the Settling Intervenors and Kentucky Power waive all cross-examination of the other parties' witnesses except for supporting this Settlement Agreement, unless the Commission disapproves this Settlement Agreement.

(d) Kentucky Power and the Settling Intervenors further agree to support the reasonableness of this Settlement Agreement before the Commission, and to cause their counsel to do the same, including in connection with any appeal from the Commission's approval, implementation, or enforcement of this Settlement Agreement.

(e) No party to this Settlement Agreement shall file judicial or administrative challenges to any Order of the Commission approving the Settlement Agreement in its entirety and without modification.

24. Failure Of Commission To Approve Settlement Agreement.

If the Commission does not accept and approve this Settlement Agreement in its entirety and without modification, this Settlement Agreement shall be void and withdrawn by Kentucky Power and the Settling Intervenors from further consideration by the Commission and none of the parties to this Settlement Agreement shall be bound by any of the provisions herein.

25. Continuing Commission Jurisdiction.

This Settlement Agreement shall in no way be deemed to divest the Commission of jurisdiction under Chapter 278 of the Kentucky Revised Statutes.

26. Effect of Settlement Agreement.

This Settlement Agreement shall inure to the benefit of and be binding upon the parties to this Settlement Agreement, their successors and assigns. In the event that the Company or either of the Settling Intervenors believes a Party to this Settlement Agreement has breached any of its obligations set forth herein, the Party alleging breach shall provide the allegedly breaching Party

written notice and a 30-day opportunity to cure the alleged breach. The Parties agree that any breach of this agreement shall result in irreparable injury, for which the non-breaching party is without adequate remedy at law. Accordingly, the parties to this Stipulation and Settlement Agreement further agree that equitable relief, including specific performance or injunctive, is the sole remedy in the event of an uncured breach, and that no Party shall be liable for monetary damages in the event of breach. The Parties expressly waive and forego the right to money damages for any breach of any of the obligations set forth in this Settlement Agreement.

27. Complete Agreement.

This Settlement Agreement constitutes the complete agreement and understanding among the parties to this Settlement Agreement, and any and all oral statements, representations or agreements made prior hereto or contained contemporaneously herewith shall be null and void and shall be deemed to have been merged into this Settlement Agreement.

28. Independent Analysis.

The terms of this Settlement Agreement are based upon the independent analysis of the parties to this Settlement Agreement, are the product of compromise and negotiation, and reflect a fair, just and reasonable resolution of the issues herein.

29. Settlement Agreement And Negotiations Are Not An Admission.

(a) This Settlement Agreement shall not be deemed to constitute an admission by any party to this Settlement Agreement that any computation, formula, allegation, assertion or contention made by any other party in these proceedings is true or valid. Nothing in this Settlement Agreement shall be used or construed for any purpose to imply, suggest or otherwise

indicate that the results produced through the compromise reflected herein represent fully the objectives of Kentucky Power or the Settling Intervenors.

(b) Neither the terms of this Settlement Agreement nor any statements made or matters raised during the settlement negotiations shall be admissible in any proceeding, or binding on any of the parties to this Settlement Agreement, or be construed against any of the parties to this Settlement Agreement, *except that* in the event of litigation or proceedings involving the approval, implementation or enforcement of this Agreement, the terms of this Settlement Agreement shall be admissible. This Settlement Agreement shall not have any precedential value in this or any other jurisdiction.

30. Consultation With Counsel

The parties to this Settlement Agreement warrant that they have informed, advised, and consulted with their respective counsel with regard to the contents and significance of this Settlement Agreement and are relying upon such advice in entering into this agreement.

31. Authority To Bind.

Each of the signatories to this Settlement Agreement hereby warrant they are authorized to sign this agreement upon behalf of, and bind, their respective parties.

32. Construction Of Agreement.

This Settlement Agreement is a product of negotiation among all parties to this Settlement Agreement, and no provision of this Settlement Agreement shall be construed in favor of or against any party hereto. This Settlement Agreement is submitted for purposes of this case only. Except as otherwise provided in this Settlement Agreement, this Settlement

Agreement is not to be deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Kentucky Power or any other utility.

33. This Settlement Agreement may be executed in multiple counterparts.


IN WITNESS WHEREOF, this Stipulation and Settlement Agreement has been agreed to as of this 2nd day of July, 2013.

KENTUCKY POWER COMPANY

By: 
Mark R. Overstreet

Its: Attorney

SIERRA CLUB, ALEXANDER DESHA,
TOM VIERHELLER, AND BEVERLY
MAY

By: 
Shannon W. Fisk

Their: Attorney

KENTUCKY INDUSTRIAL UTILITY
CUSTOMERS, INC.

By: 
Michael L. Kurtz

Its: Attorney

EXHIBIT 1

TARIFF A.T.R.
(Asset Transfer Rider)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, S.G.S., Experimental S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Q.P., C.I.P.-T.O.D., C.S.-I.R.P., M.W., O.L. and S.L.

RATE.

1. Pursuant to the final order of the Kentucky Public Service Commission in Case No. 2012-00578 and the Stipulation and Settlement Agreement dated June __, 2013 as filed and approved by the Commission, Kentucky Power Company is to recover from retail ratepayers \$44 million annually beginning January 1, 2014 and ending when the Commission sets new base rates for the Company that include Mitchell Units 1 and 2.
2. The allocation of the \$44 million revenue requirement between residential and all other customers shall be based upon their respective contribution to total retail revenues for the twelve month period ended September 30, 2013, according to the following formula:

$$\text{Residential Allocation RA(m)} = \frac{\$44,000,000}{12 \text{ months}} \times \frac{\text{KY Residential Retail Revenue RR(b)}}{\text{KY Retail Revenue R(b)}}$$

$$\text{All Other Allocation OA(m)} = \frac{\$44,000,000}{12 \text{ months}} \times \frac{\text{KY All Other Classes Retail Revenue OR(b)}}{\text{KY Retail Revenue R(b)}}$$

Where:

(m) = the expense month;

(b) = twelve month period ended September 30, 2013.

3. The Residential Asset Transfer Adjustment shall provide for monthly adjustments based on a percent of total revenues, according to the following formula:

$$\text{Residential Asset Transfer Adjustment Factor} = \frac{\text{Net Monthly Residential Allocation NRA(m)}}{\text{Residential Retail Revenue RR(m)}}$$

Where:

$$\text{Net Monthly Residential Allocation NRA(m)} = \text{Monthly Residential Allocation RA(m), net of Over/(Under) Recovery Adjustment;}$$

$$\text{Residential Retail Revenue RR(m)} = \text{Monthly Retail Revenue for all KY residential classes for the expense month (m).}$$

4. The All Other Classes Asset Transfer Adjustment shall provide for monthly adjustments based on a percent of non-fuel revenues, according to the following formula:

$$\text{All Other Classes Asset Transfer Adjustment Factor} = \frac{\text{Net Monthly All Other Allocation NOA(m)}}{\text{All Other Classes Non-Fuel Retail Revenue ONR(m)}}$$

Where:

$$\text{Net Monthly All Other Allocation NOA(m)} = \text{Monthly All Other Allocation OA(m), net of Over/(Under) Recovery Adjustment;}$$

$$\text{All Other Classes Non-Fuel Retail Revenue ONR(m)} = \text{Monthly Non-Fuel Retail Revenue for all classes other than residential for the expense month (m).}$$

1. The monthly asset transfer rider adjustments shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
2. Copies of all documents required to be filed with the Commission shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS61.870 to 61.884

DATE OF ISSUE XXXXXXXX

DATE EFFECTIVE SERVICE RENDERED ON AND AFTER JANUARY 1, 2014

ISSUED BY

TITLE: MANAGER OF REGULATORY SERVICES

BY AUTHORITY OF ORDER BY THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00578 DATED

EXHIBIT 1-A

TARIFF A.T.R.-2
(Asset Transfer Rider-2)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, S.G.S., Experimental S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Q.P., C.I.P.-T.O.D., C.S.- I.R.P., M.W., O.L. and S.L.

RATE.

1. Pursuant to the final order of the Kentucky Public Service Commission in Case No. 2012-00578 and the Stipulation and Settlement Agreement dated June __, 2013 as filed and approved by the Commission, Kentucky Power Company is to recover from retail ratepayers the coal-related retirement costs of Big Sandy Unit 1, the retirement costs of Big Sandy Unit 2 and other site-related retirement costs that will not continue in use on a levelized basis over a 25 year period beginning when new base rates are set for the Company that include Mitchell Units 1 and 2.
2. The allocation of the levelized revenue requirement (LRR) between residential and all other customers shall be based upon their respective contribution to total retail revenues for the most recent calendar twelve month period, according to the following formula:

$$\text{Residential Allocation RA(m)} = \text{LRR(m)} \times \frac{\text{KY Residential Retail Revenue RR(b)}}{\text{KY Retail Revenue R(b)}}$$

$$\text{All Other Allocation OA(m)} = \text{LRR(m)} \times \frac{\text{KY All Other Classes Retail Revenue OR(b)}}{\text{KY Retail Revenue R(b)}}$$

Where:

(m) = the expense month;

(b) = Most recent available twelve calendar-month period ended December 31.

3. The Residential Asset Transfer Adjustment shall provide for monthly adjustments based on a percent of total revenues, according to the following formula:

$$\text{Residential Asset Transfer Adjustment Factor} = \frac{\text{Net Monthly Residential Allocation NRA(m)}}{\text{Residential Retail Revenue RR(m)}}$$

Where:

Net Monthly Residential Allocation NRA(m) = Monthly Residential Allocation RA(m), net of Over/(Under) Recovery Adjustment;

Residential Retail Revenue RR(m) = Monthly Retail Revenue for all KY residential classes for the expense month (m).

(Cont'd on Sheet No. 36-2)

DATE OF ISSUE XXXXXXXX

DATE EFFECTIVE SERVICE RENDERED ON AND AFTER JANUARY 1, 2014

ISSUED BY

TITLE: MANAGER OF REGULATORY SERVICES

BY AUTHORITY OF ORDER BY THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00578 DATED

TARIFF A.T.R.-2
(Asset Transfer Rider-2)

RATE (Cont'd)

1. The All Other Classes Asset Transfer Adjustment shall provide for monthly adjustments based on a percent of non-fuel revenues, according to the following formula:

$$\text{All Other Classes Asset Transfer Adjustment Factor} = \frac{\text{Net Monthly All Other Allocation NOA(m)}}{\text{All Other Classes Non-Fuel Retail Revenue ONR(m)}}$$

Where:

$$\text{Net Monthly All Other Allocation NOA(m)} = \text{Monthly All Other Allocation OA(m), net of Over/(Under) Recovery Adjustment;}$$

$$\text{All Other Classes Non-Fuel Retail Revenue ONR(m)} = \text{Monthly Non-Fuel Retail Revenue for all classes other than residential for the expense month (m).}$$

2. The monthly asset transfer rider adjustments shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
3. Copies of all documents required to be filed with the Commission shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS61.870 to 61.884

DATE OF ISSUE XXXXXX

DATE EFFECTIVE SERVICE RENDERED ON OR AFTER JANUARY 1, 2014

ISSUED BY

TITLE : MANAGER REGULATORY SERVICES

BY AUTHORITY OF ORDER BY THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00578 DATED

EXHIBIT 2

KENTUCKY POWER COMPANY

Original Sheet No. 29-1
 Canceling _____ Sheet No. 29-1

TARIFF E.S.
(Environmental Surcharge)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D. 2, S.G.S., Experimental S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Q.P., C.I.P.-T.O.D., C.S.-I.R.P., M.W., O.L., and S.L.

RATE.

In accordance with the Stipulation and Settlement Agreement approved by the Commission by its Order dated _____, 2013 in Case No. 2012-00578, the Monthly Environmental Surcharge Factor will be fixed and maintained at 0.00% until new base rates are first established by Commission after the effective date of this tariff without regard to the calculation of the Monthly Environmental Surcharge Factor under paragraphs 1 through 4 below. Coincident with the first establishment of new base rates after the effective date of this tariff, the retail share of the revenue requirement associated with this tariff will then be allocated between residential and non-residential retail customers based upon their respective total revenues. The Environmental Surcharge will be implemented as a percentage of total revenues for the residential class and as a percentage of non-fuel revenues for all other customers.

1. The environmental surcharge shall provide for monthly adjustments based on a percent of revenues, equal to the difference between the environmental compliance costs in the base period as provided in Paragraph 3 below and in the current period according to the following formula:

$$\text{Monthly Environmental Surcharge Factor} = \frac{\text{Net KY Retail E(m)}}{\text{KY Retail R(m)}}$$

Where:
 Net KY Retail E(m) = Monthly E(m) allocated to Kentucky Retail Customers, net of Over/ (Under) Recovery Adjustment; Allocation based on Percentage of Kentucky Retail Revenues to Total Company Revenues in the Expense Month.

(For purposes of this formula, Total Company Revenues do not include Non-Physical Revenues.)

$$\text{KY Retail R(m)} = \text{Kentucky Retail Revenues for the Expense Month.}$$

2. Monthly Environmental Surcharge Gross Revenue Requirement, E(m)

$$E(m) = \text{CRR} - \text{BRR}$$

Where:
 CRR = Current Period Revenue Requirement for the Expense Month.
 BRR = Base Period Revenue Requirement.

3. Base Period Revenue Requirement, BRR

BRR = The Following Monthly Amounts:

<u>Billing Month</u>	<u>Base Net Environmental Costs</u>
JANUARY	\$ 3,991,163
FEBRUARY	3,590,810
MARCH	3,651,374
APRIL	3,647,040
MAY	3,922,590
JUNE	3,627,274
JULY	3,805,325
AUGUST	4,088,830
SEPTEMBER	3,740,010
OCTOBER	3,260,302
NOVEMBER	2,786,040
DECEMBER	4,074,321
	<u>\$44,185,079</u>

(Continued on Sheet 29-2)

DATE OF ISSUE XXXXXXXXXX DATE EFFECTIVE Service rendered on and after January 1, 2014

ISSUED BY LILA P. MUNSEY MANAGER REGULATORY SERVICES FRANKFORT, KENTUCKY
 NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission in Case No.2012-00578 dated XXXXXXXX

EXHIBIT 3

TARIFF S. S. C.
(System Sales Clause)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, S.G.S., Experimental S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Q.P., C.I.P.-T.O.D., C.S.- I.R.P., M.W., O.L. and S.L.

RATE.

In accordance with the Stipulation and Settlement Agreement approved by the Commission by its Order dated _____, 2013 in Case No. 2012-00578, the System Sales Adjustment Factor will be fixed and maintained at 0.0000 mills/kWh until new base rates are first established by Commission after the effective date of this tariff without regard to the calculation of the Monthly System Sales Adjustment Factor under paragraphs 1 through 7 below.

1. When the monthly net revenues from system sales are above or below the monthly base net revenues from system sales, as provided in paragraph 3 below, an additional credit or charge equal to the product of the KWHs and a system sales adjustment factor (A) shall be made, where "A", calculated to the nearest 0.0001 mill per kilowatt-hour, is defined as set forth below.

$$\text{System Sales Adjustment Factor (A)} = (.6 [T_m - T_b])/S_m$$

In the above formulas "T" is Kentucky Power Company's (KPCo) monthly net revenues from system sales in the current (m) and base (b) periods, and "S" is the KWH sales in the current (m) period, all defined below.

The net revenue from American Electric Power (AEP) System sales to non-associated companies that are shared by AEP Member Companies, including KPCo, in proportion to their Member Load Ratio and as reported in the Federal Energy Regulatory Commission's Uniform System of Accounts under Account 447, Sales for Resale, shall consist of and be derived as follows:

- a. ~~KPCo's Member Load Ratio share~~ of total revenues from system sales as recorded in Account 447, less b. and c. below.
- b. ~~KPCo's Member Load Ratio share~~ of total out-of-pocket costs incurred in supplying the power and energy for the sales in a. above.

The out-of-pocket costs include all operating, maintenance, tax, transmission losses and other expenses that would not have been incurred if the power and energy had not been supplied for such sales, including demand and energy charges for power and energy supplied by Third Parties.

- c. KPCo's environmental costs allocated to non-associated utilities in the Company's Environmental Surcharge Report.

(Cont'd on Sheet No. 19-2)

DATE OF ISSUE XXXXXXXXXX DATE EFFECTIVE Service rendered on and after January 1, 2014

ISSUED BY LILA P. MUNSEY MANAGER REGULATORY SERVICES FRANKFORT, KENTUCKY
NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission in Case No.2012-00578 dated XXXXXXXXXX

EXHIBIT 4

KENTUCKY POWER COMPANY

Original Sheet No 12-1
Canceling _____ Sheet No. 12-1

P.S.C. ELECTRIC NO. 9

TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power)

AVAILABILITY OF SERVICE.

Available for service to customers who contract for service under one of the Company's interruptible service options. The Company reserves the right to limit the total contract capacity for all customers served under this Tariff to ~~60,000~~ *75,000kW*.

Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.

CONDITIONS OF SERVICE.

The Company will offer eligible customers the option to receive interruptible power service.. This interruptible service will be consistent with PJM's Limited Demand Response, Emergency - Capacity Only Program, subject to any limitations on the availability of that Program by PJM. If insufficient MWs are available for PJM enrollment by Kentucky Power, the Company shall offer to substitute one of the other PJM Emergency Demand Response Programs that is available. To be eligible for the credit, customers must be able to provide interruptible load (not including behind the meter diesel generation) of at least one (1) MW at a single site and commit to a minimum four (4) year contract term. The contract shall provide that 90 days prior to each contract anniversary date, the customer shall re-nominate the amount of interruptible load for the upcoming contract year, except that the cumulative reductions over the life of the contract shall not exceed 20% of the original interruptible load nominated under the contract. If no re-nomination is received at least 90 days prior to the contract anniversary date, the prior year's interruptible load shall apply for the forthcoming contract year.

Upon receipt of a request from the Customer for interruptible service, the Company will provide the Customer with a written offer containing the rates and related terms and conditions of service under which such service will be provided by the Company. If the parties reach an agreement based upon the offer provided to the Customer by the Company, such written contract will be filed with the Commission. The contract shall provide full disclosure of all rates, terms and conditions of service under this Tariff, and any and all agreements related thereto, subject to the designation of the terms and conditions of the contract as confidential, as set forth herein.

The Customer shall provide reasonable evidence to the Company that the Customer's electric service can be interrupted in accordance with the provisions of the written agreement including, but not limited to, the specific steps to be taken and equipment to be curtailed upon a request for interruption.

The Customer shall contract for capacity sufficient to meet normal maximum interruptible power requirements, but in no event will the interruptible amount contracted for be less than 1,000 KW at any delivery point.

RATE. (Tariff Code 321)

Credits under this tariff of \$3.68/kW/month will be provided for interruptible load that qualifies under PJM's rules as capacity for the purpose of the Company's FRR obligation.

Charges for service under this Tariff will be set forth in the written agreement between the Company and the Customer and will reflect the firm service rates otherwise available to the Customer.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

(Cont'd on Sheet No. 12-2)

DATE OF ISSUE XXXXXXXXXX DATE EFFECTIVE Service rendered on and after January 1, 2014

ISSUED BY LILA P. MUNSEY MANAGER REGULATORY SERVICES FRANKFORT KENTUCKY
NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission in Case No.2012-00578 dated XXXXXXXX

KENTUCKY POWER COMPANY

Original Sheet No 12-2
Canceling _____ Sheet No. 12-2

P.S.C. ELECTRIC NO. 9

TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power) (Cont'd.)

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by an Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule, unless the Customer is an industrial who has elected to opt-out in accordance with the terms pursuant to the Commission's Order in Case No. 95-427.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge Adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

CAPACITY CHARGE.

Bills computed according to the rate set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

DELAYED PAYMENT CHARGE.

This tariff is due and payable in full on or before the due date stated on the bill. On all accounts not so paid, an additional charge of 5% of the unpaid balance will be made.

TERM OF CONTRACT

The length of the agreement and the terms and conditions of service will be stated in the agreement between the Company and the Customer.

CONFIDENTIALITY

All terms and conditions of any written contract under this Tariff shall be protected from disclosure as confidential, proprietary trade secrets, if either the Customer or the Company requests a Commission determination of confidentiality pursuant to 807 KAR5:001, Section 7 and the request is granted.

(Cont'd on Sheet No. 12-3)

DATE OF ISSUE XXXXXXX DATE EFFECTIVE Service rendered on and after January 1, 2014

ISSUED BY LILA P. MUNSEY MANAGER OF REGULATORY SERVICES FRANKFORT, KENTUCKY
NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission in Case No. 2012-00578 dated XXXXXX

EXHIBIT 5

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 10 ORIGINAL SHEET NO. 35-1
CANCELING P.S.C. KY. NO. 10 SHEET NO. 35-1

TARIFF P.P.A.
(Purchase Power Adjustment)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, S.G.S., Experimental S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Q.P., C.I.P.-T.O.D., C.S.-I.R.P., M.W., O.L. and S.L.

RATE.

1. The purchase power adjustment shall provide for monthly adjustments based on a percent of revenues, equal to the net costs of any power purchases in the current period according to the following formula:

$$\text{Monthly Purchase Power Adjustment Factor} = \frac{\text{Net KY Retail P(m)}}{\text{KY Retail R(m)}}$$

Where:

Net KY Retail P(m) = Monthly P(m) allocated to Kentucky Retail Customers, net of Over/(Under) Recovery Adjustment; Allocation based on Percentage of Kentucky Retail Revenues to Total Company Revenues in the Expense Month (m). (For purposes of this formula, Total Company Revenues include only Retail and Full-Requirements Wholesale revenues.)

KY Retail R(m) = Kentucky Retail Revenues for the Expense Month (m).

2. The net costs of any power purchased shall exclude costs recovered through the Fuel Adjustment Clause and shall be computed as the sum of the following items:
- a. PPA(m) = The cost of power purchased by the Company through new Purchase Power Agreements (PPAs). All new PPAs shall be approved by the Commission to the extent required by KRS 278.300.
 - b. RP(m) = The cost of fuel related substitute generation less the cost of fuel which would have been used in plants suffering forced generation or transmission outages.
 - c. CSIRP(m) = The cost of any credits provided to customers under Tariff C.S.-I.R.P for interruptible service.

$$\text{Monthly P(m)} = \text{PPA(m)} + \text{RP(m)} + \text{CSIRP(m)}$$

3. The monthly purchase power adjustment shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustment, which shall include data, and information as may be required by the Commission.
4. Copies of all documents required to be filed with the Commission shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS61.870 to 61.884

DATE OF ISSUE XXXXXXXXXX

DATE EFFECTIVE SERVICE RENDERED ON AND AFTER JANUARY 1, 2014

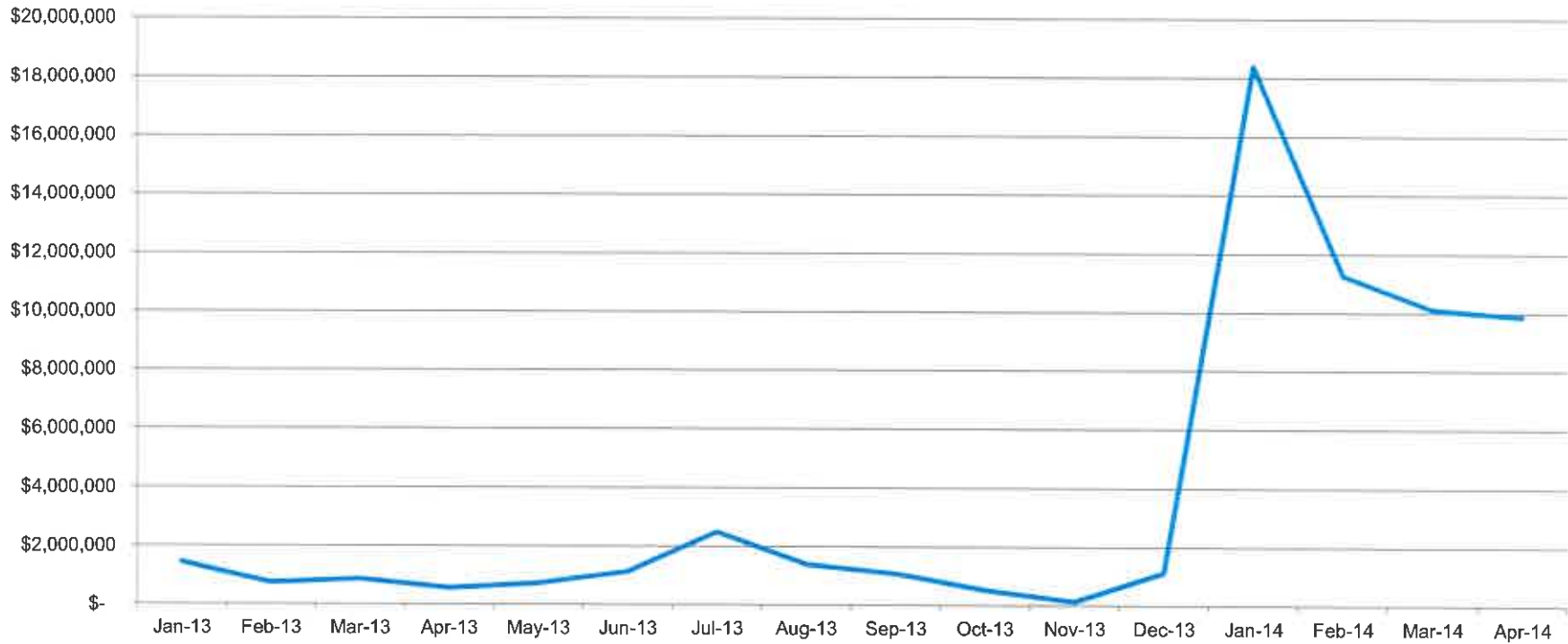
ISSUED BY

TITLE: MANAGER OF REGULATORY SERVICES

BY AUTHORITY OF ORDER BY THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2012-00578 DATED

KENTUCKY POWER PROFITS FROM OFF-SYSTEM SALES



Source: System Sales Clause Net Revenue, Page 2 of 2

Jan-13 \$ 1,428,592
 Feb-13 \$ 726,096
 Mar-13 \$ 854,404
 Apr-13 \$ 551,854
 May-13 \$ 715,790
 Jun-13 \$ 1,123,837
 Jul-13 \$ 2,488,684

Aug-13 \$ 1,386,500
 Sep-13 \$ 1,081,770
 Oct-13 \$ 518,684
 Nov-13 \$ 132,976
 Dec-13 \$ 1,117,310
 Jan-14 \$ 18,397,861
 Feb-14 \$ 11,262,678

Mar-14 \$ 10,109,741
 Apr-14 \$ 9,865,627

Jan-April 2010	\$	7,802,138
Jan-April 2011	\$	16,022,594
Jan-April 2012	\$	14,564,142
Jan-April 2013	\$	18,774,453
Jan-April 2014	\$	36,644,963

