

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

The Application Of Kentucky Power Company For:)	
(1) A Certificate Of Public Convenience And Necessity)	
Authorizing The Company To Close Big Sandy Plant)	Case No. 2015-00152
Coal Ash Impoundment; And (2) For All Other Required)	
Approvals And Relief)	

KENTUCKY POWER COMPANY'S
QUARTERLY STATUS REPORT – FOURTH QUARTER 2016

Kentucky Power Company submits its Fourth Quarter 2016 status report in compliance with Ordering Paragraph No. 3 of the Commission's Order in Case No. 2015-00152.¹ The report provides a detailed listing of the costs incurred by the Company through December 31, 2016 for the closure of the Big Sandy Plant Coal Ash Impoundment. Consistent with the Settlement Agreement approved by the Commission in Case No. 2014-00396, these costs were deferred as they were incurred and added to the unamortized Big Sandy Retirement Rider ("BSRR") regulatory asset.

During the quarter ending December 31, 2016, Kentucky Power continued work on engineering and design, permitting, and ancillary site support activity. Site support activities during the quarter included erosion & sediment control, snow & ice control, and managing water discharge through the permitted outfall. Significant construction activity during the period included:

- excavation, hauling, and placement of ash in the western area of fly ash pond (Phase Areas 1 & 2);

¹ Order, *In the Matter of: The Application Of Kentucky Power Company For: (1) A Certificate Of Public Convenience And Necessity Authorizing The Company To Close The Big Sandy Coal Ash Impoundment; And (2) All Other Required Approvals And Relief* Ky. P.S.C. January 27, 2016).

- management of surface water through the construction of drainage ditches and dewatering points and through pumping activities;
- advance purchase of geomembrane liner as well as separation and geocomposite layers; and
- paving the access and haul road from Highway23 to the project site for all-season access.

The costs incurred during the quarter and the aggregate costs incurred on the project to date are outlined below.

Item No.	Task	4 th Q 2016	Project-To-Date	Description Current Quarter
01	General Conditions	\$754,429.36	\$3,530,325.98	Water management and monthly project support costs.
02	Clearing & Grubbing	\$133,472.92	\$674,253.09	Continued clearing and grubbing within limits of disturbance.
03	Stripping Topsoil		\$1,845.00	
04	Excavation	\$1,935,686.84	\$2,595,766.68	Excavate, load, haul and place ash and excavation of borrow areas.
05	Foundation Preparation			
06	Fill	\$66,656.07	\$151,353.77	Placement of borrow material.
07	Erosion & Sediment Control	\$21,075.44	\$150,021.41	Installation & maintenance of erosion and sediment controls and temporary seeding.
08	Drainage System			
09	Roads & Parking Area	\$196,004.96	\$312,568.80	Pave haul road for four season access.
10	Chain Link Fence		\$40,200.00	
11	Piling			
12	Structural Concrete			
13	Geotextiles	\$808,607.05	\$993,706.24	Furnish and install geogrid.
22	Instrumentation			
26	Geomembrane	\$2,580,102.00	\$2,580,102.00	Furnish geomembrane liner, separation and geocomposite layers.
30	Miscellaneous Structures			
36	Demolition, Removals And Alterations			
	CONTRACT AMOUNTS (AS EXPENSED)	\$6,496,034.64	\$11,030,142.97	
99	Project Management, Engineering & Construction (PMEC)	\$465,549.75	\$1,921,999.30	Project team management and oversight of project (e.g. planning, engineering , permitting,

Item No.	Task	4 th Q 2016	Project-To-Date	Description Current Quarter
				procurement, site construction management and cost activities); includes plant employees assigned to execute select work scope.
99	Mitigation of Stream Impacts	\$28,176.53	\$972,151.55	Continued outside engineering and permitting in support of permit modification for self-mitigation of stream and wetland impacts.
99	Mitigation of Bat Impacts		\$196,607.50	
99	Borrow Material Processing & Handling			
99	Contingency for Construction			
99	Post Closure Care & Monitoring			
99	QA/QC Consultant			
	Owner's Direct Cost Additions	\$493,726.28	\$3,090,758.35	Indirect overhead costs associated with this project.
	Overhead	\$171,143.80	\$696,817.24	
	Totals	\$7,160,904.72	\$14,817,718.56	

Respectfully submitted,

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