

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 – FIRST QUARTER 2016

Kentucky Power Company submits its First 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 March 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.

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).

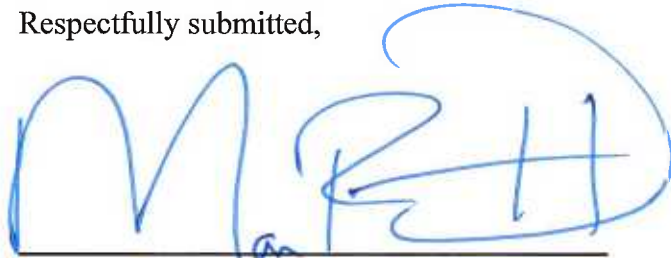
During the quarter ending March 31, 2016, Kentucky Power continued work on engineering and design, permitting, development of a request for proposal for the general closure construction contract, and site preparations. All of the costs are to be recovered through the BSRR. The following table provides a detailed listing of each cost incurred for the project to date. Also included are the estimates provided the Commission in Exhibit JGD-3 (column labeled "Revised Estimate") to the testimony of Joseph G. DeRuntz filed May 13, 2015 with the application in Case No. 2015-00152.

Item No.	Task	"Revised Estimate"	All Costs Incurred Through March 31, 2016	Description
01	General Conditions	\$4,493,763.61	\$389,642.74	Set up of construction office complex area, including utilities
02	Clearing & Grubbing	\$855,750.98	\$347,171.00	Tree clearing and grubbing within limits of disturbance
03	Stripping Topsoil	\$2,189,274.74	\$-	
04	Excavation	\$11,452,453.23	\$290,000.00	Excavation and placement of bottom ash stockpile for floating roads in support of loggers
05	Foundation Preparation	\$252,278.42	\$-	
06	Fill	\$5,115,613.43	\$-	
07	Erosion & Sediment Control	\$4,270,174.39	\$-	
08	Drainage System	\$678,910.29	\$-	
09	Roads & Parking Area	\$1,394,713.74	\$105,000.00	Pre-construction site development for construction office parking and access roads
10	Chain Link Fence	\$79,722.15	\$34,800.00	Installed and performed maintenance of a chain link security fence
11	Piling	\$-	\$-	
12	Structural Concrete	\$1,409,914.53	\$-	
13	Geotextiles	\$89,968.52	\$-	
22	Instrumentation	\$239,859.36	\$-	
26	Geomembrane	\$9,460,110.00	\$-	
30	Miscellaneous Structures	\$414,333.32	\$-	
36	Demolition, Removals And	\$325,912.18	\$-	

Item No.	Task	"Revised Estimate"	All Costs Incurred Through March 31, 2016	Description
	Alterations			
	Contract Amount (Overnight Cost)	\$42,722,752.89	\$1,166,613.74	
99	Project Management, Engineering & Construction (PMEC)	\$2,850,000.00	\$413,657.06	Project team management and oversight of project (e.g. planning, engineering, permitting, procurement, site construction management and cost management activities)
99	Mitigation of Stream Impacts	\$4,200,000.00	\$634,537.12	Outside engineering and permitting in support of permit modification for self-mitigation of stream and wetland impacts
99	Mitigation of Bat Impacts	\$159,000.00	\$196,607.50	Increase over budget due to expansion of disturbance area
99	Borrow Material Processing & Handling	\$5,115,000.00	\$-	
99	Contingency for Construction	\$4,100,000.00	\$-	
99	Post Closure Care & Monitoring	\$3,180,000.00	\$-	
99	QA/QC Consultant	\$-	\$-	
	Owner's Direct Cost Additions	\$19,604,000.00	\$1,244,801.68	
	Overhead	\$ -	\$213,448.73	Indirect overhead costs associated with this project
	Totals	\$62,326,752.89	\$2,624,864.15	

The Company anticipates awarding the general closure construction contract in June 2016.

Respectfully submitted,



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Certificate of Service

A copy of the foregoing was filed using the Public Service Commission of Kentucky's electronic filing service, which will send an e-mail message to:

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this the 13th day of May, 2016.



Mark R. Overstreet