

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 – SECOND QUARTER 2017**

Kentucky Power Company submits its Second Quarter 2017 status report in compliance with Ordering Paragraph No. 3 of the Commission’s Order in Case No. 2015-00152.<sup>1</sup> The report provides a detailed listing of the costs incurred by the Company through June 30, 2017 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.

The project remains on schedule for completion in 2020. During the quarter ending June 30, 2017, Kentucky Power continued work on engineering and design, permitting, and ancillary site support activity. Site support activities during the quarter included erosion & sediment control, dust control, site haul road maintenance, and characterization and management of water discharged through the permitted outfall. Significant construction activity during the period included excavation, hauling, and placement of ash and borrow material in the western area of

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<sup>1</sup> 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).

fly ash pond. The Company also continued to manage surface water through the construction of drainage ditches and dewatering points, and through pumping activities.

The costs incurred during the quarter and the aggregate costs incurred on the project to date are outlined below. Additionally, the Company has included the amounts identified in the June 2015 “revised estimate” included in Exhibit JGD-3 to the testimony of Joseph G. Deruntz in Case No. 2015-00152.

Item No.	Task	June 2015 “Revised Estimate”	2 <sup>nd</sup> Q 2017	Project-To-Date	Description Current Quarter
01	General Conditions	\$4,493,763.61	\$636,737.13	\$4,906,658.33	Water management and monthly project support costs.
02	Clearing & Grubbing	\$855,750.98	\$21,054.87	\$830,387.62	Continued clearing and grubbing within limits of disturbance.
03	Stripping Topsoil	\$2,189,274.74		\$1,845.00	
04	Excavation	\$11,452,453.23	\$2,112,626.48	\$5,253,336.14	Excavate, load, haul and place ash and excavation of borrow areas.
05	Foundation Preparation	\$252,278.42			
06	Fill	\$5,115,613.43	\$123,976.01	\$289,149.60	Placement of borrow material.
07	Erosion & Sediment Control	\$4,270,174.39	\$120.55	\$155,088.56	Installation & maintenance of erosion and sediment controls
08	Drainage System	\$678,910.29			
09	Roads & Parking Area	\$1,394,713.74		\$319,855.60	
10	Chain Link Fence	\$79,722.15		\$40,200.00	
11	Piling				
12	Structural Concrete	\$1,409,914.53			
13	Geotextiles	\$89,968.52	\$(10.51)	\$993,807.11	Adjustment based on accrued to actual cost comparison.
22	Instrumentation	\$239,859.36			
26	Geomembrane	\$9,460,110.00		\$2,580,102.00	
30	Miscellaneous Structures	\$414,333.32			
36	Demolition, Removals And Alterations	\$325,912.18			
	<b>CONTRACT AMOUNTS (AS EXPENSED)</b>	\$42,722,752.89	\$2,894,504.53	\$15,370,429.96	

Item No.	Task	June 2015 "Revised Estimate"	2 <sup>nd</sup> Q 2017	Project-To-Date	Description Current Quarter
99	Project Management, Engineering & Construction (PMEC)	\$2,850,000.00	\$360,329.61	\$2,634,409.24	Project team management and oversight of project (e.g. planning, engineering, permitting, procurement, site construction management and cost activities); includes plant employees assigned to execute select work scope.
99	Mitigation of Stream Impacts	\$4,200,000.00	\$70,655.75	\$1,093,605.34	Continued 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	
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		\$13,048.00	\$13,048.00	QA/QC planning for cap cover installation.
	<b>Owner's Direct Cost Additions</b>	\$19,604,000.00	\$444,033.36	\$3,937,670.08	
	Overhead		\$106,134.03	\$927,002.89	Indirect overhead costs associated with this project.
	<b>Totals</b>	\$62,326,752.89	\$3,444,671.92	\$20,235,102.93	

Respectfully submitted,

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