

**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 – THIRD QUARTER 2016**

Kentucky Power Company submits its Third Quarter 2016 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 September 30, 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 September 30, 2016, Kentucky Power continued work on engineering and design, permitting, and site preparations. On July 15, 2016, Kentucky Power entered into a general closure construction contract with Entact, LLC. Entact mobilized to the site in August. The costs incurred during the quarter and the aggregate costs incurred on the project to date are outlined below.

The Company added \$380,263.84 to the aggregate costs incurred on the project to date for engineering, design, and permitting costs that were incurred prior to the June 2015 filing of

the Company's application in this case. The Company did not include these costs in its earlier filings because they were not incurred during the first quarter of 2016 when the costs identified in the first status report were incurred. The Company is now including these costs in the project-to-date totals to provide the Commission with the full total.

Item No.	Task	3 <sup>rd</sup> Q 2016	Project-To-Date	Description Current Quarter
01	General Conditions	\$1,987,926.85	\$2,775,896.62 <sup>2</sup>	Continued set-up of construction office complex areas, contractor site mobilization, water management and monthly project support costs.
02	Clearing & Grubbing	\$77,221.13	\$540,780.17	Continued clearing and grubbing within limits of disturbance.
03	Stripping Topsoil	\$1,845.00	\$1,845.00	Strip borrow areas.
04	Excavation	\$370,079.84	\$660,079.84	Excavate, load, haul and place ash and excavation of borrow areas.
05	Foundation Preparation			
06	Fill	\$84,697.70	\$84,697.70	Placement of borrow material.
07	Erosion & Sediment Control	\$53,153.85	\$128,945.97	Installation & maintenance of erosion and sediment controls and temporary seeding.
08	Drainage System			
09	Roads & Parking Area	\$3,318.77	\$116,563.84	Site access and parking.
10	Chain Link Fence	\$3,900.00	\$40,200.00	Modifications to chain link security fence.
11	Piling			
12	Structural Concrete			
13	Geotextiles	\$185,099.19	\$185,099.19	Furnish & install geogrid.
22	Instrumentation			
26	Geomembrane			
30	Miscellaneous Structures			
36	Demolition, Removals And Alterations			
	<b>CONTRACT AMOUNTS (AS EXPENSED)</b>	\$2,767,242.33	\$4,534,108.33	

<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).

<sup>2</sup> Includes \$120,043.05 in costs incurred before June 2015.

Item No.	Task	3 <sup>rd</sup> Q 2016	Project-To-Date	Description Current Quarter
99	Project Management, Engineering & Construction (PMEC)	\$466,015.18	\$1,456,449.55 <sup>3</sup>	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	\$95,185.79	\$943,975.02	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			
	<b>Owner's Direct Cost Additions</b>	\$561,200.97	\$2,597,032.07	
	Overhead	\$148,135.37	\$525,673.44 <sup>4</sup>	Indirect overhead costs associated with this project.
	<b>Totals</b>	\$3,476,578.67	\$7,656,813.84	

Respectfully submitted,

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<sup>3</sup> Includes \$209,896.39 in costs incurred before June 2015.

<sup>4</sup> Includes \$50,324.40 in costs incurred before June 2015.

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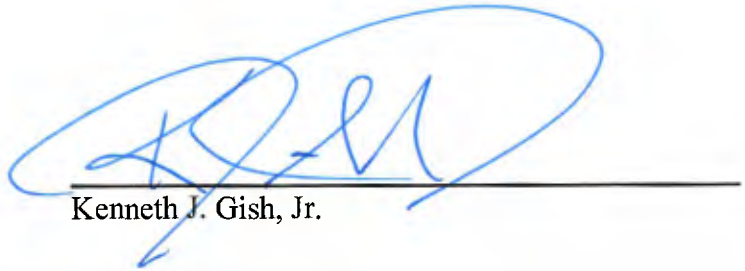
COUNSEL FOR KENTUCKY POWER  
COMPANY

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 15<sup>th</sup> day of November, 2016.



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