

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

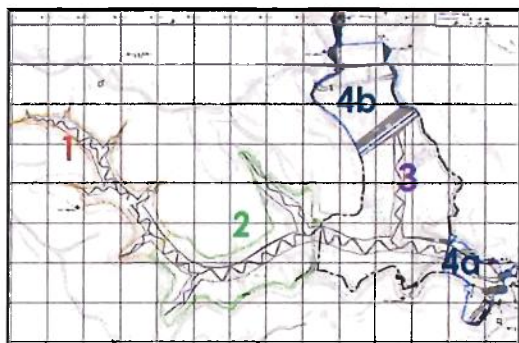
The Application Of Kentucky Power Company For:)	
(1) A Certificate Of Public Convenience And Necessity)	
Authorizing The Company To Close Big Sandy Plant)	Case No. 2015-00152
Coal Ash Impoundment; And (2) For All Other Required)	
Approvals And Relief)	

Kentucky Power Company's Quarterly Status Report
Third Quarter 2020

Kentucky Power Company submits its Third Quarter 2020 status report in compliance with Ordering Paragraph No. 3 of the Commission's Order in Case No. 2015-00152. The report provides a detailed listing of the costs incurred by the Company during the third quarter of 2020 in connection with 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 balance of the Decommissioning Rider regulatory asset. The project remains on schedule for substantial completion in 2020. Following substantial completion, the Company will be required to undertake in 2021 erosion and sediment controls maintenance, erosion repairs, reseeded, water management, and potential water treatment until vegetative stabilization is achieved.

During the quarter ending September 2020, Kentucky Power continued ancillary site support, including focused activity to manage storm water and to comply with water discharge permitting requirements. Site support activities during the quarter included: erosion & sediment control, site haul road and parking maintenance, surface water management and engineering support of construction activity. Several vendors remain engaged to support water treatment for

discharge through the permitted outfall; additional treatment technology remains in place (i.e. sand filters, filter bags, coagulant and flocculent chemical dispensing skids, and an electrocoagulation & filtration unit) to meet total suspended solids and/or constituent limits for discharge water.



Significant construction activity during the period include completing decant structure discharge pipe grouting, perimeter road improvements and Main Dam excavation as well as continuing Phase 4B subgrade development and Main Dam Spillway

installation. The costs incurred during the quarter and the aggregated costs on the project to date are outlined below. Additionally, the table below includes the amounts identified in the June 2015 “Estimate” included in Exhibit JGD-3 to the testimony of Joseph G. DeRuntz in Case No. 2015-00152, as well as the March 2019 “Revised Estimate” submitted in Kentucky Power’s Second Quarter 2019 status report.¹

Item No.	Task	June 2015 “Estimate”	March 2019 “Revised Estimate”	3 rd Q 2020	Project-To-Date	Description Current Quarter
01	General Conditions	\$4,493,764	\$28,268,024	\$1,456,876	\$26,853,062	Water management, water treatment and monthly project support costs
02	Clearing & Grubbing	\$855,751	\$904,116		\$895,757	
03	Stripping Topsoil	\$2,189,274	\$1,845		\$1,845	
04	Excavation	\$11,452,453	\$23,549,685	\$1,157,262	\$23,176,423	Excavate, load, haul, stockpile and place Main Dam material
05	Foundation Preparation	\$252,278	\$15,167	\$1,395	\$14,182	Proof rolling subgrade
06	Fill	\$5,115,613	\$3,631,174	\$384,062	\$3,319,763	Placement of Main Dam excavated material as bridge layer

¹ As explained in Kentucky Power’s First Quarter 2019 status report and June 26, 2019 filing, and presented in detail at the June 11, 2019 meeting with representatives of the Staff and the Attorney General, the budget for this project was updated to reflect required changes in the project’s means and methods of construction and execution strategy.

Item No.	Task	June 2015 "Estimate"	March 2019 "Revised Estimate"	3 rd Q 2020	Project-To-Date	Description Current Quarter
07	Erosion & Sediment Control	\$4,270,174	\$3,261,111	\$29,414	\$2,164,837	Installation and maintenance of erosion and sediment controls
08	Drainage System	\$678,910	\$3,222,758	\$5,311	\$2,591,107	Saddle Dam construction
09	Roads & Parking Area	\$1,394,714	\$1,312,196	\$161,691	\$949,869	Perimeter & access road improvements
10	Chain Link Fence	\$79,722	\$162,836		\$40,200	
11	Piling					
12	Structural Concrete	\$1,409,915				
13	Geotextiles	\$89,969	\$2,139,506	\$126,158	\$2,053,658	Installation of geogrid
22	Instrumentation	\$239,859	\$256,747		\$46,536	
26	Geomembrane	\$9,460,110	\$5,877,563	\$187,754	\$5,660,214	Installation of geomembrane liner
30	Miscellaneous Structures	\$414,333	\$3,191,666	\$1,618,533	\$1,715,885	Main Dam spillway installation
36	Demolition, Removals & Alterations	\$325,912	\$479,863	\$92,232	\$129,524	Removal of perimeter road sluice piping
	CONTRACT AMOUNTS (AS EXPENSED)	\$42,722,752	\$76,274,258	\$5,220,688	\$69,612,861	
99	Project Management, Engineering & Construction (PMEC)	\$2,850,000	\$7,785,647	\$363,811	\$7,425,491	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	\$2,998,706	\$47,572	\$2,823,617	Outside engineering and inspection in support of self-mitigation of stream and wetland impacts.
99	Mitigation of Bat Impacts	\$159,000	\$196,608		\$196,607	
99	Borrow Material Processing & Handling	\$5,115,000	\$48,188		\$48,188	
99	Contingency for Construction	\$4,100,000	\$1,926,934			
99	Post Closure Care & Monitoring	\$3,180,000	\$3,180,000			
99	QA/QC Consultant		\$1,799,205	\$155,062	\$1,332,677	QA/QC oversight of construction
	Owner's Direct Cost Additions	\$19,604,000	\$17,935,288	\$566,445	\$11,826,580	
	Overhead		\$3,297,334	\$128,556	\$2,605,058	Indirect overhead costs associated with this project.

Item No.	Task	June 2015 "Estimate"	March 2019 "Revised Estimate"	3 rd Q 2020	Project-To-Date	Description Current Quarter
	Totals	\$62,326,752	\$97,506,880	\$5,915,689	\$84,044,499	

During the Third Quarter 2020 projected cost for Item 01-General Conditions increased by \$546,219 for additional water management and water treatment. Item 04-Excavation increased \$696,247 for additional ash excavation and borrow material required to stabilize subgrade and achieve design elevation in Phase 4B. Item-09 Roads and Parking Areas decreased \$225,831 due to perimeter road improvements completing below estimated cost. In accordance with construction contingency management best practices, \$1,016,636 is drawn down from Item No. 99-Contingency for Construction.

All changes occurred within the project total estimated cost that remains at \$97,506,880.

Respectfully submitted,

Mark R. Overstreet
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