

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

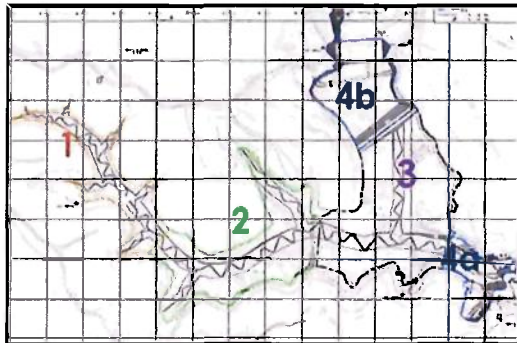
The Application Of Kentucky Power Company For:)	
(1) A Certificate Of Public Convenience And Necessity)	
Authorizing The Company To Close Big Sandy Plant)	Case No. 2015-00152
Coal Ash Impoundment; And (2) For All Other Required)	
Approvals And Relief)	

Kentucky Power Company's Quarterly Status Report
Third Quarter 2019

Kentucky Power Company submits its Third Quarter 2019 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 2019 and for the project through September 30, 2019, 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 completion in 2020.

During the quarter ending September 2019, 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 included completing geosynthetic liner installation in Phase 4A, protective cover soil placement in Phases 3 and 4A, as well as channel construction in Phases 2, 3 and 4A excluding water

storage areas in phases 3 and 4A, which will be removed toward the end of the project with connecting the channels. Matting and permanent seeding started in Phases 2 and 3. Earthwork started for the Saddle Dam stream outlet spillway. Protective cover material excavation and stockpiling from various borrow areas as well as borrow area reclamation and seeding continued. The costs incurred during the quarter and the aggregated costs incurred 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 First Quarter 2019 status report.¹

Item No.	Task	June 2015 “Estimate”	March 2019 “Revised Estimate”	3 rd Q 2019	Project-To-Date	Description Current Quarter
01	General Conditions	\$4,493,764	\$26,332,940	\$1,655,529	\$19,949,276	Water management, water treatment and monthly project support costs
02	Clearing & Grubbing	\$855,751	\$885,992	\$13,936	\$895,757	Continued clearing and grubbing within limits of disturbance
03	Stripping Topsoil	\$2,189,274	\$1,845		\$1,845	
04	Excavation	\$11,452,453	\$22,608,221	\$831,669	\$21,184,273	Excavate, load, haul and place borrow material.

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 2019	Project-To-Date	Description Current Quarter
05	Foundation Preparation	\$252,278		\$2,495	\$12,601	Proof rolling subgrade
06	Fill	\$5,115,613	\$3,371,782	\$234,513	\$2,750,664	Placement of borrow material as protective cover
07	Erosion & Sediment Control	\$4,270,174	\$4,069,280	\$147,424	\$1,319,502	Installation and maintenance of erosion and sediment controls
08	Drainage System	\$678,910	\$2,981,115	\$298,728	\$901,454	Install drainage channels
09	Roads & Parking Area	\$1,394,714	\$609,912	\$30,123	\$369,360	Parking lot design modifications
10	Chain Link Fence	\$79,722	\$149,502		\$40,200	
11	Piling					
12	Structural Concrete	\$1,409,915				
13	Geotextiles	\$89,969	\$1,916,078	\$60,469	\$1,651,446	Installation of geotextile cushion layer
22	Instrumentation	\$239,859	\$165,000	\$29,643	\$29,643	Install instrumentation equipment
26	Geomembrane	\$9,460,110	\$5,774,275	\$251,421	\$5,545,334	Installation of geomembrane liner
30	Miscellaneous Structures	\$414,333	\$2,551,181			
36	Demolition, Removals And Alterations	\$325,912	\$276,053			
	CONTRACT AMOUNTS (AS EXPENSED)	\$42,722,752	\$71,693,177	\$3,555,951	\$54,651,356	
99	Project Management, Engineering & Construction (PMEC)	\$2,850,000	\$7,874,553	\$371,351	\$6,075,499	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	\$2,916,215	\$7,919	\$2,700,124	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	\$196,608		\$196,608	
99	Borrow Material Processing & Handling	\$5,115,000	\$48,188		\$48,188	
99	Contingency for Construction	\$4,100,000	\$6,168,834			
99	Post Closure Care & Monitoring	\$3,180,000	\$3,180,000			
99	QA/QC Consultant		\$2,131,971	\$135,740	\$966,334	QA/QC oversight of construction

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	Owner's Direct Cost Additions	\$19,604,000	\$22,516,369	\$515,011	\$9,986,753	
	Overhead		\$3,297,334	\$103,465	\$2,109,619	Indirect overhead costs associated with this project.
	Totals	\$62,326,752	\$97,506,880	\$4,174,426	\$66,747,727	

Respectfully submitted,

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