

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

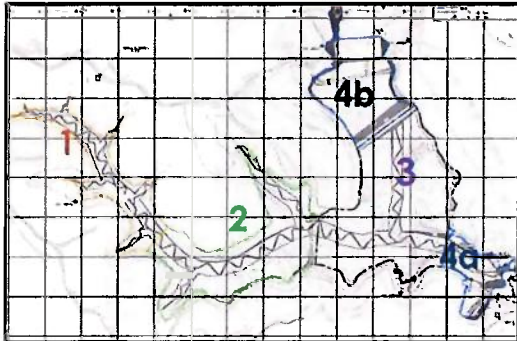
The Application Of Kentucky Power Company For:)	
(1) A Certificate Of Public Convenience And Necessity)	
Authorizing The Company To Close Big Sandy Plant)	Case No. 2015-00152
Coal Ash Impoundment; And (2) For All Other Required)	
Approvals And Relief)	

Kentucky Power Company's Quarterly Status Report
Fourth Quarter 2019

Kentucky Power Company submits its Fourth 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 fourth quarter of 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 December 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 earthwork, articulated concrete block installation, and concrete encasement placement for the Saddle Dam stream outlet spillway.

Earthwork, precast structure installation and wing wall installation for the Blaine Creek culvert are complete. Protective cover material excavation and stockpiling from borrow areas are complete.

Permanent vegetative stabilization will continue spring of 2020. Perimeter road improvements and sluice pipe removal started and continue as weather conditions permit.

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”	4 th Q 2019	Project-To-Date	Description Current Quarter
01	General Conditions	\$4,493,764	\$26,332,940	\$1,679,620	\$21,628,896	Water management, water treatment and monthly project support costs
02	Clearing & Grubbing	\$855,751	\$885,992		\$895,757	
03	Stripping Topsoil	\$2,189,274	\$1,845		\$1,845	
04	Excavation	\$11,452,453	\$22,608,221	\$93,909	\$21,278,182	Excavate, load, haul and place borrow material

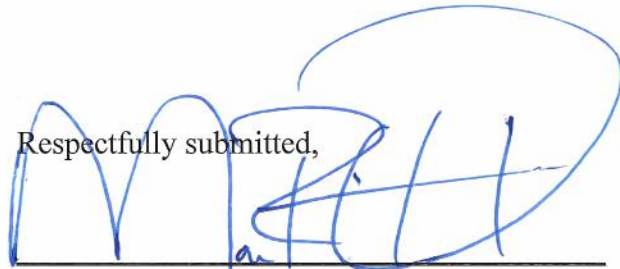
¹ As explained in Kentucky Power’s First Quarter 2019 status report and June 26, 2019 filing, and presented in detail at the June 11, 2019 meeting with representatives of the Staff and the Attorney General, the budget for this project was updated to reflect required changes in the project’s means and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

Item No.	Task	June 2015 "Estimate"	March 2019 "Revised Estimate"	4 th Q 2019	Project-To-Date	Description Current Quarter
05	Foundation Preparation	\$252,278		\$185	\$12,787	Proof rolling subgrade
06	Fill	\$5,115,613	\$3,371,782	\$21,663	\$2,772,327	Placement of borrow material as protective cover
07	Erosion & Sediment Control	\$4,270,174	\$4,069,280	\$474,984	\$1,794,486	Installation and maintenance of erosion and sediment controls
08	Drainage System	\$678,910	\$2,981,115	\$1,155,987	\$2,057,441	Saddle Dam construction
09	Roads & Parking Area	\$1,394,714	\$1,801,582	\$200,089	\$569,449	Perimeter road improvements
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	\$36,037	\$1,687,483	Installation of geotextile cushion layer
22	Instrumentation	\$239,859	\$165,000	\$1,573	\$31,216	Install instrumentation equipment
26	Geomembrane	\$9,460,110	\$5,774,275	(\$72,875)	\$5,472,459	Installation of geomembrane liner
30	Miscellaneous Structures	\$414,333	\$2,551,181			
36	Demolition, Removals & Alterations	\$325,912	\$430,653	\$30,942	\$30,942	Removal & disposal of existing sluice lines
	CONTRACT AMOUNTS (AS EXPENSED)	\$42,722,752	\$73,039,447	\$3,622,114	\$58,273,470	
99	Project Management, Engineering & Construction (PMEC)	\$2,850,000	\$7,874,553	\$352,207	\$6,427,706	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	\$30,704	\$2,730,827	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	\$4,822,564			
99	Post Closure Care & Monitoring	\$3,180,000	\$3,180,000			
99	QA/QC Consultant		\$2,131,971	\$78,830	\$1,045,165	QA/QC oversight of construction

Item No.	Task	June 2015 "Estimate"	March 2019 "Revised Estimate"	4 th Q 2019	Project-To-Date	Description Current Quarter
	Owner's Direct Cost Additions	\$19,604,000	\$21,170,099	\$461,741	\$10,448,493	
	Overhead		\$3,297,334	\$182,902	\$2,292,521	Indirect overhead costs associated with this project.
	Totals	\$62,326,752	\$97,506,880	\$4,266,757	\$71,014,484	

During the Fourth Quarter 2019, in accordance with construction contingency management best practices, \$1,346,270 was drawn down from Item No. 99 – Contingency for Construction reducing the estimated cost from \$6,168,834 to \$4,822,564 for that Item. \$1,191,670 of the contingency draw down was allocated to 09-Roads & Parking Area increasing the estimated cost from \$609,912 to \$1,801,582, and \$154,600 was applied to 36 - Demolition, Removals & Alterations increasing the estimated cost from \$276,053 to \$430,653. The total estimated cost for the project remains at \$97,506,880.

Respectfully submitted,



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