

**VERIFICATION**

The undersigned, Ranie K. Wohnhas, being duly sworn, deposes and says he is the Managing Director Regulatory and Finance for Kentucky Power, that he has personal knowledge of the matters set forth in the forgoing responses for which he is the identified witness and that the information contained therein is true and correct to the best of his information, knowledge, and belief

  
\_\_\_\_\_  
Ranie K. Wohnhas

COMMONWEALTH OF KENTUCKY    )  
  ) Case No. 2016-00180  
COUNTY OF FRANKLIN         )

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Ranie K. Wohnhas, this the 4<sup>th</sup> day of October 2016.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 3/20/2020

**Kentucky Power Company**

**REQUEST**

Provide the portion of the \$114,839 recorded in January 2016 as storm costs that represents jurisdictional O&M expenses? (See Kentucky Power's response to Commission Staff's Second Request for Information, Item 2.b)

**RESPONSE**

None of the \$114,839 recorded in January 2016 represented jurisdictional (or non-jurisdictional) O&M expenses. Instead, the \$114,839 recorded in January 2016 reflects the construction overhead associated with the project-related capital that was booked when the estimated O&M/capital allocation of 83% O&M and 17% capital was trued up to the actual 73.78% O&M and 26.22% capital allocation. Capital carries with it construction overheads that were applied when the capital allocation was increased from 17% to 26.22%. The \$114,839 that was recorded in January 2016 represents the additional construction overhead associated with the increased capital following the re-allocation.

**WITNESS:** Ranie K Wohnhas

**Kentucky Power Company**

**REQUEST**

Provide the portion of the \$4,694,230 requested deferral amount that was expensed in 2015?

**RESPONSE**

The entire \$4,694,230 requested deferral was originally recorded in 2015 on the Company's books as an expense. Prior to the closing of the 2015 books, \$4,377,336 of the \$4,694,230 previously recorded O&M storm-related expenses was recorded as a deferral on the Company's 2015 books. (See the Company's 2015 financial statements.) The result of the deferral was to reverse on the Company's 2015 books \$4,377,336 of the previously recorded \$4,694,230 storm-related jurisdictional O&M expenses. The balance of the requested deferral was booked in March 2016.

**WITNESS:** Ranie K Wohnhas