

KENTUCKY POWER COMPANY
JURISDICTIONAL COST OF SERVICE
12 MONTHS ENDED SEPTEMBER 30, 2014

Line No.	Description	KPCo TOTAL COMPANY PER BOOKS		PER BOOKS		NON-KY P.S.C.		KENTUCKY PSC		GOING LEVEL		ADJUSTED	
		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
		PER BOOKS	RATE MAKING ELIMINATION/ADJUSTMENTS	ELECTRIC UTILITY	JURIS WHOLESALE	JURIS ONLY	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS
1	Operating Revenues - Sales of Electricity	567,450,376	(2,486,805)	564,963,571	0	564,963,571	(4,370,496)	560,593,075					
2	Operating Revenues - Firm Wholesale Sales of Electricity	6,682,927	0	6,682,927	6,682,927	0	0	0					
3	Provision for Rate Refund	71,158	(71,158)	0	0	0	0	0					
4	Other Electric Operating Revenues	36,882,197	(27,125,123)	9,757,075	2,393	9,754,682	251,903	10,006,585					
5	Non-Firm Sales Revenues	220,611,858	(220,611,858)	0	0	0	0	0					
6	Total Operating Revenues	831,698,516	(250,294,943)	581,403,573	6,685,320	574,718,253	(4,118,593)	570,599,660					
7	Operation and Maintenance Expenses												
8	Power Production	486,506,911	(211,396,922)	275,109,988	4,055,549	271,054,439	14,467,214	285,521,653					
9	Transmission	21,406,485	(20,452,370)	954,116	(649,858)	1,603,974	0	1,603,974					
10	Distribution	43,790,222	5,745,939	49,536,161	49,537	49,486,624	7,843,636	57,330,260					
11	Customer Accounts	6,110,071	928,824	7,038,895	64	7,038,811	0	7,038,811					
12	Sales Expense	34,977	0	34,977	0	34,977	0	34,977					
13	Customer Service & Information	5,025,213	(2,747,918)	2,277,295	28	2,277,267	0	2,277,267					
14	Administrative and General	19,976,794	(19,706,336)	268,458	0	268,458	(5,422,453)	(5,153,995)					
15	Undistributed Adjustments	0	0	0	0	0	0	0					
16	Total Operation and Maintenance Expense	582,850,673	(247,650,763)	335,219,890	3,455,340	331,764,550	16,888,397	348,652,947					
17	Depreciation and Amortization Expense	85,262,876	0	85,262,876	861,577	84,401,299	(379,320)	84,021,979					
18	Taxes Other than Federal Income Taxes	18,802,818	(47,110)	18,755,708	181,322	18,574,386	7,116,914	19,291,300					
19	State Income Tax	5,503,882	(28,415)	5,475,467	88,938	5,386,529	(1,095,822)	4,290,707					
20	Interest on Customer Deposits	32,735	0	32,735	(0)	32,735	(2,422)	30,313					
21	Other	4,020,062	(2,916,590)	1,103,473	13,947	1,089,526	363,539	1,453,065					
22	Net Operating Income Before F.I.T.	135,225,471	327,955	135,553,426	2,084,198	133,469,228	(20,609,879)	112,859,350					
23	Federal Income Tax												
24	Current Federal Income Tax	33,220,944	(163,478)	33,057,466	528,792	32,528,674	(5,209,435)	27,319,239					
25	Deferred Federal Income Tax	833,174	0	833,174	60,054	773,120	(683,026)	90,094					
26	Deferred Investment Tax Credit	(129,533)	0	(129,533)	(1,424)	(128,109)	0	(128,109)					
27	ITC Adjustment	0	0	0	0	0	0	0					
28	Total Federal Income Taxes	33,924,585	(163,478)	33,761,107	587,422	33,173,685	(5,892,461)	27,281,224					
29	Operating Income	101,300,886	491,433	101,792,319	1,496,776	100,295,543	(14,717,418)	85,578,126					
30	AFUDC Offset	5,577,560	0	5,577,560	72,073	5,505,487	250,424	5,755,911					
31	Net Operating Income	106,878,446	491,433	107,369,879	1,568,849	105,801,030	(14,466,994)	91,334,037					
32	Electric Plant in Service - Original Cost	2,887,307,417	(65,017,523)	2,822,289,894	30,255,857	2,792,034,037	(776,202,944)	2,015,831,092					
33	Accumulated Provision for Depreciation & Amortization	(1,024,557,425)	3,842,998	(1,020,714,427)	(11,721,683)	(1,008,992,734)	319,573,451	(689,419,283)					
34	Electric Plant in Service - Net	1,862,749,992	(61,174,525)	1,801,575,467	18,534,164	1,783,041,303	(456,629,493)	1,326,411,809					
35	Electric Plant Held for Future Use	7,405,959	(6,778,355)	627,604	628	626,976	0	626,976					
36	Prepayments	2,504,389	0	2,504,389	27,548	2,476,841	0	2,476,841					
37	Materials & Supplies	71,329,802	(30,953,848)	41,902,486	970,566	41,902,486	(24,313,539)	17,588,947					
38	Cash Working Capital	72,856,334	(30,953,848)	41,902,486	431,918	41,470,568	2,100,139	43,570,708					
39	Construction Work in Progress	80,210,719	(21,313)	80,189,406	1,004,855	79,184,551	(1,584,601)	77,599,950					
40	Customer Advances & Deposits	(399,250,637)	0	(399,250,637)	(0)	(399,250,637)	0	(399,250,637)					
41	Accumulated Deferred Income Taxes	1,672,428,597	(98,928,041)	1,573,500,556	16,577,921	1,556,922,634	(398,736,120)	1,158,186,514					
42	Ratio Base		6.391%		9.46%		6.796%						
43	Ratio of Return												7.886%