COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Application Of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) Approval Of Tariffs And Riders; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; (4) Approval Of A Certificate Of Public Convenience And Necessity; And (5) All Other Required Approvals And Relief	)	Case No. 2020-00174

SECTION V

Exhibit 3: Tax Support

June 29, 2020

Kentucky Power Company
SUMMARY OF INCOME TAX EXPENSE
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Summary Information	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
1	**NET ELECTRIC OPERATING INCOME BEFORE INCOME TAX**	93,030,616	3,800,926	89,229,690	-	89,229,690	-	89,229,690	SPECIFIC	86,914,999	SPECIFIC	(53,906,541)	33,008,458
2	Interest Expense Synchronized	40,845,459	-	40,845,459	-	40,845,459	-	40,845,459	INT SYNC	40,232,777	GROSS PLT	(7,539,533)	32,693,244
3	Allowance for Borrowed Funds Used During Construction	1,400,487	-	1,400,487	-	1,400,487	-	1,400,487	INT SYNC	1,379,480	GROSS PLT	-	1,379,480
4	Other Income & Deductions - Net	(6,683,740)	(6,683,740)	-	-	-	-	-	NON-UTIL	-	NON-UTIL	-	-
5	**PRE-TAX BOOK INCOME BEFORE STATE INCOME TAX**	46,901,904	(2,882,814)	49,784,718	-	49,784,718	-	49,784,718		48,061,702		(46,367,008)	1,694,694
6	Current State Income Tax Expense	1,318,265	1,694,108	(375,843)	-	(375,843)	-	(375,843)	CALC	(1,268,430)	CALCULATED	(2,719,643)	(3,988,073)
7	**PRE-TAX BOOK INCOME BEFORE FEDERAL INCOME TAX**	**45,583,639**	**(4,576,922)**	**50,160,561**	**-**	**50,160,561**	**-**	**50,160,561**		**49,330,132**		**(43,647,365)**	**5,682,767**
8													
9													
10													
11	**Current SIT Expense**	1,318,265	1,694,108	(375,843)	-	(375,843)	-	(375,843)		(1,268,430)		(2,719,643)	(3,988,073)
12													
13	**Deferred SIT Expense**	(1,314,065)	-	(452,690)	-	(452,690)	-	(452,690)		(445,900)		-	(445,900)
14													
15	**Total SIT Expense**	**4,200**	**1,694,108**	**(828,533)**	**-**	**(828,533)**	**0**	**(828,533)**		**(1,714,330)**		**(2,719,643)**	**(4,433,973)**
16													
17													
18													
19	**Current FIT Expense**	(7,937,454)	(4,740,205)	(3,197,249)	-	(3,197,249)	-	(3,197,249)		(3,139,184)		(9,184,148)	(12,323,332)
20													
21	**Deferred FIT Expense**	3,460,762	(1,051,747)	4,512,509	-	4,512,509	-	4,512,509		4,429,079		10,486,154	14,915,233
22													
23	**Deferred ITC Expense**	(28)	-	(28)	-	(28)	-	(28)		(27)		-	(27)
24													
25	**Total FIT Expense**	**(4,476,720)**	**(5,791,952)**	**1,315,232**	**-**	**1,315,232**	**0**	**1,315,232**		**1,289,868**		**1,302,006**	**2,591,874**
26													
27													
28													
29	**Total Income Tax Expense**	**(4,472,520)**	**(4,097,844)**	**486,699**	**-**	**486,699**	**-**	**486,699**		**(424,462)**		**(1,417,637)**	**(1,842,099)**

Kentucky Power Company
Computation of Adjusted
Current Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Item Description	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
1	**NET ELECTRIC OPERATING INCOME BEFORE INCOME TAX**	93,030,616	3,800,926	89,229,690	-	89,229,690	-	89,229,690	SPECIFIC	86,914,999	SPECIFIC	(53,906,541)	33,008,458
2	Interest Expense Synchronized	40,845,459	-	40,845,459	-	40,845,459	-	40,845,459	0.985000	40,232,777	GROSS PLT	(7,539,533)	32,693,244
3	Allowance for Borrowed Funds Used During Construction	1,400,487	-	1,400,487	-	1,400,487	-	1,400,487	0.985000	1,379,480	GROSS PLT	-	1,379,480
4	Other Income & Deductions (Before Income Tax)	(6,683,740)	(6,683,740)	-	-	-	-	-	NON-UTIL	-	NON-UTIL	-	-
5	**PRE-TAX BOOK INCOME BEFORE STATE INCOME TAX**	46,901,904	(2,882,814)	49,784,718	-	49,784,718	-	49,784,718		48,061,702		(46,367,008)	1,694,694
6	Current State Income Tax Expense	1,318,265	1,694,108	(375,843)	-	(375,843)	-	(375,843)	SIT CALC	(1,268,430)	CALCULATED	(2,719,643)	(3,988,073)
7	**PRE-TAX BOOK INCOME BEFORE FEDERAL INCOME TAX**	**45,583,639**	**(4,576,922)**	**50,160,561**	**-**	**50,160,561**	**-**	**50,160,561**		**49,330,132**		**(43,647,365)**	**5,682,767**
8													
9	**EXCESS TAX vs BOOK DEPRECIATION**												
10	210A LIBERALIZED DEPR-REG	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
11	210A-XS EXCESS DFIT - LIBERALIZED DEPR-REG	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
12	230A ACRS BENEFIT NORMALIZED	(8,262,127)	-	(8,262,127)	-	(8,262,127)	-	(8,262,127)	0.985000	(8,138,195)	GROSS PLT	4,649,091	(3,489,104)
13	230A-XS EXCESS DIT - ACRS NORM REVERSAL	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
	230B 481 A BONUS DEPRECIATION	2,435,817	-	2,435,817	-	2,435,817	-	2,435,817	0.985000	2,399,280	GROSS PLT	-	2,399,280
14	230I CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
15	230J RELOCATION CST-SECTION 481(a)-CHANGE IN METHD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
16	230K PJM INTEGRATION-SEC 481(a)-INTANG-DFD LABOR	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
17	230X R&D DEDUCTION - SECTION 174	35,466	-	35,466	-	35,466	-	35,466	0.985000	34,934	PROD PLT	-	34,934
18	232A ACRS TAX DEPRECIATION - HRJ	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
19	232A-XS EXCESS DIT - ACRS TAX DEPR - HRJ	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
20	280A EXCESS TX VS S/L BK DEPR	16,736,103	-	16,736,103	-	16,736,103	-	16,736,103	0.985000	16,485,061	GROSS PLT	543,674	17,028,735
21	280H BK PLANT IN SERVICE - SFAS 143 - ARO	1,703,875	-	1,703,875	-	1,703,875	-	1,703,875	0.985000	1,678,317	PROD PLT	51,634	1,729,951
	280J TAX DEPRECIATION LOOKBACK	5,173,781	-	5,173,781	-	5,173,781	-	5,173,781	0.985000	5,096,174	GROSS PLT	-	5,096,174
22	280Y NORMALIZED BASIS DIFF - TRANSFERRED PLANT	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
23	280Z DFIT - GENERATION PLANT	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
24	295A GAIN/LOSS ON ACRS/MACRS PROPERTY	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
25	295A GAIN/LOSS ON ACRS/MACRS PROPERTY - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
26	295C GAIN/LOSS ACRS/MACRS-BK/TX UNIT PROPERTY	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
27	390A CIAC - BOOK RECEIPTS	574,258	-	574,258	-	574,258	-	574,258	0.999000	573,684	DIST PLT	-	573,684
28	**Total EXCESS TAX vs BOOK DEPRECIATION**	**18,397,173**	**-**	**18,397,173**	**-**	**18,397,173**	**-**	**18,397,173**		**18,129,255**		**5,244,399**	**23,373,654**
29	==========												
30	**AFUDC / INTEREST CAPITALIZED**												
31	310A AOFUDC	(947,524)	(947,524)	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
32	310D AOFUDC - HRJ POST-IN-SERVICE	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
33	320A ABFUDC	(1,400,487)	-	(1,400,487)	-	(1,400,487)	-	(1,400,487)	0.985000	(1,379,480)	GROSS PLT	-	(1,379,480)
34	320A ABFUDC - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
35	320J ABFUDC - HRJ - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
36	320I ABFUDC - HRJ POST-IN-SERVICE	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
37	320I ABFUDC - HRJ POST-IN-SERVICE - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
38	380J INT EXP CAPITALIZED FOR TAX	2,624,157	-	2,624,157	-	2,624,157	-	2,624,157	0.985000	2,584,795	GROSS PLT	-	2,584,795
39	380J INT EXP CAPITALIZED FOR TAX - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
40	**Total AFUDC / INTEREST CAPITALIZED**	**276,146**	**(947,524)**	**1,223,670**	**-**	**1,223,670**	**-**	**1,223,670**		**1,205,315**		**-**	**1,205,315**
41	==========												
42	**MISC OVERHEADS CAPITALIZED**												
43	350A TXS CAPD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
44	360A PENS CAPD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
45	360J SEC 481 PENS/OPEB ADJUSTMENT	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
46	370A SAV PLAN CAPD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
47	**Total MISC OVERHEADS CAPITALIZED**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
48	==========												
49	**PERCENT REPAIR ALLOWANCE**												
50	532A PERCENT REPAIR ALLOWANCE	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
51	532A PERCENT REPAIR ALLOWANCE - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
52	532C BOOK/TAX UNIT OF PROPERTY ADJ	(45,576,565)	-	(45,576,565)	-	(45,576,565)	-	(45,576,565)	0.985000	(44,892,917)	PROD PLT	-	(44,892,917)
53	532D BK/TX UNIT OF PROPERTY ADJ - SECTION 481	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
54	534A CAPITALIZED RELOCATION COSTS	(114)	-	(114)	-	(114)	-	(114)	0.985000	(112)	GROSS PLT	-	(112)
55	534A CAPITALIZED RELOCATION COSTS - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
56	**Total PERCENT REPAIR ALLOWANCE**	**(45,576,679)**	**-**	**(45,576,679)**	**-**	**(45,576,679)**	**-**	**(45,576,679)**		**(44,893,029)**		**-**	**(44,893,029)**
57	==========												

Kentucky Power Company
Computation of Adjusted
Current Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Item Description	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
58	**REMOVAL COSTS**												
59	910K REMOVAL CST	(6,083,000)	-	(6,083,000)	-	(6,083,000)	-	(6,083,000)	0.985000	(5,991,755)	GROSS PLT	-	(5,991,755)
60	912K REMOVAL CST - NORMALIZED	(3,483,000)	-	(3,483,000)	-	(3,483,000)	-	(3,483,000)	0.985000	(3,430,755)	GROSS PLT	-	(3,430,755)
61	**Total REMOVAL COSTS**	**(9,566,000)**	**-**	**(9,566,000)**	**-**	**(9,566,000)**	**-**	**(9,566,000)**		**(9,422,510)**		**-**	**(9,422,510)**
62	==========												
63	**ACCELERATED AMORTIZATION**												
64	533A TX AMORT POLLUTION CONT EQPT	9,512,222	-	9,512,222	-	9,512,222	-	9,512,222	0.985000	9,369,539	PROD PLT	-	9,369,539
65	**Total ACCELERATED AMORTIZATION**	**9,512,222**	**-**	**9,512,222**	**-**	**9,512,222**	**-**	**9,512,222**		**9,369,539**		**-**	**9,369,539**
66	==========												
67	**PROPERTY TAX ADJUSTMENTS**												
68	510I PROPERTY TAX - STATE 2 - OLD METHOD - TAX	(761,247)	-	(761,247)	-	(761,247)	-	(761,247)	0.985000	(749,828)	NET PLANT	-	(749,828)
69	**Total PROPERTY TAX ADJUSTMENTS**	**(761,247)**	**-**	**(761,247)**	**-**	**(761,247)**	**-**	**(761,247)**		**(749,828)**		**-**	**(749,828)**
70	==========												
71	**REVENUE REFUNDS**												
72	520A PROVS POSS REV REFDS	(17,065)	-	(17,065)	-	(17,065)	-	(17,065)	1.000000	(17,065)	SPECIFIC	-	(17,065)
	520X PROV FOR RATE REFUND-TAX REFORM	(179,548)		(179,548)	-	(179,548)	-	(179,548)	1.000000	(179,548)	SPECIFIC	-	(179,548)
	520Y PROV FOR RATE REFUND-EXCESS PROTECTED	(63,846)		(63,846)	-	(63,846)	-	(63,846)	1.000000	(63,846)	SPECIFIC	-	(63,846)
73	**Total REVENUE REFUNDS**	**(260,459)**	**-**	**(260,459)**	**-**	**(260,459)**	**-**	**(260,459)**		**(260,459)**		**-**	**(260,459)**
74	==========												
75	**DEFERRED FUEL COSTS**												
76	432I DEFD FUEL EXP - UNDER-RECOVERED	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
77	432I DEFD FUEL EXP - OVER-RECOVERED	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
78	**Total DEFERRED FUEL COSTS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
79	==========												
80	**EQUITY IN EARNINGS OF SUBSIDIARIES**												
81	531A EQTY IN SUBSIDIARIES (US)	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
82	**Total EQUITY IN EARNINGS OF SUBSIDIARIES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
83	==========												
84	**BOOK ACCRUALS**												
85	602A PROV WORKER'S COMP	(379,963)	-	(379,963)	-	(379,963)	-	(379,963)	0.990000	(376,163)	LABOR	-	(376,163)
86	605B ACCRUED BK PENSION EXPENSE	1,045,409	-	1,045,409	-	1,045,409	-	1,045,409	0.990000	1,034,955	LABOR	2,415	1,037,370
87	605C ACCRUED BK PENSION COSTS - SFAS 158	535,524	-	535,524	-	535,524	-	535,524	0.990000	530,169	LABOR	-	530,169
88	605E SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	5,839	-	5,839	-	5,839	-	5,839	0.990000	5,781	LABOR	-	5,781
89	605F ACCRD SUP EXEC RETIRE PLAN COSTS-SFAS 158	(332)	-	(332)	-	(332)	-	(332)	0.990000	(329)	LABOR	-	(329)
90	605I ACCRD BK SUP. SAVINGS PLAN EXP	(727)	-	(727)	-	(727)	-	(727)	0.990000	(720)	LABOR	-	(720)
91	605O ACCRUED PSI PLAN EXP	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
	605P STOCK BASED COMP-CAREER SHARES	181,212		181,212	-	181,212	-	181,212	0.990000	179,400	LABOR	-	179,400
92	610A BK PROV UNCOLL ACCTS	404,340	-	404,340	-	404,340	-	404,340	1.000000	404,340	SPECIFIC	-	404,340
93	612G ACCRD COMPANY INCENT PLAN - ENGAGE TO GAIN	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
94	612Y ACCRD COMPANYWIDE INCENT PLAN	(458,101)	-	(458,101)	-	(458,101)	-	(458,101)	0.990000	(453,520)	LABOR	453,520	-
95	613E ACCRUED BOOK VACATION PAY	369,254	-	369,254	-	369,254	-	369,254	0.990000	365,561	LABOR	-	365,561
96	613K (ICDP) INCENTIVE COMP DEFERRAL PLAN	(2,290)	-	(2,290)	-	(2,290)	-	(2,290)	0.990000	(2,267)	LABOR	-	(2,267)
97	613Y ACCRD BK SEVERANCE BENEFITS	(2,110,344)	-	(2,110,344)	-	(2,110,344)	-	(2,110,344)	0.990000	(2,089,241)	LABOR	-	(2,089,241)
98	614I ECONOMIC DEVEL FUND - CURRENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
99	614J ECONOMIC DEVEL FUND - NON-CURRENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
100	614L PROVISION FOR POTENTIAL LOSS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
101	615A ACCRUED INTEREST EXP -STATE	-	-	-	-	-	-	-	0.993000	-	REVENUE	-	-
102	615B ACCRUED INTEREST-LONG-TERM - FIN 48	(7,890)	-	(7,890)	-	(7,890)	-	(7,890)	0.000000	-	NON-APPLIC	-	-
103	615C ACCRUED INTEREST-SHORT-TERM - FIN 48	(7,441)	-	(7,441)	-	(7,441)	-	(7,441)	0.000000	-	NON-APPLIC	-	-
104	615E ACCRUED STATE INCOME TAX EXP	-	-	-	-	-	-	-	0.993000	-	REVENUE	-	-
105	615R REG ASSET - DEFERRED RTO COSTS	73,336	-	73,336	-	73,336	-	73,336	0.985000	72,236	TRAN PLT	-	72,236
106	625A FEDERAL MITIGATION PROGRAMS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
107	625B STATE MITIGATION PROGRAMS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
108	**Total BOOK ACCRUALS**	**(352,174)**	**-**	**(352,174)**	**-**	**(352,174)**	**-**	**(352,174)**		**(329,798)**		**455,935**	**126,137**
109	==========												

Kentucky Power Company
Computation of Adjusted
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Twelve Months Ended March 31, 2020

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110	**BOOK DEFERRALS**												
111	390F CUST ADV INC FOR TAX	2,936	-	2,936	-	2,936	-	2,936	0.999000	2,933	DIST PLT	-	2,933
112	630F DEFD BK CONTRACT REVENUE	64,321	-	64,321	-	64,321	-	64,321	0.993000	63,871	REVENUE	-	63,871
113	630J DEFD STORM DAMAGE	2,066,559	-	2,066,559	-	2,066,559	-	2,066,559	0.985000	2,035,561	DEMAND	-	2,035,561
114	632U BK DEFL - DEMAND SIDE MANAGEMENT	-	-	-	-	-	-	-	1.000000	-	SPECIFIC		-
115	641I ADVANCE RENTAL INC (CUR MO)	(10,618)	-	(10,618)	-	(10,618)	-	(10,618)	0.993000	(10,544)	REVENUE	-	(10,544)
116	642B DEFD REV - BONUS LEASE SHORT-TERM	(13,196)	-	(13,196)	-	(13,196)	-	(13,196)	0.993000	(13,104)	REVENUE	-	(13,104)
117	642C DEFD REV - BONUS LEASE LONG-TERM	68,302	-	68,302	-	68,302	-	68,302	0.993000	67,824	REVENUE	-	67,824
118	660X REG ASSET - DEFERRED PJM FEES	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
119	660Z REG ASSET - DEFERRED EQUITY CARRYING CHGS	(9,441)	(9,441)	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
120	661R REG ASSET - SFAS 158 - PENSIONS	(535,524)	-	(535,524)	-	(535,524)	-	(535,524)	0.990000	(530,169)	LABOR	-	(530,169)
121	661S REG ASSET - SFAS 158 - SERP	332	-	332	-	332	-	332	0.990000	329	LABOR	-	329
122	661T REG ASSET - SFAS 158 - OPEB	3,596,491	-	3,596,491	-	3,596,491	-	3,596,491	0.990000	3,560,526	LABOR	-	3,560,526
123	663G REG ASSET - UNDERRECOVERY PJM EXPENSES	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
124	664N REG ASSET - DEFD SEVERANCE COSTS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
125	664V REG ASSET - NET CCS FEED STUDY COSTS	34,914	-	34,914	-	34,914	-	34,914	0.985000	34,390	DEMAND	-	34,390
126	690C REG ASSET - REMOVAL CST - BIG SANDY	(462,688)	-	(462,688)	-	(462,688)	-	(462,688)	0.985000	(455,748)	DEMAND	-	(455,748)
127	690D REG ASSET - SPENT ARO - BIG SANDY	(22,282,236)	-	(22,282,236)	-	(22,282,236)	-	(22,282,236)	0.985000	(21,948,002)	DEMAND	-	(21,948,002)
128	690F REG ASSET - NBV - ARO - RETIRED PLANTS	20,643,299	-	20,643,299	-	20,643,299	-	20,643,299	0.985000	20,333,650	DEMAND	-	20,333,650
129	671G REG ASSET-BIG SANDY U1 OR-UNDER RECOV	-	-	-	-	-	-	-	1.000000	-	SPECIFIC		-
130	671H REG ASSET-BIG SANDY RETIRE COSTS RECOV	6,189,686	-	6,189,686	-	6,189,686	-	6,189,686	1.000000	6,189,686	SPECIFIC	(6,189,686)	-
131	671I REG ASSET-BIG SANDY RETIRE RIDER U2 O&M	(260,031)	-	(260,031)	-	(260,031)	-	(260,031)	0.986000	(256,391)	ENERGY	256,391	-
132	671J REG ASSET-UND RECOV-PURCH PWR PPA	-	-	-	-	-	-	-	1.000000	-	SPECIFIC		-
133	671K REG ASSET-DEFD DEPREC-ENVIRONMENTAL	(464,470)	-	(464,470)	-	(464,470)	-	(464,470)	0.985000	(457,503)	GROSS PLT	457,503	-
134	671L REG ASSET-CAR CHGS-ENVIRON COSTS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC		-
135	671M REG ASSET-CAR CHGS-ENVIRON UNREC EQUITY	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC		-
136	671N REG ASSET-DEFD O&M-ENVIRONMENTAL CSTS	-	-	-	-	-	-	-	0.985000	-	GROSS PLT		-
137	671O REG ASSET-DEFD CONSUM EXP-ENVIRON CSTS	-	-	-	-	-	-	-	0.985660	-	SPECIFIC		-
138	671P REG ASSET-DEFD PROP TAX EXP-ENVIRON CSTS	-	-	-	-	-	-	-	0.985000	-	GROSS PLT		-
139	672G REG ASSET-BIG SANDY U1 OR-UNREC EQUITY CC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC		-
140	672H REG ASSET-BIG SANDY U1 OR-UNDER RECOV CC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC		-
141	672M REG ASSET-NERC COMPL/CYBER CC-UNREC EQ	27,807	-	27,807	-	27,807	-	27,807	0.000000	-	NON-APPLIC		-
142	672N REG ASSET-NERC COMPL/CYBER SEC-CAR CST	(58,428)	-	(58,428)	-	(58,428)	-	(58,428)	0.000000	-	NON-APPLIC		-
143	672O REG ASSET-NERC COMPL/CYBER SEC-DEF DEPR	(188,154)	-	(188,154)	-	(188,154)	-	(188,154)	1.000000	(188,154)	SPECIFIC	291,297	103,143
144	672S REG ASSET-CAPACITY CHARGE TARIFF REV	(36,929)	-	(36,929)	-	(36,929)	-	(36,929)	1.000000	(36,929)	SPECIFIC		(36,929)
145	673C REG ASSET-DEFD DEPR-BIG SANDY U1 GAS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC		-
146	673F REG ASSET-DEFD PROP TAX-BIG SANDY U1 GAS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC		-
	674A REG ASSET-ROCKPORT CAPACITY DEF-EQ CC	736,511	-	736,511	-	736,511	-	736,511	0.985000	725,464	GROSS PLT	-	725,464
	674B REG ASSET-ROCKPORT CAPACITY CC DEFERRAL	(1,543,540)	-	(1,543,540)	-	(1,543,540)	-	(1,543,540)	0.985000	(1,520,387)	GROSS PLT	-	(1,520,387)
	674C REG ASSET-ROCKPORT CAPACITY DEFERRAL	(13,750,000)	-	(13,750,000)	-	(13,750,000)	-	(13,750,000)	0.985000	(13,543,750)	GROSS PLT	-	(13,543,750)
	674D REG ASSET-KENTUCKY UNDER RECOV-PPA RIDER	(5,956,226)	-	(5,956,226)	-	(5,956,226)	-	(5,956,226)	0.985000	(5,866,882)	GROSS PLT	-	(5,866,882)
	675H REG ASSET-GreenHat Settlement	(333,380)	-	(333,380)	-	(333,380)	-	(333,380)	0.985000	(328,379)	GROSS PLT	(33,163)	(361,542)
	675I REG ASSET-Greenhat Liability	294,066	-	294,066	-	294,066	-	294,066	0.985000	289,655	GROSS PLT	-	289,655
147	690L REG ASSET-M&S RETIRING PLANTS	-	-	-	-	-	-	-	0.985000	-	DEMAND	-	-
148													-
149	**Total BOOK DEFERRALS**	**(12,179,636)**	**(9,441)**	**(12,170,195)**	**-**	**(12,170,195)**	**-**	**(12,170,195)**		**(11,852,053)**		**(5,217,658)**	**(17,069,711)**
150	==========												
151	**BOOK RESERVES**												
152	611B PRELIM SURVEY & INVEST RESERVE-BIG SANDY FGD	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
153	**Total BOOK RESERVES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
154	==========												

Kentucky Power Company
Computation of Adjusted
Current Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Item Description	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
155	**OTHER MISCELLANEOUS**	-											
156	900A LOSS ON REACQUIRED DEBT	33,651	-	33,651	-	33,651	-	33,651	0.985000	33,146	GROSS PLT	-	33,146
157	906A ACCRD SFAS 106 PST RETIRE EXP	(2,716,963)	-	(2,716,963)	-	(2,716,963)	-	(2,716,963)	0.990000	(2,689,793)	LABOR	(11,256)	(2,701,049)
158	906F ACCRD OPEB COSTS - SFAS 158	(3,596,491)	-	(3,596,491)	-	(3,596,491)	-	(3,596,491)	0.990000	(3,560,526)	LABOR	-	(3,560,526)
159	906K ACCRD SFAS 112 PST EMPLOY BEN	151,273	-	151,273	-	151,273	-	151,273	0.990000	149,760	LABOR	-	149,760
160	906P ACCRD BOOK ARO EXPENSE - SFAS 143	(18,635,614)	-	(18,635,614)	-	(18,635,614)	-	(18,635,614)	0.985000	(18,356,080)	PROD PLT	(150,304)	(18,506,384)
161	906Z SFAS 109 - MEDICARE SUBSIDY (PPACA) REG ASSET	216,620	-	216,620	-	216,620	-	216,620	0.990000	214,454	LABOR	-	214,454
162	907A REG ASSET - MEDICARE SUBSIDY - FLOW THRU	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
163	907B SFAS 106 - MEDICARE SUBSIDY - NORMALIZED	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
	908A BOOK OPERATING LEASE - LIAB	(8,597,566)	-	(8,597,566)	-	(8,597,566)	-	(8,597,566)	0.985000	(8,468,603)	GROSS PLT	-	(8,468,603)
	908B BOOK OPERATING LEASE - ASSET	8,624,454	-	8,624,454	-	8,624,454	-	8,624,454	0.985000	8,495,087	GROSS PLT	-	8,495,087
164	910A GAIN ON REACQUIRED DEBT	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	910M GROSS RECEIPTS- TAX EXPENSE	(71,358)	-	(71,358)	-	(71,358)	-	(71,358)	0.985000	(70,288)	GROSS PLT	-	(70,288)
165	911F FIN 48 DEFERRED STATE INCOME TAXES	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
166	911Q DEFERRED STATE INCOME TAXES	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
167	011C TAX CREDIT C/F - DEFERRED TAX ASSET	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
168	014C NOL - STATE C/F DEFD TAX ASSET - KY	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
169	911S ACCRUED SALES & USE TAX RESERVE	414,000	-	414,000	-	414,000	-	414,000	0.985000	407,790	GROSS PLT	(407,790)	-
170	911V ACCRD SIT TX RESERVE-LNG-TERM-FIN 48	(34,849)	-	(34,849)	-	(34,849)	-	(34,849)	0.000000	-	NON-APPLIC	-	-
171	911W ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48	(27,798)	-	(27,798)	-	(27,798)	-	(27,798)	0.000000	-	NON-APPLIC	-	-
172	913D CHARITABLE CONTRIBUTION CARRYFWD	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
173	913F VALUATION ALLOWANCE - CHARITABLE CONTR C/F	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
174	914A SFAS 109 - DEFD SIT LIABILITY	7,452,221	-	7,452,221	-	7,452,221	-	7,452,221	0.985000	7,340,438	NET PLANT	-	7,340,438
175	914B REG ASSET - SFAS 109 DSIT LIAB	(7,452,221)	-	(7,452,221)	-	(7,452,221)	-	(7,452,221)	0.985000	(7,340,438)	NET PLANT	-	(7,340,438)
176	914K REG ASSET - ACCRUED SFAS 112	(268,254)	-	(268,254)	-	(268,254)	-	(268,254)	0.990000	(265,571)	LABOR	-	(265,571)
177	940S 1997-2003 IRS AUDIT SETTLEMENT	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
178	940X IRS CAPITALIZATION ADJUSTMENT	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED-FERC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED-KY	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED-FERC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED-KY	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED-FERC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED-KY	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	960F-XS EXCESS ADFIT 281 PROTECTED-FERC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 281 PROTECTED-KY	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	282 EXCESS ADJUSTMENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	283 EXCESS ADJUSTMENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
179	980A RESTRICTED STOCK PLAN	(1,759,348)	-	(1,759,348)	-	(1,759,348)	-	(1,759,348)	0.985000	(1,732,958)	GROSS PLT	-	(1,732,958)
	980J PSI - STOCK BASED COMP	262,164	-	262,164	-	262,164	-	262,164	0.985000	258,232	GROSS PLT	-	258,232
180	960E AMT CREDIT - DEFERRED	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
181	**Total OTHER MISCELLANEOUS**	**(26,006,079)**	**-**	**(26,006,079)**	**-**	**(26,006,079)**	**-**	**(26,006,079)**		**(25,585,350)**		**(569,350)**	**(26,154,700)**
182	==========												
183	**PERMANENT SCHEDULE M's**												
	605T STOCK BASED COMP-CAREER SHARES-PERM	139,417	-	139,417	-	139,417	-	139,417	0.985000	137,326	GROSS PLT	-	137,326
184	611M NON-TAXABLE DEFD COMP - CSV EARN	(918)	-	(918)	-	(918)	-	(918)	0.990000	(909)	LABOR	-	(909)
185	906B SFAS 106 - POST RETIRE BEN MEDICARE SUBSIDY	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
186	910B NON-DEDUCT MEALS AND T&E	93,822	-	93,822	-	93,822	-	93,822	0.990000	92,884	LABOR	-	92,884
187	910C NON-DEDUCT FINES&PENALTIES	429	429	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
188	910E NON-DEDUCT MISCELLANEOUS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
189	910S NON-DEDUCT LOBBYING	192,931	192,931	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
190	910U MEMBERSHIP DUES	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
191	913A LUXURY AUTO ADJUSTMENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
192	970A MANUFACTURING DEDUCTION	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
	980B RESTRICTED STOCK PLAN - TAX DEDUCTION	(18,382)	-	(18,382)	-	(18,382)	-	(18,382)	0.985000	(18,106)	GROSS PLT	-	(18,106)
193	999Q FIN-48 DSIT - PERM - FIN 48	66,465	-	66,465	-	66,465	-	66,465	0.000000	-	NON-APPLIC	-	-
194	**Total PERMANENT SCHEDULE M's**	**473,764**	**193,360**	**280,404**	**-**	**280,404**	**-**	**280,404**		**211,195**		**-**	**211,195**
195	==========												
196	**TAX ACCRUALS**												
197	711N CAPITALIZED SOFTWARE COSTS-TAX	(124,055)	-	(124,055)	-	(124,055)	-	(124,055)	0.985000	(122,194)	GROSS PLT	-	(122,194)
198	711O BOOK LEASES CAPITALIZED FOR TAX	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
199	**Total TAX ACCRUALS**	**(124,055)**	**-**	**(124,055)**	**-**	**(124,055)**	**-**	**(124,055)**		**(122,194)**		**-**	**(122,194)**

Kentucky Power Company
Computation of Adjusted
Current Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Item Description	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
200	==========												
201	**TAX DEFERRALS**												
202	712K CAPITALIZED SOFTWARE COST-BOOK	(3,718,466)	-	(3,718,466)	-	(3,718,466)	-	(3,718,466)	0.985000	(3,662,689)	GROSS PLT	-	(3,662,689)
203	**Total TAX DEFERRALS**	**(3,718,466)**	**-**	**(3,718,466)**	**-**	**(3,718,466)**	**-**	**(3,718,466)**		**(3,662,689)**		**-**	**(3,662,689)**
204	==========												
205	**TAX vs BOOK GAIN / LOSS**												
206	690E REG ASSET - UNRECOVERED PLANT - BIG SANDY	37,226	-	37,226	-	37,226	-	37,226	0.985000	36,668	DEMAND	-	36,668
207	**Total TAX vs BOOK GAIN / LOSS**	**37,226**	**-**	**37,226**	**-**	**37,226**	**-**	**37,226**		**36,668**		**-**	**36,668**
208	==========												

Kentucky Power Company
Computation of Adjusted
Current Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Item Description	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
209	**MARK-TO-MARKET ADJUSTMENTS**												
210	575A MTM BK GAIN-B/L-TAX DEFL	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
211	575E MTM BK GAIN-A/L-TAX DEFL	6,372,725	-	6,372,725	-	6,372,725	-	6,372,725	0.986000	6,283,507	ENERGY	-	6,283,507
212	576A MARK & SPREAD-DEFL-283-B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
213	576C MARK & SPREAD-DEFL-190-B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
214	576E MARK & SPREAD-DEFL-283-A/L	287,340	-	287,340	-	287,340	-	287,340	0.986000	283,317	ENERGY	-	283,317
215	576F MARK & SPREAD-DEFL-190-A/L	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
216	610U PROV-TRADING CREDIT RISK - A/L	9,181	-	9,181	-	9,181	-	9,181	0.986000	9,052	ENERGY	-	9,052
217	610V PROV - SFAS 157 - A/L	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
218	610W PROV-TRADING CREDIT RISK - B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
219	610X PROV - SFAS 157 - B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
220	652G REG LIAB-UNREAL MTM GAIN-DEFL	(3,290,753)	-	(3,290,753)	-	(3,290,753)	-	(3,290,753)	0.986000	(3,244,682)	ENERGY	-	(3,244,682)
221	**Total MARK-TO-MARKET ADJUSTMENTS**	**3,378,493**	**-**	**3,378,493**	**-**	**3,378,493**	**-**	**3,378,493**		**3,331,194**		**-**	**3,331,194**
222	==========												
223	**EMISSION ALLOWANCES**												
224	638A BOOK > TAX BASIS - EMA-A/C 283	320,607	-	320,607	-	320,607	-	320,607	0.986000	316,119	ENERGY	-	316,119
225	638C TAX > BOOK BASIS - EMA-A/C 190	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
226	639M TAX > BOOK BASIS - EMA-A/C 190 (B/L)	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
227	639O BOOK > TAX BASIS EMA - 283 (B/L)	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
228	639Q DEFD TAX GAIN - INTERCO SALE - EMA	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
229	639S DEFD TAX LOSS - INTERCO SALE - EMA	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
230	640K DEFD TAX GAIN-EPA AUCTION	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
231	**Total EMISSION ALLOWANCES**	**320,607**	**-**	**320,607**	**-**	**320,607**	**-**	**320,607**		**316,119**		**-**	**316,119**
232	==========												
	Total Book/Tax Income Differences	**(66,149,164)**	**(763,605)**	**(65,385,559)**	**-**	**(65,385,559)**	**-**	**(65,385,559)**		**(64,278,625)**		**(86,674)**	**(64,365,299)**
1	==========												
2													
3	State Income Tax Return Adjustment	254,585	254,585	-	-	-	-	-		-		-	-
4	**Taxable Income**	(20,310,940)	(5,085,942)	(15,224,998)	-	(15,224,998)	-	(15,224,998)		(14,948,493)		(43,734,039)	(58,682,532)
5	Statutory Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		21.00%		21.00%	21.00%
6	Tax Before Credits	(4,265,297)	(1,068,048)	(3,197,249)	-	(3,197,249)	-	(3,197,249)		(3,139,184)		(9,184,148)	(12,323,332)
7	Tax Return Adjustments	1,390,776	1,390,776	-	-	-	-	-		-		-	-
8	Tax Credit Carryforward	19,795	19,795	-	-	-	-	-		-		-	-
	NOL Reclass	(290,136)	(290,136)	-	-	-	-	-		-		-	-
	R&D Credit - Current	(61,000)	(61,000)	-	-	-	-	-		-		-	-
9	FIN 48 Perm Items	-	-	-	-	-	-	-		-		-	-
10	FIN 48 Non-Perm Items	-	-	-	-	-	-	-		-		-	-
11	ALT MIN Tax Adjustment	(7,005)	(7,005)	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
12	FIN-18 ETR Adjustment	(4,724,587)	(4,724,587)	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
13	Parent Company Loss Allocation	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
14	**Current Tax**	**(7,937,454)**	**(4,740,205)**	**(3,197,249)**	**-**	**(3,197,249)**	**-**	**(3,197,249)**		**(3,139,184)**		**(9,184,148)**	**(12,323,332)**
15													
16													
17													
18													
19													

Kentucky Power Company
Computation of Adjusted
Current Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	Item Description	(1) Total Company Per Books 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility Before Rate Case Adjustments	(4) Elimination Adjustments	(5) Total Company Electric Utility After Rate Case Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount

ALLOCATION FACTORS:	
GROSS PLT	0.9850000
NET PLANT	0.9850000
PROD PLT	0.9850000
TRAN PLT	0.9850000
DIST PLT	0.9990000
T&D PLT	0.9930000
ENERGY	0.9860000
LABOR	0.9900000
O&M EXP	0.9790000
REVENUE	0.9930000
REVENUE-OTH	0.0000000
DEMAND	0.9850000
SPECIFIC	1.0000000
NON-APPLIC	0.0000000
NON-UTILITY	0.0000000

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
1	**EXCESS TAX vs BOOK DEPRECIATION**												
2	210A LIBERALIZED DEPR-REG	5,040	5,040	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
3	210A-XS EXCESS DFIT - LIBERALIZED DEPR-REG	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
4	230A ACRS BENEFIT NORMALIZED	(3,225,866)	(4,960,913)	1,735,047	-	1,735,047	-	1,735,047	0.985000	1,709,022	GROSS PLT	(976,309)	732,713
5	230A-XS EXCESS DIT - ACRS NORM REVERSAL	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
	230B 481 A BONUS DEPRECIATION	1,131,972	1,643,494	(511,522)	-	(511,522)		(511,522)	0.985000	(503,849)	GROSS PLT	-	(503,849)
6	230I CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
7	230J RELOCATION CST-SECTION 481(a)-CHANGE IN METHD	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
8	230K PJM INTEGRATION-SEC 481(a)-INTANG-DFD LABOR	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
9	230X R&D DEDUCTION - SECTION 174	(7,448)	-	(7,448)	-	(7,448)	-	(7,448)	0.985000	(7,336)	PROD PLT	-	(7,336)
10	232A ACRS TAX DEPRECIATION - HRJ	199,080	199,080	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
11	232A-XS EXCESS DIT - ACRS TAX DEPR - HRJ	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
12	280A EXCESS TX VS S/L BK DEPR	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
13	280H BK PLANT IN SERVICE - SFAS 143 - ARO	(357,814)	-	(357,814)	-	(357,814)	-	(357,814)	0.985000	(352,447)	PROD PLT	(10,843)	(363,290)
	280J TAX DEPRECIATION LOOKBACK	(1,086,494)		(1,086,494)	-	(1,086,494)		(1,086,494)	0.985000	(1,070,197)	PROD PLT	-	(1,070,197)
14	280Y NORMALIZED BASIS DIFF - TRANSFERRED PLANT	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
15	280Z DFIT - GENERATION PLANT	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
16	295A GAIN/LOSS ON ACRS/MACRS PROPERTY	(67,215)	(67,215)	(0)	-	(0)	-	(0)	0.985000	-	GROSS PLT	-	-
17	295A GAIN/LOSS ON ACRS/MACRS PROPERTY - DFIT FBK	(1,062,039)	(1,949)	(1,060,090)	-	(1,060,090)	-	(1,060,090)	0.985000	(1,044,189)	GROSS PLT	-	(1,044,189)
18	295C GAIN/LOSS ACRS/MACRS-BK/TX UNIT PROPERTY	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
19	390A CIAC - BOOK RECEIPTS	(243,179)	(122,585)	(120,594)	-	(120,594)	-	(120,594)	0.999000	(120,473)	DIST PLT	-	(120,473)
20	**Total EXCESS TAX vs BOOK DEPRECIATION**	**(4,713,962)**	**(3,305,048)**	**(1,408,914)**	**-**	**(1,408,914)**	**-**	**(1,408,914)**		**(1,389,469)**		**(987,152)**	**(2,376,621)**
21	==========				1								
22	**AFUDC / INTEREST CAPITALIZED**												
23	310A AOFUDC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
24	310D AOFUDC - HRJ POST-IN-SERVICE	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
25	320A ABFUDC	294,102	-	294,102	-	294,102	-	294,102	0.985000	289,691	GROSS PLT	95,271	384,962
26	320A ABFUDC - DFIT FBK	(169,411)	674	(170,085)	-	(170,085)	-	(170,085)	0.985000	(167,534)	GROSS PLT	-	(167,534)
27	320J ABFUDC - HRJ - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
28	320I ABFUDC - HRJ POST-IN-SERVICE	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
29	320I ABFUDC - HRJ POST-IN-SERVICE - DFIT FBK	(7,819)	(3,351)	(4,468)	-	(4,468)	-	(4,468)	0.985000	(4,401)	TRAN PLT	-	(4,401)
30	380J INT EXP CAPITALIZED FOR TAX	(551,073)	-	(551,073)	-	(551,073)	-	(551,073)	0.985000	(542,807)	GROSS PLT	-	(542,807)
31	380J INT EXP CAPITALIZED FOR TAX - DFIT FBK	291,422	(817)	292,239	-	292,239	-	292,239	0.985000	287,856	GROSS PLT	-	287,856
32	**Total AFUDC / INTEREST CAPITALIZED**	**(142,779)**	**(3,494)**	**(139,285)**	**-**	**(139,285)**	**-**	**(139,285)**		**(137,195)**		**95,271**	**(41,924)**
33	==========												
34	**MISC OVERHEADS CAPITALIZED**												
35	350A TXS CAPD - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
36	360A PENS CAPD - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
37	360J SEC 481 PENS/OPEB ADJUSTMENT	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
38	370A SAV PLAN CAPD - DFIT FBK	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
39	**Total MISC OVERHEADS CAPITALIZED**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
40	==========												
41	**PERCENT REPAIR ALLOWANCE**												
42	532A PERCENT REPAIR ALLOWANCE	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
43	532A PERCENT REPAIR ALLOWANCE - DFIT FBK	(214,280)	(8,798)	(205,482)	-	(205,482)	-	(205,482)	0.985000	(202,400)	GROSS PLT	-	(202,400)
44	532C BOOK/TAX UNIT OF PROPERTY ADJ	10,019,492	448,413	9,571,079	-	9,571,079	-	9,571,079	0.985000	9,427,513	PROD PLT	-	9,427,513
45	532D BK/TX UNIT OF PROPERTY ADJ - SECTION 481	1,758,960	1,758,960	-	-	-	-	-	0.985000	-	PROD PLT	-	-
46	534A CAPITALIZED RELOCATION COSTS	(102,036)	(102,060)	24	-	24	-	24	0.985000	24	GROSS PLT	-	24
47	534A CAPITALIZED RELOCATION COSTS - DFIT FBK	(20,306)	1,869	(22,175)	-	(22,175)	-	(22,175)	0.985000	(21,842)	GROSS PLT	-	(21,842)
48	**Total PERCENT REPAIR ALLOWANCE**	**11,441,830**	**2,098,384**	**9,343,446**	**-**	**9,343,446**	**-**	**9,343,446**		**9,203,295**		**-**	**9,203,295**
49	==========												
50	**REMOVAL COSTS**												
51	910K REMOVAL CST	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
52	912K REMOVAL CST - NORMALIZED	621,835	(109,595)	731,430	-	731,430	-	731,430	0.985000	720,459	GROSS PLT	-	720,459
53	**Total REMOVAL COSTS**	**621,835**	**(109,595)**	**731,430**	**-**	**731,430**	**-**	**731,430**		**720,459**		**-**	**720,459**
54	==========												

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
55	**ACCELERATED AMORTIZATION**												
56	533A TX AMORT POLLUTION CONT EQPT	(397,367)	1,600,200	(1,997,567)	-	(1,997,567)	-	(1,997,567)	0.985000	(1,967,603)	PROD PLT	-	(1,967,603)
57	**Total ACCELERATED AMORTIZATION**	**(397,367)**	**1,600,200**	**(1,997,567)**	**-**	**(1,997,567)**	**-**	**(1,997,567)**		**(1,967,603)**		**-**	**(1,967,603)**
58	==========												
59	**PROPERTY TAX ADJUSTMENTS**												
60	510I PROPERTY TAX - STATE 2 - OLD METHOD - TAX	135,829	(24,033)	159,862	-	159,862	-	159,862	0.985000	157,464	NET PLANT	-	157,464
61	**Total PROPERTY TAX ADJUSTMENTS**	**135,829**	**(24,033)**	**159,862**	**-**	**159,862**	**-**	**159,862**		**157,464**		**-**	**157,464**
62	==========												
63	**REVENUE REFUNDS**												
64	520A PROVS POSS REV REFDS	3,584	-	3,584	-	3,584	-	3,584	1.000000	3,584	SPECIFIC	-	3,584
	520X PROV FOR RATE REFUND-TAX REFORM	37,705		37,705	-	37,705	-	37,705	1.000000	37,705	SPECIFIC	-	37,705
	520Y PROV FOR RATE REFUND-EXCESS PROTECTED	13,408		13,408	-	13,408	-	13,408	1.000000	13,408	SPECIFIC	-	13,408
65	**Total REVENUE REFUNDS**	**54,696**	**-**	**54,696**	**-**	**54,696**	**-**	**54,696**		**54,697**		**-**	**54,697**
66	==========												
67	**DEFERRED FUEL COSTS**												
68	432I DEFD FUEL EXP - UNDER-RECOVERED	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
69	432I DEFD FUEL EXP - OVER-RECOVERED	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
70	**Total DEFERRED FUEL COSTS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
71	==========												
72	**EQUITY IN EARNINGS OF SUBSIDIARIES**												
73	531A EQTY IN SUBSIDIARIES (US)	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
74	**Total EQUITY IN EARNINGS OF SUBSIDIARIES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
75	==========												
76	**BOOK ACCRUALS**												
77	602A PROV WORKER'S COMP	79,792	-	79,792	-	79,792	-	79,792	0.990000	78,994	LABOR	-	78,994
78	605B ACCRUED BK PENSION EXPENSE	(255,741)	(36,205)	(219,536)	-	(219,536)	-	(219,536)	0.990000	(217,341)	LABOR	(507)	(217,848)
79	605C ACCRUED BK PENSION COSTS - SFAS 158	(68,255)	44,205	(112,460)	-	(112,460)	-	(112,460)	0.990000	(111,335)	LABOR	-	(111,335)
80	605E SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	(1,226)	-	(1,226)	-	(1,226)	-	(1,226)	0.990000	(1,214)	LABOR	-	(1,214)
81	605F ACCRD SUP EXEC RETIRE PLAN COSTS-SFAS 158	70	-	70	-	70	-	70	0.990000	69	LABOR	-	69
82	605I ACCRD BK SUP. SAVINGS PLAN EXP	153	-	153	-	153	-	153	0.990000	151	LABOR	-	151
83	605O ACCRUED PSI PLAN EXP	(2,448)	(2,448)	(0)	-	(0)	-	(0)	0.990000	-	LABOR	-	-
	605P STOCK BASED COMP-CAREER SHARES	(38,054)	-	(38,054)	-	(38,054)		(38,054)	0.990000	(37,674)	LABOR	-	(37,674)
84	610A BK PROV UNCOLL ACCTS	(84,911)	-	(84,911)	-	(84,911)	-	(84,911)	1.000000	(84,911)	SPECIFIC	-	(84,911)
85	612G ACCRD COMPANY INCENT PLAN - ENGAGE TO GAIN	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
86	612Y ACCRD COMPANYWIDE INCENT PLAN	241,802	145,601	96,201	-	96,201	-	96,201	0.990000	95,239	LABOR	(95,239)	-
87	613E ACCRUED BOOK VACATION PAY	(66,000)	11,543	(77,543)	-	(77,543)	-	(77,543)	0.990000	(76,767)	LABOR	-	(76,767)
88	613K (ICDP) INCENTIVE COMP DEFERRAL PLAN	481	-	481	-	481	-	481	0.990000	476	LABOR	-	476
89	613Y ACCRD BK SEVERANCE BENEFITS	443,172	-	443,172	-	443,172	-	443,172	0.990000	438,741	LABOR	-	438,741
90	614I ECONOMIC DEVEL FUND - CURRENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
91	614J ECONOMIC DEVEL FUND - NON-CURRENT	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
92	614L PROVISION FOR POTENTIAL LOSS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
93	615A ACCRUED INTEREST EXP -STATE	-	-	-	-	-	-	-	0.993000	-	REVENUE	-	-
94	615B ACCRUED INTEREST-LONG-TERM - FIN 48	1,657	-	1,657	-	1,657	-	1,657	0.000000	-	NON-APPLIC	-	-
95	615C ACCRUED INTEREST-SHORT-TERM - FIN 48	1,563	-	1,563	-	1,563	-	1,563	0.000000	-	NON-APPLIC	-	-
96	615E ACCRUED STATE INCOME TAX EXP	-	-	-	-	-	-	-	0.993000	-	REVENUE	-	-
97	615R REG ASSET - DEFERRED RTO COSTS	(15,401)	-	(15,401)	-	(15,401)	-	(15,401)	0.985000	(15,170)	TRAN PLT	-	(15,170)
98	625A FEDERAL MITIGATION PROGRAMS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
99	625B STATE MITIGATION PROGRAMS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
100	**Total BOOK ACCRUALS**	**236,653**	**162,696**	**73,957**	**-**	**73,957**	**-**	**73,957**		**69,258**		**(95,746)**	**(26,488)**
101	==========												

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
102	**BOOK DEFERRALS**												
103	390F CUST ADV INC FOR TAX	(616)	-	(616)	-	(616)	-	(616)	0.999000	(616)	DIST PLT	-	(616)
104	630F DEFD BK CONTRACT REVENUE	(13,507)	-	(13,507)	-	(13,507)	-	(13,507)	0.993000	(13,413)	REVENUE	-	(13,413)
105	630J DEFD STORM DAMAGE	(433,977)	-	(433,977)	-	(433,977)	-	(433,977)	0.985000	(427,468)	DEMAND	-	(427,468)
106	632U BK DEFL - DEMAND SIDE MANAGEMENT	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
107	641I ADVANCE RENTAL INC (CUR MO)	2,230	-	2,230	-	2,230	-	2,230	0.993000	2,214	REVENUE	-	2,214
108	642B DEFD REV - BONUS LEASE SHORT-TERM	2,771	-	2,771	-	2,771	-	2,771	0.993000	2,752	REVENUE	-	2,752
109	642C DEFD REV - BONUS LEASE LONG-TERM	(14,343)	-	(14,343)	-	(14,343)	-	(14,343)	0.993000	(14,243)	REVENUE	-	(14,243)
110	660X REG ASSET - DEFERRED PJM FEES	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
111	660Z REG ASSET - DEFERRED EQUITY CARRYING CHGS	1,983	1,983	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
112	661R REG ASSET - SFAS 158 - PENSIONS	112,460	-	112,460	-	112,460	-	112,460	0.990000	111,335	LABOR	-	111,335
113	661S REG ASSET - SFAS 158 - SERP	(70)	-	(70)	-	(70)	-	(70)	0.990000	(69)	LABOR	-	(69)
114	661T REG ASSET - SFAS 158 - OPEB	(755,263)	-	(755,263)	-	(755,263)	-	(755,263)	0.990000	(747,710)	LABOR	-	(747,710)
115	663G REG ASSET - UNDERRECOVERY PJM EXPENSES	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
116	664N REG ASSET - DEFD SEVERANCE COSTS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
117	664V REG ASSET - NET CCS FEED STUDY COSTS	(7,332)	-	(7,332)	-	(7,332)	-	(7,332)	0.985000	(7,222)	DEMAND	-	(7,222)
118	690C REG ASSET - REMOVAL CST - BIG SANDY	472,925	375,761	97,164	-	97,164	-	97,164	0.985000	95,707	DEMAND	-	95,707
119	690D REG ASSET - SPENT ARO - BIG SANDY	4,679,270	-	4,679,270	-	4,679,270	-	4,679,270	0.985000	4,609,081	DEMAND	-	4,609,081
120	690F REG ASSET - NBV - ARO - RETIRED PLANTS	(2,850,311)	1,484,782	(4,335,093)	-	(4,335,093)	-	(4,335,093)	0.985000	(4,270,067)	DEMAND	-	(4,270,067)
121	671G REG ASSET-BIG SANDY U1 OR-UNDER RECOV	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
122	671H REG ASSET-BIG SANDY RETIRE COSTS RECOV	(1,299,834)	-	(1,299,834)	-	(1,299,834)	-	(1,299,834)	1.000000	(1,299,834)	SPECIFIC	1,299,834	-
123	671I REG ASSET-BIG SANDY RETIRE RIDER U2 O&M	54,606	-	54,606	-	54,606	-	54,606	0.986000	53,842	ENERGY	(53,842)	-
124	671J REG ASSET-UND RECOV-PURCH PWR PPA	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
125	671K REG ASSET-DEFD DEPREC-ENVIRONMENTAL	97,539	-	97,539	-	97,539	-	97,539	0.985000	96,076	GROSS PLT	(96,076)	-
126	671L REG ASSET-CAR CHGS-ENVIRON COSTS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
127	671M REG ASSET-CAR CHGS-ENVIRON UNREC EQUITY	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
128	671N REG ASSET-DEFD O&M-ENVIRONMENTAL CSTS	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
129	671O REG ASSET-DEFD CONSUM EXP-ENVIRON CSTS	-	-	-	-	-	-	-	0.985660	-	SPECIFIC	-	-
130	671P REG ASSET-DEFD PROP TAX EXP-ENVIRON CSTS	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
131	672G REG ASSET-BIG SANDY U1 OR-UNREC EQUITY CC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
132	672H REG ASSET-BIG SANDY U1 OR-UNDER RECOV CC	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
133	672M REG ASSET-NERC COMPL/CYBER CC-UNREC EQ	(5,839)	-	(5,839)	-	(5,839)	-	(5,839)	0.000000	-	NON-APPLIC	-	-
134	672N REG ASSET-NERC COMPL/CYBER SEC-CAR CST	12,270	-	12,270	-	12,270	-	12,270	0.000000	-	NON-APPLIC	-	-
135	672O REG ASSET-NERC COMPL/CYBER SEC-DEF DEPR	39,512	-	39,512	-	39,512	-	39,512	1.000000	39,512	SPECIFIC	(61,172)	(21,660)
136	672S REG ASSET-CAPACITY CHARGE TARIFF REV	7,755	-	7,755	-	7,755	-	7,755	1.000000	7,755	SPECIFIC	-	7,755
137	673C REG ASSET-DEFD DEPR-BIG SANDY U1 GAS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
138	673F REG ASSET-DEFD PROP TAX-BIG SANDY U1 GAS	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	674A REG ASSET-ROCKPORT CAPACITY DEF-EQ CC	(154,667)	-	(154,667)	-	(154,667)	-	(154,667)	0.985000	(152,347)	GROSS PLT	-	(152,347)
	674B REG ASSET-ROCKPORT CAPACITY CC DEFERRAL	324,143	-	324,143	-	324,143	-	324,143	0.985000	319,281	GROSS PLT	-	319,281
	674C REG ASSET-ROCKPORT CAPACITY DEFERRAL	2,887,500	-	2,887,500	-	2,887,500	-	2,887,500	0.985000	2,844,188	GROSS PLT	-	2,844,188
	674D REG ASSET-KENTUCKY UNDER RECOV-PPA RIDER	1,250,807	-	1,250,807	-	1,250,807	-	1,250,807	0.985000	1,232,045	GROSS PLT	-	1,232,045
	675H REG ASSET-GreenHat Settlement	70,010	-	70,010	-	70,010	-	70,010	0.985000	68,960	GROSS PLT	6,964	75,924
	675I REG ASSET-Greenhat Liability	(61,754)	-	(61,754)	-	(61,754)	-	(61,754)	0.985000	(60,827)	GROSS PLT	-	(60,827)
139	690L REG ASSET-M&S RETIRING PLANTS	-	-	-	-	-	-	-	0.985000	-	DEMAND	-	-
140													
141	**Total BOOK DEFERRALS**	**4,418,266**	**1,862,526**	**2,555,740**	**-**	**2,555,740**	**-**	**2,555,740**		**2,488,932**		**1,095,708**	**3,584,640**
142	==========												
143	**BOOK RESERVES**												
144	611B PRELIM SURVEY & INVEST RESERVE-BIG SANDY FGD	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
145	**Total BOOK RESERVES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
146	==========												

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
147	**OTHER MISCELLANEOUS**												
148	900A LOSS ON REACQUIRED DEBT	(7,067)	-	(7,067)	-	(7,067)	-	(7,067)	0.985000	(6,961)	GROSS PLT	-	(6,961)
149	906A ACCRD SFAS 106 PST RETIRE EXP	595,001	24,439	570,562	-	570,562	-	570,562	0.990000	564,856	LABOR	2,364	567,220
150	906F ACCRD OPEB COSTS - SFAS 158	699,248	(56,015)	755,263	-	755,263	-	755,263	0.990000	747,710	LABOR	-	747,710
151	906K ACCRD SFAS 112 PST EMPLOY BEN	(31,767)	-	(31,767)	-	(31,767)	-	(31,767)	0.990000	(31,450)	LABOR	-	(31,450)
152	906P ACCRD BOOK ARO EXPENSE - SFAS 143	2,428,697	(1,484,782)	3,913,479	-	3,913,479	-	3,913,479	0.985000	3,854,777	PROD PLT	31,564	3,886,341
153	906Z SFAS 109 - MEDICARE SUBSIDY (PPACA) REG ASSET	(45,490)	-	(45,490)	-	(45,490)	-	(45,490)	0.990000	(45,035)	LABOR	-	(45,035)
154	907A REG ASSET - MEDICARE SUBSIDY - FLOW THRU	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
155	907B SFAS 106 - MEDICARE SUBSIDY - NORMALIZED	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
	908A BOOK OPERATING LEASE - LIAB	1,805,489	-	1,805,489	-	1,805,489		1,805,489	0.985000	1,778,406	GROSS PLT	-	1,778,406
	908B BOOK OPERATING LEASE - ASSET	(1,811,135)	-	(1,811,135)	-	(1,811,135)		(1,811,135)	0.985000	(1,783,968)	GROSS PLT	-	(1,783,968)
156	910A GAIN ON REACQUIRED DEBT - DFIT FBK	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	910M GROSS RECEIPTS- TAX EXPENSE	14,985	-	14,985	-	14,985		14,985	0.985000	14,760	GROSS PLT	-	14,760
157	911F FIN 48 DEFERRED STATE INCOME TAXES	(13,958)	(13,958)	0	-	0	-	0	0.000000	-	NON-APPLIC	-	-
	911L-DSIT DSIT ENTRY - WV POLLUTION CONTROL	95,065	-	95,065	-	95,065		95,065	0.985000	93,639	GROSS PLT	-	93,639
158	911Q DEFERRED STATE INCOME TAXES	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
159	011C TAX CREDIT C/F - DEFERRED TAX ASSET	(602,588)	(602,588)	0	-	0	-	0	0.000000	-	NON-APPLIC	-	-
160	014C NOL - STATE C/F DEFD TAX ASSET - KY	157,121	157,121	0	-	0	-	0	0.000000	-	NON-APPLIC	-	-
161	911S ACCRUED SALES & USE TAX RESERVE	(86,940)	-	(86,940)	-	(86,940)	-	(86,940)	0.985000	(85,636)	GROSS PLT	85,636	-
162	911V ACCRD SIT TX RESERVE-LNG-TERM-FIN 48	16,879	9,561	7,318	-	7,318	-	7,318	0.000000	-	NON-APPLIC	-	-
163	911W ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48	5,838	-	5,838	-	5,838	-	5,838	0.000000	-	NON-APPLIC	-	-
164	913D CHARITABLE CONTRIBUTION CARRYFWD	(929,108)	(929,108)	0	-	0	-	0	0.000000	-	NON-APPLIC	-	-
165	913F VALUATION ALLOWANCE - CHARITABLE CONTR C/F	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
166	914A SFAS 109 - DEFD SIT LIABILITY	-	-	-	-	-	-	-	0.985000	-	NET PLANT	-	-
167	914B REG ASSET - SFAS 109 DSIT LIAB	-	-	-	-	-	-	-	0.985000	-	NET PLANT	-	-
168	914K REG ASSET - ACCRUED SFAS 112	56,333	-	56,333	-	56,333	-	56,333	0.990000	55,770	LABOR	-	55,770
169	940S 1997-2003 IRS AUDIT SETTLEMENT	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
170	940X IRS CAPITALIZATION ADJUSTMENT	(11,155)	(11,155)	(0)	-	(0)	-	(0)	0.985000	-	GROSS PLT	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED	(691,072)	-	(691,072)	-	(691,072)	-	(691,072)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED-FERC	(4,616)	-	(4,616)	-	(4,616)	-	(4,616)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED-KY	(2,544,634)	-	(2,544,634)	-	(2,544,634)	-	(2,544,634)	1.000000	(2,544,634)	SPECIFIC	2,544,634	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED-FERC	(105,131)	-	(105,131)	-	(105,131)	-	(105,131)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED-KY	(6,052,711)	-	(6,052,711)	-	(6,052,711)	-	(6,052,711)	1.000000	(6,052,711)	SPECIFIC	6,052,711	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED	565,213	-	565,213	-	565,213	-	565,213	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED-FERC	(8,067)	-	(8,067)	-	(8,067)	-	(8,067)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED-KY	(909,531)	-	(909,531)	-	(909,531)	-	(909,531)	1.000000	(909,531)	SPECIFIC	909,531	-
	960F-XS EXCESS ADFIT 281 PROTECTED-FERC	(20,490)	-	(20,490)	-	(20,490)	-	(20,490)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 281 PROTECTED-KY	(751,633)	-	(751,633)	-	(751,633)	-	(751,633)	1.000000	(751,633)	SPECIFIC	751,633	-
	282 EXCESS ADJUSTMENT	(2,370,099)	-	(2,370,099)	-	(2,370,099)	-	(2,370,099)	0.000000	-	NON-APPLIC	-	-
	283 EXCESS ADJUSTMENT	2,467,228	-	2,467,228	-	2,467,228	-	2,467,228	0.000000	-	NON-APPLIC	-	-
171	980A RESTRICTED STOCK PLAN	(18,684)	(388,147)	369,463	-	369,463	-	369,463	0.985000	363,921	GROSS PLT	-	363,921
	980J PSI - STOCK BASED COMP		55,054	(55,054)	-	(55,054)	-	(55,054)	0.985000	(54,228)	GROSS PLT	-	(54,228)
172	960E AMT CREDIT - DEFERRED	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
173	**Total OTHER MISCELLANEOUS**	**(8,108,779)**	**(3,239,578)**	**(4,869,201)**	**-**	**(4,869,201)**	**-**	**(4,869,201)**		**(4,791,948)**		**10,378,073**	**5,586,125**
174	==========												
175	**PERMANENT SCHEDULE M's**												
176	611M NON-TAXABLE DEFD COMP - CSV EARN	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
177	906B SFAS 106 - POST RETIRE BEN MEDICARE SUBSIDY	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
178	910B NON-DEDUCT MEALS AND T&E	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
179	910C NON-DEDUCT FINES&PENALTIES	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
180	910E NON-DEDUCT MISCELLANEOUS	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
181	910S NON-DEDUCT LOBBYING	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
182	910U MEMBERSHIP DUES	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
183	913A LUXURY AUTO ADJUSTMENT	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
184	970A MANUFACTURING DEDUCTION	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
185	999Q FIN-48 DSIT - PERM - FIN 48	-	13,958	(13,958)	-	(13,958)	-	(13,958)	0.000000	-	NON-APPLIC	-	-
186	**Total PERMANENT SCHEDULE M's**	**-**	**13,958**	**(13,958)**	**-**	**(13,958)**	**-**	**(13,958)**		**-**		**-**	**-**
187	==========												
188	**TAX ACCRUALS**												
189	711N CAPITALIZED SOFTWARE COSTS-TAX	23,700	(2,352)	26,052	-	26,052	-	26,052	0.985000	25,661	GROSS PLT	-	25,661
190	711O BOOK LEASES CAPITALIZED FOR TAX	(107,140)	(107,140)	(0)	-	(0)	-	(0)	0.985000	-	GROSS PLT	-	-
191	**Total TAX ACCRUALS**	**(83,440)**	**(109,492)**	**26,052**	**-**	**26,052**	**-**	**26,052**		**25,661**		**-**	**25,661**
192	==========												

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
193	**TAX DEFERRALS**												
194	712K CAPITALIZED SOFTWARE COST-BOOK	803,328	22,450	780,878	-	780,878	-	780,878	0.985000	769,164	GROSS PLT	-	769,164
195	**Total TAX DEFERRALS**	**803,328**	**22,450**	**780,878**	**-**	**780,878**	**-**	**780,878**		**769,164**		**-**	**769,164**
196	==========												
197	**TAX vs BOOK GAIN / LOSS**												
198	690E REG ASSET - UNRECOVERED PLANT - BIG SANDY	(7,817)	-	(7,817)	-	(7,817)	-	(7,817)	0.985000	(7,700)	DEMAND	-	(7,700)
199	**Total TAX vs BOOK GAIN / LOSS**	**(7,817)**	**-**	**(7,817)**	**-**	**(7,817)**	**-**	**(7,817)**		**(7,700)**		**-**	**(7,700)**
200	==========												

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount
201	**MARK-TO-MARKET ADJUSTMENTS**												
202	575A MTM BK GAIN-B/L-TAX DEFL	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
203	575E MTM BK GAIN-A/L-TAX DEFL	(1,358,849)	(20,577)	(1,338,272)	-	(1,338,272)	-	(1,338,272)	0.986000	(1,319,536)	ENERGY	-	(1,319,536)
204	576A MARK & SPREAD-DEFL-283-B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
205	576C MARK & SPREAD-DEFL-190-B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
206	576E MARK & SPREAD-DEFL-283-A/L	(60,341)	-	(60,341)	-	(60,341)	-	(60,341)	0.986000	(59,497)	ENERGY	-	(59,497)
207	576F MARK & SPREAD-DEFL-190-A/L	(144)	(144)	(0)	-	(0)	-	(0)	0.986000	-	ENERGY	-	-
208	610U PROV-TRADING CREDIT RISK - A/L	(1,928)	-	(1,928)	-	(1,928)	-	(1,928)	0.986000	(1,901)	ENERGY	-	(1,901)
209	610V PROV - SFAS 157 - A/L	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
210	610W PROV-TRADING CREDIT RISK - B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
211	610X PROV - SFAS 157 - B/L	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
212	652G REG LIAB-UNREAL MTM GAIN-DEFL	691,058	-	691,058	-	691,058	-	691,058	0.986000	681,383	ENERGY	-	681,383
213	**Total MARK-TO-MARKET ADJUSTMENTS**	**(730,205)**	**(20,721)**	**(709,484)**	**-**	**(709,484)**	**-**	**(709,484)**		**(699,551)**		**-**	**(699,551)**
214	==========												
215	**EMISSION ALLOWANCES**												
216	638A BOOK > TAX BASIS - EMA-A/C 283	(67,327)	-	(67,327)	-	(67,327)	-	(67,327)	0.986000	(66,385)	ENERGY	-	(66,385)
217	638C TAX > BOOK BASIS - EMA-A/C 190	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
218	639M TAX > BOOK BASIS - EMA-A/C 190 (B/L)	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
219	639O BOOK > TAX BASIS EMA - 283 (B/L)	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
220	639Q DEFD TAX GAIN - INTERCO SALE - EMA	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
221	639S DEFD TAX LOSS - INTERCO SALE - EMA	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
222	640K DEFD TAX GAIN-EPA AUCTION	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
223	**Total EMISSION ALLOWANCES**	**(67,327)**	**-**	**(67,327)**	**-**	**(67,327)**	**-**	**(67,327)**		**(66,385)**		**-**	**(66,385)**
224	==========												
225	**TOTAL DEFERRED FEDERAL INCOME TAXES**	**3,460,762**	**(1,051,747)**	**4,512,509**	**-**	**4,512,509**	**-**	**4,512,509**		**4,429,079**		**10,486,154**	**14,915,233**
226	==========												
227													
228													
229	**DEFERRED INVESTMENT TAX CREDITS:**												
230	ITC Feedback - Prior Years 10%	(28)	-	(28)	-	(28)	-	(28)	0.985000	(27)	GROSS PLT	-	(27)
231	ITC Feedback - Prior Years 4%	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
232	Tax Credit Carryforward	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
233	FIN 48 Perm Items	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
234	FIN 48 Non-Perm Items	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
235	ITC Feedback - HRJ 10%	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
236	**TOTAL DEFERRED INVESTMENT TAX CREDITS**	**(28)**	**-**	**(28)**	**-**	**(28)**	**-**	**(28)**		**(27)**		**-**	**(27)**
237													
238													
239													
240	**TOTAL DEFERRED FIT AND ITC**	**3,460,734**	**(1,051,747)**	**4,512,482**	**-**	**4,512,482**	**-**	**4,512,482**		**4,429,052**		**10,486,154**	**14,915,206**
241													

Kentucky Power Company
Computation of Per Books
Deferred Federal Income Tax and Deferred ITC
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	**DEFERRED FEDERAL INCOME TAXES:**	(1) Total Company Per Books DFIT 12 Mo. 03/31/20	(2) Less Non-Utility/ Non-Applicable	(3) Total Company Electric Utility DFIT Before Assign & Adjust.	(4) Deferred FIT Associated With Rate Case Adjustments	(5) Total Company Electric Utility After Mitchell Plant Adjustments	(6) Rate Case Adjustments	(7) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(8) KY Jurisdictional Allocation Factor	(9) KY Jurisdictional Allocated Amount	(10) Allocation Basis	(11) Kentucky Jurisdictional Adjustments	(12) KY Jurisdictional Adjusted Amount

ALLOCATION FACTORS:

GROSS PLT	0.9850000
NET PLANT	0.9850000
PROD PLT	0.9850000
TRAN PLT	0.9850000
DIST PLT	0.9990000
T&D PLT	0.9930000
ENERGY	0.9860000
LABOR	0.9900000
O&M EXP	0.9790000
REVENUE	0.9930000
REVENUE-OTH	0.0000000
DEMAND	0.9850000
SPECIFIC	1.0000000
NON-APPLIC	0.0000000
NON-UTILITY	0.0000000

Kentucky Power Company
Computation of Adjusted
Deferred Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Electric Utility Sch M Per Books 12 Mo. 03/31/20	(2) Schedule M x FIT Rate @ 21%	(3) DFIT Feedback/ Excess For 12 Months Based on 12 Mo. 03/31/20	(4) Total Company Electric Utility DFIT before Assign & Adjust.	(5) Elimination Adjustments	(6) Total Company Electric Utility After Assignment	(7) Rate Case Adjustments	(8) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(9) KY Jurisdictional Allocation Factor	(10) KY Jurisdictional Allocated Amount	(11) Allocation Basis	(12) Kentucky Jurisdictional Adjustments	(13) KY Jurisdictional Adjusted Amount
1	**EXCESS TAX vs BOOK DEPRECIATION**													
2	210A LIBERALIZED DEPR-REG	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
3	210A-XS EXCESS DFIT - LIBERALIZED DEPR-REG	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
4	230A ACRS BENEFIT NORMALIZED	(8,262,127)	1,735,047	-	1,735,047	-	1,735,047	-	1,735,047	0.985000	1,709,021	GROSS PLT	(976,309)	732,712
5	230A-XS EXCESS DIT - ACRS NORM REVERSAL	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
	230B 481 A BONUS DEPRECIATION	2,435,817	(511,522)	-	(511,522)	-	(511,522)	-	(511,522)	0.985000	(503,849)	GROSS PLT	-	(503,849)
6	230I CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
7	230J RELOCATION CST-SECTION 481(a)-CHANGE IN METHD	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
8	230K PJM INTEGRATION-SEC 481(a)-INTANG-DFD LABOR	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
9	230X R&D DEDUCTION - SECTION 174	35,466	(7,448)	-	(7,448)	-	(7,448)	-	(7,448)	0.985000	(7,336)	PROD PLT	-	(7,336)
10	232A ACRS TAX DEPRECIATION - HRJ	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
11	232A-XS EXCESS DIT - ACRS TAX DEPR - HRJ	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
12	280A EXCESS TX VS S/L BK DEPR	16,736,103	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
13	280H BK PLANT IN SERVICE - SFAS 143 - ARO	1,703,875	(357,814)	-	(357,814)	-	(357,814)	-	(357,814)	0.985000	(352,447)	PROD PLT	(10,843)	(363,290)
	280J TAX DEPRECIATION LOOKBACK	5,173,781	(1,086,494)	-	(1,086,494)	-	(1,086,494)	-	(1,086,494)	0.985000	(1,070,197)	GROSS PLT	-	(1,070,197)
14	280Y NORMALIZED BASIS DIFF - TRANSFERRED PLANT	-	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
15	280Z DFIT - GENERATION PLANT	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
16	295A GAIN/LOSS ON ACRS/MACRS PROPERTY	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
17	295A GAIN/LOSS ON ACRS/MACRS PROPERTY - DFIT FBK	-	-	(1,060,090)	(1,060,090)	-	(1,060,090)	-	(1,060,090)	0.985000	(1,044,189)	GROSS PLT	-	(1,044,189)
18	295C GAIN/LOSS ACRS/MACRS-BK/TX UNIT PROPERTY	-	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
19	390A CIAC - BOOK RECEIPTS	574,258	(120,594)	-	(120,594)	-	(120,594)	-	(120,594)	0.999000	(120,473)	DIST PLT	-	(120,473)
20	**Total EXCESS TAX vs BOOK DEPRECIATION**	**18,397,173**	**(348,825)**	**(1,060,090)**	**(1,408,915)**	**-**	**(1,408,915)**	**-**	**(1,408,915)**		**(1,389,470)**		**(987,152)**	**(2,376,622)**
21	==========													
22	**AFUDC / INTEREST CAPITALIZED**													
23	310A AOFUDC	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
24	310D AOFUDC - HRJ POST-IN-SERVICE	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
25	320A ABFUDC	(1,400,487)	294,102	-	294,102	-	294,102	-	294,102	0.985000	289,690	GROSS PLT	95,271	384,961
26	320A ABFUDC - DFIT FBK	-	-	(170,085)	(170,085)	-	(170,085)	-	(170,085)	0.985000	(167,534)	GROSS PLT	-	(167,534)
27	320J ABFUDC - HRJ - DFIT FBK	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
28	320I ABFUDC - HRJ POST-IN-SERVICE	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
29	320I ABFUDC - HRJ POST-IN-SERVICE - DFIT FBK	-	-	(4,468)	(4,468)	-	(4,468)	-	(4,468)	0.985000	(4,401)	TRAN PLT	-	(4,401)
30	380J INT EXP CAPITALIZED FOR TAX	2,624,157	(551,073)	-	(551,073)	-	(551,073)	-	(551,073)	0.985000	(542,807)	GROSS PLT	-	(542,807)
31	380J INT EXP CAPITALIZED FOR TAX - DFIT FBK	-	-	292,239	292,239	-	292,239	-	292,239	0.985000	287,855	GROSS PLT	-	287,855
32	**Total AFUDC / INTEREST CAPITALIZED**	**1,223,670**	**(256,971)**	**117,686**	**(139,285)**	**-**	**(139,285)**	**-**	**(139,285)**		**(137,197)**		**95,271**	**(41,926)**
33	==========													
34	**MISC OVERHEADS CAPITALIZED**													
35	350A TXS CAPD - DFIT FBK	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
36	360A PENS CAPD - DFIT FBK	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
37	360J SEC 481 PENS/OPEB ADJUSTMENT	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
38	370A SAV PLAN CAPD - DFIT FBK	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
39	**Total MISC OVERHEADS CAPITALIZED**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
40	==========													
41	**PERCENT REPAIR ALLOWANCE**													
42	532A PERCENT REPAIR ALLOWANCE	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
43	532A PERCENT REPAIR ALLOWANCE - DFIT FBK	-	-	(205,482)	(205,482)	-	(205,482)	-	(205,482)	0.985000	(202,400)	GROSS PLT	-	(202,400)
44	532C BOOK/TAX UNIT OF PROPERTY ADJ	(45,576,565)	9,571,079	-	9,571,079	-	9,571,079	-	9,571,079	0.985000	9,427,513	PROD PLT	-	9,427,513
45	532D BK/TX UNIT OF PROPERTY ADJ - SECTION 481	-	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
46	534A CAPITALIZED RELOCATION COSTS	(114)	24	-	24	-	24	-	24	0.985000	24	GROSS PLT	-	24
47	534A CAPITALIZED RELOCATION COSTS - DFIT FBK	-	-	(22,175)	(22,175)	-	(22,175)	-	(22,175)	0.985000	(21,842)	GROSS PLT	-	(21,842)
48	**Total PERCENT REPAIR ALLOWANCE**	**(45,576,679)**	**9,571,103**	**(227,657)**	**9,343,446**	**-**	**9,343,446**	**-**	**9,343,446**		**9,203,295**		**-**	**9,203,295**
49	==========													
50	**REMOVAL COSTS**													
51	910K REMOVAL CST	(6,083,000)	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
52	912K REMOVAL CST - NORMALIZED	(3,483,000)	731,430	-	731,430	-	731,430	-	731,430	0.985000	720,459	GROSS PLT	-	720,459
53	**Total REMOVAL COSTS**	**(9,566,000)**	**731,430**	**-**	**731,430**	**-**	**731,430**	**-**	**731,430**		**720,459**		**-**	**720,459**
54	==========													
55	**ACCELERATED AMORTIZATION**													
56	533A TX AMORT POLLUTION CONT EQPT	9,512,222	(1,997,567)	-	(1,997,567)	-	(1,997,567)	-	(1,997,567)	0.985000	(1,967,603)	PROD PLT	-	(1,967,603)
57	**Total ACCELERATED AMORTIZATION**	**9,512,222**	**(1,997,567)**	**-**	**(1,997,567)**	**-**	**(1,997,567)**	**-**	**(1,997,567)**		**(1,967,603)**		**-**	**(1,967,603)**
58	==========													

Kentucky Power Company
Computation of Adjusted
Deferred Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Electric Utility Sch M Per Books 12 Mo. 03/31/20	(2) Schedule M x FIT Rate @ 21%	(3) DFIT Feedback/ Excess For 12 Months Based on 12 Mo. 03/31/20	(4) Total Company Electric Utility DFIT before Assign & Adjust.	(5) Elimination Adjustments	(6) Total Company Electric Utility After Assignment	(7) Rate Case Adjustments	(8) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(9) KY Jurisdictional Allocation Factor	(10) KY Jurisdictional Allocated Amount	(11) Allocation Basis	(12) Kentucky Jurisdictional Adjustments	(13) KY Jurisdictional Adjusted Amount
59	**PROPERTY TAX ADJUSTMENTS**													
60	510I PROPERTY TAX - STATE 2 - OLD METHOD - TAX	(761,247)	159,862	-	159,862	-	159,862	-	159,862	0.985000	157,464	NET PLANT	-	157,464
61	**Total PROPERTY TAX ADJUSTMENTS**	**(761,247)**	**159,862**	**-**	**159,862**	**-**	**159,862**	**-**	**159,862**		**157,464**		**-**	**157,464**
62	==========													
63	**REVENUE REFUNDS**													
64	520A PROVS POSS REV REFDS	(17,065)	3,584	-	3,584	-	3,584	-	3,584	1.000000	3,584	SPECIFIC	-	3,584
	520X PROV FOR RATE REFUND-TAX REFORM	(179,548)	37,705	-	37,705	-	37,705	-	37,705	1.000000	37,705	SPECIFIC	-	37,705
	520Y PROV FOR RATE REFUND-EXCESS PROTECTED	(63,846)	13,408	-	13,408	-	13,408	-	13,408	1.000000	13,408	SPECIFIC	-	13,408
65	**Total REVENUE REFUNDS**	**(260,459)**	**54,697**	**-**	**54,697**	**-**	**54,697**	**-**	**54,697**		**54,697**		**-**	**54,697**
66	==========													
67	**DEFERRED FUEL COSTS**													
68	432I DEFD FUEL EXP - UNDER-RECOVERED	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
69	432I DEFD FUEL EXP - OVER-RECOVERED	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
70	**Total DEFERRED FUEL COSTS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
71	==========													
72	**EQUITY IN EARNINGS OF SUBSIDIARIES**													
73	531A EQTY IN SUBSIDIARIES (US)	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
74	**Total EQUITY IN EARNINGS OF SUBSIDIARIES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
75	==========													
76	**BOOK ACCRUALS**													
77	602A PROV WORKER'S COMP	(379,963)	79,792	-	79,792	-	79,792	-	79,792	0.990000	78,994	LABOR	-	78,994
78	605B ACCRUED BK PENSION EXPENSE	1,045,409	(219,536)	-	(219,536)	-	(219,536)	-	(219,536)	0.990000	(217,341)	LABOR	(507)	(217,848)
79	605C ACCRUED BK PENSION COSTS - SFAS 158	535,524	(112,460)	-	(112,460)	-	(112,460)	-	(112,460)	0.990000	(111,335)	LABOR	-	(111,335)
80	605E SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	5,839	(1,226)	-	(1,226)	-	(1,226)	-	(1,226)	0.990000	(1,214)	LABOR	-	(1,214)
81	605F ACCRD SUP EXEC RETIRE PLAN COSTS-SFAS 158	(332)	70	-	70	-	70	-	70	0.990000	69	LABOR	-	69
82	605I ACCRD BK SUP. SAVINGS PLAN EXP	(727)	153	-	153	-	153	-	153	0.990000	151	LABOR	-	151
83	605O ACCRUED PSI PLAN EXP	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
	605P STOCK BASED COMP-CAREER SHARES	181,212	(38,055)	-	(38,055)	-	(38,055)	-	(38,055)	0.990000	(37,674)	LABOR	-	(37,674)
84	610A BK PROV UNCOLL ACCTS	404,340	(84,911)	-	(84,911)	-	(84,911)	-	(84,911)	1.000000	(84,911)	SPECIFIC	-	(84,911)
85	612G ACCRD COMPANY INCENT PLAN - ENGAGE TO GAIN	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
86	612Y ACCRD COMPANYWIDE INCENT PLAN	(458,101)	96,201	-	96,201	-	96,201	-	96,201	0.990000	95,239	LABOR	(95,239)	-
87	613E ACCRUED BOOK VACATION PAY	369,254	(77,543)	-	(77,543)	-	(77,543)	-	(77,543)	0.990000	(76,768)	LABOR	-	(76,768)
88	613K (ICDP) INCENTIVE COMP DEFERRAL PLAN	(2,290)	481	-	481	-	481	-	481	0.990000	476	LABOR	-	476
89	613Y ACCRD BK SEVERANCE BENEFITS	(2,110,344)	443,172	-	443,172	-	443,172	-	443,172	0.990000	438,740	LABOR	-	438,740
90	614I ECONOMIC DEVEL FUND - CURRENT	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
91	614J ECONOMIC DEVEL FUND - NON-CURRENT	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
92	614L PROVISION FOR POTENTIAL LOSS	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
93	615A ACCRUED INTEREST EXP -STATE	-	-	-	-	-	-	-	-	0.993000	-	REVENUE	-	-
94	615B ACCRUED INTEREST-LONG-TERM - FIN 48	(7,890)	1,657	-	1,657	-	1,657	-	1,657	0.000000	-	NON-APPLIC	-	-
95	615C ACCRUED INTEREST-SHORT-TERM - FIN 48	(7,441)	1,563	-	1,563	-	1,563	-	1,563	0.000000	-	NON-APPLIC	-	-
96	615E ACCRUED STATE INCOME TAX EXP	-	-	-	-	-	-	-	-	0.993000	-	REVENUE	-	-
97	615R REG ASSET - DEFERRED RTO COSTS	73,336	(15,401)	-	(15,401)	-	(15,401)	-	(15,401)	0.985000	(15,170)	TRAN PLT	-	(15,170)
98	625A FEDERAL MITIGATION PROGRAMS	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
99	625B STATE MITIGATION PROGRAMS	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
100	**Total BOOK ACCRUALS**	**(352,174)**	**73,957**	**-**	**73,957**	**-**	**73,957**	**-**	**73,957**		**69,256**		**(95,746)**	**(26,490)**
101	==========													

Kentucky Power Company
Computation of Adjusted
Deferred Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Electric Utility Sch M Per Books 12 Mo. 03/31/20	(2) Schedule M x FIT Rate @ 21%	(3) DFIT Feedback/ Excess For 12 Months Based on 12 Mo. 03/31/20	(4) Total Company Electric Utility DFIT before Assign & Adjust.	(5) Elimination Adjustments	(6) Total Company Electric Utility After Assignment	(7) Rate Case Adjustments	(8) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(9) KY Jurisdictional Allocation Factor	(10) KY Jurisdictional Allocated Amount	(11) Allocation Basis	(12) Kentucky Jurisdictional Adjustments	(13) KY Jurisdictional Adjusted Amount
102	**BOOK DEFERRALS**													
103	390F CUST ADV INC FOR TAX	2,936	(617)	-	(617)	-	(617)	-	(617)	0.999000	(616)	DIST PLT	-	(616)
104	630F DEFD BK CONTRACT REVENUE	64,321	(13,507)	-	(13,507)	-	(13,507)	-	(13,507)	0.993000	(13,412)	REVENUE	-	(13,412)
105	630J DEFD STORM DAMAGE	2,066,559	(433,977)	-	(433,977)	-	(433,977)	-	(433,977)	0.985000	(427,467)	DEMAND	-	(427,467)
106	632U BK DEFL - DEMAND SIDE MANAGEMENT	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
107	641I ADVANCE RENTAL INC (CUR MO)	(10,618)	2,230	-	2,230	-	2,230	-	2,230	0.993000	2,214	REVENUE	-	2,214
108	642B DEFD REV - BONUS LEASE SHORT-TERM	(13,196)	2,771	-	2,771	-	2,771	-	2,771	0.993000	2,752	REVENUE	-	2,752
109	642C DEFD REV - BONUS LEASE LONG-TERM	68,302	(14,343)	-	(14,343)	-	(14,343)	-	(14,343)	0.993000	(14,243)	REVENUE	-	(14,243)
110	660X REG ASSET - DEFERRED PJM FEES	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
111	660Z REG ASSET - DEFERRED EQUITY CARRYING CHGS	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
112	661R REG ASSET - SFAS 158 - PENSIONS	(535,524)	112,460	-	112,460	-	112,460	-	112,460	0.990000	111,335	LABOR	-	111,335
113	661S REG ASSET - SFAS 158 - SERP	332	(70)	-	(70)	-	(70)	-	(70)	0.990000	(69)	LABOR	-	(69)
114	661T REG ASSET - SFAS 158 - OPEB	3,596,491	(755,263)	-	(755,263)	-	(755,263)	-	(755,263)	0.990000	(747,710)	LABOR	-	(747,710)
115	663G REG ASSET - UNDERRECOVERY PJM EXPENSES	-	-	-	-	-	-	-	-	0.985000	-	TRAN PLT	-	-
116	664N REG ASSET - DEFD SEVERANCE COSTS	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
117	664V REG ASSET - NET CCS FEED STUDY COSTS	34,914	(7,332)	-	(7,332)	-	(7,332)	-	(7,332)	0.985000	(7,222)	DEMAND	-	(7,222)
118	690C REG ASSET - REMOVAL CST - BIG SANDY	(462,688)	97,164	-	97,164	-	97,164	-	97,164	0.985000	95,707	DEMAND	-	95,707
119	690D REG ASSET - SPENT ARO - BIG SANDY	(22,282,236)	4,679,270	-	4,679,270	-	4,679,270	-	4,679,270	0.985000	4,609,081	DEMAND	-	4,609,081
120	690F REG ASSET - NBV - ARO - RETIRED PLANTS	20,643,299	(4,335,093)	-	(4,335,093)	-	(4,335,093)	-	(4,335,093)	0.985000	(4,270,067)	DEMAND	-	(4,270,067)
121	671G REG ASSET-BIG SANDY U1 OR-UNDER RECOV	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
122	671H REG ASSET-BIG SANDY RETIRE COSTS RECOV	6,189,686	(1,299,834)	-	(1,299,834)	-	(1,299,834)	-	(1,299,834)	1.000000	(1,299,834)	SPECIFIC	1,299,834	-
123	671I REG ASSET-BIG SANDY RETIRE RIDER U2 O&M	(260,031)	54,607	-	54,607	-	54,607	-	54,607	0.986000	53,843	ENERGY	(53,842)	1
124	671J REG ASSET-UND RECOV-PURCH PWR PPA	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
125	671K REG ASSET-DEFD DEPREC-ENVIRONMENTAL	(464,470)	97,539	-	97,539	-	97,539	-	97,539	0.985000	96,076	GROSS PLT	(96,076)	-
126	671L REG ASSET-CAR CHGS-ENVIRON COSTS	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
127	671M REG ASSET-CAR CHGS-ENVIRON UNREC EQUITY	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
128	671N REG ASSET-DEFD O&M-ENVIRONMENTAL CSTS	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
129	671O REG ASSET-DEFD CONSUM EXP-ENVIRON CSTS	-	-	-	-	-	-	-	-	0.985660	-	SPECIFIC	-	-
130	671P REG ASSET-DEFD PROP TAX EXP-ENVIRON CSTS	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
131	672G REG ASSET-BIG SANDY U1 OR-UNREC EQUITY CC	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
132	672H REG ASSET-BIG SANDY U1 OR-UNDER RECOV CC	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
133	672M REG ASSET-NERC COMPL/CYBER CC-UNREC EQ	27,807	(5,839)	-	(5,839)	-	(5,839)	-	(5,839)	0.000000	-	NON-APPLIC	-	-
134	672N REG ASSET-NERC COMPL/CYBER SEC-CAR CST	(58,428)	12,270	-	12,270	-	12,270	-	12,270	0.000000	-	NON-APPLIC	-	-
135	672O REG ASSET-NERC COMPL/CYBER SEC-DEF DEPR	(188,154)	39,512	-	39,512	-	39,512	-	39,512	1.000000	39,512	SPECIFIC	(61,172)	(21,660)
136	672S REG ASSET-CAPACITY CHARGE TARIFF REV	(36,929)	7,755	-	7,755	-	7,755	-	7,755	1.000000	7,755	SPECIFIC	-	7,755
137	673C REG ASSET-DEFD DEPR-BIG SANDY U1 GAS	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
138	673F REG ASSET-DEFD PROP TAX-BIG SANDY U1 GAS	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	674A REG ASSET-ROCKPORT CAPACITY DEF-EQ CC	736,511	(154,667)	-	(154,667)	-	(154,667)	-	(154,667)	0.985000	(152,347)	GROSS PLT	-	(152,347)
	674B REG ASSET-ROCKPORT CAPACITY CC DEFERRAL	(1,543,540)	324,143	-	324,143	-	324,143	-	324,143	0.985000	319,281	GROSS PLT	-	319,281
	674C REG ASSET-ROCKPORT CAPACITY DEFERRAL	(13,750,000)	2,887,500	-	2,887,500	-	2,887,500	-	2,887,500	0.985000	2,844,188	GROSS PLT	-	2,844,188
	674D REG ASSET-KENTUCKY UNDER RECOV-PPA RIDER	(5,956,226)	1,250,807	-	1,250,807	-	1,250,807	-	1,250,807	0.985000	1,232,045	GROSS PLT	-	1,232,045
	675H REG ASSET-GreenHat Settlement	(333,380)	70,010	-	70,010	-	70,010	-	70,010	0.985000	68,960	GROSS PLT	6,964	75,924
	675I REG ASSET-Greenhat Liability	294,066	(61,754)	-	(61,754)	-	(61,754)	-	(61,754)	0.985000	(60,828)	GROSS PLT	-	(60,828)
139	690L REG ASSET-M&S RETIRING PLANTS	-	-	-	-	-	-	-	-	0.985000	-	DEMAND	-	-
140														
141	**Total BOOK DEFERRALS**	**(12,170,195)**	**2,555,742**	**-**	**2,555,742**	**-**	**2,555,742**	**-**	**2,555,742**		**2,488,934**		**1,095,708**	**3,584,642**
142	==========													
143	**BOOK RESERVES**													
144	611B PRELIM SURVEY & INVEST RESERVE-BIG SANDY FGD	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
145	**Total BOOK RESERVES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**		**-**	**-**
146	==========													

Kentucky Power Company
Computation of Adjusted
Deferred Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Electric Utility Sch M Per Books 12 Mo. 03/31/20	(2) Schedule M x FIT Rate @ 21%	(3) DFIT Feedback/ Excess For 12 Months Based on 12 Mo. 03/31/20	(4) Total Company Electric Utility DFIT before Assign & Adjust.	(5) Elimination Adjustments	(6) Total Company Electric Utility After Assignment	(7) Rate Case Adjustments	(8) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(9) KY Jurisdictional Allocation Factor	(10) KY Jurisdictional Allocated Amount	(11) Allocation Basis	(12) Kentucky Jurisdictional Adjustments	(13) KY Jurisdictional Adjusted Amount
147	**OTHER MISCELLANEOUS**													
148	900A LOSS ON REACQUIRED DEBT	33,651	(7,067)	-	(7,067)	-	(7,067)	-	(7,067)	0.985000	(6,961)	GROSS PLT	-	(6,961)
149	906A ACCRD SFAS 106 PST RETIRE EXP	(2,716,963)	570,562	-	570,562	-	570,562	-	570,562	0.990000	564,856	LABOR	2,364	567,220
150	906F ACCRD OPEB COSTS - SFAS 158	(3,596,491)	755,263	-	755,263	-	755,263	-	755,263	0.990000	747,710	LABOR	-	747,710
151	906K ACCRD SFAS 112 PST EMPLOY BEN	151,273	(31,767)	-	(31,767)	-	(31,767)	-	(31,767)	0.990000	(31,449)	LABOR	-	(31,449)
152	906P ACCRD BOOK ARO EXPENSE - SFAS 143	(18,635,614)	3,913,479	-	3,913,479	-	3,913,479	-	3,913,479	0.985000	3,854,777	PROD PLT	31,564	3,886,341
153	906Z SFAS 109 - MEDICARE SUBSIDY (PPACA) REG ASSET	216,620	(45,490)	-	(45,490)	-	(45,490)	-	(45,490)	0.990000	(45,035)	LABOR	-	(45,035)
154	907A REG ASSET - MEDICARE SUBSIDY - FLOW THRU	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
155	907B SFAS 106 - MEDICARE SUBSIDY - NORMALIZED	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
	908A BOOK OPERATING LEASE - LIAB	(8,597,566)	1,805,489	-	1,805,489	-	1,805,489	-	1,805,489	0.985000	1,778,407	GROSS PLT	-	1,778,407
	908B BOOK OPERATING LEASE - ASSET	8,624,454	(1,811,135)	-	(1,811,135)	-	(1,811,135)	-	(1,811,135)	0.985000	(1,783,968)	GROSS PLT	-	(1,783,968)
156	910A GAIN ON REACQUIRED DEBT - DFIT FBK	-	-	-	-	-	-	-	-	1.000000	-	SPECIFIC	-	-
	910M GROSS RECEIPTS- TAX EXPENSE	(71,358)	14,985	-	14,985	-	14,985	-	14,985	0.985000	14,760	GROSS PLT	-	14,760
157	911F FIN 48 DEFERRED STATE INCOME TAXES	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
158	911Q DEFERRED STATE INCOME TAXES	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
159	011C TAX CREDIT C/F - DEFERRED TAX ASSET	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
160	014C NOL - STATE C/F DEFD TAX ASSET - KY	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	911L-DSIT DSIT ENTRY - WV POLLUTION CONTROL			95,065	95,065	-	95,065	-	95,065	0.985000	93,639	GROSS PLT	-	93,639
161	911S ACCRUED SALES & USE TAX RESERVE	414,000	(86,940)	-	(86,940)	-	(86,940)	-	(86,940)	0.985000	(85,636)	GROSS PLT	85,636	-
162	911V ACCRD SIT TX RESERVE-LNG-TERM-FIN 48	(34,849)	7,318	-	7,318	-	7,318	-	7,318	0.000000	-	NON-APPLIC	-	-
163	911W ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48	(27,798)	5,838	-	5,838	-	5,838	-	5,838	0.000000	-	NON-APPLIC	-	-
164	913D CHARITABLE CONTRIBUTION CARRYFWD	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
165	913F VALUATION ALLOWANCE - CHARITABLE CONTR C/F	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
166	914A SFAS 109 - DEFD SIT LIABILITY	7,452,221	-	-	-	-	-	-	-	0.985000	-	NET PLANT	-	-
167	914B REG ASSET - SFAS 109 DSIT LIAB	(7,452,221)	-	-	-	-	-	-	-	0.985000	-	NET PLANT	-	-
168	914K REG ASSET - ACCRUED SFAS 112	(268,254)	56,333	-	56,333	-	56,333	-	56,333	0.990000	55,770	LABOR	-	55,770
169	940S 1997-2003 IRS AUDIT SETTLEMENT	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
170	940X IRS CAPITALIZATION ADJUSTMENT	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED	-	-	(691,072)	(691,072)	-	(691,072)	-	(691,072)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED-FERC	-	-	(4,616)	(4,616)	-	(4,616)	-	(4,616)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 PROTECTED-KY	-	-	(2,544,634)	(2,544,634)	-	(2,544,634)	-	(2,544,634)	1.000000	(2,544,634)	SPECIFIC	2,544,634	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED-FERC	-	-	(105,131)	(105,131)	-	(105,131)	-	(105,131)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 282 UNPROTECTED-KY	-	-	(6,052,711)	(6,052,711)	-	(6,052,711)	-	(6,052,711)	1.000000	(6,052,711)	SPECIFIC	6,052,711	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED	-	-	565,213	565,213	-	565,213	-	565,213	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED-FERC	-	-	(8,067)	(8,067)	-	(8,067)	-	(8,067)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 283 UNPROTECTED-KY	-	-	(909,531)	(909,531)	-	(909,531)	-	(909,531)	1.000000	(909,531)	SPECIFIC	909,531	-
	960F-XS EXCESS ADFIT 281 PROTECTED-FERC	-	-	(20,490)	(20,490)	-	(20,490)	-	(20,490)	0.000000	-	NON-APPLIC	-	-
	960F-XS EXCESS ADFIT 281 PROTECTED-KY	-	-	(751,633)	(751,633)	-	(751,633)	-	(751,633)	1.000000	(751,633)	SPECIFIC	751,633	-
	282 EXCESS ADJUSTMENT	-	-	(2,370,099)	(2,370,099)	-	(2,370,099)	-	(2,370,099)	0.000000	-	NON-APPLIC	-	-
	283 EXCESS ADJUSTMENT	-	-	2,467,228	2,467,228	-	2,467,228	-	2,467,228	0.000000	-	NON-APPLIC	-	-
171	980A RESTRICTED STOCK PLAN	(1,759,348)	369,463	-	369,463	-	369,463	-	369,463	0.985000	363,921	GROSS PLT	-	363,921
	980J PSI - STOCK BASED COMP	262,164	(55,054)	-	(55,054)	-	(55,054)	-	(55,054)	0.985000	(54,228)	GROSS PLT	-	(54,228)
172	960E AMT CREDIT - DEFERRED	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
173	**Total OTHER MISCELLANEOUS**	**(26,006,079)**	**5,461,277**	**(10,330,478)**	**(4,869,201)**	**-**	**(4,869,201)**	**-**	**(4,869,201)**		**(4,791,946)**		**10,378,073**	**5,586,127**
174	==========													
175	**PERMANENT SCHEDULE M's**													
	605T STOCK BASED COMP-CAREER SHARES-PERM	139,417	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
176	611M NON-TAXABLE DEFD COMP - CSV EARN	(918)	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
177	906B SFAS 106 - POST RETIRE BEN MEDICARE SUBSIDY	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
178	910B NON-DEDUCT MEALS AND T&E	93,822	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
179	910C NON-DEDUCT FINES&PENALTIES	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
180	910E NON-DEDUCT MISCELLANEOUS	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
181	910S NON-DEDUCT LOBBYING	-	-	-	-	-	-	-	-	0.000000	-	NON-APPLIC	-	-
182	910U MEMBERSHIP DUES	-	-	-	-	-	-	-	-	0.990000	-	LABOR	-	-
183	913A LUXURY AUTO ADJUSTMENT	-	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
184	970A MANUFACTURING DEDUCTION	-	-	-	-	-	-	-	-	0.985000	-	PROD PLT	-	-
	980B RESTRICTED STOCK PLAN - TAX DEDUCTION	(18,382)	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
185	999Q FIN-48 DSIT - PERM - FIN 48	66,465	(13,958)	-	(13,958)	-	(13,958)	-	(13,958)	0.000000	-	NON-APPLIC	-	-
186	**Total PERMANENT SCHEDULE M's**	**280,404**	**(13,958)**	**-**	**(13,958)**	**-**	**(13,958)**	**-**	**(13,958)**		**-**		**-**	**-**
187	==========													
188	**TAX ACCRUALS**													
189	711N CAPITALIZED SOFTWARE COSTS-TAX	(124,055)	26,052	-	26,052	-	26,052	-	26,052	0.985000	25,661	GROSS PLT	-	25,661
190	711O BOOK LEASES CAPITALIZED FOR TAX	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
191	**Total TAX ACCRUALS**	**(124,055)**	**26,052**	**-**	**26,052**	**-**	**26,052**	**-**	**26,052**		**25,661**		**-**	**25,661**
192	==========													
193	**TAX DEFERRALS**													
194	712K CAPITALIZED SOFTWARE COST-BOOK	(3,718,466)	780,878	-	780,878	-	780,878	-	780,878	0.985000	769,165	GROSS PLT	-	769,165
195	**Total TAX DEFERRALS**	**(3,718,466)**	**780,878**	**-**	**780,878**	**-**	**780,878**	**-**	**780,878**		**769,165**		**-**	**769,165**
196	==========													

Kentucky Power Company
Computation of Adjusted
Deferred Federal Income Tax Expense
Historical Test Year - As Adjusted
Twelve Months Ended March 31, 2020

Line No.	DEFERRED FEDERAL INCOME TAXES:	(1) Total Company Electric Utility Sch M Per Books 12 Mo. 03/31/20	(2) Schedule M x FIT Rate @ 21%	(3) DFIT Feedback/ Excess For 12 Months Based on 12 Mo. 03/31/20	(4) Total Company Electric Utility DFIT before Assign & Adjust.	(5) Elimination Adjustments	(6) Total Company Electric Utility After Assignment	(7) Rate Case Adjustments	(8) Total Co Electric Utility After Rate Adjustments 12 Mo. 03/31/20	(9) KY Jurisdictional Allocation Factor	(10) KY Jurisdictional Allocated Amount	(11) Allocation Basis	(12) Kentucky Jurisdictional Adjustments	(13) KY Jurisdictional Adjusted Amount
197	**TAX vs BOOK GAIN / LOSS**													
198	690E REG ASSET - UNRECOVERED PLANT - BIG SANDY	37,226	(7,817)	-	(7,817)	-	(7,817)	-	(7,817)	0.985000	(7,700)	DEMAND	-	(7,700)
199	**Total TAX vs BOOK GAIN / LOSS**	**37,226**	**(7,817)**	**-**	**(7,817)**	**-**	**(7,817)**	**-**	**(7,817)**		**(7,700)**		**-**	**(7,700)**
200	==========													
201	**MARK-TO-MARKET ADJUSTMENTS**													
202	575A MTM BK GAIN-B/L-TAX DEFL	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
203	575E MTM BK GAIN-A/L-TAX DEFL	6,372,725	(1,338,272)	-	(1,338,272)	-	(1,338,272)	-	(1,338,272)	0.986000	(1,319,536)	ENERGY	-	(1,319,536)
204	576A MARK & SPREAD-DEFL-283-B/L	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
205	576C MARK & SPREAD-DEFL-190-B/L	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
206	576E MARK & SPREAD-DEFL-283-A/L	287,340	(60,341)	-	(60,341)	-	(60,341)	-	(60,341)	0.986000	(59,496)	ENERGY	-	(59,496)
207	576F MARK & SPREAD-DEFL-190-A/L	-	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
208	610U PROV-TRADING CREDIT RISK - A/L	9,181	(1,928)	-	(1,928)	-	(1,928)	-	(1,928)	0.986000	(1,901)	ENERGY	-	(1,901)
209	610V PROV - SFAS 157 - A/L	-	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
210	610W PROV-TRADING CREDIT RISK - B/L	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
211	610X PROV - SFAS 157 - B/L	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
212	652G REG LIAB-UNREAL MTM GAIN-DEFL	(3,290,753)	691,058	-	691,058	-	691,058	-	691,058	0.986000	681,383	ENERGY	-	681,383
213	**Total MARK-TO-MARKET ADJUSTMENTS**	**3,378,493**	**(709,483)**	**-**	**(709,483)**	**-**	**(709,483)**	**-**	**(709,483)**		**(699,550)**		**-**	**(699,550)**
214	==========													
215	**EMISSION ALLOWANCES**													
216	638A BOOK > TAX BASIS - EMA-A/C 283	320,607	(67,327)	-	(67,327)	-	(67,327)	-	(67,327)	0.986000	(66,384)	ENERGY	-	(66,384)
217	638C TAX > BOOK BASIS - EMA-A/C 190	-	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
218	639M TAX > BOOK BASIS - EMA-A/C 190 (B/L)	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
219	639O BOOK > TAX BASIS EMA - 283 (B/L)	-	-	-	-	-	-	-	-	0.000000	-	NON-UTILITY	-	-
220	639Q DEFD TAX GAIN - INTERCO SALE - EMA	-	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
221	639S DEFD TAX LOSS - INTERCO SALE - EMA	-	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
222	640K DEFD TAX GAIN-EPA AUCTION	-	-	-	-	-	-	-	-	0.986000	-	ENERGY	-	-
223	**Total EMISSION ALLOWANCES**	**320,607**	**(67,327)**	**-**	**(67,327)**	**-**	**(67,327)**	**-**	**(67,327)**		**(66,384)**		**-**	**(66,384)**
224	==========													
225	**TOTAL DEFERRED FEDERAL INCOME TAXES**	**(65,385,559)**	**16,013,050**	**(11,500,539)**	**4,512,511**	**-**	**4,512,511**	**-**	**4,512,511**		**4,429,081**		**10,486,154**	**14,915,235**
226	==========													
227														
228														
229	**DEFERRED INVESTMENT TAX CREDITS:**													
230	ITC Feedback - Prior Years 10%	-	-	(26)	(26)	-	(26)	-	(26)	0.985000	(26)	GROSS PLT	-	(26)
231	ITC Feedback - Prior Years 4%	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
232	Tax Credit Carryforward	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
233	FIN 48 Perm Items	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
234	FIN 48 Non-Perm Items	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
235	ITC Feedback - HRJ 10%	-	-	-	-	-	-	-	-	0.985000	-	GROSS PLT	-	-
236	**TOTAL DEFERRED INVESTMENT TAX CREDITS**	**-**	**-**	**(26)**	**(26)**	**-**	**(26)**	**-**	**(26)**		**(26)**		**-**	**(26)**
237														
238														
239														
240	**TOTAL DEFERRED FIT AND ITC**	**(65,385,559)**	**16,013,050**	**(11,500,565)**	**4,512,485**	**-**	**4,512,485**	**-**	**4,512,485**		**4,429,055**		**10,486,154**	**14,915,209**
241														

ALLOCATION FACTORS:	
GROSS PLT	0.9850000
NET PLANT	0.9850000
PROD PLT	0.9850000
TRAN PLT	0.9850000
DIST PLT	0.9990000
T&D PLT	0.9930000
ENERGY	0.9860000
LABOR	0.9900000
O&M EXP	0.9790000
REVENUE	0.9930000
REVENUE-OTH	0.0000000
DEMAND	0.9850000
SPECIFIC	1.0000000
NON-APPLIC	0.0000000
NON-UTILITY	0.0000000

KENTUCKY POWER COMPANY
STATE INCOME TAXES
Twelve Months Ended March 31, 2020

STATE INCOME TAXES

Line #	Item Description	Total Company Per Books 12 Mo. 03/31/20	Less Non-Utility / Non-Applicable	Total Company Electric Utility Before Assign & Adjust	Elimination Adjustments	Total Company Electric Utility After Rate Case Adjustments	Rate Case Adjustments	Total Company Electric Utility After Rate Case Adjustments	Kentucky Jurisdictional Allocation Factor	Kentucky Jurisdictional Allocated Amount		Kentucky Jurisdictional Adjustments	KY Jurisdictional Adjusted Amount
	Kentucky State Income Taxes												
1	Book Income Before State Income Tax Expens	46,901,904	(2,882,814)	49,784,718	0	49,784,718	0	49,784,718	SPECIFIC	48,061,702	SPECIFIC	(46,367,008)	1,694,694
2	Add (Subtract): Federal Schedule M Adjustment	(66,149,164)	(763,605)	(65,385,559)	0	(65,385,559)	0	(65,385,559)	SPECIFIC	(64,278,625)	SPECIFIC	(86,674)	(64,365,299)
3	Add (Subtract): State Income Taxes	0	0	0	0	0	0	0	SPECIFIC	0	SPECIFIC	0	0
4	Add (Subtract): JCWA Depreciation Adjustmen	(10,558,337)	0	(10,558,337)	0	(10,558,337)	0	(10,558,337)	0.985000	(10,399,962)	GROSS PLT	0	(10,399,962)
5	Add (Subtract): Tax Depreciation Lookback	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0.985000	(5,096,174)	GROSS PLT	0	(5,096,174)
6	Add (Subtract): Federal Domestic Production Activity	0	0	0	0	0	0	0	0.985000	0	PROD PLT	0	0
7	Add (Subtract): Interest Income - US Obligations	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
8	Add (Subtract): Other	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
9	State Taxable Income Subject to Apportionmen	(34,979,378)	(3,646,419)	(31,332,959)	0	(31,332,959)	0	(31,332,959)		(31,713,059)		(46,453,682)	(78,166,741)
10	Apportionment Factor	0.879218		0.879218	0.879218	0.879218	0.879218	0.879218		0.879218		0.879218	0.879218
11	Apportioned State Taxable Income	(30,754,499)	(3,205,997)	(27,548,502)	0	(27,548,502)	0	(27,548,502)		(27,882,692)		(40,842,913)	(68,725,606)
12	Post Apportion Schedule M Adjustments	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
13	State Taxable Income After Apportionmen	(30,754,499)	(3,205,997)	(27,548,502)	0	(27,548,502)	0	(27,548,502)		(27,882,692)		(40,842,913)	(68,725,606)
14	State Income Tax Rate	5.00%	5.00%	5.00%	5.00%	5.00%		5.00%		5.00%		5.00%	5.00%
15	Current State Income Tax	(1,537,725)	(160,300)	(1,377,425)	0	(1,377,425)	0	(1,377,425)		(1,394,135)		(2,042,146)	(3,436,281)
16	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
17	Tax Return, Apportionment & Other Adjustments	1,878,829	1,878,829	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
18	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
19	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
20	Total State Income Tax --- Kentucky	341,104	1,718,529	(1,377,425)	0	(1,377,425)	0	(1,377,425)		(1,394,135)		(2,042,146)	(3,436,281)
21													
22													
23													
24													
25	**Illinois State Income Taxes**												
26													
27	Book Income Before State Income Tax Expens	46,901,904	(2,882,814)	49,784,718	0	49,784,718	0	49,784,718	SPECIFIC	48,061,702	SPECIFIC	(46,367,008)	1,694,694
28	Add (Subtract): Federal Schedule M Adjustment	(66,149,164)	(763,605)	(65,385,559)	0	(65,385,559)	0	(65,385,559)	SPECIFIC	(64,278,625)	SPECIFIC	(86,674)	(64,365,299)
29	Add (Subtract): State Income Taxes	0	0	0	0	0	0	0	SPECIFIC	0	SPECIFIC	0	0
30	Add (Subtract): JCWA Depreciation Adjustmen	(8,416,533)	0	(8,416,533)	0	(8,416,533)	0	(8,416,533)	0.985000	(8,290,285)	GROSS PLT	0	(8,290,285)
31	Add (Subtract): Tax Depreciation Lookback	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0.985000	(5,096,174)	PROD PLT	0	(5,096,174)
32	Add (Subtract): Federal Domestic Production Activity	0	0	0	0	0	0	0	0.985000	0	PROD PLT	0	0
33	Add (Subtract): Other	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
34	Add (Subtract): Other	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
35	State Taxable Income Subject to Apportionmen	(32,837,574)	(3,646,419)	(29,191,155)	0	(29,191,155)	0	(29,191,155)		(29,603,382)		(46,453,682)	(76,057,064)
36	Apportionment Factor	0.009348		0.009348	0.009348	0.009348	0.009348	0.009348		0.009348		0.009348	0.009348
37	Apportioned State Taxable Income	(306,966)	(34,087)	(272,879)	0	(272,879)	0	(272,879)		(276,732)		(434,249)	(710,981)
38	Post Apportion Schedule M Adjustments	2,605	2,044	561	0	561	0	561	0.985000	552	GROSS PLT	0	552
39	State Taxable Income After Apportionmen	(304,361)	(32,043)	(272,318)	0	(272,318)	0	(272,318)		(276,180)		(434,249)	(710,429)
40	State Income Tax Rate	9.50%	9.50%	9.50%	9.50%	9.50%		9.50%		9.50%		9.50%	9.50%
41	Current State Income Tax	(28,914)	(3,044)	(25,870)	0	(25,870)	0	(25,870)		(26,237)		(41,254)	(67,491)
42	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-UTILITY	0	0
43	Tax Return, Apportionment & Other Adjustments	16,772	16,772	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
44	Other Adjustments	1,331	1,331	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
45	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
46	Total State Income Tax --- Illinois	(10,811)	15,059	(25,870)	0	(25,870)	0	(25,870)		(26,237)		(41,254)	(67,491)
47													
48													
49													

KENTUCKY POWER COMPANY
STATE INCOME TAXES
Twelve Months Ended March 31, 2020

STATE INCOME TAXES

Line #	Item Description	Total Company Per Books 12 Mo. 03/31/20	Less Non-Utility / Non-Applicable	Total Company Electric Utility Before Assign & Adjust	Elimination Adjustments	Total Company Electric Utility After Rate Case Adjustments	Rate Case Adjustments	Total Company Electric Utility After Rate Case Adjustments	Kentucky Jurisdictional Allocation Factor	Kentucky Jurisdictional Allocated Amount		Kentucky Jurisdictional Adjustments	KY Jurisdictional Adjusted Amount
50													
51	**Michigan State Income Taxes**												
52													
53	Book Income Before State Income Tax Expens	46,901,904	(2,882,814)	49,784,718	0	49,784,718	0	49,784,718	SPECIFIC	48,061,702	SPECIFIC	(46,367,008)	1,694,694
54	Add (Subtract): Federal Schedule M Adjustment	(66,149,164)	(763,605)	(65,385,559)	0	(65,385,559)	0	(65,385,559)	SPECIFIC	(64,278,625)	SPECIFIC	(86,674)	(64,365,299)
55	Add (Subtract): State Income Taxes	0	0	0	0	0	0	0	SPECIFIC	0	SPECIFIC	0	0
56	Add (Subtract): JCWA Depreciation Adjustmen	(9,744,125)		(9,744,125)	0	(9,744,125)	0	(9,744,125)	0.985000	(9,597,963)	GROSS PLT	0	(9,597,963)
57	Add (Subtract): Tax Depreciation Lookback	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0.985000	(5,096,174)	PROD PLT	0	(5,096,174)
58	Add (Subtract): Interest Income - US Obligation:	0	0	0	0	0	0	0	0.985000	0	PROD PLT	0	0
59	Add (Subtract): Federal Domestic Production Activity	0	0	0	0	0	0	0	0.985000	0	PROD PLT	0	0
60	Add (Subtract): Other	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
61	State Taxable Income Subject to Apportionmen	(34,165,166)	(3,646,419)	(30,518,747)	0	(30,518,747)	0	(30,518,747)		(30,911,060)		(46,453,682)	(77,364,742)
62	Apportionment Factor	0.000323		0.000323	0.000323	0.000323	0.000323	0.000323		0.000323		0.000323	0.000323
63	Apportioned State Taxable Income	(11,035)	(1,177)	(9,858)	0	(9,858)	0	(9,858)		(9,984)		(15,005)	(24,989)
64	Post Apportion Schedule M Adjustments	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
65	State Taxable Income After Apportionmen	(11,035)	(1,177)	(9,858)	0	(9,858)	0	(9,858)		(9,984)		(15,005)	(24,989)
66	State Income Tax Rate	6.00%	6.00%	6.00%	6.00%	6.00%		6.00%		6.00%		6.00%	6.00%
67	Current State Income Tax	(662)	(71)	(591)	0	(591)	0	(591)		(599)		(900)	(1,499)
68	MBT Surcharge @ 21.99%	0	0	0	0	0	0	0	CALC	0	CALCULATED	0	0
69	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-UTILITY	0	0
70	Tax Return, Apportionment & Other Adjustment:	247	247	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
71	Other Adjustments	0	0	0	0	0	0	0	CALC	0	CALCULATED	0	0
72	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
73	Total State Income Tax --- Michigar	(415)	176	(591)	0	(591)	0	(591)		(599)		(900)	(1,499)
74													
75		s											
76													
77	**West Virginia State Income Taxes**												
78													
79	Book Income Before State Income Tax Expens	46,901,904	(2,882,814)	49,784,718	0	49,784,718	0	49,784,718	SPECIFIC	48,061,702	SPECIFIC	(46,367,008)	1,694,694
80	Add (Subtract): Federal Schedule M Adjustment	(66,149,164)	(763,605)	(65,385,559)	0	(65,385,559)	0	(65,385,559)	SPECIFIC	(64,278,625)	SPECIFIC	(86,674)	(64,365,299)
81	Add (Subtract): State Income Taxes	0	0	0	0	0	0	0	SPECIFIC	0	SPECIFIC	0	0
82	Add (Subtract): JCWA Depreciation Adjustmen	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
83	Add (Subtract): Tax Depreciation Lookback	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0	(5,173,781)	0.985000	(5,096,174)	PROD PLT	0	(5,096,174)
84	Add (Subtract): Federal Domestic Production Activity	0	0	0	0	0	0	0	0.985000	0	PROD PLT	0	0
85	Add (Subtract): Other	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
86	Add (Subtract): Other	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
87	State Taxable Income Subject to Apportionmen	(24,421,041)	(3,646,419)	(20,774,622)	0	(20,774,622)	0	(20,774,622)		(21,313,097)		(46,453,682)	(67,766,779)
88	Apportionment Factor	0.210414	0.210414	0.210414	0.210414	0.210414	0.210414	0.210414		0.210414		0.210414	0.210414
89	Apportioned State Taxable Income	(5,138,529)	(767,258)	(4,371,271)	0	(4,371,271)	0	(4,371,271)		(4,484,574)		(9,774,505)	(14,259,079)
90	Post Apportion Schedule M Adjustments	6,935,390	0	6,935,390	0	6,935,390	0	6,935,390	0.985000	6,831,359	GROSS PLT	0	6,831,359
91	State Taxable Income After Apportionmen	1,796,861	(767,258)	2,564,119	0	2,564,119	0	2,564,119		2,346,785		(9,774,505)	(7,427,720)
92	State Income Tax Rate	6.50%	6.50%	6.50%	6.50%	6.50%		6.50%		6.50%		6.50%	6.50%
93	Current State Income Tax	116,796	(49,872)	166,668	0	166,668	0	166,668		152,541		(635,343)	(482,802)
94	Deferred State Income Tax - WVA Pollution Contro	(452,690)	0	(452,690)	0	(452,690)	0	(452,690)	0.985000	(445,900)	GROSS PLT	0	(445,900)
95	Tax Return, Apportionment & Other Adjustment:	822,245	822,245	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
96	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
97	Other Adjustments	0	0	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
98	Total State Income Tax --- West Virginia	486,351	772,373	(286,022)	0	(286,022)	0	(286,022)		(293,359)		(635,343)	(928,702)
99													
100													
101													

KENTUCKY POWER COMPANY
STATE INCOME TAXES
Twelve Months Ended March 31, 2020

STATE INCOME TAXES

Line #	Item Description	Total Company Per Books 12 Mo. 03/31/20	Less Non-Utility / Non-Applicable	Total Company Electric Utility Before Assign & Adjust	Elimination Adjustments	Total Company Electric Utility After Rate Case Adjustments	Rate Case Adjustments	Total Company Electric Utility After Rate Case Adjustments	Kentucky Jurisdictional Allocation Factor	Kentucky Jurisdictional Allocated Amount		Kentucky Jurisdictional Adjustments	KY Jurisdictional Adjusted Amount
102													
103	**All Other State Income Taxes**												
104													
105													
106													
107	FIN-48 State Income Tax Adjustments	49,346	49,346	0	0	0	0	0	0.000000	0	NON-APPLIC	0	0
108	Deferred State Income Tax	(861,375)	(861,375)	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
109	All Other State Income Taxes	0	0	0	0	0	0	0	0.985000	0	GROSS PLT	0	0
110	Total State Income Tax --- All Other	(812,029)	(812,029)	0	0	0	0	0		0		0	0
111													
112													
113													
114													
115													
116	**Total State Income Tax --- All States**	4,200	1,694,108	(1,689,908)	0	(1,689,908)	0	(1,689,908)		(1,714,330)		(2,719,643)	(4,433,973)
117		4,194											
118													
119	**Current State Income Tax --- All States**	1,318,265	1,694,108	(1,237,218)	0	(1,237,218)	0	(1,237,218)		(1,268,430)		(2,719,643)	(3,988,073)
120		1,318,259											
121													
122	**Deferred State Income Tax --- All States**	(1,314,065)	0	(452,690)	0	(452,690)	0	(452,690)		(445,900)		0	(445,900)

ALLOCATION FACTORS:

GROSS PLT	0.9850000
NET PLANT	0.9850000
PROD PLT	0.9850000
TRAN PLT	0.9850000
DIST PLT	0.9990000
T&D PLT	0.9930000
ENERGY	0.9860000
LABOR	0.9900000
O&M EXP	0.9790000
REVENUE	0.9930000
REVENUE-OTH	0.0000000
SPECIFIC	1.0000000
NON-APPLIC	0.0000000
NON-UTILITY	0.0000000

Note:
Consistent with prior KPCO Rate Filings and Commission Orders, State Income Taxes are treated as flow-thru for ratemaking purposes other than those that were obtained as a result of the acquisition of the Mitchell Plant. (-ie- No Deferred State Income Taxes are included in Cost of Service).