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October 16, 2009

HAND DELIVERED

Jeff R. Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

OCT 16 2009
PUBLIC SERVICE
COMMISSION

Bruce F. Clark
(502) 209-1214
(502) 223-4386 FAX
bclark@stites.com

Re: Case No. 2009-00316

Dear Mr. Derouen:


Enclosed please find and accept for filing the original and ten copies of Kentucky Power Company's Responses to Commission Staff's Informal Conference Data Requests in this matter.

By copy of this letter, the Responses are also being served on counsel for Kentucky Industrial Utility Customers, Inc. and the Office of the Attorney General .

Please do not hesitate to contact me if you have any questions.

Very truly yours,

STITES & HARBISON, PLLC



Bruce F. Clark

BFC:pjt

cc: Michael L. Kurtz
Dennis G. Howard, II

19086:1:FRANKFORT

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED

OCT 16 2009

**PUBLIC SERVICE
COMMISSION**

IN THE MATTER OF:

**AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE ENVIRONMENTAL)
SURCHARGE MECHANISM OF KENTUCKY) CASE NO. 2009-00316
POWER COMPANY FOR THE TWO YEAR)
BILLING PERIOD ENDING JUNE 30, 2009)**

KENTUCKY POWER COMPANY

**RESPONSES TO COMMISSION STAFF'S INFORMAL CONFERENCE
DATA REQUESTS**

October 16, 2009

Kentucky Power Company

REQUEST

Please refer to the Company's response to the Commission Staff-1st Set of Data Requests dated August 18, 2009. On Item No. 4, why does the monthly Notes Payable Outstanding balance on page 4 of 22 agree with the monthly Notes Payable Outstanding balances on pages 5 through 12 of 22?

RESPONSE

The monthly Notes Payable Outstanding balances listed on Item No. 4, page 4 of 22, for the months of May 2008 through December 2008 were the balances as of the last business day of the month. By contrast, the monthly Notes Payable Outstanding balances for those same months shown on pages 5 through 10 of 22 reports the amounts owed for each calendar day of the month. When the last business day is not the last calendar day the balance reported on Page 4 of 22 is the last business day of the month. For example, in May, 2008, the last calendar day was Saturday, May 31st, however, the balance reported on Page 4 of 22 was the last business day, i.e., Friday, May 30th.

The Short Term Daily Borrowed Balances for months January 30, 2009 through April 30, 2009 (Item No. 4, pages 10 through 12 of 22) as originally filed on September 10, 2009 were in error. The Company has revised the original Item No. 4 to reflect the correct amounts. Please see the attached pages filed herein.

WITNESS: Errol K Wagner

**Kentucky Power Company
 Cost of Capital
 As of April 30, 2009**

<u>Ln</u> <u>No</u> (1)	<u>Description</u> (2)	<u>Capital</u> (3)		<u>Percent</u> <u>of</u> <u>Total</u> (4)	<u>Cost</u> <u>Percentage</u> <u>Rate</u> (5)	<u>Weighted</u> <u>Average</u> <u>Cost</u> <u>Percent</u> (6)=(4)x(5)
1	Long Term Debt	\$420,000,000	a	40.964%	6.05%	2.48%
2	Short Term Debt	\$156,177,865	a,b	15.233%	2.43%	0.37%
3	Accs Receivable Financing	\$44,758,222		4.365%	3.17%	0.14%
4	Common Equity	<u>\$404,345,136</u>	a	<u>39.437%</u>	10.50%	<u>4.14%</u>
5	Total	\$1,025,281,223		100.000%		7.13%

a Book balance as of 4/30/2009

b Average borrowing costs for the 12 Months Ended April 30, 2009

KENTUCKY POWER COMPANY
 EFFECTIVE COST OF LONG-TERM DEBT
 AS OF APRIL 30, 2009

SERIES	ISSUE DATE	DUE DATE	AVERAGE TERM IN YEARS	PRINCIPAL AMOUNT ISSUED	PREMIUM OR (DISCOUNT) AT ISSUANCE	COMPANY ISSUANCE EXPENSE	NET PROCEEDS	NET PROCEEDS RATIO	EFFECTIVE COST RATE	CURRENT AMOUNT OUTSTANDING	ANNUALIZED COST	
											\$	%
Global Note												
5.25%	2/5/2004	6/1/2015	11.3	20,000,000	-	-	20,000,000	100.00	5.249	20,000,000	1,049,816	1,049,816
Subtotal				<u>20,000,000</u>						<u>20,000,000</u>	<u>1,049,816</u>	<u>1,049,816</u>
Senior Notes												
5.625%	6/13/2003	12/1/2032	29.45	75,000,000	(656,250)	736,575	73,607,175	98.14	5.756	75,000,000	4,317,337	4,317,337
6.000%	9/11/2007	9/15/2017	10.01	325,000,000	(1,667,250)	2,277,883	321,054,867	98.79	6.164	325,000,000	20,033,514	20,033,514
Subtotal				<u>400,000,000</u>						<u>400,000,000</u>	<u>24,350,851</u>	<u>24,350,851</u>
Total				<u>420,000,000</u>								
FMV of mark to market 133 hedge											-	-
TOTAL LONG-TERM DEBT											<u>420,000,000</u>	<u>25,400,667</u>
												<u>6.048</u>

d Book balance as of 4/30/09

Kentucky Power Company
Schedule of Short Term Debt
Twelve Months Ended April 30, 2009

Line No. (1)	Month (2)	Year (3)	Notes Payable Outstanding at the End of the Month (4)
1	May	2008	41,666,308
2	June	2008	48,435,053
3	July	2008	47,609,710
4	August	2008	45,262,701
5	September	2008	65,092,480
6	October	2008	68,207,639
7	November	2008	115,827,728
8	December	2008	131,398,655
9	January	2009	151,601,832
10	February	2009	146,762,000
11	March	2009	157,289,699
12	April	2009	156,177,865

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	5/1/2008	(\$37,719,817.39)	3.11%	0.003375%
	5/2/2008	(37,501,613.37)	3.11%	0.003356%
	5/3/2008	(37,504,857.72)	3.11%	0.003356%
	5/4/2008	(37,508,102.34)	3.11%	0.003356%
	5/5/2008	(42,777,228.99)	3.06%	0.003757%
	5/6/2008	(42,754,181.13)	3.05%	0.003746%
	5/7/2008	(42,318,103.37)	3.05%	0.003709%
	5/8/2008	(45,899,900.39)	3.05%	0.004022%
	5/9/2008	(46,771,044.63)	3.02%	0.004059%
	5/10/2008	(46,774,969.06)	3.02%	0.004060%
	5/11/2008	(46,778,893.82)	3.02%	0.004060%
	5/12/2008	(47,306,161.30)	3.00%	0.004084%
	5/13/2008	(42,101,387.42)	3.01%	0.003637%
	5/14/2008	(41,172,841.50)	3.01%	0.003556%
	5/15/2008	(43,572,657.53)	2.94%	0.003686%
	5/16/2008	(43,073,628.76)	2.99%	0.003702%
	5/17/2008	(43,077,207.39)	2.99%	0.003702%
	5/18/2008	(43,080,786.32)	2.99%	0.003702%
	5/19/2008	(41,964,200.50)	2.97%	0.003575%
	5/20/2008	(41,891,222.59)	2.93%	0.003526%
	5/21/2008	(35,564,983.96)	2.95%	0.003010%
	5/22/2008	(37,409,428.55)	2.92%	0.003143%
	5/23/2008	(39,208,723.43)	2.91%	0.003283%
	5/24/2008	(39,211,896.98)	2.91%	0.003283%
	5/25/2008	(39,215,070.79)	2.91%	0.003283%
	5/26/2008	(39,218,244.86)	2.91%	0.003283%
	5/27/2008	(38,640,391.70)	2.91%	0.003225%
	5/28/2008	(37,974,014.67)	2.92%	0.003182%
	5/29/2008	(41,233,291.58)	2.92%	0.003455%
Friday	5/30/2008	(41,666,308.18)	2.91%	0.003490%
Saturday	5/31/2008	(41,669,681.77)	2.91%	0.003490%
	6/1/2008	(41,673,055.63)	2.91%	0.003490%
	6/2/2008	(44,664,363.63)	2.92%	0.003753%
	6/3/2008	(42,763,889.99)	2.92%	0.003583%
	6/4/2008	(48,949,194.19)	2.91%	0.004091%
	6/5/2008	(42,190,402.98)	2.91%	0.003528%
	6/6/2008	(43,605,066.42)	2.91%	0.003648%
	6/7/2008	(43,608,593.15)	2.91%	0.003648%
	6/8/2008	(43,612,120.17)	2.91%	0.003649%
	6/9/2008	(51,301,355.92)	2.91%	0.004293%
	6/10/2008	(49,893,742.93)	2.91%	0.004176%
	6/11/2008	(49,415,527.34)	2.91%	0.004135%
	6/12/2008	(48,072,025.47)	2.91%	0.004017%
	6/13/2008	(47,210,143.09)	2.91%	0.003949%
	6/14/2008	(47,213,961.15)	2.91%	0.003950%
	6/15/2008	(47,217,779.52)	2.91%	0.003950%
	6/16/2008	(46,102,082.80)	2.91%	0.003861%
	6/17/2008	(40,004,029.73)	2.92%	0.003351%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	6/18/2008	(39,209,020.93)	2.92%	0.003285%
	6/19/2008	(44,065,960.22)	2.91%	0.003681%
	6/20/2008	(45,085,996.67)	2.92%	0.003781%
	6/21/2008	(45,089,652.49)	2.92%	0.003782%
	6/22/2008	(45,093,308.61)	2.92%	0.003782%
	6/23/2008	(51,170,579.22)	2.92%	0.004296%
	6/24/2008	(50,887,384.15)	2.92%	0.004273%
	6/25/2008	(51,070,930.79)	2.94%	0.004309%
	6/26/2008	(50,507,537.17)	2.95%	0.004286%
	6/27/2008	(51,495,312.15)	2.96%	0.004375%
	6/28/2008	(51,499,541.61)	2.96%	0.004375%
	6/29/2008	(51,503,771.42)	2.96%	0.004376%
Tuesday	6/30/2008	(48,435,053.41)	2.96%	0.004115%
	7/1/2008	(48,046,475.00)	2.96%	0.004082%
	7/2/2008	(48,375,583.32)	2.95%	0.004104%
	7/3/2008	(51,134,199.50)	2.94%	0.004314%
	7/4/2008	(51,138,370.14)	2.94%	0.004314%
	7/5/2008	(51,142,541.12)	2.94%	0.004315%
	7/6/2008	(51,146,712.44)	2.94%	0.004315%
	7/7/2008	(56,228,584.95)	2.93%	0.004739%
	7/8/2008	(61,740,352.53)	2.93%	0.005206%
	7/9/2008	(61,538,357.79)	2.93%	0.005173%
	7/10/2008	(56,646,077.32)	2.91%	0.004741%
	7/11/2008	(56,162,752.12)	2.93%	0.004726%
	7/12/2008	(56,167,321.17)	2.93%	0.004727%
	7/13/2008	(56,171,890.60)	2.93%	0.004727%
	7/14/2008	(59,215,401.94)	2.92%	0.004975%
	7/15/2008	(60,193,969.67)	2.91%	0.005030%
	7/16/2008	(59,868,837.79)	2.92%	0.005027%
	7/17/2008	(61,048,536.80)	2.93%	0.005139%
	7/18/2008	(61,524,948.63)	2.91%	0.005146%
	7/19/2008	(61,529,923.65)	2.91%	0.005146%
	7/20/2008	(61,534,899.07)	2.91%	0.005147%
	7/21/2008	(43,214,936.71)	2.93%	0.003637%
	7/22/2008	(42,521,373.06)	2.93%	0.003579%
	7/23/2008	(41,381,026.41)	2.93%	0.003483%
	7/24/2008	(46,452,134.23)	2.93%	0.003906%
	7/25/2008	(46,693,921.52)	2.92%	0.003912%
	7/26/2008	(46,697,703.14)	2.92%	0.003912%
	7/27/2008	(46,701,485.07)	2.92%	0.003912%
	7/28/2008	(46,520,851.57)	2.92%	0.003903%
	7/29/2008	(45,121,612.01)	2.93%	0.003799%
	7/30/2008	(45,377,681.46)	2.93%	0.003826%
Thursday	7/31/2008	(47,609,710.32)	2.95%	0.004042%
	8/1/2008	(51,108,732.31)	2.96%	0.004346%
	8/2/2008	(51,112,933.76)	2.96%	0.004346%
	8/3/2008	(51,117,135.55)	2.96%	0.004347%
	8/4/2008	(54,000,164.06)	2.96%	0.004596%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	8/5/2008	(52,300,180.88)	2.96%	0.004454%
	8/6/2008	(52,190,813.44)	2.95%	0.004431%
	8/7/2008	(47,623,115.28)	2.97%	0.004061%
	8/8/2008	(54,367,864.04)	2.97%	0.004646%
	8/9/2008	(54,372,355.99)	2.97%	0.004647%
	8/10/2008	(54,376,848.31)	2.97%	0.004647%
	8/11/2008	(51,867,319.22)	2.98%	0.004438%
	8/12/2008	(49,819,431.54)	2.98%	0.004264%
	8/13/2008	(49,964,501.88)	2.98%	0.004277%
	8/14/2008	(50,755,162.34)	2.98%	0.004339%
	8/15/2008	(52,359,746.62)	2.97%	0.004462%
	8/16/2008	(52,364,059.95)	2.97%	0.004462%
	8/17/2008	(52,368,373.63)	2.97%	0.004462%
	8/18/2008	(50,458,684.74)	2.97%	0.004299%
	8/19/2008	(42,757,547.80)	2.96%	0.003633%
	8/20/2008	(45,175,513.54)	2.97%	0.003851%
	8/21/2008	(38,607,548.61)	2.97%	0.003291%
	8/22/2008	(38,260,759.12)	2.97%	0.003268%
	8/23/2008	(38,263,918.47)	2.97%	0.003268%
	8/24/2008	(38,267,078.07)	2.97%	0.003268%
	8/25/2008	(38,386,429.48)	2.98%	0.003282%
	8/26/2008	(37,304,231.26)	2.98%	0.003190%
	8/27/2008	(39,994,595.76)	2.97%	0.003417%
	8/28/2008	(39,746,717.44)	2.98%	0.003403%
Friday	8/29/2008	(45,262,700.90)	2.97%	0.003869%
Saturday	8/30/2008	(45,266,441.07)	2.97%	0.003869%
Sunday	8/31/2008	(45,270,181.54)	2.97%	0.003869%
	9/1/2008	(45,273,922.32)	2.97%	0.003870%
	9/2/2008	(48,159,397.58)	2.97%	0.004116%
	9/3/2008	(50,666,959.33)	2.97%	0.004325%
	9/4/2008	(53,982,261.99)	2.96%	0.004593%
	9/5/2008	(54,871,402.19)	2.96%	0.004665%
	9/6/2008	(54,875,911.77)	2.96%	0.004665%
	9/7/2008	(54,880,421.72)	2.96%	0.004665%
	9/8/2008	(54,200,771.09)	2.95%	0.004593%
	9/9/2008	(60,637,522.94)	2.96%	0.005163%
	9/10/2008	(59,938,919.30)	2.96%	0.005094%
	9/11/2008	(56,228,446.04)	2.96%	0.004778%
	9/12/2008	(60,713,030.03)	2.95%	0.005142%
	9/13/2008	(60,718,001.23)	2.95%	0.005143%
	9/14/2008	(60,722,972.83)	2.95%	0.005143%
	9/15/2008	(69,225,635.42)	2.96%	0.005884%
	9/16/2008	(70,213,252.77)	3.25%	0.006561%
	9/17/2008	(69,736,789.91)	3.30%	0.006616%
	9/18/2008	(69,260,680.14)	3.34%	0.006638%
	9/19/2008	(65,817,418.05)	3.37%	0.006380%
	9/20/2008	(65,823,585.89)	3.37%	0.006380%
	9/21/2008	(65,829,754.32)	3.37%	0.006381%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	9/22/2008	(56,588,985.98)	3.36%	0.005462%
	9/23/2008	(54,140,492.85)	3.37%	0.005235%
	9/24/2008	(55,340,667.11)	3.36%	0.005348%
	9/25/2008	(65,171,618.07)	3.65%	0.006841%
	9/26/2008	(67,415,608.14)	3.74%	0.007241%
	9/27/2008	(67,422,608.92)	3.74%	0.007242%
	9/28/2008	(67,429,610.43)	3.74%	0.007243%
	9/29/2008	(67,779,312.14)	3.92%	0.007629%
Tuesday	9/30/2008	(65,092,479.91)	4.00%	0.007489%
	10/1/2008	(65,209,854.04)	4.22%	0.007906%
	10/2/2008	(69,152,914.58)	4.40%	0.008749%
	10/3/2008	(68,560,488.19)	4.45%	0.008767%
	10/4/2008	(68,568,963.93)	4.45%	0.008768%
	10/5/2008	(68,577,440.72)	4.45%	0.008769%
	10/6/2008	(72,237,212.79)	4.44%	0.009209%
	10/7/2008	(79,996,494.92)	4.40%	0.010113%
	10/8/2008	(78,922,781.11)	4.39%	0.009961%
	10/9/2008	(73,478,401.35)	4.35%	0.009181%
	10/10/2008	(73,921,858.01)	4.41%	0.009361%
	10/11/2008	(73,930,907.57)	4.41%	0.009362%
	10/12/2008	(73,939,958.25)	4.41%	0.009363%
	10/13/2008	(71,898,931.96)	4.41%	0.009104%
	10/14/2008	(74,495,742.11)	4.35%	0.009312%
	10/15/2008	(72,978,762.80)	4.28%	0.008968%
	10/16/2008	(69,882,102.54)	4.20%	0.008434%
	10/17/2008	(68,783,656.76)	4.20%	0.008302%
	10/18/2008	(68,791,682.78)	4.20%	0.008303%
	10/19/2008	(68,799,709.74)	4.20%	0.008304%
	10/20/2008	(73,314,085.86)	4.85%	0.010211%
	10/21/2008	(63,495,641.16)	4.62%	0.008428%
	10/22/2008	(63,734,199.31)	5.19%	0.009502%
	10/23/2008	(61,211,323.44)	5.19%	0.009126%
	10/24/2008	(62,013,730.09)	4.97%	0.008860%
	10/25/2008	(62,022,295.81)	4.97%	0.008861%
	10/26/2008	(62,030,862.70)	4.97%	0.008863%
	10/27/2008	(61,518,133.71)	4.97%	0.008789%
	10/28/2008	(64,473,773.85)	4.57%	0.008470%
	10/29/2008	(69,942,304.71)	5.47%	0.010993%
	10/30/2008	(73,268,155.98)	4.53%	0.009536%
Friday	10/31/2008	(68,207,638.77)	4.06%	0.007954%
	11/1/2008	(68,215,328.74)	4.06%	0.007955%
	11/2/2008	(68,223,019.59)	4.06%	0.007956%
	11/3/2008	(68,086,277.55)	4.02%	0.007856%
	11/4/2008	(71,868,397.15)	4.78%	0.009879%
	11/5/2008	(75,249,874.95)	4.78%	0.010344%
	11/6/2008	(73,272,182.29)	3.99%	0.008408%
	11/7/2008	(73,747,443.40)	3.99%	0.008455%
	11/8/2008	(73,755,617.58)	3.99%	0.008456%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	11/9/2008	(73,763,792.66)	3.99%	0.008457%
	11/10/2008	(113,828,556.76)	3.99%	0.013050%
	11/11/2008	(113,841,173.54)	3.99%	0.013052%
	11/12/2008	(110,239,725.51)	3.99%	0.012651%
	11/13/2008	(114,226,590.62)	3.99%	0.013109%
	11/14/2008	(114,822,626.76)	3.99%	0.013179%
	11/15/2008	(114,835,367.36)	3.99%	0.013180%
	11/16/2008	(114,848,109.37)	3.99%	0.013181%
	11/17/2008	(113,563,076.28)	4.05%	0.013215%
	11/18/2008	(110,479,572.14)	4.05%	0.012856%
	11/19/2008	(103,715,909.94)	3.99%	0.011904%
	11/20/2008	(124,696,932.45)	3.99%	0.014312%
	11/21/2008	(121,316,882.68)	3.99%	0.013924%
	11/22/2008	(121,330,343.87)	3.99%	0.013925%
	11/23/2008	(121,343,806.56)	3.99%	0.013927%
	11/24/2008	(120,187,957.60)	3.99%	0.013794%
	11/25/2008	(120,323,070.31)	3.99%	0.013810%
	11/26/2008	(115,747,032.69)	3.99%	0.013285%
	11/27/2008	(115,759,875.86)	3.99%	0.013286%
Friday	11/28/2008	(115,827,727.83)	3.99%	0.013294%
Saturday	11/29/2008	(115,840,579.95)	3.99%	0.013295%
Sunday	11/30/2008	(115,853,433.49)	3.99%	0.013297%
	12/1/2008	(117,410,761.40)	3.99%	0.013476%
	12/2/2008	(119,580,645.19)	3.99%	0.013725%
	12/3/2008	(126,692,906.99)	3.99%	0.014541%
	12/4/2008	(125,067,126.79)	3.99%	0.014354%
	12/5/2008	(129,960,651.08)	3.99%	0.014916%
	12/6/2008	(129,975,071.37)	3.99%	0.014918%
	12/7/2008	(129,989,493.27)	3.99%	0.014919%
	12/8/2008	(142,416,210.64)	3.83%	0.015683%
	12/9/2008	(140,166,680.68)	3.83%	0.015435%
	12/10/2008	(136,064,364.07)	3.83%	0.014983%
	12/11/2008	(131,720,953.14)	3.83%	0.014505%
	12/12/2008	(131,450,937.05)	2.28%	0.008594%
	12/13/2008	(131,459,245.45)	2.28%	0.008595%
	12/14/2008	(131,467,554.38)	2.28%	0.008595%
	12/15/2008	(132,496,338.12)	2.28%	0.008662%
	12/16/2008	(134,031,827.69)	2.28%	0.008763%
	12/17/2008	(133,530,208.78)	2.28%	0.008730%
	12/18/2008	(128,626,454.08)	2.28%	0.008409%
	12/19/2008	(122,841,777.08)	2.28%	0.008031%
	12/20/2008	(122,849,541.34)	2.28%	0.008032%
	12/21/2008	(122,857,306.09)	2.28%	0.008032%
	12/22/2008	(129,402,596.99)	2.28%	0.008460%
	12/23/2008	(129,822,424.90)	2.28%	0.008488%
	12/24/2008	(134,134,349.98)	2.28%	0.008769%
	12/25/2008	(134,142,827.99)	2.28%	0.008770%
	12/26/2008	(137,472,488.73)	2.28%	0.008988%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	12/27/2008	(137,481,177.72)	2.28%	0.008988%
	12/28/2008	(137,489,867.27)	2.28%	0.008989%
	12/29/2008	(135,783,009.34)	2.28%	0.008877%
	12/30/2008	(135,006,331.63)	2.28%	0.008826%
Wednesday	12/31/2008	(131,398,654.83)	2.28%	0.008591%
	1/1/2009	(131,406,959.93)	2.28%	0.008591%
	1/2/2009	(132,337,908.20)	2.28%	0.008652%
	1/3/2009	(132,346,272.66)	2.28%	0.008653%
	1/4/2009	(132,354,637.65)	2.28%	0.008653%
	1/5/2009	(135,901,041.26)	2.28%	0.008885%
	1/6/2009	(131,976,024.59)	2.25%	0.008532%
	1/7/2009	(135,415,521.92)	2.26%	0.008797%
	1/8/2009	(130,781,085.13)	2.26%	0.008496%
	1/9/2009	(139,498,245.24)	2.26%	0.009062%
	1/10/2009	(139,507,006.46)	2.26%	0.009063%
	1/11/2009	(139,515,768.24)	2.26%	0.009064%
	1/12/2009	(140,222,271.56)	1.73%	0.006983%
	1/13/2009	(137,053,409.21)	1.75%	0.006891%
	1/14/2009	(135,209,910.65)	1.74%	0.006778%
	1/15/2009	(132,713,733.06)	1.76%	0.006710%
	1/16/2009	(132,623,253.61)	1.76%	0.006705%
	1/17/2009	(132,629,736.08)	1.76%	0.006706%
	1/18/2009	(132,636,218.87)	1.76%	0.006706%
	1/19/2009	(132,642,701.98)	1.76%	0.006706%
	1/20/2009	(128,338,651.44)	1.76%	0.006489%
	1/21/2009	(131,912,848.85)	1.76%	0.006669%
	1/22/2009	(134,201,407.12)	1.76%	0.006785%
	1/23/2009	(132,889,893.31)	1.76%	0.006719%
	1/24/2009	(132,896,388.82)	1.76%	0.006719%
	1/25/2009	(132,902,884.65)	1.76%	0.006719%
	1/26/2009	(150,341,105.92)	1.76%	0.007601%
	1/27/2009	(149,755,575.82)	1.76%	0.007572%
	1/28/2009	(150,334,596.37)	1.76%	0.007601%
	1/29/2009	(149,010,851.60)	1.76%	0.007534%
Friday	1/30/2009	(151,601,831.51)	1.76%	0.007665%
Saturday	1/31/2009	(151,609,241.63)	1.76%	0.007665%
	2/1/2009	(151,616,652.12)	1.76%	0.007666%
	2/2/2009	(152,021,886.13)	1.76%	0.007686%
	2/3/2009	(149,060,547.52)	1.76%	0.007536%
	2/4/2009	(153,886,901.91)	1.76%	0.007780%
	2/5/2009	(144,703,595.79)	1.76%	0.007316%
	2/6/2009	(143,573,600.13)	1.76%	0.007259%
	2/7/2009	(143,580,617.85)	1.76%	0.007259%
	2/8/2009	(143,587,635.92)	1.76%	0.007260%
	2/9/2009	(152,564,717.02)	1.76%	0.007714%
	2/10/2009	(150,532,245.41)	1.76%	0.007611%
	2/11/2009	(147,834,250.21)	1.76%	0.007474%
	2/12/2009	(146,017,867.53)	1.82%	0.007632%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended April 30, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	2/13/2009	(146,832,341.69)	1.81%	0.007641%
	2/14/2009	(146,839,729.08)	1.81%	0.007642%
	2/15/2009	(146,847,116.85)	1.81%	0.007642%
	2/16/2009	(146,854,504.99)	1.81%	0.007642%
	2/17/2009	(137,904,424.36)	1.80%	0.007124%
	2/18/2009	(135,978,652.59)	1.79%	0.007008%
	2/19/2009	(142,157,047.88)	1.79%	0.007326%
	2/20/2009	(143,676,146.23)	1.79%	0.007404%
	2/21/2009	(143,683,304.60)	1.79%	0.007405%
	2/22/2009	(143,690,463.32)	1.79%	0.007405%
	2/23/2009	(143,551,525.77)	1.79%	0.007395%
	2/24/2009	(141,402,899.52)	1.79%	0.007284%
	2/25/2009	(140,949,548.19)	1.79%	0.007260%
	2/26/2009	(149,860,995.06)	1.74%	0.007501%
Friday	2/27/2009	(146,761,999.69)	1.74%	0.007346%
Saturday	2/28/2009	(146,769,101.27)	1.74%	0.007346%
	3/1/2009	(146,776,203.20)	1.74%	0.007346%
	3/2/2009	(148,121,620.13)	1.74%	0.007414%
	3/3/2009	(145,948,308.91)	1.74%	0.007305%
	3/4/2009	(146,756,869.38)	1.74%	0.007345%
	3/5/2009	(139,428,005.40)	1.74%	0.006979%
	3/6/2009	(144,865,798.53)	1.74%	0.007251%
	3/7/2009	(144,872,808.36)	1.74%	0.007251%
	3/8/2009	(144,879,818.53)	1.74%	0.007252%
	3/9/2009	(152,066,241.52)	1.56%	0.006817%
	3/10/2009	(150,088,899.22)	1.56%	0.006728%
	3/11/2009	(147,210,884.34)	1.57%	0.006649%
	3/12/2009	(148,225,347.16)	1.22%	0.005215%
	3/13/2009	(144,017,608.36)	1.22%	0.005067%
	3/14/2009	(144,022,506.92)	1.22%	0.005067%
	3/15/2009	(144,027,405.65)	1.22%	0.005067%
	3/16/2009	(152,380,086.75)	1.22%	0.005346%
	3/17/2009	(150,998,815.12)	1.22%	0.005293%
	3/18/2009	(150,899,116.37)	1.22%	0.005289%
	3/19/2009	(155,598,006.06)	1.22%	0.005448%
	3/20/2009	(161,451,788.47)	1.22%	0.005654%
	3/21/2009	(161,457,254.28)	1.22%	0.005654%
	3/22/2009	(161,462,720.27)	1.22%	0.005654%
	3/23/2009	(161,838,246.04)	1.22%	0.005667%
	3/24/2009	(159,869,014.50)	1.22%	0.005589%
	3/25/2009	(160,035,218.80)	1.22%	0.005595%
	3/26/2009	(161,307,621.43)	1.22%	0.005669%
	3/27/2009	(161,153,385.81)	1.22%	0.005664%
	3/28/2009	(161,158,861.63)	1.22%	0.005664%
	3/29/2009	(161,164,337.63)	1.22%	0.005664%
	3/30/2009	(159,705,369.22)	1.22%	0.005613%
Tuesday	3/31/2009	(157,289,698.89)	1.22%	0.005528%
	4/1/2009	(156,909,006.71)	1.22%	0.005515%

**Kentucky Power Company
 Short Term Debt Balance and Cost Calculation
 Twelve Months Ended April 30, 2009**

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	4/2/2009	(158,842,299.25)	1.22%	0.005547%
	4/3/2009	(166,061,611.08)	1.22%	0.005799%
	4/4/2009	(166,067,217.07)	1.22%	0.005799%
	4/5/2009	(166,072,823.25)	1.22%	0.005799%
	4/6/2009	(164,405,166.23)	1.22%	0.005741%
	4/7/2009	(170,236,158.20)	1.22%	0.005944%
	4/8/2009	(169,341,851.07)	1.22%	0.005913%
	4/9/2009	(166,870,361.70)	1.22%	0.005827%
	4/10/2009	(167,537,844.39)	1.22%	0.005850%
	4/11/2009	(167,543,500.21)	1.22%	0.005850%
	4/12/2009	(167,549,156.23)	1.22%	0.005851%
	4/13/2009	(165,965,115.40)	1.22%	0.005795%
	4/14/2009	(158,037,505.72)	1.16%	0.005278%
	4/15/2009	(156,048,649.93)	1.16%	0.005211%
	4/16/2009	(160,909,910.84)	1.16%	0.005373%
	4/17/2009	(159,042,781.53)	1.16%	0.005311%
	4/18/2009	(159,047,916.11)	1.16%	0.005311%
	4/19/2009	(159,053,050.86)	1.16%	0.005311%
	4/20/2009	(158,027,601.36)	1.16%	0.005277%
	4/21/2009	(152,470,302.01)	1.16%	0.005092%
	4/22/2009	(158,770,853.26)	1.16%	0.005302%
	4/23/2009	(160,199,961.09)	1.16%	0.005350%
	4/24/2009	(160,685,612.57)	1.16%	0.005366%
	4/25/2009	(160,690,800.20)	1.16%	0.005366%
	4/26/2009	(160,695,987.99)	1.16%	0.005366%
	4/27/2009	(161,170,349.63)	1.21%	0.005593%
	4/28/2009	(159,695,292.31)	1.21%	0.005542%
	4/29/2009	(158,870,576.82)	1.21%	0.005513%
Thursday	4/30/2009	<u>(156,177,864.54)</u>	1.21%	<u>0.005420%</u>

Sum Total		Sum Total
All Daily		Weighted Average
Balances	(\$34,803,612,298.49)	Borrowed
		Interest Rate
		2.4301%

Divided By
 Number of
 Days in Year 365

Average
 Daily
 Balance (\$95,352,362.46)

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
04/01/2008	39,725,661.13	0.000270	10,726.98
04/02/2008	45,602,085.27	0.000584	26,619.40
04/03/2008	45,972,545.97	0.000124	5,692.31
04/04/2008	46,393,940.03	0.000145	6,742.05
04/05/2008	46,393,940.03	0.000000	0.00
04/06/2008	46,393,940.03	0.000000	0.00
04/07/2008	45,833,983.32	0.000082	3,755.77
04/08/2008	45,085,383.44	0.000110	4,949.04
04/09/2008	44,485,351.23	0.000129	5,721.64
04/10/2008	44,923,076.87	0.000172	7,730.05
04/11/2008	44,184,714.13	0.000088	3,896.11
04/12/2008	44,184,714.13	0.000000	0.00
04/13/2008	44,184,714.13	0.000000	0.00
04/14/2008	42,881,697.15	0.000137	5,866.67
04/15/2008	38,873,710.43	0.000196	7,633.12
04/16/2008	38,465,751.19	0.000158	6,083.42
04/17/2008	37,944,154.97	0.000086	3,260.38
04/18/2008	37,726,020.75	0.000162	6,100.98
04/19/2008	37,726,020.75	0.000000	0.00
04/20/2008	37,726,020.75	0.000000	0.00
04/21/2008	36,613,658.34	0.000101	3,706.30
04/22/2008	34,897,271.93	0.000150	5,225.31
04/23/2008	34,437,265.87	0.000109	3,744.64
04/24/2008	33,991,756.30	0.000127	4,332.20
04/25/2008	33,781,855.08	0.000082	2,765.56
04/26/2008	33,781,855.08	0.000000	0.00
04/27/2008	33,781,855.08	0.000000	0.00
04/28/2008	34,530,892.16	0.000250	8,629.87
04/29/2008	35,696,979.27	0.000260	9,272.59
04/30/2008	37,190,048.60	0.000287	10,686.64
05/01/2008	36,825,216.96	0.000103	3,794.36
05/02/2008	41,192,223.29	0.000549	22,630.71
05/03/2008	41,192,223.29	0.000000	0.00
05/04/2008	41,192,223.29	0.000000	0.00
05/05/2008	41,396,996.63	0.000180	7,449.93
05/06/2008	40,090,202.28	0.000081	3,266.45
05/07/2008	39,781,474.98	0.000088	3,516.61
05/08/2008	39,032,222.52	0.000105	4,080.02
05/09/2008	39,739,465.97	0.000156	6,181.65
05/10/2008	39,739,465.97	0.000000	0.00
05/11/2008	39,739,465.97	0.000000	0.00
05/12/2008	38,973,906.62	0.000060	2,346.22
05/13/2008	34,991,269.52	0.000119	4,166.70
05/14/2008	35,164,543.02	0.000140	4,909.63
05/15/2008	34,736,163.64	0.000122	4,231.65
05/16/2008	34,615,483.21	0.000104	3,610.13
05/17/2008	34,615,483.21	0.000000	0.00
05/18/2008	34,615,483.21	0.000000	0.00
05/19/2008	34,313,622.41	0.000104	3,570.47
05/20/2008	33,252,325.04	0.000093	3,085.05
05/21/2008	32,406,485.39	0.000107	3,463.10
05/22/2008	31,888,543.56	0.000091	2,894.76

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
05/23/2008	31,810,946.91	0.000108	3,447.70
05/24/2008	31,810,946.91	0.000000	0.00
05/25/2008	31,810,946.91	0.000000	0.00
05/26/2008	31,810,946.91	0.000000	0.00
05/27/2008	31,630,000.90	0.000116	3,678.40
05/28/2008	32,425,360.01	0.000184	5,954.33
05/29/2008	32,311,647.01	0.000150	4,847.98
05/30/2008	34,043,193.07	0.000252	8,594.01
05/31/2008	34,043,193.07	0.000000	0.00
06/01/2008	34,043,193.07	0.000000	0.00
06/02/2008	35,314,324.69	0.000182	6,431.99
06/03/2008	38,969,958.44	0.000403	15,724.02
06/04/2008	39,995,013.08	0.000147	5,886.33
06/05/2008	39,772,870.86	0.000106	4,205.87
06/06/2008	40,351,397.40	0.000116	4,690.80
06/07/2008	40,351,397.40	0.000000	0.00
06/08/2008	40,351,397.40	0.000000	0.00
06/09/2008	39,858,785.10	0.000094	3,757.98
06/10/2008	40,816,452.00	0.000175	7,154.69
06/11/2008	40,851,337.45	0.000075	3,068.27
06/12/2008	40,885,384.29	0.000123	5,026.45
06/13/2008	40,804,358.72	0.000126	5,151.42
06/14/2008	40,804,358.72	0.000000	0.00
06/15/2008	40,804,358.72	0.000000	0.00
06/16/2008	40,673,040.78	0.000146	5,940.62
06/17/2008	36,424,644.83	0.000125	4,545.32
06/18/2008	36,177,829.89	0.000122	4,430.38
06/19/2008	36,238,005.60	0.000105	3,808.09
06/20/2008	34,984,044.32	0.000121	4,244.86
06/21/2008	34,984,044.32	0.000000	0.00
06/22/2008	34,984,044.32	0.000000	0.00
06/23/2008	34,560,961.91	0.000095	3,284.06
06/24/2008	34,797,268.97	0.000115	3,988.00
06/25/2008	35,283,367.67	0.000125	4,426.96
06/26/2008	36,243,173.31	0.000242	8,765.06
06/27/2008	37,875,373.87	0.000237	8,973.15
06/28/2008	37,875,373.87	0.000000	0.00
06/29/2008	37,875,373.87	0.000000	0.00
06/30/2008	40,160,721.97	0.000273	10,963.66
07/01/2008	40,479,726.22	0.000124	5,010.68
07/02/2008	41,694,757.49	0.000204	8,485.63
07/03/2008	46,104,104.80	0.000447	20,630.70
07/04/2008	46,104,104.80	0.000000	0.00
07/05/2008	46,104,104.80	0.000000	0.00
07/06/2008	46,104,104.80	0.000000	0.00
07/07/2008	46,278,402.35	0.000104	4,793.88
07/08/2008	45,217,185.26	0.000112	5,070.55
07/09/2008	45,576,159.22	0.000106	4,825.87
07/10/2008	45,902,321.57	0.000125	5,727.56
07/11/2008	46,185,762.00	0.000080	3,693.15
07/12/2008	46,185,762.00	0.000000	0.00
07/13/2008	46,185,762.00	0.000000	0.00

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
07/14/2008	44,550,289.97	0.000098	4,360.57
07/15/2008	44,364,508.72	0.000144	6,383.17
07/16/2008	44,011,977.67	0.000082	3,608.48
07/17/2008	43,481,013.70	0.000096	4,179.36
07/18/2008	39,124,469.36	0.000091	3,564.14
07/19/2008	39,124,469.36	0.000000	0.00
07/20/2008	39,124,469.36	0.000000	0.00
07/21/2008	37,919,217.77	0.000089	3,380.35
07/22/2008	38,185,879.80	0.000095	3,622.36
07/23/2008	37,953,302.67	0.000088	3,341.41
07/24/2008	37,325,694.17	0.000092	3,431.26
07/25/2008	38,107,431.85	0.000151	5,739.21
07/26/2008	38,107,431.85	0.000000	0.00
07/27/2008	38,107,431.85	0.000000	0.00
07/28/2008	38,618,993.73	0.000145	5,591.70
07/29/2008	39,704,544.95	0.000162	6,441.91
07/30/2008	43,118,575.62	0.000295	12,737.96
07/31/2008	42,547,504.57	0.000085	3,598.64
08/01/2008	42,749,139.12	0.000084	3,588.60
08/02/2008	42,749,139.12	0.000000	0.00
08/03/2008	42,749,139.12	0.000000	0.00
08/04/2008	49,783,980.84	0.000463	23,042.70
08/05/2008	49,309,793.66	0.000080	3,925.81
08/06/2008	49,132,574.57	0.000092	4,532.75
08/07/2008	49,598,591.79	0.000102	5,046.91
08/08/2008	49,795,530.76	0.000103	5,151.86
08/09/2008	49,795,530.76	0.000000	0.00
08/10/2008	49,795,530.76	0.000000	0.00
08/11/2008	48,108,670.05	0.000052	2,525.65
08/12/2008	46,683,066.79	0.000090	4,216.38
08/13/2008	46,766,196.11	0.000113	5,289.67
08/14/2008	46,024,858.26	0.000085	3,891.55
08/15/2008	45,701,956.43	0.000071	3,263.50
08/16/2008	45,701,956.43	0.000000	0.00
08/17/2008	45,701,956.43	0.000000	0.00
08/18/2008	44,726,178.22	0.000073	3,272.85
08/19/2008	38,231,482.51	0.000116	4,442.56
08/20/2008	37,371,834.11	0.000077	2,871.51
08/21/2008	36,392,688.83	0.000068	2,490.26
08/22/2008	36,323,324.32	0.000071	2,562.77
08/23/2008	36,323,324.32	0.000000	0.00
08/24/2008	36,323,324.32	0.000000	0.00
08/25/2008	35,957,692.09	0.000074	2,660.37
08/26/2008	36,766,839.21	0.000174	6,409.37
08/27/2008	37,236,227.36	0.000175	6,523.35
08/28/2008	39,051,228.29	0.000245	9,560.20
08/29/2008	39,094,279.64	0.000088	3,451.56
08/30/2008	39,094,279.64	0.000000	0.00
08/31/2008	39,094,279.64	0.000000	0.00
09/01/2008	39,094,279.64	0.000000	0.00
09/02/2008	38,462,442.61	0.000093	3,573.70
09/03/2008	39,510,301.89	0.000178	7,046.04

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
09/04/2008	44,091,912.34	0.000368	16,235.60
09/05/2008	43,671,149.02	0.000065	2,859.72
09/06/2008	43,671,149.02	0.000000	0.00
09/07/2008	43,671,149.02	0.000000	0.00
09/08/2008	44,046,776.18	0.000130	5,739.04
09/09/2008	43,207,925.30	0.000143	6,175.52
09/10/2008	42,184,870.97	0.000068	2,868.37
09/11/2008	41,997,884.85	0.000108	4,536.68
09/12/2008	41,506,687.66	0.000117	4,860.52
09/13/2008	41,506,687.66	0.000000	0.00
09/14/2008	41,506,687.66	0.000000	0.00
09/15/2008	41,045,087.09	0.000108	4,427.92
09/16/2008	40,838,932.26	0.000108	4,392.77
09/17/2008	39,941,532.97	0.000079	3,147.15
09/18/2008	39,806,912.94	0.000097	3,856.96
09/19/2008	33,867,365.49	0.000100	3,372.19
09/20/2008	33,867,365.49	0.000000	0.00
09/21/2008	33,867,365.49	0.000000	0.00
09/22/2008	33,113,172.90	0.000093	3,067.56
09/23/2008	31,237,539.56	0.000088	2,752.75
09/24/2008	31,235,913.97	0.000090	2,807.82
09/25/2008	32,114,217.64	0.000206	6,609.39
09/26/2008	33,033,024.15	0.000221	7,304.22
09/27/2008	33,033,024.15	0.000000	0.00
09/28/2008	33,033,024.15	0.000000	0.00
09/29/2008	35,520,919.12	0.000318	11,300.74
09/30/2008	35,708,379.72	0.000162	5,770.84
10/01/2008	35,428,485.98	0.000153	5,420.45
10/02/2008	40,718,053.24	0.000546	22,223.40
10/03/2008	40,686,008.12	0.000117	4,741.16
10/04/2008	40,686,008.12	0.000000	0.00
10/05/2008	40,686,008.12	0.000000	0.00
10/06/2008	40,712,381.05	0.000135	5,493.76
10/07/2008	41,022,551.69	0.000143	5,876.02
10/08/2008	41,063,903.35	0.000154	6,307.30
10/09/2008	40,645,767.41	0.000099	4,013.28
10/10/2008	40,786,765.35	0.000141	5,753.16
10/11/2008	40,786,765.35	0.000000	0.00
10/12/2008	40,786,765.35	0.000000	0.00
10/13/2008	40,250,876.90	0.000164	6,591.06
10/14/2008	40,661,595.73	0.000143	5,824.78
10/15/2008	39,359,653.68	0.000086	3,402.32
10/16/2008	35,524,858.98	0.000153	5,436.79
10/17/2008	35,619,429.08	0.000152	5,427.12
10/18/2008	35,619,429.08	0.000000	0.00
10/19/2008	35,619,429.08	0.000000	0.00
10/20/2008	34,674,928.15	0.000172	5,948.17
10/21/2008	34,564,524.03	0.000191	6,613.11
10/22/2008	33,325,698.85	0.000127	4,238.74
10/23/2008	33,681,833.82	0.000168	5,668.44
10/24/2008	34,856,497.08	0.000250	8,723.50
10/25/2008	34,856,497.08	0.000000	0.00

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
10/26/2008	34,856,497.08	0.000000	0.00
10/27/2008	35,177,497.08	0.000213	7,508.59
10/28/2008	37,786,644.88	0.000401	15,148.04
10/29/2008	39,384,543.95	0.000308	12,112.16
10/30/2008	40,199,889.23	0.000173	6,949.64
10/31/2008	42,003,352.54	0.000232	9,740.23
11/01/2008	42,003,352.54	0.000000	0.00
11/02/2008	42,003,352.54	0.000000	0.00
11/03/2008	41,886,924.48	0.000122	5,106.45
11/04/2008	48,404,218.03	0.000684	33,093.60
11/05/2008	47,869,203.13	0.000096	4,598.00
11/06/2008	47,241,627.02	0.000107	5,057.47
11/07/2008	48,027,785.94	0.000116	5,553.95
11/08/2008	48,027,785.94	0.000000	0.00
11/09/2008	48,027,785.94	0.000000	0.00
11/10/2008	48,423,370.78	0.000103	4,974.87
11/11/2008	48,050,133.98	0.000143	6,887.57
11/12/2008	46,790,784.44	0.000098	4,574.71
11/13/2008	45,934,733.32	0.000085	3,888.10
11/14/2008	45,971,437.38	0.000100	4,613.07
11/15/2008	45,971,437.38	0.000000	0.00
11/16/2008	45,971,437.38	0.000000	0.00
11/17/2008	46,211,720.31	0.000131	6,033.70
11/18/2008	44,234,265.30	0.000083	3,679.26
11/19/2008	37,908,484.89	0.000105	3,995.04
11/20/2008	38,090,585.49	0.000093	3,541.82
11/21/2008	38,679,066.51	0.000161	6,211.17
11/22/2008	38,679,066.51	0.000000	0.00
11/23/2008	38,679,066.51	0.000000	0.00
11/24/2008	38,776,995.17	0.000134	5,178.38
11/25/2008	41,023,772.66	0.000248	10,182.67
11/26/2008	42,250,933.08	0.000222	9,399.76
11/27/2008	42,250,933.08	0.000000	0.00
11/28/2008	42,250,933.08	0.000000	0.00
11/29/2008	42,250,933.08	0.000000	0.00
11/30/2008	42,250,933.08	0.000000	0.00
12/01/2008	42,583,524.55	0.000116	4,920.02
12/02/2008	43,433,695.95	0.000163	7,068.41
12/03/2008	43,812,239.95	0.000142	6,200.71
12/04/2008	49,592,607.96	0.000340	16,881.63
12/05/2008	50,772,823.44	0.000160	8,140.18
12/06/2008	50,772,823.44	0.000000	0.00
12/07/2008	50,772,823.44	0.000000	0.00
12/08/2008	50,244,779.02	0.000136	6,852.46
12/09/2008	50,308,781.20	0.000150	7,556.25
12/10/2008	49,479,239.05	0.000137	6,790.17
12/11/2008	50,176,585.99	0.000149	7,499.31
12/12/2008	51,097,005.33	0.000157	8,034.99
12/13/2008	51,097,005.33	0.000000	0.00
12/14/2008	51,097,005.33	0.000000	0.00
12/15/2008	51,735,381.37	0.000138	7,120.10
12/16/2008	52,213,780.45	0.000146	7,602.43

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
12/17/2008	53,176,506.10	0.000111	5,910.91
12/18/2008	53,593,689.73	0.000119	6,371.58
12/19/2008	48,438,736.37	0.000139	6,717.65
12/20/2008	48,438,736.37	0.000000	0.00
12/21/2008	48,438,736.37	0.000000	0.00
12/22/2008	49,531,300.35	0.000118	5,845.63
12/23/2008	49,335,454.37	0.000122	6,023.44
12/24/2008	48,707,806.92	0.000160	7,791.86
12/25/2008	48,707,806.92	0.000000	0.00
12/26/2008	48,707,806.92	0.000000	0.00
12/27/2008	48,707,806.92	0.000000	0.00
12/28/2008	48,707,806.92	0.000000	0.00
12/29/2008	51,178,858.63	0.000185	9,467.84
12/30/2008	52,592,615.12	0.000184	9,677.99
12/31/2008	55,004,739.97	0.000157	8,640.49
01/01/2009	55,004,739.97	0.000000	0.00
01/02/2009	55,696,119.63	0.000112	6,221.71
01/03/2009	55,696,119.63	0.000000	0.00
01/04/2009	55,696,119.63	0.000000	0.00
01/05/2009	55,380,529.53	0.000117	6,456.95
01/06/2009	58,739,856.22	0.000303	17,810.18
01/07/2009	58,945,424.77	0.000073	4,287.11
01/09/2009	60,851,464.88	0.000062	3,754.99
01/10/2009	60,851,464.88	0.000000	0.00
01/11/2009	60,851,464.88	0.000000	0.00
01/08/2009	60,217,934.64	0.000093	5,607.86
01/12/2009	61,171,524.50	0.000066	4,058.82
01/13/2009	59,634,396.38	0.000053	3,151.03
01/14/2009	59,346,249.39	0.000062	3,680.66
01/15/2009	58,917,712.05	0.000071	4,165.71
01/16/2009	59,458,118.02	0.000069	4,090.36
01/17/2009	59,458,118.02	0.000000	0.00
01/18/2009	59,458,118.02	0.000000	0.00
01/19/2009	54,349,754.88	0.000063	3,406.95
01/20/2009	54,449,902.25	0.000062	3,352.21
01/21/2009	54,999,327.41	0.000081	4,441.63
01/24/2009	53,903,275.11	0.000000	0.00
01/25/2009	53,903,275.11	0.000000	0.00
01/22/2009	53,896,338.74	0.000053	2,839.39
01/23/2009	53,903,275.11	0.000056	3,013.87
01/26/2009	52,671,622.47	0.000052	2,762.18
01/27/2009	53,007,522.02	0.000079	4,208.36
01/28/2009	54,454,744.79	0.000088	4,784.09
01/29/2009	54,478,330.56	0.000033	1,810.74
01/30/2009	56,346,620.54	0.000076	4,266.98
02/01/2009	56,346,620.54	0.000000	0.00
02/02/2009	57,516,043.14	0.000074	4,275.39
01/31/2009	56,346,620.54	0.000000	0.00
02/03/2009	58,554,625.17	0.000080	4,670.13
02/04/2009	62,991,758.20	0.000178	11,188.51
02/05/2009	63,744,289.77	0.000055	3,496.40
02/07/2009	64,321,551.42	0.000000	0.00

Kentucky Power Company
Accounts Receivable Financing Balance and Cost Calculation
Thirteen Months Ended April 30, 2009

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
02/08/2009	64,321,551.42	0.000000	0.00
02/06/2009	64,321,551.42	0.000081	5,185.20
02/09/2009	63,342,570.84	0.000049	3,078.87
02/10/2009	63,645,124.51	0.000079	5,053.39
02/11/2009	62,784,594.70	0.000065	4,082.27
02/12/2009	62,783,093.00	0.000060	3,776.20
02/13/2009	62,245,835.78	0.000064	3,965.60
02/14/2009	62,245,835.78	0.000000	0.00
02/15/2009	62,245,835.78	0.000000	0.00
02/16/2009	60,021,216.54	0.000043	2,606.89
02/17/2009	55,679,841.43	0.000072	4,014.76
02/18/2009	54,901,395.53	0.000044	2,406.83
02/19/2009	55,963,132.30	0.000084	4,714.76
02/21/2009	54,639,098.52	0.000000	0.00
02/22/2009	54,639,098.52	0.000000	0.00
02/20/2009	54,639,098.52	0.000043	2,374.74
02/23/2009	53,758,822.23	0.000051	2,733.36
02/24/2009	51,753,610.60	0.000041	2,121.21
02/26/2009	52,112,890.70	0.000077	4,022.44
02/25/2009	51,345,883.47	0.000051	2,604.53
02/27/2009	52,333,000.38	0.000086	4,508.09
03/01/2009	52,333,000.38	0.000000	0.00
03/02/2009	53,369,724.07	0.000090	4,815.34
02/28/2009	52,333,000.38	0.000000	0.00
03/03/2009	56,864,745.51	0.000170	9,667.01
03/04/2009	57,411,908.47	0.000059	3,400.48
03/05/2009	56,675,818.28	0.000052	2,960.91
03/07/2009	56,170,633.49	0.000000	0.00
03/08/2009	56,170,633.49	0.000000	0.00
03/06/2009	56,170,633.49	0.000039	2,210.40
03/09/2009	56,528,194.03	0.000062	3,508.85
03/10/2009	56,108,011.98	0.000051	2,876.84
03/11/2009	54,643,593.30	0.000050	2,735.18
03/12/2009	53,493,290.58	0.000046	2,475.36
03/13/2009	49,822,757.83	0.000071	3,546.56
03/14/2009	49,822,757.83	0.000000	0.00
03/15/2009	49,822,757.83	0.000000	0.00
03/16/2009	49,257,573.28	0.000058	2,875.22
03/17/2009	48,676,618.76	0.000073	3,566.02
03/18/2009	48,269,747.51	0.000033	1,605.72
03/19/2009	48,490,809.56	0.000048	2,332.32
03/21/2009	47,748,889.56	0.000000	0.00
03/22/2009	47,748,889.56	0.000000	0.00
03/20/2009	47,748,889.56	0.000050	2,406.41
03/23/2009	46,855,793.69	0.000051	2,392.11
03/24/2009	46,331,154.19	0.000049	2,280.16
03/26/2009	46,071,712.31	0.000053	2,448.24
03/25/2009	46,091,758.82	0.000036	1,681.20
03/27/2009	46,994,742.75	0.000078	3,669.35
03/28/2009	46,994,742.75	0.000000	0.00
03/29/2009	46,994,742.75	0.000000	0.00
03/30/2009	47,856,226.45	0.000069	3,298.98

**Kentucky Power Company
 Accounts Receivable Financing Balance and Cost Calculation
 Thirteen Months Ended April 30, 2009**

Date	A/R Balance	Daily Carrying Cost Charge	Carrying Cost Charge
03/31/2009	47,674,327.53	0.000068	3,258.90
04/01/2009	48,060,330.62	0.000065	3,133.38
04/02/2009	52,879,616.02	0.000185	9,781.41
04/04/2009	54,037,219.82	0.000000	0.00
04/05/2009	54,037,219.82	0.000000	0.00
04/03/2009	54,037,219.82	0.000058	3,110.24
04/06/2009	53,618,181.01	0.000037	2,009.01
04/07/2009	52,920,257.82	0.000056	2,965.01
04/08/2009	52,401,652.87	0.000043	2,237.97
04/09/2009	52,577,330.77	0.000054	2,864.72
04/10/2009	52,577,330.77	0.000000	0.00
04/11/2009	52,577,330.77	0.000000	0.00
04/12/2009	52,577,330.77	0.000000	0.00
04/13/2009	52,230,003.80	0.000038	1,986.75
04/14/2009	45,638,889.35	0.000057	2,607.94
04/15/2009	45,355,740.61	0.000061	2,768.92
04/16/2009	44,645,073.35	0.000050	2,227.03
04/18/2009	43,992,251.39	0.000000	0.00
04/19/2009	43,992,251.39	0.000000	0.00
04/17/2009	43,992,251.39	0.000042	1,865.59
04/20/2009	43,436,892.03	0.000046	1,998.90
04/21/2009	42,733,666.16	0.000062	2,645.29
04/22/2009	41,958,331.07	0.000041	1,724.87
04/23/2009	41,064,203.37	0.000039	1,589.09
04/24/2009	41,189,960.92	0.000041	1,682.84
04/25/2009	41,189,960.92	0.000000	0.00
04/26/2009	41,189,960.92	0.000000	0.00
04/27/2009	40,940,743.16	0.000042	1,713.17
04/28/2009	42,639,102.57	0.000103	4,407.08
04/29/2009	43,751,333.96	0.000087	3,826.05
04/30/2009	44,947,096.80	0.000067	3,030.60

**Sum Total
 All Daily
 Balances** **\$17,679,497,707.59** **0.034742** **1,503,056.72**

**Divided By
 Number of Days
 in 13 Months** **395** **395**

**Sum Total
 All Daily
 Balances** **\$44,758,222.04** **0.000088**

**Number of
 Banking Days** **360**

**Average Annual
 Carrying Cost Rate** **3.1680%**

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KENTUCKY POWER COMPANY - ENVIRONMENTAL SURCHARGE REPORT
 CURRENT PERIOD REVENUE REQUIREMENT
 BIG SANDY PLANT COST OF CAPITAL

For the Expense Month of XXXXXXXX XX, XXXX

LINE NO	Component	Balances	Cap. Structure	Cost Rates		WACC (Net of Tax)	GRCF		WACC (PRE-TAX)
		As of 04/30/2009							
1	L/T DEBT	\$420,000,000	40.964%	6.05%		2.48%			2.48%
2	S/T DEBT	\$156,177,865	15.233%	2.43%		0.37%			0.37%
3	ACCTS REC FINANCING	\$44,758,222	4.365%	3.17%		0.14%			0.14%
4	C EQUITY	\$404,345,136	39.437%	10.50%	1/	4.14%	1.5760	2/	6.53%
5	TOTAL	\$1,025,281,223	100.000%			7.13%			9.52%
1/	WACC = Weighted Average Cost of Capital Rate of Return on Common Equity per Case No. 2009 - 00038								
2/	Gross Revenue Conversion Factor (GRCF) Calculation:								
1	OPERATING REVENUE						100.0000		
2	UNCOLLECTIBLE ACCOUNTS EXPENSE (0.26%)						0.2600		
3	Kentucky Public Service Commission Assessment (0.15%)						0.1500		
4	STATE TAXABLE PRODUCTION INCOME BEFORE 199 DEDUCTION						99.5900		
5	STATE INCOME TAX EXPENSE, NET OF 199 DEDUCTION (SEE BELOW)						5.6372		
6	FEDERAL TAXABLE PRODUCTION INCOME BEFORE 199 DEDUCTION						93.9528		
7	199 DEDUCTION PHASE-IN						5.6372		
8	FEDERAL TAXABLE PRODUCTION INCOME						88.3156		
9	FEDERAL INCOME TAX EXPENSE AFTER 199 DEDUCTION (35%)						30.9105		
10	AFTER-TAX PRODUCTION INCOME						57.4051		
11	GROSS-UP FACTOR FOR PRODUCTION INCOME:								
12	AFTER-TAX PRODUCTION INCOME						57.4051		
13	199 DEDUCTION PHASE-IN						5.6372		
14	UNCOLLECTIBLE ACCOUNTS EXPENSE						0.2600		
15	Kentucky Public Service Commission Assessment (0.15%)						0.1500		
16	TOTAL GROSS-UP FACTOR FOR PRODUCTION INCOME (ROUNDED)						63.4523		
17	BLENDED FEDERAL AND STATE TAX RATE:								
18	FEDERAL (LINE 8)						30.9105		
19	STATE (LINE 4)						5.6372		
20	BLENDED TAX RATE						36.5477		
21	GROSS REVENUE CONVERSION FACTOR (100.0000 / Line 14)						1.5760		
	STATE INCOME TAX CALCULATION:								
1	PRE-TAX PRODUCTION INCOME						100.0000		
2	COLLECTIBLE ACCOUNTS EXPENSE (0.26%)						0.2600		
3	Kentucky Public Service Commission Assessment (0.15%)						0.1500		
4	STATE TAXABLE PRODUCTION INCOME BEFORE 199 DEDUCTION						99.5900		
5	LESS: STATE 199 DEDUCTION						5.6372		
6	STATE TAXABLE PRODUCTION INCOME BEFORE 199 DEDUCTION						93.9528		
7	STATE INCOME TAX RATE						6.0000		
8	STATE INCOME TAX EXPENSE (LINE 5 X LINE 6)						5.6372		

Kentucky Power Company
Uncollected Accounts

Line No. (1)	Description (2)	Electric Revenues (3)	Accounts - Net Charged Off (4)	Percent of Electric Revenues (5)
1	12 Months ended 04/30/2007	\$412,884,602	\$1,193,975	0.29%
2	12 Months ended 04/30/2008	\$408,354,846	\$1,101,516	0.27%
3	12 Months ended 04/30/2009	\$501,432,589	\$1,140,761	0.23%
4	Total	<u>\$1,322,672,037</u>	<u>\$3,436,252</u>	<u>0.79%</u>
5	Three Year Average	<u><u>\$440,890,679</u></u>	<u><u>\$1,145,417</u></u>	<u><u>0.26%</u></u>

Kentucky Power Company

REQUEST

Please refer to the Company's response to the Commission Staff-1st Set of Data Requests dated August 18, 2009. On Item No. 4 page 12 of 22, explain how the Total Dollar Days, the Average Amount Short Term Borrowings (\$70,243,489.14) and the Daily Weighted Average Interest Rate (2.6680%) calculated?

RESPONSE

The Total Dollar Days is the total of each day's Short Term Daily Borrowed Balance for 365 days.

The average amount of \$70,243,489.14 was calculated by dividing the Total Dollar Days value of \$25,638,876,819.68 by 365 days.

The 2.6680% was arrived at by totaling the Daily Weighted Average Borrowed Interest Rate column for the entire year.

These values were recalculated and reflected on the attachment filed herein to Item No. 1.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Please refer to the Company's response to the Commission Staff-1st Set of Data Requests dated August 18, 2009. On Item No. 4 Page 20 of 22, how were the Average Account Receivable amount of \$44,758,222.04, the Daily Carrying Charge Average rate of 0.000088 and the Average Annual Carrying Charge Rate of 3.1664% calculated?

RESPONSE

The Average Accounts Receivable balance of \$44,758,222.04 was calculated by taking the total daily Account Receivable of \$17,679,497,707 and dividing it by 395 (the number of daily entries for the thirteen month period).

The Daily Carrying Charge Average rate of 0.000088 was calculated by dividing the total Daily Carrying Charge of 0.034742 and dividing it by 395 (the number of daily entries for the thirteen month period).

The Average Annual Carrying Charge rate of 3.1664% was calculated by taking the Daily Carrying Charge Average rate of 0.000088 times 360 (the number of banking days) to arrive at the Annual Carrying Charge Rate of 3.1664%.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Please refer to the Company's response to the Commission Staff-1st Set of Data Requests dated August 18, 2009. What is the total of the Carrying Cost Charge column for the thirteen months ended April 2009 shown on pages 13 through 20 of 22 on Item No. 4?

RESPONSE

The total of the Carrying Cost Charge column for the thirteen months ended April 2009 was \$1,503,056.72.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Please refer to the Company's response to the Commission Staff-1st Set of Data Requests dated August 18, 2009. When Item No. 4 is revised to incorporate the correct Short Term Daily Borrowed Balances for January 30, 2009 through April 30, 2009, and to reflect the KPSC's assessment rate in the Gross Revenue Conversion Factor, will the Weighted Average Cost percentage total of 7.17% on page 2 of 22 changes?

RESPONSE

Yes. When these changes are made, the Weighted Average Cost percentage total changes from 7.17% to 7.13 %.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Please refer to the Company's monthly environmental surcharge calculations for the expense month August 2009. Please explain the reasons for the increase in the Trona Costs at the Gavin Plant between the calendar months of July 2009 and August 2009.

RESPONSE

AEP amended its contract with Solvay Chemicals, Inc. in December 2008 to deliver, at a minimum, 72% (65,000 tons/90,879 tons) of the total trona AEP expected to consume in 2009. Due to the economic downturn, the reduced demand for coal fired generation, and the reduced sulfur content in the coal, AEP has needed only 51.7% (35,252 tons/68,159 tons) of what the Company expected to consume based on AEP's forecasted use for the first nine months of 2009. As a result of the forecast shortfall in trona requirements and the take-or-pay provisions of the Solvay Chemicals, Inc. agreement, the Company began accruing the liability in August 2009. The anticipated shortfall payment required in its agreement with Solvay may be adjusted monthly in September through December 2009. The August 2009 liability was allocated among the six generating plants based upon their estimated trona consumption at each plant.

During August 2009 of the total \$1,594,587.57 of trona costs recorded at the Gavin Plant, \$368,234.57 was the cost of trona consumed and \$1,226,353 was Gavin's share of the liability which was the result of the take-or-pay provision of the trona contract.

WITNESS: Errol K. Wagner