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February 25, 2010

HAND DELIVERED

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

RECEIVED

FEB 25 2010

PUBLIC SERVICE
COMMISSION

Mark R. Overstreet
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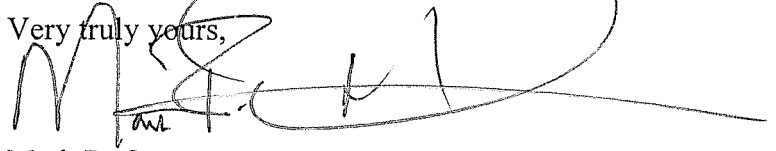
RE: P.S.C. Case No. 2010-00020

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 First Set of Data Requests in the above matter.

A copy of the Responses is being served on counsel for the Attorney General and Kentucky Industrial Utility Customers, Inc.

Very truly yours,



Mark R. Overstreet

cc: Michael L. Kurtz
Dennis Howard

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION ON THE ENVIRONMENTAL)
SURCHARGE MECHANISM OF KENTUCKY) CASE NO. 2010-00020
POWER COMPANY FOR THE SIX-MONTH)
BILLING PERIOD ENDING DECEMBER 31, 2009)

**KENTUCKY POWER COMPANY RESPONSES TO COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS**

February 25, 2010

Kentucky Power Company

REQUEST

Prepare a summary schedule showing the calculations $E(m)$ and the surcharge factor for the expense months covered by the billing period under review. Use ES Form 1.00 as a model for this summary. Include the two expense months subsequent to the billing period in order to show the over- and under-recovery adjustments for the months included in the billing period under review. Include a calculation of any additional over- or under-recovery amount Kentucky Power believes needs to be recognized for the six month review. Include all supporting calculations and documentation for any such additional over- or under-recovery.

RESPONSE

There are no known adjustments. Please see page 2 of this response.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

The net gain or loss from sulfur dioxide ("SO₂") and nitrogen oxide ("NO_x") emission allowance sales is reported on ES Form 3.00, Calculation of Current Period Revenue Requirement, Third Component. For each expense month covered by the billing period under review, provide an explanation of how the gain or loss reported in the expense month was calculated and describe the transaction(s) that was the source of the gain or loss.

RESPONSE

The Company calculates the gain or losses on all allowances sales using this standard formula:

Sales Proceeds - Weighted Average Costs of Allowances Sold - Broker Fees + or - Option Premiums = Net Gain or Loss.

Any reported gains or losses are a result of selling SO₂ or NO_x allowances from our compliance inventory to external counter-parties.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Refer to ES Form 3.11, SO2 Emission Allowance Inventory, for the June 2009 expense month. Explain why Kentucky Power reported receiving "EPA Allowance" in this expense month.

RESPONSE

Under The Clean Air Interstate Rule (CAIR) SO2 emission program of The Clean Air Act, Kentucky Power (KPCo) maintains a 30 year rolling inventory of allowances. The 34,945 SO2 allowances were 2039 vintage year allowances awarded to KPCo by EPA.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Refer to ES Form 3.13, the Operation and Maintenance Expense Summary, Line 10, Equipment - Associated Maintenance Expenses. Explain the primary reason(s) for the fluctuations in these maintenance expenses during the six expense months that make up this review period.

RESPONSE

In the month of May 2009, the amount accrued for the Structure Scaffolding LLC and Enerfab invoices were over-stated approximately \$37,000 and \$60,000 respectively resulting in the \$263,049.47 charge. In the month of June 2009, the accrual was reversed and the proper amounts were charged resulting in the \$89,464.10 Credit.

Please see Page 2 of this response.

WITNESS: Errol K Wagner

Line No.	Month	Year	Amount	Description
1	May	2009	\$260,987.31	Normal Operations of SCR (1) Installed new Hydrolyzer Level indicators from Ohmart/Vega on Ammonia Injection System Unit 2. (2) Replaced solenoid and driver on SCR Acoustic Horns Unit 2. (3) Forced Outage Enerfab repaired casing leak on Economizer inlet header - Structure Scaffolding LLC (formerly Youngs) installed and removed scaffolding (85' 7") for leak. (4) Replaced broken ground wire connection on North Booster Fan. Ordered Connector from State Electric Supply Company Inc. (5) Replaced two pressure gauges and a vacuum gauge on SCR NOX Monitoring Unit 2. (6) Enerfab to repair SCR Reactor casing leak four Pack Welder 305 AMP rented from Sunbelt Rentals Inc.
2	June	2009	(\$89,464.10)	Normal Operations of SCR (1) Un-invoiced Charges - Installed new Hydrolyzer Level indicators from Ohmart/Vega on Ammonia Injection System Unit 2 (2) Un-invoiced Charges for -Forced Outage- Enerfab repaired casing leak on Economizer inlet header - Structure Scaffolding LLC (formerly Youngs) installed and removed scaffolding for leak. (3) Installed new Desiccant 20 Chamber on SCR north inlet duct nox monitor. (4) Enerfab INC repaired casing leaks on 2 SCR Reactor casings.
3	July	2009	\$14,351.32	Normal Operations of SCR (1) Installed new solenoid valve on Urea Screw Conveyor for the AOD #1 Mix Tank. (2) Cleaned 1st Reheat Sonic Horns on elevation 136 and replaced 3/4 inch ball valve. (3) Structure Scaffolding LLC (formerly Youngs) installed and removed scaffolding for casing leak on #21 SCR Reactor Outlet Duct 9. Structure Scaffolding LLC (formerly Youngs) installed and removed scaffolding for casing leak on Unit 2 Air Heater #1 expansion joint casing leak. (4) Replaced Bypass T Assembly Eductor on the SCR north inlet dilution probe and probe controller. Replaced Dilution 100 Orifice on SCR south outlet dilution probe and probe controller.
4	August	2009	\$45,730.72	Normal Operations of SCR. (1) North America cleaned the economizer head on the Hydrolyzer. ICE replaced solenoid valve on Urea mixing tank level indicator. Pipe fabrication for Hydrolyzer Economizer blowdown. Cable protectors from McMaster-Carr Supply Co Inc. (2) Removed rotating oil seal and hydraulic cylinder for South Booster fan and sent to Howden Buffalo Inc for rebuild, then reinstalled.
5	September	2009	\$9,474.17	Normal Operations of SCR (1) North America cleaned the economizer on the Hydrolyzer. (2) Removed Ash from Reheat Sonic Horn tubes and had to replace 7 solenoids. 2 hoses and 4 drivers. (3) Unplugged acoustic air horns and replaced flexible metal hose on 4 horns. (4) Replaced 2 filter lube elements on scr north booster fan motor unit 2. (5) Replaced 2 Nox Orifices and a Flow control spring on the SCR North Inlet Duct Nox Monitor. (6) State Electric service man came and repaired #2 Seal Air Layup Fan on Unit 2 due to a bad sensor.
6	October	2009	\$1,895.34	Normal Operations of SCR (1) Aero Fab Inc tech fabricated and installed new fume control duct work on the SCR Ammonia Injection System building. (2) Replaced Input Output module on boiler acoustic horn on unit 2. (3) Replaced drivers on SCR Acoustic Air Horn.
7	Total		<u>\$242,974.76</u>	
			\$114,885.01	SCR Boiler Outlet Ductwork
			\$52,396.60	SCR Reactor
			\$40,636.41	SCR Booster Fans
			<u>\$23,875.96</u>	SCR Ammonia Injection System (AOD)
			<u>\$231,793.98</u>	Total
			95.4%	Percentage of Total Maintenance Costs

Kentucky Power Company

REQUEST

Refer to ES Form 3.14, Page 3 of 11, the Current Period Revenue Requirement, Ohio Power Company - Amos Plant Unit No. 3, Line 8. Explain the primary reason(s) for the fluctuation in the Trona expense during the six expense months that make up this review period.

RESPONSE

Fluctuations were caused by differences in the number of hours the plant operated and the effect of the Solvay Chemicals, Inc. take-or-pay trona contract.

The Scrubber (FGD) went into service in March 2009. Amos Plant Unit 3 did consume trona in May and June 2009, but there were no charges for Trona until the month of July 2009. Ohio Power Company was not billed for its share of trona consumed in May and June 2009 from Appalachian Power Company until December 2009, \$108,009 (522 tons) and \$80,307 (389 tons) respectively.

In May, Amos Plant Unit 3 operated 636 hours and consumed 783 tons of trona, and in June, Amos Plant Unit 3 operated 575 hours and consumed 583 tons of trona.

In the month of July 2009, Amos Plant Unit 3 operated 647 hours consuming 774 tons of trona. In August 2009, Amos Plant Unit 3 operated 732 hours and consumed 1,194 tons trona included is a charge of \$340,234 for Amos Plant Unit 3's share of liability as the result of the take-or-pay provision of the trona contract with Solvay Chemicals, Inc.

In September 2009, Amos Plant Unit 3 operated 443 hours and consumed 313 tons of trona. Also, there is an approximate \$192,000 Credit that pertains to the reversal of prior month accruals.

In October 2009, Amos Plant Unit 3 operated 744 hours and consumed 1,956 tons of trona.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Refer to ES Form 3.14, Page 4 of 11, the Current Period Revenue Requirement, Ohio Power Company - Cardinal Unit 1, Line 4 - Disposal and Line 10-Scrubber (FGD) Maintenance. Explain the primary reason(s) for the fluctuation in these expenses during the six expense months that make up this review period.

RESPONSE

The information was not available for the months from May 2009 to August 2009, so no amounts were reported on the ES FORM 3.14, Page 4 of 11 for Ohio Power Company - Cardinal Plant in the monthly filings.

Disposal - The activity in the month of September included a quarterly barging cost settlement and a credit of approximately \$71,000 to correct a accounting mis-classification.

The activity in the month of October included approximately \$81,000 of barge demurrage for the previous three months.

Scrubber (FGD) Maintenance - The activity in September was for maintenance performed on the Ammonia on Demand system of the SCR.

The activity in October was also for maintenance performed on the Ammonia on Demand system of the SCR.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Refer to ES Form 3.14, Page 5 of 11, the Current Period Revenue Requirement, Ohio Power Company - Gavin Plant (Units 1 & 2), Line 7. Explain the primary reason(s) for the fluctuation in the Trona expense for the August 2009 month compared to the other months in this review period.

RESPONSE

AEP amended its contract with Solvay Chemicals, Inc. in December 2008 to require 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 August 2009 liability was allocated among the six generating plants based upon their estimated trona consumption at each plant.

Of the total \$1,594,587.57 in trona costs recorded at the Gavin Plant during August 2009, \$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

Kentucky Power Company

REQUEST

Refer to ES Form 3.14, Page 7 of 11, the Current Period Revenue Requirement, Ohio Power Company - Mitchell Plant (Units 1 & 2), Line 4. Explain the primary reason(s) for the fluctuation in the Disposal expense for the September 2009 expense month compared to the other months in this review period.

RESPONSE

Disposal expense in September, 2009 reflected \$246,182 in revenues received in that month for calendar year 2008 gypsum sales.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Refer to ES Form 3.14, Page 8 of 11, the Current Period Revenue Requirement, Ohio Power Company - Muskingum River Plant (Units 1, 2, 3, 4, & 5), Line 8. Explain the primary reason(s) for the fluctuation in the SCR Maintenance in the September 2009 and October 2009 expense months compared to the prior months in this review.

RESPONSE

The information was not available for the months from May 2009 to August 2009, so no amounts were reported on the ES FORM 3.14, Page 8 of 11 for Muskingum River Plant in the monthly filings.

The primary reason for the difference between September 2009 and October 2009 was maintenance that was performed on the urea recycle solution outlet on the Ammonia on Demand system of the SCR in October 2009.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Provide the following information as of October 31, 2009:

- a. The outstanding balances for long-term debt, short-term debt, accounts receivable financing, and common equity.
- b. The blended interest rates for long-term debt, short-term debt, and accounts receivable financing. Include all supporting calculations showing how these blended interest rates were determined.
- c. Kentucky Power's calculation of its weighted average cost of capital for environmental surcharge purposes.
- d. Determine the weighted average cost of capital reflecting the application of the income tax gross-up factor. Include all calculations and assumptions used in the determination.

RESPONSE

- a. Please refer to Page 2 of 19 of the attached exhibit for the balances for long-term debt, short-term debt, accounts receivable financing and common equity as of October 31, 2009. Pages 3 thru 17 of 19 demonstrate the supporting calculations.
- b. Please refer to Page 2 of 19 of the attached exhibit for the blended interest rates for long-term debt, short-term debt, and accounts receivable financing as of October 31, 2009.
- c. Kentucky Power's October 31, 2009 calculated weighted average cost of capital for environmental surcharge purposes was 7.96%. 10.50% was used as the return on common equity, per Case No. 2009-00316, dated January 20, 2010. Please refer to Page 2 of 19 of the attached exhibit for support of the calculation.
- d. Please see Page 18 of 19 for the weighted cost of capital reflecting the application of the income tax gross-up factor.

WITNESS: Errol K Wagner

**Kentucky Power Company
 Cost of Capital
 As of October 31, 2009**

<u>Ln No</u> (1)	<u>Description</u> (2)	<u>Capital</u> (3)		<u>Percent of Total</u> (4)	<u>Cost Percentage Rate</u> (5)	<u>Weighted Average Cost Percent</u> (6)=(4)x(5)
1	Long Term Debt	\$550,000,000	a	53.561%	6.48%	3.47%
2	Short Term Debt	\$0	a	0.000%	1.77% b	0.00%
3	Accts Receivable Financing	\$46,535,672		4.532%	2.08%	0.09%
4	Common Equity	\$430,332,408	a	41.907%	10.50% c	4.40%
5	Total	\$1,026,868,080		100.000%		7.96%

a Book balance as of 10/31/2009

b Average borrowing costs for the 12 Months Ended October 31, 2009

c Per Case No 2009-00316, dated January 20, 2010

KENTUCKY POWER COMPANY
 EFFECTIVE COST OF LONG-TERM DEBT
 AS OF OCTOBER 31, 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	WEIGHTED COST RATE
				\$	\$	\$	\$	%	%	\$	\$	%
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	
Subtotal				<u>20,000,000</u>			<u>20,000,000</u>			<u>20,000,000</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	
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	
7.250%	6/18/2009	6/18/2021	11.99	40,000,000	-	217,919	39,782,081	99.46	7.319	40,000,000	2,927,597	
8.030%	6/18/2009	6/18/2029	19.99	30,000,000	-	163,439	29,836,561	99.46	8.085	30,000,000	2,425,620	
8.130%	6/18/2009	6/18/2039	29.98	60,000,000	-	326,879	59,673,121	99.46	8.179	60,000,000	4,907,388	
Subtotal				<u>530,000,000</u>			<u>530,000,000</u>			<u>530,000,000</u>	<u>34,611,457</u>	
Total				<u>550,000,000</u>			<u>550,000,000</u>			<u>550,000,000</u>	<u>35,661,273</u>	<u>6.484</u>
	FMV of mark to market 133 hedge											
											-	a
	TOTAL LONG-TERM DEBT										<u>35,661,273</u>	<u>6.484</u>

a Book balance as of 10/31/2009

Kentucky Power Company
Schedule of Short Term Debt
Twelve Months Ended October 31, 2009

Line No. (1)	Month (2)	Year (3)	Notes Payable Outstanding at the End of the Month (4)
1	November	2008	115,827,728
2	December	2008	131,398,655
3	January	2009	151,601,832
4	February	2009	146,762,000
5	March	2009	157,289,699
6	April	2009	156,177,865
7	May	2009	168,665,181
8	June	2009	6,049,931
9	July	2009	0
10	August	2009	0
11	September	2009	0
12	October	2009	0

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	11/1/2008	(68,215,328.74)	4.06%	0.008318%
	11/2/2008	(68,223,019.59)	4.06%	0.008319%
	11/3/2008	(68,086,277.55)	4.02%	0.008214%
	11/4/2008	(71,868,397.15)	4.78%	0.010329%
	11/5/2008	(75,249,874.95)	4.78%	0.010815%
	11/6/2008	(73,272,182.29)	3.99%	0.008791%
	11/7/2008	(73,747,443.40)	3.99%	0.008841%
	11/8/2008	(73,755,617.58)	3.99%	0.008842%
	11/9/2008	(73,763,792.66)	3.99%	0.008843%
	11/10/2008	(113,828,556.76)	3.99%	0.013645%
	11/11/2008	(113,841,173.54)	3.99%	0.013647%
	11/12/2008	(110,239,725.51)	3.99%	0.013228%
	11/13/2008	(114,226,590.62)	3.99%	0.013706%
	11/14/2008	(114,822,626.76)	3.99%	0.013779%
	11/15/2008	(114,835,367.36)	3.99%	0.013781%
	11/16/2008	(114,848,109.37)	3.99%	0.013782%
	11/17/2008	(113,563,076.28)	4.05%	0.013817%
	11/18/2008	(110,479,572.14)	4.05%	0.013442%
	11/19/2008	(103,715,909.94)	3.99%	0.012446%
	11/20/2008	(124,696,932.45)	3.99%	0.014964%
	11/21/2008	(121,316,882.68)	3.99%	0.014559%
	11/22/2008	(121,330,343.87)	3.99%	0.014560%
	11/23/2008	(121,343,806.56)	3.99%	0.014562%
	11/24/2008	(120,187,957.60)	3.99%	0.014423%
	11/25/2008	(120,323,070.31)	3.99%	0.014439%
	11/26/2008	(115,747,032.69)	3.99%	0.013890%
	11/27/2008	(115,759,875.86)	3.99%	0.013892%
Friday	11/28/2008	(115,827,727.83)	3.99%	0.013900%
Saturday	11/29/2008	(115,840,579.95)	3.99%	0.013901%
Sunday	11/30/2008	(115,853,433.49)	3.99%	0.013903%
	12/1/2008	(117,410,761.40)	3.99%	0.014090%
	12/2/2008	(119,580,645.19)	3.99%	0.014350%
	12/3/2008	(126,692,906.99)	3.99%	0.015204%
	12/4/2008	(125,067,126.79)	3.99%	0.015009%
	12/5/2008	(129,960,651.08)	3.99%	0.015596%
	12/6/2008	(129,975,071.37)	3.99%	0.015598%
	12/7/2008	(129,989,493.27)	3.99%	0.015599%
	12/8/2008	(142,416,210.64)	3.83%	0.016398%
	12/9/2008	(140,166,680.68)	3.83%	0.016139%
	12/10/2008	(136,064,364.07)	3.83%	0.015666%
	12/11/2008	(131,720,953.14)	3.83%	0.015166%
	12/12/2008	(131,450,937.05)	2.28%	0.008986%
	12/13/2008	(131,459,245.45)	2.28%	0.008986%
	12/14/2008	(131,467,554.38)	2.28%	0.008987%
	12/15/2008	(132,496,338.12)	2.28%	0.009057%
	12/16/2008	(134,031,827.69)	2.28%	0.009162%
	12/17/2008	(133,530,208.78)	2.28%	0.009128%
	12/18/2008	(128,626,454.08)	2.28%	0.008793%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	12/19/2008	(122,841,777.08)	2.28%	0.008397%
	12/20/2008	(122,849,541.34)	2.28%	0.008398%
	12/21/2008	(122,857,306.09)	2.28%	0.008398%
	12/22/2008	(129,402,596.99)	2.28%	0.008846%
	12/23/2008	(129,822,424.90)	2.28%	0.008874%
	12/24/2008	(134,134,349.98)	2.28%	0.009169%
	12/25/2008	(134,142,827.99)	2.28%	0.009170%
	12/26/2008	(137,472,488.73)	2.28%	0.009397%
	12/27/2008	(137,481,177.72)	2.28%	0.009398%
	12/28/2008	(137,489,867.27)	2.28%	0.009399%
	12/29/2008	(135,783,009.34)	2.28%	0.009282%
	12/30/2008	(135,006,331.63)	2.28%	0.009229%
Wednesday	12/31/2008	(131,398,654.83)	2.28%	0.008982%
	1/1/2009	(131,406,959.93)	2.28%	0.008983%
	1/2/2009	(132,337,908.20)	2.28%	0.009046%
	1/3/2009	(132,346,272.66)	2.28%	0.009047%
	1/4/2009	(132,354,637.65)	2.28%	0.009048%
	1/5/2009	(135,901,041.26)	2.28%	0.009290%
	1/6/2009	(131,976,024.59)	2.25%	0.008921%
	1/7/2009	(135,415,521.92)	2.26%	0.009198%
	1/8/2009	(130,781,085.13)	2.26%	0.008883%
	1/9/2009	(139,498,245.24)	2.26%	0.009475%
	1/10/2009	(139,507,006.46)	2.26%	0.009476%
	1/11/2009	(139,515,768.24)	2.26%	0.009477%
	1/12/2009	(140,222,271.56)	1.73%	0.007301%
	1/13/2009	(137,053,409.21)	1.75%	0.007205%
	1/14/2009	(135,209,910.65)	1.74%	0.007087%
	1/15/2009	(132,713,733.06)	1.76%	0.007016%
	1/16/2009	(132,623,253.61)	1.76%	0.007011%
	1/17/2009	(132,629,736.08)	1.76%	0.007011%
	1/18/2009	(132,636,218.87)	1.76%	0.007012%
	1/19/2009	(132,642,701.98)	1.76%	0.007012%
	1/20/2009	(128,338,651.44)	1.76%	0.006784%
	1/21/2009	(131,912,848.85)	1.76%	0.006973%
	1/22/2009	(134,201,407.12)	1.76%	0.007094%
	1/23/2009	(132,889,893.31)	1.76%	0.007025%
	1/24/2009	(132,896,388.82)	1.76%	0.007025%
	1/25/2009	(132,902,884.65)	1.76%	0.007026%
	1/26/2009	(150,341,105.92)	1.76%	0.007948%
	1/27/2009	(149,755,575.82)	1.76%	0.007917%
	1/28/2009	(150,334,596.37)	1.76%	0.007947%
	1/29/2009	(149,010,851.60)	1.76%	0.007877%
Friday	1/30/2009	(151,601,831.51)	1.76%	0.008014%
Saturday	1/31/2009	(151,609,241.63)	1.76%	0.008015%
	2/1/2009	(151,616,652.12)	1.76%	0.008015%
	2/2/2009	(152,021,886.13)	1.76%	0.008036%
	2/3/2009	(149,060,547.52)	1.76%	0.007880%
	2/4/2009	(153,886,901.91)	1.76%	0.008135%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	2/5/2009	(144,703,595.79)	1.76%	0.007650%
	2/6/2009	(143,573,600.13)	1.76%	0.007590%
	2/7/2009	(143,580,617.85)	1.76%	0.007590%
	2/8/2009	(143,587,635.92)	1.76%	0.007591%
	2/9/2009	(152,564,717.02)	1.76%	0.008065%
	2/10/2009	(150,532,245.41)	1.76%	0.007958%
	2/11/2009	(147,834,250.21)	1.76%	0.007815%
	2/12/2009	(146,017,867.53)	1.82%	0.007980%
	2/13/2009	(146,832,341.69)	1.81%	0.007990%
	2/14/2009	(146,839,729.08)	1.81%	0.007990%
	2/15/2009	(146,847,116.85)	1.81%	0.007990%
	2/16/2009	(146,854,504.99)	1.81%	0.007991%
	2/17/2009	(137,904,424.36)	1.80%	0.007449%
	2/18/2009	(135,978,652.59)	1.79%	0.007327%
	2/19/2009	(142,157,047.88)	1.79%	0.007660%
	2/20/2009	(143,676,146.23)	1.79%	0.007742%
	2/21/2009	(143,683,304.60)	1.79%	0.007742%
	2/22/2009	(143,690,463.32)	1.79%	0.007743%
	2/23/2009	(143,551,525.77)	1.79%	0.007732%
	2/24/2009	(141,402,899.52)	1.79%	0.007616%
	2/25/2009	(140,949,548.19)	1.79%	0.007591%
	2/26/2009	(149,860,995.06)	1.74%	0.007843%
Friday	2/27/2009	(146,761,999.69)	1.74%	0.007681%
Saturday	2/28/2009	(146,769,101.27)	1.74%	0.007681%
	3/1/2009	(146,776,203.20)	1.74%	0.007681%
	3/2/2009	(148,121,620.13)	1.74%	0.007752%
	3/3/2009	(145,948,308.91)	1.74%	0.007638%
	3/4/2009	(146,756,869.38)	1.74%	0.007680%
	3/5/2009	(139,428,005.40)	1.74%	0.007297%
	3/6/2009	(144,865,798.53)	1.74%	0.007581%
	3/7/2009	(144,872,808.36)	1.74%	0.007582%
	3/8/2009	(144,879,818.53)	1.74%	0.007582%
	3/9/2009	(152,066,241.52)	1.56%	0.007127%
	3/10/2009	(150,088,899.22)	1.56%	0.007035%
	3/11/2009	(147,210,884.34)	1.57%	0.006952%
	3/12/2009	(148,225,347.16)	1.22%	0.005453%
	3/13/2009	(144,017,608.36)	1.22%	0.005298%
	3/14/2009	(144,022,506.92)	1.22%	0.005298%
	3/15/2009	(144,027,405.65)	1.22%	0.005298%
	3/16/2009	(152,380,086.75)	1.22%	0.005590%
	3/17/2009	(150,998,815.12)	1.22%	0.005534%
	3/18/2009	(150,899,116.37)	1.22%	0.005530%
	3/19/2009	(155,598,006.06)	1.22%	0.005696%
	3/20/2009	(161,451,788.47)	1.22%	0.005911%
	3/21/2009	(161,457,254.28)	1.22%	0.005912%
	3/22/2009	(161,462,720.27)	1.22%	0.005912%
	3/23/2009	(161,838,246.04)	1.22%	0.005926%
	3/24/2009	(159,869,014.50)	1.22%	0.005843%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	3/25/2009	(160,035,218.80)	1.22%	0.005850%
	3/26/2009	(161,307,621.43)	1.22%	0.005928%
	3/27/2009	(161,153,385.81)	1.22%	0.005922%
	3/28/2009	(161,158,861.63)	1.22%	0.005922%
	3/29/2009	(161,164,337.63)	1.22%	0.005923%
	3/30/2009	(159,705,369.22)	1.22%	0.005869%
Tuesday	3/31/2009	(157,289,698.89)	1.22%	0.005780%
	4/1/2009	(156,909,006.71)	1.22%	0.005766%
	4/2/2009	(158,842,299.25)	1.22%	0.005799%
	4/3/2009	(166,061,611.08)	1.22%	0.006063%
	4/4/2009	(166,067,217.07)	1.22%	0.006063%
	4/5/2009	(166,072,823.25)	1.22%	0.006063%
	4/6/2009	(164,405,166.23)	1.22%	0.006003%
	4/7/2009	(170,236,158.20)	1.22%	0.006215%
	4/8/2009	(169,341,851.07)	1.22%	0.006183%
	4/9/2009	(166,870,361.70)	1.22%	0.006093%
	4/10/2009	(167,537,844.39)	1.22%	0.006117%
	4/11/2009	(167,543,500.21)	1.22%	0.006117%
	4/12/2009	(167,549,156.23)	1.22%	0.006117%
	4/13/2009	(165,965,115.40)	1.22%	0.006059%
	4/14/2009	(158,037,505.72)	1.16%	0.005518%
	4/15/2009	(156,048,649.93)	1.16%	0.005449%
	4/16/2009	(160,909,910.84)	1.16%	0.005618%
	4/17/2009	(159,042,781.53)	1.16%	0.005553%
	4/18/2009	(159,047,916.11)	1.16%	0.005553%
	4/19/2009	(159,053,050.86)	1.16%	0.005554%
	4/20/2009	(158,027,601.36)	1.16%	0.005518%
	4/21/2009	(152,470,302.01)	1.16%	0.005324%
	4/22/2009	(158,770,853.26)	1.16%	0.005544%
	4/23/2009	(160,199,961.09)	1.16%	0.005594%
	4/24/2009	(160,685,612.57)	1.16%	0.005611%
	4/25/2009	(160,690,800.20)	1.16%	0.005611%
	4/26/2009	(160,695,987.99)	1.16%	0.005611%
	4/27/2009	(161,170,349.63)	1.21%	0.005848%
	4/28/2009	(159,695,292.31)	1.21%	0.005794%
	4/29/2009	(158,870,576.82)	1.21%	0.005765%
Thursday	4/30/2009	(156,177,864.54)	1.21%	0.005667%
	5/1/2009	(155,984,273.05)	1.21%	0.005660%
	5/2/2009	(155,989,506.24)	1.21%	0.005660%
	5/3/2009	(155,994,739.60)	1.21%	0.005660%
	5/4/2009	(157,192,293.41)	1.21%	0.005704%
	5/5/2009	(156,890,929.77)	1.21%	0.005693%
	5/6/2009	(157,429,225.18)	1.21%	0.005712%
	5/7/2009	(152,178,468.84)	1.21%	0.005522%
	5/8/2009	(162,118,161.66)	1.21%	0.005882%
	5/9/2009	(162,123,600.63)	1.21%	0.005883%
	5/10/2009	(162,129,039.78)	1.21%	0.005883%
	5/11/2009	(160,547,553.48)	1.21%	0.005825%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	5/12/2009	(158,800,954.65)	0.92%	0.004383%
	5/13/2009	(157,525,213.22)	0.92%	0.004348%
	5/14/2009	(158,593,159.72)	0.83%	0.003931%
	5/15/2009	(159,811,435.33)	0.83%	0.003961%
	5/16/2009	(159,815,097.67)	0.83%	0.003961%
	5/17/2009	(159,818,760.10)	0.83%	0.003961%
	5/18/2009	(157,281,849.90)	0.83%	0.003898%
	5/19/2009	(154,505,031.35)	0.83%	0.003829%
	5/20/2009	(150,315,503.17)	0.83%	0.003726%
	5/21/2009	(159,564,334.43)	0.83%	0.003955%
	5/22/2009	(160,576,859.47)	0.80%	0.003859%
	5/23/2009	(160,580,427.24)	0.80%	0.003859%
	5/24/2009	(160,583,995.10)	0.80%	0.003859%
	5/25/2009	(160,587,563.04)	0.80%	0.003859%
	5/26/2009	(159,772,212.25)	0.76%	0.003626%
	5/27/2009	(165,632,260.62)	0.76%	0.003775%
	5/28/2009	(167,238,928.87)	0.76%	0.003835%
Friday	5/29/2009	(168,665,181.33)	0.77%	0.003890%
Saturday	5/30/2009	(168,668,778.19)	0.77%	0.003890%
Sunday	5/31/2009	(168,672,375.13)	0.77%	0.003890%
	6/1/2009	(170,855,376.38)	0.74%	0.003775%
	6/2/2009	(169,394,397.39)	0.74%	0.003742%
	6/3/2009	(170,601,883.64)	0.71%	0.003652%
	6/4/2009	(164,113,400.87)	0.72%	0.003527%
	6/5/2009	(163,560,314.02)	0.71%	0.003508%
	6/6/2009	(163,563,557.61)	0.71%	0.003508%
	6/7/2009	(163,566,801.26)	0.71%	0.003508%
	6/8/2009	(174,108,041.92)	0.70%	0.003669%
	6/9/2009	(172,153,241.34)	0.71%	0.003676%
	6/10/2009	(170,174,541.58)	0.71%	0.003620%
	6/11/2009	(169,067,023.14)	0.70%	0.003576%
	6/12/2009	(167,911,054.47)	0.71%	0.003576%
	6/13/2009	(167,914,361.01)	0.71%	0.003576%
	6/14/2009	(167,917,667.61)	0.71%	0.003576%
	6/15/2009	(166,905,836.38)	0.66%	0.003310%
	6/16/2009	(166,894,057.18)	0.65%	0.003261%
	6/17/2009	(160,317,012.73)	0.65%	0.003144%
	6/18/2009	(35,268,928.72)	0.68%	0.000720%
	6/19/2009	(35,149,583.35)	0.69%	0.000727%
	6/20/2009	(35,358,038.04)	0.69%	0.000731%
	6/21/2009	(35,358,714.05)	0.69%	0.000731%
	6/22/2009	(31,529,878.11)	0.70%	0.000667%
	6/23/2009	(35,257,272.96)	0.70%	0.000744%
	6/24/2009	(34,480,625.60)	0.71%	0.000740%
	6/25/2009	(6,123,350.60)	0.72%	0.000132%
	6/26/2009	(6,467,090.36)	0.72%	0.000140%
	6/27/2009	(6,467,219.85)	0.72%	0.000140%
	6/28/2009	(6,467,349.34)	0.72%	0.000140%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	6/29/2009	(5,948,156.76)	0.72%	0.000129%
Tuesday	6/30/2009	(6,049,931.46)	0.72%	0.000131%
	7/1/2009	(5,929,044.05)	0.72%	0.000128%
	7/2/2009	(5,659,741.28)	0.70%	0.000119%
	7/3/2009	(5,802,435.33)	0.70%	0.000122%
	7/4/2009	(5,802,547.74)	0.70%	0.000122%
	7/5/2009	(5,802,660.15)	0.70%	0.000122%
	7/6/2009	(7,504,296.51)	0.70%	0.000158%
	7/7/2009	(5,301,210.47)	0.70%	0.000111%
	7/8/2009	(8,141,841.22)	0.70%	0.000171%
	7/9/2009	(9,740,706.42)	0.71%	0.000206%
	7/10/2009	(7,643,029.75)	0.71%	0.000163%
	7/11/2009	(7,643,180.37)	0.71%	0.000163%
	7/12/2009	(7,643,331.00)	0.71%	0.000163%
	7/13/2009	(6,389,928.06)	0.71%	0.000136%
	7/14/2009	(477,708.13)	0.72%	0.000010%
	7/15/2009		0.63%	0.000000%
	7/16/2009	(1,580,038.90)	0.64%	0.000030%
	7/17/2009	(844,103.60)	0.63%	0.000016%
	7/18/2009	(844,118.40)	0.63%	0.000016%
	7/19/2009	(844,133.20)	0.63%	0.000016%
	7/20/2009	(5,216,279.15)	0.62%	0.000097%
	7/21/2009			0.000000%
	7/22/2009			0.000000%
	7/23/2009	(514,732.02)	0.63%	0.000010%
	7/24/2009	(2,995,268.22)	0.62%	0.000056%
	7/25/2009	(2,995,320.12)	0.62%	0.000056%
	7/26/2009	(2,995,372.02)	0.62%	0.000056%
	7/27/2009	(4,626,757.56)	0.60%	0.000083%
	7/28/2009	(4,501,719.24)	0.61%	0.000083%
	7/29/2009	(2,107,619.43)	0.61%	0.000039%
	7/30/2009			0.000000%
Friday	7/31/2009			0.000000%
	8/1/2009			0.000000%
	8/2/2009			0.000000%
	8/3/2009			0.000000%
	8/4/2009			0.000000%
	8/5/2009			0.000000%
	8/6/2009			0.000000%
	8/7/2009			0.000000%
	8/8/2009			0.000000%
	8/9/2009			0.000000%
	8/10/2009	(4,035,990.53)	0.62%	0.000075%
	8/11/2009	(2,093,013.12)	0.62%	0.000039%
	8/12/2009	(926,592.74)	0.62%	0.000017%
	8/13/2009			0.000000%
	8/14/2009			0.000000%
	8/15/2009			0.000000%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate
	8/16/2009			0.000000%
	8/17/2009			0.000000%
	8/18/2009			0.000000%
	8/19/2009			0.000000%
	8/20/2009			0.000000%
	8/21/2009			0.000000%
	8/22/2009			0.000000%
	8/23/2009			0.000000%
	8/24/2009			0.000000%
	8/25/2009			0.000000%
	8/26/2009			0.000000%
	8/27/2009			0.000000%
	8/28/2009			0.000000%
	8/29/2009			0.000000%
	8/30/2009			0.000000%
Monday	8/31/2009			0.000000%
	9/1/2009			0.000000%
	9/2/2009			0.000000%
	9/3/2009			0.000000%
	9/4/2009			0.000000%
	9/5/2009			0.000000%
	9/6/2009			0.000000%
	9/7/2009			0.000000%
	9/8/2009			0.000000%
	9/9/2009			0.000000%
	9/10/2009			0.000000%
	9/11/2009			0.000000%
	9/12/2009			0.000000%
	9/13/2009			0.000000%
	9/14/2009			0.000000%
	9/15/2009			0.000000%
	9/16/2009			0.000000%
	9/17/2009			0.000000%
	9/18/2009			0.000000%
	9/19/2009			0.000000%
	9/20/2009			0.000000%
	9/21/2009			0.000000%
	9/22/2009			0.000000%
	9/23/2009			0.000000%
	9/24/2009	(1,436,766.12)	0.27%	0.000011%
	9/25/2009	(2,091,727.48)	0.31%	0.000019%
	9/26/2009	(2,091,745.27)	0.31%	0.000019%
	9/27/2009	(2,091,763.05)	0.31%	0.000019%
	9/28/2009			0.000000%
	9/29/2009			0.000000%
Wednesday	9/30/2009			0.000000%
	10/1/2009			0.000000%
	10/2/2009			0.000000%

Kentucky Power Company
Short Term Debt Balance and Cost Calculation
Twelve Months Ended October 31, 2009

Day of Week	Date	S-T Borrowed Balance	Borrowed Interest Rate	Weighted Average Borrowed Interest Rate	
	10/3/2009			0.000000%	
	10/4/2009			0.000000%	
	10/5/2009	(1,477,483.62)	0.28%	0.000012%	
	10/6/2009			0.000000%	
	10/7/2009	(7,081,693.65)	0.25%	0.000053%	
	10/8/2009			0.000000%	
	10/9/2009			0.000000%	
	10/10/2009			0.000000%	
	10/11/2009			0.000000%	
	10/12/2009			0.000000%	
	10/13/2009			0.000000%	
	10/14/2009			0.000000%	
	10/15/2009			0.000000%	
	10/16/2009			0.000000%	
	10/17/2009			0.000000%	
	10/18/2009			0.000000%	
	10/19/2009			0.000000%	
	10/20/2009			0.000000%	
	10/21/2009			0.000000%	
	10/22/2009			0.000000%	
	10/23/2009			0.000000%	
	10/24/2009			0.000000%	
	10/25/2009			0.000000%	
	10/26/2009			0.000000%	
	10/27/2009			0.000000%	
	10/28/2009			0.000000%	
	10/29/2009			0.000000%	
Friday	10/30/2009			0.000000%	
Saturday	10/31/2009			0.000000%	
	Sum Total All Daily Balances	(\$33,286,388,684.02)		1.7679%	Sum Total Weighted Average Borrowed Interest Rate
	Divided By Number of Days in Year	365			
	Average Daily Balance	(\$91,195,585.44)			

Kentucky Power Company
 Accounts Receivable Financing
 Thirteen Months Ending October 31, 2009

Date	AEP Credit - Internal Cost Incurred			KP - Actual Carrying Cost Incurred						
	A/R Balance (a)	Daily Cost of Capital (b)	AEP Credit - Internal Cost (c) = (a) x (b)	A/R Factored (d)	Daily Cost of Capital (e)	Previous Month's Average Days Outstanding (f)	Total Discount Factor (g) = (e) x (f)	KPCo Actual Carrying Cost Incurred (h) = (d) x (g)	Actual Cost of Capital as a % of Total A/R Balance (i) = (h) / (a)	
10/01/2008	35,428,485.98	0.000101	3,578.28	1,577,547.67	0.000101	34.02	0.003436	5,420.45	0.000153	
10/02/2008	40,718,053.24	0.000101	4,112.52	6,467,811.04	0.000101	34.02	0.003436	22,223.40	0.000546	
10/03/2008	40,686,008.12	0.000101	4,109.29	1,379,849.26	0.000101	34.02	0.003436	4,741.16	0.000117	
10/04/2008	40,686,008.12	0.000101	4,109.29	0.00	0.000101	34.02	0.000000	0.00	0.000000	
10/05/2008	40,686,008.12	0.000101	4,109.29	0.00	0.000101	34.02	0.000000	0.00	0.000000	
10/06/2008	40,712,381.05	0.000101	4,111.95	1,598,881.43	0.000101	34.02	0.003436	5,493.76	0.000135	
10/07/2008	41,022,551.69	0.000101	4,143.28	1,801,908.47	0.000101	32.29	0.003261	5,876.02	0.000143	
10/08/2008	41,063,903.35	0.000107	4,393.84	1,825,557.06	0.000107	32.29	0.003455	6,307.30	0.000154	
10/09/2008	40,645,767.41	0.000107	4,349.10	1,161,586.24	0.000107	32.29	0.003455	4,013.28	0.000099	
10/10/2008	40,786,765.35	0.000107	4,364.18	1,665,168.76	0.000107	32.29	0.003455	5,753.16	0.000141	
10/11/2008	40,786,765.35	0.000107	4,364.18	0.00	0.000107	32.29	0.000000	0.00	0.000000	
10/12/2008	40,786,765.35	0.000107	4,364.18	0.00	0.000107	32.29	0.000000	0.00	0.000000	
10/13/2008	40,250,876.90	0.000107	4,306.84	1,907,686.13	0.000107	32.29	0.003455	6,591.06	0.000164	
10/14/2008	40,661,595.73	0.000107	4,350.79	1,685,898.87	0.000107	32.29	0.003455	5,824.78	0.000143	
10/15/2008	39,359,653.68	0.000116	4,565.72	908,255.44	0.000116	32.29	0.003746	3,402.32	0.000086	
10/16/2008	35,524,858.98	0.000116	4,120.88	1,451,358.95	0.000116	32.29	0.003746	5,436.79	0.000153	
10/17/2008	35,619,429.08	0.000116	4,131.85	1,448,776.60	0.000116	32.29	0.003746	5,427.12	0.000152	
10/18/2008	35,619,429.08	0.000116	4,131.85	0.00	0.000116	32.29	0.000000	0.00	0.000000	
10/19/2008	35,619,429.08	0.000116	4,131.85	0.00	0.000116	32.29	0.000000	0.00	0.000000	
10/20/2008	34,674,928.15	0.000116	4,022.29	1,587,873.32	0.000116	32.29	0.003746	5,948.17	0.000172	
10/21/2008	34,564,524.03	0.000116	4,009.48	1,765,379.28	0.000116	32.29	0.003746	6,613.11	0.000191	
10/22/2008	33,325,698.85	0.000116	3,865.78	1,131,537.18	0.000116	32.29	0.003746	4,238.74	0.000127	
10/23/2008	33,681,833.82	0.000118	3,974.46	1,487,780.78	0.000118	32.29	0.003810	5,668.44	0.000168	
10/24/2008	34,856,497.08	0.000118	4,113.07	2,289,633.22	0.000118	32.29	0.003810	8,723.50	0.000250	
10/25/2008	34,856,497.08	0.000118	4,113.07	0.00	0.000118	32.29	0.000000	0.00	0.000000	
10/26/2008	34,856,497.08	0.000118	4,113.07	0.00	0.000118	32.29	0.000000	0.00	0.000000	
10/27/2008	35,177,497.08	0.000118	4,150.94	1,970,758.90	0.000118	32.29	0.003810	7,508.59	0.000213	
10/28/2008	37,786,644.88	0.000118	4,458.82	3,975,863.48	0.000118	32.29	0.003810	15,148.04	0.000401	
10/29/2008	39,384,543.95	0.000121	4,765.53	3,100,116.67	0.000121	32.29	0.003907	12,112.16	0.000308	
10/30/2008	40,199,889.23	0.000121	4,864.19	1,778,765.45	0.000121	32.29	0.003907	6,949.64	0.000173	
10/31/2008	42,003,352.54	0.000121	5,082.41	2,493,019.36	0.000121	32.29	0.003907	9,740.23	0.000232	
11/01/2008	42,003,352.54	0.000121	5,082.41	0.00	0.000121	32.29	0.000000	0.00	0.000000	
11/02/2008	42,003,352.54	0.000121	5,082.41	0.00	0.000121	32.29	0.000000	0.00	0.000000	
11/03/2008	41,886,924.48	0.000121	5,068.32	1,306,999.02	0.000121	32.29	0.003907	5,106.45	0.000122	
11/04/2008	48,404,218.03	0.000121	5,856.91	8,470,335.54	0.000121	32.29	0.003907	33,093.60	0.000684	
11/05/2008	47,869,203.13	0.000121	5,744.30	1,186,581.53	0.000121	32.29	0.003875	4,998.00	0.000096	
11/06/2008	47,241,627.02	0.000121	5,669.00	1,305,154.34	0.000121	32.29	0.003875	5,057.47	0.000107	
11/07/2008	48,027,785.94	0.000121	5,763.33	1,819,176.35	0.000121	25.44	0.003053	5,553.95	0.000116	
11/08/2008	48,027,785.94	0.000121	5,763.33	0.00	0.000121	25.44	0.000000	0.00	0.000000	
11/09/2008	48,027,785.94	0.000121	5,763.33	0.00	0.000121	25.44	0.000000	0.00	0.000000	
11/10/2008	48,423,370.78	0.000121	5,810.80	1,629,501.42	0.000121	25.44	0.003053	4,974.87	0.000103	
11/11/2008	48,050,133.98	0.000121	5,766.02	2,255,999.36	0.000121	25.44	0.003053	6,887.57	0.000143	
11/12/2008	46,790,784.44	0.000121	5,614.89	1,498,430.01	0.000121	25.44	0.003053	4,574.71	0.000098	
11/13/2008	45,934,733.32	0.000121	5,512.17	1,273,532.66	0.000121	25.44	0.003053	3,888.10	0.000085	
11/14/2008	45,971,437.38	0.000117	5,378.66	1,550,091.00	0.000117	25.44	0.002976	4,613.07	0.000100	
11/15/2008	45,971,437.38	0.000117	5,378.66	0.00	0.000117	25.44	0.000000	0.00	0.000000	
11/16/2008	45,971,437.38	0.000117	5,378.66	0.00	0.000117	25.44	0.000000	0.00	0.000000	
11/17/2008	46,211,720.31	0.000117	5,406.77	2,027,454.22	0.000117	25.44	0.002976	6,033.70	0.000131	
11/18/2008	44,234,265.30	0.000117	5,175.41	1,236,309.94	0.000117	25.44	0.002976	3,679.26	0.000083	
11/19/2008	37,908,484.89	0.000117	4,435.29	1,342,419.82	0.000117	25.44	0.002976	3,995.04	0.000105	
11/20/2008	38,090,585.49	0.000117	4,189.96	1,265,840.20	0.000117	25.44	0.002976	3,541.82	0.000093	
11/21/2008	38,679,066.51	0.000117	4,254.70	2,219,860.76	0.000117	25.44	0.002976	6,211.17	0.000161	
11/22/2008	38,679,066.51	0.000117	4,254.70	0.00	0.000117	25.44	0.000000	0.00	0.000000	
11/23/2008	38,679,066.51	0.000117	4,254.70	0.00	0.000117	25.44	0.000000	0.00	0.000000	
11/24/2008	38,776,995.17	0.000117	4,265.47	1,850,741.87	0.000117	25.44	0.002976	5,178.38	0.000134	
11/25/2008	41,023,772.66	0.000117	4,512.61	3,639,265.55	0.000117	25.44	0.002976	10,182.67	0.000248	
11/26/2008	42,250,933.08	0.000103	4,351.85	3,587,695.84	0.000103	25.44	0.002620	9,399.76	0.000222	
11/27/2008	42,250,933.08	0.000103	4,351.85	0.00	0.000103	25.44	0.000000	0.00	0.000000	
11/28/2008	42,250,933.08	0.000103	4,351.85	0.00	0.000103	25.44	0.000000	0.00	0.000000	
11/29/2008	42,250,933.08	0.000103	4,351.85	0.00	0.000103	25.44	0.000000	0.00	0.000000	
11/30/2008	42,250,933.08	0.000103	4,351.85	0.00	0.000103	25.44	0.000000	0.00	0.000000	
12/01/2008	42,583,524.55	0.000103	4,386.10	1,877,870.18	0.000103	25.44	0.002620	4,920.02	0.000116	
12/02/2008	43,433,695.95	0.000095	4,126.20	2,924,454.97	0.000095	25.44	0.002417	7,068.41	0.000163	
12/03/2008	43,812,239.95	0.000095	4,162.16	2,565,459.18	0.000095	25.44	0.002417	6,200.71	0.000142	
12/04/2008	49,592,607.96	0.000095	4,711.30	6,984,537.47	0.000095	25.44	0.002417	16,881.63	0.000340	
12/05/2008	50,772,823.44	0.000095	4,823.42	2,572,750.14	0.000095	33.30	0.003164	8,140.18	0.000160	
12/06/2008	50,772,823.44	0.000095	4,823.42	0.00	0.000095	33.30	0.000000	0.00	0.000000	
12/07/2008	50,772,823.44	0.000095	4,823.42	0.00	0.000095	33.30	0.000000	0.00	0.000000	
12/08/2008	50,244,779.02	0.000095	4,773.25	2,165,760.04	0.000095	33.30	0.003164	6,852.46	0.000136	
12/09/2008	50,308,781.20	0.000095	4,779.33	2,388,195.19	0.000095	33.30	0.003164	7,555.25	0.000150	
12/10/2008	49,479,239.05	0.000085	4,205.74	2,398,504.86	0.000085	33.30	0.002831	6,790.17	0.000137	
12/11/2008	50,176,585.99	0.000085	4,265.01	2,648,996.25	0.000085	33.30	0.002831	7,499.31	0.000149	
12/12/2008	51,097,005.33	0.000085	4,343.25	2,838,216.37	0.000085	33.30	0.002831	8,034.99	0.000157	
12/13/2008	51,097,005.33	0.000085	4,343.25	0.00	0.000085	33.30	0.000000	0.00	0.000000	
12/14/2008	51,097,005.33	0.000085	4,343.25	0.00	0.000085	33.30	0.000000	0.00	0.000000	
12/15/2008	51,735,381.37	0.000085	4,397.51	2,515,049.42	0.000085	33.30	0.002831	7,120.10	0.000138	
12/16/2008	52,213,780.45	0.000085	4,438.17	2,685,422.16	0.000085	33.30	0.002831	7,602.43	0.000146	
12/17/2008	53,176,506.10	0.000079	4,200.94	2,246,640.62	0.000079	33.30	0.002631	5,910.91	0.000111	
12/18/2008	53,593,689.73	0.000079	4,233.90	2,421,735.01	0.000079	33.30	0.002631	6,371.58	0.000119	
12/19/2008	48,438,736.37	0.000079	3,826.66	2,553,270.57	0.000079	33.30	0.002631	6,717.65	0.000139	
12/20/2008	48,438,736.37	0.000079	3,826.66	0.00	0.000079	33.30	0.000000	0.00	0.000000	
12/21/2008	48,438,736.37	0.000079	3,826.66	0.00	0.000079	33.30	0.000000	0.00	0.000000	
12/22/2008	49,531,300.35	0.000079	3,912.97	2,221,827.54	0.000079	33.30	0.002631	5,845.63	0.000118	
12/23/2008	49,335,454.37	0.000079	3,897.50	2,289,412.70	0.000079	33.30	0.002631	6,023.44	0.000122	

Kentucky Power Company
 Accounts Receivable Financing
 Thirteen Months Ending October 31, 2009

AEP Credit - Internal Cost Incurred				KP - Actual Carrying Cost Incurred						
Date	A/R Balance (a)	Daily Cost of Capital (b)	AEP Credit - Internal Cost (c) = (a) x (b)	A/R Factored (d)	Daily Cost of Capital (e)	Previous Month's Average Days Outstanding (f)	Total Discount Factor (g) = (e) x (f)	KPCo Actual Carrying Cost Incurred (h) = (d) x (g)	Actual Cost of Capital as a % of Total A/R Balance (i) = (h) / (a)	
12/24/2008	48,707,806.92	0.000072	3,506.96	3,249,314.59	0.000072	33.30	0.002398	7,791.86	0.000160	
12/25/2008	48,707,806.92	0.000072	3,506.96	0.00	0.000072	33.30	0.000000	0.00	0.000000	
12/26/2008	48,707,806.92	0.000072	3,506.96	0.00	0.000072	33.30	0.000000	0.00	0.000000	
12/27/2008	48,707,806.92	0.000072	3,506.96	0.00	0.000072	33.30	0.000000	0.00	0.000000	
12/28/2008	48,707,806.92	0.000072	3,506.96	0.00	0.000072	33.30	0.000000	0.00	0.000000	
12/29/2008	51,178,858.63	0.000072	3,684.88	3,948,222.21	0.000072	33.30	0.002398	9,467.84	0.000185	
12/30/2008	52,592,615.12	0.000072	3,786.67	4,035,859.09	0.000072	33.30	0.002398	9,677.99	0.000184	
12/31/2008	55,004,739.97	0.000067	3,685.32	3,872,923.42	0.000067	33.30	0.002231	8,640.49	0.000157	
01/01/2009	55,004,739.97	0.000067	3,685.32	0.00	0.000067	33.30	0.000000	0.00	0.000000	
01/02/2009	55,696,119.63	0.000067	3,731.64	2,788,753.13	0.000067	33.30	0.002231	6,221.71	0.000112	
01/03/2009	55,696,119.63	0.000067	3,731.64	0.00	0.000067	33.30	0.000000	0.00	0.000000	
01/04/2009	55,696,119.63	0.000067	3,731.64	0.00	0.000067	33.30	0.000000	0.00	0.000000	
01/05/2009	55,380,529.53	0.000067	3,710.50	2,894,197.15	0.000067	33.30	0.002231	6,456.95	0.000117	
01/06/2009	58,739,856.22	0.000067	3,935.57	7,983,048.45	0.000067	33.30	0.002231	17,810.18	0.000303	
01/07/2009	58,945,424.77	0.000068	4,008.29	1,893,598.31	0.000068	33.30	0.002264	4,287.11	0.000073	
01/09/2009	60,851,464.88	0.000068	4,137.90	2,198,473.12	0.000068	25.12	0.001708	3,754.99	0.000062	
01/10/2009	60,851,464.88	0.000068	4,137.90	0.00	0.000068	25.12	0.000000	0.00	0.000000	
01/11/2009	60,851,464.88	0.000068	4,137.90	0.00	0.000068	25.12	0.000000	0.00	0.000000	
01/08/2009	60,217,934.64	0.000068	4,094.82	3,283,293.32	0.000068	25.12	0.001708	5,607.86	0.000093	
01/12/2009	61,171,524.50	0.000068	4,159.66	2,376,357.90	0.000068	25.12	0.001708	4,058.82	0.000066	
01/13/2009	59,634,396.38	0.000068	4,055.14	1,844,866.43	0.000068	25.12	0.001708	3,151.03	0.000053	
01/14/2009	59,346,249.39	0.000066	3,916.85	2,219,939.60	0.000066	25.12	0.001658	3,680.66	0.000062	
01/15/2009	58,917,712.05	0.000066	3,888.57	2,512,493.76	0.000066	25.12	0.001658	4,165.71	0.000071	
01/16/2009	59,458,118.02	0.000066	3,924.24	2,467,045.63	0.000066	25.12	0.001658	4,090.36	0.000069	
01/17/2009	59,458,118.02	0.000066	3,924.24	0.00	0.000066	25.12	0.000000	0.00	0.000000	
01/18/2009	59,458,118.02	0.000066	3,924.24	0.00	0.000066	25.12	0.000000	0.00	0.000000	
01/19/2009	54,349,754.88	0.000066	3,587.08	2,054,852.54	0.000066	25.12	0.001658	3,406.95	0.000063	
01/20/2009	54,449,902.25	0.000066	3,593.69	2,021,842.27	0.000066	25.12	0.001658	3,352.21	0.000062	
01/21/2009	54,999,327.41	0.000062	3,409.96	2,852,684.61	0.000062	25.12	0.001557	4,441.63	0.000081	
01/24/2009	53,903,275.11	0.000062	3,342.00	0.00	0.000062	25.12	0.000000	0.00	0.000000	
01/25/2009	53,903,275.11	0.000062	3,342.00	0.00	0.000062	25.12	0.000000	0.00	0.000000	
01/22/2009	53,896,338.74	0.000062	3,341.57	1,823,625.77	0.000062	25.12	0.001557	2,839.39	0.000053	
01/23/2009	53,903,275.11	0.000062	3,342.00	1,935,689.70	0.000062	25.12	0.001557	3,013.87	0.000056	
01/26/2009	52,671,622.47	0.000062	3,265.64	1,774,041.39	0.000062	25.12	0.001557	2,762.18	0.000052	
01/27/2009	53,007,522.02	0.000062	3,286.47	2,702,862.52	0.000062	25.12	0.001557	4,208.36	0.000079	
01/28/2009	54,454,744.79	0.000058	3,158.38	3,283,522.61	0.000058	25.12	0.001457	4,784.09	0.000088	
01/29/2009	54,478,330.56	0.000058	3,159.74	1,242,783.33	0.000058	25.12	0.001457	1,810.74	0.000033	
01/30/2009	56,346,620.54	0.000058	3,268.10	2,928,603.60	0.000058	25.12	0.001457	4,266.98	0.000076	
02/01/2009	56,346,620.54	0.000058	3,268.10	0.00	0.000058	25.12	0.000000	0.00	0.000000	
02/02/2009	57,516,043.14	0.000058	3,335.93	2,934,375.82	0.000058	25.12	0.001457	4,275.39	0.000074	
01/31/2009	56,346,620.54	0.000058	3,268.10	0.00	0.000058	25.12	0.000000	0.00	0.000000	
02/03/2009	58,554,625.17	0.000058	3,396.17	3,205,305.72	0.000058	25.12	0.001457	4,670.13	0.000080	
02/04/2009	62,991,758.20	0.000057	3,590.53	7,813,203.12	0.000057	25.12	0.001432	11,188.51	0.000178	
02/05/2009	63,744,289.77	0.000057	3,633.42	2,441,617.51	0.000057	25.12	0.001432	3,496.40	0.000055	
02/07/2009	64,321,551.42	0.000057	3,666.33	0.00	0.000057	31.99	0.000000	0.00	0.000000	
02/08/2009	64,321,551.42	0.000057	3,666.33	0.00	0.000057	31.99	0.000000	0.00	0.000000	
02/06/2009	64,321,551.42	0.000057	3,666.33	2,844,323.68	0.000057	31.99	0.001823	5,185.20	0.000081	
02/09/2009	63,342,570.84	0.000057	3,610.53	1,688,900.40	0.000057	31.99	0.001823	3,078.87	0.000049	
02/10/2009	63,645,124.51	0.000057	3,627.77	2,772,018.13	0.000057	31.99	0.001823	5,053.39	0.000079	
02/11/2009	62,784,594.70	0.000057	3,578.72	2,239,312.69	0.000057	31.99	0.001823	4,082.27	0.000065	
02/12/2009	62,783,093.00	0.000057	3,578.64	2,071,419.84	0.000057	31.99	0.001823	3,776.20	0.000060	
02/13/2009	62,245,835.78	0.000057	3,548.01	2,175,317.60	0.000057	31.99	0.001823	3,965.60	0.000064	
02/14/2009	62,245,835.78	0.000057	3,548.01	0.00	0.000057	31.99	0.000000	0.00	0.000000	
02/15/2009	62,245,835.78	0.000057	3,548.01	0.00	0.000057	31.99	0.000000	0.00	0.000000	
02/16/2009	60,021,216.54	0.000057	3,421.21	1,430,002.37	0.000057	31.99	0.001823	2,606.89	0.000043	
02/17/2009	55,679,841.43	0.000057	3,173.75	2,202,280.30	0.000057	31.99	0.001823	4,014.76	0.000072	
02/18/2009	54,901,395.53	0.000057	3,129.38	1,320,256.99	0.000057	31.99	0.001823	2,406.83	0.000044	
02/19/2009	55,963,132.30	0.000055	3,077.97	2,680,363.66	0.000055	31.99	0.001759	4,714.76	0.000084	
02/21/2009	54,639,098.52	0.000055	3,005.15	0.00	0.000055	31.99	0.000000	0.00	0.000000	
02/22/2009	54,639,098.52	0.000055	3,005.15	0.00	0.000055	31.99	0.000000	0.00	0.000000	
02/20/2009	54,639,098.52	0.000055	3,005.15	1,350,051.92	0.000055	31.99	0.001759	2,374.74	0.000043	
02/23/2009	53,758,822.23	0.000055	2,956.74	1,553,930.00	0.000055	31.99	0.001759	2,733.36	0.000051	
02/24/2009	51,753,610.60	0.000055	2,846.45	1,205,915.81	0.000055	31.99	0.001759	2,121.21	0.000041	
02/26/2009	52,112,890.70	0.00005	2,605.64	2,514,024.23	0.00005	31.99	0.001600	4,022.44	0.000077	
02/25/2009	51,345,883.47	0.00005	2,567.29	1,627,834.31	0.00005	31.99	0.001600	2,604.53	0.000051	
02/27/2009	52,333,000.38	0.00005	2,616.65	2,817,558.99	0.00005	31.99	0.001600	4,508.09	0.000086	
03/01/2009	52,333,000.38	0.00005	2,616.65	0.00	0.00005	31.99	0.000000	0.00	0.000000	
03/02/2009	53,369,724.07	0.00005	2,668.49	3,009,588.69	0.00005	31.99	0.001600	4,815.34	0.000090	
02/28/2009	52,333,000.38	0.00005	2,616.65	0.00	0.00005	31.99	0.000000	0.00	0.000000	
03/03/2009	56,864,745.51	0.00005	2,843.24	6,041,882.80	0.00005	31.99	0.001600	9,667.01	0.000170	
03/04/2009	57,411,908.47	0.000047	2,698.36	2,260,957.22	0.000047	31.99	0.001504	3,400.48	0.000059	
03/05/2009	56,675,818.28	0.000047	2,663.76	1,968,686.92	0.000047	31.99	0.001504	2,960.91	0.000052	
03/07/2009	56,170,633.49	0.000047	2,640.02	0.00	0.000047	33.45	0.000000	0.00	0.000000	
03/08/2009	56,170,633.49	0.000047	2,640.02	0.00	0.000047	33.45	0.000000	0.00	0.000000	
03/06/2009	56,170,633.49	0.000047	2,640.02	1,406,106.55	0.000047	33.45	0.001572	2,210.40	0.000039	
03/09/2009	56,528,194.03	0.000047	2,656.83	2,232,094.38	0.000047	33.45	0.001572	3,508.85	0.000062	
03/10/2009	56,108,011.98	0.000047	2,637.08	1,830,052.27	0.000047	33.45	0.001572	2,876.84	0.000051	
03/11/2009	54,643,593.30	0.000048	2,622.89	1,703,099.77	0.000048	33.45	0.001606	2,735.18	0.000050	
03/12/2009	53,493,290.58	0.000048	2,567.68	1,541,322.64	0.000048	33.45	0.001606	2,476.36	0.000046	
03/13/2009	49,822,757.83	0.000048	2,391.49	2,208,319.02	0.000048	33.45	0.001606	3,546.56	0.000071	
03/14/2009	49,822,757.83	0.000048	2,391.49	0.00	0.000048	33.45	0.000000	0.00	0.000000	
03/15/2009	49,822,757.83	0.000048	2,391.49	0.00	0.000048	33.45	0.000000	0.00	0.000000	
03/16/2009	49,257,573.28	0.000048	2,364.36	1,790,300.95	0.000048	33.45	0.001606	2,875.22	0.000058	
03/17/2009	48,676,618.76	0.000048	2,336.48	2,220,437.81	0.000048	33.45	0.001606	3,566.02	0.000073	

Kentucky Power Company
Accounts Receivable Financing
Thirteen Months Ending October 31, 2009

AEP Credit - Internal Cost Incurred

KP - Actual Carrying Cost Incurred

Date	A/R Balance (a)	Daily Cost of Capital (b)	AEP Credit - Internal Cost (c) = (a) x (b)	A/R Factored (d)	Daily Cost of Capital (e)	Previous Month's Average Days Outstanding (f)	Total Discount Factor (g) = (e) x (f)	KPCo Actual Carrying Cost Incurred (h) = (d) x (g)	Actual Cost of Capital as a % of Total A/R Balance (i) = (h) / (a)
03/18/2009	48,269,747.51	0.000045	2,172.14	1,066,923.66	0.000045	33.45	0.001505	1,605.72	0.000033
03/19/2009	48,490,809.56	0.000045	2,182.09	1,549,717.57	0.000045	33.45	0.001505	2,332.32	0.000048
03/21/2009	47,748,889.56	0.000045	2,148.70	0.00	0.000045	33.45	0.000000	0.00	0.000000
03/22/2009	47,748,889.56	0.000045	2,148.70	0.00	0.000045	33.45	0.000000	0.00	0.000000
03/20/2009	47,748,889.56	0.000045	2,148.70	1,598,940.97	0.000045	33.45	0.001505	2,406.41	0.000050
03/23/2009	46,855,793.69	0.000045	2,108.51	1,589,441.10	0.000045	33.45	0.001505	2,392.11	0.000051
03/24/2009	46,331,154.19	0.000045	2,084.90	1,515,057.28	0.000045	33.45	0.001505	2,280.16	0.000049
03/26/2009	46,071,712.31	0.000043	1,981.08	1,702,532.51	0.000043	33.45	0.001438	2,448.24	0.000053
03/25/2009	46,091,758.82	0.000043	1,981.95	1,169,126.31	0.000043	33.45	0.001438	1,681.20	0.000036
03/27/2009	46,994,742.75	0.000043	2,020.77	2,551,705.84	0.000043	33.45	0.001438	3,669.35	0.000078
03/28/2009	46,994,742.75	0.000043	2,020.77	0.00	0.000043	33.45	0.000000	0.00	0.000000
03/29/2009	46,994,742.75	0.000043	2,020.77	0.00	0.000043	33.45	0.000000	0.00	0.000000
03/30/2009	47,856,226.45	0.000043	2,057.82	2,294,146.81	0.000043	33.45	0.001438	3,298.98	0.000069
03/31/2009	47,674,327.53	0.000043	2,050.00	2,266,271.52	0.000043	33.45	0.001438	3,258.90	0.000068
04/01/2009	48,060,330.62	0.000043	2,066.59	2,178,986.49	0.000043	33.45	0.001438	3,133.38	0.000065
04/02/2009	52,879,616.02	0.000043	2,273.82	6,802,092.37	0.000043	33.45	0.001438	9,781.41	0.000185
04/04/2009	54,037,219.82	0.000043	2,323.60	0.00	0.000043	33.45	0.000000	0.00	0.000000
04/05/2009	54,037,219.82	0.000043	2,323.60	0.00	0.000043	33.45	0.000000	0.00	0.000000
04/03/2009	54,037,219.82	0.000043	2,323.60	2,162,889.76	0.000043	33.45	0.001438	3,110.24	0.000058
04/06/2009	53,618,181.01	0.000043	2,305.58	1,397,089.17	0.000043	33.45	0.001438	2,009.01	0.000037
04/07/2009	52,920,257.82	0.000043	2,275.57	1,992,612.84	0.000043	34.61	0.001488	2,965.01	0.000056
04/08/2009	52,401,652.87	0.000042	2,200.87	1,539,180.28	0.000042	34.61	0.001454	2,237.97	0.000043
04/09/2009	52,577,330.77	0.000042	2,208.25	1,970,231.09	0.000042	34.61	0.001454	2,864.72	0.000054
04/10/2009	52,577,330.77	0.000042	2,208.25	0.00	0.000042	34.61	0.000000	0.00	0.000000
04/11/2009	52,577,330.77	0.000042	2,208.25	0.00	0.000042	34.61	0.000000	0.00	0.000000
04/12/2009	52,577,330.77	0.000042	2,208.25	0.00	0.000042	34.61	0.000000	0.00	0.000000
04/13/2009	52,230,003.80	0.000042	2,193.66	1,366,400.39	0.000042	34.61	0.001454	1,986.75	0.000038
04/14/2009	45,638,889.35	0.000042	1,916.83	1,793,628.78	0.000042	34.61	0.001454	2,607.94	0.000057
04/15/2009	45,355,740.61	0.000042	1,904.94	1,904,345.86	0.000042	34.61	0.001454	2,768.92	0.000061
04/16/2009	44,645,073.35	0.000042	1,875.09	1,531,658.37	0.000042	34.61	0.001454	2,227.03	0.000050
04/18/2009	43,992,251.39	0.000042	1,847.67	0.00	0.000042	34.61	0.000000	0.00	0.000000
04/19/2009	43,992,251.39	0.000042	1,847.67	0.00	0.000042	34.61	0.000000	0.00	0.000000
04/17/2009	43,992,251.39	0.000042	1,847.67	1,283,073.55	0.000042	34.61	0.001454	1,865.59	0.000042
04/20/2009	43,436,892.03	0.000042	1,824.35	1,374,755.85	0.000042	34.61	0.001454	1,998.90	0.000046
04/21/2009	42,733,666.16	0.000042	1,794.81	1,819,319.81	0.000042	34.61	0.001454	2,645.29	0.000062
04/22/2009	41,958,331.07	0.000041	1,720.29	1,215,555.77	0.000041	34.61	0.001419	1,724.87	0.000041
04/23/2009	41,064,203.37	0.000041	1,683.63	1,119,867.60	0.000041	34.61	0.001419	1,589.09	0.000039
04/24/2009	41,189,960.92	0.000041	1,688.79	1,185,934.80	0.000041	34.61	0.001419	1,682.84	0.000041
04/25/2009	41,189,960.92	0.000041	1,688.79	0.00	0.000041	34.61	0.000000	0.00	0.000000
04/26/2009	41,189,960.92	0.000041	1,688.79	0.00	0.000041	34.61	0.000000	0.00	0.000000
04/27/2009	40,940,743.16	0.000041	1,678.57	1,207,305.36	0.000041	34.61	0.001419	1,713.17	0.000042
04/28/2009	42,639,102.57	0.000041	1,748.20	3,105,766.78	0.000041	34.61	0.001419	4,407.08	0.000103
04/29/2009	43,751,333.96	0.00004	1,750.05	2,764,487.59	0.00004	34.61	0.001384	3,826.05	0.000087
04/30/2009	44,947,096.80	0.00004	1,797.88	2,189,737.07	0.00004	34.61	0.001384	3,030.60	0.000067
05/01/2009	46,206,835.85	0.00004	1,848.27	2,258,959.13	0.00004	34.61	0.001384	3,126.40	0.000068
05/02/2009	46,206,835.85	0.00004	1,848.27	0.00	0.00004	34.61	0.000000	0.00	0.000000
05/03/2009	46,206,835.85	0.00004	1,848.27	0.00	0.00004	34.61	0.000000	0.00	0.000000
05/04/2009	46,956,419.38	0.00004	1,878.26	2,506,341.06	0.00004	34.61	0.001384	3,468.78	0.000074
05/05/2009	50,299,921.86	0.00004	2,012.00	5,788,424.65	0.00004	34.61	0.001384	8,011.18	0.000159
05/06/2009	49,782,744.75	0.00004	1,991.31	1,224,617.30	0.00004	34.61	0.001384	1,694.87	0.000034
05/07/2009	49,939,369.59	0.00004	1,997.57	1,950,101.11	0.00004	33.82	0.001353	2,638.49	0.000053
05/08/2009	49,846,487.76	0.00004	1,993.86	1,479,121.38	0.00004	33.82	0.001353	2,001.25	0.000040
05/09/2009	49,846,487.76	0.00004	1,993.86	0.00	0.00004	33.82	0.000000	0.00	0.000000
05/10/2009	49,846,487.76	0.00004	1,993.86	0.00	0.00004	33.82	0.000000	0.00	0.000000
05/11/2009	49,413,569.60	0.00004	1,976.54	1,750,653.31	0.00004	33.82	0.001353	2,368.63	0.000048
05/12/2009	48,038,463.98	0.00004	1,921.54	1,116,910.86	0.00004	33.82	0.001353	1,511.18	0.000031
05/13/2009	47,981,941.59	0.00004	1,919.28	1,374,024.44	0.00004	33.82	0.001353	1,859.06	0.000039
05/14/2009	47,751,305.50	0.00004	1,910.05	1,547,249.16	0.00004	33.82	0.001353	2,093.43	0.000044
05/15/2009	47,814,866.17	0.00004	1,912.59	1,252,119.96	0.00004	33.82	0.001353	1,694.12	0.000035
05/16/2009	47,814,866.17	0.00004	1,912.59	0.00	0.00004	33.82	0.000000	0.00	0.000000
05/17/2009	47,814,866.17	0.00004	1,912.59	0.00	0.00004	33.82	0.000000	0.00	0.000000
05/18/2009	46,269,313.72	0.00004	1,850.77	871,309.92	0.00004	33.82	0.001353	1,178.88	0.000025
05/19/2009	44,710,023.38	0.00004	1,788.40	1,100,998.75	0.00004	33.82	0.001353	1,489.65	0.000033
05/20/2009	39,597,675.59	0.000038	1,504.71	973,033.33	0.000038	33.82	0.001285	1,250.35	0.000032
05/21/2009	37,838,048.12	0.000038	1,437.85	855,063.44	0.000038	33.82	0.001285	1,098.76	0.000029
05/22/2009	37,945,380.72	0.000038	1,441.92	1,361,733.50	0.000038	33.82	0.001285	1,749.83	0.000046
05/23/2009	37,945,380.72	0.000038	1,441.92	0.00	0.000038	33.82	0.000000	0.00	0.000000
05/24/2009	37,945,380.72	0.000038	1,441.92	0.00	0.000038	33.82	0.000000	0.00	0.000000
05/25/2009	37,945,380.72	0.000038	1,441.92	0.00	0.000038	33.82	0.000000	0.00	0.000000
05/26/2009	37,305,587.59	0.000038	1,417.61	798,598.99	0.000038	33.82	0.001285	1,026.20	0.000028
05/27/2009	36,866,238.75	0.000038	1,400.92	1,278,263.95	0.000038	33.82	0.001285	1,642.57	0.000045
05/28/2009	37,488,732.66	0.000038	1,424.57	2,063,796.72	0.000038	33.82	0.001285	2,651.98	0.000071
05/29/2009	38,283,990.08	0.000038	1,454.79	2,102,361.13	0.000038	33.82	0.001285	2,701.53	0.000071
05/30/2009	38,283,990.08	0.000038	1,454.79	0.00	0.000038	33.82	0.000000	0.00	0.000000
05/31/2009	38,283,990.08	0.000038	1,454.79	0.00	0.000038	33.82	0.000000	0.00	0.000000
06/01/2009	39,534,140.71	0.000038	1,502.30	2,248,338.11	0.000038	33.82	0.001285	2,889.11	0.000073
06/02/2009	40,517,628.92	0.000038	1,539.67	2,342,853.94	0.000038	33.82	0.001285	3,010.57	0.000074
06/03/2009	45,545,740.17	0.000037	1,685.19	6,616,067.27	0.000037	33.82	0.001251	8,276.70	0.000182
06/04/2009	45,740,325.31	0.000037	1,692.39	1,604,730.57	0.000037	33.82	0.001251	2,007.52	0.000044
06/05/2009	46,173,291.08	0.000037	1,708.41	1,587,742.35	0.000037	40.66	0.001504	2,387.96	0.000052
06/06/2009	46,173,291.08	0.000037	1,708.41	0.00	0.000037	40.66	0.000000	0.00	0.000000
06/07/2009	46,173,291.08	0.000037	1,708.41	0.00	0.000037	40.66	0.000000	0.00	0.000000
06/08/2009	46,262,962.48	0.000037	1,711.73	2,305,004.83	0.000037	40.66	0.001504	3,466.73	0.000075
06/09/2009	45,416,973.91	0.000037	1,680.43	1,360,232.68	0.000037	40.66	0.001504	2,045.79	0.000045

Kentucky Power Company
 Accounts Receivable Financing
 Thirteen Months Ending October 31, 2009

AEP Credit - Internal Cost Incurred				KP - Actual Carrying Cost Incurred						
Date	A/R Balance (a)	Daily Cost of Capital (b)	AEP Credit - Internal Cost (c) = (a) x (b)	A/R Factored (d)	Daily Cost of Capital (e)	Previous Month's Average Days Outstanding (f)	Total Discount Factor (g) = (e) x (f)	KPCo Actual Carrying Cost Incurred (h) = (d) x (g)	Actual Cost of Capital as a % of Total A/R Balance (i) = (h) / (a)	
06/10/2009	45,524,918.77	0.000037	1,684.42	1,731,585.19	0.000037	40.66	0.001504	2,604.30	0.000057	
06/11/2009	45,690,153.07	0.000037	1,690.54	1,422,551.18	0.000037	40.66	0.001504	2,139.52	0.000047	
06/12/2009	45,448,340.75	0.000037	1,681.59	1,617,644.00	0.000037	40.66	0.001504	2,432.94	0.000054	
06/13/2009	45,448,340.75	0.000037	1,681.59	0.00	0.000037	40.66	0.000000	0.00	0.000000	
06/14/2009	45,448,340.75	0.000037	1,681.59	0.00	0.000037	40.66	0.000000	0.00	0.000000	
06/15/2009	44,679,859.50	0.000037	1,653.15	1,703,080.76	0.000037	40.66	0.001504	2,561.43	0.000057	
06/16/2009	45,278,621.14	0.000037	1,675.31	1,968,111.84	0.000037	40.66	0.001504	2,960.04	0.000065	
06/17/2009	38,999,448.61	0.000036	1,403.98	1,022,431.01	0.000036	40.66	0.001464	1,496.84	0.000038	
06/18/2009	38,823,197.67	0.000036	1,397.64	1,131,084.19	0.000036	40.66	0.001464	1,655.91	0.000043	
06/19/2009	38,785,896.05	0.000036	1,396.29	1,564,787.26	0.000036	40.66	0.001464	2,290.85	0.000059	
06/20/2009	38,785,896.05	0.000036	1,396.29	0.00	0.000036	40.66	0.000000	0.00	0.000000	
06/21/2009	38,785,896.05	0.000036	1,396.29	0.00	0.000036	40.66	0.000000	0.00	0.000000	
06/22/2009	37,770,114.27	0.000036	1,359.72	1,478,699.06	0.000036	40.66	0.001464	2,164.82	0.000057	
06/23/2009	36,965,309.72	0.000036	1,330.75	1,174,626.37	0.000036	40.66	0.001464	1,719.65	0.000047	
06/24/2009	37,469,689.19	0.000036	1,349.63	1,746,698.69	0.000036	40.66	0.001464	2,557.17	0.000068	
06/25/2009	37,813,131.83	0.000036	1,361.27	1,586,010.87	0.000036	40.66	0.001464	2,321.92	0.000061	
06/26/2009	39,757,443.05	0.000036	1,431.27	3,043,580.13	0.000036	40.66	0.001464	4,455.80	0.000112	
06/27/2009	39,757,443.05	0.000036	1,431.27	0.00	0.000036	40.66	0.000000	0.00	0.000000	
06/28/2009	39,757,443.05	0.000036	1,431.27	0.00	0.000036	40.66	0.000000	0.00	0.000000	
06/29/2009	40,246,018.70	0.000036	1,448.86	1,620,847.95	0.000036	40.66	0.001464	2,372.92	0.000059	
06/30/2009	42,331,543.13	0.000036	1,523.94	3,553,291.23	0.000036	40.66	0.001464	5,202.02	0.000123	
07/01/2009	43,235,975.03	0.000036	1,556.50	1,963,816.98	0.000036	40.66	0.001464	2,904.31	0.000067	
07/02/2009	49,411,706.91	0.000036	1,778.82	7,639,544.13	0.000036	40.66	0.001464	11,184.29	0.000226	
07/03/2009	49,411,706.91	0.000036	1,778.82	0.00	0.000036	40.66	0.000000	0.00	0.000000	
07/04/2009	49,411,706.91	0.000036	1,778.82	0.00	0.000036	40.66	0.000000	0.00	0.000000	
07/05/2009	49,411,706.91	0.000036	1,778.82	0.00	0.000036	40.66	0.000000	0.00	0.000000	
07/06/2009	50,066,328.65	0.000036	1,802.39	2,360,142.94	0.000036	40.66	0.001464	3,455.25	0.000069	
07/07/2009	49,006,218.40	0.000036	1,764.22	1,494,273.30	0.000036	40.66	0.001464	2,187.62	0.000045	
07/08/2009	49,018,759.82	0.000036	1,764.68	2,225,467.24	0.000036	28.47	0.001025	2,281.10	0.000047	
07/09/2009	49,514,952.13	0.000036	1,782.54	1,988,245.55	0.000036	28.47	0.001025	2,037.95	0.000041	
07/10/2009	48,912,195.98	0.000036	1,760.84	1,702,493.31	0.000036	28.47	0.001025	1,745.06	0.000036	
07/11/2009	48,912,195.98	0.000036	1,760.84	0.00	0.000036	28.47	0.000000	0.00	0.000000	
07/12/2009	48,912,195.98	0.000036	1,760.84	0.00	0.000036	28.47	0.000000	0.00	0.000000	
07/13/2009	48,244,551.95	0.000036	1,736.80	1,425,762.67	0.000036	28.47	0.001025	1,461.41	0.000030	
07/14/2009	44,064,726.69	0.000036	1,586.33	2,186,350.25	0.000036	28.47	0.001025	2,241.01	0.000051	
07/15/2009	43,880,443.27	0.000036	1,579.70	2,202,919.75	0.000036	28.47	0.001025	2,257.99	0.000051	
07/16/2009	43,799,395.75	0.000036	1,576.78	1,755,769.88	0.000036	28.47	0.001025	1,799.66	0.000041	
07/17/2009	43,347,506.34	0.000036	1,560.51	1,506,644.13	0.000036	28.47	0.001025	1,544.31	0.000036	
07/18/2009	43,347,506.34	0.000036	1,560.51	0.00	0.000036	28.47	0.000000	0.00	0.000000	
07/19/2009	43,347,506.34	0.000036	1,560.51	0.00	0.000036	28.47	0.000000	0.00	0.000000	
07/20/2009	42,728,354.98	0.000036	1,538.22	1,730,222.24	0.000036	28.47	0.001025	1,773.48	0.000042	
07/21/2009	40,294,498.92	0.000036	1,450.60	1,540,560.42	0.000036	28.47	0.001025	1,579.07	0.000039	
07/22/2009	40,171,658.73	0.000036	1,446.18	1,428,951.18	0.000036	28.47	0.001025	1,464.67	0.000036	
07/23/2009	40,328,972.31	0.000036	1,451.84	1,369,852.48	0.000036	28.47	0.001025	1,404.10	0.000035	
07/25/2009	40,908,402.58	0.000036	1,472.70	1,599,607.79	0.000036	28.47	0.000000	0.00	0.000000	
07/26/2009	40,908,402.58	0.000036	1,472.70	0.00	0.000036	28.47	0.000000	0.00	0.000000	
07/24/2009	40,908,402.58	0.000036	1,472.70	0.00	0.000036	28.47	0.001025	1,639.60	0.000040	
07/27/2009	41,636,212.05	0.000036	1,498.90	1,611,573.52	0.000036	28.47	0.001025	1,651.86	0.000040	
07/28/2009	42,913,232.94	0.000036	1,544.88	2,797,273.22	0.000036	28.47	0.001025	2,867.21	0.000067	
07/29/2009	43,977,310.47	0.000035	1,539.21	3,065,065.77	0.000035	28.47	0.000996	3,052.81	0.000069	
07/30/2009	45,144,222.18	0.000035	1,580.05	2,477,651.69	0.000035	28.47	0.000996	2,467.74	0.000055	
07/31/2009	45,918,812.87	0.000035	1,607.16	2,417,708.52	0.000035	28.47	0.000996	2,408.04	0.000052	
08/01/2009	45,918,812.87	0.000035	1,607.16	0.00	0.000035	28.47	0.000000	0.00	0.000000	
08/02/2009	45,918,812.87	0.000035	1,607.16	0.00	0.000035	28.47	0.000000	0.00	0.000000	
08/03/2009	45,309,139.13	0.000035	1,585.82	1,607,310.57	0.000035	28.47	0.000996	1,600.88	0.000035	
08/04/2009	47,768,151.14	0.000035	1,671.89	3,915,329.11	0.000035	28.47	0.000996	3,899.67	0.000082	
08/05/2009	47,909,495.23	0.000035	1,676.85	1,735,462.12	0.000035	28.47	0.000996	1,728.52	0.000036	
08/06/2009	54,233,123.71	0.000035	1,898.16	7,599,270.14	0.000035	28.47	0.000996	7,568.87	0.000140	
08/07/2009	54,231,703.76	0.000035	1,898.11	1,436,563.01	0.000035	28.88	0.001011	1,452.37	0.000027	
08/08/2009	54,231,703.76	0.000035	1,898.11	0.00	0.000035	28.88	0.000000	0.00	0.000000	
08/09/2009	54,231,703.76	0.000035	1,898.11	0.00	0.000035	28.88	0.000000	0.00	0.000000	
08/10/2009	54,409,201.18	0.000035	1,904.32	1,558,166.89	0.000035	28.88	0.001011	1,575.31	0.000029	
08/11/2009	53,647,366.95	0.000035	1,877.66	1,299,742.31	0.000035	28.88	0.001011	1,314.04	0.000024	
08/12/2009	53,367,471.68	0.000034	1,814.49	1,605,856.54	0.000034	28.88	0.000982	1,576.95	0.000030	
08/13/2009	47,754,268.38	0.000034	1,623.65	1,796,265.33	0.000034	28.88	0.000982	1,763.93	0.000037	
08/14/2009	46,340,394.33	0.000034	1,575.57	1,717,751.45	0.000034	28.88	0.000982	1,686.83	0.000036	
08/15/2009	46,340,394.33	0.000034	1,575.57	0.00	0.000034	28.88	0.000000	0.00	0.000000	
08/16/2009	46,340,394.33	0.000034	1,575.57	0.00	0.000034	28.88	0.000000	0.00	0.000000	
08/17/2009	46,097,309.90	0.000034	1,567.31	1,301,689.99	0.000034	28.88	0.000982	1,278.26	0.000028	
08/18/2009	45,472,737.51	0.000034	1,546.07	1,723,083.79	0.000034	28.88	0.000982	1,692.07	0.000037	
08/19/2009	43,118,773.09	0.000034	1,466.04	1,304,305.76	0.000034	28.88	0.000982	1,280.83	0.000030	
08/20/2009	41,463,877.72	0.000034	1,409.77	1,144,466.29	0.000034	28.88	0.000982	1,123.87	0.000027	
08/21/2009	40,663,472.84	0.000034	1,382.56	1,114,602.24	0.000034	28.88	0.000982	1,094.54	0.000027	
08/22/2009	40,663,472.84	0.000034	1,382.56	0.00	0.000034	28.88	0.000000	0.00	0.000000	
08/23/2009	40,663,472.84	0.000034	1,382.56	0.00	0.000034	28.88	0.000000	0.00	0.000000	
08/24/2009	40,721,363.86	0.000034	1,384.53	1,369,213.29	0.000034	28.88	0.000982	1,344.57	0.000033	
08/25/2009	40,494,229.09	0.000034	1,376.80	1,184,548.49	0.000034	28.88	0.000982	1,163.23	0.000029	
08/26/2009	42,352,609.52	0.000033	1,397.64	3,166,500.89	0.000033	28.88	0.000953	3,017.68	0.000071	
08/27/2009	42,709,740.30	0.000033	1,409.42	1,866,974.85	0.000033	28.88	0.000953	1,779.23	0.000042	
08/28/2009	44,211,405.69	0.000033	1,458.98	3,107,538.26	0.000033	28.88	0.000953	2,961.48	0.000067	
08/29/2009	44,211,405.69	0.000033	1,458.98	0.00	0.000033	28.88	0.000000	0.00	0.000000	
08/30/2009	44,211,405.69	0.000033	1,458.98	0.00	0.000033	28.88	0.000000	0.00	0.000000	
08/31/2009	44,993,757.65	0.000033	1,484.79	2,058,938.87	0.000033	28.88	0.000953	1,962.17	0.000044	
09/01/2009	44,066,113.46	0.000033	1,454.18	1,242,070.78	0.000033	28.88	0.000953	1,183.69	0.000027	

Kentucky Power Company
 Accounts Receivable Financing
 Thirteen Months Ending October 31, 2009

Date	AEP Credit - Internal Cost Incurred			KP - Actual Carrying Cost Incurred					
	A/R Balance (a)	Daily Cost of Capital (b)	AEP Credit - Internal Cost (c) = (a) x (b)	A/R Factored (d)	Daily Cost of Capital (e)	Previous Month's Average Days Outstanding (f)	Total Discount Factor (g) = (e) x (f)	KPCo Actual Carrying Cost Incurred (h) = (d) x (g)	Actual Cost of Capital as a % of Total A/R Balance (i) = (h) / (a)
09/02/2009	50,036,893.78	0.000033	1,651.22	7,627,866.42	0.000033	28.88	0.000953	7,269.36	0.000145
09/03/2009	51,038,963.79	0.000033	1,684.29	2,471,090.63	0.000033	28.88	0.000953	2,354.95	0.000046
09/04/2009	51,304,733.70	0.000033	1,693.06	1,702,173.32	0.000033	28.88	0.000953	1,622.17	0.000032
09/05/2009	51,304,733.70	0.000033	1,693.06	0.00	0.000033	28.88	0.000000	0.00	0.000000
09/06/2009	51,304,733.70	0.000033	1,693.06	0.00	0.000033	28.88	0.000000	0.00	0.000000
09/07/2009	51,304,733.70	0.000033	1,693.06	0.00	0.000033	28.88	0.000000	0.00	0.000000
09/08/2009	50,386,713.94	0.000033	1,662.76	1,199,910.21	0.000033	33.02	0.001090	1,307.90	0.000026
09/09/2009	49,340,450.23	0.000033	1,628.23	1,530,234.65	0.000033	33.02	0.001090	1,667.96	0.000034
09/10/2009	48,562,433.57	0.000033	1,602.56	1,068,341.80	0.000033	33.02	0.001090	1,164.49	0.000024
09/11/2009	48,323,232.51	0.000033	1,594.67	1,804,518.26	0.000033	33.02	0.001090	1,966.92	0.000041
09/12/2009	48,323,232.51	0.000033	1,594.67	0.00	0.000033	33.02	0.000000	0.00	0.000000
09/13/2009	48,323,232.51	0.000033	1,594.67	0.00	0.000033	33.02	0.000000	0.00	0.000000
09/14/2009	46,746,432.39	0.000033	1,542.63	1,638,678.29	0.000033	33.02	0.001090	1,786.16	0.000038
09/15/2009	46,574,811.65	0.000033	1,536.97	1,634,889.10	0.000033	33.02	0.001090	1,782.03	0.000038
09/16/2009	44,996,493.35	0.000033	1,484.88	968,111.61	0.000033	33.02	0.001090	1,055.24	0.000023
09/17/2009	39,966,945.08	0.000033	1,318.91	1,273,514.72	0.000033	33.02	0.001090	1,388.13	0.000035
09/18/2009	38,335,267.48	0.000033	1,265.06	999,303.08	0.000033	33.02	0.001090	1,089.24	0.000028
09/19/2009	38,335,267.48	0.000033	1,265.06	0.00	0.000033	33.02	0.000000	0.00	0.000000
09/20/2009	38,335,267.48	0.000033	1,265.06	0.00	0.000033	33.02	0.000000	0.00	0.000000
09/21/2009	37,261,665.27	0.000033	1,229.63	684,809.00	0.000033	33.02	0.001090	746.44	0.000020
09/22/2009	36,429,066.19	0.000033	1,202.16	988,807.66	0.000033	33.02	0.001090	1,077.80	0.000030
09/23/2009	36,041,739.99	0.000032	1,153.34	1,053,407.46	0.000032	33.02	0.001057	1,113.45	0.000031
09/24/2009	36,288,479.11	0.000032	1,161.23	1,175,046.64	0.000032	33.02	0.001057	1,242.02	0.000034
09/25/2009	37,379,039.78	0.000032	1,196.13	2,396,795.97	0.000032	33.02	0.001057	2,533.41	0.000068
09/26/2009	37,379,039.78	0.000032	1,196.13	0.00	0.000032	33.02	0.000000	0.00	0.000000
09/27/2009	37,379,039.78	0.000032	1,196.13	0.00	0.000032	33.02	0.000000	0.00	0.000000
09/28/2009	36,624,310.58	0.000032	1,171.98	1,352,221.90	0.000032	33.02	0.001057	1,429.30	0.000039
09/29/2009	37,111,992.37	0.000032	1,187.58	1,717,926.50	0.000032	33.02	0.001057	1,815.85	0.000049
09/30/2009	37,217,277.64	0.000032	1,190.95	1,492,683.76	0.000032	33.02	0.001057	1,577.77	0.000042
10/01/2009	37,697,235.83	0.000032	1,206.31	2,014,153.71	0.000032	33.02	0.001057	2,128.96	0.000056
10/02/2009	39,369,783.51	0.000032	1,259.83	2,522,074.48	0.000032	33.02	0.001057	2,665.83	0.000068
10/03/2009	39,369,783.51	0.000032	1,259.83	0.00	0.000032	33.02	0.000000	0.00	0.000000
10/04/2009	39,369,783.51	0.000032	1,259.83	0.00	0.000032	33.02	0.000000	0.00	0.000000
10/05/2009	39,180,513.83	0.000032	1,253.78	1,501,749.25	0.000032	33.02	0.001057	1,587.35	0.000041
10/06/2009	37,792,119.20	0.000032	1,209.35	1,212,935.15	0.000032	33.02	0.001057	1,282.07	0.000034
10/07/2009	41,482,441.34	0.000032	1,327.44	5,485,871.41	0.000032	36.26	0.001160	6,363.61	0.000153
10/08/2009	41,465,956.86	0.000032	1,326.91	1,316,855.07	0.000032	36.26	0.001160	1,527.55	0.000037
10/09/2009	42,213,351.45	0.000032	1,350.83	1,916,768.09	0.000032	36.26	0.001160	2,223.45	0.000053
10/10/2009	42,213,351.45	0.000032	1,350.83	0.00	0.000032	36.26	0.000000	0.00	0.000000
10/11/2009	42,213,351.45	0.000032	1,350.83	0.00	0.000032	36.26	0.000000	0.00	0.000000
10/12/2009	41,489,066.83	0.000032	1,327.65	1,351,893.11	0.000032	36.26	0.001160	1,568.20	0.000038
10/13/2009	41,290,262.77	0.000032	1,321.29	1,696,429.85	0.000032	36.26	0.001160	1,967.86	0.000048
10/14/2009	40,290,290.20	0.000032	1,289.29	1,566,228.78	0.000032	36.26	0.001160	1,816.83	0.000045
10/15/2009	40,461,735.07	0.000032	1,294.78	1,306,771.83	0.000032	36.26	0.001160	1,515.86	0.000037
10/16/2009	40,621,021.48	0.000032	1,299.87	1,423,541.37	0.000032	36.26	0.001160	1,651.31	0.000041
10/17/2009	40,621,021.48	0.000032	1,299.87	0.00	0.000032	36.26	0.000000	0.00	0.000000
10/18/2009	40,621,021.48	0.000032	1,299.87	0.00	0.000032	36.26	0.000000	0.00	0.000000
10/19/2009	40,558,425.38	0.000032	1,297.87	1,307,850.52	0.000032	36.26	0.001160	1,517.11	0.000037
10/20/2009	39,710,995.95	0.000032	1,270.75	1,218,026.74	0.000032	36.26	0.001160	1,412.91	0.000036
10/21/2009	34,463,526.65	0.000032	1,102.83	1,268,142.23	0.000032	36.26	0.001160	1,471.04	0.000043
10/22/2009	34,999,948.68	0.000032	1,120.00	1,863,206.96	0.000032	36.26	0.001160	2,161.32	0.000062
10/23/2009	35,847,339.99	0.000032	1,147.11	1,747,024.06	0.000032	36.26	0.001160	2,026.55	0.000057
10/24/2009	35,847,339.99	0.000032	1,147.11	0.00	0.000032	36.26	0.000000	0.00	0.000000
10/25/2009	35,847,339.99	0.000032	1,147.11	0.00	0.000032	36.26	0.000000	0.00	0.000000
10/26/2009	37,062,414.71	0.000032	1,186.00	2,666,450.60	0.000032	36.26	0.001160	3,093.08	0.000083
10/27/2009	37,505,717.65	0.000032	1,200.18	1,806,869.59	0.000032	36.26	0.001160	2,095.97	0.000056
10/28/2009	39,106,060.39	0.000031	1,212.29	3,047,618.03	0.000031	36.26	0.001124	3,425.52	0.000088
10/29/2009	39,753,298.37	0.000031	1,232.35	1,555,265.17	0.000031	36.26	0.001124	1,748.12	0.000044
10/30/2009	40,340,143.15	0.000031	1,250.54	2,054,214.86	0.000031	36.26	0.001124	2,308.94	0.000057
10/31/2009	40,340,143.15	0.000031	1,250.54	0.00	0.000031	36.26	0.000000	0.00	0.000000
			1,029,885.30					1,057,368.84	0.000058
									Average Daily Cost of Capital as a % of Total A/R Balance
									2.0817%
									Annualized Cost of Capital as a % of Total A/R Balance
Average A/R Balance 10/01/08 - 10/31/09			46,536,672.22						
AEP Credit - Internal Cost of Capital 10/01/08 - 10/31/09			2.0119%	Internal Cost Incurred / Average A/R Balance / 396 x 360					
KP - Actual Cost of Capital 10/01/08 - 10/31/09			2.0656%	Actual Carrying Cost Incurred / Average A/R Balance / 396 x 360					

ES FORM 3 15

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

For the Expense month of XXXXXXXX XX, 2010

LINE NO.	Component	Balances	Cap. Structure	Cost Rates		WACC (Net of Tax)	GRCF		WACC (PRE-TAX)
		As of 10/31/2009							
1	L/T DEBT	\$550,000,000	53.561%	6.48%		3.47%			3.47%
2	S/T DEBT	\$0	0.000%	1.77%		0.00%			0.00%
3	ACCTS REC								
3	FINANCING	\$46,535,672	4.532%	2.08%		0.09%			0.09%
4	C EQUITY	\$430,332,408	41.907%	10.50%	1/	4.40%	1.5760	2/	6.94%
5	TOTAL	\$1,026,868,080	100.000%			7.96%			10.50%
1/	WACC = Weighted Average Cost of Capital Rate of Return on Common Equity per Case No. 2009 - 00316								
2/	Gross Revenue Conversion Factor (GRCF) Calculation: Case No. 2009 - 00316 dated - January 20, 2010								
1	OPERATING REVENUE						100.0000		
2	UNCOLLECTIBLE ACCOUNTS EXPENSE (0.47%)						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 (0.32%)						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		

The WACC (PRE - TAX) value on Line 5 is to be recorded on ES FORM 3.10, Line 9.
 Weighted Average Cost of Capital Balances As of 04/30/2009 based on Case No. 2009-00316, dated January 20, 2010.

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 10/31/2007	\$405,928,176	\$1,233,619	0.30%
2	12 Months ended 10/31/2008	\$450,077,589	\$1,065,411	0.24%
3	12 Months ended 10/31/2009	\$507,798,255	\$1,271,508	0.25%
4	Total	----- \$1,363,804,020 -----	----- \$3,570,538 -----	----- 0.79% -----
5	Three Year Average	----- \$454,601,340 =====	----- \$1,190,179 =====	----- 0.26% =====