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Energy and Environment Cabinet

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Vice Chairman

Talina R. Mathews  
Commissioner

September 7, 2017

Mark R. Overstreet  
Stites & Harbison PLLC  
421 West Main Street  
Frankfort, Kentucky 40601

RE: 2014-00396 Post Case Correspondence Filing

Dear Mr. Overstreet:

On August 14, 2017, Kentucky Power Company ("Kentucky Power") filed its Annual Update to the Big Sandy Retirement Rider. Commission Staff requests that Kentucky Power provide the following information within ten days of the date of this letter:

- Indicate the impact, in both dollar amount and percentage change, the update will have on an average residential customer's bill.
- On the "WACC" tab in the spreadsheet entitled "BSRR\_2017\_Support\_1\_Components", footnote 7 states:

The weighted average cost of capital used in these calculations will be updated coincident with Commission orders affecting the Company's WACC and capital structure. The rate will next be update with the Company's August 15, 2018 filing.

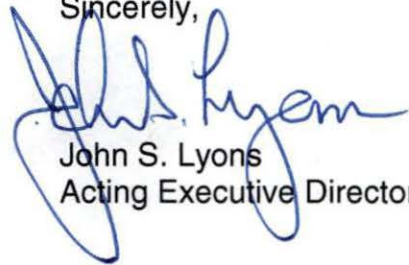
Indicate whether, upon a Commission Order affecting the weighted average cost of capital and capital structure, Kentucky Power would immediately update the weighted average cost of capital used in the calculation or whether it would wait until the August 15, 2018 filing.

- For the "Tariff Revenues" tab in the spreadsheet entitled "BSRR\_2017\_Support\_3\_Rev", explain the inclusion of columns D through H and explain the differences between columns C and D, columns F and I, columns G and J, and columns H and K.

Mark Overstreet  
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If you have any questions regarding this letter, please contact Quang Nguyen at (502) 564-3940.

Sincerely,



John S. Lyons  
Acting Executive Director

cc: Parties of Record

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