

August 3, 2016

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HAND DELIVERED

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

RECEIVED

AUG 03 2016

PUBLIC SERVICE
COMMISSION

RE: Case No. 2013-00430 (To Be Retained In The Company's General
Correspondence File)

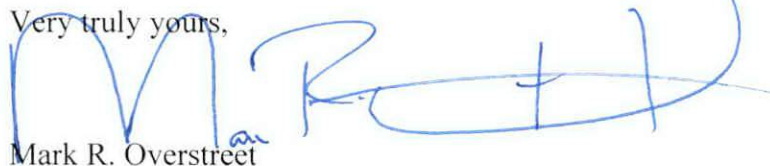
Dear Dr. Mathews:

In accordance with Order Paragraph 2 of the Commission's August 1, 2014 Order, and the Company's June 30, 2016 filing, please find enclosed and accept for filing the original and ten copies of the Company's first supplemental report of the actual cost of the construction through June 30, 2016 of the Big Sandy Unit 1 conversion.

Kentucky Power anticipates additional costs will be billed and paid in connection with the conversion and this report will be supplemented monthly until all costs have been recorded.

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

Very truly yours,



Mark R. Overstreet

MRO

Enclosure

cc: Michael L. Kurtz

Big Sandy U1 Gas Conversion Actual Cost Detail June 30, 2016

Descriptions	Material	Labor	Total
Asbestos Abatement	\$ -	\$ 4,133	\$ 4,133
Civil	\$ 2,156,759	\$ 3,781,541	\$ 5,938,300
Structural/Mechanical	\$ 6,018,674	\$ 8,722,572	\$ 14,741,246
Electrical and I&C	\$ 2,480,308	\$ 2,279,083	\$ 4,759,391
OEM Supply Scope	\$ 8,056,588	\$ 702,985	\$ 8,759,573
Architect Engineering/Outside Professional Services	\$ -	\$ 7,194,975	\$ 7,194,975
PMEC	\$ -	\$ 8,341,546	\$ 8,341,546
Owner's Costs	\$ -	\$ -	\$ -
Direct Cost Total	\$ 18,712,328	\$ 31,026,836	\$ 49,739,164
Risk Allocation			\$ -
AEP Overheads - Allocations			\$ 6,823,415
GRAND TOTAL*			\$ 56,562,579

* Note that the Grand Total does not include AFUDC.