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April 3, 2020

VIA EMAIL AND HAND DELIVERY

Ms. Kent Chandler
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

RE: Annual ARO Reports; Case No. 2014-00432 and Case No. 2018-00027

Dear Mr. Chandler:

Enclosed, please find for filing with the Commission the information required to be filed by East Kentucky Power Cooperative, Inc. regarding the summary of annual asset retirement obligation activity pursuant to ordering paragraph 4 of the Commission's March 6, 2015, Order in Case No. 2014-00432 - *The Application of East Kentucky Power Cooperative, Inc. For an Order Approving the Establishment of Regulatory Assets for the Depreciation and Accretion Expenses Associated with Asset Retirement Expenses*, and ordering paragraph 5 of the Commission's March 8, 2018, Order in Case No. 2018-00027 - *The Application of East Kentucky Power Cooperative, Inc. for an Order Approving the Establishment of a Regulatory Asset for the Depreciation and Accretion Expenses Associated with the Smith Station Landfill Asset Retirement Obligations*.

Paper copies of this information will be hand-delivered to the Commission within thirty (30) days of the lifting of the present State of Emergency relating to the COVID-19 pandemic.

Please let me know if you have any questions.

Sincerely,



David S. Samford

Enc.

EAST KENTUCKY POWER COOPERATIVE, INC.
SUMMARY OF ASSET RETIREMENT OBLIGATION ACTIVITY
IN ACCORDANCE WITH PSC CASE NOS. 2014-00432 AND 2018-00027

	Asbestos			Ash					Grand Totals
	Dale	Cooper	Total Asbestos	Cooper Landfill	Spurlock Pond	Spurlock Landfill	Smith Landfill	Total Ash	All AROs Granted Regulatory Asset Treatment
Balance- December 31, 2018	6,286,209	2,727,475	9,013,684	4,222,305	36,006,365	9,732,047	1,305,770 ⁵	51,266,487	60,280,171
Liabilities Incurred	-	-	-	-	-	-	-	-	-
Liabilities Settled	(6,373,854) ^{1,4}	-	(6,373,854)	(917,829) ²	-	(716) ²	-	(918,545)	(7,292,399)
Cash Flow Revisions	-	-	-	-	-	1,721,792 ³	-	1,721,792	1,721,792
Accretion	87,645	106,080	193,725	127,329	859,337	369,065	60,197	1,415,928	1,609,653
Balance- December 31, 2019	-	2,833,555	2,833,555	3,431,805	36,865,702	11,822,188	1,365,967	53,485,662	56,319,217

1 Represents costs incurred to remove asbestos at Dale Station

2 Represents costs incurred on capping activities

3 Represents updated CCR compliant closure and 30 year postclosure cost estimates due to expansion of landfill

4 Includes clearing of the remaining accreted ARO balance (gain) of \$6,288,750 to the respective regulatory asset accounts as part of the final settlement of the ARO

5 The Public Service Commission authorized regulatory asset treatment of Smith Landfill accretion and depreciation in Case No. 2018-00027