



**KENTUCKY  
POWER**

A unit of American Electric Power

Kentucky Power  
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KentuckyPower.com

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

February 15, 2011

Dear Mr. Derouen:

Re: Case No. \_\_\_\_\_

In the Matter of the Joint Application Pursuant to 1994 House Bill No. 501 for the Approval of Kentucky Power Company Collaborative Demand-Side Management Programs, and for Authority to Implement a Tariff to Recover Costs, Net Lost Revenues and Receive Incentives associated with the Implementation of the Kentucky Power Company Collaborative Demand-Side Management Programs.

Pursuant to the Commission's Order dated May 22, 1996, enclosed are an original and ten copies of the Joint Applicants' status report. This report describes the operation and progress of the Demand-Side Management Plan.

Specifically, the Joint Applicants, with the exception of the Office of the Attorney General's representative who abstained, seek authority for Kentucky Power Company or KPCo, in conjunction with its utility services and pursuant to the 1994 House Bill No. 501, to implement the enclosed revised electric tariff to recover costs associated with the implementation of demand-side management programs, which include net lost revenues and incentives related to those programs.

In this filing, the DSM Collaborative is requesting Commission approval to increase annual participation levels for the following three programs as noted below. In all three cases, the increase in participants is due to current market conditions and the overwhelming customer support of the program.

- Mobile Home Heat Pump Program from 150 to 230 customers per year.
- Mobile Home New Construction Program from 170 to 230 customers per year.
- High Efficiency Heat Pump Program from 196 to 250 customers per year.

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COMMISSION

The DSM Collaborative is also requesting Commission approval to decrease annual participation levels for the Targeted Energy Efficiency Program all-electric and non-electric homes from 415 to 350 homes and 78 to 55 homes, respectively. The decrease in participants is necessary due to the balance between KPCo DSM funding versus Federal Stimulus funding associated with the Community Action Agency's Weatherization Assistance Program. KPCo funding is supplemental to the Weatherization Assistance Program.

The revised residential sector DSM Adjustment clause factor has been agreed upon and is proposed by the DSM Collaborative (see Exhibit C, Column 5, Line 13). The proposed factor for the residential sector is the midpoint between the ceiling and the floor calculations as demonstrated on Exhibit C. The floor was calculated by taking the Collaborative's 2011 projected remaining three quarters position (see Exhibit C, Column 5, Line 2) and dividing by the adjusted estimated sector kWh sales for the remaining three quarters (see Exhibit C, Column 5, Line 11). The ceiling was calculated by taking the Collaborative's 2011 projected remaining three quarters position (see Exhibit C, Column 5, Line 4) and dividing by the adjusted estimated sector kWh sales for the remaining three quarters (see Exhibit C, Column 5, Line 11).

The revised commercial sector DSM Adjustment clause factor has been agreed upon and is proposed by the DSM Collaborative (see Exhibit C, Column 5, Line 26). The proposed factor for the commercial sector is the midpoint between the ceiling and the floor calculations as demonstrated on Exhibit C. The floor was calculated by taking the Collaborative's 2011 projected remaining three quarters position (see Exhibit C, Column 5, Line 16) and dividing by the adjusted estimated sector kWh sales for the remaining fourth quarter (see Exhibit C, Column 5, Line 24). The ceiling was calculated by taking the Collaborative's 2011 projected remaining three quarters position (see Exhibit C, Column 5, Line 18) and dividing by the adjusted estimated sector kWh sales for the remaining three quarters (see Exhibit C, Column 5, Line 24).

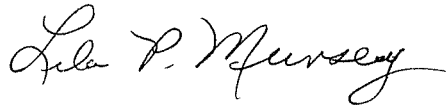
The Joint Applicants request the Commission to approve the following:

- (1) The Experimental DSM Electric Tariff to become effective March 30, 2011. This will allow the Company to utilize the new residential and commercial factor with the first billing cycle in April 2011.

Jeff R. Derouen  
February 15, 2011  
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As is customary, the Company requests the Commission return a stamped copy of the revised tariff sheet upon arrival. If you have any questions, please contact me at (502) 696-7010.

Sincerely,

A handwritten signature in cursive script that reads "Lila P. Munsey". The signature is written in black ink and is positioned above the typed name and title.

Lila P. Munsey  
Manager, Regulatory Services

enclosure

**TARIFF D.S.M.C.  
 (DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE) (Cont'd.)**

**RATE. (Cont'd.)**

5. The DSM adjustment shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
6. Copies of all documents required to be filed with the Commission under this regulation shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS 61.870 to 61.884.
7. The resulting range for each customer sector per KWH during the three-year Experimental Demand-Side Management Plan is as follows:

CUSTOMER SECTOR

	<u>RESIDENTIAL</u> (\$ Per KWH)	<u>COMMERCIAL</u> (\$ Per KWH)	<u>INDUSTRIAL*</u>	
Floor Factor =	(0.000161)	0.000116	- 0 -	( R ) ( I )
Ceiling Factor =	0.001710	0.001117	- 0 -	( R ) ( I )

8. The DSM Adjustment Clause factor (\$ Per KWH) for each customer sector which fall within the range defined in Item 7 above is as follows:

CUSTOMER SECTOR

	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL*</u>	
<u>DSM (c)</u>	1,257,503	651,239	- 0 -	( I ) ( I )
S (c)	\$ 1,622,751,200	1,056,622,000	- 0 -	( I ) ( I )
Adjustment Factor	\$ 0.00775	\$ 0.000617	- 0 -	( R ) ( I )

\*The Industrial Sector has been discontinued pursuant to the Commission's Order dated September 28, 1999.

DATE OF ISSUE February 15, 2011 EFFECTIVE DATE Service rendered on or after March 30, 2011

ISSUED BY Lila P. Munsey  
 LILA P MUNSEY MANAGER REGULATORY SERVICES FRANKFORT, KENTUCKY  
 NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission in Case No. 2011-XXXXX dated

**KENTUCKY POWER COMPANY**  
**Demand Side Management**  
**Status Report**

As of December 31, 2010

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## DEFINITIONS

- 1) YTD Costs
  - Year-to-Date costs recorded January 1, 2010 through December 31, 2010.
- 2) YTD Impacts
  - Estimated in place load impacts for Year-to-Date participants.
- 3) PTD Costs
  - Costs recorded from the inception of the program through December 31, 2010.
- 4) PTD Impacts
  - Estimated in place load impacts for Program-to-Date participants.

## COMMENTS

Our calculations are based on actual participants and costs as of December 31, 2010. The Residential DSM costs in this status report do not agree with the total costs in the Financial Report due to a one month lag in reporting.

The estimated actual in-place energy (kWh) savings is the summation of the monthly average net energy savings associated with participating customers of each DSM program (including T&D losses). The average monthly net energy savings is the product of 1/12 of the annual kWh per participant (shown in Exhibit E) and 1/2 of the new participants for the current month, plus the cumulative participants from the previous months. The average monthly net energy savings is then increased by 10% to include T&D losses. The estimated actual in-place energy (kWh) savings are calculated in accordance with the Sunset Provision contained in the joint application, filed September 27, 1995.

The estimated anticipated peak demand (kW) reduction is a product of the number of net participating customers (excluding free riders) and projected winter/summer demand reductions filed for each program (refer to Section III to V of the joint application). The anticipated peak demand (kW) reductions includes 11% T&D loss savings.

The calculation of YTD and PTD estimated in place energy (kWh) savings and anticipated peak demand (kW) reductions contained in this status report reflect, wherever applicable, the program evaluation results of each individual program as described in the August 16, 1999, June 30, 2002, June 30, 2005, June 30, 2008 and June 30, 2010 DSM collaborative report.

The individual DSM lost revenue, efficiency incentive and maximizing incentives as of June 30, 1997 are calculated based on the initial values from Exhibit E in the joint application, filed September 27, 1995. A retroactive adjustment of the initial values of the efficiency incentives and net lost revenue KWH impacts was used for each program for the first eighteen months (1/1996 to 6/30/97). The lost revenue, efficiency incentive and maximizing incentive for the period 1/1/10 to 12/31/10 are calculated using the revised values contained in Schedule C of this status report.

The program lost revenue is the product of the number of participating customers, the average net energy savings (kWh) per customer and the net lost revenue (\$/kWh). The number of participating customers is equal to 1/2 of the new participants for the current month, plus the cumulative participants from the previous months. The program-to-date lost revenues are calculated in accordance with the Sunset Provision contained in the joint application, filed September 27, 1995.

The efficiency incentive is the product of the number of participants for the month and the efficiency rate (\$/participant). The maximizing incentive is calculated as 5% of actual program cost for the month.

**KENTUCKY POWER COMPANY**  
**SUMMARY INFORMATION (ALL PROGRAMS)**  
As of December 31, 2010

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$2,258,881</u>	<u>\$16,945,113</u>
Total Program Costs	1,429,010	11,812,184
Total Lost Revenues	412,289	4,116,369
Total Efficiency / Maximizing Incentive	304,971	1,348,695
HEAP - Kentucky Power's Information Technology Implementation Costs (Case No 2006 - 00373, Dated December 14, 2006)	0	58,968
HEAP - KACA's Information Technology Implementation Costs	<u>0</u>	<u>15,700</u>
Total DSM Costs As of December 31, 2010	<u>\$2,146,270</u>	<u>\$17,351,916</u>



**KENTUCKY POWER COMPANY**  
**SUMMARY INFORMATION (ALL PROGRAMS)**  
 As of December 31, 2010

DESCRIPTION	YTD	PTD
Actual In-Place Energy Savings:	2,156,019 kWh	582,724,637 kWh
w/ T&D Line Losses:	2,371,620 kWh	640,997,100 kWh
Total kW Reductions:		
Winter	2,456 kW	22,817 kW
w/ T&D Line Losses:	2,726 kW	25,327 kW
Summer	534 kW	5,107 kW
w/ T&D Line Losses:	593 kW	5,669 kW

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

<b>2010</b>														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	2,812

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
0	55,360,221	0	0	441	1,932

# KENTUCKY POWER COMPANY

	Energy Fitness
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	18,189.00
Equipment/Vendor:	0.00	0.00	665,964.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	960.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>685,113.00</b>
Lost Revenues:	0.00	(19,322.00)	363,029.00
Efficiency Incentive:	0.00	(46,349.00)	63,482.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>0.00</b>	<b>(65,671.00)</b>	<b>1,111,624.00</b>

# KENTUCKY POWER COMPANY

## COMMENTS:

This program was discontinued May 14, 1999.

# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Targeted Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		
All Electric	6	31	34	40	17	46	31	38	27	30	17	29	346	3,070
Non All Electric	0	2	3	1	10	15	14	6	1	0	1	1	54	1,050

Impacts			
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	YTD	PTD
		Summer	Winter
		Summer	Winter
455,844	89,451,783	36	169
		650	2,923

# KENTUCKY POWER COMPANY

Targeted Energy Efficiency	
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	253,327.00
Equipment/Vendor:	347,248.00	0.00	3,172,275.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	9,553.00
<b>Total Program Costs</b>	<b>347,248.00</b>	<b>0.00</b>	<b>3,435,155.00</b>
Lost Revenues:	91,493.00	1,944.00	682,822.00
Efficiency Incentive:	30,049.00	184.00	83,649.00
Maximizing Incentive:	0.00	0.00	123,197.00
<b>Total Costs</b>	<b>468,790.00</b>	<b>2,128.00</b>	<b>4,324,823.00</b>

# KENTUCKY POWER COMPANY

## COMMENTS:

The Targeted Energy Efficiency Program provides a variety of services, including a home energy audit, weatherization and seal-up to targeted low income customers.

The Equipment / Vendor cost categories includes the cost of labor and materials of measures installed, participant energy education costs and vendor administration costs. The YTD costs are \$341,357 for all-electric and \$5,891 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for all-electric participants and non-all-electric participants is 414,816 and 41,029 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 33/163 and 3/6 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$77,737 and \$13,756 respectively.

The YTD Efficiency Incentive for all-electric and non-all-electric participants is \$26,718 and \$3,331 respectively.

The projected participant and budgetary level for 2011 is 350 all-electric homes, 55 non-all-electric homes and \$400,000.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Compact Fluorescent Bulb
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

<b>2010</b>															
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD	
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	269

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
0	280,416	0	0	0	3



# KENTUCKY POWER COMPANY

	Compact Fluorescent Bulb
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	60.00
Equipment/Vendor:	0.00	0.00	15,021.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>15,081.00</b>
Lost Revenues:	0.00	25.00	1,605.00
Efficiency Incentive:	0.00	8.00	433.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>0.00</b>	<b>33.00</b>	<b>17,119.00</b>

# KENTUCKY POWER COMPANY

## COMMENTS:

This program was discontinued December 31, 1996.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	High Efficiency Heat Pumps - Retrofit
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
Resistance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,367
Non Resistance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	929

<b>Impacts</b>			
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	YTD	PTD
		Summer	Winter
0	71,026,985	0	851
		Summer	Winter
		2,995	

# KENTUCKY POWER COMPANY

	High Efficiency Heat Pumps - Retrofit
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	12,885.00
Equipment/Vendor:	0.00	0.00	129,767.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	70,500.00
Other Costs:	0.00	0.00	1,160.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>214,312.00</b>
Lost Revenues:	0.00	(269.00)	368,960.00
Efficiency Incentive:	0.00	(2,196.00)	48,017.00
Maximizing Incentive:	0.00	0.00	5.00
<b>Total Costs</b>	<b>0.00</b>	<b>(2,465.00)</b>	<b>631,294.00</b>

**KENTUCKY POWER COMPANY**

**COMMENTS:**

This program was discontinued December 31, 2001.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	High Efficiency Heat Pump - Mobile Home
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

2010														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	11	22	10	13	29	12	40	32	18	25	11	10	233	2,280

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
226,299	87,249,107	50	312	333	3,917

# KENTUCKY POWER COMPANY

	High Efficiency Heat Pump - Mobile Home
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	46,374.00
Equipment/Vendor:	21,500.00	0.00	65,505.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	83,300.00	0.00	977,200.00
Other Costs:	0.00	0.00	1,167.00
<b>Total Program Costs</b>	<b>104,800.00</b>	<b>0.00</b>	<b>1,090,246.00</b>
Lost Revenues:	40,789.00	5,820.00	479,502.00
Efficiency Incentive:	32,618.00	18,331.00	185,408.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>178,207.00</b>	<b>24,151.00</b>	<b>1,755,156.00</b>

## **KENTUCKY POWER COMPANY**

### **COMMENTS:**

The High Efficiency Heat Pump - Mobile Home program provides incentives to customers, encouraging them to install the highest efficiency equipment practical.

The projected participant and budgetary level for 2011 is 230 and \$113,500 respectively.



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Mobile Home New Construction
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

<b>2010</b>														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
Heat Pump	23	11	10	17	27	27	20	14	18	17	24	26	234	2,145
Air Conditioner	0	0	0	0	0	0	0	0	0	0	0	0	0	2

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
221,335	128,023,604	151	602	345	5,087

# KENTUCKY POWER COMPANY

Mobile Home New Construction
Reporting Period: January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	30,294.00
Equipment/Vendor:	11,450.00	0.00	129,963.00
Promotional:	0.00	0.00	3,939.00
Customer Incentives:	115,500.00	0.00	1,081,450.00
Other Costs:	250.00	0.00	4,616.00
<b>Total Program Costs</b>	<b>127,200.00</b>	<b>0.00</b>	<b>1,250,262.00</b>
Lost Revenues:	53,784.00	0.00	548,382.00
Efficiency Incentive:	17,736.00	0.00	157,777.00
Maximizing Incentive:	0.00	0.00	2,580.00
<b>Total Costs</b>	<b>198,720.00</b>	<b>0.00</b>	<b>1,959,001.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Collaborative has devised and implemented a plan in conjunction with trade allies to offer a financial incentive to new mobile home buyers and trade allies to encourage the installation of high efficiency heat pumps and upgraded insulation packages in new mobile homes.

The projected participant and budgetary level for 2011 is 230 heat pumps and \$136,750 respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

<b>2010</b>														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	57	63	91	76	73	141	139	140	117	187	61	55	1,200	6,990

<b>Impacts</b>			
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction	
YTD	PTD	PTD	
		Summer	Winter
551,073	81,681,272	211	4,069
		669	1,058
		Summer	Winter

# KENTUCKY POWER COMPANY

	Modified Energy Fitness
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	27,106.00
Equipment/Vendor:	418,693.00	0.00	2,541,778.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>418,693.00</b>	<b>0.00</b>	<b>2,568,884.00</b>
Lost Revenues:	125,741.00	0.00	659,667.00
Efficiency Incentive:	59,724.00	0.00	290,534.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>604,158.00</b>	<b>0.00</b>	<b>3,519,085.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Modified Energy Fitness program provides energy audits, blower door testing, duct sealing and direct installation of low cost conservation measures to residential customers with electric space heating and electric water heating.

The equipment / vendor cost category includes the cost of labor and materials of measures installed, the cost of promotion by the vendor and vendor administration costs.

The projected participant and budgetary level for 2011 is 1,200 and \$455,000 respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	High Efficiency Heat Pump
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		
Resistance	9	21	12	16	17	22	22	28	26	25	26	28	252	343
Non Resistance	50	42	28	44	58	50	54	55	28	33	32	35	509	726

<b>Impacts</b>			
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	Summer	Winter
762,091	1,601,734	133	1,462
		189	1,462

# KENTUCKY POWER COMPANY

	High Efficiency Heat Pump
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	63,250.00	0.00	78,550.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	276,950.00	0.00	400,100.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>340,200.00</b>	<b>0.00</b>	<b>478,650.00</b>
Lost Revenues:	54,853.00	0.00	62,418.00
Efficiency Incentive:	120,482.00	0.00	163,989.00
Maximizing Incentive:	12,302.00	0.00	17,177.00
<b>Total Costs</b>	<b>527,837.00</b>	<b>0.00</b>	<b>722,234.00</b>



## KENTUCKY POWER COMPANY

### COMMENTS:

This program was implemented to reduce residential electric consumption by replacing older, less efficient electric heating systems with high efficiency heat pumps. Customers are provided an incentive encouraging them to promote the highest efficiency equipment practical.

The YTD Estimated in Place Energy (kWh) Savings for resistance heat replacement and non-resistance heat replacement participants is 503,765 and 258,326 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for resistance heat replacement and non-resistance heat replacement participants is 0/811 and 133/251 respectively.

The YTD Lost Revenue for resistance heat replacement and non-resistance heat replacement participants is \$39,545 and \$15,308 respectively.

The Efficiency Incentive for resistance heat replacement participants is \$120,482. The Maximizing Incentive for the non-resistance heat replacement participants is \$12,302.

The projected participant and budgetary level for 2011 is 250 resistance heat replacement customers, 524 non-resistance heat replacement customers and \$363,300 respectively.

# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Community Outreach Compact Fluorescent Lamp
PARTICIPANT DEFINITION:	Number of Customers
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

### 2010

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	419	342	1,164	718	621	65	807	548	126	0	4,810	8,554

### Impacts

Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	YTD	PTD
		Summer	Winter
133,036	376,131	5	123
		9	218

# KENTUCKY POWER COMPANY

	Community Outreach Compact Fluorescent Lamp
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	8,806.00	0.00	8,806.00
CFLs	39,745.00	0.00	67,202.00
Promotional:	6,884.00	0.00	13,546.00
Administration	1,699.00	0.00	1,699.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>57,134.00</b>	<b>0.00</b>	<b>91,253.00</b>
Lost Revenues:	36,303.00	0.00	46,957.00
Efficiency Incentive:	24,007.00	0.00	42,690.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>117,444.00</b>	<b>0.00</b>	<b>180,900.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Community Outreach Compact Fluorescent Lighting (CFL) program is designed to educate and influence residential customers to purchase and use compact fluorescent lighting in their homes.

The projected participant and budgetary level for 2011 is 4,800 customers and \$60,500. respectively.

# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Energy Education For Students
PARTICIPANT DEFINITION:	Number of Students
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

### 2010

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	75	0	112	0	58	243	0	0	0	15	408	636	1,547	2,677

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
		YTD		PTD	
YTD	PTD	Summer	Winter	Summer	Winter
20,698	91,993	2	39	3	68

# KENTUCKY POWER COMPANY

Energy Education For Students	
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	4,179.00	0.00	4,179.00
CFLs	17,019.00	0.00	29,203.00
Promotional:	0.00	0.00	0.00
Educational Workshops	5,000.00	0.00	10,000.00
Program Development & Administration	4,562.00	0.00	4,562.00
<b>Total Program Costs</b>	<b>30,760.00</b>	<b>0.00</b>	<b>47,944.00</b>
Lost Revenues:	9,262.00	0.00	11,505.00
Efficiency Incentive:	7,704.00	0.00	13,331.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>47,726.00</b>	<b>0.00</b>	<b>72,780.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Energy Education for Students program is designed to partner with the National Energy Education Development Project (NEED) to implement an energy education program for 7th grade students at participating middle schools. The students will be provided a package of four 23 watt CFLs to install in their homes. The program will influence residential customers to purchase and use compact fluorescent lighting in their homes.

The projected participant and budgetary level for 2011 is 2,000 students and \$31,000 respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Residential HVAC Diagnostic and Tune-up
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD		
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec				
Heat Pump								0	0	0	1	27	28	28		
Air Conditioner								0	0	0	0	0	0	0	0	

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
			YTD	PTD	
YTD	PTD		Summer	Winter	Summer
1,019	1,019	5	7	5	7



# KENTUCKY POWER COMPANY

	Residential HVAC Diagnostic and Tune-up
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	1,450.00	0.00	1,450.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	1,400.00	0.00	1,400.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>2,850.00</b>	<b>0.00</b>	<b>2,850.00</b>
Lost Revenues:	64.00	1,944.00	64.00
Efficiency Incentive:	319.00	184.00	319.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>3,233.00</b>	<b>2,128.00</b>	<b>3,233.00</b>

## **KENTUCKY POWER COMPANY**

### **COMMENTS:**

The Residential HVAC Diagnostic and Tune-up Program provides incentives to customers for a variety of HVAC services including over and under refrigerant charge and other diagnostic performance checks on residential unitary central air conditioning and heat pump units.

The projected participant and budgetary level for 2011 is 325 central air conditioners and 215 heat pumps at a budgeted program expense of \$63,780.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Residential Load Management
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
A/C														0	0
Switches														0	0
Water Heater S/W														0	0

<b>Impacts</b>			
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	YTD	PTD
		Summer	Winter
0	0	0	0
		Summer	Winter
		0	0

# KENTUCKY POWER COMPANY

	Residential Load Management
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	0.00	0.00	0.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Residential Load Management Program will determine whether peak demand can be effectively reduced through the installation of load control devices on central air conditioners, heat pumps, and/or electric water heaters.

The projected participant and budgetary level for 2011 is 475 A/C and 475 water heating switches, and \$552,775 respectively. Vendor contract pending with customer installations scheduled to begin April 2011.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Residential Efficient Products
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		
CFL													0	0
Specialty Bulbs													0	0
LED Lights													0	0

<b>Impacts</b>										
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction							
			YTD	Summer	Winter	YTD	Summer	Winter		
YTD	PTD									
0	0		0	0	0	0	0	0	0	0

# KENTUCKY POWER COMPANY

Residential Efficient Products
Reporting Period: January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	0.00	0.00	0.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## **KENTUCKY POWER COMPANY**

### **COMMENTS:**

The Residential Efficient Products Program will provide incentives and marketing support through retailers to build market share and usage of ENERGY STAR lighting products. Designed to produce long-term energy savings in the residential sector by increasing the market share of ENERGY STAR CFLs and (or) other ENERGY STAR lighting products.

The forecasted units and budgetary level for 2011 is 125,800 ENERGY STAR lights and \$367,876. Final contract is pending with program implementation contractor. Retail store customer promotions scheduled to begin February or March 2011.



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Commercial HVAC Diagnostic and Tune-up
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
Heat Pump											1	0	1	0	1
Air Conditioner											0	0	0	0	0

<b>Impacts</b>											
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction								
			YTD	Summer	Winter	YTD	Summer	Winter			
YTD	PTD										
225	225	0	0	0	0	0	0	0	0	0	0

# KENTUCKY POWER COMPANY

	Commercial HVAC Diagnostic and Tune-up
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	50.00	0.00	50.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	75.00	0.00	75.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>125.00</b>	<b>0.00</b>	<b>125.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	30.00	0.00	30.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>155.00</b>	<b>0.00</b>	<b>155.00</b>

## **KENTUCKY POWER COMPANY**

### **COMMENTS:**

The Commercial HVAC Diagnostic and Tune-up Program provides a variety of HVAC services, including diagnostic performance checks on commercial unitary central air conditioning and heat pump units.

The Equipment / Vendor cost includes the cost of incentives for participating HVAC dealers promotion of the program. The customer incentives are \$75 per program participant. YTD cost for the program are \$0 for central air conditioning and \$125 for heat pump.

The projected participant and budgetary level for 2011 is 136 central air conditioners and 24 heat pumps and \$24,120 respectively.

# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Commercial Load Management
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
Heat Pump														0	0
Air Conditioner														0	0

Impacts					
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction				
	YTD	PTD	YTD	PTD	PTD
			Summer	Winter	Summer
			Summer	Winter	Winter
0	0	0	0	0	0

# KENTUCKY POWER COMPANY

Commercial Load Management	
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	0.00	0.00	0.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Commercial Load Management Program will determine whether peak demand can be effectively reduced through the installation of load control devices on central air conditioners, heat pumps, and/or electric water heaters.

The projected participant and budgetary level for 2011 is 45 A/C and 45 water heating switches and \$60,640 respectively. The vendor contract is pending with customer installation projected to begin April 2011.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Commercial High Efficiency Heat Pump/Air Conditioner
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
Heat Pump									0	0	0	0	0	0	0
Air Conditioner									0	0	0	0	0	0	0

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction			PTD	
	YTD	Summer	Winter	Summer	Winter
0	0	0	0	0	0

# KENTUCKY POWER COMPANY

	High Efficiency Heat Pump/Air Conditioner
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	0.00	0.00	0.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>			
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	0.00	0.00	0.00



## KENTUCKY POWER COMPANY

### COMMENTS:

The Commercial High Efficiency Heat Pump/Air Conditioner program offers financial incentive to small commercial customers (< 100 kW demand) who upgrade to a new qualifying central air conditioner or heat pump with a Consortium for Energy Efficiency (CEE) rating. Applicable for 5 ton units or less.

The Equipment / Vendor cost includes incentive payments for participating HVAC dealers. Customer incentives are included with the program and a promotional expense of \$12,000 is included with the 2011 budget. YTD expenses for 2010 was \$0 for central air conditioning and \$0 for heat pump.

The projected participant and budgetary level for 2011 is 100 central air conditioners and 20 heat pumps with a program budget of \$69,000. The program was started in 2010 but received no participants. Introduction letters and incentive forms were issued to participating HVAC dealers with follow-up calls to dealers completed October 2010.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Commercial Incentive
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		
Heat Pump													0	0
Air Conditioner													0	0

<b>Impacts</b>							
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction				
			YTD	Summer	Winter	YTD	Summer
0	0	0	0	0	0	0	0

# KENTUCKY POWER COMPANY

Commercial Incentive	
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	0.00	0.00	0.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

The Commercial Incentive program offers energy savings for all commercial business customers through promotion of high efficiency electric lighting, HVAC, pumps, and motors. Primary objectives include; increasing the market share and installation rate of high efficiency technologies, and improving the operating efficiencies of existing long life equipment for commercial customers.

The projected participant and budgetary level for 2011 is 88 customers and \$910,560. Negotiations are ongoing with the implementation contractor for this program. The program start is planned for March/April 2011.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Commercial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2010

		2010												PTD	
Participant	Class	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
Class I														0	1,952
Class II														0	194

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
n/a	n/a	n/a	n/a	n/a	n/a

# KENTUCKY POWER COMPANY

Smart Audit - Commercial	
Reporting Period:	January - December 2010

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	30,661.00
Equipment/Vendor:	0.00	0.00	1,268,176.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	(8,156.00)
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>1,290,681.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	64,533.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>1,355,214.00</b>

# KENTUCKY POWER COMPANY

## COMMENTS:

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Smart Incentive - Commercial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2010

Participant	2010												YTD	PTD
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		
Existing Building													0	182
New Building													0	69

Impacts					
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction				
	YTD	YTD		PTD	
	Summer	Winter	Summer	Winter	
0	0	0	1,519	2,640	



# KENTUCKY POWER COMPANY

Smart Incentive - Commercial	
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	144,039.00
Equipment/Vendor:	0.00	0.00	21,504.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	399,592.00
Other Costs:	0.00	0.00	691.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>565,826.00</b>
Lost Revenues:	0.00	442.00	891,458.00
Efficiency Incentive:	0.00	1,078.00	88,039.00
Maximizing Incentive:	0.00	0.00	281.00
<b>Total Costs</b>	<b>0.00</b>	<b>1,520.00</b>	<b>1,545,604.00</b>

# KENTUCKY POWER COMPANY

## COMMENTS:

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Smart Audit - Industrial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December 2010

2010														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
Class I													0	60
Class II													0	4

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD	PTD	Summer	Winter
n/a	n/a	n/a	n/a	n/a	n/a

# KENTUCKY POWER COMPANY

	Smart Audit - Industrial
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	5,741.00
Equipment/Vendor:	0.00	0.00	37,786.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	161.00
Other Costs:	0.00	0.00	43,688.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>43,688.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	2,186.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>45,874.00</b>

# KENTUCKY POWER COMPANY

## COMMENTS:

This program was discontinued December 31, 1998.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Incentive - Industrial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2010

<b>2010</b>														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
	General	0	0	0	0	0	0							0
Compressed Air	0	0	0	0	0	0							0	0

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
0	170,525	0	0	6	6

# KENTUCKY POWER COMPANY

	Smart Incentive - Industrial
Reporting Period:	January - December 2010

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	28,385.00
Equipment/Vendor:	0.00	0.00	3,288.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	441.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>32,114.00</b>
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	383.00
Maximizing Incentive:	0.00	0.00	655.00
<b>Total Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>33,152.00</b>

## **KENTUCKY POWER COMPANY**

### **COMMENTS:**

This program was discontinued December 31, 1998.





KENTUCKY POWER COMPANY DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT		Exhibit C				PAGE 1 of 19	
RESIDENTIAL SECTOR		TOTAL YEARS 1 thru 14	YEAR 15 (2010)	YEAR 15 (2010)	YEAR 16 (2011)	YEAR 16 (2011)	TOTAL
			1st HALF	2nd HALF	1st QTR	2nd, 3rd & 4th QTRs	
		(1)	(2)	(3)	(4)	(5)	(6)
1	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$12,267,626	\$1,021,058	\$1,125,058	\$632,551	\$3,036,005	\$18,082,298
2	CUMULATIVE ( OVER)/UNDER COLLECTION	0	519,414	631,736	427,163	(260,499)	-
3	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	0	(41,824)
4	TOTAL TO BE RECOVERED	12,225,802	1,540,472	1,756,794	1,059,714	2,775,506	18,040,474
5	TOTAL AMOUNT RECOVERED	11,706,042	908,736	1,329,631	0	0	13,944,409
6	EXPECTED FUTURE RECOVERIES	0	0	0	1,320,213	1,257,632	2,577,845
7	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(9,833)	0	0	0	0	(9,833)
8	TRANSFER PORTION OF BALANCE FROM COMMERCIAL	9,487	0	0	0	0	9,487
9	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$519,414	\$631,736	\$427,163	(\$260,499)	\$1,517,874	\$1,517,874
10 AMOUNT TO BE RECOVERED						\$2,775,506	
11 ADJ. ESTIMATED SECTOR KWH - YEAR 16					818,990,900	1,622,751,200	
SURCHARGE RANGE ( \$ PER KWH )							
12	FLOOR (CARRYOVER)	COL. 5, L 2 / COL. 5, L 11				(0.000161)	
13	MIDPOINT - proposed rate				0.001612	0.000775	
14	CEILING (TOTAL COST)	COL. 5, L 4 / COL. 5, L 11				0.001710	
COMMERCIAL SECTOR		TOTAL YEARS 1 thru 14	YEAR 15 (2010)	YEAR 15 (2010)	YEAR 16 (2011)	YEAR 16 (2011)	TOTAL
			1st HALF	2nd HALF	1st QTR	2nd, 3rd & 4th QTRs	
		(1)	(2)	(3)	(3)	(4)	(5)
15	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,899,298	\$0	\$155	\$165,825	\$1,057,115	\$4,122,393
16	CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	(20,360)	122,681	0
17	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	0	1,520
18	TOTAL TO BE RECOVERED	2,900,818	0	155	145,465	1,179,796	4,123,913
19	TOTAL AMOUNT RECOVERED	2,888,053	0	20,515	0	0	2,908,568
20	EXPECTED FUTURE RECOVERIES	0	0	0	22,784	651,936	674,720
21	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(3,278)	0	0	0	0	(3,278)
22	TRANSFER BALANCE TO RESIDENTIAL	(9,487)	0	0	0	0	(9,487)
22	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	(\$20,360)	\$122,681	\$527,860	\$527,860
23 AMOUNT TO BE RECOVERED						\$1,179,796	
24 ADJ. ESTIMATED SECTOR KWH - YEAR 16					367,481,800	1,056,622,000	
SURCHARGE RANGE ( \$ PER KWH )							
25	FLOOR (CARRYOVER)					0.000116	
26	MIDPOINT - proposed rate				0.000062	0.000617	
27	CEILING (TOTAL COST)					0.001117	
INDUSTRIAL SECTOR		TOTAL YEARS 1 thru 14	YEAR 15 (2010)	YEAR 15 (2010)	YEAR 16 (2011)	YEAR 16 (2011)	TOTAL
			1st HALF	2nd HALF	1st QTR	2nd, 3rd & 4th QTRs	
		(1)	(2)	(3)	(3)	(4)	(5)
28	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$79,026	\$0	\$0	\$0	\$0	\$79,026
29	CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	0	0	0
30	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	0	0	0	0	0	0
31	TOTAL TO BE RECOVERED	79,026	0	0	0	0	79,026
32	TOTAL AMOUNT RECOVERED	92,137	0	0	0	0	92,137
33	EXPECTED FUTURE RECOVERIES	0	0	0	0	0	0
34	TRANSFER BALANCE TO RESIDENTIAL & COMMERCIAL	13,111	0	0	0	0	13,111
35	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0	\$0
36 AMOUNT TO BE RECOVERED						\$0	
37 ADJ. ESTIMATED SECTOR KWH - YEAR 16					835,059,400	2,454,683,000	
SURCHARGE RANGE ( \$ PER KWH )							
38	FLOOR (CARRYOVER)					0.000000	
39	MIDPOINT				0.000000	0.000000	
40	CEILING (TOTAL COST) - proposed rate					0.000000	

1996

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C  
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YEAR 1	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/YR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/YR (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL* INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (4)+(9)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	562	148	\$221.65	\$122,351	2,690	398,120	\$0.03	\$12,397	\$43,177	\$11,450	\$43,177	\$177,925
Targeted Energy Efficiency - All Electric	223	101	\$1,026.88	\$228,994	5,570	562,570	\$0.03	\$17,513	\$0	\$719	\$11,450	\$257,957
Targeted Energy Efficiency - Non-All Electric	74	35	\$372.19	\$27,542	680	23,800	\$0.03	\$744	\$719		\$719	\$29,005
Compact Fluorescent Bulb	269	73	\$56.06	\$15,081	62	4,526	\$0.03	\$140	\$425		\$425	\$15,646
High - Efficiency Heat Pump - Resistance Heat	599	216	\$73.49	\$39,611	2,275	491,400	\$0.03	\$15,292	\$10,634		\$10,634	\$65,537
High - Efficiency Heat Pump - Non Resistance Heat	527	206	\$61.31	\$32,310	813	167,478	\$0.03	\$5,215	\$8,796		\$8,796	\$46,321
High - Efficiency Heat Pump - Mobile Home	356	158	\$496.95	\$176,914	2,160	341,280	\$0.03	\$10,617	\$13,834		\$13,834	\$201,365
Mobile Home New Construction	70	22	\$292.69	\$20,488	0	0				\$1,024	\$1,024	\$21,512
TOTAL RESIDENTIAL PROGRAMS	2,610	959		\$663,291		1,989,174		\$61,918	\$77,585	\$12,474	\$90,059	\$815,268
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	91	19	\$1,258.51	\$114,524	0	0			\$0	\$5,726	\$5,726	\$120,250
Smart Audit - Class 2	5	1	\$1,875.40	\$9,377	0	0			\$0	\$469	\$469	\$9,846
Smart Financing - Existing Building	1	0	\$5,794.00	\$5,794	22,000	0	\$0.04	\$0	\$506	\$0	\$506	\$6,300
Smart Financing - New Building	0	0		\$0	30,600	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	97	20		\$129,695		0		\$0	\$506	\$6,195	\$6,701	\$136,396
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	15	1	\$149.40	\$2,241	0	0			\$0	\$112	\$112	\$2,353
Smart Audit - Class 2	2	1	\$8,980.00	\$17,960	28,200	0	\$0.04	\$0	\$0	\$698	\$698	\$18,658
Smart Financing - General	0	0		\$3,919	164,800	0	\$0.03	\$0	\$0	\$196	\$196	\$4,115
Smart Financing - Compressed Air System	0	0		\$0	0	0			\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	17	2		\$24,120		0		\$0	\$0	\$1,206	\$1,206	\$25,326
TOTAL COMPANY	2,724	981		\$817,106		1,989,174		\$61,918	\$78,091	\$19,875	\$97,966	\$976,990

\* Lost revenue and efficiency incentives are based on initial values per the settlement agreement.

1997												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 1997												
YEAR 2 ( 1st HALF )												
PROGRAM DESCRIPTIONS	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/6 MOS (KWH/PARTIC)	TOTAL ENERGY SAVINGS KWH/6 MOS (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (4)+(8)+(11)
	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS												
Energy Fitness	273	651	\$260.68	\$71,167	1,345	875,595	\$0.03	\$27,266	\$21,354	n/a	\$21,354	\$119,787
Targeted Energy Efficiency - All Electric	118	279	\$818.97	\$96,638	2,785	777,015	\$0.03	\$24,188	\$0	\$4,832	\$4,832	\$125,658
- Non-All Electric	26	88	\$88.23	\$2,294	340	29,920	\$0.03	\$935	\$252	n/a	\$252	\$3,481
Compact Fluorescent Bulb	0	269		\$0	31	8,339	\$0.03	\$258	\$0	n/a	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	123	590	\$2.58	\$317	1,138	671,420	\$0.03	\$20,895	\$2,427	n/a	\$2,427	\$23,639
- Non Resistance Heat	124	581	\$2.56	\$318	407	236,467	\$0.03	\$7,364	\$2,070	n/a	\$2,070	\$9,752
High - Efficiency Heat Pump - Mobile Home	109	403	\$157.87	\$17,208	1,080	435,240	\$0.03	\$13,540	\$4,236	n/a	\$4,236	\$34,984
Mobile Home New Construction	12	78	\$635.17	\$7,622	0	0	n/a	n/a	\$0	\$381	\$381	\$8,003
TOTAL RESIDENTIAL PROGRAMS	785	2,959		\$195,564		3,033,996		\$94,446	\$30,339	\$5,213	\$35,552	\$325,562
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	243	207	\$284.00	\$64,152	0	0	n/a	n/a	\$0	\$3,208	\$3,208	\$67,360
- Class 2	11	9	\$2,705.00	\$29,755	0	0	n/a	n/a	\$0	\$1,488	\$1,488	\$31,243
Smart Financing - Existing Building	0	1	n/a	\$5,629	11,000	11,000	\$0.04	\$469	\$0	\$281	\$281	\$6,379
Smart Financing - New Building	1	0	\$4,692.00	\$4,692	15,300	0	\$0.04	\$0	\$50	n/a	\$50	\$4,742
TOTAL COMMERCIAL PROGRAMS	255	217		\$104,228		11,000		\$469	\$50	\$4,977	\$5,027	\$109,724
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	9	20	\$279.56	\$2,516	0	0	n/a	n/a	\$0	\$126	\$126	\$2,642
Smart Audit - Class 2	1	2	\$1,133.00	\$1,133	0	0	n/a	n/a	\$0	\$57	\$57	\$1,190
Smart Financing - General	0	0	n/a	\$7,940	14,100	0	\$0.04	\$0	\$0	\$392	\$392	\$8,232
Smart Financing - Compressed Air System	0	0		\$0	82,400	0	\$0.03	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	10	22		\$11,489		0		\$0	\$0	\$575	\$575	\$12,064
TOTAL COMPANY	1,050	3,178		\$311,281		3,044,996		\$94,915	\$30,389	\$10,765	\$41,154	\$447,350
* Lost revenue and efficiency incentives are based on initial values per the settlement agreement.												

1997

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C  
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YEAR 2 (3rd QTR.)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/QTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG. 18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS			PER PARTICIPANT (3)	(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(5)	(9)X(10)	(4)X(8)X(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	257	957	\$184.99	\$47,542	341	326,337	\$0.03	\$10,156	\$5,340	n/a	\$5,340	\$63,038
Targeted Energy Efficiency - All Electric	51	369	\$1,090.08	\$55,594	1,392	513,648	\$0.03	\$15,980	\$0	\$2,780	\$2,780	\$74,354
- Non-All Electric	15	108	\$193.33	\$2,900	170	18,360	\$0.03	\$574	\$25	n/a	\$25	\$3,499
Compact Fluorescent Bulb	0	269	n/a	\$0	16	4,304	\$0.03	\$133	\$0	\$0	\$0	\$133
High - Efficiency Heat Pump - Resistance Heat	109	717	\$55.05	\$6,000	547	392,199	\$0.03	\$12,213	\$787	n/a	\$787	\$19,000
- Non Resistance Heat	84	695	\$66.18	\$5,559	221	153,595	\$0.03	\$4,786	\$2,445	n/a	\$2,445	\$12,790
High - Efficiency Heat Pump - Mobile Home	77	509	\$689.62	\$53,101	625	318,125	\$0.03	\$9,694	\$2,503	n/a	\$2,503	\$65,498
Mobile Home New Construction	0	82	n/a	\$6,092	0	0	0	0	\$0	\$305	\$305	\$6,397
TOTAL RESIDENTIAL PROGRAMS	593	3,706		\$176,788		1,726,568		\$53,736	\$11,100	\$3,085	\$14,185	\$244,709
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	98	383	\$413.13	\$40,487	0	0	0	0	\$0	\$2,024	\$2,024	\$42,511
- Class 2	5	19	\$2,705.00	\$13,525	0	0	0	0	\$0	\$676	\$676	\$14,201
Smart Financing - Existing Building	2	2	\$3,087.00	\$6,134	11,100	22,200	\$0.04	\$940	\$1,627	n/a	\$1,627	\$8,701
- New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	\$0	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	105	405		\$60,146		29,850		\$1,267	\$1,627	\$2,700	\$4,327	\$65,740
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	26	\$666.00	\$1,998	0	0	0	0	\$0	\$100	\$100	\$2,098
Smart Audit - Class 2	0	3	n/a	\$0	0	0	0	0	\$0	n/a	\$0	\$4,785
Smart Financing - General	0	0	n/a	\$4,785	14,625	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0		\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	3	29		\$6,783		0		\$0	\$0	\$100	\$100	\$6,883
TOTAL COMPANY	701	4,140		\$243,717		1,756,418		\$55,003	\$12,727	\$5,885	\$18,612	\$317,332

\* Lost revenue and efficiency incentives are based on prospective values.

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

YEAR 2 (4th QTR)	PROGRAM DESCRIPTIONS	NEW PARTICIPANT		CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)(X)(3)	NET LOST REVIQTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/QTR (2)(X)(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)(X)(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
		NUMBER (1)	NUMBER (2)											
	RESIDENTIAL PROGRAMS	432	1,287		\$259.53	\$112,115	341	438,967	\$0.03	\$13,658	\$8,977	n/a	\$8,977	\$134,750
	Energy Fitness	124	443		\$924.15	\$114,595	1,393	617,099	\$0.03	\$19,198	\$0	\$5,730	\$5,730	\$139,523
	Targeted Energy Efficiency - All Electric - Non-All Electric	78	146		\$103.55	\$8,077	170	24,820	\$0.03	\$775	\$129	n/a	\$129	\$8,981
	Compact Fluorescent Bulb	0	269		n/a	\$0	17	4,573	\$0.03	\$141	\$0	\$0	\$0	\$141
	High - Efficiency Heat Pump - Resistance Heat - Non Resistance Heat	111	823		\$106.90	\$11,866	547	450,181	\$0.03	\$14,019	\$801	n/a	\$801	\$26,686
	High - Efficiency Heat Pump - Mobile Home	102	762		\$142.21	\$14,505	221	172,822	\$0.03	\$5,385	\$2,969	n/a	\$2,969	\$22,859
	Mobile Home New Construction	0	82		n/a	(\$749)	0	0				(\$37)	(\$37)	(\$766)
	TOTAL RESIDENTIAL PROGRAMS	897	4,397			\$280,744		2,061,487		\$64,158	\$14,501	\$5,693	\$20,194	\$365,096
	COMMERCIAL PROGRAMS													
	Smart Audit - Class 1	71	473		\$230.92	\$16,395	0	0	0	\$0	\$0	\$820	\$820	\$17,215
	Smart Audit - Class 2	21	33		\$2,705.00	\$56,805	0	0	0	\$0	\$0	\$2,840	\$2,840	\$59,645
	Smart Financing - Existing Building	9	8		\$2,282.96	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
	Smart Financing - New Building	0	1		n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
	TOTAL COMMERCIAL PROGRAMS	101	515			\$93,743		96,450		\$4,088	\$7,320	\$3,660	\$10,980	\$108,811
	INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
	Smart Audit - Class 1	18	37		\$624.22	\$9,436	0	0	0	\$0	\$0	\$472	\$472	\$9,908
	Smart Audit - Class 2	0	3		n/a	\$1,094	0	0	0	\$0	\$0	\$55	\$55	\$1,149
	Smart Financing - General	0	0		n/a	\$11,802	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$11,802
	Smart Financing - Compressed Air System	0	0		n/a	\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
	TOTAL INDUSTRIAL PROGRAMS	18	40			\$22,332		0		\$0	\$0	\$527	\$527	\$22,859
	TOTAL COMPANY	1,016	4,952			\$396,819		2,157,937		\$68,246	\$21,821	\$9,880	\$31,701	\$496,766

\* Lost revenue and efficiency incentives are based on prospective values.

1998

Exhibit C  
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KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

YEAR 3 (1st HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/6 MOS (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/6 MOS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS				(1)X(3)		(2)X(5)	(7)	(6)X(7)	(9)	(4)X(5)	(9)+(10)	(4)+(8)+(11)
Energy Fitness	544	1,768	\$184.44	\$100,334	682	1,205,776	\$0.03	\$37,524	\$11,304	n/a	\$11,304	\$149,152
Targeted Energy Efficiency - All Electric	122	565	\$1,132.92	\$138,216	2,784	1,572,960	\$0.03	\$48,935	\$0	\$6,911	\$6,911	\$194,052
- Non-All Electric	24	203	\$112.92	\$2,710	340	69,020	\$0.03	\$2,155	\$40	n/a	\$40	\$4,906
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	21	887	\$70.10	\$1,472	1,094	970,378	\$0.03	\$30,218	\$152	n/a	\$152	\$31,842
- Non Resistance Heat	26	848	\$70.00	\$1,820	442	374,816	\$0.03	\$11,679	\$757	n/a	\$757	\$14,256
High - Efficiency Heat Pump - Mobile Home	66	616	\$535.30	\$35,330	1,250	770,000	\$0.03	\$23,947	\$2,145	n/a	\$2,145	\$61,422
Mobile Home New Construction	0	82	n/a	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
TOTAL RESIDENTIAL PROGRAMS	803	5,238		\$279,862		4,971,558		\$154,725	\$14,398	\$6,911	\$21,309	\$455,916
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	204	597	\$194.13	\$39,602	0	0	n/a	0	\$0	\$1,980	\$1,980	\$41,582
- Class 2	28	60	\$1,600.00	\$44,800	0	0	n/a	0	\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	8	16	\$5,561.50	\$44,652	22,200	355,200	\$0.04	\$15,043	\$6,506	n/a	\$6,506	\$66,201
Smart Financing - New Building	1	1	\$4,564.00	\$4,564	15,300	15,300	\$0.04	\$654	\$29	\$0	\$29	\$5,247
TOTAL COMMERCIAL PROGRAMS	241	674		\$133,618		370,500		\$15,697	\$6,635	\$4,220	\$10,755	\$160,070
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	12	51	\$246.08	\$2,953	0	0	n/a	0	\$0	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,800.00	\$1,800	0	0	n/a	0	\$0	\$90	\$90	\$1,890
Smart Financing - General	0	0	\$0.00	\$1,338	29,250	0	\$0.04	\$0	\$0	\$67	\$67	\$1,405
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	13	54		\$6,091	0	0		\$0	\$0	\$305	\$305	\$6,396
TOTAL COMPANY	1,057	5,966		\$419,591		5,342,058		\$170,422	\$20,993	\$11,436	\$32,369	\$622,382

\* Lost revenue and efficiency incentives are based on prospective values.

1998

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
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PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REVENUE (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/MOS) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	448	2,277	\$301.30	\$134,982	682	1,552,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,618
Targeted Energy Efficiency - All Electric	131	697	\$1,181.51	\$155,564	2,784	1,940,448	\$0.03	\$60,367	\$0	\$7,778	\$7,778	\$223,709
- Non-All Electric	42	238	\$139.62	\$5,864	340	80,920	\$0.03	\$2,528	\$70	\$0	\$70	\$8,462
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	108	940	\$147.45	\$15,925	1,094	1,028,360	\$0.03	\$32,023	\$780	\$0	\$780	\$48,728
- Non Resistance Heat	64	894	\$72.27	\$4,625	442	395,148	\$0.03	\$12,313	\$1,863	\$0	\$1,863	\$18,801
High - Efficiency Heat Pump - Mobile Home	173	764	\$514.50	\$89,009	1,250	955,000	\$0.03	\$29,701	\$5,623	\$0	\$5,623	\$124,333
Mobile Home New Construction	33	11	\$549.45	\$18,132	0	0	n/a	0	\$0	\$907	\$907	\$19,039
TOTAL RESIDENTIAL PROGRAMS	999	6,090		\$424,101		5,961,398		\$185,525	\$17,645	\$8,685	\$26,330	\$635,965
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	178	795	\$534.85	\$95,203	0	0	n/a	0	\$0	\$4,760	\$4,760	\$99,963
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a	0	\$0	\$1,260	\$1,260	\$26,460
Smart Financing - Existing Building	29	32	\$1,878.86	\$54,487	22,200	710,400	\$0.04	\$30,085	\$23,585	\$0	\$23,585	\$105,157
Smart Financing - New Building	5	6	\$1,629.20	\$7,646	15,300	91,800	\$0.04	\$3,926	\$144	\$0	\$144	\$11,716
TOTAL COMMERCIAL PROGRAMS	221	906		\$182,536		802,200		\$34,011	\$23,729	\$6,020	\$29,749	\$246,296
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	59	\$652.33	\$2,557	0	0	n/a	0	\$0	\$128	\$128	\$2,685
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$383	\$0	\$383	\$2,813
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	4	63		\$4,987		0		\$0	\$383	\$128	\$511	\$5,498
TOTAL COMPANY	1,224	7,059		\$611,624		6,763,598		\$219,536	\$41,757	\$14,833	\$56,590	\$887,760

\* Lost revenue and efficiency incentives are based on prospective values.



1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
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YEAR 4 ( 1st HALF )	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG. 18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS										(4)X(5%)	(9)+(10)	(4)+(9)+(11)
RESIDENTIAL PROGRAMS	306	2,694	\$312.58	\$95,650	707	1,904,658	\$0.03	\$59,273	\$10,370	\$0	\$10,370	\$165,293
Energy Fitness	75	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$15,150	\$0	\$7,153	\$7,153	\$165,359
Targeted Energy Efficiency - All Electric	12	249	\$112.00	\$1,344	306	76,194	\$0.03	\$2,380	\$60	\$0	\$60	\$3,784
- Non-All Electric												
Compact Fluorescent Bulb	0	269	\$0.00	\$0	31	8,339	\$0.03	\$256	\$0	\$0	\$0	\$256
High - Efficiency Heat Pump - Resistance Heat	99	1,002	\$273.74	\$27,100	1,200	1,202,400	\$0.03	\$37,443	\$4,375	\$0	\$4,375	\$68,918
- Non Resistance Heat	2	853	\$50.00	\$100	442	377,026	\$0.03	\$11,748	\$0	\$5	\$5	\$11,853
High - Efficiency Heat Pump - Mobile Home	101	826	\$545.99	\$55,145	1,475	1,218,350	\$0.03	\$37,891	\$8,505	\$0	\$8,505	\$101,541
Mobile Home New Construction ***	98	45	\$587.20	\$57,546	1,756	79,020	\$0.03	\$2,458	\$4,353	\$0	\$4,353	\$64,357
TOTAL RESIDENTIAL PROGRAMS	693	6,711		\$379,941		5,352,977		\$166,601	\$27,663	\$7,158	\$34,821	\$581,363
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	186	964	\$204.71	\$38,076	0	0	n/a	0	\$0	\$1,904	\$1,904	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a	0	\$0	\$2,164	\$2,164	\$45,444
Smart Financing - Existing Building	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$28,687	\$1,395	\$0	\$1,395	\$60,740
Smart Financing - New Building	3	9	\$0.00	\$2,350	14,101	126,909	\$0.04	\$5,428	\$787	\$0	\$787	\$6,565
TOTAL COMMERCIAL PROGRAMS	211	1,111		\$114,364		804,291		\$34,115	\$2,182	\$4,068	\$6,250	\$154,729
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	60	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	65		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	904	7,920		\$494,305		6,215,216		\$200,716	\$29,845	\$11,226	\$41,071	\$736,092

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/96.  
 \*\*\* Participants since 09/01/99.

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
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PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	PER PARTICIPANT PROGRAM COSTS (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (10) (5% of COSTS) (4)X(5%)	TOTAL* INCENTIVE (11) (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	2,519	\$0.00	\$972	707	1,780,933	\$0.03	\$55,423	\$0	\$0	\$0	\$56,395
Targeted Energy Efficiency - All Electric	66	700	\$1,222.76	\$80,702	630	441,000	\$0.03	\$13,720	\$4,035	\$4,035	\$4,035	\$98,457
- Non-All Electric	8	220	\$67.50	\$540	306	67,320	\$0.03	\$2,103	\$40	\$0	\$40	\$2,663
Compact Fluorescent Bulb	0	123	\$0.00	\$0	31	3,813	\$0.03	\$118	\$0	\$0	\$0	\$118
High - Efficiency Heat Pump - Resistance Heat	140	810	\$211.14	\$29,560	1,200	972,000	\$0.03	\$30,268	\$6,187	\$0	\$6,187	\$66,015
- Non Resistance Heat	0	593	\$0.00	\$0	447	265,071	\$0.03	\$8,260	\$0	\$0	\$0	\$8,260
High - Efficiency Heat Pump - Mobile Home	134	739	\$539.07	\$72,236	1,475	1,090,025	\$0.03	\$33,900	\$11,284	\$0	\$11,284	\$117,420
Mobile Home New Construction **	123	196	\$581.42	\$71,515	1,755	343,980	\$0.03	\$10,698	\$5,464	\$0	\$5,464	\$87,677
TOTAL RESIDENTIAL PROGRAMS	471	5,900		\$255,525		4,984,142		\$154,490	\$22,975	\$4,035	\$27,010	\$437,025
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	188	1,129	\$356.11	\$66,948	0	0	n/a	\$0	\$0	\$3,347	\$3,347	\$70,295
- Class 2	21	103	\$2,705.00	\$56,805	0	0	n/a	\$0	\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	25	68	\$2,726.04	\$68,151	13,282	876,612	\$0.04	\$37,125	\$5,814	\$0	\$5,814	\$11,090
Smart Financing - New Building	8	13	\$3,087.00	\$24,696	14,101	183,313	\$0.04	\$7,840	\$2,099	\$0	\$2,099	\$34,635
TOTAL COMMERCIAL PROGRAMS	242	1,311		\$216,600		1,059,925		\$44,965	\$7,913	\$6,187	\$14,100	\$275,665
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	57	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	62		\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	713	7,273		\$472,125		6,024,067		\$199,455	\$30,888	\$10,222	\$41,110	\$712,690

\* Lost revenue and efficiency incentives are based on prospective values  
\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/96.  
\*\*\* Participants since 09/01/98.

Year 2000

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
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PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS	0	2,161	\$0.00	\$0	707	1,527,827	\$0.03	\$47,546	\$0	\$0	\$0	\$47,546
Energy Fitness	66	659	\$1,272.61	\$83,992	630	415,170	\$0.03	\$12,916	\$0	\$4,200	\$4,200	\$101,108
Targeted Energy Efficiency - All Electric - Non-All Electric	28	202	\$90.82	\$2,543	306	61,812	\$0.03	\$1,931	\$141	\$0	\$141	\$4,615
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	36	683	\$200.00	\$7,600	1,200	819,600	\$0.03	\$25,522	\$1,679	\$0	\$1,679	\$34,801
- Non Resistance Heat	0	346	\$0.00	\$0	447	155,556	\$0.03	\$4,847	\$0	\$0	\$0	\$4,847
High - Efficiency Heat Pump - Mobile Home	45	683	\$500.00	\$22,500	1,475	1,007,425	\$0.03	\$31,331	\$3,789	\$0	\$3,789	\$57,620
Mobile Home New Construction ***	101	302	\$530.20	\$53,550	1,755	530,010	\$0.03	\$16,483	\$4,486	\$0	\$4,486	\$74,519
TOTAL RESIDENTIAL PROGRAMS	278	5,038		\$170,185		4,517,400		\$140,576	\$10,095	\$4,200	\$14,295	\$325,056
COMMERCIAL PROGRAMS	144	1,126	\$397.19	\$57,195	0	0	n/a		\$0	\$2,860	\$2,860	\$60,055
Smart Audit - Class 1	8	112	\$2,705.00	\$21,640	0	0	n/a		\$0	\$1,082	\$1,082	\$22,722
- Class 2	16	86	\$1,307.31	\$20,917	13,282	1,142,252	\$0.04	\$48,374	\$3,721	\$0	\$3,721	\$73,012
Smart Financing - Existing Building	4	20	\$6,298.75	\$25,195	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$36,306
Smart Financing - New Building	172	1,344		\$124,947		1,424,272		\$60,436	\$4,770	\$3,942	\$8,712	\$194,095
TOTAL COMMERCIAL PROGRAMS												
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0										
TOTAL COMPANY	450	6,382		\$295,132		5,941,672		\$201,012	\$14,865	\$8,142	\$23,007	\$519,151

\* Lost revenue and efficiency incentives are based on prospective values.

\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/97.

\*\*\* Participants since 09/01/98

Year 2000

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	1,525	\$0.00	\$0	706	1,076,650	\$0.03	\$33,505	\$0	\$0	\$0	\$33,505
Targeted Energy Efficiency - All Electric	99	563	\$1,115.41	\$110,426	630	367,290	\$0.03	\$11,426	\$0	\$5,521	\$5,521	\$127,373
- Non-All Electric	21	170	\$94.67	\$1,988	305	52,020	\$0.03	\$1,625	\$105	\$0	\$105	\$3,718
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	25	481	\$200.00	\$5,000	1,200	577,200	\$0.03	\$17,974	\$1,105	\$0	\$1,105	\$24,079
- Non Resistance Heat	0	147	\$0.00	\$0	446	65,562	\$0.03	\$2,043	\$0	\$0	\$0	\$2,043
High - Efficiency Heat Pump - Mobile Home	43	572	\$495.35	\$21,300	1,476	844,272	\$0.03	\$26,257	\$3,621	\$0	\$3,621	\$51,178
Mobile Home New Construction ***	94	403	\$575.00	\$54,050	1,755	707,265	\$0.03	\$21,996	\$4,175	\$0	\$4,175	\$80,221
TOTAL RESIDENTIAL PROGRAMS	282	3,881		\$192,764		3,690,259		\$114,826	\$9,006	\$5,521	\$14,527	\$322,117
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	159	1,026	\$165.24	\$26,273	0	0	n/a	0	\$0	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a	0	\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,288,354	\$0.04	\$54,562	\$5,581	\$0	\$5,581	\$82,092
Smart Financing - New Building	0	21	\$0.00	\$7,269	14,102	296,142	\$0.04	\$12,666	\$0	\$0	\$0	\$19,935
TOTAL COMMERCIAL PROGRAMS	212	1,242		\$133,935		1,584,496		\$67,228	\$5,581	\$5,236	\$10,817	\$211,981
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	494	5,123		\$326,700		5,274,755		\$182,054	\$14,587	\$10,757	\$25,344	\$534,098

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/97  
 \*\*\* Participants since 09/01/98.

Year 2001

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
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PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)X(3)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (2)X(6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
										(4)X(5)	(9)X(10)	(4)X(8)+(11)
RESIDENTIAL PROGRAMS	0	1,044	\$0.00	\$0	707	738,108	\$0.03112	\$22,970	\$0	\$0	\$0	\$22,970
Energy Fitness	62	535	\$1,276.94	\$79,170	630	337,050	\$0.03111	\$10,486	\$0	\$3,959	\$3,959	\$93,615
Targeted Energy Efficiency - All Electric	18	137	\$87.89	\$1,582	306	41,922	\$0.03124	\$1,310	\$90	\$0	\$90	\$2,982
Targeted Energy Efficiency - Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007
High - Efficiency Heat Pump - Resistance Heat	0	81	\$0.00	\$0	447	36,207	\$0.03116	\$1,128	\$0	\$0	\$0	\$1,128
High - Efficiency Heat Pump - Non Resistance Heat	53	558	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,597	\$4,463	\$0	\$4,463	\$55,084
High - Efficiency Heat Pump - Mobile Home	83	488	\$537.04	\$44,574	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896
Mobile Home New Construction ***	239	3,281	\$154.974	\$36,837		3,358,377		\$104,493	\$9,256	\$3,959	\$13,215	\$272,682
TOTAL RESIDENTIAL PROGRAMS												
COMMERCIAL PROGRAMS	134	1,017	\$321.82	\$43,124	0	0	n/a	\$0	\$0	\$2,156	\$2,156	\$45,280
Smart Audit - Class 1	28	105	\$1,510.00	\$42,280	0	0	n/a	\$0	\$0	\$2,114	\$2,114	\$44,394
Smart Audit - Class 2	15	112	\$2,309.00	\$34,635	13,282	1,487,584	\$0.04235	\$62,999	\$3,488	\$0	\$3,488	\$101,122
Smart Financing - Existing Building	8	25	\$4,016.13	\$32,129	14,101	352,525	\$0.04277	\$15,077	\$2,099	\$0	\$2,099	\$49,305
Smart Financing - New Building	185	1,259	\$152.168	\$28,000		1,840,109		\$78,076	\$5,587	\$4,270	\$9,857	\$240,101
TOTAL COMMERCIAL PROGRAMS												
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS												
TOTAL COMPANY	424	4,540	\$307.142	\$129,227		5,196,486		\$182,569	\$14,843	\$6,229	\$23,072	\$512,783

\* Last revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/98.  
 \*\*\* Participants since 01/01/98.

Year 2001												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR & (2nd Half)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (6)	NET LOST REVENUE (KWH) (7)	TOTAL NET* REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG-18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	535	\$0.00	\$0	706	377,710	\$0,03112	\$11,754	\$0	\$0	\$0	\$11,754
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	308,180	\$0,03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668
Targeted Energy Efficiency - Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0,03124	\$1,166	\$231	\$0	\$231	\$9,144
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0,00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat - Non Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0,03114	\$15,396	\$1,326	\$0	\$1,326	\$21,922
High - Efficiency Heat Pump - Mobile Home	47	469	\$510.64	\$24,000	1,476	692,244	\$0,03110	\$21,529	\$3,958	\$0	\$3,958	\$49,487
Mobile Home New Construction ***	92	568	\$555.43	\$51,100	1,755	996,840	\$0,03110	\$31,002	\$4,087	\$0	\$4,087	\$66,189
TOTAL RESIDENTIAL PROGRAMS	303	2,627		\$173,707		2,920,316		\$90,858	\$9,602	\$4,483	\$14,085	\$278,650
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	131	966	\$454.04	\$59,479	0	0	n/a	\$0	\$0	\$2,974	\$2,974	\$62,453
Smart Audit - Class 2	5	111	\$9,817.20	\$49,086	0	0	n/a	\$0	\$0	\$2,454	\$2,454	\$51,540
Smart Financing - Existing Building	15	109	\$1,664.27	\$24,964	13,282	1,447,738	\$0,04235	\$61,312	\$3,488	\$0	\$3,488	\$89,764
Smart Financing - New Building	18	34	\$1,799.28	\$32,387	14,102	479,468	\$0,04277	\$20,507	\$4,722	\$0	\$4,722	\$57,616
TOTAL COMMERCIAL PROGRAMS	169	1,220		\$165,916		1,927,206		\$81,819	\$8,210	\$5,428	\$13,638	\$261,373
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0,00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0,00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	472	3,847		\$339,623		4,847,522		\$172,677	\$17,812	\$9,911	\$27,723	\$540,023

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/98  
 \*\*\* Participants since 07/01/99.

Year 2002

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES  
FOR 3 YEAR PROGRAM

Exhibit C  
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YEAR 7 ( 1st Half )	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	116	\$0.00	\$0	707	82,012	\$0.03112	\$2,552	\$0	\$0	\$0	\$2,552
Targeted Energy Efficiency - All Electric	63	442	\$1,752.40	\$110,401	1,028	454,376	\$0.03111	\$14,136	\$0	\$5,520	\$5,520	\$130,057
- Non-All Electric	32	135	\$65.47	\$2,095	315	42,525	\$0.03124	\$1,328	\$137	\$0	\$137	\$3,560
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	1	314	\$1,152.00	\$1,152	1,200	376,800	\$0.03114	\$11,734	\$44	\$0	\$44	\$12,930
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	43	414	\$619.77	\$26,650	1,144	473,616	\$0.03110	\$14,729	\$1,244	\$0	\$1,244	\$42,623
Mobile Home New Construction ***	57	568	\$641.77	\$36,581	1,809	1,027,512	\$0.03110	\$31,956	\$231	\$0	\$231	\$68,768
TOTAL RESIDENTIAL PROGRAMS	196	1,989		\$176,879		2,456,841		\$76,435	\$1,656	\$5,520	\$7,176	\$260,490
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	125	923	\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,706	\$2,706	\$56,821
- Class 2	8	104	\$3,711.00	\$29,688	0	0	n/a	\$0	\$0	\$1,484	\$1,484	\$31,172
Smart Financing - Existing Building	7	101	\$2,552.71	\$17,869	13,282	1,341,482	\$0.04235	\$56,812	\$1,628	\$0	\$1,628	\$76,309
Smart Financing - New Building	5	42	\$1,394.60	\$6,973	14,101	592,242	\$0.04277	\$25,330	\$1,312	\$0	\$1,312	\$33,615
TOTAL COMMERCIAL PROGRAMS	145	1,170		\$108,645		1,933,724		\$82,142	\$2,940	\$4,190	\$7,130	\$197,917
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	341	3,159		\$285,524		4,390,565		\$158,577	\$4,596	\$9,710	\$14,306	\$458,407

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/1999.  
 \*\*\* Participants since 01/01/1999.

Year 2002												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 7 (2nd Half)												
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (4)+(9)+(11) (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency - All Electric	76	457	\$1,039.33	\$78,989	1,028	489,796	\$0.03111	\$14,615	\$0	\$3,949	\$3,949	\$97,553
- Non-All Electric	13	156	\$85.92	\$1,117	315	49,140	\$0.03124	\$1,535	\$56	\$0	\$56	\$2,708
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat - Non Resistance Heat	0	177	\$0.00	(\$352)	1,200	212,400	\$0.03114	\$6,614	\$0	\$0	\$0	\$6,262
High - Efficiency Heat Pump - Mobile Home	43	308	\$603.84	\$25,965	1,144	352,352	\$0.03110	\$10,958	\$1,244	\$0	\$1,244	\$38,167
Mobile Home New Construction ***	61	519	\$644.46	\$39,312	1,809	938,871	\$0.03110	\$29,199	\$248	\$0	\$248	\$68,759
TOTAL RESIDENTIAL PROGRAMS	193	1,617		\$145,031		2,022,539		\$62,921	\$1,548	\$3,949	\$5,497	\$213,449
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	786	\$0.00	\$74,422	0	n/a	0	\$0	\$0	\$3,721	\$3,721	\$78,143
- Class 2	0	90	\$0.00	\$0	0	n/a	0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	25	97	\$909.76	\$22,744	13,282	1,288,354	\$0.04235	\$54,562	\$5,814	\$0	\$5,814	\$83,120
Smart Financing - New Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$26,538	\$4,197	\$0	\$4,197	\$69,534
TOTAL COMMERCIAL PROGRAMS	41	1,017		\$135,965		1,908,842		\$81,100	\$10,011	\$3,721	\$13,732	\$230,797
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	n/a	0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	n/a	0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	234	2,634		\$280,996		3,931,401		\$144,021	\$11,559	\$7,670	\$19,229	\$444,246

\* Lost revenue and efficiency incentives are based on prospective values.

\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/1999.

\*\*\* Participants since 07/01/1999.



Year 2003													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													9A of
YEAR PROGRAM													19
YEAR 8 (1st HALF)													TOTAL
PROGRAM DESCRIPTIONS	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF (KWH/PARTICIPANT)	TOTAL ENERGY SAVINGS (KWH/HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL COSTS TO BE RECOVERED (12)	
NUMBER (1)	NUMBER (2)	NUMBER ** (2)	PER PARTICIPANT (3)	(1)X(3) (4)	(KWH/PARTICIPANT) (5)	(KWH/HALF) (6)	(7)	(6)X(7) (8)	(9)	(4)X(5%) (10)	(9)+(10) (11)	(4)+(8)+(11) (12)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targted Energy Efficiency	100	467	\$849.84	\$84,984	1,028	480,076	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168	
- All Electric	7	151	\$79.23	\$555	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066	
- Non-All Electric	0	0	\$0.00		0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb													
High - Efficiency Heat Pump	0	94	\$0.00	\$0	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513	
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat													
High - Efficiency Heat Pump	34	268	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$9,535	\$983	\$0	\$983	\$23,418	
- Mobile Home													
Mobile Home New Construction ***													
- Heat Pump	46	460	\$482.61	\$22,200	1,808	831,680	\$0.03110	\$25,865	\$187	\$0	\$187	\$48,252	
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	101	23	\$142.72	\$14,415	1,194	27,462	\$0.03116	\$856	\$2,127	\$0	\$2,127	\$17,998	
TOTAL RESIDENTIAL PROGRAMS	288	1,463		\$135,054		1,806,024		\$56,185	\$3,327	\$4,249	\$7,576	\$198,815	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	620	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	73	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	110	\$0.00	\$0	13,282	1,461,020	\$0.04235	\$61,874	\$0	\$0	\$0	\$61,874	
Smart Financing - New Building	0	49	\$0.00	\$0	14,101	690,949	\$0.04277	\$29,552	\$0	\$0	\$0	\$29,552	
TOTAL COMMERCIAL PROGRAMS	0	852		\$0		2,151,969		\$91,426	\$0	\$0	\$0	\$91,426	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	288	2,315		\$135,054		3,957,993		\$147,611	\$3,327	\$4,249	\$7,576	\$290,241	
* Lost revenue and efficiency incentives are based on prospective values.													
** Cumulative participants include a reduction for the cumulative participants as of 06/30/2000.													
*** Participants since 01/01/2000.													

Year 2003		KENTUCKY POWER COMPANY		ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM		YEAR 8 (2nd HALF)		TOTAL ACTUAL		TOTAL * COSTS TO BE		RECOVERED COSTS TO BE		TOTAL * COSTS TO BE		RECOVERED COSTS TO BE	
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOSS REV/HALF (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOSS REVENUE (\$/KWH) (7)	TOTAL NET * LOSS REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11)	TOTAL * (9)+(10)	RECOVERED (12)	TOTAL * (4)+(8)+(11)	RECOVERED (12)	TOTAL * (9)+(10)	RECOVERED (12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	706	(2)X(5)	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Fitness																	
Targeted Energy Efficiency	69	473	\$974.94	\$67,271	1,028	486,244	\$0.03111	\$15,127	\$0	\$3,364	\$3,364	\$3,364	\$85,762	\$3,364	\$85,762	\$3,364	\$85,762
- All Electric	69	167	\$76.10	\$5,251	316	52,772	\$0.03124	\$1,649	\$295	\$0	\$295	\$295	\$7,195	\$0	\$7,195	\$295	\$7,195
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb																	
High - Efficiency Heat Pump	0	63	\$0.00	\$0	1,200	75,600	\$0.03114	\$2,354	\$0	\$0	\$0	\$0	\$2,354	\$0	\$2,354	\$0	\$2,354
- Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat																	
High - Efficiency Heat Pump	29	256	\$453.45	\$13,150	1,144	292,864	\$0.03110	\$9,108	\$839	\$0	\$839	\$839	\$23,097	\$0	\$23,097	\$839	\$23,097
- Mobile Home																	
Mobile Home New Construction ***	64	419	\$649.59	\$41,574	1,810	758,390	\$0.03110	\$23,586	\$260	\$0	\$260	\$260	\$65,420	\$0	\$65,420	\$260	\$65,420
- Heat Pump.	1	0	\$150.00	\$150	158	0	\$0.03124	\$0	\$0	\$0	\$0	\$0	\$150	\$0	\$150	\$0	\$150
- Air Conditioner																	
Modified Energy Fitness	441	324	\$431.43	\$190,262	1,194	386,856	\$0.03116	\$12,054	\$9,287	\$0	\$9,287	\$9,287	\$211,603	\$0	\$211,603	\$9,287	\$211,603
TOTAL RESIDENTIAL PROGRAMS	673	1,702		\$317,658		2,052,726		\$63,878	\$10,681	\$3,364	\$14,045	\$14,045	\$395,581		\$395,581		\$395,581
COMMERCIAL PROGRAMS																	
Smart Audit - Class 1	0	453	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Class 2	0	63	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	77	\$0.00	\$0	13,282	1,022,714	\$0.04235	\$43,312	\$0	\$0	\$0	\$0	\$43,312	\$0	\$43,312	\$0	\$43,312
Smart Financing - New Building	0	47	\$0.00	\$0	14,102	662,794	\$0.04277	\$28,348	\$0	\$0	\$0	\$0	\$28,348	\$0	\$28,348	\$0	\$28,348
TOTAL COMMERCIAL PROGRAMS	0	640		\$0		1,685,508		\$71,660	\$0	\$0	\$0	\$0	\$71,660	\$0	\$71,660	\$0	\$71,660
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)																	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	673	2,342		\$317,658		3,738,234		\$135,538	\$10,681	\$3,364	\$14,045	\$14,045	\$467,241		\$467,241		\$467,241

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/2000.  
\*\*\* Participants since 07/01/2000.

Year 2004													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 10A of 19
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOSS REV/QTR (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6)	NET LOSS REVENUE (\$/KWH) (7)	TOTAL NET * LOSSES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11) (9)+(10)	TOTAL * COSTS TO BE RECOVERED (12) (4)+(9)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	707	(2)X(6)	\$0.03112	\$0	\$0	(4)X(5%)	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	72	463	\$751.54	\$54,111	1,028	475,964	\$0.03111	\$14,807	\$0	\$2,706	\$2,706	\$71,624	
- Non-All Electric	10	179	\$78.60	\$786	314	56,206	\$0.03124	\$1,756	\$43	\$0	\$43	\$2,585	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	42	\$0.00	\$0	1,200	50,400	\$0.03114	\$1,569	\$0	\$0	\$0	\$1,569	
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	41	247	\$428.05	\$17,550	1,144	282,568	\$0.03110	\$8,788	\$1,186	\$0	\$1,186	\$27,524	
Mobile Home New Construction ***													
- Heat Pump	68	394	\$503.68	\$34,250	1,808	712,352	\$0.03110	\$22,154	\$276	\$0	\$276	\$56,680	
- Air Conditioner	1	1	\$150.00	\$150	157	157	\$0.03124	\$5	\$0	\$0	\$0	\$155	
Modified Energy Fitness	334	735	\$417.76	\$139,591	1,194	877,590	\$0.03116	\$27,346	\$7,034	\$0	\$7,034	\$173,911	
TOTAL RESIDENTIAL PROGRAMS	526	2,061		\$246,378		2,455,237		\$76,425	\$8,539	\$2,706	\$11,245	\$334,048	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	338	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	30	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	54	\$0.00	\$0	13,282	717,228	\$0.04235	\$30,375	\$0	\$0	\$0	\$30,375	
Smart Financing - New Building	0	43	\$0.00	\$0	14,101	606,343	\$0.04277	\$25,933	\$0	\$0	\$0	\$25,933	
TOTAL COMMERCIAL PROGRAMS	0	465		\$0		1,323,571		\$56,308	\$0	\$0	\$0	\$56,308	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	526	2,526		\$246,378		3,778,808		\$132,733	\$8,539	\$2,706	\$11,245	\$390,366	

\* Lost revenue and efficiency incentives are based on prospective values.

\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2001.

\*\*\* Participants since 01/01/2001.

Year 2004													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 10B of 19
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTR (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSSES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
			PER PARTICIPANT		(KWH/PARTIC)	(KWH/ HALF)				(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	89	462	\$1,118.43	\$99,540	1,028	474,936	\$0.03111	\$14,775	\$0	\$4,977	\$4,977	\$119,292	
- Non-All Electric	72	205	\$60.60	\$4,363	316	64,780	\$0.03124	\$2,024	\$308	\$0	\$308	\$6,695	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	15	\$0.00	\$0	1,200	18,000	\$0.03114	\$561	\$0	\$0	\$0	\$561	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	46	239	\$469.57	\$21,600	1,144	273,416	\$0.03110	\$8,503	\$1,330	\$0	\$1,330	\$31,433	
Mobile Home New Construction ***													
- Heat Pump	70	379	\$597.14	\$41,800	1,810	685,990	\$0.03110	\$21,334	\$284	\$0	\$284	\$63,418	
- Air Conditioner	0	2	#DIV/0!	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10	
Modified Energy Fitness	391	1,070	\$347.20	\$135,756	1,194	1,277,580	\$0.03116	\$39,809	\$8,234	\$0	\$8,234	\$183,799	
TOTAL RESIDENTIAL PROGRAMS	668	2,372		\$303,059		2,785,018		\$87,016	\$10,156	\$4,977	\$15,133	\$405,208	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	191	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	10	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	41	\$0.00	\$0	13,282	544,562	\$0.04235	\$23,062	\$0	\$0	\$0	\$23,062	
Smart Financing - New Building	0	30	\$0.00	\$0	14,102	423,060	\$0.04277	\$18,094	\$0	\$0	\$0	\$18,094	
TOTAL COMMERCIAL PROGRAMS	0	272		\$0		967,622		\$41,156	\$0	\$0	\$0	\$41,156	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	668	2,644		\$303,059		3,762,640		\$128,172	\$10,156	\$4,977	\$15,133	\$446,364	

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/2001.  
 \*\*\* Participants since 07/01/2001.

Year 2005													Exhibit C	
KENTUCKY POWER COMPANY													PAGE	
ESTIMATED SECTOR SURCHARGES FOR 3													11A of	
YEAR PROGRAM													19	
YEAR 10 (1st Half)													TOTAL	
PROGRAM DESCRIPTIONS													ACTUAL	
NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST	TOTAL ENERGY SAVINGS	NET REVENUE	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * COSTS TO BE	INCENTIVE (11)	RECOVERED (12)		
NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4)	(KWH/ PARTICIPANT) REV/QTR (5)	KWH/ HALF (6)	(\$/KWH) (7)	(8)	(EX. C. PG.18B) (9)	(5% of COSTS) (10)	(9)+(10)	(4)+(8)+(11)			
RESIDENTIAL PROGRAMS														
Energy Fitness	0	0	\$0.00	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0			
Targeted Energy Efficiency	88	477	\$1,109.22	896	427,392	\$0.03111	\$13,296	\$0	\$4,881	\$4,881	\$115,788			
- All Electric	57	218	\$62.47	267	56,206	\$0.03124	\$1,818	\$1,125	\$0	\$1,125	\$6,504			
- Non-All Electric	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
Compact Fluorescent Bulb	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
High - Efficiency Heat Pump	0	0	\$0.00	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0			
- Resistance Heat	0	0	\$0.00	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0			
- Non Resistance Heat	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
High - Efficiency Heat Pump	34	231	\$560.21	1,145	264,495	\$0.03110	\$8,226	\$2,693	\$0	\$2,693	\$29,966			
- Mobile Home	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
Mobile Home New Construction ***	67	371	\$614.85	1,808	670,768	\$0.03110	\$20,861	\$8,372	\$0	\$8,372	\$70,428			
- Heat Pump	0	2	\$0.00	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10			
- Air Conditioner	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
Modified Energy Fitness	371	1,479	\$400.87	613	906,627	\$0.03116	\$28,250	\$15,612	\$0	\$15,612	\$192,585			
TOTAL RESIDENTIAL PROGRAMS	617	2,778	\$310,137		2,327,802		\$72,461	\$27,802	\$4,881	\$32,683	\$415,281			
COMMERCIAL PROGRAMS														
Smart Audit - Class 1	0	64	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0			
- Class 2	0	3	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0			
Smart Financing - Existing Building	0	29	\$0.00	13,282	385,178	\$0.04235	\$16,312	\$0	\$0	\$0	\$16,312			
Smart Financing - New Building	0	18	\$0.00	14,101	253,818	\$0.04277	\$10,856	\$0	\$0	\$0	\$10,856			
TOTAL COMMERCIAL PROGRAMS	0	114	\$0		638,996		\$27,168	\$0	\$0	\$0	\$27,168			
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)														
Smart Audit - Class 1	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0			
Smart Audit - Class 2	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0			
Smart Financing - General	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
Smart Financing - Compressed Air System	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0			
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0		0		\$0	\$0	\$0	\$0	\$0			
TOTAL COMPANY	617	2,892	\$310,137		2,966,798		\$99,629	\$27,802	\$4,881	\$32,683	\$442,449			

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2002.  
 \*\*\* Participants since 01/01/2002.

Year 2005													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 11B of 19
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(9)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	85	492	\$1,207.52	\$102,639	896	440,832	\$0.03111	\$13,714	\$0	\$5,132	\$5,132	\$121,485	
- Non-All Electric	26	233	\$65.85	\$1,712	266	61,978	\$0.03124	\$1,936	\$513	\$0	\$513	\$4,161	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	40	225	\$476.78	\$19,071	1,144	257,400	\$0.03110	\$8,005	\$3,168	\$0	\$3,168	\$30,244	
Mobile Home New Construction ***													
- Heat Pump	83	385	\$544.23	\$45,171	1,810	696,850	\$0.03110	\$21,672	\$10,372	\$0	\$10,372	\$77,215	
- Air Conditioner	0	2	\$0.00	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10	
Modified Energy Fitness	351	1,826	\$373.12	\$130,965	612	1,117,512	\$0.03116	\$34,822	\$14,770	\$0	\$14,770	\$180,557	
TOTAL RESIDENTIAL PROGRAMS	585	3,163		\$299,558		2,574,888		\$80,159	\$28,823	\$5,132	\$33,955	\$413,672	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	20	\$0.00	\$0	13,282	265,640	\$0.04235	\$11,250	\$0	\$0	\$0	\$11,250	
Smart Financing - New Building	0	11	\$0.00	\$0	14,102	155,122	\$0.04277	\$6,635	\$0	\$0	\$0	\$6,635	
TOTAL COMMERCIAL PROGRAMS	0	31		\$0		420,762		\$17,885	\$0	\$0	\$0	\$17,885	
INDUSTRIAL PROGRAMS -													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	585	3,194		\$299,558		2,995,650		\$98,044	\$28,823	\$5,132	\$33,955	\$431,557	

\* Lost revenue and efficiency incentives are based on prospective values.

\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/2002.

\*\*\* Participants since 07/01/2002.

Year 2006													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													12A of
YEAR PROGRAM													19
YEAR 11 (1st HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV./QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (2)X(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * COSTS TO BE RECOVERED (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
PROGRAM DESCRIPTIONS			PER PARTICIPANT (3)	(1)X(3) (4)	(KWH/ PARTICIPANT) (5)	(2)X(5) (6)	(7)	(8)	(9)	(4)X(5%) (10)	(9)X(10) (11)	(4)X(8)X(11) (12)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	75	496	\$974.31	\$73,073	896	444,416	\$0.03111	\$13,826	\$0	\$3,654	\$3,654	\$90,553	
- All Electric	34	249	\$84.56	\$2,875	267	66,483	\$0.03124	\$2,077	\$671	\$0	\$671	\$5,623	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb													
High - Efficiency Heat Pump	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat													
High - Efficiency Heat Pump	48	230	\$446.06	\$21,411	1,145	263,350	\$0.03110	\$8,190	\$3,802	\$0	\$3,802	\$33,403	
- Mobile Home													
Mobile Home New Construction ***													
- Heat Pump	90	425	\$561.21	\$50,509	1,810	769,250	\$0.03110	\$23,924	\$11,246	\$0	\$11,246	\$85,679	
- Air Conditioner	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10	
Modified Energy Fitness	440	2,185	\$275.33	\$121,144	613	1,339,405	\$0.03116	\$41,736	\$18,515	\$0	\$18,515	\$181,395	
TOTAL RESIDENTIAL PROGRAMS	687	3,587		\$269,012		2,883,218		\$89,763	\$34,234	\$3,654	\$37,888	\$396,663	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	687	3,587		\$269,012		2,883,218		\$89,763	\$34,234	\$3,654	\$37,888	\$396,663	
* Lost revenue and efficiency incentives are based on prospective values.													
** Cumulative participants include a reduction for the cumulative participants as of 06/30/2003.													
*** Participants since 01/01/2003.													

Year 2006													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													12B of
YEAR PROGRAM													19
YEAR 11 (2nd HALF)													TOTAL
PROGRAM DESCRIPTIONS													ACTUAL
NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	TOTAL * INCENTIVE (9)+(10)	RECOVERED COSTS TO BE (12) (4)+(8)+(11)		
RESIDENTIAL PROGRAMS	0	0	\$0.00	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	87	481	\$1,147.46	896	430,976	\$0.03111	\$13,408	\$0	\$4,991	\$4,991	\$118,228		
- All Electric	46	254	\$84.00	266	67,564	\$0.03124	\$2,111	\$908	\$0	\$908	\$6,883		
- Non-All Electric	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Compact Fluorescent Bulb	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump	0	0	\$0.00	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0		
- Resistance Heat	0	0	\$0.00	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump	45	245	\$460.00	1,144	280,280	\$0.03110	\$9,717	\$3,564	\$0	\$3,564	\$32,981		
- Mobile Home													
Mobile Home New Construction ***	94	460	\$544.15	1,808	831,660	\$0.03110	\$25,865	\$11,746	\$0	\$11,746	\$88,761		
- Heat Pump	0	2	\$0.00	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10		
- Air Conditioner	560	2,391	\$427.65	612	1,463,292	\$0.03116	\$45,596	\$23,565	\$0	\$23,565	\$308,757		
Modified Energy Fitness	832	3,833	\$415.139	3,074,108	3,074,108	\$0.03116	\$95,707	\$39,783	\$4,991	\$44,774	\$555,620		
TOTAL RESIDENTIAL PROGRAMS													
COMMERCIAL PROGRAMS	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 1	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
- Class 2	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Existing Building	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - New Building	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL COMMERCIAL PROGRAMS	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
INDUSTRIAL PROGRAMS -	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 2	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - General	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Compressed Air System	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL COMPANY	832	3,833	\$415,139	3,074,108	3,074,108	\$95,707	\$39,783	\$4,991	\$44,774	\$555,620			

\* Lost revenue and efficiency incentives are based on prospective values.

\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/2003.

\*\*\* Participants since 07/01/2003.



Year 2007													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 13A of 19
YEAR 12 (1st HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/ HALF (2)X(6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * COSTS TO BE RECOVERED (11)	TOTAL ACTUAL COSTS TO BE (12)	
PROGRAM DESCRIPTIONS			PER PARTICIPANT (3)	(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(10)	(11)	(4)+(9)+(11)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	128	295	\$1,022.27	\$130,851	896	264,320	\$0.04346	\$11,487	\$0	\$6,543	\$6,543	\$148,881	
- All Electric	29	115	\$66.48	\$2,508	277	31,855	\$0.04362	\$1,390	\$572	\$0	\$572	\$4,470	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	50	153	\$450.00	\$22,500	1,145	175,185	\$0.04346	\$7,614	\$3,960	\$0	\$3,960	\$34,074	
- Mobile Home													
Mobile Home New Construction ***	84	304	\$663.10	\$47,300	1,810	550,240	\$0.04348	\$23,924	\$10,497	\$0	\$10,497	\$81,721	
- Heat Pump	0	0	\$0.00	\$0	157	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	
- Air Conditioner	515	1,605	\$381.00	\$196,214	613	863,865	\$0.04349	\$42,788	\$21,671	\$0	\$21,671	\$260,673	
Modified Energy Fitness													
Case No 2006 - 00373, Dated December 14, 2006:													
- HEAP - Kentucky Power Company's Information Technology Implementation Costs				\$68,968								\$68,968	
- HEAP - KACA's Information Technology Implementation Costs				\$15,700								\$15,700	
TOTAL RESIDENTIAL PROGRAMS	806	2,472		\$474,041		2,005,465		\$87,203	\$36,700	\$6,543	\$43,243	\$604,487	
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	n/a	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	n/a	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0	0	0	0	\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	n/a	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	n/a	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0	0	0	0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	806	2,472		\$474,041		2,005,465		\$87,203	\$36,700	\$6,543	\$43,243	\$604,487	

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2005.  
 \*\*\* Participants since 07/01/2005.

Year 2007													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													13B of
YEAR PROGRAM													19
YEAR 12 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL * COSTS TO BE RECOVERED	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(\$/KWH) (7)	(6)X(7)	(EX. C. PG.18B) (9)	(5% of COSTS) (10)	(9)X(10)	(12) (4)+(9)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	100	421	\$879.82	\$87,982	896	377,216	\$0.04346	\$16,394	\$0	\$4,399	\$4,399	\$108,775	
- Non-All Electric	50	151	\$69.56	\$4,479	276	41,676	\$0.04362	\$1,818	\$987	\$0	\$987	\$7,284	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	45	209	\$450.00	\$20,250	1,144	239,096	\$0.04346	\$10,391	\$3,564	\$0	\$3,564	\$34,205	
Mobile Home New Construction ***													
- Heat Pump	129	426	\$551.94	\$71,200	1,808	770,208	\$0.04348	\$33,489	\$16,120	\$0	\$16,120	\$120,809	
- Air Conditioner	0	0	\$0.00	\$0	156	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	485	2,113	\$353.79	\$171,590	612	1,293,156	\$0.04349	\$56,239	\$20,409	\$0	\$20,409	\$248,238	
TOTAL RESIDENTIAL PROGRAMS	809	3,320		\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	809	3,320		\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311	

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2005.  
\*\*\* Participants since 07/01/2005.

Year 2008													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													14A of
YEAR PROGRAM													19
YEAR 13 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * COSTS TO BE	TOTAL ACTUAL COSTS TO BE	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
				(1)X(3)	(KWH/ PARTICIPANT)	(KWH/ HALF)	(\$/KWH)	(6)X(7)	(EX. C, PG.18B)	(5% of COSTS)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	119	521	\$1,358.15	\$161,620	1,016	529,336	\$0.04346	\$23,005	\$9,189	\$0	\$9,189	\$193,814	
- Non-All Electric	56	196	\$83.11	\$4,654	568	111,328	\$0.04345	\$4,837	\$3,454	\$0	\$3,454	\$12,945	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	61	252	\$457.38	\$27,900	875	220,500	\$0.04346	\$9,583	\$8,539	\$0	\$8,539	\$46,022	
- Mobile Home													
Mobile Home New Construction ***													
- Heat Pump	95	520	\$552.63	\$52,500	861	447,720	\$0.04348	\$19,467	\$10,597	\$0	\$10,597	\$82,564	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	560	2,612	\$361.32	\$202,339	435	1,136,220	\$0.04349	\$49,414	\$27,871	\$0	\$27,871	\$279,624	
TOTAL RESIDENTIAL PROGRAMS	891	4,101		\$449,013		2,445,104		\$106,306	\$59,650		\$59,650	\$614,969	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0		\$0	\$0	
INDUSTRIAL PROGRAMS -													
(West. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0		\$0	\$0	
TOTAL COMPANY	891	4,101		\$449,013		2,445,104		\$106,306	\$59,650		\$59,650	\$614,969	

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2005.  
 \*\*\* Participants since 07/01/2005.

Year 2008													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													14B of
YEAR 13 (2nd HALF)													19
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/OTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS REVENUES (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	TOTAL * INCENTIVE (11) (9)X(10)	RECOVERED COSTS TO BE (12) (4)X(8)X(11)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	89	545	\$991.21	\$88,218	1,016	553,720	\$0.04346	\$24,065	\$6,873	\$0	\$6,873	\$119,156	
- All Electric	20	223	\$87.50	\$1,750	568	126,664	\$0.04345	\$5,504	\$1,234	\$0	\$1,234	\$8,488	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	74	289	\$442.57	\$32,750	874	252,566	\$0.04346	\$10,977	\$10,359	\$0	\$10,359	\$54,066	
- Mobile Home													
Mobile Home New Construction	108	548	\$650.00	\$59,400	860	471,280	\$0.04348	\$20,491	\$12,047	\$0	\$12,047	\$91,938	
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	440	2,793	\$356.35	\$156,792	435	1,214,955	\$0.04349	\$52,838	\$21,899	\$0	\$21,899	\$231,529	
TOTAL RESIDENTIAL PROGRAMS	731	4,398	=====	\$338,910	=====	2,619,205	=====	\$113,875	=====	\$0	\$52,412	\$505,197	
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0	=====	\$0	=====	0	=====	\$0	=====	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0	=====	\$0	=====	0	=====	\$0	=====	\$0	\$0	\$0	
TOTAL COMPANY	731	4,398	=====	\$338,910	=====	2,619,205	=====	\$113,875	=====	\$52,412	\$52,412	\$505,197	

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2006.

Year 2009													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													15A of
YEAR PROGRAM													19
PROGRAM DESCRIPTIONS	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ACTUAL PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOSS	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE	
	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4)/(1)	TOTAL COSTS (4)	(KWH/ PARTICIPANT) REV/QTRS (5)	KWH/ HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C, PG.18B) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (4)+(9)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	119	575	\$1,060.16	\$126,159	1,016	584,200	\$0.04346	\$25,389	\$9,189	\$0	\$9,189	\$160,737	
- Non-All Electric	22	210	\$93.27	\$2,052	568	119,280	\$0.04352	\$5,191	\$1,357	\$0	\$1,357	\$8,600	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	61	299	\$449.18	\$27,400	875	261,625	\$0.04350	\$11,381	\$8,539	\$0	\$8,539	\$47,320	
- Mobile Home													
Mobile Home New Construction													
- Heat Pump	88	552	\$552.84	\$48,550	881	475,272	\$0.04351	\$20,679	\$9,816	\$0	\$9,816	\$79,145	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	425	2,775	\$383.51	\$162,993	435	1,207,125	\$0.04345	\$52,450	\$21,152	\$0	\$21,152	\$236,595	
High Efficiency Heat Pump													
- Resistance Heat Replacement	28	7	\$305.36	\$8,550	1,879	13,153	\$0.04349	\$672	\$13,387	\$0	\$13,387	\$22,509	
- Heat Pump Replacement	61	16	\$442.62	\$27,000	301	4,816	\$0.04353	\$210	\$0	\$1,350	\$1,350	\$28,560	
Energy Education for Student Program (NEED)	0	0	\$0.00	\$8,139	92	0	\$0.04370	\$0	\$0	\$0	\$0	\$8,139	
Community Outreach Program (CFL)	926	149	\$5.84	\$5,404	92	13,708	\$0.04370	\$599	\$4,621	\$0	\$4,621	\$10,624	
TOTAL RESIDENTIAL PROGRAMS	1,730	4,583		\$416,347		2,679,179		\$116,471	\$68,061	\$1,350	\$69,411	\$602,229	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	1,730	4,583		\$416,347		2,679,179		\$116,471	\$68,061	\$1,350	\$69,411	\$602,229	

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 07/01/2006.  
 \*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

Year 2009													Exhibit C PAGE 15B of 19
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													
YEAR 14 (2nd HALF)													
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	AVERAGE ACTUAL PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6)	NET LOST REVENUE (9/KMWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL COSTS TO BE RECOVERED (12)	
			PER PARTICIPANT (4)/(1)			(2)/(5)		(6)/(7)		(4)/(5)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	140	620	\$993.48	\$139,087	1,016	629,920	\$0.04346	\$27,376	\$10,811	\$0	\$10,811	\$177,274	
- All Electric	61	200	\$101.34	\$6,182	568	113,600	\$0.04352	\$4,944	\$3,762	\$0	\$3,762	\$14,898	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	99	342	\$449.49	\$44,500	874	298,908	\$0.04350	\$13,002	\$13,859	\$0	\$13,859	\$71,361	
- Mobile Home													
Mobile Home New Construction	103	556	\$544.17	\$56,050	860	478,160	\$0.04351	\$20,805	\$11,490	\$0	\$11,490	\$88,345	
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Air Conditioner	375	2,631	\$372.99	\$139,871	435	1,144,485	\$0.04345	\$49,728	\$18,664	\$0	\$18,664	\$208,263	
Modified Energy Fitness													
High Efficiency Heat Pump	63	60	\$514.29	\$32,400	1,879	112,740	\$0.04349	\$4,903	\$30,120	\$0	\$30,120	\$67,423	
- Resistance Heat Replacement	156	144	\$451.92	\$70,500	300	45,200	\$0.04353	\$1,880	\$3,525	\$0	\$3,525	\$75,905	
- Heat Pump Replacement													
Energy Education for Student Program (NEED)	1,130	558	\$8.00	\$9,045	92	51,336	\$0.04370	\$2,243	\$5,627	\$0	\$5,627	\$16,915	
Community Outreach Program (CFL)	2,818	2,501	\$10.19	\$28,715	92	230,092	\$0.04370	\$10,055	\$14,062	\$0	\$14,062	\$52,832	
TOTAL RESIDENTIAL PROGRAMS	4,945	7,612		\$526,350		3,102,441		\$134,936	\$108,395	\$3,525	\$111,920	\$773,206	
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0	0	0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0	0	0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	4,945	7,612		\$526,350		3,102,441		\$134,936	\$108,395	\$3,525	\$111,920	\$773,206	

\* Lost revenue and efficiency incentives are based on prospective values  
\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2007.  
\*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

Year 2010											Exhibit C	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											PAGE 19	
YEAR 15 (1st HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	AVERAGE ACTUAL PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (5)	TOTAL ENERGY SAVINGS KWH/ QTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (5)	TOTAL ENERGY SAVINGS KWH/ QTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Energy Fitness												
Targeted Energy Efficiency	174	720	\$1,161.51	\$202,103	1,016	731,520	\$0.04346	\$31,792	\$13,436	\$0	\$13,436	\$247,331
- All Electric	31	237	\$114.10	\$3,537	568	134,616	\$0.04352	\$5,858	\$1,912	\$0	\$1,912	\$11,307
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb												
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat												
High - Efficiency Heat Pump	97	416	\$422.16	\$40,950	875	364,000	\$0.04350	\$13,834	\$13,579	\$0	\$13,579	\$70,363
- Mobile Home												
Mobile Home New Construction	115	621	\$527.83	\$60,700	861	534,681	\$0.04351	\$23,264	\$4,462	\$0	\$4,462	\$86,426
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Air Conditioner												
Modified Energy Fitness	501	2,762	\$392.89	\$196,836	435	1,201,470	\$0.04345	\$52,204	\$24,935	\$0	\$24,935	\$273,975
High Efficiency Heat Pump	97	135	\$450.00	\$43,650	1,879	253,665	\$0.04349	\$11,032	\$46,376	\$0	\$46,376	\$101,058
- Resistance Heat Replacement	272	348	\$416.73	\$113,350	301	104,748	\$0.04353	\$4,560	\$0	\$5,668	\$5,668	\$123,578
- Heat Pump Replacement												
Energy Education for Student Program (NEED)	488	1,299	\$50.99	\$24,881	73	94,827	\$0.04327	\$4,103	\$2,430	\$0	\$2,430	\$31,414
Community Outreach Program (CFL)	2,644	4,482	\$16.10	\$42,564	91	407,862	\$0.04376	\$17,848	\$13,194	\$0	\$13,194	\$73,606
TOTAL RESIDENTIAL PROGRAMS	4,419	11,020		\$728,571	3,827,389			\$166,495	\$120,324	\$5,668	\$125,992	\$1,021,058
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0	0	0		\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0	0	0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	4,419	11,020		\$728,571	3,827,389			\$166,495	\$120,324	\$5,668	\$125,992	\$1,021,058

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009.  
\*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).





Year 2010		Exhibit C										
KENTUCKY POWER COMPANY		PAGE										
ESTIMATED SECTOR SURCHARGES FOR 3		16B-2 of										
YEAR PROGRAM		19										
YEAR 15 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ACTUAL PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REVENUE	TOTAL ENERGY SAVINGS	NET LOST REVENUE	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * RECOVERED COSTS TO BE		
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(4)/(1)		(KWH/ QTRS PARTICIPANT)	(KWH/ QTRS)	(\$/KWH)	REVENUES	0	(5% of COSTS)	INCENTIVE	RECOVERED
								(6)(X7)		(4)(X)(5)	(9)+(10)	(4)+(9)+(11)
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Commercial A/C & Heat Pump Program												
- Air Conditioner Replacement	0	0	\$0.00	\$0	0	0	\$0.14803	\$0	\$0	\$0	\$0	\$0
- Heat Pump Replacement	0	0	\$0.00	\$0	0	0	\$0.58559	\$0	\$0	\$0	\$0	\$0
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.06480	\$0	\$0	\$0	\$0	\$0
- Heat Pump	1	0	\$125.00	\$125	819	0	\$0.06476	\$0	\$30	\$0	\$30	\$155
Commercial Load Management												
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Water Heating	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Commercial Incentive												
	0	0	\$0.00	\$0	0	0	\$0.25657	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	1	0		\$125				\$0	\$30	\$0	\$30	\$155
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	4,796	10,705		\$700,440		4,275,076		\$245,794	\$172,345	\$6,634	\$178,979	\$1,125,213

\* Lost revenue and efficiency incentives are based on prospective values.

\*\* Cumulative participants include a reduction for the cumulative participants as of 04/01/2007.

\*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).



Year 2011													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													17A-2 of
YEAR PROGRAM													19
YEAR 16 (1st QTR)													TOTAL
PROGRAM DESCRIPTIONS													ESTIMATED
NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	RECOVERED COSTS TO BE		
NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	PROGRAM COSTS (4)	REV/QTRS (5)	KWH/ QTR (6)	(\$/KWH) (7)	(8)X(7) (8)	INCENTIVE (9)	(5% of COSTS) (10)	(9)X(10) (11)	(12)		
		(4) / (1)			(2)X(5)		(6)X(7)		(4)X(5%) (10)	(9)X(10) (11)	(4)+(8)+(11) (12)		
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial A/C & Heat Pump Program	33	\$261.42	\$8,627	34	578	\$0.14803	\$86	\$31	\$0	\$31	\$8,744		
- Air Conditioner Replacement	2	\$861.50	\$1,723	34		\$0.58599	\$0	\$116	\$0	\$116	\$1,839		
- Heat Pump Replacement													
HVAC Diagnostic & Tune-Up	33	\$125.58	\$4,144	172	2,924	\$0.06480	\$189	\$239	\$0	\$239	\$4,572		
- Air Conditioner	6	\$125.67	\$754	410	1,230	\$0.06476	\$60	\$177	\$0	\$177	\$1,011		
- Heat Pump													
Commercial Load Management	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Air Conditioner	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Water Heating													
Commercial Incentive	14	\$10,347.29	\$144,862	3,739	18,695	\$0.25657	\$4,797	\$0	\$0	\$0	\$149,659		
TOTAL COMMERCIAL PROGRAMS	88		\$160,110		23,427		\$5,152	\$563	\$0	\$563	\$165,825		
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0		\$0	0	0		\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	19,940		\$579,803		2,952,716		\$139,104	\$76,530	\$2,939	\$79,469	\$798,376		
* Lost revenue and efficiency incentives are based on prospective values.													
** Cumulative participants include a reduction for the cumulative participants as of 01/01/2007.													
*** Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).													