



**KENTUCKY  
POWER\***

A unit of American Electric Power

Kentucky Power  
P O Box 5190  
101A Enterprise Drive  
Frankfort, KY 40602  
KentuckyPower.com

Elizabeth O'Donnell, Executive Director  
Kentucky Public Service Commission  
P. O. Box 615  
211 Sower Boulevard  
Frankfort, KY 40602

February 15, 2006

Dear Ms. O'Donnell:

Re:

Case No. 2006-00069

In the Matter of the Joint Application Pursuant to 1994 House Bill No. 501 for the Approval of American Electric Power/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' twentieth six-month status report. This report describes the operation and progress of the Demand-Side Management Plan.

Specifically, the Joint Applicants seek authority for Kentucky Power Company, 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.

The revised DSM Adjustment clause factor for the residential sector 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 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 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).

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COMMISSION**

Elizabeth O'Donnell  
February 15, 2006  
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The Joint Applicants request the Commission to approve the following:

- (1) The Experimental DSM Electric Tariff to become effective March 30, 2006. This will allow the Company to utilize the new residential factor with the first billing cycle in April 2006.

As is customary, the Company requests the Commission to return a stamped copy of the revised tariff sheet upon approval.

If you have any questions please contact me at (502) 696-7010.

Sincerely,



Errol K. Wagner  
Director of Regulatory Services  
Enclosure

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

**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:

<u>CUSTOMER SECTOR</u>			
	<u>RESIDENTIAL</u> (\$ Per Kwh)	<u>COMMERCIAL**</u> (\$ Per KWH)	<u>INDUSTRIAL*</u> (\$ Per KWH)
Floor Factor =	0.000017	-0-	- 0 -
Ceiling Factor =	0.000478	-0-	- 0 -

(D)  
(D)

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:

<u>CUSTOMER SECTOR</u>			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL**</u>	<u>INDUSTRIAL*</u>
<u>DSM (c)</u>	407,308	-0-	- 0 -
<u>S ©</u>	1,646,370,000	-0-	- 0 -
Adjustment Factor \$	0.000248	-0-	- 0 -

(I)  
(I)  
(D)

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

\*\* The Commercial Sector has been discontinued pursuant to the Commission's Order dated November 21, 2005

DATE OF ISSUE February 15, 2006 EFFECTIVE DATE March 30, 2006

ISSUED BY *Errol K. Wagner*  
ERROL K. WAGNER DIRECTOR OF REGULATORY SERVICES FRANKFORT, KENTUCKY  
 NAME TITLE ADDRESS

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

**AMERICAN ELECTRIC POWER - KENTUCKY**  
**Demand Side Management**  
**Status Report**

As of December 31, 2005

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## DEFINITIONS

- 1) YTD Costs
  - Year-to-Date costs recorded January 1, 2005 through December 31, 2005.
- 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, 2005.
- 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, 2005. The Residential, Commercial, and Industrial total 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 for 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, and June 30, 2005 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 (1/1/96 to 6/30/97). The lost revenue, efficiency incentive, and maximizing incentive for the period 1/1/05 to 12/31/05 are calculated using the revised values contained in Schedule C of the 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  $\frac{1}{2}$  the new participants for the current month, plus the cumulative participants from 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.

**AMERICAN ELECTRIC POWER - KENTUCKY  
SUMMARY INFORMATION (ALL PROGRAMS)**

AS OF DECEMBER 31, 2005

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$818,407</u>	<u>\$10,415,114</u>
Total Program Costs	609,695	7,213,529
Total Lost Revenues	197,673	2,841,488
Total Efficiency/ Maximizing Incentive	<u>66,638</u>	<u>578,947</u>
Total DSM Costs As Of December 31, 2005	<u>\$874,006</u>	<u>\$10,633,964</u>

DESCRIPTION	YTD	PTD
Actual In-Place Energy Savings:	1,049,891 kWh	231,511,650 kWh
w/ T&D Line Losses:	1,154,880 kWh	254,662,815 kWh
Total kW Reductions:		
Winter	952	15,370
w/ T&D Line Losses:	1,057	17,061
Summer	129	3,558
w/T&D Line Losses:	143	3,949



# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2005

### 2005

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	2,812

### Impacts

Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction			
	YTD	PTD	YTD	PTD
0	34,168,441		Summer	Winter
			0	441
			0	1,932

# AMERICAN ELECTRIC POWER - KENTUCKY

Energy Fitness	
Reporting Period:	January - December, 2005

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>



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued May 14, 1999.

# AMERICAN ELECTRIC POWER - KENTUCKY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Targeted Energy Efficiency
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January - December, 2005

<b>2005</b>														
Participants	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
	All Electric	3	12	13	13	14	33	9	13	10	21	13	19	173
Non All Electric	2	5	10	24	5	11	3	0	11	1	5	6	83	678

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
204,951	46,873,602	22	90	512	2,317

# AMERICAN ELECTRIC POWER - KENTUCKY

Targeted Energy Efficiency	
Reporting Period:	January - December, 2005

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	31,837.00	0.00	219,336.00
Equipment/Vendor:	173,328.00	0.00	1,924,551.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	358.00	0.00	8,837.00
<b>Total Program Costs:</b>	<b>205,523.00</b>	<b>0.00</b>	<b>2,152,724.00</b>
Lost Revenues:	30,764.00	1,944.00	408,507.00
Efficiency Incentive:	1,638.00	184.00	4,593.00
Maximizing Incentives:	10,013.00	0.00	103,610.00
<b>Total Costs:</b>	<b>247,938.00</b>	<b>2,128.00</b>	<b>2,669,434.00</b>

## AMERICAN ELECTRIC POWER - KENTUCKY

### 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 \$168,055 for all-electric homes and \$5,273 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for the all-electric participants and non-all-electric participants is 176,833 and 28,118 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 17/82 and 5/8 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$27,010 and \$3,754 respectively.

The YTD Efficiency Incentive for non-all-electric participants is \$1,638 and the Maximizing Incentive for all-electric participants is \$10,013.

The projected participant and budgetary level for 2006 is 150 all-electric homes, 75 non-all-electric homes, and \$195,000 respectively.

# AMERICAN ELECTRIC POWER - KENTUCKY

PROGRAM INFORMATION	
PROGRAM:	Compact Fluorescent Bulb
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2005

2005														
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	269

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
0	182,177		0	0	3
					3

# AMERICAN ELECTRIC POWER - KENTUCKY

Compact Fluorescent Bulb	
Reporting Period:	January - December, 2005

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>





# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 1996.

# AMERICAN ELECTRIC POWER - KENTUCKY

PROGRAM INFORMATION	
PROGRAM:	High Efficiency Heat Pumps - Retrofit
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2005

2005														
Participant	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
	Resistance	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Resistance	0	0	0	0	0	0	0	0	0	0	0	0	0	929

Impacts						
Actual in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction			
YTD	PTD		YTD		PTD	
	Summer	Winter	Summer	Winter	Summer	
0	38,318,715		0	0	851	2,995

# AMERICAN ELECTRIC POWER - KENTUCKY

High Efficiency Heat Pumps - Retrofit	
Reporting Period:	January - December, 2005

Description	Costs		
	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>



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 2001.



# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Mobile Home High Efficiency Heat Pumps
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2005

### 2005

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	6	3	4	2	7	12	8	10	5	10	2	5	74	1,564

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD	PTD		
		Summer	Winter	Summer	Winter
93,772	33,279,861	6	127	204	2,888



# AMERICAN ELECTRIC POWER - KENTUCKY

Mobile Home High Efficiency Heat Pumps	
Reporting Period:	January - December, 2005

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	4,818.00	0.00	46,113.00
Equipment/Vendor:	3,700.00	0.00	20,055.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	29,600.00	0.00	700,700.00
Other Costs:	0.00	0.00	1,167.00
<b>Total Program Costs:</b>	<b>38,118.00</b>	<b>0.00</b>	<b>768,035.00</b>
Lost Revenues:	16,231.00	5,820.00	358,858.00
Efficiency Incentive:	5,861.00	18,331.00	96,604.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs:</b>	<b>60,210.00</b>	<b>24,151.00</b>	<b>1,223,497.00</b>



## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

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

The projected participant and budgetary level for 2006 is 100 and \$50,000 respectively.

# AMERICAN ELECTRIC POWER - KENTUCKY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Mobile Home New Construction
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2005

<b>2005</b>														
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
Heat Pump	17	7	9	12	10	12	14	14	14	17	14	10	150	1,140
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
303,457	28,694,366	19	406
		148	3,086



# AMERICAN ELECTRIC POWER - KENTUCKY

Mobile Home New Construction	
Reporting Period:	January - December, 2005

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	4,816.00	0.00	30,035.00
Equipment/Vendor:	7,350.00	0.00	71,263.00
Promotional:	0.00	0.00	3,939.00
Customer Incentives:	74,000.00	0.00	577,650.00
Other Costs:	200.00	0.00	3,416.00
<b>Total Program Costs:</b>	<b>86,366.00</b>	<b>0.00</b>	<b>686,303.00</b>
Lost Revenues:	42,553.00	0.00	305,934.00
Efficiency Incentive:	18,744.00	0.00	46,482.00
Maximizing Incentive:	0.00	0.00	2,580.00
<b>Total Costs:</b>	<b>147,663.00</b>	<b>0.00</b>	<b>1,041,299.00</b>



## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

The Collaborative has devised and implemented a plan working 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 2006 is 150 heat pumps and \$ 87,500 respectively.

# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2005

### 2005

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	84	94	11	84	87	11	63	92	5	87	79	25	722	1,989

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD	Summer	Winter
552,700	4,787,506	96	434	265
			1,194	



# AMERICAN ELECTRIC POWER - KENTUCKY

Modified Energy Fitness	
Reporting Period:	January - December, 2005

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	24,103.00	0.00	27,106.00
Equipment/Vendor:	255,585.00	0.00	732,546.00
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>279,688.00</b>	<b>0.00</b>	<b>759,652.00</b>
Lost Revenues:	63,072.00	0.00	143,137.00
Efficiency Incentive:	30,382.00	0.00	57,064.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs:</b>	<b>373,142.00</b>	<b>0.00</b>	<b>959,853.00</b>

## AMERICAN ELECTRIC POWER - KENTUCKY

### 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 levels for 2006 is 1,000 and \$405,000 respectively.

# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Smart Audit - Commercial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December, 2005

### 2005

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

### Impacts

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

# AMERICAN ELECTRIC POWER - KENTUCKY

Smart Audit - Commercial	
Reporting Period:	January - December, 2005

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>



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 2002.



# AMERICAN ELECTRIC POWER - KENTUCKY



PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Commercial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December, 2005

Participant	2005												PTD		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.		YTD	
Existing Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	182
New Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	69

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Summer
0	68,253,673	0	0	1,519	2,640

# AMERICAN ELECTRIC POWER - KENTUCKY



Smart Incentive - Commercial	
Reporting Period:	January - December, 2005

Costs			
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:	45,053.00	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>45,053.00</b>	<b>1,520.00</b>	<b>1,545,604.00</b>

# AMERICAN ELECTRIC POWER - KENTUCKY



## COMMENTS:

This program was discontinued December 31, 2002.

# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Smart Audit - Industrial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December, 2005

### 2005

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

### Impacts

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

# AMERICAN ELECTRIC POWER - KENTUCKY

Smart Audit - Industrial	
Reporting Period:	January - December, 2005

Costs			
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	0.00
Other Costs:	0.00	0.00	161.00
Total Program Costs:	0.00	0.00	43,688.00
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
Total Costs:	0.00	0.00	45,874.00



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 1998.



# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Smart Incentive - Industrial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December, 2005

### 2005

Participant	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
General	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Compressed Air	0	0	0	0	0	0	0	0	0	0	0	0	0	0

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
		YTD		PTD	
YTD	PTD	Summer	Winter	Summer	Winter
0	104,474	0	0	6	6

# AMERICAN ELECTRIC POWER - KENTUCKY

Smart Incentive - Industrial	
Reporting Period:	January - December, 2005

Costs			
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>





# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 1998.

KENTUCKY POWER COMPANY		Exhibit C					
DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT						PAGE 1 of 14	
RESIDENTIAL SECTOR	TOTAL YEARS 1 thru 9	YEAR 10 (2005) 1st HALF	YEAR 10 (2005) 2nd HALF	YEAR 11 (2006) 1st QTR	YEAR 11 (2006) 2nd, 3rd & 4th QTRs	TOTAL	
	(1)	(2)	(3)	(4)	(5)	(6)	
1 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$6,866,991	\$415,281	\$413,672	\$220,554	\$759,995	\$8,676,493	
2 CUMULATIVE (OVER)/UNDER COLLECTION	0	168,816	149,830	218,850	27,310	0	
3 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	0	(41,824)	
4 TOTAL TO BE RECOVERED	6,825,167	584,097	563,502	439,404	787,305	8,634,669	
5 TOTAL AMOUNT RECOVERED	6,646,518	434,267	354,139	0	0	7,434,924	
6 EXPECTED FUTURE RECOVERIES	0	0	0	412,094	408,300	820,394	
7 TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(9,833)	0	0	0	0	(9,833)	
8 TRANSFER PORTION OF BALANCE FROM COMMERCIAL	0	0	9,487	0	0	9,487	
9 (OVER)/UNDER COLLECTION TO BE REFUNDED	\$168,816	\$149,830	\$218,850	\$27,310	\$379,005	\$379,005	
10 AMOUNT TO BE RECOVERED					\$787,305		
11 ADJ. ESTIMATED SECTOR KWH - YEAR 11				873,081,000	1,646,370,000		
SURCHARGE RANGE ( \$ PER KWH )							
12 FLOOR (CARRYOVER)	COL. 5, L 2 / COL. 5, L 10				0.000017		
13 MIDPOINT - proposed rate				0.000472	0.000248		
14 CEILING (TOTAL COST)	COL. 5, L 4 / COL. 5, L 10				0.000478		
COMMERCIAL SECTOR	TOTAL YEARS 1 thru 9	YEAR 10 (2005) 1st HALF	YEAR 10 (2005) 2nd HALF	YEAR 11 (2006) 1st QTR	YEAR 11 (2006) 2nd, 3rd & 4th QTRs	TOTAL	
	(1)	(2)	(3)	(4)	(5)	(6)	
15 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,854,245	\$27,168	\$17,885	\$0	\$0	\$2,899,298	
16 CUMULATIVE (OVER)/UNDER COLLECTION	0	(5,565)	2,033	0	0	0	
17 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	0	1,520	
18 TOTAL TO BE RECOVERED	2,855,765	21,603	19,918	0	0	2,900,818	
19 TOTAL AMOUNT RECOVERED	2,858,052	19,570	10,431	0	0	2,888,053	
20 EXPECTED FUTURE RECOVERIES	0	0	0	0	0	0	
21 TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(3,278)	0	0	0	0	(3,278)	
22 TRANSFER BALANCE TO RESIDENTIAL	0	0	(9,487)	0	0	(9,487)	
22 (OVER)/UNDER COLLECTION TO BE REFUNDED	(\$5,565)	\$2,033	\$0	\$0	\$0	\$0	
23 AMOUNT TO BE RECOVERED					\$0		
24 ADJ. ESTIMATED SECTOR KWH - YEAR 11				375,651,900	1,057,842,900		
SURCHARGE RANGE ( \$ PER KWH )							
25 FLOOR (CARRYOVER)	COL. 5, L 15 / COL. 5, L 23				0.000000		
26 MIDPOINT - proposed rate				0.000000	0.000000		
27 CEILING (TOTAL COST)	COL. 5, L 17 / COL. 5, L 23				0.000000		
INDUSTRIAL SECTOR	TOTAL YEARS 1 thru 9	YEAR 10 (2005) 1st HALF	YEAR 10 (2005) 2nd HALF	YEAR 11 (2006) 1st QTR	YEAR 11 (2006) 2nd, 3rd & 4th QTRs	TOTAL	
	(1)	(2)	(3)	(4)	(5)	(6)	
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 11				298,926,900	917,887,500		
SURCHARGE RANGE ( \$ PER KWH )							
38 FLOOR (CARRYOVER)					0.000000		
39 MIDPOINT				0.000000	0.000000		
40 CEILING (TOTAL COST) - proposed rate					0.000000		

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 (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.9B) (9)	MAXIMIZING INCENTIVE (.5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS				(1)X(3)		(2)X(5)	(6)X(7)	(9)X(10)	(4)X(5)	(10)	(9)X(10)	(4)X(8)X(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	552	148	\$221.65	\$122,351	2,690	998,120	\$0.03	\$12,987	\$43,177		\$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	\$11,450	\$11,450	\$257,957
- 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	539	216	\$73.49	\$39,611	2,275	491,400	\$0.03	\$15,292	\$10,634		\$10,634	\$65,537
- 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	\$77,685	\$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
- 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		\$506	\$6,300
Smart Financing - New Building	0	0		\$0	30,600	0	\$0.04	\$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	0	0			\$0	\$898	\$898	\$18,858
Smart Financing - General	0	0		\$3,919	28,200	0	\$0.04	\$0	\$0	\$196	\$196	\$4,115
Smart Financing - Compressed Air System	0	0		\$0	164,800	0	\$0.03	\$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													
Exhibit C													
PAGE 3A of 14													
YEAR 2 ( 1st HALF )	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)X(3)	NET LOST REVS/MOS (KWH/PARTIC) (5)	ENERGY SAVINGS KWH/16 MOS (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.99) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)	
PROGRAM DESCRIPTIONS										(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	273	651	\$260.88	\$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	2,939		\$195,564		3,033,996		\$84,446	\$30,339	\$5,213	\$35,552	\$325,562	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	243	207	\$264.00	\$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	\$7,840	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		\$84,915	\$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 PAGE 3B of 14													
YEAR 2 (3rd QTR)	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)	NET LOST REVENUE (\$/KWH) (7)	TOTAL ENERGY SAVINGS KWH/QTTR (6)	TOTAL NET* LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)	
<b>RESIDENTIAL PROGRAMS</b>													
Energy Fitness	257	957	\$184.99	\$47,542	341	\$0.03	326,337	\$10,156	\$5,340	n/a	\$5,340	\$63,038	
Targeted Energy Efficiency - All Electric	51	369	\$1,090.08	\$55,594	1,392	\$0.03	513,648	\$15,980	\$0	\$2,780	\$2,780	\$74,354	
- Non-All Electric	15	108	\$193.33	\$2,900	170	\$0.03	18,360	\$574	\$25	n/a	\$25	\$3,499	
Compact Fluorescent Bulb	0	269	n/a	\$0	16	\$0.03	4,304	\$133	\$0	\$0	\$0	\$133	
High - Efficiency Heat Pump - Resistance Heat	109	717	\$55.05	\$6,000	547	\$0.03	392,199	\$12,213	\$787	n/a	\$787	\$19,000	
- Non Resistance Heat	84	695	\$66.18	\$5,559	221	\$0.03	153,595	\$4,786	\$2,445	n/a	\$2,445	\$12,790	
High - Efficiency Heat Pump - Mobile Home	77	509	\$689.62	\$53,101	625	\$0.03	318,125	\$9,894	\$2,503	n/a	\$2,503	\$65,498	
Mobile Home New Construction	0	82	n/a	\$6,092	0	\$0	0		\$0	\$305	\$305	\$6,397	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>593</b>	<b>3,706</b>		<b>\$176,788</b>			<b>1,726,568</b>	<b>\$53,736</b>	<b>\$11,100</b>	<b>\$3,085</b>	<b>\$14,185</b>	<b>\$244,709</b>	
<b>COMMERCIAL PROGRAMS</b>													
Smart Audit - Class 1	98	363	\$413.13	\$40,487	0	\$0	0		\$0	\$2,024	\$2,024	\$42,511	
- Class 2	5	19	\$2,705.00	\$13,525	0	\$0	0		\$0	\$676	\$676	\$14,201	
Smart Financing - Existing Building	2	2	\$3,067.00	\$6,134	11,100	\$0.04	22,200	\$940	\$1,627	n/a	\$1,627	\$8,701	
Smart Financing - New Building	0	1	n/a	\$0	7,650	\$0.04	7,650	\$327	\$0	\$0	\$0	\$327	
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>105</b>	<b>405</b>		<b>\$60,146</b>			<b>29,850</b>	<b>\$1,267</b>	<b>\$1,627</b>	<b>\$2,700</b>	<b>\$4,327</b>	<b>\$65,740</b>	
<b>INDUSTRIAL PROGRAMS</b>													
<b>(w/Est. Opt-Outs Removed)</b>													
Smart Audit - Class 1	3	26	\$666.00	\$1,998	0	\$0	0		\$0	\$100	\$100	\$2,098	
Smart Audit - Class 2	0	3	n/a	\$0	0	\$0	0		\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	n/a	\$4,785	14,625	\$0.04	0	\$0	\$0	n/a	\$0	\$4,785	
Smart Financing - Compressed Air System	0	0	n/a	\$0	41,200	\$0.04	0	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>3</b>	<b>29</b>		<b>\$6,783</b>			<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>	<b>\$100</b>	<b>\$6,883</b>	
<b>TOTAL COMPANY</b>	<b>701</b>	<b>4,140</b>		<b>\$243,717</b>			<b>1,756,418</b>	<b>\$55,003</b>	<b>\$12,727</b>	<b>\$5,885</b>	<b>\$18,612</b>	<b>\$317,332</b>	
* Lost revenue and efficiency incentives are based on prospective values.													

1997

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C  
PAGE 3C of 14

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)	ENERGY SAVINGS KWH/QTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
				(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	432	1,287	\$259.53	\$112,115	341	436,867	\$0.03	\$13,658	\$8,977	n/a	\$8,977	\$134,750
Targeted Energy Efficiency - All Electric	124	443	\$924.15	\$114,595	1,393	617,099	\$0.03	\$19,198	\$0	\$5,730	\$5,730	\$139,523
- 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	111	823	\$106.90	\$11,866	547	450,181	\$0.03	\$14,019	\$801	n/a	\$801	\$26,686
- Non Resistance Heat	102	782	\$142.21	\$14,505	221	172,822	\$0.03	\$5,365	\$2,989	n/a	\$2,989	\$22,859
High - Efficiency Heat Pump - Mobile Home	50	565	\$406.70	\$20,335	625	353,125	\$0.03	\$10,982	\$1,625	n/a	\$1,625	\$32,942
Mobile Home New Construction	0	82	n/a	(\$749)	0	0				(\$37)	(\$37)	(\$786)
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	\$820	\$820	\$17,215
- Class 2	21	33	\$2,705.00	\$56,805	0	0			\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	9	8	\$2,282.56	\$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	\$524.22	\$9,436	0	0			\$0	\$472	\$472	\$9,908
Smart Audit - Class 2	0	3	n/a	\$1,094	0	0			\$0	\$55	\$55	\$1,149
Smart Financing - General	0	0	n/a	\$11,802	14,625	14,625	\$0.04	\$0	\$0	n/a	\$0	\$11,802
Smart Financing - Compressed Air System	0	0	n/a	\$0	41,200	41,200	\$0.04	\$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												
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 REVENUE (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/6 MOS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	544	1,768	\$184.44	\$100,334	682	1,205,776	\$0.03	\$37,524	\$11,304	n/a	\$11,304	\$149,162
Targeted Energy Efficiency - All Electric	122	565	\$1,132.92	\$138,216	2,784	1,572,960	\$0.03	\$48,935	\$6,911	\$6,911	\$6,911	\$194,062
- Non-All Electric	24	203	\$112.92	\$2,710	340	69,020	\$0.03	\$40	\$0	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
TOTAL RESIDENTIAL PROGRAMS	803	5,238		\$279,882	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	\$1,980	\$1,980	\$41,582
- Class 2	28	60	\$1,800.00	\$44,800	0	0	n/a		\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	8	16	\$5,681.50	\$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		\$193,618	370,500			\$15,697	\$6,535	\$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	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,800.00	\$1,800	0	0	n/a		\$0	\$90	\$90	\$1,890
Smart Financing - General	0	0	\$0.00	\$1,338	28,250	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	\$20,933	\$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 PAGE 4B of 14													
YEAR 3 (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/6 MOS (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/6 MOS (2)X(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C, P.G.9B) (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	\$1,187.51	\$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	\$907	\$907	\$19,039	
TOTAL RESIDENTIAL PROGRAMS	999	6,090		\$424,101		5,961,398		\$185,525	\$17,646	\$8,685	\$26,330	\$655,956	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	178	795	\$534.85	\$95,203	0	0	n/a		\$0	\$4,760	\$4,760	\$99,963	
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a		\$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	\$108,157	
Smart Financing - New Building	5	6	\$1,529.20	\$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	\$128	\$128	\$2,685	
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0	
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$393	\$0	\$393	\$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	\$393	\$128	\$511	\$5,498	
TOTAL COMPANY	1,224	7,059		\$611,624		6,763,598		\$219,536	\$41,757	\$14,833	\$56,590	\$887,750	
* Lost revenue and efficiency incentives are based on prospective values.													



1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

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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)	ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
										(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	306	2,694	\$312.58	\$95,650	707	1,904,658	\$0.03	\$59,273	\$10,370	\$0	\$10,370	\$165,293
Targeted Energy Efficiency - All Electric	75	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$15,150	\$0	\$7,153	\$7,153	\$165,359
- Non-All Electric	12	249	\$112.00	\$1,344	306	76,194	\$0.03	\$2,380	\$60	\$0	\$60	\$3,784
Compact Fluorescent Bulb	0	269	\$0.00	\$0	31	8,339	\$0.03	\$258	\$0	\$0	\$0	\$258
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	\$8,565
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 09/01/98.

1999													
KENTUCKY POWER COMPANY													
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													
YEAR 4 (2nd HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)X(3) (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C. PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	2,519	\$0.00	\$972	707	1,760,993	\$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	\$0	\$4,035	\$4,035	\$98,457	
- Non-All Electric	8	220	\$67.50	\$540	306	67,320	\$0.03	\$2,103	\$40	\$0	\$40	\$2,683	
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	\$67,677	
TOTAL RESIDENTIAL PROGRAMS	471	5,900		\$255,525		4,964,142		\$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	66	\$2,726.04	\$68,151	13,282	876,612	\$0.04	\$37,125	\$5,814	\$0	\$5,814	\$111,090	
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	\$14,100	\$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	\$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.													

Exhibit C  
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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.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	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	583	\$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	306	\$2,020	\$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	\$485.35	\$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		\$133,936		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		\$187,054	\$14,587	\$10,757	\$25,344	\$594,098	
* 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.													

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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/OUTR (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.9B) (9)	MAXIMIZING INCENTIVE (% OF COSTS) (10)	TOTAL * INCENTIVE (9)X(10)	TOTAL EST. COSTS TO BE RECOVERED (12)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	1,044	\$0.00	\$0	707	738,108	\$0.03112	\$22,970	\$0	\$0	\$0	\$22,970	
Targeted Energy Efficiency - All Electric	62	535	\$1,276.94	\$79,170	630	337,050	\$0.03111	\$10,466	\$0	\$3,959	\$3,959	\$93,615	
- Non-All Electric	18	137	\$67.89	\$1,682	306	41,922	\$0.03124	\$1,310	\$90	\$0	\$90	\$2,962	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump - Resistance Heat	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007	
- Non Resistance Heat	0	81	\$0.00	\$0	447	36,207	\$0.03116	\$1,128	\$0	\$0	\$0	\$1,128	
High - Efficiency Heat Pump - Mobile Home	53	558	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,597	\$4,463	\$0	\$4,463	\$55,084	
Mobile Home New Construction ***	83	488	\$537.04	\$44,574	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896	
TOTAL RESIDENTIAL PROGRAMS	239	3,281		\$154,974		3,358,377		\$104,493	\$9,256	\$3,959	\$13,215	\$272,682	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	134	1,017	\$321.82	\$43,124	0	0	n/a	\$0	\$0	\$2,156	\$2,156	\$45,280	
- Class 2	28	105	\$1,510.00	\$42,280	0	0	n/a	\$0	\$0	\$2,114	\$2,114	\$44,394	
Smart Financing - Existing Building	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 - New Building	8	25	\$4,016.13	\$32,129	14,101	352,525	\$0.04277	\$15,077	\$2,099	\$0	\$2,099	\$49,305	
TOTAL COMMERCIAL PROGRAMS	185	1,259		\$152,168		1,840,109		\$78,076	\$5,667	\$4,270	\$9,857	\$240,101	
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	424	4,540		\$307,142		5,198,486		\$182,569	\$14,843	\$8,229	\$23,072	\$512,783	

\* Lost 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													
Exhibit C PAGE 7B of 14													
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/QTR (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, P.G.98) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)X(10)	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	306,180	\$0.03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668	
- Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0.03124	\$1,166	\$231	\$0	\$231	\$5,144	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump - Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0.03114	\$15,396	\$1,326	\$0	\$1,326	\$21,922	
- Non Resistance Heat	0	35	\$0.00	\$0	446	15,610	\$0.03116	\$486	\$0	\$0	\$0	\$486	
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	995,840	\$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	
- 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	\$0	
TOTAL COMPANY	472	3,847		\$339,623		4,847,522		\$172,677	\$17,812	\$9,911	\$27,723	\$640,023	

\* 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 07/01/98.

Year 2002

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 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.9B) (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												
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REVENUE (7)	TOTAL ENERGY SAVINGS KWH/HALF (6)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 7 (2nd Half)												
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0,03112	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency - All Electric	76	457	\$1,039.33	\$78,989	1,028	469,796	\$0,03111	\$14,615	\$3,949	\$3,949	\$97,553	
- Non-All Electric	13	156	\$85.92	\$1,117	315	49,140	\$0,03124	\$1,535	\$0	\$56	\$2,708	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0,00000	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump - Resistance Heat	0	177	\$0.00	(\$352)	1,200	212,400	\$0,03114	\$6,614	\$0	\$0	\$6,262	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0,03116	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump - Mobile Home	43	308	\$603.84	\$25,965	1,144	352,352	\$0,03110	\$10,958	\$0	\$1,244	\$38,167	
Mobile Home New Construction ***	61	519	\$644.46	\$39,312	1,809	938,871	\$0,03110	\$29,199	\$0	\$248	\$68,759	
TOTAL RESIDENTIAL PROGRAMS	193	1,617		\$145,031		2,022,569		\$62,921	\$3,949	\$5,497	\$213,449	
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$3,721	\$3,721	\$78,143	
- Class 2	0	90	\$0.00	\$0	0	0	n/a	\$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	\$5,814	\$83,120	
Smart Financing - New Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0,04277	\$28,538	\$4,197	\$4,197	\$69,534	
TOTAL COMMERCIAL PROGRAMS	41	1,017		\$135,965		1,908,842		\$81,100	\$10,011	\$13,732	\$230,797	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
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	\$0,00000	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0,00000	\$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	\$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		KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM										Exhibit C PAGE 9A of 14	
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 (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	TOTAL * INCENTIVE (9)+(10)	RECOVERED COSTS TO BE (12) (4)+(9)+(11)	
	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/PARTICIPANT) (5)	(6) (2)X(5)	(7)	(8)	(9)	(10)	(9)+(10)	(12)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	100	467	\$849.84	\$84,984	1,028	480,076	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168	
- Non-All Electric	7	151	\$79.29	\$555	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	94	\$0.00	\$0	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513	
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	34	268	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$9,535	\$983	\$0	\$983	\$23,418	
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	\$17,398	
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														Exhibit C PAGE 9B of	14
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM															
NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST	TOTAL ENERGY SAVINGS	NET REVENUE	TOTAL NET *	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ACTUAL COSTS TO BE				
NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/ PARTICIPANT) REV/HALF (5)	KWH/HALF (6)	(\$/KWH) REVENUE (7)	(6)X(7) (8)	(EX. C, PG.11) INCENTIVE (9)	(5% of COSTS) INCENTIVE (10)	(9)X(10) INCENTIVE (11)	(4)X(8)+(11) RECOVERED COSTS (12)				
RESIDENTIAL PROGRAMS															
Energy Fitness	0	0	\$0.00	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0				
Targeted Energy Efficiency															
- All Electric	69	473	\$974.94	1,028	486,244	\$0.03111	\$15,127	\$0	\$3,364	\$3,364	\$85,762				
- Non-All Electric	69	167	\$76.10	316	52,772	\$0.03124	\$1,649	\$295	\$0	\$295	\$7,195				
Compact Fluorescent Bulb	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0				
High - Efficiency Heat Pump	0	63	\$0.00	1,200	75,600	\$0.03114	\$2,354	\$0	\$0	\$0	\$2,354				
- Resistance Heat	0	0	\$0.00	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0				
- Non Resistance Heat															
High - Efficiency Heat Pump	29	256	\$453.45	1,144	292,864	\$0.03110	\$9,108	\$839	\$0	\$839	\$23,097				
- Mobile Home															
Mobile Home New Construction **															
- Heat Pump	64	419	\$649.59	1,810	758,390	\$0.03110	\$23,586	\$260	\$0	\$260	\$65,420				
- Air Conditioner	1	0	\$150.00	158	0	\$0.03124	\$0	\$0	\$0	\$0	\$150				
Modified Energy Fitness	441	324	\$431.43	1,194	386,856	\$0.03116	\$12,054	\$9,287	\$0	\$9,287	\$211,603				
TOTAL RESIDENTIAL PROGRAMS	673	1,702	\$317,658		2,062,726		\$63,878	\$10,661	\$3,364	\$14,045	\$395,581				
COMMERCIAL PROGRAMS															
Smart Audit - Class 1	0	453	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0				
- Class 2	0	63	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0				
Smart Financing - Existing Building	0	77	\$0.00	13,282	1,022,714	\$0.04235	\$43,312	\$0	\$0	\$0	\$43,312				
Smart Financing - New Building	0	47	\$0.00	14,102	662,794	\$0.04277	\$28,348	\$0	\$0	\$0	\$28,348				
TOTAL COMMERCIAL PROGRAMS	0	640	\$0		1,685,508		\$71,660	\$0	\$0	\$0	\$71,660				
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	\$0				
TOTAL COMPANY	673	2,342	\$317,658		3,768,234		\$135,538	\$10,661	\$3,364	\$14,045	\$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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
PAGE 10A of 12												
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 REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (11)	TOTAL COSTS TO BE RECOVERED (12)
			PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/PARTIC) (5)	(2)X(6) (6)	\$ (7)	(6)X(7) (8)	(9) (9)	(4)X(5) (10)	(9)+(10) (11)	(4)+(9)+(11) (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$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	\$139,531	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	\$0
TOTAL COMPANY	526	2,526		\$246,378		3,778,808		\$132,733	\$8,539	\$2,706	\$11,245	\$390,356

\* 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 12
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOSS (5)	TOTAL ENERGY SAVINGS (6)	NET LOSS REVENUE (7)	TOTAL NET * (8)	EFFICIENCY INCENTIVE (9)	MAXIMIZING INCENTIVE (10)	TOTAL * (11)	TOTAL ACTUAL COSTS TO BE (12)
			PER PARTICIPANT COSTS (3)		REV/QTR (5)	KWH/ HALF (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C, PG.11) (9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
				(1)X(3)		(2)X(6)		(6)X(7)		(4)X(5%)	(9)X(10)	(4)X(8)X(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	\$60.80	\$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		2,795,018		\$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 PAGE 11A of 14	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM															
YEAR 10 (1st Half)															
PROGRAM DESCRIPTIONS															
NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * COSTS TO BE					
NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	PROGRAM COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C. PG.11) (9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)				
			(1)X(3)		(2)X(6)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)				
RESIDENTIAL PROGRAMS															
Energy Fitness															
0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0				
Targeted Energy Efficiency															
- All Electric															
88	477	\$1,109.22	\$97,611	896	427,392	\$0.03111	\$13,296	\$0	\$4,881	\$4,881	\$115,788				
- Non-All Electric															
57	218	\$62.47	\$3,561	287	58,206	\$0.03124	\$1,818	\$1,125	\$0	\$1,125	\$6,504				
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	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0				
High - Efficiency Heat Pump															
- Mobile Home															
34	231	\$560.21	\$19,047	1,145	264,495	\$0.03110	\$8,226	\$2,693	\$0	\$2,693	\$29,966				
Mobile Home New Construction ***															
- Heat Pump															
67	371	\$614.85	\$41,195	1,808	670,768	\$0.03110	\$20,861	\$8,372	\$0	\$8,372	\$70,428				
- Air Conditioner															
0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10				
Modified Energy Fitness															
371	1,479	\$400.87	\$148,723	613	906,627	\$0.03116	\$28,250	\$15,612	\$0	\$15,612	\$192,585				
617	2,778		\$310,137		2,327,802		\$72,461	\$27,802	\$4,881	\$32,683	\$415,281				
TOTAL RESIDENTIAL PROGRAMS															
COMMERCIAL PROGRAMS															
Smart Audit - Class 1															
0	64	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0				
- Class 2															
0	3	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0				
Smart Financing - Existing Building															
0	29	\$0.00	\$0	13,282	385,178	\$0.04235	\$16,312	\$0	\$0	\$0	\$16,312				
Smart Financing - New Building															
0	18	\$0.00	\$0	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	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	\$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
YEAR 10 (2nd HALF)													14
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REVQTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
			PER PARTICIPANT (3)	(1)X(3)	(KWH/HALF) (5)	(2)X(5)	(7)	(6)X(7)	(9)X(10)	(4)X(5%)	(9)X(10)	(4)X(8)X(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	886	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	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	446	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	40	225	\$476.78	\$19,071	1,144	257,400	\$0.03110	\$8,005	\$3,168	\$0	\$3,168	\$30,244	
- Mobile Home													
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	\$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	\$0		420,762	\$17,885	\$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	\$0	\$0	
TOTAL COMPANY	585	3,194	\$299,558	\$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 ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM														PAGE 12A of 14
YEAR 11 (1st QTR)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	PER PARTICIPANT COSTS (4)	NET LOST REV/QTRS (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12)		
PROGRAM DESCRIPTIONS					(KWH/ PARTICIPANT) (5)	(KWH/ QTR) (6)	(\$/KWH) (7)	(6)X(7)		(4)X(5%) (10)	(9)+(10)	(4)+(8)+(11)		
RESIDENTIAL PROGRAMS														
Energy Fitness	0	0	\$0.00	\$0.00	353	0	\$0.03112	\$0	\$0	\$0	\$0	\$0		
Targeted Energy Efficiency														
- All Electric	30	503	\$1,125.00	\$33,750	448	225,344	\$0.03111	\$7,010	\$0	\$1,688	\$1,688	\$42,448		
- Non-All Electric	18	248	\$125.00	\$2,250	133	32,984	\$0.03124	\$1,030	\$355	\$0	\$355	\$3,635		
Compact Fluorescent Bulb	0	0	\$0.00	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump														
- Resistance Heat	0	0	\$0.00	\$0.00	600	0	\$0.03114	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat	0	0	\$0.00	\$0.00	223	0	\$0.03116	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump														
- Mobile Home	13	225	\$425.00	\$5,525	572	128,700	\$0.03110	\$4,003	\$1,030	\$0	\$1,030	\$10,558		
Mobile Home New Construction ***														
- Heat Pump	33	405	\$550.00	\$18,150	905	366,525	\$0.03110	\$11,399	\$4,124	\$0	\$4,124	\$33,673		
- Air Conditioner	0	2	\$0.00	\$0.00	79	158	\$0.03124	\$5	\$0	\$0	\$0	\$5		
Modified Energy Fitness	249	2,114	\$400.00	\$99,600	306	646,884	\$0.03116	\$20,157	\$10,478	\$0	\$10,478	\$130,235		
TOTAL RESIDENTIAL PROGRAMS	343	3,497		\$159,275		1,400,595		\$43,604	\$15,987	\$1,668	\$17,675	\$220,954		
COMMERCIAL PROGRAMS														
Smart Audit - Class 1	0	0	\$0.00	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
- Class 2	0	0	\$0.00	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Existing Building	0	0	\$0.00	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - New Building	0	0	\$0.00	\$0.00	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	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 2	0	0	\$0.00	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - General	0	0	\$0.00	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Compressed Air System	0	0	\$0.00	\$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	343	3,497		\$159,275		1,400,595		\$43,604	\$15,987	\$1,668	\$17,675	\$220,954		

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 03/31/2003.  
\*\*\* Participants since 01/01/2003.



Year 2006														Exhibit C PAGE 12B of 14
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM														
YEAR 11 (2nd, 3rd & 4th QTRS)														
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOST REV/QTRS (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * (9)+(10)	RECOVERED COSTS TO BE (12)		
RESIDENTIAL PROGRAMS			PER PARTICIPANT (3)	(1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ QTR(S) (6)	(\$/KWH) (7)	(6)X(7)	(EX. C, PG.11) (9)	(4)X(5%) (10)	(9)+(10)	(4)+(8)+(11)		
Energy Fitness	0	0	\$0.00	\$0	1,060	0	\$0.03112	\$0	\$0	\$0	\$0	\$0		
Targeted Energy Efficiency	120	479	\$1,223.96	\$146,875	1,344	643,776	\$0.03111	\$20,028	\$0	\$7,344	\$7,344	\$174,247		
- All Electric	57	254	\$125.00	\$7,125	400	101,600	\$0.03124	\$3,174	\$1,125	\$0	\$1,125	\$11,424		
- 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	1,800	0	\$0.03114	\$0	\$0	\$0	\$0	\$0		
- Resistance Heat	0	0	\$0.00	\$0	670	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	87	239	\$453.74	\$39,475	1,717	410,363	\$0.03110	\$12,762	\$6,890	\$0	\$6,890	\$59,127		
- Mobile Home														
Mobile Home New Construction ***	117	427	\$550.00	\$64,350	2,713	1,156,451	\$0.03110	\$36,028	\$14,620	\$0	\$14,620	\$114,998		
- Heat Pump	0	2	\$0.00	\$0	236	472	\$0.03124	\$15	\$0	\$0	\$0	\$15		
- Air Conditioner														
Modified Energy Fitness	751	2,381	\$400.00	\$300,400	919	2,188,139	\$0.03116	\$68,182	\$31,602	\$0	\$31,602	\$400,184		
TOTAL RESIDENTIAL PROGRAMS	1,132	3,782	\$558,225	\$558,225		4,502,801		\$140,189	\$54,237	\$7,344	\$61,581	\$759,995		
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	\$0.00000	\$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	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL COMPANY	1,132	3,782	\$558,225	\$558,225		4,502,801		\$140,189	\$54,237	\$7,344	\$61,581	\$759,995		
* 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 04/01/2003.														







KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2006 KENTUCKY RETAIL ENERGY SALES IN KWH		PAGE 14 of		14
FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS				
PROGRAM YR 11 - 2006				
LINE NO.	YEAR	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
1	TOTAL ULTIMATE SALES (KWH)*	2,544,900,000	1,443,600,000	3,297,600,000
2	LESS NON-METERED **	15,269,400	8,661,600	19,785,600
3	TOTAL ESTIMATED RETAIL KWH SALES	2,529,630,600	1,434,938,400	3,277,814,400
4	LESS OPT - OUT CUSTOMERS KWH	0	0	2,059,689,192
5	KWH BEFORE LOST REVENUE IMPACTS	2,529,630,600	1,434,938,400	1,218,125,208
6	LESS LOST REVENUE IMPACTS	11,420,681	1,496,550	0
7	ADJUSTED KWH BY SECTOR	2,518,209,919	1,433,441,850	1,218,125,208
8	LINE 7/LINE 1	99.0%	99.3%	36.9%
LINE NO.	PROGRAM YR 11 (1st QTR)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
9	TOTAL ULTIMATE SALES (KWH)*	881,900,000	378,300,000	810,100,000
10	LINE 8	99.0%	99.3%	36.9%
11	ADJUSTED KWH BY SECTOR	873,081,000	375,651,900	298,926,900
LINE NO.	PROGRAM YR 11 (2nd, 3rd & 4th QTRs)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
12	TOTAL ULTIMATE SALES (KWH)*	1,663,000,000	1,065,300,000	2,487,500,000
13	LINE 8	99.0%	99.3%	36.9%
14	ADJUSTED KWH BY SECTOR	1,646,370,000	1,057,842,900	917,887,500
*	SOURCE: 2006 LOAD FORECAST COMPILED BY AEP CORPORATE PLANNING AND BUDGETING DEPT.			
**	.60% ESTIMATED TO BE NON-METERED (OL) DETERMINED FROM BILLED JURISDICTIONAL TARIFF SUMMARY FOR 12 MOS. ENDED DECEMBER 2005.			