



**KENTUCKY  
POWER**

*A unit of American Electric Power*

Kentucky Power  
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Frankfort, KY 40602-5190  
KentuckyPower.com

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

February 13, 2012

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.

The Joint Applicants, with the exception of the Office of the Attorney General 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.

The DSM Collaborative is requesting Commission approval for the implementation of a new three-year contract with National Energy Education Development (NEED) to run from 2012 through 2014. The contract being negotiated with NEED includes projected fees to remain at the current levels including more contract controls to improve teacher participation levels with NEED administered program energy education.

In 2011 the Community Action Agencies (CAAs) were unable to meet their targets for the Targeted Energy Efficiency (TEE) Program. This was primarily attributed to the CAAs increased spending of the American Recovery and Reinvestment Act (ARRA) stimulus funds and to the method for prioritizing eligible customers for the program. The ARRA stimulus funds have affected this program for the past 2 years because the CAAs were required to meet the funding requirements for the housing authority which caused fewer homes to be charged to DSM. The DSM TEE program is filed and is administered to be a supplemental weatherization and energy efficiency service to the Weatherization

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Assistance Program (WAP) administered by Community Action Kentucky. It should be noted that the program evaluation filed August 15, 2011 found this program to be cost effective and the DSM Collaborative is therefore requesting that the program not only continue, but is requesting the program participation levels be increased from 405 to 425 customers. Since this program is supplemental to the DOE (WAP) service, DOE changes to WAP funding could impact the projected DSM program participant levels.

The company utilizes an external vendor to market, promote, and administer the Commercial Incentive program. The program did not meet 2011 program targets and the company reduced vendor payment based on a 10% holdback provision included within the program contract.

The Pilot Load Management program includes projections for 2012 which are based on cellular coverage currently available with vendor gateway meter equipment. If the vendor achieves expanded cellular coverage projected for March 2012, then we will be able to expand the promotion to all-electric customers within the KPCO service area. As of February 7<sup>th</sup>, promotional mailings had been issued to 3,455 residential customers with the first mailing having been completed January 17<sup>th</sup>. In addition to customer self mailers, program promotion is planned to include automated voice messaging, emails, and customer post cards. Program promotion will continue to be evaluated based on availability of acceptable cellular service for the vendor gateway meter and the program evaluation report scheduled for filing August 15, 2012.

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 projected remaining fourth quarter position (see Exhibit C, Column 5, Line 2) and dividing by the adjusted estimated sector KWH sales for the remaining fourth quarter (see Exhibit C, Column 5, Line 11). The ceiling was calculated by taking the Collaborative projected remaining fourth quarter position (see Exhibit C, Column 5, Line 4) and dividing by the adjusted estimated sector KWH sales for the remaining fourth quarter (see Exhibit C, Column 5, Line 11).

The revised DSM Adjustment clause factor for the commercial sector 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 projected remaining fourth quarter 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 projected remaining fourth quarter position (see Exhibit C, Column 5, Line 18) and dividing by the adjusted estimated sector KWH sales for the remaining fourth quarter (see Exhibit C, Column 5, Line 24).

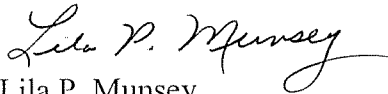
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The Joint Applicants request the Commission to approve the following:

- (1) The DSM Status Report and Schedule C Report enclosed with this letter.
- (2) The renewal of the three-year contract with NEED, from 2012 through 2014, subject to final approval by NEED and the company.
- (3) The P.S.C. Electric No. 9, Tariff D.S.M.C. 4<sup>th</sup> Revised Sheet No. 22-2 to become effective March 29, 2012. This will allow the Company to utilize the new residential and commercial factor with the first billing cycle in April 2012.

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

Sincerely,



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 =	0.000022	(0.000201)	- 0 -	(R) (R)
Ceiling Factor =	0.001629	0.001277	- 0 -	(R) (R)

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>	1,334,266	572,432	- 0 -	(I) (I)
S (c)	1,615,333,700	1,063,999,500	- 0 -	(I) (I)
Adjustment Factor	\$ 0.000826	\$ 0.000538	- 0 -	(R) (R)

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

DATE OF ISSUE February 13, 2012 EFFECTIVE DATE Service rendered on or after March 29, 2012

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



**KENTUCKY POWER COMPANY**  
**Demand Side Management**  
**Status Report**  
As of December 31, 2011

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## DEFINITIONS

- 1) YTD Costs - Year-to-Date costs recorded through December 31, 2011.
- 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, 2011
- 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, 2011. 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, June 30, 2010, and August 15, 2011 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 1/1/2011 to 12/31/2011 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, 2011

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$3,350,222</u>	<u>\$20,295,335</u>
Total Program Costs	2,140,530	13,952,714
Total Lost Revenues	402,081	4,518,450
Total Efficiency / Maximizing Incentive	320,564	1,669,259
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, 2011	<u>\$2,863,175</u>	<u>\$20,215,091</u>

**KENTUCKY POWER COMPANY**  
**SUMMARY INFORMATION (ALL PROGRAMS)**  
As of December 31, 2011

DESCRIPTION	YTD		PTD	
Actual In-Place Energy Savings:	4,689,310	kWh	587,413,946	kWh
w/ T&D Line Losses:	5,158,241	kWh	646,155,341	kWh
Total kW Reductions:				
Winter	2,921	kW	25,738	kW
w/ T&D Line Losses:	3,242	kW	28,569	kW
Summer	949	kW	6,056	kW
w/ T&D Line Losses:	1,053	kW	6,722	kW

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Targeted Energy Efficiency
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>		
	<u>All Electric</u>	<u>Non All Electric</u>
Jan	13	2
Feb	24	0
Mar	21	1
Apr	15	1
May	14	2
Jun	23	0
Jul	24	3
Aug	26	1
Sep	22	2
Oct	26	6
Nov	24	4
Dec	19	7
<b>YTD</b>	<b>251</b>	<b>29</b>
<b>PTD</b>	<b>3,321</b>	<b>1,079</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	263,978	89,715,761
Anticipated Peak Demand (kW) Reduction:		
Summer	85	735
Winter	147	3,070

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	20,357.00	0.00	273,684.00
Equipment/Vendor:	260,637.00	0.00	3,432,912.00
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>280,994.00</b>	<b>0.00</b>	<b>3,716,149.00</b>
<b>Lost Revenues:</b>	<b>80,229.00</b>	<b>1,944.00</b>	<b>763,051.00</b>
Efficiency Incentive:	37,086.00	184.00	120,735.00
Maximizing Incentive:	173.00	0.00	123,370.00
<b>Total Costs</b>	<b>398,482.00</b>	<b>2,128.00</b>	<b>4,723,305.00</b>

## 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 \$258,618 for all-electric and \$2,019 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for all-electric participants and non-all-electric participants is 255,291 and 8,687 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 78/142 and 7/5 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$72,365 and \$7,864 respectively.

The YTD Efficiency Incentive for all-electric participants is \$16,253.  
The YTD Maximizing Incentive for non-all-electric participants is \$20,833.

The projected participant and budgetary level for 2012 is 390 all-electric homes, 35 non-all-electric homes and \$400,000.

# 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 1, 2011 - December 31, 2011

<b>New Participants</b>	
Jan	19
Feb	10
Mar	9
Apr	18
May	27
Jun	11
Jul	19
Aug	17
Sep	15
Oct	22
Nov	21
Dec	20
<b>YTD</b>	<b>208</b>
<b>PTD</b>	<b>2,488</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	276,093	87,525,200
Anticipated Peak Demand (kW) Reduction:		
Summer	106	439
Winter	175	4,092

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	6,182.00	0.00	52,556.00
Equipment/Vendor:	9,850.00	0.00	75,355.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	78,800.00	0.00	1,056,000.00
Other Costs:	0.00	0.00	1,167.00
<b>Total Program Costs</b>	<b>94,832.00</b>	<b>0.00</b>	<b>1,185,078.00</b>
<b>Lost Revenues:</b>	<b>57,938.00</b>	<b>5,820.00</b>	<b>537,440.00</b>
Efficiency Incentive:	61,106.00	18,331.00	246,514.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>213,876.00</b>	<b>24,151.00</b>	<b>1,969,032.00</b>

**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 2012 is 210 and \$94,500 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 1, 2011 - December 31, 2011

<b>New Participants</b>	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	17	0
Feb	2	0
Mar	18	0
Apr	12	0
May	12	0
Jun	7	0
Jul	21	0
Aug	15	0
Sep	10	0
Oct	8	0
Nov	20	0
Dec	18	0
<b>YTD</b>	<b>160</b>	<b>0</b>
<b>PTD</b>	<b>2,305</b>	<b>2</b>

<b>Impacts</b>	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	138,956	128,162,560
Anticipated Peak Demand (kW) Reduction:		
Summer	81	683
Winter	43	5,130

<b>Costs</b>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	6,235.00	0.00	36,529.00
Equipment/Vendor:	7,800.00	0.00	137,763.00
Promotional:	0.00	0.00	3,939.00
Customer Incentives:	78,000.00	0.00	1,159,450.00
Other Costs:	250.00	0.00	4,866.00
<b>Total Program Costs</b>	<b>92,285.00</b>	<b>0.00</b>	<b>1,342,547.00</b>
Lost Revenues:	38,858.00	0.00	587,240.00
Efficiency Incentive:	15,042.00	0.00	172,819.00
Maximizing Incentive:	0.00	0.00	2,580.00
<b>Total Costs</b>	<b>146,185.00</b>	<b>0.00</b>	<b>2,105,186.00</b>

**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 revised projected participant and budgetary level for 2012 is 190 heat pumps and \$104,750 respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	
Jan	88
Feb	88
Mar	120
Apr	101
May	120
Jun	128
Jul	90
Aug	122
Sep	103
Oct	102
Nov	82
Dec	57
<b>YTD</b>	<b>1,201</b>
<b>PTD</b>	<b>8,191</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	446,511	82,127,783
Anticipated Peak Demand (kW) Reduction:		
Summer	-40	1,018
Winter	320	4,389

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	9,222.00	0.00	36,328.00
Equipment/Vendor:	435,286.00	0.00	2,977,064.00
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>444,508.00</b>	<b>0.00</b>	<b>3,013,392.00</b>
Lost Revenues:	76,888.00	0.00	736,555.00
Efficiency Incentive:	17,607.00	0.00	308,141.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>539,003.00</b>	<b>0.00</b>	<b>4,058,088.00</b>

## 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 including customer education.

The projected participants for 2012 is 1,200 at a budgeted expense of \$427,000.



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	High Efficiency Heat Pumps
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>			
	<u>Resistance</u>	<u>Non Resistance</u>	
Jan	28	53	
Feb	24	20	
Mar	26	20	
Apr	18	17	
May	28	47	
Jun	30	55	
Jul	23	29	
Aug	18	43	
Sep	21	33	
Oct	19	19	
Nov	23	33	
Dec	17	37	
<b>YTD</b>	<b>275</b>	<b>406</b>	
<b>PTD</b>	<b>618</b>	<b>1,132</b>	

<b>Impacts</b>			
	<u>Year-To-Date</u>	<u>Program-To-Date</u>	
Estimated in Place Energy (kWh) Savings	596,255	2,197,989	
Anticipated Peak Demand (kW) Reduction:			
Summer	(52)	137	
Winter	425	1,887	

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	12,236.00	0.00	12,236.00
Equipment/Vendor:	33,050.00	0.00	111,600.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	264,000.00	0.00	664,100.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>309,286.00</b>	<b>0.00</b>	<b>787,936.00</b>
<b>Lost Revenues:</b>	<b>74,093.00</b>	<b>0.00</b>	<b>136,511.00</b>
Efficiency Incentive:	69,424.00	0.00	233,413.00
Maximizing Incentive:	0.00	0.00	17,177.00
<b>Total Costs</b>	<b>452,803.00</b>	<b>0.00</b>	<b>1,175,037.00</b>

## 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 215,267 and 380,988, respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for resistance heat replacement and non-resistance heat replacement participants is -43/159 and -9/266 respectively.

The YTD Lost Revenue for resistance heat replacement and non-resistance heat replacement participants is \$23,853 and \$50,240 respectively.

The Efficiency Incentive for resistance heat replacement participants is \$21,483 and for the non-resistance heat replacement participants is \$47,941.

The projected participants and budgeted expense for 2012 is 275 resistance heat replacement customers, 475 non-resistance heat replacement customers and \$337,500 respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Community Outreach Compact Fluorescent Lamp
PARTICIPANT DEFINITION:	Number of Customers
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	
Jan	0
Feb	29
Mar	252
Apr	234
May	1,187
Jun	816
Jul	240
Aug	898
Sep	433
Oct	583
Nov	243
Dec	0
<b>YTD</b>	<b>4,915</b>
<b>PTD</b>	<b>13,469</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	626,392	1,002,523
Anticipated Peak Demand (kW) Reduction:		
Summer	286	295
Winter	266	484

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	9,609.60	0.00	18,415.60
Equipment/Vendor:	47,412.48	0.00	114,614.48
Promotional:	2,383.38	0.00	15,929.38
Administration:	109.14	0.00	1,808.14
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>59,514.60</b>	<b>0.00</b>	<b>150,767.60</b>
<b>Lost Revenues:</b>	<b>21,458.00</b>	<b>0.00</b>	<b>68,415.00</b>
Efficiency Incentive:	19,267.00	0.00	61,957.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>100,239.60</b>	<b>0.00</b>	<b>281,139.60</b>

**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. A package of 4 high efficiency CFLs are distributed to customers at scheduled community outreach events.

The projected participant and budgetary level for 2012 is 4,800 customers and \$58,500, respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Energy Education For Students
PARTICIPANT DEFINITION:	Number of Students
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	
Jan	237
Feb	81
Mar	163
Apr	0
May	457
Jun	0
Jul	0
Aug	0
Sep	0
Oct	106
Nov	380
Dec	472
<b>YTD</b>	<b>1,896</b>
<b>PTD</b>	<b>4,573</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	<b>195,610</b>	<b>287,603</b>
Anticipated Peak Demand (kW) Reduction:		
Summer	<b>113</b>	<b>116</b>
Winter	<b>57</b>	<b>125</b>

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	6,082.00	0.00	10,261.00
Equipment/Vendor:	11,913.00	0.00	41,116.00
Promotional:	0.00	0.00	0.00
Education Workshops	3,000.00	0.00	13,000.00
Administration	3,000.00	0.00	7,562.00
<b>Total Program Costs</b>	<b>23,995.00</b>	<b>0.00</b>	<b>71,939.00</b>
<b>Lost Revenues:</b>	<b>10,248.00</b>	<b>0.00</b>	<b>21,753.00</b>
Efficiency Incentive:	3,261.00	0.00	16,592.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>37,504.00</b>	<b>0.00</b>	<b>110,284.00</b>

**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 2012 is 2,000 students and \$31,700.

# 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 1, 2011 - December 31, 2011

<b>New Participants</b>		
	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	13	0
Feb	12	0
Mar	72	13
Apr	98	13
May	50	14
Jun	45	24
Jul	39	25
Aug	71	44
Sep	48	63
Oct	39	6
Nov	144	19
Dec	99	11
<b>YTD</b>	<b>730</b>	<b>232</b>
<b>PTD</b>	<b>758</b>	<b>232</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	<b>270,795</b>	<b>271,814</b>
Anticipated Peak Demand (kW) Reduction:		
Summer	<b>181</b>	<b>186</b>
Winter	<b>177</b>	<b>184</b>

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	4,756.00	0.00	4,756.00
Equipment/Vendor:	45,350.00	0.00	46,800.00
Promotional:	4,818.00	0.00	4,818.00
Customer Incentives:	45,300.00	0.00	46,700.00
Administration:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>100,224.00</b>	<b>0.00</b>	<b>103,074.00</b>
<b>Lost Revenues:</b>	<b>5,672.00</b>	<b>1,944.00</b>	<b>5,736.00</b>
Efficiency Incentive:	8,611.00	184.00	8,930.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>114,507.00</b>	<b>2,128.00</b>	<b>117,740.00</b>

## 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 revised budgetary level for 2012 is 250 central air conditioners and 750 heat pumps at a budgeted program expense of \$121,260.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Pilot Residential Load Management
PARTICIPANT DEFINITION:	Number of Switches Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>		<u>A/C Switches</u>	<u>Water Heater SW</u>
Jan		0	0
Feb		0	0
Mar		0	0
Apr		0	0
May		0	0
Jun		0	0
Jul		0	0
Aug		0	0
Sep		1	1
Oct		0	0
Nov		1	0
Dec		4	3
<b>YTD</b>		<b>6</b>	<b>4</b>
<b>PTD</b>		<b>6</b>	<b>4</b>

<b>Impacts</b>		<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings		0	0
Anticipated Peak Demand (kW) Reduction:			
Summer		0	0
Winter		0	0

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	8,793.00	0.00	8,793.00
Equipment/Vendor:	94,705.00	0.00	94,705.00
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>103,498.00</b>	<b>0.00</b>	<b>103,498.00</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>103,498.00</b>	<b>0.00</b>	<b>103,498.00</b>

## COMMENTS:

The Pilot 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 2012 is 110 air conditioners or heat pumps switches and 110 water heating switches at \$267,080. Projected participants are currently limited to availability of vendor gateway meter and cellular coverage which is necessary for the two-way cellular communication.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Residential Efficient Products
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	<u>CFL</u>	<u>Specialty Bulbs</u>	<u>LED Lights</u>
Jan	0	0	0
Feb	0	0	0
Mar	3,299	0	0
Apr	23,439	0	0
May	29,148	0	0
Jun	21,878	0	0
Jul	12,009	0	0
Aug	12,485	0	0
Sep	12,217	0	0
Oct	-8,352	0	0
Nov	11,395	0	0
Dec	16,174	0	0
<b>YTD</b>	<b>133,692</b>	<b>0</b>	<b>0</b>
<b>PTD</b>	<b>133,692</b>	<b>0</b>	<b>0</b>

<b>Impacts</b>	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	<b>2,231,328</b>	<b>2,231,328</b>
Anticipated Peak Demand (kW) Reduction:		
Summer	148	148
Winter	<b>1,484</b>	<b>1,484</b>

<b>Costs</b>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	6,068.00	0.00	6,068.00
Equipment/Vendor:	173,712.00	0.00	173,712.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	134,375.00	0.00	134,375.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>314,155.00</b>	<b>0.00</b>	<b>314,155.00</b>
Lost Revenues:	33,705.00	0.00	33,705.00
Efficiency Incentive:	41,445.00	0.00	41,445.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>389,305.00</b>	<b>0.00</b>	<b>389,305.00</b>

**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 projected levels for 2012 is 132,343 ENERGY STAR CFLs and 800 other lighting products. The budgeted expense for 2012 \$355,205.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Energy Fitness - Inactive
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

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

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	0	55,360,221
Anticipated Peak Demand (kW) Reduction:		
Summer	0	441
Winter	0	1,932

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
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>
<b>Lost Revenues:</b>	<b>0.00</b>	<b>(19,322.00)</b>	<b>363,029.00</b>
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>

**COMMENTS:**

This program was discontinued May 14, 1999.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Compact Fluorescent Bulb - Inactive
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

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

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	0	280,416
Anticipated Peak Demand (kW) Reduction:		
Summer	0	3
Winter	0	3

<b>Costs</b>			
	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
<u>Description</u>			
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>

**COMMENTS:**

This program was discontinued December 31, 1996



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	High Efficiency Heat Pumps Retro - Inactive
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>		
	<u>Resistance</u>	<u>Non Resistance</u>
Jan	0	0
Feb	0	0
Mar	0	0
Apr	0	0
May	0	0
Jun	0	0
Jul	0	0
Aug	0	0
Sep	0	0
Oct	0	0
Nov	0	0
Dec	0	0
<b>YTD</b>	<b>0</b>	<b>0</b>
<b>PTD</b>	<b>1,367</b>	<b>929</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	0	71,026,985
Anticipated Peak Demand (kW) Reduction:		
Summer	0	851
Winter	0	2,995

<b>Costs</b>			
	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
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>
<b>Lost Revenues:</b>	<b>0.00</b>	<b>(269.00)</b>	<b>368,960.00</b>
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>

**COMMENTS:**

This program was discontinued December 31, 2001.

# 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 1, 2011 - December 31, 2011

<b>New Participants</b>		
	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	0	0
Feb	0	0
Mar	6	0
Apr	3	0
May	6	0
Jun	3	1
Jul	7	13
Aug	21	8
Sep	34	15
Oct	4	4
Nov	11	5
Dec	11	0
<b>YTD</b>	<b>106</b>	<b>46</b>
<b>PTD</b>	<b>107</b>	<b>46</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	76,302	76,527
Anticipated Peak Demand (kW) Reduction:		
Summer	60	60
Winter	60	60

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	4,100.00	0.00	4,100.00
Equipment/Vendor.	7,300.00	0.00	7,350.00
Promotional:	4,818.00	0.00	4,818.00
Customer Incentives:	10,875.00	0.00	10,950.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>27,093.00</b>	<b>0.00</b>	<b>27,218.00</b>
<b>Lost Revenues:</b>	<b>2,239.00</b>	<b>0.00</b>	<b>2,239.00</b>
Efficiency Incentive:	3,466.00	0.00	3,496.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>32,798.00</b>	<b>0.00</b>	<b>32,953.00</b>

**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.

The projected participant and budgetary level for 2012 is 55 central air conditioners and 115 heat pumps and \$37,380 respectively.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	<b>Pilot Commercial Load Management</b>
PARTICIPANT DEFINITION:	Number of Switches Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	0	0
Feb	0	0
Mar	0	0
Apr	0	0
May	0	0
Jun	0	0
Jul	0	0
Aug	0	0
Sep	0	0
Oct	0	0
Nov	0	0
Dec	0	0
<b>YTD</b>	<b>0</b>	<b>0</b>
<b>PTD</b>	<b>0</b>	<b>0</b>

<b>Impacts</b>	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	0	0
Anticipated Peak Demand (kW) Reduction:		
Summer	0	0
Winter	0	0

<b>Costs</b>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Description			
Total Evaluation	3,815.00	0.00	3,815.00
Equipment/Vendor:	10,500.00	0.00	10,500.00
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>14,315.00</b>	<b>0.00</b>	<b>14,315.00</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>14,315.00</b>	<b>0.00</b>	<b>14,315.00</b>

**COMMENTS:**

The Pilot 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 2012 is 10 air conditioner switches and 10 water heater switches with a projected expense of \$36,105. Projected participants are currently limited to availability of vendor gateway meter and cellular coverage which is necessary for two-way cellular communication with the gateway meter.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Commercial High Efficiency HP/AC
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>		
	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	0	0
Feb	0	0
Mar	0	0
Apr	5	0
May	6	1
Jun	4	0
Jul	0	0
Aug	2	1
Sep	0	1
Oct	0	0
Nov	3	0
Dec	1	0
<b>YTD</b>	<b>21</b>	<b>3</b>
<b>PTD</b>	<b>21</b>	<b>3</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	14,938	14,938
Anticipated Peak Demand (kW) Reduction:		
Summer	5	5
Winter	8	8

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	4,780.00	0.00	4,780.00
Equipment/Vendor:	1,150.00	0.00	1,150.00
Promotional:	9,636.00	0.00	9,636.00
Customer Incentives:	7,950.00	0.00	7,950.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>23,516.00</b>	<b>0.00</b>	<b>23,516.00</b>
<b>Lost Revenues:</b>	<b>191.00</b>	<b>0.00</b>	<b>191.00</b>
Efficiency Incentive:	1,224.00	0.00	1,224.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>24,931.00</b>	<b>0.00</b>	<b>24,931.00</b>

## 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 \$10,000

The projected participant and budgetary level for 2012 to include 20 central air conditioners and 40 Heat pumps with a program budget of \$50,470.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Commercial Incentive
PARTICIPANT DEFINITION:	Number of Participants Projects Installed & Inspected
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	
Jan	0
Feb	0
Mar	0
Apr	0
May	0
Jun	0
Jul	0
Aug	0
Sep	0
Oct	0
Nov	1
Dec	17
<b>YTD</b>	<b>18</b>
<b>PTD</b>	<b>18</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	<b>21,083</b>	<b>21,083</b>
Anticipated Peak Demand (kW) Reduction:		
Summer	<b>80</b>	<b>80</b>
Winter	<b>80</b>	<b>80</b>

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	17,189.00	0.00	17,189.00
Equipment/Vendor:	195,543.00	0.00	195,543.00
Promotional:	9,294.00	0.00	9,294.00
Customer Incentives:	30,288.00	0.00	30,288.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs</b>	<b>252,314.00</b>	<b>0.00</b>	<b>252,314.00</b>
<b>Lost Revenues:</b>	<b>562.00</b>	<b>0.00</b>	<b>562.00</b>
Efficiency Incentive:	42,852.00	0.00	42,852.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>295,728.00</b>	<b>0.00</b>	<b>295,728.00</b>

**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 2012 is 172 customers and \$1,630,725.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Commercial - Inactive
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>			
	<u>Class I</u>	<u>Class II</u>	
Jan	0	0	
Feb	0	0	
Mar	0	0	
Apr	0	0	
May	0	0	
Jun	0	0	
Jul	0	0	
Aug	0	0	
Sep	0	0	
Oct	0	0	
Nov	0	0	
Dec	0	0	
<b>YTD</b>	<b>0</b>	<b>0</b>	
<b>PTD</b>	<b>1,952</b>	<b>194</b>	

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	n/a	n/a
Anticipated Peak Demand (kW) Reduction:		
Summer	n/a	n/a
Winter	n/a	n/a

<b>Costs</b>			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
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>
<b>Lost Revenues:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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>

**COMMENTS:**

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Incentive - Commercial - Inactive
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	<u>Existing Building</u>	<u>New Building</u>
Jan	0	0
Feb	0	0
Mar	0	0
Apr	0	0
May	0	0
Jun	0	0
Jul	0	0
Aug	0	0
Sep	0	0
Oct	0	0
Nov	0	0
Dec	0	0
<b>YTD</b>	<b>0</b>	<b>0</b>
<b>PTD</b>	<b>182</b>	<b>69</b>

<b>Impacts</b>	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	0	125,682,085
Anticipated Peak Demand (kW) Reduction:		
Summer	0	1,519
Winter	0	2,640

<b>Costs</b>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
<b>Description</b>			
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>
<b>Lost Revenues:</b>	<b>0.00</b>	<b>442.00</b>	<b>891,458.00</b>
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>

**COMMENTS:**

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Industrial - Inactive
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>			
		<u>Class I</u>	<u>Class II</u>
Jan		0	0
Feb		0	0
Mar		0	0
Apr		0	0
May		0	0
Jun		0	0
Jul		0	0
Aug		0	0
Sep		0	0
Oct		0	0
Nov		0	0
Dec		0	0
<b>YTD</b>		<b>0</b>	<b>0</b>
<b>PTD</b>		<b>60</b>	<b>4</b>

<b>Impacts</b>		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	n/a	n/a
Anticipated Peak Demand (kW) Reduction:		
Summer	n/a	n/a
Winter	n/a	n/a

<b>Costs</b>			
	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
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
<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>

**COMMENTS:**

This program was discontinued December 31, 1998.



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Incentive - Industrial - Inactive
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January 1, 2011 - December 31, 2011

<b>New Participants</b>	<u>General</u>	<u>Compressed Air</u>
Jan	0	0
Feb	0	0
Mar	0	0
Apr	0	0
May	0	0
Jun	0	0
Jul	0	0
Aug	0	0
Sep	0	0
Oct	0	0
Nov	0	0
Dec	0	0
<b>YTD</b>	<b>0</b>	<b>0</b>
<b>PTD</b>	<b>1</b>	<b>0</b>

<b>Impacts</b>	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	0	170,525
Anticipated Peak Demand (kW) Reduction:		
Summer	0	6
Winter	0	6

<b>Costs</b>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
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>

**COMMENTS:**

This program was discontinued December 31, 1998.

# Schedule C

KENTUCKY POWER COMPANY DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT		Exhibit C					PAGE 1 of 20
RESIDENTIAL SECTOR	TOTAL YEARS 1 thru 15	YEAR 16 (2011)	YEAR 16 (2011)	YEAR 17 (2012)	YEAR 17 (2012)	TOTAL	
		1st HALF	2nd HALF	1st QTR	2nd, 3rd, & 4th QTRs		
	(1)	(2)	(3)	(4)	(5)	(6)	
1 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$14,413,742	\$1,175,415	\$1,319,989	\$685,229	\$2,595,322	\$20,189,697	
2 CUMULATIVE (OVER)/UNDER COLLECTION	0	427,163	(488,221)	20,161	35,844	-	
3 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	0	(41,824)	
4 TOTAL TO BE RECOVERED	14,371,918	1,602,578	831,768	705,390	2,631,166	20,147,873	
5 TOTAL AMOUNT RECOVERED	13,944,409	2,090,799	811,607	0	0	16,846,815	
6 EXPECTED FUTURE RECOVERIES	0	0	0	669,546	1,334,266	2,003,812	
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	\$427,163	(\$488,221)	\$20,161	\$35,844	\$1,296,900	\$1,296,900	
10 AMOUNT TO BE RECOVERED					\$2,631,166		
11 ADJ. ESTIMATED SECTOR KWH - YEAR 17				788,628,600	1,615,333,700		
SURCHARGE RANGE ( \$ PER KWH )							
12 FLOOR (CARRYOVER)	COL. 5, L 2 / COL. 5, L 11				0.000022		
13 MIDPOINT - proposed rate				0.000849	0.000826		
14 CEILING (TOTAL COST)	COL. 5, L 4 / COL. 5, L 11				0.001629		
COMMERCIAL SECTOR	TOTAL YEARS 1 thru 15	YEAR 16 (2011)	YEAR 16 (2011)	YEAR 17 (2012)	YEAR 17 (2012)	TOTAL	
		1st HALF	2nd HALF	1st QTR	2nd, 3rd, & 4th QTRs		
	(1)	(2)	(3)	(4)	(5)	(6)	
15 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,899,453	\$7,431	\$360,340	\$421,726	\$1,572,501	\$5,261,451	
16 CUMULATIVE (OVER)/UNDER COLLECTION	0	(20,360)	(81,846)	(100,405)	(213,879)	0	
17 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	0	1,520	
18 TOTAL TO BE RECOVERED	2,900,973	(12,929)	278,494	321,321	1,358,622	5,262,971	
19 TOTAL AMOUNT RECOVERED	2,908,568	68,917	378,899	0	0	3,356,384	
20 EXPECTED FUTURE RECOVERIES	0	0	0	535,200	572,432	1,107,632	
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	(\$20,360)	(\$81,846)	(\$100,405)	(\$213,879)	\$786,190	\$786,190	
23 AMOUNT TO BE RECOVERED					\$1,358,622		
24 ADJ. ESTIMATED SECTOR KWH - YEAR 17				350,032,500	1,063,999,500		
SURCHARGE RANGE ( \$ PER KWH )							
25 FLOOR (CARRYOVER)					(0.000201)		
26 MIDPOINT - proposed rate				0.001529	0.000538		
27 CEILING (TOTAL COST)					0.001277		
INDUSTRIAL SECTOR	TOTAL YEARS 1 thru 15	YEAR 16 (2011)	YEAR 16 (2011)	YEAR 17 (2012)	YEAR 17 (2012)	TOTAL	
		1st HALF	2nd HALF	1st QTR	2nd, 3rd, & 4th QTRs		
	(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 17				805,239,400	2,424,266,600		
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

YEAR 1	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/YR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/YR (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	552	148	\$221.65	\$122,351	2,690	398,120	\$0.03	\$12,397	\$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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>2,610</b>	<b>959</b>		<b>\$663,291</b>		<b>1,989,174</b>		<b>\$61,918</b>	<b>\$77,585</b>	<b>\$12,474</b>	<b>\$90,059</b>	<b>\$815,268</b>
<b>COMMERCIAL PROGRAMS</b>												
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	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>97</b>	<b>20</b>		<b>\$129,695</b>		<b>0</b>		<b>\$0</b>	<b>\$506</b>	<b>\$6,195</b>	<b>\$6,701</b>	<b>\$136,396</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	15	1	\$149.40	\$2,241	0	0			\$0	\$112	\$112	\$2,353
Smart Audit - Class 2	2	1	\$8,960.00	\$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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>17</b>	<b>2</b>		<b>\$24,120</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$1,206</b>	<b>\$1,206</b>	<b>\$25,326</b>
<b>TOTAL COMPANY</b>	<b>2,724</b>	<b>981</b>		<b>\$817,106</b>		<b>1,989,174</b>		<b>\$61,918</b>	<b>\$78,091</b>	<b>\$19,875</b>	<b>\$97,966</b>	<b>\$976,990</b>

\* 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 )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
			(1)X(3)	(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>785</b>	<b>2,939</b>		<b>\$195,564</b>		<b>3,033,996</b>		<b>\$94,446</b>	<b>\$30,339</b>	<b>\$5,213</b>	<b>\$35,552</b>	<b>\$325,562</b>
<b>COMMERCIAL PROGRAMS</b>												
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>255</b>	<b>217</b>		<b>\$104,228</b>		<b>11,000</b>		<b>\$469</b>	<b>\$50</b>	<b>\$4,977</b>	<b>\$5,027</b>	<b>\$109,724</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>10</b>	<b>22</b>		<b>\$11,489</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$575</b>	<b>\$575</b>	<b>\$12,064</b>
<b>TOTAL COMPANY</b>	<b>1,050</b>	<b>3,178</b>		<b>\$311,281</b>		<b>3,044,996</b>		<b>\$94,915</b>	<b>\$30,389</b>	<b>\$10,765</b>	<b>\$41,154</b>	<b>\$447,350</b>

\* 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

YEAR 2 ( 3rd QTR )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/QTR (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(5% of COSTS) (10) (4)X( 5%)	(11) (9)+(10)	(12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS					341	326,337	\$0.03	\$10,156	\$5,340	n/a	\$5,340	\$63,038
Energy Fitness	257	957	\$184.99	\$47,542	1,392	513,648	\$0.03	\$15,980	\$0	\$2,780	\$2,780	\$74,354
Targeted Energy Efficiency - All Electric	51	369	\$1,090.08	\$55,594	170	18,360	\$0.03	\$574	\$25	n/a	\$25	\$3,499
- Non-All Electric	15	108	\$193.33	\$2,900								
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	\$9,894	\$2,503	n/a	\$2,503	\$65,498
Mobile Home New Construction	0	82	n/a	\$6,092	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>
COMMERCIAL PROGRAMS					0	0			\$0	\$2,024	\$2,024	\$42,511
Smart Audit - Class 1	98	383	\$413.13	\$40,487	0	0			\$0	\$676	\$676	\$14,201
- Class 2	5	19	\$2,705.00	\$13,525	0	0			\$0	n/a	\$0	\$8,701
Smart Financing - Existing Building	2	2	\$3,067.00	\$6,134	11,100	22,200	\$0.04	\$940	\$0	\$0	\$0	\$327
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$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>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)					0	0			\$0	\$100	\$100	\$2,098
Smart Audit - Class 1	3	26	\$666.00	\$1,998	0	0			\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	3	n/a	\$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				
<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

YEAR 2 ( 4th QTR )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/QTR (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
				(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)		(4)X( 5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	432	1,287	\$259.53	\$112,115	341	438,867	\$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	\$5,385	\$2,969	n/a	\$2,969	\$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)
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>897</b>	<b>4,397</b>		<b>\$280,744</b>		<b>2,061,487</b>		<b>\$64,158</b>	<b>\$14,501</b>	<b>\$5,693</b>	<b>\$20,194</b>	<b>\$365,096</b>
<b>COMMERCIAL PROGRAMS</b>												
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>101</b>	<b>515</b>		<b>\$93,743</b>		<b>96,450</b>		<b>\$4,088</b>	<b>\$7,320</b>	<b>\$3,660</b>	<b>\$10,980</b>	<b>\$108,811</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
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	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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>18</b>	<b>40</b>		<b>\$22,332</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$527</b>	<b>\$527</b>	<b>\$22,859</b>
<b>TOTAL COMPANY</b>	<b>1,016</b>	<b>4,952</b>		<b>\$396,819</b>		<b>2,157,937</b>		<b>\$68,246</b>	<b>\$21,821</b>	<b>\$9,860</b>	<b>\$31,701</b>	<b>\$496,766</b>

\* 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	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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	\$0	\$6,911	\$6,911	\$194,062
- Non-All Electric	24	203	\$112.92	\$2,710	340	69,020	\$0.03	\$2,156	\$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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>803</b>	<b>5,238</b>		<b>\$279,882</b>		<b>4,971,558</b>		<b>\$154,725</b>	<b>\$14,398</b>	<b>\$6,911</b>	<b>\$21,309</b>	<b>\$455,916</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
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	\$1,600.00	\$44,800	0	0	n/a		\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	8	16	\$5,581.50	\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>241</b>	<b>674</b>		<b>\$133,618</b>		<b>370,500</b>		<b>\$15,697</b>	<b>\$6,535</b>	<b>\$4,220</b>	<b>\$10,755</b>	<b>\$160,070</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS -</b>												
(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	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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>13</b>	<b>54</b>		<b>\$6,091</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$305</b>	<b>\$305</b>	<b>\$6,396</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>1,057</b>	<b>5,966</b>		<b>\$419,591</b>		<b>5,342,058</b>		<b>\$170,422</b>	<b>\$20,933</b>	<b>\$11,436</b>	<b>\$32,369</b>	<b>\$622,382</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

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



1998

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

YEAR 3( 2nd HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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 Electnc	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	\$907	\$19,039
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>999</b>	<b>6,090</b>		<b>\$424,101</b>		<b>5,961,398</b>		<b>\$185,525</b>	<b>\$17,645</b>	<b>\$8,685</b>	<b>\$26,330</b>	<b>\$635,956</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	178	795	\$534.85	\$95,203	0	0	n/a	\$0	\$4,760	\$4,760	\$4,760	\$99,963
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a	\$0	\$1,260	\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>221</b>	<b>906</b>		<b>\$182,536</b>		<b>802,200</b>		<b>\$34,011</b>	<b>\$23,729</b>	<b>\$6,020</b>	<b>\$29,749</b>	<b>\$246,296</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	3	59	\$852.33	\$2,557	0	0	n/a	\$0	\$128	\$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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>4</b>	<b>63</b>		<b>\$4,987</b>		<b>0</b>		<b>\$0</b>	<b>\$383</b>	<b>\$128</b>	<b>\$511</b>	<b>\$5,498</b>
<b>TOTAL COMPANY</b>	<b>1,224</b>	<b>7,059</b>		<b>\$611,624</b>		<b>6,763,598</b>		<b>\$219,536</b>	<b>\$41,757</b>	<b>\$14,833</b>	<b>\$56,590</b>	<b>\$887,750</b>

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

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

YEAR 4 ( 1st HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X( 5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>693</b>	<b>6,711</b>		<b>\$379,941</b>		<b>5,352,977</b>		<b>\$166,601</b>	<b>\$27,663</b>	<b>\$7,158</b>	<b>\$34,821</b>	<b>\$581,363</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	186	964	\$204.71	\$38,076	0	0	n/a		\$0	\$1,904	\$1,904	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a		\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>211</b>	<b>1,111</b>		<b>\$114,364</b>		<b>804,291</b>		<b>\$34,115</b>	<b>\$2,182</b>	<b>\$4,068</b>	<b>\$6,250</b>	<b>\$154,729</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	60	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a		\$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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>65</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>904</b>	<b>7,920</b>		<b>\$494,305</b>		<b>6,215,216</b>		<b>\$200,716</b>	<b>\$29,845</b>	<b>\$11,226</b>	<b>\$41,071</b>	<b>\$736,092</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

\* 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	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG. 19C)	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)	(9)	(4)X(5)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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	\$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	\$87,677
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>471</b>	<b>5,900</b>		<b>\$255,525</b>		<b>4,964,142</b>		<b>\$154,490</b>	<b>\$22,975</b>	<b>\$4,035</b>	<b>\$27,010</b>	<b>\$437,025</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	188	1,129	\$356.11	\$66,948	0	0	n/a		\$0	\$3,347	\$3,347	\$70,295
- Class 2	21	103	\$2,705.00	\$56,805	0	0	n/a		\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>242</b>	<b>1,311</b>		<b>\$216,600</b>		<b>1,059,925</b>		<b>\$44,965</b>	<b>\$7,913</b>	<b>\$6,187</b>	<b>\$14,100</b>	<b>\$275,665</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	57	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a		\$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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>62</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>713</b>	<b>7,273</b>		<b>\$472,125</b>		<b>6,024,067</b>		<b>\$199,455</b>	<b>\$30,888</b>	<b>\$10,222</b>	<b>\$41,110</b>	<b>\$712,690</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

\* 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

YEAR 5 (1st half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X( 5%)		
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	2,161	\$0.00	\$0	707	1,527,827	\$0.03	\$47,546	\$0	\$0	\$0	\$47,546
Targeted Energy Efficiency - All Electric	66	659	\$1,272.61	\$83,992	630	415,170	\$0.03	\$12,916	\$0	\$4,200	\$4,200	\$101,108
- 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	38	683	\$200.00	\$7,600	1,200	819,600	\$0.03	\$25,522	\$1,679	\$0	\$1,679	\$34,801
- Non Resistance Heat	0	348	\$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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>278</b>	<b>5,038</b>		<b>\$170,185</b>		<b>4,517,400</b>		<b>\$140,576</b>	<b>\$10,095</b>	<b>\$4,200</b>	<b>\$14,295</b>	<b>\$325,056</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	144	1,126	\$397.19	\$57,195	0	0	n/a	\$0	\$0	\$2,860	\$2,860	\$60,055
- Class 2	8	112	\$2,705.00	\$21,640	0	0	n/a	\$0	\$0	\$1,082	\$1,082	\$22,722
Smart Financing - Existing Building	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 - New Building	4	20	\$6,298.75	\$25,195	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$38,306
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>172</b>	<b>1,344</b>		<b>\$124,947</b>		<b>1,424,272</b>		<b>\$60,436</b>	<b>\$4,770</b>	<b>\$3,942</b>	<b>\$8,712</b>	<b>\$194,095</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS -</b> (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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>450</b>	<b>6,382</b>		<b>\$295,132</b>		<b>5,941,672</b>		<b>\$201,012</b>	<b>\$14,865</b>	<b>\$8,142</b>	<b>\$23,007</b>	<b>\$519,151</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

\* 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												
YEAR 5 (2nd half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(4)+(8)+(11)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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	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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>282</b>	<b>3,881</b>		<b>\$192,764</b>		<b>3,690,259</b>		<b>\$114,826</b>	<b>\$9,006</b>	<b>\$5,521</b>	<b>\$14,527</b>	<b>\$322,117</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>212</b>	<b>1,242</b>		<b>\$133,936</b>		<b>1,584,496</b>		<b>\$67,228</b>	<b>\$5,581</b>	<b>\$5,236</b>	<b>\$10,817</b>	<b>\$211,981</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>494</b>	<b>5,123</b>		<b>\$326,700</b>		<b>5,274,755</b>		<b>\$182,054</b>	<b>\$14,587</b>	<b>\$10,757</b>	<b>\$25,344</b>	<b>\$534,098</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

\* 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

YEAR 6 (1st Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	(11)	(12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(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
- Non-All Electric												
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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>239</b>	<b>3,281</b>		<b>\$154,974</b>		<b>3,358,377</b>		<b>\$104,493</b>	<b>\$9,256</b>	<b>\$3,959</b>	<b>\$13,215</b>	<b>\$272,682</b>
COMMERCIAL PROGRAMS					0	0	n/a	\$0	\$0	\$2,156	\$2,156	\$45,280
Smart Audit - Class 1	134	1,017	\$321.82	\$43,124	0	0	n/a	\$0	\$0	\$2,114	\$2,114	\$44,394
- Class 2	28	105	\$1,510.00	\$42,280	0	0	n/a	\$0	\$0	\$0	\$0	\$101,122
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	\$49,305
Smart Financing - New Building	8	25	\$4,016.13	\$32,129	14,101	352,525	\$0.04277	\$15,077	\$2,099	\$0	\$2,099	\$240,101
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>185</b>	<b>1,259</b>		<b>\$152,168</b>		<b>1,840,109</b>		<b>\$78,076</b>	<b>\$5,587</b>	<b>\$4,270</b>	<b>\$9,857</b>	<b>\$240,101</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)					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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>424</b>	<b>4,540</b>		<b>\$307,142</b>		<b>5,198,486</b>		<b>\$182,569</b>	<b>\$14,843</b>	<b>\$8,229</b>	<b>\$23,072</b>	<b>\$512,783</b>

\* 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

YEAR 6 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10)	(11)	(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
Targeted Energy Efficiency - 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
High - Efficiency Heat Pump - 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	996,840	\$0.03110	\$31,002	\$4,087	\$0	\$4,087	\$86,189
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>303</b>	<b>2,627</b>		<b>\$173,707</b>		<b>2,920,316</b>		<b>\$90,858</b>	<b>\$9,602</b>	<b>\$4,483</b>	<b>\$14,085</b>	<b>\$278,650</b>
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>169</b>	<b>1,220</b>		<b>\$165,916</b>		<b>1,927,206</b>		<b>\$81,819</b>	<b>\$8,210</b>	<b>\$5,428</b>	<b>\$13,638</b>	<b>\$261,373</b>
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>472</b>	<b>3,847</b>		<b>\$339,623</b>		<b>4,847,522</b>		<b>\$172,677</b>	<b>\$17,812</b>	<b>\$9,911</b>	<b>\$27,723</b>	<b>\$540,023</b>

\* 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

YEAR 7 ( 1st Half )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS (KWH/HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY (EX. C, PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X( 5%)		
<b>RESIDENTIAL PROGRAMS</b>												
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
Targeted Energy Efficiency - 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
High - Efficiency Heat Pump - 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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>196</b>	<b>1,989</b>		<b>\$176,879</b>		<b>2,456,841</b>		<b>\$76,435</b>	<b>\$1,656</b>	<b>\$5,520</b>	<b>\$7,176</b>	<b>\$260,490</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	125	923	\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,706	\$2,706	\$56,821
Smart Audit - 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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>145</b>	<b>1,170</b>		<b>\$108,645</b>		<b>1,933,724</b>		<b>\$82,142</b>	<b>\$2,940</b>	<b>\$4,190</b>	<b>\$7,130</b>	<b>\$197,917</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS -</b> (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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>341</b>	<b>3,159</b>		<b>\$285,524</b>		<b>4,390,565</b>		<b>\$158,577</b>	<b>\$4,596</b>	<b>\$9,710</b>	<b>\$14,306</b>	<b>\$458,407</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

\* 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

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

YEAR 7 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
				(1)X(3)	(KWH/PARTIC)	(KWH/HALF)	(\$/KWH)	(6)X(7)		(4)X( 5%)		
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	469,796	\$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	0	177	\$0.00	(\$352)	1,200	212,400	\$0.03114	\$6,614	\$0	\$0	\$0	\$6,262
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>193</b>	<b>1,617</b>		<b>\$145,031</b>		<b>2,022,559</b>		<b>\$62,921</b>	<b>\$1,548</b>	<b>\$3,949</b>	<b>\$5,497</b>	<b>\$213,449</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$0	\$3,721	\$3,721	\$78,143
- Class 2	0	90	\$0.00	\$0	0	0	n/a	\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>41</b>	<b>1,017</b>		<b>\$135,965</b>		<b>1,908,842</b>		<b>\$81,100</b>	<b>\$10,011</b>	<b>\$3,721</b>	<b>\$13,732</b>	<b>\$230,797</b>
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>234</b>	<b>2,634</b>		<b>\$280,996</b>		<b>3,931,401</b>		<b>\$144,021</b>	<b>\$11,559</b>	<b>\$7,670</b>	<b>\$19,229</b>	<b>\$444,246</b>

\* 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	20
YEAR 8 (1st HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS KWH/HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOSST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ACTUAL COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C. PG.19C) (9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X( 5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>288</b>	<b>1,463</b>		<b>\$135,054</b>		<b>1,806,024</b>		<b>\$56,185</b>	<b>\$3,327</b>	<b>\$4,249</b>	<b>\$7,576</b>	<b>\$198,815</b>
<b>COMMERCIAL PROGRAMS</b>												
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>852</b>		<b>\$0</b>		<b>2,151,969</b>		<b>\$91,426</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$91,426</b>
<b>INDUSTRIAL PROGRAMS -</b> (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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>288</b>	<b>2,315</b>		<b>\$135,054</b>		<b>3,957,993</b>		<b>\$147,611</b>	<b>\$3,327</b>	<b>\$4,249</b>	<b>\$7,576</b>	<b>\$290,241</b>

\* 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
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 9B of
												20
YEAR 8 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL	NET LOST	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM	REV/HALF	ENERGY SAVINGS	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/HALF	(\$/KWH)	REVENUES	(EX. C. PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)X(3)	(2)X(5)			(6)X(7)		(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	69	473	\$974.94	\$67,271	1,028	486,244	\$0.03111	\$15,127	\$0	\$3,364	\$3,364	\$85,762
- Non-All Electric	69	167	\$76.10	\$5,251	316	52,772	\$0.03124	\$1,649	\$295	\$0	\$295	\$7,195
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	63	\$0.00	\$0	1,200	75,600	\$0.03114	\$2,354	\$0	\$0	\$0	\$2,354
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	29	256	\$453.45	\$13,150	1,144	292,864	\$0.03110	\$9,108	\$839	\$0	\$839	\$23,097
Mobile Home New Construction ***												
- Heat Pump	64	419	\$649.59	\$41,574	1,810	758,390	\$0.03110	\$23,586	\$260	\$0	\$260	\$65,420
- Air Conditioner	1	0	\$150.00	\$150	158	0	\$0.03124	\$0	\$0	\$0	\$0	\$150
Modified Energy Fitness	441	324	\$431.43	\$190,262	1,194	386,856	\$0.03116	\$12,054	\$9,287	\$0	\$9,287	\$211,603
TOTAL RESIDENTIAL PROGRAMS	673	1,702		\$317,658		2,052,726		\$63,878	\$10,681	\$3,364	\$14,045	\$395,581
	=====	=====		=====		=====		=====	=====	=====	=====	=====
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	453	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	63	\$0.00	\$0	0	0	n/a	\$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	\$43,312
Smart Financing - New Building	0	47	\$0.00	\$0	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	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	673	2,342		\$317,658		3,738,234		\$135,538	\$10,681	\$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												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 10A of 20
YEAR 9 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS (KWH/HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.19C) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS			\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness	0	0										
Targeted Energy Efficiency	72	463	\$751.54	\$54,111	1,028	475,964	\$0.03111	\$14,807	\$0	\$2,706	\$2,706	\$71,624
- All Electric	10	179	\$78.60	\$786	314	56,206	\$0.03124	\$1,756	\$43	\$0	\$43	\$2,585
- Non-All Electric												
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	42	\$0.00	\$0	1,200	50,400	\$0.03114	\$1,569	\$0	\$0	\$0	\$1,569
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat												
High - Efficiency Heat Pump	41	247	\$428.05	\$17,550	1,144	282,568	\$0.03110	\$8,788	\$1,186	\$0	\$1,186	\$27,524
- Mobile Home												
Mobile Home New Construction ***	68	394	\$503.68	\$34,250	1,808	712,352	\$0.03110	\$22,154	\$276	\$0	\$276	\$56,680
- Heat Pump	1	1	\$150.00	\$150	157	157	\$0.03124	\$5	\$0	\$0	\$0	\$155
- Air Conditioner												
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			\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	30	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	54	\$0.00	\$0	13,282	717,228	\$0.04235	\$30,375	\$0	\$0	\$0	\$30,375
Smart Financing - Existing Building	0	43	\$0.00	\$0	14,101	606,343	\$0.04277	\$25,933	\$0	\$0	\$0	\$25,933
Smart Financing - New Building												
TOTAL COMMERCIAL PROGRAMS	0	465		\$0		1,323,571		\$56,308	\$0	\$0	\$0	\$56,308
	=====	=====		=====		=====		=====	=====	=====	=====	=====
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)			\$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												
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 20
YEAR 9 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS KWH/ HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (1)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/PARTIC) (5)	(2)X(6) (6)	(7)	(8) (6)X(7)	(9)	(4)X(5%) (10)	(9)+(10) (11)	(4)+(8)+(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	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	\$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	\$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	\$0
TOTAL COMPANY	668	2,644	\$303,059	\$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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 11A of	20
YEAR 10 (1st Half)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL ENERGY SAVINGS	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ACTUAL
	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM	REV/QTR	KWH/ HALF	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)X(3)		(2)X(5)		(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	267	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
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	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
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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 11B of	20
YEAR 10 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C. PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(6)X(7)		(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	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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>585</b>	<b>3,163</b>		<b>\$299,558</b>		<b>2,574,888</b>		<b>\$80,159</b>	<b>\$28,823</b>	<b>\$5,132</b>	<b>\$33,955</b>	<b>\$413,672</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>31</b>		<b>\$0</b>		<b>420,762</b>		<b>\$17,885</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,885</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>585</b>	<b>3,194</b>		<b>\$299,558</b>		<b>2,995,650</b>		<b>\$98,044</b>	<b>\$28,823</b>	<b>\$5,132</b>	<b>\$33,955</b>	<b>\$431,557</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

\* 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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 12A of	20
YEAR 11 (1st HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL ENERGY	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ACTUAL
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM COSTS	REV/QTRS	SAVINGS	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C. PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(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	75	496	\$974.31	\$73,073	896	444,416	\$0.03111	\$13,826	\$0	\$3,654	\$3,654	\$90,553
- Non-All Electric	34	249	\$84.56	\$2,875	267	66,463	\$0.03124	\$2,077	\$671	\$0	\$671	\$5,623
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	48	230	\$446.06	\$21,411	1,145	263,350	\$0.03110	\$8,190	\$3,802	\$0	\$3,802	\$33,403
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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 12B of	20
YEAR 11 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL	NET LOST	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM	REV/QTRS	ENERGY SAVINGS	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS			(1)X(3)	(2)X(5)	(6)X(7)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)				
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	87	481	\$1,147.46	\$99,829	896	430,976	\$0.03111	\$13,408	\$0	\$4,991	\$4,991	\$118,228
- Non-All Electric	46	254	\$84.00	\$3,864	266	67,564	\$0.03124	\$2,111	\$908	\$0	\$908	\$6,883
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	245	\$460.00	\$20,700	1,144	280,280	\$0.03110	\$8,717	\$3,564	\$0	\$3,564	\$32,981
Mobile Home New Construction ***												
- Heat Pump	94	460	\$544.15	\$51,150	1,808	831,680	\$0.03110	\$25,865	\$11,746	\$0	\$11,746	\$88,761
- Air Conditioner	0	2	\$0.00	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	560	2,391	\$427.85	\$239,596	612	1,463,292	\$0.03116	\$45,596	\$23,565	\$0	\$23,565	\$308,757
TOTAL RESIDENTIAL PROGRAMS	832	3,833		\$415,139		3,074,108		\$95,707	\$39,783	\$4,991	\$44,774	\$555,620
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
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	832	3,833		\$415,139		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													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													13A of
													20
YEAR 12 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C, PG.19C) (9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)	
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency													
- All Electric	128	295	\$1,022.27	\$130,851	896	264,320	\$0.04346	\$11,487	\$0	\$6,543	\$6,543	\$148,881	
- Non-All Electric	29	115	\$86.48	\$2,508	277	31,855	\$0.04362	\$1,390	\$572	\$0	\$572	\$4,470	
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													
High - Efficiency Heat Pump - Mobile Home	50	153	\$450.00	\$22,500	1,145	175,185	\$0.04346	\$7,614	\$3,960	\$0	\$3,960	\$34,074	
Mobile Home New Construction ***													
- Heat Pump	84	304	\$563.10	\$47,300	1,810	550,240	\$0.04348	\$23,924	\$10,497	\$0	\$10,497	\$81,721	
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	515	1,605	\$381.00	\$198,214	613	983,865	\$0.04349	\$42,788	\$21,671	\$0	\$21,671	\$260,673	
Case No 2006 - 00373, Dated December 14, 2006:													
- HEAP - Kentucky Power Company's Information Technology Implementation Costs				\$58,968								\$58,968	
- 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	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	\$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	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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 12 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C. PG.19C) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness												
Targeted Energy Efficiency	100	421	\$879.82	\$87,982	896	377,216	\$0.04346	\$16,394	\$0	\$4,399	\$4,399	\$108,775
- All Electric	50	151	\$89.58	\$4,479	276	41,676	\$0.04362	\$1,818	\$987	\$0	\$987	\$7,284
- 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	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	45	209	\$450.00	\$20,250	1,144	239,096	\$0.04346	\$10,391	\$3,564	\$0	\$3,564	\$34,205
- Mobile Home												
Mobile Home New Construction ***	129	426	\$551.94	\$71,200	1,808	770,208	\$0.04348	\$33,489	\$16,120	\$0	\$16,120	\$120,809
- Heat Pump	0	0	\$0.00	\$0	158	0	\$0.04343	\$0	\$0	\$0	\$0	\$0
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$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	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
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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 14B of	20
YEAR 13 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ACTUAL COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C, PG.19C) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (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	89	545	\$991.21	\$88,218	1,016	553,720	\$0.04346	\$24,065	\$6,873	\$0	\$6,873	\$119,156
- Non-All Electric	20	223	\$87.50	\$1,750	568	126,664	\$0.04345	\$5,504	\$1,234	\$0	\$1,234	\$8,488
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	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												
- Mobile Home	74	289	\$442.57	\$32,750	874	252,586	\$0.04346	\$10,977	\$10,359	\$0	\$10,359	\$54,086
Mobile Home New Construction												
- Heat Pump	108	548	\$550.00	\$59,400	860	471,280	\$0.04348	\$20,491	\$12,047	\$0	\$12,047	\$91,938
- 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	\$52,412	\$0	\$52,412	\$505,197
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	731	4,398		\$338,910		2,619,205		\$113,875	\$52,412	\$0	\$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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 15A of	20
	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	PROGRAM	ACTUAL	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ACTUAL
			COSTS	PROGRAM		SAVINGS	REVENUE	LOST				COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(4)/(1)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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												
- 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												
- Mobile Home	61	299	** \$449.18	\$27,400	875	261,625	\$0.04350	\$11,381	\$8,539	\$0	\$8,539	\$47,320
Mobile Home New Construction												
- Heat Pump	88	552	** \$552.84	\$48,650	861	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	\$572	\$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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>1,730</b>	<b>4,583</b>		<b>\$416,347</b>		<b>2,679,179</b>		<b>\$116,471</b>	<b>\$68,061</b>	<b>\$1,350</b>	<b>\$69,411</b>	<b>\$602,229</b>
=====												
<b>COMMERCIAL PROGRAMS</b>												
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
=====												
<b>INDUSTRIAL PROGRAMS -</b> (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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
=====												
<b>TOTAL COMPANY</b>	<b>1,730</b>	<b>4,583</b>		<b>\$416,347</b>		<b>2,679,179</b>		<b>\$116,471</b>	<b>\$68,061</b>	<b>\$1,350</b>	<b>\$69,411</b>	<b>\$602,229</b>
=====												

\* 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
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 15B of
YEAR 14 (2nd HALF)												20
PROGRAM DESCRIPTIONS	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	ACTUAL	ACTUAL	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ACTUAL
	NUMBER	NUMBER	PROGRAM	PROGRAM	(KWH/ PARTICIPANT)	SAVINGS	REVENUE	LOST	(EX. C. PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(4)/(1)			(2)X(5)		(6)X(7)		(4)X(5%)	(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	140	620 **	\$993.48	\$139,087	1,016	629,920	\$0.04346	\$27,376	\$10,811	\$0	\$10,811	\$177,274
- Non-All Electric	61	200 **	\$101.34	\$6,182	568	113,600	\$0.04352	\$4,944	\$3,762	\$0	\$3,762	\$14,888
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												
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												
Modified Energy Fitness	375	2,631 **	\$372.99	\$139,871	435	1,144,485	\$0.04345	\$49,728	\$18,664	\$0	\$18,664	\$208,263
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	43,200	\$0.04353	\$1,880	\$0	\$3,525	\$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												
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	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 16A of
												20
YEAR 15 (1st HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	PROGRAM	PROGRAM	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ QTR	(\$/KWH)	REVENUES	(EX. C. PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(4)/(1)			(2)X(5)		(6)X(7)		(4)X(5)	(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	174	720	** \$1,161.51	\$202,103	1,016	731,520	\$0.04346	\$31,792	\$13,436	\$0	\$13,436	\$247,331
- Non-All Electric	31	237	** \$114.10	\$3,537	568	134,616	\$0.04352	\$5,858	\$1,912	\$0	\$1,912	\$11,307
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	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												
- Mobile Home	97	416	** \$422.16	\$40,950	875	364,000	\$0.04350	\$15,834	\$13,579	\$0	\$13,579	\$70,363
Mobile Home New Construction												
- Heat Pump	115	621	** \$527.83	\$60,700	861	534,681	\$0.04351	\$23,264	\$4,462	\$0	\$4,462	\$88,426
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
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												
- Resistance Heat Replacement	97	135	*** \$450.00	\$43,650	1,879	253,665	\$0.04349	\$11,032	\$46,376	\$0	\$46,376	\$101,058
- Heat Pump Replacement	272	348	*** \$416.73	\$113,350	301	104,748	\$0.04353	\$4,560	\$0	\$5,668	\$5,668	\$123,578
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
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>4,419</b>	<b>11,020</b>		<b>\$728,571</b>		<b>3,827,389</b>		<b>\$166,495</b>	<b>\$120,324</b>	<b>\$5,668</b>	<b>\$125,992</b>	<b>\$1,021,058</b>
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>4,419</b>	<b>11,020</b>		<b>\$728,571</b>		<b>3,827,389</b>		<b>\$166,495</b>	<b>\$120,324</b>	<b>\$5,668</b>	<b>\$125,992</b>	<b>\$1,021,058</b>

\* 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													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													16B-1 of
YEAR PROGRAM													20
YEAR 15 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ACTUAL PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/QTRs)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE (12)	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6)	(7)	(8)X(7)	(9)	(4)X(5%) (10)	(9)+(10) (11)	(4)+(8)+(11) (12)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	172	787	** \$809.62	\$139,254	1,016	799,592	\$0.05746	\$45,945	\$13,282	\$0	\$13,282	\$198,481	
- Non-All Electric	23	242	** \$102.35	\$2,354	568	137,456	\$0.05746	\$7,898	\$1,419	\$0	\$1,419	\$11,671	
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	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat													
High - Efficiency Heat Pump													
- Mobile Home	136	496	** \$469.49	\$63,850	875	434,000	\$0.05750	\$24,955	\$19,039	\$0	\$19,039	\$107,844	
Mobile Home New Construction													
- Heat Pump	119	617	** \$558.82	\$66,500	861	531,237	\$0.05745	\$30,520	\$13,274	\$0	\$13,274	\$110,294	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness													
High Efficiency Heat Pump													
- Resistance Heat Replacement	155	264	*** \$326.00	\$50,530	1,879	496,056	\$0.05748	\$28,513	\$74,106	\$0	\$74,106	\$153,149	
- Heat Pump Replacement	237	621	*** \$559.79	\$132,670	301	186,921	\$0.05750	\$10,748	\$0	\$6,634	\$6,634	\$150,052	
Energy Education for Student Program (NEED)	1,059	1,220	*** \$5.55	\$5,880	74	90,280	\$0.05714	\$5,159	\$5,274	\$0	\$5,274	\$16,313	
Community Outreach Program (CFL)	2,167	3,516	*** \$6.72	\$14,570	91	319,956	\$0.05768	\$18,455	\$10,813	\$0	\$10,813	\$43,838	
Residential Efficient Products													
- Compact Fluorescent Lamp (CFL)	0	0	\$0.00	\$0	0	0	\$0.05818	\$0	\$0	\$0	\$0	\$0	
- Specialty Bulbs	0	0	\$0.00	\$0	0	0	\$0.05793	\$0	\$0	\$0	\$0	\$0	
- LED Lights	0	0	\$0.00	\$0	0	0	\$0.05854	\$0	\$0	\$0	\$0	\$0	
HVAC Diagnostic & Tune-Up													
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.05749	\$0	\$0	\$0	\$0	\$0	
- Heat Pump	28	3	\$101.79	\$2,850	371	1,113	\$0.05749	\$64	\$319	\$0	\$319	\$3,233	
Residential Load Management (Pilot Program)													
- 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	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>4,795</b>	<b>10,705</b>		<b>\$700,315</b>		<b>4,275,076</b>		<b>\$245,794</b>	<b>\$172,315</b>	<b>\$6,634</b>	<b>\$178,949</b>	<b>\$1,125,058</b>	

Year 2010												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 16B-2 of	20
YEAR 15 (2nd HALF)	NEW	CUMULATIVE	AVERAGE ACTUAL	TOTAL ACTUAL	NET LOST	TOTAL ENERGY SAVINGS	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ACTUAL
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM COSTS	REV/QTRS	KWH/ QTRs	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
	NUMBER	NUMBER	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ QTRs	(\$/KWH)	REVENUES	(EX. C. PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(4) / (1)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>COMMERCIAL PROGRAMS</b>												
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
<b>Commercial A/C &amp; Heat Pump Program</b>												
- 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	\$0.58599	\$0	\$0	\$0	\$0	\$0
<b>HVAC Diagnostic &amp; Tune-Up</b>												
- 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
<b>Commercial Load Management (Pilot Program)</b>												
- 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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>1</b>	<b>0</b>		<b>\$125</b>		<b>0</b>		<b>\$0</b>	<b>\$30</b>	<b>\$0</b>	<b>\$30</b>	<b>\$155</b>
<b>INDUSTRIAL PROGRAMS -</b> (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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>4,796</b>	<b>10,705</b>		<b>\$700,440</b>		<b>4,275,076</b>		<b>\$245,794</b>	<b>\$172,345</b>	<b>\$6,634</b>	<b>\$178,979</b>	<b>\$1,125,213</b>

\* 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-1 of
YEAR PROGRAM													20
YEAR 16 (1st HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL	
	PARTICIPANT	PARTICIPANT	PROGRAM	PROGRAM	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ACTUAL	
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/	KWH/	(\$/KWH)	REVENUES	(EX. C,	(5% of	INCENTIVE	RECOVERED	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
			(4) / (1)		(2)X(5)	(6)X(7)		(9)X(7)		(4)X(5)	(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	110	814	\$692.04	\$76,124	1,050	854,700	\$0.05746	\$49,111	\$16,253	\$0	\$16,253	\$141,488	
- Non-All Electric	6	208	\$140.17	\$841	448	93,184	\$0.05746	\$5,354	\$0	\$42	\$42	\$6,237	
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	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													
- Mobile Home	94	442	\$502.11	\$47,198	1,403	620,126	\$0.05750	\$35,657	\$27,615	\$0	\$27,615	\$110,470	
Mobile Home New Construction													
- Heat Pump	68	624	\$680.15	\$46,250	731	456,144	\$0.05745	\$26,205	\$6,393	\$0	\$6,393	\$78,848	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness													
High Efficiency Heat Pump													
- Resistance Heat Replacement	154	328	** \$452.59	\$69,699	728	238,784	\$0.05748	\$13,725	\$12,030	\$0	\$12,030	\$95,454	
- Heat Pump Replacement	212	608	** \$429.25	\$91,000	923	561,184	\$0.05750	\$32,268	\$25,033	\$0	\$25,033	\$148,301	
Energy Education for Student Program (NEED)	938	2,034	** \$12.40	\$11,635	48	97,632	\$0.05714	\$5,579	\$1,613	\$0	\$1,613	\$18,827	
Community Outreach Program (CFL)	2,518	5,442	** \$19.93	\$50,179	50	272,100	\$0.05768	\$15,695	\$9,871	\$0	\$9,871	\$75,745	
Residential Efficient Products													
- Compact Fluorescent Lamp (CFL)	77,764	20,801	\$1.82	\$141,810	17	353,617	\$0.05818	\$20,573	\$24,107	\$0	\$24,107	\$186,490	
- Specialty Bulbs	0	0	\$0.00	\$8	15	0	\$0.05793	\$0	\$0	\$0	\$0	\$8	
- LED Lights	0	0	\$0.00	\$259	21	0	\$0.05854	\$0	\$0	\$0	\$0	\$259	
HVAC Diagnostic & Tune-Up													
- Air Conditioner	64	19	\$50.00	\$3,200	155	2,945	\$0.05749	\$169	\$84	\$0	\$84	\$3,453	
- Heat Pump	290	148	\$72.24	\$20,950	371	54,908	\$0.05749	\$3,157	\$3,300	\$0	\$3,300	\$27,407	
Residential Load Management (Pilot Program)													
- 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	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>82,863</b>	<b>34,507</b>		<b>\$782,656</b>		<b>4,465,361</b>		<b>\$256,962</b>	<b>\$135,755</b>	<b>\$42</b>	<b>\$135,797</b>	<b>\$1,175,415</b>	

Year 2011												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 17A-2 of	20
YEAR 16 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ACTUAL PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS (KWH/ PARTICIPANT)	TOTAL ENERGY SAVINGS KWH/ QTR	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C, PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) (4) / (1)	(4)	(5)	(6) (2)X(5)	(7)	(8) (6)X(7)	(9)	(10) (4)X(5%)	(9)+(10)	(4)+(8)+(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	1	0	\$300.00	\$300	140	0	\$0.06482	\$0	\$1	\$0	\$1	\$301
- Heat Pump Replacement	15	4	\$256.67	\$3,850	558	2,232	\$0.06482	\$145	\$872	\$0	\$872	\$4,867
HVAC Diagnostic & Tune-Up												
- Air Conditioner	1	0	\$0.00	\$0	343	0	\$0.06480	\$0	\$7	\$0	\$7	\$7
- Heat Pump	18	8	\$72.22	\$1,300	818	6,544	\$0.06476	\$424	\$532	\$0	\$532	\$2,256
Commercial Load Management (Pilot Program)												
- 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	\$0.06603	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>35</b>	<b>12</b>		<b>\$5,450</b>			<b>8,776</b>	<b>\$569</b>	<b>\$1,412</b>	<b>\$0</b>	<b>\$1,412</b>	<b>\$7,431</b>
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>			<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>82,898</b>	<b>34,519</b>		<b>\$788,106</b>			<b>4,474,137</b>	<b>\$257,531</b>	<b>\$137,167</b>	<b>\$42</b>	<b>\$137,209</b>	<b>\$1,182,846</b>

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

\*\* 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 ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 17B-1 of	20
YEAR 16 (2nd HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL	
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	PROGRAM	PROGRAM	REV/QTRS	ENERGY	LOST	LOST *	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE	
	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ QTRs	(\$/KWH)	REVENUES	(EX. C, PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
			(4) / (1)			(2)X(5)		(6)X(7)		(4)X(5)	(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	141	769	\$1,428.37	\$201,400	526	404,494	\$0.05749	\$23,254	\$20,833	\$0	\$20,833	\$245,487	
- Non-All Electric	23	195	\$114.30	\$2,629	224	43,680	\$0.05746	\$2,510	\$0	\$131	\$131	\$5,270	
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	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													
- Mobile Home	114	552	\$417.85	\$47,635	702	387,504	\$0.05750	\$22,281	\$33,491	\$0	\$33,491	\$103,407	
Mobile Home New Construction													
- Heat Pump	92	603	\$500.38	\$46,035	365	220,095	\$0.05749	\$12,653	\$8,649	\$0	\$8,649	\$67,337	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	556	3,354	\$397.49	\$221,004	142	476,268	\$0.05757	\$27,419	\$8,151	\$0	\$8,151	\$256,574	
High Efficiency Heat Pump													
- Resistance Heat Replacement	121	483	** \$480.50	\$58,140	365	176,295	\$0.05745	\$10,128	\$9,453	\$0	\$9,453	\$77,721	
- Heat Pump Replacement	194	678	** \$466.22	\$90,446	461	312,558	\$0.05750	\$17,972	\$22,908	\$0	\$22,908	\$131,326	
Energy Education for Student Program (NEED)	958	3,383	** \$12.90	\$12,361	24	81,192	\$0.05750	\$4,669	\$1,648	\$0	\$1,648	\$18,678	
Community Outreach Program (CFL)	2,397	3,845	** \$3.89	\$9,335	26	99,970	\$0.05765	\$5,763	\$9,396	\$0	\$9,396	\$24,494	
Residential Efficient Products													
- Compact Fluorescent Lamp (CFL)	55,928	28,215	\$3.06	\$170,927	8	225,720	\$0.05818	\$13,132	\$17,338	\$0	\$17,338	\$201,397	
- Specialty Bulbs	0	0	\$0.00	\$26	7	0	\$0.05793	\$0	\$0	\$0	\$0	\$26	
- LED Lights	0	0	\$0.00	\$1,125	10	0	\$0.05854	\$0	\$0	\$0	\$0	\$1,125	
HVAC Diagnostic & Tune-Up													
- Air Conditioner	168	101	\$142.19	\$23,888	78	7,878	\$0.05749	\$453	\$220	\$0	\$220	\$24,561	
- Heat Pump	440	178	\$118.61	\$52,188	185	32,930	\$0.05749	\$1,893	\$5,007	\$0	\$5,007	\$59,088	
Residential Load Management (Pilot Program)													
- Air Conditioner	6	1	\$8,624.83	\$51,749	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$51,749	
- Water Heating	4	1	\$12,937.25	\$51,749	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$51,749	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>61,142</b>	<b>42,358</b>		<b>\$1,040,637</b>		<b>2,468,584</b>		<b>\$142,127</b>	<b>\$137,094</b>	<b>\$131</b>	<b>\$137,225</b>	<b>\$1,319,989</b>	

Year 2011												Exhibit C
KENTUCKY POWER COMPANY												PAGE
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												17B-2 of
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YEAR 16 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/ QTRS)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.19C) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
	(1)	(2)	(3) / (1)	(4)	(5)	(6)	(7)	(8)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)
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
Commercial A/C & Heat Pump Program												
- Air Conditioner Replacement	2	1	\$4,053.00	\$8,106	71	71	\$0.07447	\$5	\$2	\$0	\$2	\$8,113
- Heat Pump Replacement	6	2	\$1,876.33	\$11,258	279	558	\$0.07430	\$41	\$349	\$0	\$349	\$11,648
HVAC Diagnostic & Tune-Up												
- Air Conditioner	45	30	\$223.56	\$10,060	172	5,160	\$0.07424	\$383	\$326	\$0	\$326	\$10,769
- Heat Pump	88	47	\$178.81	\$15,735	410	19,270	\$0.07429	\$1,432	\$2,601	\$0	\$2,601	\$19,768
Commercial Load Management (Pilot Program)												
- Air Conditioner	0	0	\$0.00	\$7,157	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$7,157
- Water Heating	0	0	\$0.00	\$7,157	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$7,157
Commercial Incentive	18	2	\$14,017.44	\$252,314	3,739	7,478	\$0.07512	\$562	\$42,852	\$0	\$42,852	\$295,728
TOTAL COMMERCIAL PROGRAMS	159	82		\$311,787		32,537		\$2,423	\$46,130	\$0	\$46,130	\$360,340
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	61,301	42,440		\$1,352,424		2,501,121		\$144,550	\$183,224	\$131	\$183,355	\$1,680,329

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* 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 2012													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 18A-1 of
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YEAR 17 (1st QTR)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ QTRs	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12)	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) (4) / (1)	(4)	(5)	(6) (2)X(5)	(7)	(8) (6)X(7)	(9)	(10) (4)X( 5%)	(11) (9)+(10)	(12) (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	65	865	\$1,019.35	\$66,258	491	424,715	\$0.05749	\$24,417	\$6,033	\$0	\$6,033	\$96,708	
- Non-All Electric	5	161	\$70.00	\$350	218	35,098	\$0.05746	\$2,017	\$464	\$0	\$464	\$2,831	
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	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													
- Mobile Home	38	615	\$450.00	\$17,100	646	397,290	\$0.05750	\$22,844	\$8,997	\$0	\$8,997	\$48,941	
Mobile Home New Construction													
- Heat Pump	34	580	\$551.32	\$18,745	420	243,600	\$0.05749	\$14,005	\$2,821	\$0	\$2,821	\$35,571	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	290	3,235	\$355.83	\$103,192	163	527,305	\$0.05757	\$30,357	\$1,847	\$0	\$1,847	\$135,396	
High Efficiency Heat Pump													
- Resistance Heat Replacement	71	342	** \$450.00	\$31,950	336	114,912	\$0.05745	\$6,602	\$16,099	\$0	\$16,099	\$54,651	
- Heat Pump Replacement	110	530	** \$450.00	\$49,500	425	225,250	\$0.05750	\$12,952	\$24,941	\$0	\$24,941	\$87,393	
Energy Education for Student Program (NEED)	600	2,196	** \$15.85	\$9,510	56	122,976	\$0.05750	\$7,071	\$1,902	\$0	\$1,902	\$18,483	
Community Outreach Program (CFL)	280	2,368	** \$12.19	\$3,413	62	146,816	\$0.05765	\$8,464	\$1,336	\$0	\$1,336	\$13,213	
Residential Efficient Products													
- Compact Fluorescent Lamp (CFL)	29,988	13,813	\$2.67	\$79,997	8	110,504	\$0.05818	\$6,429	\$9,296	\$0	\$9,296	\$95,722	
- Specialty Bulbs	0	0	\$0.00	\$0	7	0	\$0.05793	\$0	\$0	\$0	\$0	\$0	
- LED Lights	0	0	\$0.00	\$0	10	0	\$0.05854	\$0	\$0	\$0	\$0	\$0	
HVAC Diagnostic & Tune-Up													
- Air Conditioner	25	11	\$135.56	\$3,389	78	858	\$0.05749	\$49	\$33	\$0	\$33	\$3,471	
- Heat Pump	125	114	\$135.55	\$16,944	185	21,090	\$0.05749	\$1,212	\$1,423	\$0	\$1,423	\$19,579	
Residential Load Management (Pilot Program)													
- Air Conditioner	29	10	\$1,263.28	\$36,635	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$36,635	
- Water Heating	29	10	\$1,263.28	\$36,635	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$36,635	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>31,689</b>	<b>24,850</b>		<b>\$473,618</b>		<b>2,370,414</b>		<b>\$136,419</b>	<b>\$75,192</b>	<b>\$0</b>	<b>\$75,192</b>	<b>\$685,229</b>	



Year 2012													Exhibit C
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ESTIMATED SECTOR SURCHARGES FOR 3													18A-2 of
YEAR PROGRAM													20
YEAR 17 (1st QTR)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL	
	PARTICIPANT	PARTICIPANT	ESTIMATED	ESTIMATED	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ESTIMATED	
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/	KWH/	(\$/KWH)	REVENUES	(EX. C,	(5% of	INCENTIVE	RECOVERED	
	(1)	(2)	PARTICIPANT	(4)	PARTICIPANT)	QTRs	(7)	(8)	PG.19C)	COSTS)	(11)	(12)	
			(3)		(5)	(6)		(6)X(7)	(9)	(10)	(9)+(10)	(4)+(8)+(11)	
			(4)/(1)			(2)X(5)				(4)X(5%)			
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	71	0	\$0.07447	\$0	\$0	\$0	\$0	\$0	
- Heat Pump Replacement	8	3	\$841.13	\$6,729	279	837	\$0.07430	\$62	\$465	\$0	\$465	\$7,256	
HVAC Diagnostic & Tune-Up													
- Air Conditioner	0	0	#DIV/0!	\$0	172	0	\$0.07424	\$0	\$0	\$0	\$0	\$0	
- Heat Pump	12	6	\$135.58	\$1,627	410	2,460	\$0.07429	\$183	\$355	\$0	\$355	\$2,165	
Commercial Load Management (Pilot Program)													
- Air Conditioner	1	0	\$1,263.00	\$1,263	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$1,263	
- Water Heating	1	0	\$1,263.00	\$1,263	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$1,263	
Commercial Incentive	36	13	\$10,592.89	\$381,344	5,750	74,750	\$0.07512	\$5,615	\$22,820	\$0	\$22,820	\$409,779	
TOTAL COMMERCIAL PROGRAMS	58	22		\$392,226			78,047	\$5,860	\$23,640	\$0	\$23,640	\$421,726	
	=====	=====		=====			=====	=====	=====	=====	=====	=====	
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	31,747	24,872		\$865,844			2,448,461	\$142,279	\$98,832	\$0	\$98,832	\$1,106,955	
	=====	=====		=====			=====	=====	=====	=====	=====	=====	

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

\*\* 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 2012												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 18B-1 of	20
YEAR 17 (2nd, 3rd & 4th QTRs)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ QTRs	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C. PG.19C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C. PG.19C) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (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	325	939	\$1,019.21	\$331,242	1,471	1,381,269	\$0.05749	\$79,409	\$30,163	\$0	\$30,163	\$440,814
- Non-All Electric	30	181	\$71.63	\$2,149	655	118,555	\$0.05746	\$6,812	\$2,784	\$0	\$2,784	\$11,745
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	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												
- Mobile Home	172	637	\$450.00	\$77,400	1,937	1,233,869	\$0.05747	\$70,910	\$40,721	\$0	\$40,721	\$189,031
Mobile Home New Construction												
- Heat Pump	156	584	\$551.31	\$86,005	1,261	736,424	\$0.05747	\$42,322	\$12,942	\$0	\$12,942	\$141,269
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	910	3,057	\$355.83	\$323,808	488	1,491,816	\$0.05751	\$85,794	\$5,797	\$0	\$5,797	\$415,399
High Efficiency Heat Pump												
- Resistance Heat Replacement	204	574	\$450.00	\$91,800	1,006	577,444	\$0.05750	\$33,203	\$46,255	\$0	\$46,255	\$171,258
- Heat Pump Replacement	365	771	\$450.00	\$164,250	1,273	981,483	\$0.05746	\$56,396	\$82,760	\$0	\$82,760	\$303,406
Energy Education for Student Program (NEED)	1,400	2,717	\$15.85	\$22,190	166	451,022	\$0.05730	\$25,844	\$4,438	\$0	\$4,438	\$52,472
Community Outreach Program (CFL)	4,520	7,875	\$12.19	\$55,087	186	1,464,750	\$0.05758	\$84,340	\$21,560	\$0	\$21,560	\$160,987
Residential Efficient Products												
- Compact Fluorescent Lamp (CFL)	102,355	52,115	\$2.66	\$272,068	25	1,302,875	\$0.05818	\$75,801	\$31,730	\$0	\$31,730	\$379,599
- Specially Bulbs	25	9	\$69.40	\$1,735	22	198	\$0.05793	\$11	\$9	\$0	\$9	\$1,755
- LED Lights	775	114	\$1.81	\$1,405	31	3,534	\$0.05854	\$207	\$0	\$70	\$70	\$1,682
HVAC Diagnostic & Tune-Up												
- Air Conditioner	225	237	\$143.29	\$32,241	233	55,221	\$0.05749	\$3,175	\$295	\$0	\$295	\$35,711
- Heat Pump	625	644	\$109.90	\$68,686	556	358,064	\$0.05749	\$20,585	\$7,113	\$0	\$7,113	\$96,384
Residential Load Management (Pilot Program)												
- Air Conditioner	81	54	\$1,196.36	\$96,905	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$96,905
- Water Heating	81	54	\$1,196.36	\$96,905	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$96,905
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>112,249</b>	<b>70,562</b>		<b>\$1,723,876</b>		<b>10,156,524</b>		<b>\$584,809</b>	<b>\$286,567</b>	<b>\$70</b>	<b>\$286,637</b>	<b>\$2,595,322</b>

Year 2012												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 17 (2nd, 3rd & 4th QTRs)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	ESTIMATED	ESTIMATED	REV/QTRS	ENERGY	LOST	NET * LOST	INCENTIVE	INCENTIVE	TOTAL *	ESTIMATED
	NUMBER	NUMBER	PROGRAM	PROGRAM	(KWH/ PARTICIPANT)	SAVINGS	REVENUE	REVENUES	(EX. C, PG.19C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	PER PARTICIPANT	COSTS	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(3) (4) / (1)	(4)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(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	20	12	\$841.15	\$16,823	211	2,532	\$0.07319	\$185	\$19	\$0	\$19	\$17,027
- Heat Pump Replacement	32	26	\$841.16	\$26,917	837	21,762	\$0.07344	\$1,598	\$1,859	\$0	\$1,859	\$30,374
HVAC Diagnostic & Tune-Up												
- Air Conditioner	55	33	\$271.64	\$14,940	515	16,995	\$0.07336	\$1,247	\$398	\$0	\$398	\$16,585
- Heat Pump	103	61	\$202.07	\$20,813	1,228	74,908	\$0.07341	\$5,499	\$3,045	\$0	\$3,045	\$29,357
Commercial Load Management (Pilot Program)												
- Air Conditioner	9	5	\$1,865.56	\$16,790	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$16,790
- Water Heating	9	5	\$1,865.56	\$16,790	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$16,790
Commercial Incentive	136	86	\$9,186.63	\$1,249,381	17,250	1,483,500	\$0.07414	\$109,987	\$86,210	\$0	\$86,210	\$1,445,578
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>364</b>	<b>228</b>		<b>\$1,362,454</b>		<b>1,599,697</b>		<b>\$118,516</b>	<b>\$91,531</b>	<b>\$0</b>	<b>\$91,531</b>	<b>\$1,572,501</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>112,613</b>	<b>70,790</b>		<b>\$3,086,330</b>		<b>11,756,221</b>		<b>\$703,325</b>	<b>\$378,098</b>	<b>\$70</b>	<b>\$378,168</b>	<b>\$4,167,823</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====

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



KENTUCKY POWER COMPANY  
 DERIVATION FOR  
 3 YEAR DSM EXPERIMENT  
 CALCULATION OF  
 EFFICIENCY INCENTIVE

PROGRAM DESCRIPTIONS	ANNUAL SHARED SAVINGS (\$)																																			
	YEAR 14		YEAR 15		YEAR 16		YEAR 17		YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5		YEAR 6		YEAR 7		YEAR 8		YEAR 9		YEAR 10		YEAR 11		YEAR 12					
	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	(65)	(66)					
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd						
	half	half	half	half	half	half	ofr	ofrs	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half	half						
RESIDENTIAL PROGRAMS																																				
Energy Fitness	0	0	0	0	0	0	0	0	\$43,177	\$21,354	\$14,317	\$11,304	\$9,309	\$10,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
Targeted Energy Efficiency																																				
- All Electric	119	140	174	172	110	141	68	325	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
- Non-All Electric	22	61	31	23	6	23	5	30	\$719	\$252	\$154	\$40	\$70	\$60	\$40	\$141	\$105	\$90	\$231	\$137	\$56	\$30	\$295	\$43	\$308	\$1,125	\$513	\$671	\$908	\$572	\$987					
Compact Fluorescent Bulb	0	0	0	0	0	0	0	0	\$425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
High - Efficiency Heat Pump																																				
- Resistance Heat	0	0	0	0	0	0	0	0	\$10,634	\$2,427	\$1,598	\$152	\$700	\$4,375	\$6,167	\$1,679	\$1,105	\$1,016	\$1,326	\$44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
- Non Resistance Heat	0	0	0	0	0	0	0	0	\$8,795	\$2,070	\$5,414	\$757	\$1,853	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
High - Efficiency Heat Pump																																				
- Mobile Home	61	99	97	136	94	114	38	172	\$13,834	\$4,236	\$4,128	\$2,145	\$5,623	\$5,505	\$11,284	\$3,789	\$3,621	\$4,463	\$3,958	\$1,244	\$1,244	\$983	\$839	\$1,188	\$1,330	\$2,693	\$3,168	\$3,602	\$3,564	\$3,960	\$3,554					
Mobile Home New Construction ***																																				
- Heat Pump	88	103	40	119	68	92	34	156	\$0	\$0	\$0	\$0	\$0	\$4,353	\$5,464	\$4,486	\$4,175	\$3,687	\$4,087	\$231	\$248	\$187	\$260	\$276	\$284	\$0,372	\$10,372	\$11,246	\$11,746	\$10,497	\$16,120	\$0				
- Air Conditioner	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Modified Energy Fitness	425	375	501	699	645	550	250	910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
High Efficiency Heat Pump																																				
- Resistance Heat Replacement	28	63	97	155	154	121	71	204	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
- Heat Pump Replacement	61	158	272	237	212	194	110	385	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Energy Education for Student Program (NEED)	0	1,130	488	1,059	938	958	600	1,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Community Outreach Program (CFL)	926	2,818	2,644	2,167	2,518	2,397	280	4,520	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Residential Efficient Products																																				
- Compact Fluorescent Lamp (CFL)	0	0	0	0	0	0	0	0	\$77,764	\$5,928	\$9,599	\$102,355	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
- Specialty Bulbs	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- LED Lights	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
HVAC Diagnostic & Tune-Up																																				
- Air Conditioner	0	0	0	64	168	25	225	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Heat Pump	28	290	440	125	625	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Residential Load Management																																				
- Air Conditioner	0	0	0	6	29	81	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Water Heating	0	0	0	4	29	81	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL RESIDENTIAL PROGRAMS																																				
*** Participants since 09/01/08																																				
COMMERCIAL PROGRAMS																																				
Smart Audit - Class 1	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 2	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	0	0	0	0	0	0	\$506	\$0	\$8,946	\$6,535	\$23,729	\$2,182	\$7,913	\$4,770	\$5,581	\$5,987	\$8,210	\$2,940	\$10,011	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	0	0	0	0	0	0	\$0	\$50	\$0	\$29	\$144	\$787	\$2,099	\$1,049	\$0	\$2,099	\$4,722	\$1,312	\$4,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial A/C & Heat Pump Program																																				
- Air Conditioner Replacement	0	0	0	1	2	0	20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Heat Pump Replacement	0	0	0	15	6	8	32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
HVAC Diagnostic & Tune-Up																																				
- Air Conditioner	0	0	0	1	45	0	55	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Heat Pump	1	18	88	12	103	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Commercial Incentive	0	0	0	18	35	136	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Commercial Load Management																																				
- Air Conditioner	0	0	0	1	9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Water Heating	0	0	0	1	9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS																																				
INDUSTRIAL PROGRAMS -																																				
(w/Est. Opt-Outs Removed)																																				
Smart Audit - Class 1	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS																																				
ANNUAL SHARED SAVINGS (\$)																																				

KENTUCKY POWER COMPANY										
DERIVATION FOR										
3 YEAR DSM EXPERIMENT										
CALCULATION OF										
EFFICIENCY INCENTIVE										
									Exhibit C	
									PAGE	
									19C of	20
PROGRAM DESCRIPTIONS	YEAR 13 (67) (6)(X)(34)	YEAR 14 (68) (7)(X)(35)	YEAR 14 (69) (7)(X)(36)	YEAR 14 (70) (7)(X)(37)	YEAR 15 (71) (8)(X)(38)	YEAR 15 (72) (8)(X)(39)	YEAR 16 (73) (9)(X)(40)	YEAR 16 (74) (9)(X)(41)	YEAR 17 (75) (10)(X)(42)	YEAR 17 (76) (10)(X)(43)
	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st qtr	2nd, 3rd & 4th qtrs
RESIDENTIAL PROGRAMS										
Energy Fitness	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency										
- All Electric	\$9,189	\$6,873	\$9,189	\$10,811	\$13,436	\$13,282	\$16,253	\$20,833	\$6,033	\$30,163
- Non-All Electric	\$3,454	\$1,234	\$1,357	\$3,762	\$1,912	\$1,419	(\$224)	(\$557)	\$464	\$2,784
Compact Fluorescent Bulb	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump										
- Resistance Heat	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump										
- Mobile Home	\$8,539	\$10,359	\$8,539	\$13,059	\$13,879	\$19,039	\$27,615	\$33,491	\$8,997	\$40,721
Mobile Home New Construction ***										
- Heat Pump	\$10,597	\$12,047	\$9,816	\$11,400	\$4,462	\$13,274	\$6,393	\$8,649	\$2,021	\$12,942
- Air Conditioner	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	\$27,871	\$21,899	\$21,152	\$18,664	\$24,035	\$34,789	\$9,455	\$8,151	\$1,647	\$8,797
High Efficiency Heat Pump										
- Resistance Heat Replacement			\$13,387	\$30,120	\$48,376	\$74,106	\$12,030	\$9,453	\$16,099	\$46,255
- Heat Pump Replacement			\$0	\$0	\$0	\$0	\$26,033	\$22,908	\$24,941	\$62,760
Energy Education for Student Program (NEED)			\$0	\$5,627	\$2,430	\$5,274	\$1,613	\$1,648	\$1,002	\$4,438
Community Outreach Program (CFL)			\$4,621	\$14,092	\$13,194	\$10,813	\$9,871	\$9,398	\$1,338	\$21,560
Residential Efficient Products						\$0	\$24,107	\$17,338	\$9,296	\$31,730
- Compact Fluorescent Lamp (CFL)						\$0	\$0	\$0	\$0	\$0
- Specialty Bulbs						\$0	\$0	\$0	\$0	(\$589)
- LED Lights						\$0	\$0	\$0	\$0	\$0
HVAC Diagnostic & Tune-Up						\$0	\$84	\$220	\$33	\$295
- Air Conditioner						\$319	\$3,300	\$5,007	\$1,423	\$7,113
- Heat Pump										
Residential Load Management							\$0	\$0	\$0	\$0
- Air Conditioner							\$0	\$0	\$0	\$0
- Water Heating							\$0	\$0	\$0	\$0
TOTAL RESIDENTIAL PROGRAMS	\$59,650	\$52,412	\$68,061	\$108,395	\$120,324	\$172,315	\$135,531	\$135,237	\$75,192	\$285,978
*** Participants since 09/01/08										
COMMERCIAL PROGRAMS										
Smart Audit - Class 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Class 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial A/C & Heat Pump Program										
- Air Conditioner Replacement						\$0	\$1	\$2	\$0	\$18
- Heat Pump Replacement						\$0	\$872	\$349	\$465	\$1,850
HVAC Diagnostic & Tune-Up						\$0	\$7	\$326	\$0	\$398
- Air Conditioner						\$30	\$532	\$2,601	\$355	\$3,045
- Heat Pump										
Commercial Incentive						\$0	\$0	\$42,852	\$22,820	\$66,210
Commercial Load Management							\$0	\$0	\$0	\$0
- Air Conditioner							\$0	\$0	\$0	\$0
- Water Heating							\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	\$0	\$0	\$0	\$0	\$0	\$30	\$1,412	\$46,130	\$23,640	\$91,531
INDUSTRIAL PROGRAMS - (w/Est. Out-Outs Removed)										
Smart Audit - Class 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL SHARED SAVINGS (\$)	\$59,650	\$52,412	\$68,061	\$108,395	\$120,324	\$172,345	\$136,943	\$162,367	\$98,832	\$377,509

KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2012 KENTUCKY RETAIL ENERGY SALES IN KWH		PAGE 20 of		20
FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS				
PROGRAM YR 17 - 2012				
LINE NO.	YEAR	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
1	TOTAL ULTIMATE SALES (KWH) *	2,430,700,000	1,424,000,000	3,249,000,000
2	LESS NON-METERED **	14,584,200	8,544,000	19,494,000
3	TOTAL ESTIMATED RETAIL KWH SALES	2,416,115,800	1,415,456,000	3,229,506,000
4	LESS OPT - OUT CUSTOMERS KWH	0	0	0
5	KWH BEFORE LOST REVENUE IMPACTS	2,416,115,800	1,415,456,000	3,229,506,000
6	LESS LOST REVENUE IMPACTS ***	12,526,938	1,677,744	0
7	ADJUSTED KWH BY SECTOR	2,403,588,862	1,413,778,256	3,229,506,000
8	LINE 7/LINE 1	98.9%	99.3%	99.4%
LINE NO.	PROGRAM YR 17 (1st QTR)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
9	TOTAL ULTIMATE SALES (KWH) *	797,400,000	352,500,000	810,100,000
10	LINE 8	98.9%	99.3%	99.4%
11	ADJUSTED KWH BY SECTOR	788,628,600	350,032,500	805,239,400
LINE NO.	PROGRAM YR 17 (2nd, 3rd & 4th QTRs)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
12	TOTAL ULTIMATE SALES (KWH) *	1,633,300,000	1,071,500,000	2,438,900,000
13	LINE 8	98.9%	99.3%	99.4%
14	ADJUSTED KWH BY SECTOR	1,615,333,700	1,063,999,500	2,424,266,600
*	SOURCE: 2012 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 2009.			
***	LOST REVENUE IMPACTS			
	Page 18A of 20, Column 6 - TOTAL RESIDENTIAL PROGRAMS	2,370,414	78,047	-
	Page 18B of 20, Column 6 - TOTAL RESIDENTIAL PROGRAMS	10,156,524	1,599,697	-
	TOTAL	12,526,938	1,677,744	-