

HAND-DELIVERED

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

RECEIVED
DEC 20 2013
PUBLIC SERVICE
COMMISSION

December 20, 2013

Re: In the Matter of: The Application Of Kentucky Power Company To Amend Its Demand-Side Management Program And For Authority To Implement A Tariff To Recover Costs And Net Lost Revenues, And To Receive Incentives Associated with the Implementation of the Programs, Case No. 2013-00432

Dear Mr. Derouen:

Pursuant to the Commission's Order dated May 22, 1996, please find enclosed an original and ten copies of Kentucky Power Company's 2012 Status Report. The report describes the operation of the Company's Demand-Side Management Program.

By this filing, the Company seeks authority to implement its revised electric tariff (P.S.C. Electric No. 9, Tariff D.S.M.C. 6th Revised Sheet No. 22-2) to recover its costs associated with its demand-side management programs, including net lost revenues and incentives related to the programs. Four copies of the revised tariff sheet number 22-2 are enclosed.

The Company proposes a program portfolio for 2014 designed to capture additional energy and demand reduction opportunities. Kentucky Power estimates the annual cost of the 2014 program to be \$4,115,956.

The rate reflected on Revised Tariff Sheet No. 22-2 is designed to collect the entire under-collected amount from previous years; it will also recover a portion of the projected costs associated with the first half of 2014 (the last six months of the current program).

The Company's revision of the DSM Adjustment Clause factor is based upon the following calculations:

- The proposed adjustment clause factor is the midpoint between the ceiling and the floor calculations as demonstrated on Exhibit C.

- The floor was calculated by dividing the Cumulative (Over)/Under Collection projected for the first half of 2014 (see Exhibit C, Column 5, Lines 2 & 16) by the adjusted estimated sector kWh sales for the same period (see Exhibit C, Column 5, Lines 11 & 24). The results are:
 - Residential $\$485,681 / 1,161,789,200 \text{ kWh} = \$0.000418 / \text{kWh}$
 - Commercial $\$260,416 / 661,238,700 \text{ kWh} = \$0.000394 / \text{kWh}$

- The ceiling was calculated by dividing the Total to be Recovered projected for the first half 2014 (see Exhibit C, Column 5, Lines 4 & 18) by the adjusted estimated sector kWh sales for the same period (see Exhibit C, Column 5, Lines 11 & 24). The results are:
 - Residential $\$2,420,254 / 1,161,789,200 \text{ kWh} = \$0.002083 / \text{kWh}$
 - Commercial $\$1,149,443 / 661,238,700 \text{ kWh} = \$0.001738 / \text{kWh}$

- The midpoint was calculated to be the average of the floor and the ceiling rates, Exhibit C, Column 5, Sum of Lines 12 & 14 divided by 2 for Residential and Sum of Lines 25 and 27 divided by 2 for Commercial. The calculation is as follows:
 - Residential $(\$0.000418 + \$0.002083) / 2 = \$0.001251 / \text{kWh}$
 - Commercial $(\$0.000394 + \$0.001738) / 2 = \$0.001066 / \text{kWh}$

- Per the calculations included in this filing, the Company requests:
 - the residential factor be reduced from \$0.002145 to \$0.001251 / kWh, and
 - the commercial factor be increased from \$0.000825 to \$0.001066 / kWh.

In summary, the Company requests the Commission approve the following:

- (1) The DSM Status Report and Schedule C Report enclosed with this letter.

- (2) The P.S.C. Electric No. 9, Tariff D.S.M.C. 6th Revised Sheet No. 22-2 to become effective January 30, 2014. This will allow the Company to utilize the new residential and commercial factors with the first billing cycle in February 2014.

The Company's proposed revision of the DSM Adjustment Clause factor for residential and commercial customers (see Exhibit C, Column 5, Lines 13 & 26) is supported by the Company's DSM filing that has been distributed and reviewed with the DSM Collaborative with no objections received. The Attorney General's office abstained from voting on the DSM Status Report and Exhibit C.

To achieve the increased DSM spending in 2014 required under the Commission's October 7, 2013 order in Case No. 2012-00578, the proposed Status Report includes expanded participation goals for three existing DSM programs. These include;

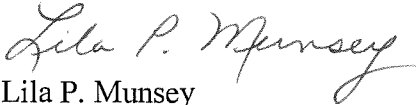
- Modified Energy Fitness increased from 1,200 to 2,000 customers
- Residential Efficient Products increased from 205,153 to 264,500 units (Standard & Specialty CFLs, LEDs)
- Commercial Incentive increased from 225 to 250 customers

Also as part of the final order in Case No. 2012-00578, Kentucky Power is working with Kentucky School Board Association (KSBA) to develop a new School Energy Management program application which will be reviewed by the DSM Collaborative before filing with the PSC. The Company also proposes a market potential study to support Kentucky Power strategy and resource deployment for DSM over a 10-year planning period. These two new initiatives are tentatively scheduled for implementation beginning the second half of 2014 and therefore the program expenses are not included with the Schedule C expenses. (Page 1 of 22 of Exhibit C reveals how those program costs will be incorporated into the next filing.) The Company plans to submit an application for the School Energy Management Program during January 2014.

The Market Potential Study is proposed as a General Administrative cost to the DSM Portfolio having an estimated expense of \$80,000. The allocation of total cost for the study includes 50% to residential and 50% to commercial customer sectors.

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

Sincerely,


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>	<u>COMMERCIAL</u>	<u>INDUSTRIAL*</u>
	(\$ Per KWH)	(\$ Per KWH)	
Floor Factor =	0.000418	0.000394	- 0 -
Ceiling Factor =	0.002083	0.001738	- 0 -

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>	1,453,398	704,880	- 0 -
<u>S (c)</u>	1,161,789,200	661,238,700	- 0 -
Adjustment Factor	\$ 0.001251	\$ 0.001066	- 0 -

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

PROGRAM DESCRIPTIONS.

The D.S.M.C. program availability, program, rate, and equipment descriptions follow:

(Cont'd on Sheet No. 22-3)

DATE OF ISSUE December 20, 2013

DATE EFFECTIVE Service rendered on and after January 30, 2014

ISSUED BY LILA P. MUNSEY 

Issued by authority of an Order of the Public Service Commission

In Case No. 2013-00432 dated XXX XX, 2014

KENTUCKY POWER COMPANY
Demand Side Management
Status Report
As of June 30, 2013

INDEX

PAGE	DESCRIPTION
1	Definitions
2	Summary Information (All Programs)
3	Summary Energy/Demand Information (All Programs)
<u>DSM Programs:</u>	
Residential Programs	
4	Targeted Energy Efficiency
5	High Efficiency Heat Pump - Mobile Home
6	Mobile Home New Construction
7	Modified Energy Fitness Program
8	High Efficiency Heat Pump
9	Community Outreach Compact Fluorescent Lamp (CFL)
10	Energy Education for Students
11	Residential HVAC Diagnostic and Tune-up
12	Pilot Residential Load Management
13	Residential Efficient Products
14	Energy Fitness - Inactive
15	Compact Fluorescent Bulb - Inactive
16	High Efficiency Heat Pump Retrofit - Inactive
Commercial Programs	
17	Commercial HVAC Diagnostic and Tune-up
18	Pilot Commercial Load Management
19	High Efficiency Heat Pump/Air Conditioner
20	Commercial Incentive
21	Smart Audit - Inactive
22	Smart Incentive - Inactive
Industrial Programs	
23	Smart Audit - Inactive
24	Smart Incentive - Inactive

DEFINITIONS

- 1) YTD Costs - Year-to-Date costs recorded through June 30, 2013.
- 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 June 30, 2013
- 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 June 30, 2013. 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, August 15, 2011 and August 15, 2012 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 1/1/2012 to 12/31/2012 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 June 30, 2013

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$1,421,715</u>	<u>\$24,658,389</u>
Total Program Costs	1,116,466	18,171,886
Total Lost Revenues	414,055	5,592,346
Total Efficiency / Maximizing Incentive	188,377	2,207,472
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 June 30, 2013	<u>\$1,718,898</u>	<u>\$26,046,372</u>

KENTUCKY POWER COMPANY
SUMMARY INFORMATION (ALL PROGRAMS)
As of June 30, 2013

DESCRIPTION	YTD	PTD
Actual In-Place Energy Savings:	2,469,779 kWh	595,359,090 kWh
w/ T&D Line Losses:	2,716,757 kWh	654,894,999 kWh
Total kW Reductions:		
Winter	1,423 kW	29,982 kW
w/ T&D Line Losses:	1,580 kW	33,280 kW
Summer	1,108 kW	9,168 kW
w/ T&D Line Losses:	1,230 kW	10,176 kW

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Targeted Energy Efficiency
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<u>All Electric</u>	<u>Non All Electric</u>
Jan	4	1
Feb	7	0
Mar	11	2
Apr	11	2
May	9	3
Jun	6	3
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		
YTD	48	11
PTD	3,554	1,110

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	27,959	90,041,220
Anticipated Peak Demand (kW) Reduction:		
Summer	15	812
Winter	25	3,203

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$273,684
Equipment/Vendor:	\$62,821	\$0	\$3,760,393
Promotional:	\$0	\$0	\$0
Customer Incentives:	\$0	\$0	\$0
Other Costs:	\$0	\$0	\$9,553
Total Program Costs	\$62,821	\$0	\$4,043,630
Lost Revenues:	\$34,644	\$1,944	\$887,906
Efficiency Incentive:	\$5,145	\$184	\$145,710
Maximizing Incentive:	\$45	\$0	\$123,549
Total Costs	\$102,655	\$2,128	\$5,200,795

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 \$61,912 for all-electric and \$909 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for all-electric participants and non-all-electric participants is 26,078 and 1,881 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 13/24 and 2/1 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$32,711 and \$1,933 respectively.

The YTD Efficiency Incentive for all-electric participants is \$5,145.
The YTD Maximizing Incentive for non-all-electric participants is \$45.

The participant and expense forecast for 2013 is 110 all-electric homes, 20 non-all-electric homes and \$153,909. The participant and expense forecast for 2014 is 145 all-electric homes, 20 non-all-electric homes and \$220,891.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	High Efficiency Heat Pump - Mobile Home
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	
Jan	5
Feb	11
Mar	14
Apr	25
May	23
Jun	18
Jul	
Aug	
Sep	
Oct	
Nov	
Dec	
YTD	96
PTD	2,806

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	63,549	87,931,852
Anticipated Peak Demand (kW) Reduction:		
Summer	43	595
Winter	71	4,350

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$52,556
Equipment/Vendor:	\$4,350	\$0	\$91,105
Promotional:	\$0	\$0	\$0
Customer Incentives:	\$35,200	\$0	\$1,182,400
Other Costs:	\$0	\$0	\$1,167
Total Program Costs	\$39,550	\$0	\$1,327,228
Lost Revenues:	\$48,709	\$5,820	\$662,471
Efficiency Incentive:	\$22,728	\$18,331	\$321,801
Maximizing Incentive:	\$0	\$0	\$0
Total Costs	\$110,987	\$24,151	\$2,311,500

COMMENTS:

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

The participant and expense forecast for 2013 is 200 and \$94,188 respectively.

The participant and expense forecast for 2014 is 220 and \$114,098 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Mobile Home New Construction
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	5	0
Feb	11	0
Mar	9	0
Apr	15	0
May	10	0
Jun	17	0
Jul		0
Aug		0
Sep		0
Oct		0
Nov		0
Dec		0
YTD	67	0
PTD	2,527	2

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	29,578	128,347,193
Anticipated Peak Demand (kW) Reduction:		
Summer	28	789
Winter	6	5,153

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$36,529
Equipment/Vendor:	\$2,850	\$0	\$148,363
Promotional:	\$0	\$0	\$4,189
Customer Incentives:	\$32,350	\$0	\$1,269,300
Other Costs:	\$0	\$0	\$4,866
Total Program Costs	\$35,200	\$0	\$1,463,247
Lost Revenues:	\$25,423	\$0	\$665,567
Efficiency Incentive:	\$5,558	\$0	\$191,236
Maximizing Incentive:	\$0	\$0	\$2,580
Total Costs	\$66,181	\$0	\$2,322,630

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 participant and expense forecast for 2013 is 135 heat pumps and \$77,111 respectively.

The participant and expense forecast for 2014 is 155 heat pumps and \$98,872 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Home Audits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	
Jan	109
Feb	104
Mar	93
Apr	103
May	90
Jun	99
Jul	
Aug	
Sep	
Oct	
Nov	
Dec	
YTD	598
PTD	9,989

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	117,816	82,717,817
Anticipated Peak Demand (kW) Reduction:		
Summer	-17	961
Winter	137	4,846

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$1,449	\$0	\$37,777
Equipment/Vendor:	\$199,735	\$0	\$3,609,024
Promotional:	\$0	\$0	\$0
Customer Incentives:	\$0	\$0	\$0
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$201,184	\$0	\$3,646,801
Lost Revenues:	\$69,237	\$0	\$926,031
Efficiency Incentive:	\$3,809	\$0	\$319,594
Maximizing Incentive:	\$0	\$0	\$0
Total Costs	\$274,230	\$0	\$4,892,426

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 participants and expense forecast for 2013 is 1,200 and \$450,660 respectively.

The participants and expense forecast for 2014 is 2,000 and \$838,689 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	High Efficiency Heat Pumps
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<u>Resistance</u>	<u>Non Resistance</u>
Jan	17	35
Feb	14	18
Mar	18	21
Apr	6	45
May	18	44
Jun	11	44
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		
YTD	84	207
PTD	863	1,765

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	123,198	2,841,483
Anticipated Peak Demand (kW) Reduction:		
Summer	-16	87
Winter	159	2,418

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$12,236
Equipment/Vendor:	\$14,800	\$0	\$155,800
Promotional:	\$0	\$0	\$0
Customer Incentives:	\$117,600	\$0	\$1,016,900
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$132,400	\$0	\$1,184,936
Lost Revenues:	\$44,164	\$0	\$259,812
Efficiency Incentive:	\$21,633	\$0	\$299,100
Maximizing Incentive:	\$0	\$0	\$17,177
Total Costs	\$198,197	\$0	\$1,761,025

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 48,096 and 75,102 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for resistance heat replacement and non-resistance heat replacement participants is -12/-4 and 44/115 respectively.

The YTD Lost Revenue for resistance heat replacement and non-resistance heat replacement participants is \$15,626 and \$28,538 respectively.

The Efficiency Incentive for resistance heat replacement participants is \$3,301 and for the non-resistance heat replacement participants is \$18,332.

The participant and expense forecast for 2013 is 165 resistance heat replacement customers, 385 non-resistance heat replacement customers and \$251,366 respectively.

The participant and expense forecast for 2014 is 165 resistance heat replacement customers, 430 non-resistance heat replacement customers and \$295,930 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Community Outreach Compact Fluorescent Lamp
PARTICIPANT DEFINITION:	Number of Customers
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	
Jan	0
Feb	0
Mar	813
Apr	0
May	1,096
Jun	382
Jul	
Aug	
Sep	
Oct	
Nov	
Dec	
YTD	2,291
PTD	21,401

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	106,255	1,803,048
Anticipated Peak Demand (kW) Reduction:		
Summer	110	733
Winter	102	892

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$18,416
Equipment/Vendor:	\$36,283	\$0	\$205,269
Promotional:	\$0	\$0	\$16,502
Administration:	\$0	\$0	\$2,296
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$36,283	\$0	\$242,483
Lost Revenues:	\$45,153	\$0	\$194,879
Efficiency Incentive:	\$10,928	\$0	\$99,793
Maximizing Incentive:	\$0	\$0	\$0
Total Costs	\$92,364	\$0	\$537,155

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 participant and expense forecast for 2013 is 5,000 customers and \$57,073, respectively.

The participant and expense forecast for 2014 is 5,000 customers and \$65,511 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Energy Education For Students
PARTICIPANT DEFINITION:	Number of Students receiving EE kits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	
Jan	0
Feb	159
Mar	216
Apr	214
May	0
Jun	0
Jul	
Aug	
Sep	
Oct	
Nov	
Dec	
YTD	589
PTD	7,249

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	65,911	556,208
Anticipated Peak Demand (kW) Reduction:		
Summer	43	284
Winter	26	227

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$10,261
Equipment/Vendor:	\$7,323	\$0	\$69,525
Promotional:	\$250	\$0	\$1,250
Education Workshops	\$0	\$0	\$16,142
Administration	\$0	\$0	\$10,562
Total Program Costs	\$7,573	\$0	\$107,740
Lost Revenues:	\$4,052	\$0	\$63,250
Efficiency Incentive:	\$1,867	\$0	\$25,075
Maximizing Incentive:	\$0	\$0	\$0
Total Costs	\$13,492	\$0	\$196,065

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 participant and expense forecast for 2013 is 2,200 students and \$28,745 respectively.

The participant and expense forecast for 2014 is 2,200 students and \$36,688 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Residential HVAC Diagnostic and Tune-up
PARTICIPANT DEFINITION:	Number of Units receiving service
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants			
	<u>Heat Pump</u>	<u>Air Conditioner</u>	
Jan	10	0	
Feb	9	0	
Mar	31	0	
Apr	12	0	
May	6	0	
Jun	1	0	
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
YTD	69	0	
PTD	1,609	454	

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	33,330	478,579
Anticipated Peak Demand (kW) Reduction:		
Summer	8	249
Winter	32	392

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$16,777
Equipment/Vendor:	\$6,300	\$0	\$101,400
Promotional:	\$0	\$0	\$9,534
Customer Incentives:	\$6,560	\$0	\$101,610
Administration:	\$0	\$0	\$0
Other Costs:	\$0	\$0	\$50
Total Program Costs	\$12,860	\$0	\$229,371
Lost Revenues:	\$4,227	\$1,944	\$21,481
Efficiency Incentive:	\$0	\$184	\$8,930
Maximizing Incentive:	\$643	\$0	\$6,316
Total Costs	\$17,730	\$2,128	\$266,098

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. In 2013 Customer incentives are reduced to \$30 from \$50 and Dealer incentives are reduced to \$25 from \$50.

The YTD Estimated In Place Energy (kWh) Savings for heat pump and air conditioner participants is 33,226 and 104 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for heat pump and air conditioner participants is 8/32 and 0/0 respectively.

The YTD Lost Revenue for heat pump and air conditioner participants is \$3,979 and \$248 respectively.

The Maximizing Incentive for heat pump participants is \$633 and for air conditioner participants is \$10.

The participant and expense forecast for 2013 is zero central air conditioners and 180 heat pumps and \$23,817 respectively.

The participant and expense forecast for 2014 is zero central air conditioners and 240 heat pumps and \$26,337 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Pilot Residential Load Management
PARTICIPANT DEFINITION:	Number of Switches Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		<u>A/C Switches</u>	<u>Water Heater SW</u>
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
YTD		0	0
PTD		65	52

Impacts		
	<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

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$31,060
Equipment/Vendor:	\$16,190	\$0	\$289,713
Promotional:	\$0	\$0	\$12,192
Customer Incentives:	\$1,096	\$0	\$1,516
Other Costs:	\$0	\$0	\$696
Total Program Costs	\$17,286	\$0	\$335,177
Lost Revenues:	\$0	\$0	\$0
Efficiency Incentive:	\$0	\$0	\$0
Maximizing Incentive:	\$0	\$0	\$0
Total Costs	\$17,286	\$0	\$335,177

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 program was completed December 31, 2012.

The participant and expense forecast for 2013 - 2014 is 0 air conditioners or heat pumps switches and 0 water heating switches. There is no program expenses forecast since the program was completed December 31, 2012.

The participant forecast for 2013 is zero A/C switches and zero water heating switches. The 2013 expenses forecast to complete the program is \$21,036.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Residential Efficient Products
PARTICIPANT DEFINITION:	Number of Units purchased
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	<u>CFL</u>	<u>Specialty Bulbs</u>	<u>LED Lights</u>
Jan	19,222	1,648	0
Feb	26,176	2,130	0
Mar	27,682	2,520	0
Apr	14,243	3,123	0
May	7,043	1,527	0
Jun	6,483	1,604	0
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
YTD	100,849	12,552	0
PTD	370,760	12,552	12

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	1,626,209	6,428,507
Anticipated Peak Demand (kW) Reduction:		
Summer	586	1,490
Winter	586	2,826

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$29,326
Equipment/Vendor:	\$124,397	\$0	\$481,779
Promotional:	\$0	\$0	\$0
Customer Incentives:	\$130,851	\$0	\$413,305
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$255,249	\$0	\$924,411
Lost Revenues:	\$117,888	\$0	\$240,360
Efficiency Incentive:	\$100,282	\$0	\$257,513
Maximizing Incentive:	\$11	\$0	\$70
Total Costs	\$473,430	\$0	\$1,422,354

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 participant and expense forecast for 2013 is 194,200 ENERGY STAR CFLs and 24,000 Specialty ENERGY STAR CFLs, 400 ENERGY STAR LEDs and \$492,851 respectively.

The participant and expense forecast for 2014 is 240,000 ENERGY STAR CFLs and 20,000 Specialty ENERGY STAR CFLs, 4,500 ENERGY STAR LEDs and \$843,940 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Energy Fitness - Inactive
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

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

Impacts		
	<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

Costs			
	<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
Total Program Costs	0.00	0.00	685,113.00
Lost Revenues:	0.00	(19,322.00)	363,029.00
Efficiency Incentive:	0.00	(46,349.00)	63,482.00
Maximizing Incentive:	0.00	0.00	0.00
Total Costs	0.00	(65,671.00)	1,111,624.00

COMMENTS:

This program was discontinued May 14, 1999.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Compact Fluorescent Bulb - Inactive
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

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

Impacts		
	<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

Costs			
	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</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
Total Program Costs	0.00	0.00	15,081.00
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
Total Costs	0.00	33.00	17,119.00

COMMENTS:

This program was discontinued December 31, 1996

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	High Efficiency Heat Pumps Retro - Inactive
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<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
YTD	0	0
PTD	1,367	929

Impacts		
	<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

Costs			
	<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
Total Program Costs	0.00	0.00	214,312.00
Lost Revenues:	0.00	(269.00)	368,960.00
Efficiency Incentive:	0.00	(2,196.00)	48,017.00
Maximizing Incentive:	0.00	0.00	5.00
Total Costs	0.00	(2,465.00)	631,294.00

COMMENTS:

This program was discontinued December 31, 2001.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Commercial HVAC Diagnostic and Tune-up
PARTICIPANT DEFINITION:	Number of Units receiving service
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	3	0
Feb	2	0
Mar	1	0
Apr	0	0
May	0	0
Jun	0	0
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		
YTD	6	0
PTD	213	84

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	5,174	120,645
Anticipated Peak Demand (kW) Reduction:		
Summer	1	73
Winter	4	98

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$15,636
Equipment/Vendor:	\$700	\$0	\$13,800
Promotional:	\$0	\$0	\$9,484
Customer Incentives:	\$1,005	\$0	\$20,580
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$1,705	\$0	\$59,500
Lost Revenues:	\$768	\$0	\$4,163
Efficiency Incentive:	\$0	\$0	\$3,496
Maximizing Incentive:	\$85	\$0	\$1,615
Total Costs	\$2,558	\$0	\$68,774

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. In 2013 the customer incentives are reduced to \$30 from \$75 and dealer incentives are reduced to \$25 from \$50.

The YTD Estimated in Place Energy (kWh) Savings for heat pump and air conditioner participants is 5,111 and 63 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for heat pump and air conditioner participants is 1/4 and 0/0 respectively.

The YTD Lost Revenue for heat pump and air conditioner participants is \$670 and \$98 respectively.

The Maximizing Incentive for heat pump participants is \$79 and for air conditioner participants is \$6.

The participant and expense forecast for 2013 is zero central air conditioners and 15 heat pumps and \$6,931 respectively.

The participant and expense forecast for 2014 is zero central air conditioners and 24 heat pumps and \$11,181 respectively.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Pilot Commercial Load Management
PARTICIPANT DEFINITION:	Number of Switches Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

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

Impacts	<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

Costs	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Description			
Total Evaluation	\$0	\$0	\$17,939
Equipment/Vendor:	\$1,500	\$0	\$30,000
Promotional:	\$0	\$0	\$240
Customer Incentives:	\$0	\$0	\$0
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$1,500	\$0	\$48,179
Lost Revenues:	\$0	\$0	\$0
Efficiency Incentive:	\$0	\$0	\$0
Maximizing Incentive:	\$0	\$0	\$0
Total Costs	\$1,500	\$0	\$48,179

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 pilot program was completed December 31, 2012.

The participant and expense forecast for 2013 is 0 air conditioner switches and 0 water heater switches. Program expenses for 2013 are complete and total \$1,500.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Commercial High Efficiency HP/AC
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<u>Heat Pump</u>	<u>Air Conditioner</u>
Jan	0	0
Feb	0	0
Mar	0	0
Apr	3	0
May	2	0
Jun	0	0
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		
YTD	5	0
PTD	46	4

Impacts		
	<u>Year-To-Date</u>	<u>Program-To-Date</u>
Estimated in Place Energy (kWh) Savings	1,410	27,812
Anticipated Peak Demand (kW) Reduction:		
Summer	0	7
Winter	3	23

Costs			
<u>Description</u>	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Total Evaluation	\$0	\$0	\$17,950
Equipment/Vendor:	\$300	\$0	\$2,500
Promotional:	\$2,400	\$0	\$21,476
Customer Incentives:	\$0	\$0	\$15,700
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$2,700	\$0	\$57,626
Lost Revenues:	\$617	\$0	\$1,147
Efficiency Incentive:	\$0	\$0	\$1,224
Maximizing Incentive:	\$135	\$0	\$1,705
Total Costs	\$3,452	\$0	\$61,702

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 YTD Estimated in Place Energy (kWh) Savings for heat pump and air conditioner participants is 1,410 and 0 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for heat pump and air conditioner participants is 0/3 and 0/0 respectively.

The YTD Lost Revenue for heat pump and air conditioner participants is \$608 and \$9 respectively.

The Maximizing Incentive for heat pump participants is \$135 and for air conditioner participants is \$0.

The participant and expense forecast for 2013 is 1 central air conditioners and 12 heat pumps with a program budget of \$11,955.

The participant and expense forecast for 2014 is 5 central air conditioners and 10 heat pumps with a program budget of \$17,731.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Commercial Incentive
PARTICIPANT DEFINITION:	Number of Participants Projects Installed
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	Projects Installed
Jan	3
Feb	11
Mar	9
Apr	11
May	15
Jun	4
Jul	
Aug	
Sep	
Oct	
Nov	
Dec	
YTD	53
PTD	327

Impacts	Year-To-Date	Program-To-Date
Estimated in Place Energy (kWh) Savings	516,368	1,080,403
Anticipated Peak Demand (kW) Reduction:		
Summer	429	1,276
Winter	429	1,276

Costs	Year-To-Date	Retroactive Adjustment	Program-To-Date
Description			
Total Evaluation	\$0	\$0	\$71,261
Equipment/Vendor:	\$152,680	\$0	\$975,095
Promotional:	\$794	\$0	\$12,826
Customer Incentives:	\$156,681	\$0	\$595,560
Other Costs:	\$0	\$0	\$0
Total Program Costs	\$310,155	\$0	\$1,654,742
Lost Revenues:	\$19,173	\$0	\$40,227
Efficiency Incentive:	\$0	\$0	\$42,852
Maximizing Incentive:	\$15,508	\$0	\$70,122
Total Costs	\$344,836	\$0	\$1,807,943

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 participant and expense forecast for 2013 is 150 customers and \$1,012,067

The participant and expense forecast for 2014 is 250 customers and \$1,459,838.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Audit - Commercial - Inactive
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants			
		<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
YTD		0	0
PTD		1,952	194

Impacts		
	<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

Costs			
	<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)
Total Program Costs	0.00	0.00	1,290,681.00
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	64,533.00
Total Costs	0.00	0.00	1,355,214.00

COMMENTS:

This program was discontinued December 31, 2002.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Commercial - Inactive
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	<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
YTD	0	0
PTD	182	69

Impacts	<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

Costs	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
Description			
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
Total Program Costs	0.00	0.00	565,826.00
Lost Revenues:	0.00	442.00	891,458.00
Efficiency Incentive:	0.00	1,078.00	88,039.00
Maximizing Incentive:	0.00	0.00	281.00
Total Costs	0.00	1,520.00	1,545,604.00

COMMENTS:

This program was discontinued December 31, 2002.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Audit - Industrial - Inactive
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants		
	<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
YTD	0	0
PTD	60	4

Impacts		
	<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

Costs			
<u>Description</u>	<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
Total Program Costs	0.00	0.00	43,688.00
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	2,186.00
Total Costs	0.00	0.00	45,874.00

COMMENTS:

This program was discontinued December 31, 1998.

KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Industrial - Inactive
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January 1, 2013 - June 30, 2013

New Participants	<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
YTD	0	0
PTD	1	0

Impacts	<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

Costs	<u>Year-To-Date</u>	<u>Retroactive Adjustment</u>	<u>Program-To-Date</u>
<u>Description</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
Total Program Costs	0.00	0.00	32,114.00
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	383.00
Maximizing Incentive:	0.00	0.00	655.00
Total Costs	0.00	0.00	33,152.00

COMMENTS:

This program was discontinued December 31, 1998.



KENTUCKY POWER COMPANY		Exhibit C					PAGE 1 of 22	
DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT								
RESIDENTIAL SECTOR		TOTAL YEARS	YEAR 17	YEAR 18	YEAR 18	YEAR 19	TOTAL	
		1 thru year 17 1st HALF	2nd HALF	1st HALF	2nd HALF	1st HALF		
		(1)	(2)	(3)	(4)	(5)	(6)	
1a	Market Potential Study	\$0	\$0	\$0	\$0	\$0	\$0	
1	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$18,327,558	\$1,427,646	\$1,366,552	\$1,451,132	\$1,934,573	\$24,507,461	
2	CUMULATIVE (OVER)/UNDER COLLECTION	0	508,948	1,054,802	1,373,576	485,681	-	
3	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	0	(41,824)	
4	TOTAL TO BE RECOVERED	18,285,734	1,936,594	2,421,354	2,824,708	2,420,254	24,465,637	
5	TOTAL AMOUNT RECOVERED	17,776,440	881,792	1,047,778	0	0	19,706,010	
6	EXPECTED FUTURE RECOVERIES	0	0	0	2,339,027	1,453,398	3,792,425	
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	\$508,948	\$1,054,802	\$1,373,576	\$485,681	\$966,856	\$966,856	
10	AMOUNT TO BE RECOVERED					\$2,420,254		
11	ADJ. ESTIMATED SECTOR KWH - YEAR 19				1,090,455,600	1,161,789,200		
SURCHARGE RANGE (\$ PER KWH)								
12	FLOOR (CARRYOVER)	COL. 4, L 2 / COL. 4, L 11				0.000418		
13	MIDPOINT - proposed rate				0.002145	0.001251		
14	CEILING (TOTAL COST)	COL. 4, L 4 / COL. 4, L 11				0.002083		
COMMERCIAL SECTOR		TOTAL YEARS	YEAR 17	YEAR 18	YEAR 18	YEAR 19	TOTAL	
		1 thru year 17 1st HALF	2nd HALF	1st HALF	2nd HALF	1st HALF		
		(1)	(2)	(3)	(4)	(5)	(6)	
15a	Market Potential Study	\$0	\$0	\$0	\$0	\$0	\$0	
15b	School Energy Management Program	\$0	\$0	\$0	\$0	\$0	\$0	
15	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$3,672,773	\$860,775	\$352,346	\$805,049	\$889,027	\$6,579,970	
16	CUMULATIVE (OVER)/UNDER COLLECTION	0	(466,392)	35,997	14,406	260,416	0	
17	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	0	1,520	
18	TOTAL TO BE RECOVERED	3,674,293	394,383	388,343	819,455	1,149,443	6,581,490	
19	TOTAL AMOUNT RECOVERED	4,127,920	358,386	373,937	0	0	4,860,243	
20	EXPECTED FUTURE RECOVERIES	0	0	0	559,039	704,880	1,263,919	
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	(\$466,392)	\$35,997	\$14,406	\$260,416	\$444,563	\$444,563	
23	AMOUNT TO BE RECOVERED					\$1,149,443		
24	ADJ. ESTIMATED SECTOR KWH - YEAR 19				677,623,200	661,238,700		
SURCHARGE RANGE (\$ PER KWH)								
25	FLOOR (CARRYOVER)					0.000394		
26	MIDPOINT - proposed rate				0.000825	0.001066		
27	CEILING (TOTAL COST)					0.001738		
INDUSTRIAL SECTOR		TOTAL YEARS	YEAR 17	YEAR 18	YEAR 18	YEAR 19	TOTAL	
		1 thru year 17 1st HALF	2nd HALF	1st HALF	2nd HALF	1st HALF		
		(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 19				1,424,103,800	1,403,528,000		
SURCHARGE RANGE (\$ PER KWH)								
38	FLOOR (CARRYOVER)					0.000000		
39	MIDPOINT				0.000000	0.000000		
40	CEILING (TOTAL COST) - proposed rate					0.000000		

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.21C)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/YR (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)
RESIDENTIAL PROGRAMS												
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
TOTAL RESIDENTIAL PROGRAMS	2,610	959		\$663,291		1,989,174		\$61,918	\$77,585	\$12,474	\$90,059	\$815,268
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	91	19	\$1,258.51	\$114,524	0	0			\$0	\$5,726	\$5,726	\$120,250
- 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	\$0	30,600	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	97	20		\$129,695		0		\$0	\$506	\$6,195	\$6,701	\$136,396
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	15	1	\$149.40	\$2,241	0	0			\$0	\$112	\$112	\$2,353
Smart Audit - Class 2	2	1	\$8,980.00	\$17,960	0	0			\$0	\$898	\$898	\$18,858
Smart Financing - General	0	0	\$3,919	\$3,919	28,200	0	\$0.04	\$0	\$0	\$196	\$196	\$4,115
Smart Financing - Compressed Air System	0	0	\$0	\$0	164,800	0	\$0.03	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	17	2		\$24,120		0		\$0	\$0	\$1,206	\$1,206	\$25,326
TOTAL COMPANY	2,724	981		\$817,106		1,989,174		\$61,918	\$78,091	\$19,875	\$97,966	\$976,990

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

1997

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 1997

Exhibit C
PAGE 3A of 22

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	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)	(EX. C, PG.21C) (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												
Energy Fitness	273	651	\$260.68	\$71,167	1,345	875,595	\$0.03	\$27,266	\$21,354	n/a	\$21,354	\$119,787
Targeted Energy Efficiency - All Electric	118	279	\$818.97	\$96,638	2,785	777,015	\$0.03	\$24,188	\$0	\$4,832	\$4,832	\$125,658
- Non-All Electric	26	88	\$88.23	\$2,294	340	29,920	\$0.03	\$935	\$252	n/a	\$252	\$3,481
Compact Fluorescent Bulb	0	269		\$0	31	8,339	\$0.03	\$258	\$0	n/a	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	123	590	\$2.58	\$317	1,138	671,420	\$0.03	\$20,895	\$2,427	n/a	\$2,427	\$23,639
- Non Resistance Heat	124	581	\$2.56	\$318	407	236,467	\$0.03	\$7,364	\$2,070	n/a	\$2,070	\$9,752
High - Efficiency Heat Pump - Mobile Home	109	403	\$157.87	\$17,208	1,080	435,240	\$0.03	\$13,540	\$4,236	n/a	\$4,236	\$34,984
Mobile Home New Construction	12	78	\$635.17	\$7,622	0	0	n/a	n/a	\$0	\$381	\$381	\$8,003
TOTAL RESIDENTIAL PROGRAMS	785	2,939		\$195,564		3,033,996		\$94,446	\$30,339	\$5,213	\$35,552	\$325,562
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	243	207	\$264.00	\$64,152	0	0	n/a	n/a	\$0	\$3,208	\$3,208	\$67,360
- Class 2	11	9	\$2,705.00	\$29,755	0	0	n/a	n/a	\$0	\$1,488	\$1,488	\$31,243
Smart Financing - Existing Building	0	1	n/a	\$5,629	11,000	11,000	\$0.04	\$469	\$0	\$281	\$281	\$6,379
Smart Financing - New Building	1	0	\$4,692.00	\$4,692	15,300	0	\$0.04	\$0	\$50	n/a	\$50	\$4,742
TOTAL COMMERCIAL PROGRAMS	255	217		\$104,228		11,000		\$469	\$50	\$4,977	\$5,027	\$109,724
INDUSTRIAL PROGRAMS -												
(w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	9	20	\$279.56	\$2,516	0	0	n/a	n/a	\$0	\$126	\$126	\$2,642
Smart Audit - Class 2	1	2	\$1,133.00	\$1,133	0	0	n/a	n/a	\$0	\$57	\$57	\$1,190
Smart Financing - General	0	0	n/a	\$7,840	14,100	0	\$0.04	\$0	\$0	\$392	\$392	\$8,232
Smart Financing - Compressed Air System	0	0		\$0	82,400	0	\$0.03	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	10	22		\$11,489		0		\$0	\$0	\$575	\$575	\$12,064
TOTAL COMPANY	1,050	3,178		\$311,281		3,044,996		\$94,915	\$30,389	\$10,765	\$41,154	\$447,350

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

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.21C)	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/QTR (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	INCENTIVE (11)	(12)
			(1)X(3)	(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	257	957	\$184.99	\$47,542	341	326,337	\$0.03	\$10,156	\$5,340	n/a	\$5,340	\$63,038
Targeted Energy Efficiency - All Electric	51	369	\$1,090.08	\$55,594	1,392	513,648	\$0.03	\$15,980	\$0	\$2,780	\$2,780	\$74,354
- Non-All Electric	15	108	\$193.33	\$2,900	170	18,360	\$0.03	\$574	\$25	n/a	\$25	\$3,499
Compact Fluorescent Bulb	0	269	n/a	\$0	16	4,304	\$0.03	\$133	\$0	\$0	\$0	\$133
High - Efficiency Heat Pump - Resistance Heat	109	717	\$55.05	\$6,000	547	392,199	\$0.03	\$12,213	\$787	n/a	\$787	\$19,000
- Non Resistance Heat	84	695	\$66.18	\$5,559	221	153,595	\$0.03	\$4,786	\$2,445	n/a	\$2,445	\$12,790
High - Efficiency Heat Pump - Mobile Home	77	509	\$689.62	\$53,101	625	318,125	\$0.03	\$9,894	\$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
TOTAL RESIDENTIAL PROGRAMS	593	3,706		\$176,788		1,726,568		\$53,736	\$11,100	\$3,085	\$14,185	\$244,709
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	98	383	\$413.13	\$40,487	0	0			\$0	\$2,024	\$2,024	\$42,511
- Class 2	5	19	\$2,705.00	\$13,525	0	0			\$0	\$676	\$676	\$14,201
Smart Financing - Existing Building	2	2	\$3,067.00	\$6,134	11,100	22,200	\$0.04	\$940	\$1,627	n/a	\$1,627	\$8,701
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	\$0	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	105	405		\$60,146		29,850		\$1,267	\$1,627	\$2,700	\$4,327	\$65,740
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	26	\$666.00	\$1,998	0	0			\$0	\$100	\$100	\$2,098
Smart Audit - Class 2	0	3	n/a	\$0	0	0			\$0	\$0	\$0	\$0
Smart Financing - General	0	0	n/a	\$4,785	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$4,785
Smart Financing - Compressed Air System	0	0		\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	3	29		\$6,783		0		\$0	\$0	\$100	\$100	\$6,883
TOTAL COMPANY	701	4,140		\$243,717		1,756,418		\$55,003	\$12,727	\$5,885	\$18,612	\$317,332

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

1997

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C
PAGE 3C of 22

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.21C)	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/QTR (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)
RESIDENTIAL PROGRAMS												
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	0	0	0	(\$37)	(\$37)	(\$786)
TOTAL RESIDENTIAL PROGRAMS	897	4,397		\$280,744		2,061,487		\$64,158	\$14,501	\$5,693	\$20,194	\$365,096
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	71	473	\$230.92	\$16,395	0	0	0	0	\$0	\$820	\$820	\$17,215
- Class 2	21	33	\$2,705.00	\$56,805	0	0	0	0	\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	9	8	\$2,282.56	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	101	515		\$93,743		96,450		\$4,088	\$7,320	\$3,660	\$10,980	\$108,811
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	18	37	\$524.22	\$9,436	0	0	0	0	\$0	\$472	\$472	\$9,908
Smart Audit - Class 2	0	3	n/a	\$1,094	0	0	0	0	\$0	\$55	\$55	\$1,149
Smart Financing - General	0	0	n/a	\$11,802	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$11,802
Smart Financing - Compressed Air System	0	0	n/a	\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	18	40		\$22,332		0		\$0	\$0	\$527	\$527	\$22,859
TOTAL COMPANY	1,016	4,952		\$396,819		2,157,937		\$68,246	\$21,821	\$9,880	\$31,701	\$496,766

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

1998

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
PAGE 4A of 22

YEAR 3(1st 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.21C)	MAXIMIZING INCENTIVE	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)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	544	1,768	\$184.44	\$100,334	682	1,205,776	\$0.03	\$37,524	\$11,304	n/a	\$11,304	\$149,162
Targeted Energy Efficiency - All Electric	122	565	\$1,132.92	\$138,216	2,784	1,572,960	\$0.03	\$48,935	\$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	\$0
TOTAL RESIDENTIAL PROGRAMS	803	5,238		\$279,882		4,971,558		\$154,725	\$14,398	\$6,911	\$21,309	\$455,916
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	204	597	\$194.13	\$39,602	0	0	n/a	\$0	\$1,980	\$1,980	\$1,980	\$41,582
- Class 2	28	60	\$1,600.00	\$44,800	0	0	n/a	\$0	\$2,240	\$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
TOTAL COMMERCIAL PROGRAMS	241	674		\$133,618		370,500		\$15,697	\$6,535	\$4,220	\$10,755	\$160,070
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	12	51	\$246.08	\$2,953	0	0	n/a	\$0	\$148	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,800.00	\$1,800	0	0	n/a	\$0	\$90	\$90	\$90	\$1,890
Smart Financing - General	0	0	\$0.00	\$1,338	29,250	0	\$0.04	\$0	\$67	\$67	\$67	\$1,405
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	13	54		\$6,091		0		\$0	\$305	\$305	\$305	\$6,396
TOTAL COMPANY	1,057	5,966		\$419,591		5,342,058		\$170,422	\$20,933	\$11,436	\$32,369	\$622,382

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

1998

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
PAGE 4B of 22

YEAR 3 (2nd 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.21 C)	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/6 MOS (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(5% of COSTS) (10) (4)X(5)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	448	2,277	\$301.30	\$134,982	682	1,552,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,618
Targeted Energy Efficiency - All Electric	131	697	\$1,187.51	\$155,564	2,784	1,940,448	\$0.03	\$60,367	\$0	\$7,778	\$7,778	\$223,709
- Non-All Electric	42	238	\$139.62	\$5,864	340	80,920	\$0.03	\$2,528	\$70	\$0	\$70	\$8,462
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	108	940	\$147.45	\$15,925	1,094	1,028,360	\$0.03	\$32,023	\$780	\$0	\$780	\$48,728
- Non Resistance Heat	64	894	\$72.27	\$4,625	442	395,148	\$0.03	\$12,313	\$1,863	\$0	\$1,863	\$18,801
High - Efficiency Heat Pump - Mobile Home	173	764	\$514.50	\$89,009	1,250	955,000	\$0.03	\$29,701	\$5,623	\$0	\$5,623	\$124,333
Mobile Home New Construction	33	11	\$549.45	\$18,132	0	0	n/a	\$0	\$907	\$907	\$907	\$19,039
TOTAL RESIDENTIAL PROGRAMS	999	6,090		\$424,101		5,961,398		\$185,525	\$17,645	\$8,685	\$26,330	\$635,956
COMMERCIAL PROGRAMS												
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
TOTAL COMMERCIAL PROGRAMS	221	906		\$182,536		802,200		\$34,011	\$23,729	\$6,020	\$29,749	\$246,296
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	59	\$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
TOTAL INDUSTRIAL PROGRAMS	4	63		\$4,987		0		\$0	\$383	\$128	\$511	\$5,498
TOTAL COMPANY	1,224	7,059		\$611,624		6,763,598		\$219,536	\$41,757	\$14,833	\$56,590	\$887,750

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

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	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE	TOTAL * (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)	(5% of COSTS) (10)	INCENTIVE (9)+(10)	(4)+(8)+(11)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)		
RESIDENTIAL PROGRAMS												
Energy Fitness	306	2,694	\$312.58	\$95,650	707	1,904,658	\$0.03	\$59,273	\$10,370	\$0	\$10,370	\$165,293
Targeted Energy Efficiency - All Electric	75	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$15,150	\$0	\$7,153	\$7,153	\$165,359
- Non-All Electric	12	249	\$112.00	\$1,344	306	76,194	\$0.03	\$2,380	\$60	\$0	\$60	\$3,784
Compact Fluorescent Bulb	0	269	\$0.00	\$0	31	8,339	\$0.03	\$258	\$0	\$0	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	99	1,002	\$273.74	\$27,100	1,200	1,202,400	\$0.03	\$37,443	\$4,375	\$0	\$4,375	\$68,918
- Non Resistance Heat	2	853	\$50.00	\$100	442	377,026	\$0.03	\$11,748	\$0	\$5	\$5	\$11,853
High - Efficiency Heat Pump - Mobile Home	101	826	\$545.99	\$55,145	1,475	1,218,350	\$0.03	\$37,891	\$8,505	\$0	\$8,505	\$101,541
Mobile Home New Construction ***	98	45	\$587.20	\$57,546	1,756	79,020	\$0.03	\$2,458	\$4,353	\$0	\$4,353	\$64,357
TOTAL RESIDENTIAL PROGRAMS	693	6,711		\$379,941		5,352,977		\$166,601	\$27,663	\$7,158	\$34,821	\$581,363
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	186	964	\$204.71	\$38,076	0	0	n/a	\$0	\$1,904	\$1,904	\$1,904	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a	\$0	\$2,164	\$2,164	\$2,164	\$45,444
Smart Financing - Existing Building	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$28,687	\$1,395	\$0	\$1,395	\$60,740
Smart Financing - New Building	3	9	\$0.00	\$2,350	14,101	126,909	\$0.04	\$5,428	\$787	\$0	\$787	\$8,565
TOTAL COMMERCIAL PROGRAMS	211	1,111		\$114,364		804,291		\$34,115	\$2,182	\$4,068	\$6,250	\$154,729
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	60	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	65		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	904	7,920		\$494,305		6,215,216		\$200,716	\$29,845	\$11,226	\$41,071	\$736,092

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 06/30/96.
 *** Participants since 09/01/98.

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	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE	TOTAL *	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)	(EX. C, PG.21C) (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)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	2,519	\$0.00	\$972	707	1,780,933	\$0.03	\$55,423	\$0	\$0	\$0	\$56,395
Targeted Energy Efficiency - All Electric	66	700	\$1,222.76	\$80,702	630	441,000	\$0.03	\$13,720	\$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
TOTAL RESIDENTIAL PROGRAMS	471	5,900		\$255,525		4,964,142		\$154,490	\$22,975	\$4,035	\$27,010	\$437,025
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	188	1,129	\$356.11	\$66,948	0	0	n/a	\$0	\$0	\$3,347	\$3,347	\$70,295
- Class 2	21	103	\$2,705.00	\$56,805	0	0	n/a	\$0	\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	25	66	\$2,726.04	\$68,151	13,282	876,612	\$0.04	\$37,125	\$5,814	\$0	\$5,814	\$111,090
Smart Financing - New Building	8	13	\$3,087.00	\$24,696	14,101	183,313	\$0.04	\$7,840	\$2,099	\$0	\$2,099	\$34,635
TOTAL COMMERCIAL PROGRAMS	242	1,311		\$216,600		1,059,925		\$44,965	\$7,913	\$6,187	\$14,100	\$275,665
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	57	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	62		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	713	7,273		\$472,125		6,024,067		\$199,455	\$30,888	\$10,222	\$41,110	\$712,690

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

** Cumulative participants include a reduction for the cumulative participants as of 12/31/96.

*** Participants since 09/01/98.

Year 2000												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 6A of	22
YEAR 5 (1st 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.21C)	MAXIMIZING INCENTIVE	TOTAL *	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)	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)
RESIDENTIAL PROGRAMS												
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
TOTAL RESIDENTIAL PROGRAMS	278	5,038		\$170,185		4,517,400		\$140,576	\$10,095	\$4,200	\$14,295	\$325,056
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	144	1,126	\$397.19	\$57,195	0	0	n/a		\$0	\$2,860	\$2,860	\$60,055
- Class 2	8	112	\$2,705.00	\$21,640	0	0	n/a		\$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
TOTAL COMMERCIAL PROGRAMS	172	1,344		\$124,947		1,424,272		\$60,436	\$4,770	\$3,942	\$8,712	\$194,095
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	450	6,382		\$295,132		5,941,672		\$201,012	\$14,865	\$8,142	\$23,007	\$519,151

* Lost revenue and efficiency incentives are based on prospective values.
** Cumulative participants include a reduction for the cumulative participants as of 06/30/97.
*** Participants since 09/01/98

Year 2000												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 6B of 22	
YEAR 5 (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.21C)	MAXIMIZING INCENTIVE	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)	(5% of COSTS) (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	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
TOTAL RESIDENTIAL PROGRAMS	282	3,881		\$192,764		3,690,259		\$114,826	\$9,006	\$5,521	\$14,527	\$322,117
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	159	1,026	\$165.24	\$26,273	0	0	n/a		\$0	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a		\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,288,354	\$0.04	\$54,562	\$5,581	\$0	\$5,581	\$82,092
Smart Financing - New Building	0	21	\$0.00	\$7,269	14,102	296,142	\$0.04	\$12,666	\$0	\$0	\$0	\$19,935
TOTAL COMMERCIAL PROGRAMS	212	1,242		\$133,936		1,584,496		\$67,228	\$5,581	\$5,236	\$10,817	\$211,981
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	0	\$0	0	0
TOTAL COMPANY	494	5,123		\$326,700		5,274,755		\$182,054	\$14,587	\$10,757	\$25,344	\$534,098

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

Year 2001

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
PAGE 7A of 22

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.21C)	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)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	1,044	\$0.00	\$0	707	738,108	\$0.03112	\$22,970	\$0	\$0	\$0	\$22,970
Targeted Energy Efficiency - All Electric	62	535	\$1,276.94	\$79,170	630	337,050	\$0.03111	\$10,486	\$0	\$3,959	\$3,959	\$93,615
- Non-All Electric	18	137	\$87.89	\$1,582	306	41,922	\$0.03124	\$1,310	\$90	\$0	\$90	\$2,982
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007
- Non Resistance Heat	0	81	\$0.00	\$0	447	36,207	\$0.03116	\$1,128	\$0	\$0	\$0	\$1,128
High - Efficiency Heat Pump - Mobile Home	53	558	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,597	\$4,463	\$0	\$4,463	\$55,084
Mobile Home New Construction ***	83	488	\$537.04	\$44,574	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896
TOTAL RESIDENTIAL PROGRAMS	239	3,281		\$154,974		3,358,377		\$104,493	\$9,256	\$3,959	\$13,215	\$272,682
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	134	1,017	\$321.82	\$43,124	0	0	n/a	\$0	\$0	\$2,156	\$2,156	\$45,280
- Class 2	28	105	\$1,510.00	\$42,280	0	0	n/a	\$0	\$0	\$2,114	\$2,114	\$44,394
Smart Financing - Existing Building	15	112	\$2,309.00	\$34,635	13,282	1,487,584	\$0.04235	\$62,999	\$3,488	\$0	\$3,488	\$101,122
Smart Financing - New Building	8	25	\$4,016.13	\$32,129	14,101	352,525	\$0.04277	\$15,077	\$2,099	\$0	\$2,099	\$49,305
TOTAL COMMERCIAL PROGRAMS	185	1,259		\$152,168		1,840,109		\$78,076	\$5,587	\$4,270	\$9,857	\$240,101
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	424	4,540		\$307,142		5,198,486		\$182,569	\$14,843	\$8,229	\$23,072	\$512,783

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

Year 2001

KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													Exhibit C PAGE 7B of 22
YEAR 6 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE	TOTAL *	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)	INCENTIVE (11)	(12)	
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	535	\$0.00	\$0	706	377,710	\$0.03112	\$11,754	\$0	\$0	\$0	\$11,754	
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	306,180	\$0.03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668	
- Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0.03124	\$1,166	\$231	\$0	\$231	\$5,144	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump - Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0.03114	\$15,396	\$1,326	\$0	\$1,326	\$21,922	
- Non Resistance Heat	0	35	\$0.00	\$0	446	15,610	\$0.03116	\$486	\$0	\$0	\$0	\$486	
High - Efficiency Heat Pump - Mobile Home	47	469	\$510.64	\$24,000	1,476	692,244	\$0.03110	\$21,529	\$3,958	\$0	\$3,958	\$49,487	
Mobile Home New Construction ***	92	568	\$555.43	\$51,100	1,755	996,840	\$0.03110	\$31,002	\$4,087	\$0	\$4,087	\$86,189	
TOTAL RESIDENTIAL PROGRAMS	303	2,627		\$173,707		2,920,316		\$90,858	\$9,602	\$4,483	\$14,085	\$278,650	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	131	966	\$454.04	\$59,479	0	0	n/a	\$0	\$0	\$2,974	\$2,974	\$62,453	
- Class 2	5	111	\$9,817.20	\$49,086	0	0	n/a	\$0	\$0	\$2,454	\$2,454	\$51,540	
Smart Financing - Existing Building	15	109	\$1,664.27	\$24,964	13,282	1,447,738	\$0.04235	\$61,312	\$3,488	\$0	\$3,488	\$89,764	
Smart Financing - New Building	18	34	\$1,799.28	\$32,387	14,102	479,468	\$0.04277	\$20,507	\$4,722	\$0	\$4,722	\$57,616	
TOTAL COMMERCIAL PROGRAMS	169	1,220		\$165,916		1,927,206		\$81,819	\$8,210	\$5,428	\$13,638	\$261,373	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	472	3,847		\$339,623		4,847,522		\$172,677	\$17,812	\$9,911	\$27,723	\$540,023	

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

Year 2002

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES
FOR 3 YEAR PROGRAM

Exhibit C
PAGE 8A of 22

YEAR 7 (1st Half)	NEW	CUMULATIVE	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 INCENTIVE (EX. C. PG.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	PARTICIPANT NUMBER (1)	PARTICIPANT NUMBER ** (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	116	\$0.00	\$0	707	82,012	\$0.03112	\$2,552	\$0	\$0	\$0	\$2,552
Targeted Energy Efficiency - All Electric	63	442	\$1,752.40	\$110,401	1,028	454,376	\$0.03111	\$14,136	\$0	\$5,520	\$5,520	\$130,057
- Non-All Electric	32	135	\$65.47	\$2,095	315	42,525	\$0.03124	\$1,328	\$137	\$0	\$137	\$3,560
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	1	314	\$1,152.00	\$1,152	1,200	376,800	\$0.03114	\$11,734	\$44	\$0	\$44	\$12,930
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	43	414	\$619.77	\$26,650	1,144	473,616	\$0.03110	\$14,729	\$1,244	\$0	\$1,244	\$42,623
Mobile Home New Construction ***	57	568	\$641.77	\$36,581	1,809	1,027,512	\$0.03110	\$31,956	\$231	\$0	\$231	\$68,768
TOTAL RESIDENTIAL PROGRAMS	196	1,989		\$176,879		2,456,841		\$76,435	\$1,656	\$5,520	\$7,176	\$260,490
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	125	923	\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,706	\$2,706	\$56,821
- Class 2	8	104	\$3,711.00	\$29,688	0	0	n/a	\$0	\$0	\$1,484	\$1,484	\$31,172
Smart Financing - Existing Building	7	101	\$2,552.71	\$17,869	13,282	1,341,482	\$0.04235	\$56,812	\$1,628	\$0	\$1,628	\$76,309
Smart Financing - New Building	5	42	\$1,394.60	\$6,973	14,101	592,242	\$0.04277	\$25,330	\$1,312	\$0	\$1,312	\$33,615
TOTAL COMMERCIAL PROGRAMS	145	1,170		\$108,645		1,933,724		\$82,142	\$2,940	\$4,190	\$7,130	\$197,917
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	341	3,159		\$285,524		4,390,565		\$158,577	\$4,596	\$9,710	\$14,306	\$458,407

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

** Cumulative participants include a reduction for the cumulative participants as of 06/30/1999.

*** Participants since 01/01/1999.

Year 2002

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES
FOR 3 YEAR PROGRAM

Exhibit C
PAGE 8B of 22

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.21C)	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)	(11)	(12)
			(1)X(3)		(KWH/PARTIC)	(2)X(5)	(\$/KWH)	(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	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
TOTAL RESIDENTIAL PROGRAMS	193	1,617		\$145,031		2,022,559		\$62,921	\$1,548	\$3,949	\$5,497	\$213,449
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	\$63,120
Smart Financing - New Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$26,538	\$4,197	\$0	\$4,197	\$69,534
TOTAL COMMERCIAL PROGRAMS	41	1,017		\$135,965		1,908,842		\$81,100	\$10,011	\$3,721	\$13,732	\$230,797
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	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	234	2,634		\$280,996		3,931,401		\$144,021	\$11,559	\$7,670	\$19,229	\$444,246

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

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

*** Participants since 07/01/1999.

Year 2003

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
9A of 22

YEAR 8 (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	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)X(3)		(KWH/ PARTICIPANT)	(2)X(5)		(6)X(7)	(EX. C, PG.21C)	(5% of COSTS)	(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	100	467	\$849.84	\$84,984	1,028	480,076	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168
- Non-All Electric	7	151	\$79.29	\$555	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	94	\$0.00	\$0	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	34	268	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$9,535	\$983	\$0	\$983	\$23,418
Mobile Home New Construction ***												
- Heat Pump	46	460	\$482.61	\$22,200	1,808	831,680	\$0.03110	\$25,865	\$187	\$0	\$187	\$48,252
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	101	23	\$142.72	\$14,415	1,194	27,462	\$0.03116	\$856	\$2,127	\$0	\$2,127	\$17,398
TOTAL RESIDENTIAL PROGRAMS	288	1,463		\$135,054		1,806,024		\$56,185	\$3,327	\$4,249	\$7,576	\$198,815
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	620	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	73	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	110	\$0.00	\$0	13,282	1,461,020	\$0.04235	\$61,874	\$0	\$0	\$0	\$61,874
Smart Financing - New Building	0	49	\$0.00	\$0	14,101	690,949	\$0.04277	\$29,552	\$0	\$0	\$0	\$29,552
TOTAL COMMERCIAL PROGRAMS	0	852		\$0		2,151,969		\$91,426	\$0	\$0	\$0	\$91,426
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	288	2,315		\$135,054		3,957,993		\$147,611	\$3,327	\$4,249	\$7,576	\$290,241

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 06/30/2000.
 *** Participants since 01/01/2000.

Year 2003												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 9B of	22
YEAR 8 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPAN T	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.21C) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(1)X(3) (4)	(5)	(2)X(5) (6)	(7)	(6)X(7) (8)	(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	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

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE 10A of 22

YEAR 9 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS KWH/HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)X(3)	(2)X(5)	(6)X(7)	(8)X(9)	(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	72	463	\$751.54	\$54,111	1,028	475,964	\$0.03111	\$14,807	\$0	\$2,706	\$2,706	\$71,624
- Non-All Electric	10	179	\$78.60	\$786	314	56,206	\$0.03124	\$1,756	\$43	\$0	\$43	\$2,585
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	42	\$0.00	\$0	1,200	50,400	\$0.03114	\$1,569	\$0	\$0	\$0	\$1,569
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	41	247	\$428.05	\$17,550	1,144	282,568	\$0.03110	\$8,788	\$1,186	\$0	\$1,186	\$27,524
Mobile Home New Construction ***												
- Heat Pump	68	394	\$503.68	\$34,250	1,808	712,352	\$0.03110	\$22,154	\$276	\$0	\$276	\$56,680
- Air Conditioner	1	1	\$150.00	\$150	157	157	\$0.03124	\$5	\$0	\$0	\$0	\$155
Modified Energy Fitness	334	735	\$417.76	\$139,531	1,194	877,590	\$0.03116	\$27,346	\$7,034	\$0	\$7,034	\$173,911
TOTAL RESIDENTIAL PROGRAMS	526	2,061		\$246,378		2,455,237		\$76,425	\$8,539	\$2,706	\$11,245	\$334,048
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	338	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	30	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	54	\$0.00	\$0	13,282	717,228	\$0.04235	\$30,375	\$0	\$0	\$0	\$30,375
Smart Financing - New Building	0	43	\$0.00	\$0	14,101	606,343	\$0.04277	\$25,933	\$0	\$0	\$0	\$25,933
TOTAL COMMERCIAL PROGRAMS	0	465		\$0		1,323,571		\$56,308	\$0	\$0	\$0	\$56,308
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	526	2,526		\$246,378		3,778,808		\$132,733	\$8,539	\$2,706	\$11,245	\$390,356

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 06/30/2001.
 *** Participants since 01/01/2001.

Year 2004

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE 10B of 22

YEAR 9 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM	REV/QTR	ENERGY SAVINGS	LOST REVENUE	NET * LOST	INCENTIVE	INCENTIVE	TOTAL *	ACTUAL COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/PARTIC)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(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	89	462	\$1,118.43	\$99,540	1,028	474,936	\$0.03111	\$14,775	\$0	\$4,977	\$4,977	\$119,292
- Non-All Electric	72	205	\$60.60	\$4,363	316	64,780	\$0.03124	\$2,024	\$308	\$0	\$308	\$6,695
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	15	\$0.00	\$0	1,200	18,000	\$0.03114	\$561	\$0	\$0	\$0	\$561
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	46	239	\$469.57	\$21,600	1,144	273,416	\$0.03110	\$8,503	\$1,330	\$0	\$1,330	\$31,433
Mobile Home New Construction ***												
- Heat Pump	70	379	\$597.14	\$41,800	1,810	685,990	\$0.03110	\$21,334	\$284	\$0	\$284	\$63,418
- Air Conditioner	0	2	#DIV/0!	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	391	1,070	\$347.20	\$135,756	1,194	1,277,580	\$0.03116	\$39,809	\$8,234	\$0	\$8,234	\$183,799
TOTAL RESIDENTIAL PROGRAMS	668	2,372		\$303,059		2,795,018		\$87,016	\$10,156	\$4,977	\$15,133	\$405,208
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	191	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	10	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	41	\$0.00	\$0	13,282	544,562	\$0.04235	\$23,062	\$0	\$0	\$0	\$23,062
Smart Financing - New Building	0	30	\$0.00	\$0	14,102	423,060	\$0.04277	\$18,094	\$0	\$0	\$0	\$18,094
TOTAL COMMERCIAL PROGRAMS	0	272		\$0		967,622		\$41,156	\$0	\$0	\$0	\$41,156
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	668	2,644		\$303,059		3,762,640		\$128,172	\$10,156	\$4,977	\$15,133	\$446,364

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

** Cumulative participants include a reduction for the cumulative participants as of 12/31/2001.

*** Participants since 07/01/2001.

Year 2005

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
11A of 22

YEAR 10 (1st Half)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS (KWH/ HALF (2)X(5))	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST (8)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.21C) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/ PARTICIPANT) (5)	(KWH/ HALF (2)X(5)) (6)	(\$/KWH) (7)	REVENUES (8)X(7) (8)	(EX. C, PG.21C) (9)	(5% of COSTS) (10)	INCENTIVE (9)+(10) (11)	RECOVERED (12) (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 2006

KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 12A of	22
YEAR 11 (1st HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL	NET LOST	TOTAL ENERGY SAVINGS	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ACTUAL
	PARTICIPANT	PARTICIPANT		PROGRAM	REV/QTRS		REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(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	66,483	\$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 22

YEAR 11 (2nd 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 COSTS	REV/QTRS	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.21C)	(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	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	\$0	3,074,108	\$0	\$95,707	\$39,783	\$4,991	\$44,774	\$555,620	\$0
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	\$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	\$0	\$0	\$0
TOTAL COMPANY	832	3,833	\$415,139	\$0	3,074,108	\$0	\$95,707	\$39,783	\$4,991	\$44,774	\$555,620	\$0

* 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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 13A of	22
YEAR 12 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	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)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)X(3)	(4)	(5)	(2)X(5)	(7)	(6)X(7)	(EX. C, PG.21C)	(5% of COSTS)	(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	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												
- 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	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	\$196,214	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												
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	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												Exhibit C PAGE 13B of	22
YEAR 12 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (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.21C) (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	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	100	421	\$879.82	\$87,982	896	377,216	\$0.04346	\$16,394	\$0	\$4,399	\$4,399	\$108,775	
- Non-All Electric	50	151	\$89.58	\$4,479	276	41,676	\$0.04362	\$1,818	\$987	\$0	\$987	\$7,284	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	45	209	\$450.00	\$20,250	1,144	239,096	\$0.04346	\$10,391	\$3,564	\$0	\$3,564	\$34,205	
Mobile Home New Construction ***													
- Heat Pump	129	426	\$551.94	\$71,200	1,808	770,208	\$0.04348	\$33,489	\$16,120	\$0	\$16,120	\$120,809	
- Air Conditioner	0	0	\$0.00	\$0	158	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	485	2,113	\$353.79	\$171,590	612	1,293,156	\$0.04349	\$56,239	\$20,409	\$0	\$20,409	\$248,238	
TOTAL RESIDENTIAL PROGRAMS	809	3,320		\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	809	3,320		\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311	

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

** Cumulative participants include a reduction for the cumulative participants as of 06/30/2005.

*** Participants since 07/01/2005.

Year 2008

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
14A of 22

YEAR 13 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS (KWH/ PARTICIPANT)	TOTAL ENERGY SAVINGS (KWH/ HALF (2)X(5))	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (9)	MAXIMIZING INCENTIVE (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(EX. C, PG.21C) (9)	(5% of COSTS) (10)	(9)+(10) (11)	(4)+(8)+(11) (12)
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X(5%)		(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	119	521	\$1,358.15	\$161,620	1,016	529,336	\$0.04346	\$23,005	\$9,189	\$0	\$9,189	\$193,814
- Non-All Electric	56	196	\$83.11	\$4,654	568	111,328	\$0.04345	\$4,837	\$3,454	\$0	\$3,454	\$12,945
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- 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	252	\$457.38	\$27,900	875	220,500	\$0.04346	\$9,583	\$8,539	\$0	\$8,539	\$46,022
Mobile Home New Construction ***												
- Heat Pump	95	520	\$552.63	\$52,500	861	447,720	\$0.04348	\$19,467	\$10,597	\$0	\$10,597	\$82,564
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	560	2,612	\$361.32	\$202,339	435	1,136,220	\$0.04349	\$49,414	\$27,871	\$0	\$27,871	\$279,624
TOTAL RESIDENTIAL PROGRAMS	891	4,101		\$449,013		2,445,104		\$106,306	\$59,650	\$0	\$59,650	\$614,969
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$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	891	4,101		\$449,013		2,445,104		\$106,306	\$59,650	\$0	\$59,650	\$614,969

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

Year 2008

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
14B of 22

YEAR 13 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS (KWH/ PARTICIPANT)	TOTAL ENERGY SAVINGS (KWH/ HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (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	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	22
	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
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(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	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	566	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
TOTAL RESIDENTIAL PROGRAMS	1,730	4,583		\$416,347		2,679,179		\$116,471	\$68,061	\$1,350	\$69,411	\$602,229
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	1,730	4,583		\$416,347		2,679,179		\$116,471	\$68,061	\$1,350	\$69,411	\$602,229

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

** Cumulative participants include a reduction for the cumulative participants as of 07/01/2006.

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

Year 2009													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 15B of	
YEAR 14 (2nd HALF)												22	
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 *	COSTS TO BE	
	NUMBER	NUMBER	PROGRAM	PROGRAM	(KWH/ PARTICIPANT)	SAVINGS	REVENUE	LOST	(EX. C, PG.21C)	(5% of COSTS)	INCENTIVE	RECOVERED	
	(1)	(2)	PER PARTICIPANT	(4)	(5)	(6)	(\$/KWH)	(8)	(9)	(10)	(11)	(12)	
			(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
			(4) / (1)	(4)	(5)	(2)X(5)	(6)X(7)	(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													
- 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	99	342	** \$449.49	\$44,500	874	298,908	\$0.04350	\$13,002	\$13,859	\$0	\$13,859	\$71,361	
Mobile Home New Construction													
- Heat Pump	103	556	** \$544.17	\$56,050	860	478,160	\$0.04351	\$20,805	\$11,490	\$0	\$11,490	\$88,345	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
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													
- Resistance Heat Replacement	63	60	*** \$514.29	\$32,400	1,879	112,740	\$0.04349	\$4,903	\$30,120	\$0	\$30,120	\$67,423	
- Heat Pump Replacement	156	144	*** \$451.92	\$70,500	300	43,200	\$0.04353	\$1,880	\$0	\$3,525	\$3,525	\$75,905	
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	
												22	
YEAR 15 (1st HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL	
	PARTICIPANT	PARTICIPANT	PROGRAM	PROGRAM	REV/QTRS	ENERGY	LOST	LOST			TOTAL *	ACTUAL	
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/	KWH/	(\$/KWH)	REVENUES	(EX. C,	(5% of	INCENTIVE	RECOVERED	
	(1)	(2)	PARTICIPANT	(4)	PARTICIPANT)	QTR	(7)	(8)	PG.21C)	COSTS)	(11)	(12)	
			(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	
Targeted Energy Efficiency													
- All Electric	174	720	**	\$1,161.51	\$202,103	1,016	731,520	\$0.04346	\$31,792	\$13,436	\$0	\$247,331	
- Non-All Electric	31	237	**	\$114.10	\$3,537	568	134,616	\$0.04352	\$5,858	\$1,912	\$0	\$11,307	
Compact Fluorescent Bulb	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0		\$0.00	\$0	0	0	\$0.00000	\$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	\$70,363	
Mobile Home New Construction													
- Heat Pump	115	621	**	\$527.83	\$60,700	861	534,681	\$0.04351	\$23,264	\$4,462	\$0	\$68,426	
- Air Conditioner	0	0		\$0.00	\$0	0	0	\$0.00000	\$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	\$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	\$101,058	
- Heat Pump Replacement	272	348	***	\$416.73	\$113,350	301	104,748	\$0.04353	\$4,560	\$0	\$5,668	\$123,578	
Energy Education for Student Program (NEED)	488	1,299	***	\$50.99	\$24,861	73	94,827	\$0.04327	\$4,103	\$2,430	\$0	\$31,414	
Community Outreach Program (CFL)	2,644	4,482	***	\$16.10	\$42,564	91	407,862	\$0.04376	\$17,848	\$13,194	\$0	\$73,606	
TOTAL RESIDENTIAL PROGRAMS	4,419	11,020			\$728,571		3,827,389		\$166,495	\$120,324	\$5,668	\$1,021,058	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	
- Class 2	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	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	
Smart Audit - Class 2	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0			\$0		0		\$0	\$0	\$0	\$0	
TOTAL COMPANY	4,419	11,020			\$728,571		3,827,389		\$166,495	\$120,324	\$5,668	\$1,021,058	

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

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

*** 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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 16B-1 of	22
YEAR 15 (2nd HALF)	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
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ QTRs	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(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	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	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
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	699	2,939	** \$317.39	\$221,857	435	1,278,465	\$0.05752	\$73,537	\$34,789	\$0	\$34,789	\$330,183
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
TOTAL RESIDENTIAL PROGRAMS	4,795	10,705		\$700,315		4,275,076		\$245,794	\$172,315	\$6,634	\$178,949	\$1,125,058
	=====	=====		=====		=====		=====	=====	=====	=====	=====

Year 2010												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 16B-2 of	22
YEAR 15 (2nd HALF)	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
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ QTRs	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(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)
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Commercial A/C & Heat Pump Program												
- Air Conditioner Replacement	0	0	\$0.00	\$0	0	0	\$0.14803	\$0	\$0	\$0	\$0	\$0
- Heat Pump Replacement	0	0	\$0.00	\$0	0	0	\$0.58599	\$0	\$0	\$0	\$0	\$0
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.06480	\$0	\$0	\$0	\$0	\$0
- Heat Pump	1	0	\$125.00	\$125	819	0	\$0.06476	\$0	\$30	\$0	\$30	\$155
Commercial Load Management (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	\$0.25657	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	1	0		\$125		0		\$0	\$30	\$0	\$30	\$155
INDUSTRIAL PROGRAMS -												
(w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	4,796	10,705		\$700,440		4,275,076		\$245,794	\$172,345	\$6,634	\$178,979	\$1,125,213

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

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

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

Year 2011												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 17A-1 of	22
YEAR 16 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ACTUAL PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ QTR	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	(4)	(KWH/ PARTICIPANT) (5)	(6) (2)X(5)	(7)	(8) (6)X(7)	(EX. C, PG.21C) (9)	(5% of COSTS) (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	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	645	3,039	\$346.52	\$223,503	283	860,037	\$0.05752	\$49,469	\$9,456	\$0	\$9,456	\$282,428
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
TOTAL RESIDENTIAL PROGRAMS	82,863	34,507		\$782,656		4,465,361		\$256,962	\$135,755	\$42	\$135,797	\$1,175,415

Year 2011

KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												Exhibit C PAGE 17A-2 of	22
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.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) (4)/(1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTR (6)	(\$/KWH) (7)	REVENUES (8) (6)X(5)	(EX. C, PG.21C) (9)	(5% of COSTS) (10) (4)X(5)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (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	
TOTAL COMMERCIAL PROGRAMS	35	12		\$5,450		8,776		\$569	\$1,412	\$0	\$1,412	\$7,431	
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	82,898	34,519		\$788,106		4,474,137		\$257,531	\$137,167	\$42	\$137,209	\$1,182,846	

* 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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 17B-1 of	22
YEAR 16 (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)	EFFICIENCY INCENTIVE (9)	MAXIMIZING INCENTIVE (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	(2)X(5) (6)	(7)	(6)X(7) (8)	{EX. C, PG.21C} (9)	(5% of COSTS) (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	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	\$266,574
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
TOTAL RESIDENTIAL PROGRAMS	61,142	42,358		\$1,040,637		2,468,584		\$142,127	\$137,094	\$131	\$137,225	\$1,319,989

Year 2011												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 17B-2 of	22
YEAR 16 (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 *	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ESTIMATED COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6) (2)X(5)	(7)	REVENUES (8) (6)X(7)	(EX. C, PG.21C) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (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	2	1	\$4,053.00	\$8,106	71	71	\$0.07447	\$5	\$2	\$0	\$2	\$8,113
- Heat Pump Replacement	6	2	\$1,676.33	\$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												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 18A-1 of	22
YEAR 17 (1st 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 (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C, PG.21C) (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	142	854	\$1,210.97	\$171,958	981	837,774	\$0.05749	\$48,164	\$15,221	\$0	\$15,221	\$235,343
- Non-All Electric	16	165	** \$82.06	\$1,313	437	72,105	\$0.05746	\$4,143	\$0	\$66	\$66	\$5,522
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	110	439	** \$478.64	\$52,650	1,291	566,749	\$0.05750	\$32,568	\$26,043	\$0	\$26,043	\$111,281
Mobile Home New Construction												
- Heat Pump	79	575	** \$550.00	\$43,450	841	483,575	\$0.05749	\$27,801	\$6,554	\$0	\$6,554	\$77,805
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	646	3,301	\$322.61	\$208,408	325	1,072,825	\$0.05757	\$61,763	\$4,115	\$0	\$4,115	\$274,286
High Efficiency Heat Pump												
- Resistance Heat Replacement	88	208	** \$455.11	\$40,050	671	139,568	\$0.05745	\$8,018	\$3,458	\$0	\$3,458	\$51,526
- Non Resistance Heat Pump Replacement	217	378	** \$466.59	\$101,250	849	320,922	\$0.05750	\$18,453	\$19,218	\$0	\$19,218	\$138,921
Energy Education for Student Program (NEED)	525	2,677	\$17.61	\$9,245	111	297,147	\$0.05750	\$17,086	\$1,664	\$0	\$1,664	\$27,995
Community Outreach Program (CFL)	2,335	5,934	\$9.68	\$22,614	124	735,816	\$0.05765	\$42,420	\$11,138	\$0	\$11,138	\$76,172
Residential Efficient Products												
- Compact Fluorescent Lamp (CFL)	51,481	32,225	\$3.27	\$168,572	23	741,175	\$0.05818	\$43,122	\$43,759	\$0	\$43,759	\$255,453
- Specialty CFL's	0	0	\$0.00	\$19	15	0	\$0.05793	\$0	\$0	\$1	\$1	\$20
- LED Lights	0	0	\$0.00	\$584	21	0	\$0.05854	\$0	\$0	\$29	\$29	\$613
HVAC Diagnostic & Tune-Up												
- Air Conditioner	147	69	\$121.90	\$17,919	62	4,278	\$0.05749	\$246	\$0	\$896	\$896	\$19,061
- Heat Pump	324	255	\$109.32	\$35,419	234	59,670	\$0.05749	\$3,430	\$0	\$1,771	\$1,771	\$40,620
Residential Load Management (Pilot Program)												
- Air Conditioner	36	17	\$1,441.58	\$51,897	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$51,897
- Water Heating	32	15	\$1,621.78	\$51,897	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$51,897
TOTAL RESIDENTIAL PROGRAMS	56,178	47,112		\$977,245		5,331,604		\$307,234	\$131,170	\$2,763	\$133,933	\$1,418,412
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Year 2012												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 18A-2 of	22
YEAR 17 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ACTUAL PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS (KWH/ PARTICIPANT)	TOTAL ENERGY SAVINGS KWH/ QTRs	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C, PG.21C)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X(5%)	(11)	(12) (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	\$6,342.00	\$6,342	121	0	\$0.07447	\$0	\$0	\$317	\$317	\$6,659
- Heat Pump Replacement	10	2 **	\$1,044.10	\$10,441	570	1,140	\$0.07430	\$85	\$0	\$522	\$522	\$11,048
HVAC Diagnostic & Tune-Up												
- Air Conditioner	24	11	\$310.46	\$7,451	115	1,265	\$0.07424	\$94	\$0	\$373	\$373	\$7,918
- Heat Pump	56	22	\$222.34	\$12,451	349	7,678	\$0.07429	\$570	\$0	\$623	\$623	\$13,644
Commercial Load Management (Pilot Program)												
- Air Conditioner	0	0	\$0.00	\$7,630	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$7,630
- Water Heating	0	0	\$0.00	\$7,631	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$7,631
Commercial Incentive	24	6	\$13,772.13	\$330,531	8,788	52,728	\$0.07512	\$3,961	\$0	\$16,527	\$16,527	\$351,019
TOTAL COMMERCIAL PROGRAMS	115	41		\$382,477		62,811		\$4,710	\$0	\$18,362	\$18,362	\$405,549
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	56,293	47,153		\$1,359,722		5,394,415		\$31,944	\$131,170	\$21,125	\$152,295	\$1,823,961

* 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 22

YEAR 17 (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	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) / (4)	(4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C, PG.21C) (9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (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	43	629	** \$2,093.67	\$90,028	981	617,049	\$0.05749	\$35,474	\$4,609	\$0	\$4,609	\$130,111
- Non-All Electric	4	97	** \$340.25	\$1,361	436	42,292	\$0.05746	\$2,430	\$0	\$68	\$68	\$3,859
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	112	589	\$445.98	\$49,950	1,292	760,988	\$0.05747	\$43,734	\$26,516	\$0	\$26,516	\$120,200
Mobile Home New Construction												
- Heat Pump	76	520	** \$553.29	\$42,050	840	436,800	\$0.05747	\$25,103	\$6,305	\$0	\$6,305	\$73,458
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	554	3,119	\$404.00	\$223,816	326	1,016,794	\$0.05751	\$58,476	\$3,529	\$0	\$3,529	\$285,821
High Efficiency Heat Pump												
- Resistance Heat Replacement	73	485	** \$431.51	\$31,500	671	325,435	\$0.05750	\$18,713	\$2,869	\$0	\$2,869	\$53,082
- Non Resistance Heat Pump Replacement	209	696	\$439.23	\$91,800	849	590,904	\$0.05746	\$33,953	\$18,509	\$0	\$18,509	\$144,262
Energy Education for Student Program (NEED)	1,562	3,201	\$12.15	\$18,983	111	355,311	\$0.05730	\$20,359	\$4,952	\$0	\$4,952	\$44,294
Community Outreach Program (CFL)	3,306	5,447	** \$9.93	\$32,817	124	675,428	\$0.05758	\$38,891	\$15,770	\$0	\$15,770	\$87,478
Residential Efficient Products												
- Compact Fluorescent Lamp (CFL)	84,738	36,146	** \$2.19	\$185,235	22	795,212	\$0.05739	\$45,637	\$72,027	\$0	\$72,027	\$302,899
- Specialty CFL's	0	0	\$0.00	\$18	14	0	\$0.05793	\$0	\$0	\$0	\$0	\$18
- LED Lights	12	7	\$48.25	\$579	20	140	\$0.05854	\$8	\$0	\$29	\$29	\$616
HVAC Diagnostic & Tune-Up												
- Air Conditioner	75	115	** \$172.67	\$12,950	63	7,245	\$0.05714	\$414	\$0	\$648	\$648	\$14,012
- Heat Pump	458	555	** \$102.95	\$47,150	233	129,315	\$0.05744	\$7,428	\$0	\$2,358	\$2,358	\$56,936
Residential Load Management (Pilot Program)												
- Air Conditioner	23	17	\$2,450.09	\$56,352	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$56,352
- Water Heating	16	11	\$3,390.50	\$54,248	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$54,248
TOTAL RESIDENTIAL PROGRAMS	91,261	51,634		\$938,837		5,752,913		\$330,620	\$155,086	\$3,103	\$158,189	\$1,427,646

Year 2012

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
18B-2 of 22

YEAR 17 (2nd HALF)	NEW	CUMULATIVE	AVERAGE ACTUAL	TOTAL ACTUAL	NET LOST	TOTAL ENERGY SAVINGS	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ESTIMATED
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM	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.21C)	(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)
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	\$5,264	121	0	\$0.07419	\$0	\$0	\$263	\$263	\$5,527
- Heat Pump Replacement	10	6	\$936.40	\$9,364	570	3,420	\$0.07438	\$254	\$0	\$468	\$468	\$10,086
HVAC Diagnostic & Tune-Up												
- Air Conditioner	14	6	\$367.86	\$5,150	114	684	\$0.07461	\$51	\$0	\$258	\$258	\$5,459
- Heat Pump	44	17	\$125.57	\$5,525	349	5,933	\$0.07438	\$441	\$0	\$276	\$276	\$6,242
Commercial Load Management (Pilot Program)												
- Air Conditioner	0	0	\$0.00	\$8,551	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$8,551
- Water Heating	0	0	\$0.00	\$8,551	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$8,551
Commercial Incentive	104	26	\$7,324.43	\$761,741	8,788	228,488	\$0.07235	\$16,531	\$0	\$38,087	\$38,087	\$816,359
TOTAL COMMERCIAL PROGRAMS	172	55		\$804,146		238,525		\$17,277	\$0	\$39,352	\$39,352	\$860,775
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	91,433	51,689		\$1,742,983		5,991,438		\$347,897	\$155,086	\$42,455	\$197,541	\$2,288,421

* 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 2013

KENTUCKY POWER COMPANY
ACTUAL SECTOR SURCHARGES FOR 3 YEAR
PROGRAM

Exhibit C
PAGE
19A-1 of

22

YEAR 18 (1st 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	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3) / (4)	(4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6)	(\$/KWH) (7)	REVENUES (8) / (9)	(EX. C, PG.21C) (9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (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	48	580	** \$1,289.83	\$61,912	981	568,980	\$0.05749	\$32,711	\$5,145	\$0	\$5,145	\$99,768
- Non-All Electric	11	77	** \$82.64	\$909	437	33,649	\$0.05746	\$1,933	\$0	\$45	\$45	\$2,887
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	96	656	** \$411.98	\$39,550	1,292	847,552	\$0.05747	\$48,709	\$22,728	\$0	\$22,728	\$110,997
Mobile Home New Construction												
- Heat Pump	67	526	** \$525.37	\$35,200	841	442,366	\$0.05747	\$25,423	\$5,558	\$0	\$5,558	\$66,181
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	598	3,693	\$336.43	\$201,184	326	1,203,918	\$0.05751	\$69,237	\$3,809	\$0	\$3,809	\$274,230
High Efficiency Heat Pump												
- Resistance Heat Replacement	84	405	** \$460.12	\$38,650	671	271,755	\$0.05750	\$15,626	\$3,301	\$0	\$3,301	\$57,577
- Non Resistance Heat Pump Replacement	207	585	** \$452.90	\$93,750	849	496,665	\$0.05746	\$28,538	\$18,332	\$0	\$18,332	\$140,620
Energy Education for Student Program (NEED)	589	637	\$12.86	\$7,573	111	70,707	\$0.05730	\$4,052	\$1,867	\$0	\$1,867	\$13,492
Community Outreach Program (CFL)	2,291	6,324	** \$15.84	\$36,283	124	784,176	\$0.05758	\$45,153	\$10,928	\$0	\$10,928	\$92,364
Residential Efficient Products												
- Compact Fluorescent Lamp (CFL)	100,849	80,891	** \$2.23	\$225,132	23	1,860,493	\$0.05739	\$106,774	\$85,722	\$0	\$85,722	\$417,628
- Specialty CFL's	12,552	6,395	\$2.38	\$29,894	30	191,850	\$0.05793	\$11,114	\$14,560	\$0	\$14,560	\$55,568
- LED Lights	0	0	\$0.00	\$223	0	0	\$0.05854	\$0	\$0	\$11	\$11	\$234
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	69	** \$0.00	\$200	63	4,347	\$0.05714	\$248	\$0	\$10	\$10	\$458
- Heat Pump	69	296	\$183.48	\$12,660	234	69,264	\$0.05744	\$3,979	\$0	\$633	\$633	\$17,272
Residential Load Management (Pilot Program)												
- Air Conditioner	0	0	\$0.00	\$8,658	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$8,658
- Water Heating	0	0	\$0.00	\$8,628	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$8,628
TOTAL RESIDENTIAL PROGRAMS	117,461	101,134		\$800,406		6,845,722		\$393,497	\$171,950	\$699	\$172,649	\$1,366,552

Year 2013													
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 19A-2 of		22
YEAR 18 (1st HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING	TOTAL		
	PARTICIPANT	PARTICIPANT	ESTIMATED	ESTIMATED	REV/QTRS	ENERGY	LOST	NET *			TOTAL *	ESTIMATED	
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ QTRs	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(5% of COSTS)	INCENTIVE	RECOVERED	
	(1)	(2)	(3) (4) / (1)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
						(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	0	1	\$0.00	\$0	121	121	\$0.07106	\$9	\$0	\$0	\$0	\$9	
- Heat Pump Replacement	5	15	\$540.00	\$2,700	570	8,550	\$0.07108	\$608	\$0	\$135	\$135	\$3,443	
HVAC Diagnostic & Tune-Up													
- Air Conditioner	0	12	**	\$0.00	\$125	115	1,380	\$0.07109	\$98	\$0	\$6	\$6	
- Heat Pump	6	27	**	\$263.33	\$1,580	349	9,423	\$0.07114	\$670	\$0	\$79	\$79	
Commercial Incentive	53	31	**	\$5,851.98	\$310,155	8,788	272,428	\$0.07038	\$19,173	\$0	\$15,508	\$15,508	
Commercial Load Management (Pilot Program)													
- Air Conditioner	0	0	\$0.00	\$750	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$750	
- Water Heating	0	0	\$0.00	\$750	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$750	
TOTAL COMMERCIAL PROGRAMS	64	86		\$316,060		291,902		\$20,558	\$0	\$15,728	\$15,728	\$352,346	
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	117,525	101,220		\$1,116,466		7,137,624		\$414,055	\$171,950	\$16,427	\$188,377	\$1,718,898	

* 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 2013												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 19B-1 of	22
YEAR 18 (2nd HALF)	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/ PARTICIPANT)	KWH/ QTRs	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(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	62	433	** \$1,389.87	\$86,172	981	424,773	\$0.05749	\$24,420	\$6,646	\$0	\$6,646	\$117,238
- Non-All Electric	9	73	** \$546.22	\$4,916	436	31,828	\$0.05746	\$1,829	\$0	\$246	\$246	\$6,991
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	104	659	** \$525.37	\$54,638	1,291	850,769	\$0.05747	\$48,894	\$24,622	\$0	\$24,622	\$128,154
Mobile Home New Construction												
- Heat Pump	68	557	** \$616.34	\$41,911	840	467,880	\$0.05747	\$26,889	\$5,641	\$0	\$5,641	\$74,441
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	602	3,608	\$414.41	\$249,476	325	1,172,600	\$0.05751	\$67,436	\$3,835	\$0	\$3,835	\$320,747
High Efficiency Heat Pump												
- Resistance Heat Replacement	81	576	** \$454.32	\$36,800	671	386,496	\$0.05750	\$22,224	\$3,183	\$0	\$3,183	\$62,207
- Non Resistance Heat Pump Replacement	178	1,040	** \$461.61	\$82,166	849	882,960	\$0.05746	\$50,735	\$15,764	\$0	\$15,764	\$148,665
Energy Education for Student Program (NEED)	1,611	3,796	\$13.14	\$21,172	111	421,356	\$0.05730	\$24,144	\$5,107	\$0	\$5,107	\$50,423
Community Outreach Program (CFL)	2,709	4,470	** \$7.67	\$20,790	124	554,280	\$0.05758	\$31,915	\$12,922	\$0	\$12,922	\$65,627
Residential Efficient Products												
- Compact Fluorescent Lamp (CFL)	93,351	87,223	** \$2.24	\$208,995	23	2,006,129	\$0.05739	\$115,132	\$79,348	\$0	\$79,348	\$403,475
- Specialty CFL's	11,448	5,699	\$2.02	\$23,081	30	170,970	\$0.05793	\$9,904	\$13,280	\$0	\$13,280	\$46,265
- LED Lights	400	88	\$0.00	\$5,526	0	0	\$0.05854	\$0	\$0	\$276	\$276	\$5,802
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	148	** \$0.00	\$0	63	9,324	\$0.05714	\$533	\$0	\$0	\$0	\$533
- Heat Pump	111	395	\$98.71	\$10,957	234	92,430	\$0.05744	\$5,309	\$0	\$548	\$548	\$16,814
Residential Load Management (Pilot Program)												
- Air Conditioner	0	0	\$0.00	\$1,875	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$1,875
- Water Heating	0	0	\$0.00	\$1,875	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$1,875
TOTAL RESIDENTIAL PROGRAMS	110,734	108,765		\$850,350		7,471,795		\$429,364	\$170,348	\$1,070	\$171,418	\$1,451,132

Year 2013												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 19B-2 of	22
YEAR 18 (2nd HALF)	NEW	CUMULATIVE	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ QTRs	NET LOST REVENUE (\$/KWH)	TOTAL NET *	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ESTIMATED COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C, PG.21C) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (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	1	\$2,350.00	\$2,350	120	120	\$0.07106	\$9	\$0	\$118	\$118	\$2,477
- Heat Pump Replacement	7	13	\$986.43	\$6,905	570	7,410	\$0.07108	\$527	\$0	\$345	\$345	\$7,777
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	21	**	\$0.00	\$0	115	2,415	\$0.07109	\$172	\$0	\$0	\$172
- Heat Pump	9	57		\$580.67	\$5,226	348	19,836	\$0.07114	\$1,411	\$0	\$261	\$6,898
Commercial Incentive	97	82	**	\$7,236.21	\$701,912	8,788	720,616	\$0.07038	\$50,717	\$0	\$35,096	\$787,725
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
TOTAL COMMERCIAL PROGRAMS	114	174		\$716,393		750,397		\$52,836	\$0	\$35,820	\$35,820	\$805,049
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	110,848	108,939		\$1,566,743		8,222,192		\$482,200	\$170,348	\$36,890	\$207,238	\$2,256,181

* 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 2014

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
20A-1 of 22

YEAR 19 (1st HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	ESTIMATED	ESTIMATED	REV/QTRS	ENERGY	LOST	NET *				ESTIMATED
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PROGRAM	PROGRAM	(KWH/ PARTICIPANT)	SAVINGS	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
	(1)	(2)	PER	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			PARTICIPANT	(4)		(2)X(5)	(\$/KWH)	REVENUES	(EX. C, PG.21C)	(5% of COSTS)	INCENTIVE	(4)+(8)+(11)
			(3)	(4)				(6)X(7)		(4)X(5)	(9)+(10)	(4)+(8)+(11)
			(4)/(1)									
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	73	403	** \$1,608.41	\$117,414	981	395,343	\$0.05749	\$22,728	\$7,825	\$0	\$7,825	\$147,967
- Non-All Electric	13	44	** \$340.54	\$4,427	437	19,228	\$0.05746	\$1,105	\$0	\$221	\$221	\$5,753
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 Retrofit	100	626	** \$590.07	\$59,007	1,292	808,792	\$0.05747	\$46,481	\$23,675	\$0	\$23,675	\$129,163
Mobile Home New Construction												
- Heat Pump	67	442	** \$742.72	\$49,762	841	371,722	\$0.05747	\$21,363	\$5,558	\$0	\$5,558	\$76,683
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	1,000	3,808	\$432.99	\$432,992	326	1,241,408	\$0.05751	\$71,393	\$6,370	\$0	\$6,370	\$510,755
High Efficiency Heat Pump												
- Resistance Heat Replacement	84	318	** \$540.14	\$45,372	671	213,378	\$0.05750	\$12,269	\$3,301	\$0	\$3,301	\$60,942
- Non Resistance Heat Pump Replacement	218	525	** \$527.61	\$115,018	849	445,725	\$0.05746	\$25,611	\$19,306	\$0	\$19,306	\$159,935
Energy Education for Student Program (NEED)	700	638	\$26.14	\$18,296	111	70,818	\$0.05730	\$4,058	\$2,219	\$0	\$2,219	\$24,573
Community Outreach Program (CFL)	2,193	6,501	** \$15.92	\$34,915	124	806,124	\$0.05758	\$46,417	\$10,461	\$0	\$10,461	\$91,793
Residential Efficient Products												
- Compact Fluorescent Lamp (CFL)	120,000	99,213	** \$3.00	\$360,296	23	2,281,899	\$0.05739	\$130,958	\$102,000	\$0	\$102,000	\$593,254
- Specialty CFL's	10,002	11,158	\$4.92	\$49,174	30	334,740	\$0.05793	\$19,391	\$11,602	\$0	\$11,602	\$80,167
- LED Lights	2,250	1,125	\$0.00	\$26,372	0	0	\$0.05854	\$0	\$0	\$1,319	\$1,319	\$27,691
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	96	** \$0.00	\$0	63	6,048	\$0.05714	\$346	\$0	\$0	\$0	\$346
- Heat Pump	120	406	\$159.48	\$19,137	234	95,004	\$0.05744	\$5,457	\$0	\$957	\$957	\$25,551
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
TOTAL RESIDENTIAL PROGRAMS	136,820	125,303		\$1,332,182		7,090,229		\$407,577	\$192,317	\$2,497	\$194,814	\$1,934,573

Year 2014

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3
YEAR PROGRAM

Exhibit C
PAGE
20A-2 of 22

YEAR 19 (1st 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	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ESTIMATED COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3) (4) / (1)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ QTRs (6)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C, PG.21C) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	(12) (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	2	1	\$0.00	\$4,324	121	121	\$0.07106	\$9	\$0	\$216	\$216	\$4,549
- Heat Pump Replacement	4	10	\$2,114.25	\$8,457	570	5,700	\$0.07108	\$405	\$0	\$423	\$423	\$9,285
HVAC Diagnostic & Tune-Up												
- Air Conditioner	0	13	** \$0.00	\$0	115	1,495	\$0.07109	\$106	\$0	\$0	\$0	\$106
- Heat Pump	12	45	\$855.92	\$10,271	349	15,705	\$0.07114	\$1,117	\$0	\$514	\$514	\$11,902
Commercial Incentive	126	106	** \$6,028.90	\$759,642	8,788	931,528	\$0.07038	\$65,561	\$0	\$37,982	\$37,982	\$863,185
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
TOTAL COMMERCIAL PROGRAMS	144	175		\$782,694		954,549		\$67,198	\$0	\$39,135	\$39,135	\$889,027
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	136,964	125,478		\$2,114,876		8,044,778		\$474,775	\$192,317	\$41,632	\$233,949	\$2,823,600

* 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 17		YEAR 18		YEAR 19		YEAR 20		YEAR 21		YEAR 22		YEAR 23		YEAR 24		YEAR 25		YEAR 26		YEAR 27		YEAR 28		YEAR 29			
	(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)	(67)	
	2nd half	1st half	2nd half	1st half	2nd half	1st half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half		
RESIDENTIAL PROGRAMS																												
Energy Fitness	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	
Targeted Energy Efficiency																												
- All Electric	141	142	43	48	62	73	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Non-All Electric	23	16	4	11	9	13	\$719	\$252	\$154	\$40	\$70	\$60	\$40	\$141	\$105	\$90	\$231	\$137	\$56	\$30	\$295	\$43	\$308	\$1,125	\$513	\$671	\$908	
Compact Fluorescent Bulb	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	
High - Efficiency Heat Pump																												
- Resistance Heat	0	0	0	0	0	0	\$10,634	\$2,427	\$1,588	\$152	\$760	\$4,375	\$6,187	\$1,679	\$1,105	\$1,016	\$1,326	\$44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	0	0	0	0	\$8,796	\$2,070	\$5,414	\$757	\$1,863	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump																												
- Mobile Home	114	110	112	96	104	100	\$13,834	\$4,236	\$4,128	\$2,145	\$5,623	\$8,505	\$11,284	\$3,789	\$3,621	\$4,463	\$3,958	\$1,244	\$1,244	\$983	\$839	\$1,166	\$1,330	\$2,693	\$3,168	\$3,802	\$3,564	
Mobile Home New Construction ***																												
- Heat Pump	92	79	76	67	68	67	\$0	\$0	\$0	\$0	\$0	\$4,353	\$5,464	\$4,485	\$4,175	\$3,687	\$4,087	\$231	\$248	\$187	\$250	\$276	\$264	\$8,372	\$10,372	\$11,246	\$11,746	
- 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
Modified Energy Fitness	558	646	554	598	602	1,000	\$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	121	88	73	84	81	84	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Heat Pump Replacement	194	217	209	207	178	218	\$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)	958	525	1,562	589	1,611	700	\$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)	2,397	2,335	3,306	2,291	2,709	2,193	\$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)	65,928	\$1,481	84,738	100,849	93,351	120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Specialty CFL's	0	0	0	12,552	11,448	10,002	\$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	12	0	400	2,250	\$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	168	147	75	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	440	324	456	69	111	120	\$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	6	36	23	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	4	32	16	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	
- 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	
Smart Financing - Existing Building	0	0	0	0	0	0	\$505	\$0	\$8,946	\$6,506	\$23,585	\$1,395	\$5,814	\$3,721	\$5,581	\$3,488	\$3,488	\$1,628	\$5,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	0	0	0	0	\$0	\$50	\$0	\$28	\$144	\$787	\$2,099	\$1,049	\$0	\$2,099	\$4,722	\$1,312	\$4,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Commercial A/C & Heat Pump Program																												
- Air Conditioner Replacement	2	1	0	0	1	2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Heat Pump Replacement	6	10	10	5	7	4	\$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	45	24	14	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	68	56	44	6	9	12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Commercial Incentive	18	24	104	53	97	125	\$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	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	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	
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	
Smart Financing - General	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	
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	
TOTAL INDUSTRIAL PROGRAMS																												
ANNUAL SHARED SAVINGS (\$)																												

KENTUCKY POWER COMPANY DERIVATION FOR 3 YEAR DSM EXPERIMENT CALCULATION OF EFFICIENCY INCENTIVE																Exhibit C PAGE 21C of	22
PROGRAM DESCRIPTIONS	YEAR 12		YEAR 13		YEAR 14		YEAR 15		YEAR 16		YEAR 17		YEAR 18		YEAR 19		
	(69)	(69)	(70)	(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	(81)	(82)		
	(5)X(32)	(5)X(33)	(6)X(34)	(6)X(35)	(7)X(36)	(7)X(37)	(8)X(38)	(8)X(39)	(9)X(40)	(9)X(41)	(10)X(42)	(10)X(43)	(10)X(44)	(10)X(45)	(10)X(46)		
	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half		
RESIDENTIAL PROGRAMS																	
Energy Fitness	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Targeted Energy Efficiency																	
- All Electric	\$0	\$0	\$9,189	\$6,873	\$9,189	\$10,811	\$13,436	\$13,202	\$16,253	\$20,833	\$15,221	\$4,609	\$5,145	\$0,646	\$7,825		
- Non-All Electric	\$572	\$987	\$3,454	\$1,234	\$1,357	\$3,762	\$1,912	\$1,419	(\$224)	(\$857)	(\$1,016)	(\$254)	(\$698)	(\$571)	(\$825)		
Compact Fluorescent Bulb	\$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	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump																	
- Mobile Home	\$3,960	\$3,564	\$8,539	\$10,359	\$8,539	\$13,858	\$13,579	\$19,039	\$27,615	\$33,491	\$26,043	\$26,516	\$22,728	\$24,622	\$23,675		
Mobile Home New Construction ***																	
- Heat Pump	\$10,497	\$16,120	\$10,597	\$12,047	\$9,816	\$11,490	\$4,462	\$13,274	\$6,393	\$8,649	\$6,554	\$6,305	\$5,568	\$5,641	\$5,559		
- Air Conditioner	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Modified Energy Fitness	\$21,671	\$20,409	\$27,071	\$21,099	\$21,152	\$16,664	\$24,935	\$34,789	\$9,456	\$8,151	\$4,115	\$3,529	\$3,809	\$3,835	\$6,370		
High Efficiency Heat Pump																	
- Resistance Heat Replacement					\$13,397	\$30,120	\$46,376	\$74,106	\$12,030	\$9,453	\$3,458	\$2,869	\$3,301	\$3,183	\$3,301		
- Heat Pump Replacement					\$0	\$0	\$0	\$0	\$25,033	\$22,908	\$19,218	\$18,509	\$18,332	\$15,764	\$19,306		
Energy Education for Student Program (NEED)					\$0	\$5,627	\$2,430	\$5,274	\$1,913	\$1,648	\$1,664	\$4,952	\$1,887	\$5,107	\$2,219		
Community Outreach Program (CFL)					\$4,621	\$14,852	\$13,194	\$10,813	\$9,871	\$9,395	\$11,138	\$15,770	\$10,928	\$12,922	\$10,461		
Residential Efficient Products																	
- Compact Fluorescent Lamp (CFL)								\$0	\$24,107	\$17,338	\$43,759	\$72,027	\$85,722	\$79,348	\$102,000		
- Specialty CFL's								\$0	\$0	\$0	\$0	\$14,560	\$13,280	\$11,602	\$0		
- LED Lights								\$0	\$0	\$0	\$0	(\$9)	\$0	(\$304)	(\$1,710)		
HVAC Diagnostic & Tune-Up																	
- Air Conditioner								\$0	\$04	\$220	(\$788)	(\$402)	\$0	\$0	\$0		
- Heat Pump								\$319	\$3,300	\$5,007	(\$253)	(\$357)	(\$54)	(\$87)	(\$94)		
Residential Load Management																	
- Air Conditioner									\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Water Heating									\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL RESIDENTIAL PROGRAMS	\$36,700	\$41,080	\$59,650	\$52,412	\$68,061	\$108,395	\$120,324	\$172,315	\$135,531	\$136,237	\$129,113	\$154,064	\$171,198	\$169,366	\$189,688		
*** Participants since 09/01/99																	
COMMERCIAL PROGRAMS																	
Smart Audit - Class 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Class 2	\$0	\$0	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Existing Building	\$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	\$0	\$0	\$0	\$0	\$0	\$0		
Commercial A/C & Heat Pump Program																	
- Air Conditioner Replacement								\$0	\$1	\$2	(\$29)	\$0	\$0	(\$29)	(\$59)		
- Heat Pump Replacement								\$0	\$872	\$349	(\$92)	(\$92)	(\$46)	(\$64)	(\$37)		
HVAC Diagnostic & Tune-Up																	
- Air Conditioner								\$0	\$7	\$326	(\$163)	(\$95)	\$0	\$0	\$0		
- Heat Pump								\$30	\$532	\$2,601	(\$20)	(\$15)	(\$2)	(\$3)	(\$4)		
Commercial Incentive								\$0	\$0	\$42,852	(\$5,810)	(\$25,178)	(\$12,831)	(\$23,484)	(\$30,505)		
Commercial Load Management																	
- Air Conditioner									\$0	\$0	\$0	\$0	\$0	\$0	\$0		
- Water Heating									\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL COMMERCIAL PROGRAMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$1,412	\$46,130	(\$6,114)	(\$25,380)	(\$12,879)	(\$23,589)	(\$30,604)		
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		
Smart Audit - Class 2	\$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	\$0	\$0	\$0		
Smart Financing - Compressed Air System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL INDUSTRIAL PROGRAMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
ANNUAL SHARED SAVINGS (\$)	\$36,700	\$41,080	\$59,650	\$52,412	\$68,061	\$108,395	\$120,324	\$172,315	\$136,943	\$182,367	\$122,999	\$126,684	\$158,319	\$146,806	\$159,084		

KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2013 2nd HALF / 2014 1st HALF KENTUCKY RETAIL ENERGY SALES IN KWH		PAGE 22 of		22
FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS				
PROGRAM YR 18 2013 2nd HALF & YR 19 2014 1st HALF				
LINE NO.	YEAR	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
1	TOTAL ULTIMATE SALES (KWH) *	2,279,600,000	1,348,300,000	2,844,700,000
2	LESS NON-METERED **	13,677,600	8,089,800	17,068,200
3	TOTAL ESTIMATED RETAIL KWH SALES	2,265,922,400	1,340,210,200	2,827,631,800
4	LESS OPT - OUT CUSTOMERS KWH	0	0	0
5	KWH BEFORE LOST REVENUE IMPACTS	2,265,922,400	1,340,210,200	2,827,631,800
6	LESS LOST REVENUE IMPACTS ***	14,562,024	1,704,946	0
7	ADJUSTED KWH BY SECTOR	2,251,360,376	1,338,505,254	2,827,631,800
8	LINE 7/LINE 1	98.8%	99.3%	99.4%
PROGRAM YR 18 (2nd HALF)				
9	TOTAL ULTIMATE SALES (KWH) *	1,103,700,000	682,400,000	1,432,700,000
10	LINE 8	98.8%	99.3%	99.4%
11	ADJUSTED KWH BY SECTOR	1,090,455,600	677,623,200	1,424,103,800
PROGRAM YR 19 (1st HALF)				
12	TOTAL ULTIMATE SALES (KWH) *	1,175,900,000	665,900,000	1,412,000,000
13	LINE 8	98.8%	99.3%	99.4%
14	ADJUSTED KWH BY SECTOR	1,161,789,200	661,238,700	1,403,528,000
* SOURCE: 2013 / 2014 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 18B of 21, Column 6 - TOTAL RESIDENTIAL PROGRAMS		7,471,795	750,397	-
Page 19A of 21, Column 6 - TOTAL RESIDENTIAL PROGRAMS		7,090,229	954,549	-
TOTAL		14,562,024	1,704,946	-