

**American Elect. Power**

101A Enterprise Drive  
PO Box 5190  
Frankfort, KY 40602-5190  
www.aep.com



Thomas M. Dorman, Executive Director  
Kentucky Public Service Commission  
P. O. Box 615  
211 Sower Boulevard  
Frankfort, KY 40602

February 12, 2004

Dear Mr. Dorman:

Re: Case No. 2004-00047

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

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

Specifically, the Joint Applicants seek authority for AEP/Kentucky, in conjunction with its utility services and pursuant to the 1994 House Bill No. 501, to implement the enclosed revised electric tariff to recover costs associated with the implementation of demand-side management programs, which include net lost revenues and incentives related to those programs.

Unless otherwise advised by the Commission, the DSM Collaborative plans on filing separate cost evaluations for each of the active DSM Programs for years 2003 and 2004. The evaluation reports will be filed with the August 2005 DSM Status Report.

The revised DSM Adjustment clause factor for each customer sector has been agreed upon and is proposed by the DSM Collaborative (see Exhibit C, Column 5, Lines 12 and 25). The proposed factor for the residential and commercial sectors is the midpoint between the ceiling and the floor calculations as demonstrated on Exhibit C. The floor was calculated by taking the Collaborative's projected remaining fourth quarter position (see Exhibit C, Column 5, Lines 2

Thomas M. Dorman  
February 13, 2004  
Page 2

and 15) and dividing by the adjusted estimated sector KWH sales for the remaining fourth quarter (see Exhibit C, Column 5, Lines 10 and 23). The ceiling was calculated by taking the Collaborative's projected remaining fourth quarter position (see Exhibit C, Column 5, Lines 4 and 17) and dividing by the adjusted estimated sector KWH sales for the remaining fourth quarter (see Exhibit C, Column 5, Lines 10 and 23).

The Joint Applicants request the Commission to approve the following:

- (1) The Experimental DSM Electric Tariff to become effective March 30, 2004. This will allow the Company to utilize new factors with the first billing cycle in April 2004.

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

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

Sincerely,



Errol K. Wagner  
Director of Regulatory Services  
Enclosure

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

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

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

CUSTOMER SECTOR			
	<u>RESIDENTIAL</u> (\$ Per Kwh)	<u>COMMERCIAL</u> (\$ Per KWH)	<u>INDUSTRIAL*</u> (\$ Per KWH)
Floor Factor =	0.000066	( 0.000082 )	- 0 -
Ceiling Factor =	0.000497	( 0.000015 )	- 0 -

(D) (D)  
(D) (D)

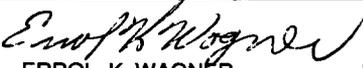
8. The DSM Adjustment Clause factor (\$ Per KWH) for each customer sector which fall within the range defined in Item 7 above is as follows:

CUSTOMER SECTOR			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL*</u>
DSM (c)	\$ 462,580	\$ ( 49,747 )	- 0 -
S ©	1,640,355,400	1,015,243,200	- 0 -
Adjustment Factor \$	0.000282	( 0.000049 )	- 0 -

(I) (D)  
(I) (I)  
(D) (D)

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

DATE OF ISSUE February 12, 2004 EFFECTIVE DATE March 30, 2004

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

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

As of December 31, 2003

**INDEX**

<b>PAGE</b>	<b>DESCRIPTION</b>
1	Definitions
3	Summary Information (All Programs) <b><u>Active Programs:</u></b>
<b>Residential Programs</b>	
5	Energy Fitness
8	Targeted Energy Efficiency
12	Compact Fluorescent Bulb
15	High Efficiency Heat Pump
18	Mobile Home High Efficiency Heat Pump
21	Mobile Home New Construction
24	Modified Energy Fitness Program
<b>Commercial Programs</b>	
27	Smart Audit
30	Smart Incentive
<b>Industrial Programs</b>	
33	Smart Audit
36	Smart Incentive

## DEFINITIONS

- 1) YTD Costs
  - Year-to-Date costs recorded January 1, 2003 through December 31, 2003.
- 2) YTD Impacts
  - Estimated in place load impacts for Year-to-Date participants.
- 3) PTD Costs
  - Costs recorded from the inception of the program through December 31, 2003.
- 4) PTD Impacts
  - Estimated in place load impacts for Program-to-Date participants.

## COMMENTS

Our calculations are based on actual participants and costs as of December 31, 2003. The Residential, Commercial, and Industrial total DSM costs in this status report do not agree with the total costs in the Financial Report due to a one month lag in reporting.

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

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

The calculation of YTD and PTD estimated in place energy (kWh) savings and anticipated peak demand (kW) reductions contained in this status report reflect, wherever applicable, the program evaluation results of each individual program as described in the August 16, 1999 and June 30, 2002 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 1/1/03 to 12/31/03 are calculated using the revised values contained in Schedule C of the status report.

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

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

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

AS OF DECEMBER 31, 2003

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$765,898</u>	<u>\$8,700,166</u>
Total Program Costs	452,712	6,054,397
Total Lost Revenues	283,149	2,384,712
Total Efficiency/ Maximizing Incentive	<u>21,621</u>	<u>485,931</u>
Total DSM Costs As Of December 31, 2003	<u>\$757,482</u>	<u>\$8,925,040</u>

DESCRIPTION	YTD	PTD
Actual In-Place Energy Savings:	780,051 kWh	145,606,907 kWh
w/ T&D Line Losses:	858,056 kWh	160,167,598 kWh
Total kW Reductions:		
Winter	738	13,477
w/ T&D Line Losses:	819	14,960
Summer	101	3,299
w/T&D Line Losses:	112	3,662

# AMERICAN ELECTRIC POWER - KENTUCKY

PROGRAM INFORMATION	
PROGRAM:	Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2003

2003														
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	2,812

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
0	25,691,729		0	0	441
					1,932

# AMERICAN ELECTRIC POWER - KENTUCKY

Energy Fitness	
Reporting Period:	January - December, 2003

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



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued May 14, 1999.



**AMERICAN ELECTRIC POWER - KENTUCKY**

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Targeted Energy Efficiency
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January - December, 2003

<b>2003</b>														
Participants	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
	All Electric	5	16	15	18	27	19	12	11	17	5	12	12	169
Non All Electric	2	1	0	0	2	2	3	37	3	10	7	9	76	513

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD	YTD		PTD
			Summer	Winter	Summer
144,144	34,246,048	21	88	470	2,142

# AMERICAN ELECTRIC POWER - KENTUCKY

Targeted Energy Efficiency	
Reporting Period:	January - December, 2003

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	187,499.00
Equipment/Vendor:	157,847.00	0.00	1,592,713.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	214.00	0.00	8,189.00
<b>Total Program Costs:</b>	<b>158,061.00</b>	<b>0.00</b>	<b>1,788,401.00</b>
Lost Revenues:	33,192.00	1,944.00	344,381.00
Efficiency Incentive:	325.00	184.00	2,604.00
Maximizing Incentives:	7,613.00	0.00	85,914.00
<b>Total Costs:</b>	<b>199,191.00</b>	<b>2,128.00</b>	<b>2,221,300.00</b>

## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

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

To address the problem of identifying non-all-electric customers during the LIHEAP application process, the Collaborative devised and implemented a procedure for identifying these customers. The Community Action Agencies should be able to significantly increase participation levels for non-all-electric customers during 2004.

On August 28, 2003, the Collaborative increased the incentive level for heating system replacement to \$1,300. The primary purpose of this action was to attain the 2003 numerical goal of 25 heating system replacements. Even with the increased incentive, the Community Action Agencies failed to achieve the projected number of heating system replacements. The Collaborative has again emphasized the importance of replacing an electric central heating system with a high efficiency heat pump. The projected number of heating system replacements for 2004 is 25.

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 \$152,255 for all-electric homes and \$5,806 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for the all-electric participants and non-all-electric participants is 127,108 and 17,036 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 16/80 and 5/8 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$30,062 and \$3,130 respectively.



## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

The YTD Efficiency Incentive for non-all-electric participants is \$325 and the Maximizing Incentive for all-electric participants is \$7,613.

The projected participant and budgetary levels for 2004 have been revised to reflect what the Collaborative believes to be reasonably achievable goals. The projected participant and budgetary level is 150 all-electric homes, 75 non-all-electric homes, and \$205,000 respectively.



# AMERICAN ELECTRIC POWER - KENTUCKY

PROGRAM INFORMATION	
PROGRAM:	Compact Fluorescent Bulb
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2003

2003														
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	269

Impacts					
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD	PTD		
		Summer	Winter	Summer	Winter
0	142,881	0	0	3	3



# AMERICAN ELECTRIC POWER - KENTUCKY

Compact Fluorescent Bulb	
Reporting Period:	January - December, 2003

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



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 1996.

# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	High Efficiency Heat Pumps - Retrofit
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2003

### 2003

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

### Impacts

Actual in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
		YTD		PTD	
YTD	PTD	Summer	Winter	Summer	Winter
0	26,705,369	0	0	851	2,995



# AMERICAN ELECTRIC POWER - KENTUCKY

High Efficiency Heat Pumps - Retrofit	
Reporting Period:	January - December, 2003

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	12,885.00
Equipment/Vendor:	0.00	0.00	129,767.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	70,500.00
Other Costs:	0.00	0.00	1,160.00
<b>Total Program Costs:</b>	<b>0.00</b>	<b>0.00</b>	<b>214,312.00</b>
Lost Revenues:	5,867.00	(269.00)	366,830.00
Efficiency Incentive:	0.00	(2,196.00)	48,017.00
Maximizing Incentive:	0.00	0.00	5.00
<b>Total Costs:</b>	<b>5,867.00</b>	<b>(2,465.00)</b>	<b>629,164.00</b>



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 2001.

# AMERICAN ELECTRIC POWER - KENTUCKY

PROGRAM INFORMATION	
PROGRAM:	Mobile Home High Efficiency Heat Pumps
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June, 2003

2003														
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	2	7	3	8	7	7	10	4	6	2	7	0	63	1,403

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
86,535	20,312,998	5	108	191	2,612

# AMERICAN ELECTRIC POWER - KENTUCKY

Mobile Home High Efficiency Heat Pumps	
Reporting Period:	January - December, 2003

Costs				
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date	
Total Evaluation	0.00	0.00	41,295.00	
Equipment/Vendor:	750.00	0.00	12,005.00	
Promotional:	0.00	0.00	0.00	
Customer Incentives:	25,300.00	0.00	636,300.00	
Other Costs:	0.00	0.00	1,167.00	
<b>Total Program Costs:</b>	<b>26,050.00</b>	<b>0.00</b>	<b>690,767.00</b>	
Lost Revenues:	18,643.00	5,820.00	325,336.00	
Efficiency Incentive:	1,822.00	18,331.00	88,227.00	
Maximizing Incentive:	0.00	0.00	0.00	
<b>Total Costs:</b>	<b>46,515.00</b>	<b>24,151.00</b>	<b>1,104,330.00</b>	

## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

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

To increase program participation levels, the Collaborative agreed to provide a \$50 incentive to the HVAC dealer for each high efficiency heat pump installed. Participation levels did not significantly increase after implementation of the additional incentive for the HVAC dealer. The sluggish economy and the lack of program promotion by the HVAC dealers operating within our service area continue to be barriers to participation.

The projected participant and budgetary levels for 2004 have been revised to reflect what the Collaborative believes to be reasonably achievable goals. The projected participant and budgetary level has been reduced to 100 and \$55,000 respectively.

# AMERICAN ELECTRIC POWER - KENTUCKY



## PROGRAM INFORMATION

PROGRAM:	Mobile Home New Construction
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2003

### 2003

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
Heat Pump	6	7	6	9	5	13	10	13	14	8	15	4	110	852
Air Conditioner	0	0	0	0	0	0	0	0	0	0	0	1	1	1

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD	PTD		
		Summer	Winter	Summer	Winter
214,576	9,896,800	14	298	109	2,305

# AMERICAN ELECTRIC POWER - KENTUCKY

Mobile Home New Construction	
Reporting Period:	January - December, 2003

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	1,514.00	0.00	25,219.00
Equipment/Vendor:	5,525.00	0.00	57,038.00
Promotional:	0.00	0.00	3,939.00
Customer Incentives:	55,125.00	0.00	434,525.00
Other Costs:	1,760.00	0.00	3,016.00
<b>Total Program Costs:</b>	<b>63,924.00</b>	<b>0.00</b>	<b>523,737.00</b>
Lost Revenues:	49,451.00	0.00	221,680.00
Efficiency Incentive:	447.00	0.00	27,178.00
Maximizing Incentive:	0.00	0.00	2,580.00
<b>Total Costs:</b>	<b>113,822.00</b>	<b>0.00</b>	<b>775,175.00</b>

## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

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

The YTD participant levels are lower than anticipated due to: 1) the decline in sales of new manufactured housing; 2) the number of repossessed homes currently in the marketplace; and 3) the lending institutions tightening of financing guidelines.

The projected participant and budgetary levels for 2004 have been revised to reflect what the Collaborative believes to be reasonably achievable goals. The projected participant and budgetary level has been lowered to 150 heat pumps, 50 air-conditioners and \$ 95,000 respectively.



# AMERICAN ELECTRIC POWER - KENTUCKY

## PROGRAM INFORMATION

PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December, 2003

### 2003

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD	PTD
New Participants	0	0	0	23	39	39	42	89	98	98	63	51	542	542

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
412,801	412,801	72	325	72	325



# AMERICAN ELECTRIC POWER - KENTUCKY

Modified Energy Fitness	
Reporting Period:	January - December, 2003

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	2,807.00	0.00	2,807.00
Equipment/Vendor:	201,870.00	0.00	201,870.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
<b>Total Program Costs:</b>	<b>204,677.00</b>	<b>0.00</b>	<b>204,677.00</b>
Lost Revenues:	12,910.00	0.00	12,910.00
Efficiency Incentive:	11,414.00	0.00	11,414.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs:</b>	<b>229,001.00</b>	<b>0.00</b>	<b>229,001.00</b>

## AMERICAN ELECTRIC POWER - KENTUCKY

### COMMENTS:

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

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

Honeywell, DMC, our implementation contractor, projects the completion of 900 homes in 2004. The Collaborative has agreed that the program should run consecutively until the 1,500 participants are achieved. The projected participant and budgetary level for 2004 is 900 and \$338,500 respectively.

# AMERICAN ELECTRIC POWER - KENTUCKY



## PROGRAM INFORMATION

PROGRAM:	Smart Audit - Commercial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December, 2003

### 2003

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

### Impacts

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

# AMERICAN ELECTRIC POWER - KENTUCKY

Smart Audit - Commercial	
Reporting Period:	January - December, 2003

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	30,661.00
Equipment/Vendor:	0.00	0.00	1,268,176.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	(8,156.00)
<b>Total Program Costs:</b>	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
<b>Total Costs:</b>	0.00	0.00	1,355,214.00



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 2002.



PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Commercial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December, 2003

Participant	2003												YTD	PTD	
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.			
Existing Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	182
New Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
Summer	Winter	Summer	Summer	Winter	Winter
0	42,684,023	0	0	1,519	2,640



Smart Incentive - Commercial	
Reporting Period:	January - December, 2003

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	144,039.00
Equipment/Vendor:	0.00	0.00	21,504.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	399,592.00
Other Costs:	0.00	0.00	691.00
Total Program Costs:	0.00	0.00	565,826.00
Lost Revenues:	163,086.00	442.00	748,941.00
Efficiency Incentive:	0.00	1,078.00	88,039.00
Maximizing Incentive:	0.00	0.00	281.00
Total Costs:	163,086.00	1,520.00	1,403,087.00



**COMMENTS:**

This program was discontinued December 31, 2002.

# AMERICAN ELECTRIC POWER - KENTUCKY



PROGRAM INFORMATION	
PROGRAM:	Smart Audit - Industrial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December, 2003

Participant	2003												YTD	PTD		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.				
Class I	0	0	0	0	0	0	0	0	0	0	0	0	0	0	60	0
Class II	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0

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



# AMERICAN ELECTRIC POWER - KENTUCKY

Smart Audit - Industrial
Reporting Period: January - December, 2003

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



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 1998.

# AMERICAN ELECTRIC POWER - KENTUCKY



## PROGRAM INFORMATION

PROGRAM:	Smart Incentive - Industrial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December, 2003

### 2003

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

## Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD	PTD		
		Summer	Winter	Summer	Winter
0	74,949	0	0	6	6



# AMERICAN ELECTRIC POWER - KENTUCKY

Smart Incentive - Industrial
Reporting Period: January - December, 2003

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



# AMERICAN ELECTRIC POWER - KENTUCKY

## COMMENTS:

This program was discontinued December 31, 1998.



KENTUCKY POWER COMPANY DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT			Exhibit C			PAGE 1 of 12	
RESIDENTIAL SECTOR	TOTAL YEARS 1 thru 7	YEAR 8 (2003)	YEAR 8 (2003)	YEAR 9 (2004)	YEAR 9 (2004)	TOTAL	
	(1)	1st HALF (2)	2nd HALF (3)	1st QTR (4)	2nd, 3rd, 4th QTRS (5)	(6)	
1 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$5,533,339	\$198,815	\$395,581	\$189,428	\$706,950	\$7,024,113	
2 CUMULATIVE (OVER)/UNDER COLLECTION	0	99,603	55,727	192,857	108,277	0	
3 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	\$0	(41,824)	
4 TOTAL TO BE RECOVERED	5,491,515	298,418	451,308	382,285	815,227	6,982,289	
5 TOTAL AMOUNT RECOVERED AS OF 12/31/2002	5,382,079	242,691	258,451	0	0	5,883,221	
6 EXPECTED FUTURE RECOVERIES	0	0	0	274,008	462,580	736,588	
7 TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(9,833)	0	0	0	0	(9,833)	
8 (OVER)/UNDER COLLECTION TO BE REFUNDED	\$99,603	\$55,727	\$192,857	\$108,277	\$352,647	\$352,647	
9 AMOUNT TO BE RECOVERED					\$815,227		
10 ADJ. ESTIMATED SECTOR KWH - YEAR 9				822,848,000	1,640,355,400		
SURCHARGE RANGE (\$ PER KWH)							
11 FLOOR (CARRYOVER)	COL. 5, L 2 / COL. 5, L 10				0.000066		
12 MIDPOINT - proposed rate				0.000333	0.000282		
13 CEILING (TOTAL COST)	COL. 5, L 4 / COL. 5, L 10				0.000497		
COMMERCIAL SECTOR	TOTAL YEARS 1 thru 7	YEAR 8 (2003)	YEAR 8 (2003)	YEAR 9 (2004)	YEAR 9 (2004)	TOTAL	
	(1)	1st HALF (2)	2nd HALF (3)	1st QTR (4)	2nd, 3rd, 4th QTRS (5)	(6)	
14 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,593,695	\$91,426	\$71,660	\$30,165	\$67,884	\$2,854,830	
15 CUMULATIVE (OVER)/UNDER COLLECTION	0	131,276	98,654	29,606	(82,799)	0	
16 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	0	1,520	
17 TOTAL TO BE RECOVERED	2,595,215	222,702	170,314	59,771	(14,915)	2,856,350	
18 TOTAL AMOUNT RECOVERED AS OF 12/31/2002	2,460,661	124,048	140,708	0	0	2,725,417	
19 EXPECTED FUTURE RECOVERIES	0	0	0	142,570	(49,747)	92,823	
20 TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(3,278)	0	0	0	0	(3,278)	
21 (OVER)/UNDER COLLECTION TO BE REFUNDED	\$131,276	\$98,654	\$29,606	(\$82,799)	\$34,832	\$34,832	
22 AMOUNT TO BE RECOVERED					(\$14,915)		
23 ADJ. ESTIMATED SECTOR KWH - YEAR 9				344,372,400	1,015,243,200		
SURCHARGE RANGE (\$ PER KWH)							
24 FLOOR (CARRYOVER)	COL. 5, L 15 / COL. 5, L 23				(0.000082)		
25 MIDPOINT - proposed rate				0.000414	(0.000049)		
26 CEILING (TOTAL COST)	COL. 5, L 17 / COL. 5, L 23				(0.000015)		
INDUSTRIAL SECTOR	TOTAL YEARS 1 thru 7	YEAR 8 (2003)	YEAR 8 (2003)	YEAR 9 (2004)	YEAR 9 (2004)	TOTAL	
	(1)	1st HALF (2)	2nd HALF (3)	1st QTR (4)	2nd, 3rd, 4th QTRS (5)	(6)	
27 CURRENT PERIOD AMOUNT TO BE RECOVERED	\$79,026	\$0	\$0	\$0	\$0	\$79,026	
28 CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	0	0	0	
29 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	0	0	0	0	0	0	
30 TOTAL TO BE RECOVERED	79,026	0	0	0	0	79,026	
31 TOTAL AMOUNT RECOVERED AS OF 12/31/2002	92,137	0	0	0	0	92,137	
32 EXPECTED FUTURE RECOVERIES	0	0	0	0	0	0	
33 TRANSFER BALANCE TO RESIDENTIAL & COMMERCIAL	13,111	0	0	0	0	13,111	
34 (OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0	\$0	
35 AMOUNT TO BE RECOVERED					\$0		
36 ADJ. ESTIMATED SECTOR KWH - YEAR 9				361,929,600	777,702,600		
SURCHARGE RANGE (\$ PER KWH)							
37 FLOOR (CARRYOVER)					0.000000		
38 MIDPOINT					0.000000		
39 CEILING (TOTAL COST) - proposed rate					0.000000		

1996

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C  
Page 2 of 12

YEAR 1 PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REVYR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/YR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX C, PG.98) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST COSTS TO BE RECOVERED (12)
				(1)X(3)		(2)X(6)		(8)X(7)	(9)	(4)X(5)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	552	148	\$221.65	\$122,351	2,690	398,120	\$0.03	\$12,397	\$43,177	\$43,177	\$43,177	\$177,925
Targeted Energy Efficiency - All Electric	223	101	\$1,026.88	\$228,984	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	\$719	\$29,005
Compact Fluorescent Bulb	269	73	\$56.06	\$15,081	82	4,526	\$0.03	\$140	\$425	\$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	\$10,634	\$65,537
Non-Resistance Heat	527	206	\$61.31	\$22,310	813	167,478	\$0.03	\$5,215	\$8,796	\$8,796	\$8,796	\$46,321
High - Efficiency Heat Pump - Mobile Home	356	156	\$496.95	\$176,914	2,160	341,280	\$0.03	\$10,617	\$13,834	\$13,834	\$13,834	\$201,365
Mobile Home New Construction	70	22	\$292.69	\$20,488	0	0			\$1,024	\$1,024	\$1,024	\$21,512
<b>TOTAL RESIDENTIAL PROGRAMS</b>	2,610	959		\$663,291		1,989,174		\$61,918	\$77,585	\$12,474	\$90,059	\$815,268
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	91	19	\$1,258.51	\$114,524	0	0			\$0	\$5,726	\$5,726	\$120,250
Class 2	5	1	\$1,875.40	\$9,377	0	0			\$0	\$469	\$469	\$9,846
Smart Financing - Existing Building	1	0	\$5,794.00	\$5,794	22,000	0	\$0.04	\$0	\$506	\$506	\$506	\$6,300
Smart Financing - New Building	0	0			30,600	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	97	20		\$129,695		0		\$0	\$506	\$6,195	\$6,701	\$136,396
<b>INDUSTRIAL PROGRAMS</b>												
(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	\$998	\$998	\$18,958
Smart Financing - General	0	0		\$3,919	28,200	0	\$0.04	\$0	\$0	\$196	\$196	\$4,115
Smart Financing - Compressed Air System	0	0		\$0	164,800	0	\$0.03	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	17	2		\$24,120		0		\$0	\$0	\$1,206	\$1,206	\$25,326
<b>TOTAL COMPANY</b>	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 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/6 MOS (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/6 MOS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.96) (9)	MAXIMIZING INCENTIVE (9% OF COSTS) (10)	TOTAL* INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
YEAR 2 (1st HALF)						(2)X(5)	(7)	(6)X(7)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	273	651	\$260.68	\$71,167	1,345	875,595	\$0.03	\$27,266	\$21,354	n/a	\$21,354	\$119,787
Targeted Energy Efficiency - All Electric	118	279	\$818.97	\$96,638	2,785	777,015	\$0.03	\$24,188	\$0	\$4,832	\$4,832	\$125,658
- Non-All Electric	26	88	\$88.23	\$2,294	340	29,920	\$0.03	\$935	\$252	n/a	\$252	\$3,481
Compact Fluorescent Bulb	0	269		\$0	31	8,339	\$0.03	\$258	\$0	n/a	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	123	590	\$2.58	\$317	1,138	671,420	\$0.03	\$20,895	\$2,427	n/a	\$2,427	\$23,639
- Non Resistance Heat	124	581	\$2.56	\$318	407	236,467	\$0.03	\$7,364	\$2,070	n/a	\$2,070	\$9,752
High - Efficiency Heat Pump - Mobile Home	109	403	\$157.87	\$17,208	1,080	435,240	\$0.03	\$13,540	\$4,236	n/a	\$4,236	\$34,984
Mobile Home New Construction	12	78	\$635.17	\$7,622	0	0	n/a	n/a	\$0	\$381	\$381	\$8,003
<b>TOTAL RESIDENTIAL PROGRAMS</b>	785	2,939		\$195,564		3,033,996		\$94,446	\$30,339	\$5,213	\$35,552	\$325,562
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	243	207	\$264.00	\$64,152	0	0	n/a	n/a	\$0	\$3,208	\$3,208	\$67,360
- Class 2	11	9	\$2,705.00	\$29,755	0	0	n/a	n/a	\$0	\$1,488	\$1,488	\$31,243
Smart Financing - Existing Building	0	1	n/a	\$3,629	11,000	11,000	\$0.04	\$469	\$0	\$281	\$281	\$6,379
Smart Financing - New Building	1	0	\$4,692.00	\$4,692	15,300	0	\$0.04	\$0	\$50	n/a	\$50	\$4,742
<b>TOTAL COMMERCIAL PROGRAMS</b>	255	217		\$104,228		11,000		\$469	\$50	\$4,977	\$5,027	\$134,724
<b>INDUSTRIAL PROGRAMS</b>												
(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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	10	22		\$11,489		0		\$0	\$0	\$575	\$575	\$12,064
<b>TOTAL COMPANY</b>	1,050	3,178		\$311,281		3,044,996		\$94,915	\$30,389	\$10,765	\$41,154	\$447,350

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

1997

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C  
PAGE 3B of 12

YEAR 2 (3rd QTR)

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/OIQR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/OIQR (6)	NET LOST REVENUE (\$KWH) (7)	TOTAL NET* LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (11)	TOTAL EST. COSTS TO RECOVER (12)
			(1)X(3)	(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)	(9)	(10)	(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	\$85,498
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	\$3,087.00	\$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	\$66
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	\$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												
YEAR 2 (4th QTR)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)X(3) (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/QTR (2)X(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C. P.G.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	432	1,287	\$259.53	\$112,115	341	438,867	\$0.03	\$13,658	\$8,977	n/a	\$8,977	\$134,750
Targeted Energy Efficiency - All Electric	124	443	\$924.15	\$114,595	1,393	617,099	\$0.03	\$19,198	\$0	\$5,730	\$5,730	\$139,523
Non-All Electric	78	146	\$103.55	\$8,077	170	24,820	\$0.03	\$775	\$129	n/a	\$129	\$8,981
Compact Fluorescent Bulb	0	269	n/a	\$0	17	4,573	\$0.03	\$141	\$0	\$0	\$0	\$141
High - Efficiency Heat Pump - Resistance Heat	111	823	\$106.90	\$11,866	547	450,181	\$0.03	\$14,019	\$801	n/a	\$801	\$26,686
Non Resistance Heat	102	782	\$142.21	\$14,505	221	172,822	\$0.03	\$5,385	\$2,969	n/a	\$2,969	\$22,859
High - Efficiency Heat Pump - Mobile Home	50	565	\$406.70	\$20,335	625	353,125	\$0.03	\$10,982	\$1,625	n/a	\$1,625	\$32,942
Mobile Home New Construction	0	82	n/a	(\$749)	0	0				(\$37)	(\$37)	(\$786)
TOTAL RESIDENTIAL PROGRAMS	897	4,397		\$280,744		2,061,487		\$64,158	\$14,501	\$5,693	\$20,194	\$365,096
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	71	473	\$230.92	\$16,395	0	0			\$0	\$820	\$820	\$17,215
Smart Audit - Class 2	21	33	\$2,705.00	\$56,805	0	0			\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	9	8	\$2,282.56	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	101	515		\$37,743		96,450		\$4,088	\$7,320	\$3,660	\$10,980	\$108,811
INDUSTRIAL PROGRAMS												
(w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	18	37	\$524.22	\$9,436	0	0			\$0	\$472	\$472	\$9,908
Smart Audit - Class 2	0	3	n/a	\$1,094	0	0			\$0	\$55	\$55	\$1,149
Smart Financing - General	0	0	n/a	\$11,802	14,625	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	n/a	\$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 12

YEAR 3( 1st HALF )

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/6 MOS (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/6 MOS (2)X(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
				(1)X(3)				(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(9)+(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	\$136,216	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
TOTAL RESIDENTIAL PROGRAMS	803	5,238		\$279,882		4,971,558		\$154,725	\$14,398	\$6,911	\$21,309	\$455,916
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	204	597	\$194.13	\$39,602	0	0	n/a		\$0	\$1,980	\$1,980	\$41,582
- Class 2	28	60	\$1,600.00	\$44,800	0	0	n/a		\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	6	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	\$664	\$29	\$0	\$29	\$5,247
TOTAL COMMERCIAL PROGRAMS	241	674		\$133,618		370,500		\$15,697	\$6,535	\$4,220	\$10,755	\$160
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	12	51	\$246.08	\$2,953	0	0	n/a		\$0	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,600.00	\$1,600	0	0	n/a		\$0	\$90	\$90	\$1,690
Smart Financing - General	0	0	\$0.00	\$1,338	29,250	0	\$0.04	\$0	\$0	\$67	\$67	\$1,405
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	13	54		\$6,091		0		\$0	\$0	\$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 48 of 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)(X)(3) (4)	NET LOST REV/MOS (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/6 MOS (2)(X)(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)(X)(7) (8)	EFFICIENCY INCENTIVE (EX. C, PG.98) (9)	MAXIMIZING INCENTIVE (% OF COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST COSTS TO BE RECOVERED (12)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	448	2,277	\$301.30	\$134,982	682	1,552,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,618
Targeted Energy Efficiency - All 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	\$48,725
- Non-Resistance Heat	64	894	\$72.27	\$4,625	442	395,148	\$0.03	\$12,313	\$1,863	\$0	\$1,863	\$18,801
High - Efficiency Heat Pump - Mobile Home	173	764	\$514.50	\$89,009	1,250	955,000	\$0.03	\$29,701	\$5,623	\$0	\$5,623	\$124,333
Mobile Home New Construction	33	11	\$549.45	\$18,132	0	0	n/a	0	\$0	\$907	\$907	\$19,039
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>999</b>	<b>6,090</b>		<b>\$424,101</b>		<b>5,961,398</b>		<b>\$185,525</b>	<b>\$17,645</b>	<b>\$8,685</b>	<b>\$26,330</b>	<b>\$635,956</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	178	795	\$534.85	\$95,203	0	0	n/a	0	\$0	\$4,760	\$4,760	\$99,963
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a	0	\$0	\$1,260	\$1,260	\$26,460
Smart Financing - Existing Building	29	32	\$1,878.86	\$54,487	22,200	710,400	\$0.04	\$30,085	\$23,585	\$0	\$23,585	\$108,157
Smart Financing - New Building	5	6	\$1,529.20	\$7,646	15,300	91,800	\$0.04	\$3,926	\$144	\$0	\$144	\$11,716
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>221</b>	<b>906</b>		<b>\$182,536</b>		<b>802,200</b>		<b>\$34,011</b>	<b>\$23,729</b>	<b>\$6,020</b>	<b>\$29,749</b>	<b>\$246,296</b>
<b>INDUSTRIAL PROGRAMS</b>												
(w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	59	\$852.33	\$2,557	0	0	n/a	0	\$0	\$128	\$128	\$2,685
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$383	\$0	\$383	\$2,813
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>4</b>	<b>63</b>		<b>\$4,987</b>		<b>0</b>		<b>\$0</b>	<b>\$383</b>	<b>\$128</b>	<b>\$511</b>	<b>\$5,498</b>
<b>TOTAL COMPANY</b>	<b>1,224</b>	<b>7,059</b>		<b>\$611,624</b>		<b>6,763,598</b>		<b>\$219,536</b>	<b>\$41,757</b>	<b>\$14,833</b>	<b>\$56,590</b>	<b>\$887,750</b>

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

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
PAGE 5A of 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC.) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.9B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
				(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+
YEAR 4 ( 1st HALF )												
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	\$69,918
- 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			\$1,904	\$1,904	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a			\$2,164	\$2,164	\$45,444
Smart Financing - Existing Building	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$29,687	\$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	\$-
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
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a			\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	65		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	904	7,920		\$494,305		6,215,216		\$200,716	\$29,845	\$11,226	\$41,071	\$736,092

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

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
PAGE 5B of 12

YEAR 4 (2nd HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)(X)(3) (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)(X)(7) (8)	EFFICIENCY INCENTIVE (EX. C. PG. 9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10) (11)	TOTAL EST COSTS TO BE RECOVERED (12)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	2,519	\$0.00	\$972	707	1,780,933	\$0.03	\$55,423	\$0	\$0	\$0	\$56,395
Targeted Energy Efficiency - All Electric	66	700	\$1,222.76	\$80,702	630	441,000	\$0.03	\$13,720	\$0	\$4,035	\$4,035	\$98,457
- Non-All Electric	8	220	\$67.50	\$540	306	67,320	\$0.03	\$2,103	\$40	\$0	\$40	\$2,683
Compact Fluorescent Bulb	0	123	\$0.00	\$0	31	3,813	\$0.03	\$118	\$0	\$0	\$0	\$118
High - Efficiency Heat Pump - Resistance Heat	140	810	\$211.14	\$29,560	1,200	972,000	\$0.03	\$30,268	\$6,187	\$0	\$6,187	\$66,015
- Non Resistance Heat	0	593	\$0.00	\$0	447	265,071	\$0.03	\$8,260	\$0	\$0	\$0	\$8,260
High - Efficiency Heat Pump - Mobile Home	134	739	\$539.07	\$72,236	1,475	1,090,025	\$0.03	\$33,900	\$11,284	\$0	\$11,284	\$117,420
Mobile Home New Construction ***	123	196	\$581.42	\$71,515	1,755	343,980	\$0.03	\$10,698	\$5,464	\$0	\$5,464	\$87,677
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>471</b>	<b>5,900</b>		<b>\$255,525</b>		<b>4,964,142</b>		<b>\$154,490</b>	<b>\$22,975</b>	<b>\$4,035</b>	<b>\$27,010</b>	<b>\$437,025</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	188	1,129	\$356.11	\$66,948	0	0	n/a	0	\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>242</b>	<b>1,311</b>		<b>\$216,600</b>		<b>1,059,925</b>		<b>\$44,965</b>	<b>\$7,913</b>	<b>\$6,187</b>	<b>\$14,100</b>	<b>\$275,665</b>
<b>INDUSTRIAL PROGRAMS</b>												
Smart Audit - Class 1 (w/Est. Opt Outs Removed)	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
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>62</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>713</b>	<b>7,273</b>		<b>\$472,125</b>		<b>6,024,067</b>		<b>\$199,455</b>	<b>\$30,888</b>	<b>\$10,222</b>	<b>\$41,110</b>	<b>\$712,690</b>

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

Year 2000												
KENTUCKY POWER COMPANY												
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
Exhibit C PAGE 6A of 12												
YEAR 5 (1st half)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)(X)(3) (4)	NET LOST REV/HALF (KWH/PARTIO) (5)	TOTAL ENERGY SAVINGS KWH/HALF (2)(X)(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)(X)(7) (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (4)+(8)+(11) (12)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	2,161	\$0.00	\$0	707	1,527,827	\$0.03	\$47,546	\$0	\$0	\$0	\$47,546
Targeted Energy Efficiency - All Electric	66	659	\$1,272.61	\$83,992	630	415,170	\$0.03	\$12,916	\$0	\$4,200	\$4,200	\$101,108
- Non-All Electric	28	202	\$90.82	\$2,543	306	61,812	\$0.03	\$1,931	\$141	\$0	\$141	\$4,615
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	38	683	\$200.00	\$7,600	1,200	819,600	\$0.03	\$25,522	\$1,679	\$0	\$1,679	\$34,801
- Non Resistance Heat	0	348	\$0.00	\$0	447	155,556	\$0.03	\$4,847	\$0	\$0	\$0	\$4,847
High - Efficiency Heat Pump - Mobile Home	45	663	\$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	\$30,010	\$0.03	\$16,483	\$4,486	\$0	\$4,486	\$74,519
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>278</b>	<b>5,038</b>		<b>\$170,185</b>		<b>4,517,400</b>		<b>\$140,576</b>	<b>\$10,095</b>	<b>\$4,200</b>	<b>\$14,295</b>	<b>\$325,066</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	144	1,126	\$397.19	\$57,195	0	0	n/a	0	\$0	\$2,860	\$2,860	\$60,055
- Class 2	8	112	\$2,705.00	\$21,640	0	0	n/a	0	\$0	\$1,082	\$1,082	\$22,722
Smart Financing - Existing Building	16	86	\$1,307.31	\$20,917	13,282	1,142,252	\$0.04	\$48,374	\$3,721	\$0	\$3,721	\$73,012
Smart Financing - New Building	4	20	\$6,298.75	\$25,195	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$38,306
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>172</b>	<b>1,344</b>		<b>\$124,947</b>		<b>1,424,272</b>		<b>\$60,436</b>	<b>\$4,770</b>	<b>\$3,942</b>	<b>\$8,712</b>	<b>\$194,095</b>
<b>INDUSTRIAL PROGRAMS</b>												
(w/Est. Opt. Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>450</b>	<b>6,382</b>		<b>\$295,132</b>		<b>5,941,672</b>		<b>\$201,012</b>	<b>\$14,865</b>	<b>\$8,142</b>	<b>\$23,007</b>	<b>\$519,151</b>

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

Year 2000

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
PAGE 6B of 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
				(1)X(3)		(2)X(5)	(7)	(6)X(7)	(9)	(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	563	\$1,115.41	\$110,426	630	367,290	\$0.03	\$11,426	\$0	\$5,521	\$5,521	\$127,373
- Non-All Electric	21	170	\$94.67	\$1,988	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	\$0	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a	0	\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,286,354	\$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	\$12,866	\$0	\$0	\$0	\$19,935
TOTAL COMMERCIAL PROGRAMS	212	1,242		\$133,936		1,584,496		\$67,228	\$5,581	\$5,236	\$10,817	\$211,961
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0		\$0	\$0	\$0
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 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)(X7) (8)	EFFICIENCY INCENTIVE (EX. C, PG 98) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
				(1)(X3)		(2)(X6)				(4)(X5%)		(4)+(9)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	1,044	\$0.00	\$0	707	736,108	\$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 - Non Resistance Heat	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007
High - Efficiency Heat Pump - Mobile Home	53	558	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,597	\$4,463	\$0	\$4,463	\$55,084
Mobile Home New Construction **	83	488	\$537.04	\$44,574	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>239</b>	<b>3,281</b>		<b>\$154,974</b>		<b>3,358,377</b>		<b>\$104,493</b>	<b>\$9,256</b>		<b>\$13,215</b>	<b>\$272,682</b>
<b>COMMERCIAL PROGRAMS</b>												
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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>185</b>	<b>1,259</b>		<b>\$152,168</b>		<b>1,840,109</b>		<b>\$78,076</b>	<b>\$5,587</b>		<b>\$4,270</b>	<b>\$240,101</b>
<b>INDUSTRIAL PROGRAMS</b>												
Smart Audit - Class 1 (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>424</b>	<b>4,540</b>		<b>\$307,142</b>		<b>5,198,486</b>		<b>\$192,569</b>	<b>\$14,843</b>		<b>\$8,229</b>	<b>\$512,783</b>

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

Year 2001

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
PAGE 7B of 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/OTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH-HALF (2)X(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL* INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (4)* (8)+(11) (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	535	\$0.00	\$0	706	377,710	\$0.03112	\$11,754	\$0	\$0	\$0	\$11,754
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	306,180	\$0.03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668
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	\$276,650
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
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 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER		CUMULATIVE PARTICIPANT NUMBER **	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (1)X(3)	NET LOSS REVENUE (\$/KWH) (7)	TOTAL ENERGY SAVINGS (2)X(5)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	RECOVERED COSTS T' (12)
	(1)	(2)										
RESIDENTIAL PROGRAMS												
Energy Fitness	0	116		\$0.00	\$0	\$0.03112	82,012	\$2,552	\$0	\$0	\$0	\$2,552
Targeted Energy Efficiency - All Electric	63	442		\$1,752.40	\$110,401	\$0.03111	454,376	\$14,136	\$0	\$5,520	\$5,520	\$130,057
- Non-All Electric	32	135		\$65.47	\$2,095	\$0.03124	42,525	\$1,328	\$137	\$0	\$137	\$3,560
Compact Fluorescent Bulb	0	0		\$0.00	\$0	\$0.00000	0	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat - Non Resistance Heat	1	314		\$1,152.00	\$1,152	\$0.03114	376,800	\$11,734	\$44	\$0	\$44	\$12,930
High - Efficiency Heat Pump - Mobile Home	43	414		\$619.77	\$26,650	\$0.03110	473,616	\$14,729	\$1,244	\$0	\$1,244	\$42,623
Mobile Home New Construction ***	57	568		\$641.77	\$36,581	\$0.03110	1,027,512	\$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	n/a	0	\$0	\$0	\$2,706	\$2,706	\$56,000
- Class 2	8	104		\$3,711.00	\$29,688	n/a	0	\$0	\$0	\$1,484	\$1,484	\$31,172
Smart Financing - Existing Building	7	101		\$2,552.71	\$17,869	\$0.04235	1,341,482	\$56,812	\$1,628	\$0	\$1,628	\$76,309
Smart Financing - New Building	5	42		\$1,394.60	\$6,973	\$0.04277	592,242	\$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	n/a	0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0		\$0.00	\$0	n/a	0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0		\$0.00	\$0	\$0.00000	0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0		\$0.00	\$0	\$0.00000	0	\$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 12

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET COST (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (6)	NET REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.9B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
<b>RESIDENTIAL PROGRAMS</b>												
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	\$3,949	\$3,949	\$3,949	\$97,553
- Non-All Electric	13	156	\$85.92	\$1,117	315	49,140	\$0.03124	\$1,535	\$56	\$0	\$56	\$2,708
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	0	177	\$0.00	(\$352)	1,200	212,400	\$0.03114	\$6,614	\$0	\$0	\$0	\$6,262
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	43	308	\$603.84	\$25,965	1,144	352,352	\$0.03110	\$10,958	\$1,244	\$0	\$1,244	\$38,167
Mobile Home New Construction ***	61	519	\$644.46	\$39,312	1,809	938,871	\$0.03110	\$29,199	\$248	\$0	\$248	\$68,759
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>193</b>	<b>1,617</b>		<b>\$145,031</b>		<b>2,022,559</b>		<b>\$62,921</b>	<b>\$1,548</b>	<b>\$3,949</b>	<b>\$5,497</b>	<b>\$213,449</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$0	\$3,721	\$3,721	\$78,143
- Class 2	0	90	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	25	97	\$909.76	\$22,744	13,282	1,288,354	\$0.04235	\$54,562	\$5,814	\$0	\$5,814	\$83,120
Smart Financing - New Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$28,538	\$4,197	\$0	\$4,197	\$69,534
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>41</b>	<b>1,017</b>		<b>\$135,965</b>		<b>1,908,842</b>		<b>\$81,100</b>	<b>\$10,011</b>	<b>\$3,721</b>	<b>\$13,732</b>	<b>\$230,797</b>
<b>INDUSTRIAL PROGRAMS (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>234</b>	<b>2,634</b>		<b>\$280,996</b>		<b>3,931,401</b>		<b>\$144,021</b>	<b>\$11,559</b>	<b>\$7,670</b>	<b>\$19,229</b>	<b>\$444,246</b>

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

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

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

Year 2003		Exhibit C										
KENTUCKY POWER COMPANY		PAGE										
ESTIMATED SECTOR SURCHARGES FOR 3		9A of										
YEAR PROGRAM		12										
YEAR 8 (1st HALF)		TOTAL ACTUAL COSTS TO BE										
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	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 * LOSS (8)	EFFICIENCY INCENTIVE (EX. C. PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	RECOVERED (12)
			PER PARTICIPANT (3)	(1)X(3)	(KWH/PARTICIPANT) (5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness												
Targeted Energy Efficiency	100	467	\$849.84	\$84,984	1,028	480,078	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168
- All Electric	7	151	\$79.29	\$555	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	94	\$0.00	\$0	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	34	268	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$9,535	\$983	\$0	\$983	\$23,418
- Mobile Home												
Mobile Home New Construction ***	46	460	\$482.61	\$22,200	1,808	831,680	\$0.03110	\$25,865	\$187	\$0	\$187	\$48,252
- Heat Pump	0	0	\$0.00	\$0	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0
- Air Conditioner	0	0	\$0.00	\$0	0	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	0	620	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	73	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	110	\$0.00	\$0	13,282	1,461,020	\$0.04235	\$61,874	\$0	\$0	\$0	\$61,874
Smart Financing - Existing Building	0	49	\$0.00	\$0	14,101	690,949	\$0.04277	\$29,552	\$0	\$0	\$0	\$29,552
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	852		\$0		2,151,969		\$91,426	\$0	\$0	\$0	\$91,426
INDUSTRIAL PROGRAMS	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
(w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	288	2,315		\$135,054		3,957,993		\$147,611	\$3,327	\$4,249	\$7,576	\$290,241

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

Year 2003												Exhibit C
KENTUCKY POWER COMPANY												PAGE
ESTIMATED SECTOR SURCHARGES FOR 3												9B of
YEAR PROGRAM												12
YEAR 8 (2nd HALF)												TOTAL
PROGRAM DESCRIPTIONS												ACTUAL
NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/HALF (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (7)	TOTAL NET* LOSS (8)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* (9)+(10)	COSTS TO BE RECOVERED (12)	
PROGRAM DESCRIPTIONS	PER PARTICIPANT COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/HALF (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (7)	TOTAL NET* LOSS (8)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* (9)+(10)	COSTS TO BE RECOVERED (12)		
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	0	\$0	\$0	\$0	
Targeted Energy Efficiency												
- All Electric	69	473	\$974.94	\$67,271	1,028	486,244	\$0.03111	\$3,364	\$3,364	\$3,364	\$85,762	
- Non-All Electric	69	167	\$76.10	\$5,251	316	52,772	\$0.03124	\$295	\$295	\$295	\$7,195	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	0	0	0	0	
High - Efficiency Heat Pump	0	63	\$0.00	\$0	1,200	75,600	\$0.03114	0	0	0	\$2,354	
- Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	0	0	0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	0	0	0	0	0	
High - Efficiency Heat Pump	29	256	\$453.45	\$13,150	1,144	292,864	\$0.03110	\$639	\$639	\$639	\$23,097	
- Mobile Home												
Mobile Home New Construction ***	64	419	\$649.59	\$41,574	1,810	758,390	\$0.03110	\$260	\$260	\$260	\$65,420	
- Heat Pump	1	0	\$150.00	\$150	158	0	\$0.03124	0	0	0	\$150	
- Air Conditioner	441	324	\$431.43	\$190,262	1,194	386,856	\$0.03116	\$9,287	\$9,287	\$9,287	\$211,903	
Modified Energy Fitness	673	1,702		\$317,658		2,052,726		\$10,681	\$10,681	\$10,681	\$395,591	
TOTAL RESIDENTIAL PROGRAMS												
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	453	\$0.00	\$0	0	0	n/a	0	0	0	\$0	
- Class 2	0	63	\$0.00	\$0	0	0	n/a	0	0	0	\$0	
Smart Financing - Existing Building	0	77	\$0.00	\$0	13,282	1,022,714	\$0.04235	\$43,312	\$43,312	\$43,312	\$43,312	
Smart Financing - New Building	0	47	\$0.00	\$0	14,102	662,794	\$0.04277	\$28,348	\$28,348	\$28,348	\$28,348	
TOTAL COMMERCIAL PROGRAMS	0	640		\$0		1,685,508		\$71,660	\$71,660	\$71,660	\$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	
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	
TOTAL COMPANY	673	2,342		\$317,658		3,736,234		\$135,538	\$10,681	\$14,045	\$467,241	

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

Year 2004												Exhibit C	
KENTUCKY POWER COMPANY												PAGE	
ESTIMATED SECTOR SURCHARGES FOR 3												10A of	
YEAR PROGRAM												12	
YEAR 9 (1st QTR)													
PROGRAM DESCRIPTIONS													
NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	PER PARTICIPANT COSTS (4)	NET LOST REV/QTR (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (7)	TOTAL NET* LOSS (8)	EFFICIENCY INCENTIVE (9)	MAXIMIZING INCENTIVE (10)	TOTAL* (11)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12)		
				(KWH/PARTICIPANT)	(KWH/QTR)	(\$/KWH)	REVENUES (6)X(7)	(EX. C, PG.11)	(5% of COSTS)	INCENTIVE (9)+(10)	(4)+(8)+(11)		
RESIDENTIAL PROGRAMS													
Energy Fitness	0	\$0.00	\$0	353	0	\$0.03112	\$0	\$0	\$0	\$0	\$0		
Targeted Energy Efficiency													
- All Electric	36	\$1,168.06	\$42,050	514	237,468	\$0.03111	\$7,368	\$0	\$2,103	\$2,103	\$51,541		
- Non-All Electric	5	\$125.00	\$625	158	28,282	\$0.03124	\$884	\$21	\$0	\$21	\$1,530		
Compact Fluorescent Bulb	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump	0	\$0.00	\$0	600	29,400	\$0.03114	\$916	\$0	\$0	\$0	\$916		
- Resistance Heat	0	\$0.00	\$0	223	0	\$0.03116	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump	12	\$550.00	\$6,600	572	142,428	\$0.03110	\$4,430	\$347	\$0	\$347	\$11,377		
- Mobile Home													
Mobile Home New Construction ***													
- Heat Pump	19	\$575.00	\$10,925	905	353,855	\$0.03110	\$11,005	\$77	\$0	\$77	\$22,007		
- Air Conditioner	3	\$175.00	\$525	79	237	\$0.03124	\$7	\$1	\$0	\$1	\$533		
Modified Energy Fitness	225	\$376.00	\$84,600	597	391,035	\$0.03116	\$12,185	\$4,739	\$0	\$4,739	\$101,524		
TOTAL RESIDENTIAL PROGRAMS	300	1,988	\$145,325		1,182,705		\$36,815	\$5,185	\$2,103	\$7,288	\$189,428		
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
- Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Existing Building	0	\$0.00	\$0	6,641	391,819	\$0.04235	\$16,594	\$0	\$0	\$0	\$16,594		
Smart Financing - New Building	0	\$0.00	\$0	7,051	317,295	\$0.04277	\$13,571	\$0	\$0	\$0	\$13,571		
TOTAL COMMERCIAL PROGRAMS	0	514	\$0		709,114		\$30,165	\$0	\$0	\$0	\$30,165		
INDUSTRIAL PROGRAMS													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - General	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Compressed Air System	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	300	2,502	\$145,325		1,891,819		\$66,980	\$5,185	\$2,103	\$7,288	\$219,593		

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 03/31/2001.  
 \*\*\* Participants since 01/01/2001.

Year 2004

KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	PER PARTICIPANT COSTS	TOTAL ESTIMATED PROGRAM COSTS (1)X(3)	NET LOST REV/QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/QTRS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.11) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ESTIMATED COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0.00	\$0	1,060	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness													
Targeted Energy Efficiency	114	471	\$1,347.15	\$11.82	\$153,575	1,542	726,282	\$0.03111	\$22,595	\$0	\$7,679	\$7,679	\$183,849
- All Electric	70	198	\$125.00	\$1.79	\$8,750	472	93,456	\$0.03124	\$2,920	\$300	\$0	\$300	\$11,970
- Non-All Electric	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	22	\$0.00	\$0.00	\$0	1,800	98,600	\$0.03114	\$1,233	\$0	\$0	\$0	\$1,233
- Resistance Heat	0	0	\$0.00	\$0.00	\$0	670	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	88	240	\$550.00	\$6.25	\$48,400	1,716	411,840	\$0.03110	\$12,808	\$2,545	\$0	\$2,545	\$63,753
- Mobile Home													
Mobile Home New Construction ***	131	380	\$575.00	\$4.39	\$75,325	2,713	1,030,940	\$0.03110	\$32,062	\$532	\$0	\$532	\$107,919
- Heat Pump	47	27	\$175.00	\$1.32	\$8,225	236	6,372	\$0.03124	\$199	\$19	\$0	\$19	\$8,443
- Air Conditioner	675	1,105	\$376.15	\$2.84	\$253,900	1,791	1,979,055	\$0.03116	\$61,667	\$14,216	\$0	\$14,216	\$329,783
Modified Energy Fitness	1,125	2,443	\$548.175	\$4.87	\$548,175	4,287	5,455,780	\$0.03116	\$133,484	\$17,612	\$7,679	\$25,291	\$706,950
TOTAL RESIDENTIAL PROGRAMS													
COMMERCIAL PROGRAMS	0	228	\$0.00	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	14	\$0.00	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	44	\$0.00	\$0.00	\$0	19,923	876,612	\$0.04235	\$37,125	\$0	\$0	\$0	\$37,125
Smart Financing - Existing Building	0	34	\$0.00	\$0.00	\$0	21,152	719,168	\$0.04277	\$30,759	\$0	\$0	\$0	\$30,759
Smart Financing - New Building	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	320	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$67,884	\$0	\$0	\$0	\$67,884
INDUSTRIAL PROGRAMS	0	0	\$0.00	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0.00	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	1,125	2,763	\$548.175	\$4.87	\$548,175	5,883	5,883,325	\$0.03116	\$201,368	\$17,612	\$7,679	\$25,291	\$774,834

\* 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 04/01/2001.





KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2004 KENTUCKY RETAIL ENERGY SALES IN KWH		PAGE 12 of		12
FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS				
PROGRAM YR 9 - 2004		RESIDENTIAL	COMMERCIAL	INDUSTRIAL
LINE NO.	YEAR	SECTOR	SECTOR	SECTOR
1	TOTAL ULTIMATE SALES (KWH)*	2,490,600,000	1,369,200,000	3,219,300,000
2	LESS NON-METERED **	14,943,600	8,215,200	19,315,800
3	TOTAL ESTIMATED RETAIL KWH SALES	2,475,656,400	1,360,984,800	3,199,984,200
4	LESS OPT - OUT CUSTOMERS KWH	0	0	2,059,689,192
5	KWH BEFORE LOST REVENUE IMPACTS	2,475,656,400	1,360,984,800	1,140,295,008
6	LESS LOST REVENUE IMPACTS	11,420,681	1,496,550	0
7	ADJUSTED KWH BY SECTOR	2,464,235,719	1,359,488,250	1,140,295,008
8	LINE 7/LINE 1	98.9%	99.3%	35.4%
PROGRAM YR 9 (1st QTR)		RESIDENTIAL	COMMERCIAL	INDUSTRIAL
9	TOTAL ULTIMATE SALES (KWH)*	832,000,000	346,800,000	1,022,400,000
10	LINE 8	98.9%	99.3%	35.4%
11	ADJUSTED KWH BY SECTOR	822,848,000	344,372,400	361,929,600
PROGRAM YR 9 (2nd, 3rd & 4th QTRs)		RESIDENTIAL	COMMERCIAL	INDUSTRIAL
12	TOTAL ULTIMATE SALES (KWH)*	1,658,600,000	1,022,400,000	2,196,900,000
13	LINE 8	98.9%	99.3%	35.4%
14	ADJUSTED KWH BY SECTOR	1,640,355,400	1,015,243,200	777,702,600
* SOURCE: 2004 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 2003.				