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COMMISSION

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

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

February 16, 2009

Dear Mr. Derouen:

Re:

Case No. 2009-00068

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

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

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

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

Jeff R. Derouen  
February 16, 2009  
Page 2

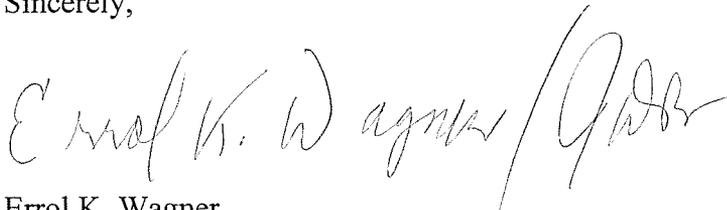
(see Exhibit C, Column 5, Line 11).

The Joint Applicants request the Commission to approve the following:

- (1) The Experimental DSM Electric Tariff to become effective March 30, 2009. This will allow the Company to utilize the new residential factor with the first billing cycle in April 2009.

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

Sincerely,

A handwritten signature in cursive script that reads "Errol K. Wagner". The signature is written in black ink and is positioned above the typed name and title.

Errol K. Wagner  
Director of Regulatory Services

enclosure

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

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

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

CUSTOMER SECTOR				
		<u>RESIDENTIAL</u> (\$ Per Kwh)	<u>COMMERCIAL**</u> (\$ Per KWH)	<u>INDUSTRIAL*</u> (\$ Per KWH)
Floor Factor	=	0.000050	-0-	- 0 -
Ceiling Factor	=	0.000544	-0-	- 0 -

(D)  
(D)

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

CUSTOMER SECTOR				
		<u>RESIDENTIAL</u>	<u>COMMERCIAL**</u>	<u>INDUSTRIAL*</u>
<u>DSM(c)</u>		484,366	-0-	- 0 -
<u>S ©</u>		1,630,861,000	-0-	- 0 -
Adjustment Factor	\$	0.000297	-0-	- 0 -

(I)  
(I)  
(D)

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

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

DATE OF ISSUE February 16, 2009 EFFECTIVE DATE Service rendered on or after March 30, 2009  
 ISSUED BY Errol K. Wagner 19/08/09  
ERROL K. WAGNER DIRECTOR OF REGULATORY SERVICES FRANKFORT, KENTUCKY  
 NAME TITLE ADDRESS

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

As of December 31, 2008

**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
11	Compact Fluorescent Bulb
14	High Efficiency Heat Pump
17	High Efficiency Heat Pump - Mobile Home
20	Mobile Home New Construction
23	Modified Energy Fitness Program
 <b>Commercial Programs</b>	
26	Smart Audit
29	Smart Incentive
 <b>Industrial Programs</b>	
32	Smart Audit
35	Smart Incentive

## DEFINITIONS

- 1) YTD Costs
  - Year-to-Date costs recorded January 1, 2008 through December 31, 2008.
- 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, 2008.
- 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, 2008. 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 and June 30, 2008 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 (1/196 to 6/30/97). The lost revenue, efficiency incentive and maximizing incentive for the period 1/1/08 to 12/31/08 are calculated using the revised values contained in Schedule C of this status report.

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

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

**KENTUCKY POWER COMPANY  
SUMMARY INFORMATION (ALL PROGRAMS)**

As of December 31, 2008

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$953,621</u>	<u>\$13,461,167</u>
Total Program Costs	787,923	9,440,477
Total Lost Revenues	220,181	3,452,673
Total Efficiency / Maximizing Incentive	112,062	862,393
HEAP - Kentucky Power's Information Technology Implementation Costs (Case No 2006 - 00373, Dated December 14, 2006)	0	58,968
HEAP - KACA's Information Technology Implementation Costs	<u>0</u>	<u>15,700</u>
Total DSM Costs As of December 31, 2008	<u>\$1,120,166</u>	<u>\$13,830,211</u>

DESCRIPTION	YTD	PTD
Actual In-Place Energy Savings:	1,033,419 kWh	451,736,340 kWh
w/ T&D Line Losses:	1,136,761 kWh	496,909,974 kWh
Total kW Reductions:		
Winter	656	18,537
w/ T&D Line Losses:	728	20,576
Summer	314	4,223
w/ T&D Line Losses:	348	4,687



# KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

2008														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	2,812

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD		PTD
	Summer	Winter	Summer	Winter	Winter
0	46,883,509	0	0	441	1,932



**KENTUCKY  
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# KENTUCKY POWER COMPANY

Energy Fitness	
Reporting Period:	January - December 2008

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued May 14, 1999.



# KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Targeted Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January - December 2008

2008														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
All Electric	6	17	17	20	27	32	0	16	21	14	15	23	208	2,465
Non														
All Electric	1	0	5	3	10	37	0	1	6	6	1	6	76	913

Impacts				
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction			
	YTD	PTD	YTD	PTD
	Summer	Winter	Summer	Winter
293,256	70,354,794	25	106	584
				2,623

# KENTUCKY POWER COMPANY



Targeted Energy Efficiency	
Reporting Period:	January - December 2008

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	33,880.00	0.00	253,327.00
Equipment/Vendor:	222,138.00	0.00	2,551,547.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	224.00	0.00	9,553.00
<b>Total Program Costs</b>	<b>256,242.00</b>	<b>0.00</b>	<b>2,814,427.00</b>
Lost Revenues:	57,411.00	1,944.00	528,429.00
Efficiency Incentive:	20,750.00	184.00	28,481.00
Maximizing Incentive:	0.00	0.00	123,197.00
<b>Total Costs</b>	<b>334,403.00</b>	<b>2,128.00</b>	<b>3,494,534.00</b>

## KENTUCKY POWER COMPANY

### COMMENTS:

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

The Equipment / Vendor cost categories includes the cost of labor and materials of measures installed, participant energy education costs and vendor administration costs. The YTD costs are \$215,734 for all-electric and \$6,404 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for all-electric participants and non-all-electric participants is 238,794 and 54,462 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 20/98 and 5/8 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$47,070 and \$10,341 respectively.

The YTD Efficiency Incentive for all-electric and non-all-electric participants is \$16,062 and \$4,688 respectively.

The projected participant and budgetary level for 2009 is 210 all-electric homes, 78 non-all-electric homes and \$233,430 respectively.



# KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Compact Fluorescent Bulb
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

2008															
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD	
New Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	269

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
0	241,120		0	0	3
					3



# KENTUCKY POWER COMPANY

Compact Fluorescent Bulb	
Reporting Period:	January - December 2008

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1996.



# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	High Efficiency Heat Pumps - Retrofit
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

Participant	2008												PTD		
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		YTD	
Resistance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,367
Non Resistance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	929

Impacts					
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction				
	YTD	PTD		PTD	
		Summer	Winter	Summer	Winter
0	58,597,140	0	0	851	2,995

# KENTUCKY POWER COMPANY



High Efficiency Heat Pumps - Retrofit	
Reporting Period:	January - December 2008

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2001.



# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	High Efficiency Heat Pump - Mobile Home
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

### 2008

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	9	4	7	11	12	18	19	9	12	11	11	12	135	1,887

## Impacts

Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction	
	YTD	PTD
YTD	PTD	
124,011	67,155,580	
	16	27
	246	3,226



# KENTUCKY POWER COMPANY

High Efficiency Heat Pump - Mobile Home	
Reporting Period:	January - December 2008

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	46,374.00
Equipment/Vendor:	6,650.00	0.00	36,105.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	54,000.00	0.00	829,900.00
Other Costs:	0.00	0.00	1,167.00
<b>Total Program Costs</b>	<b>60,650.00</b>	<b>0.00</b>	<b>913,546.00</b>
Lost Revenues:	20,560.00	5,820.00	414,330.00
Efficiency Incentive:	18,898.00	18,331.00	130,392.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>100,108.00</b>	<b>24,151.00</b>	<b>1,458,268.00</b>

## KENTUCKY POWER COMPANY



### COMMENTS:

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

The projected participant and budgetary level for 2009 is 110 and \$49,500 respectively.

# KENTUCKY POWER COMPANY



PROGRAM INFORMATION	
PROGRAM:	Mobile Home New Construction
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

2008														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
Heat Pump	19	6	12	7	25	26	18	25	14	21	9	21	203	1,740
Air Conditioner	0	0	0	0	0	0	0	0	0	0	0	0	0	2

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
188,758	93,772,667	131	37	330	4,198

# KENTUCKY POWER COMPANY



Mobile Home New Construction	
Reporting Period:	January - December 2008

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	30,294.00
Equipment/Vendor:	13,750.00	0.00	109,063.00
Promotional:	0.00	0.00	3,939.00
Customer Incentives:	97,900.00	0.00	870,950.00
Other Costs:	250.00	0.00	4,116.00
<b>Total Program Costs</b>	<b>111,900.00</b>	<b>0.00</b>	<b>1,018,362.00</b>
Lost Revenues:	39,958.00	0.00	453,114.00
Efficiency Incentive:	22,644.00	0.00	118,735.00
Maximizing Incentive:	0.00	0.00	2,580.00
<b>Total Costs</b>	<b>174,502.00</b>	<b>0.00</b>	<b>1,592,791.00</b>

## KENTUCKY POWER COMPANY



### COMMENTS:

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

The projected participant and budgetary level for 2009 is 185 heat pumps and \$101,750 respectively.



# KENTUCKY POWER COMPANY

## PROGRAM INFORMATION

PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

### 2008

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	85	79	88	87	109	112	80	80	68	95	63	54	1,000	4,989

## Impacts

Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	YTD	PTD
YTD	PTD	Summer	Winter
530,736	53,148,256	176	707
		558	2,953



# KENTUCKY POWER COMPANY

Modified Energy Fitness
Reporting Period: January - December 2008

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	27,106.00
Equipment/Vendor:	359,131.00	0.00	1,820,221.00
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>359,131.00</b>	<b>0.00</b>	<b>1,847,327.00</b>
Lost Revenues:	102,252.00	0.00	431,748.00
Efficiency Incentive:	49,770.00	0.00	190,994.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>511,153.00</b>	<b>0.00</b>	<b>2,470,069.00</b>

## KENTUCKY POWER COMPANY



### COMMENTS:

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

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

The projected participant and budgetary level for 2009 is 800 and \$304,000 respectively.



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Commercial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 2008

2008														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	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	Winter	Summer
n/a	n/a	n/a	n/a	n/a	n/a
				Summer	Winter

# KENTUCKY POWER COMPANY



Smart Audit - Commercial	
Reporting Period:	January - December 2008

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2002.



# KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Commercial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - June 2008

Participant	2008												PTD		
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		YTD	
Existing Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	182
New Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	69

Impacts					
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction				
	YTD	PTD	Summer	Winter	Summer
0	106,608,149	0	0	1,519	2,640



# KENTUCKY POWER COMPANY

Smart Incentive - Commercial	
Reporting Period:	January - December 2008

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2002.



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Industrial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December 2008

2008															
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD	
Class I	0	0	0	0	0	0	0	0	0	0	0	0	0	0	60
Class II	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4

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



# KENTUCKY POWER COMPANY

	Smart Audit - Industrial
Reporting Period:	January - December 2008

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	5,741.00
Equipment/Vendor:	0.00	0.00	37,786.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	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>

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1998.



# KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Industrial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2008

2008														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
General	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Compressed Air	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	Summer	YTD		PTD
			Summer	Winter	Summer
0	148,759	0	0	6	6

# KENTUCKY POWER COMPANY



Smart Incentive - Industrial	
Reporting Period:	January - December 2008

## 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>

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1998.



KENTUCKY POWER COMPANY		Exhibit C					PAGE 1 of 17	
DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT								
RESIDENTIAL SECTOR	TOTAL YEARS 1 thru 12	YEAR 13 (2008)	YEAR 13 (2008)	YEAR 14 (2009)	YEAR 14 (2009)	TOTAL		
		1st HALF	2nd HALF	1st QTR	2nd, 3rd & 4th QTRs			
	(1)	(2)	(3)	(4)	(5)	(6)		
1	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$9,772,025	\$614,969	\$505,197	\$246,976	\$806,298	\$11,945,465	
2	CUMULATIVE ( OVER)/UNDER COLLECTION	0	202,499	171,803	369,044	81,202	0	
3	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	0	(41,824)	
4	TOTAL TO BE RECOVERED	9,730,201	817,468	677,000	616,020	887,500	11,903,641	
5	TOTAL AMOUNT RECOVERED	9,527,356	645,665	307,956	0	0	10,480,977	
6	EXPECTED FUTURE RECOVERIES	0	0	0	534,818	484,366	1,019,184	
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	\$202,499	\$171,803	\$369,044	\$81,202	\$403,134	\$403,134	
		=====	=====	=====	=====	=====	=====	
10	AMOUNT TO BE RECOVERED					\$887,500		
11	ADJ. ESTIMATED SECTOR KWH - YEAR 14				830,463,300	1,630,861,000		
	SURCHARGE RANGE ( \$ PER KWH )							
12	FLOOR (CARRYOVER)	COL. 5, L 2 / COL. 5, L 11				0.000050		
13	MIDPOINT - proposed rate				0.000644	0.000297		
14	CEILING (TOTAL COST)	COL. 5, L 4 / COL. 5, L 11				0.000544		
COMMERCIAL SECTOR	TOTAL YEARS 1 thru 12	YEAR 13 (2008)	YEAR 13 (2008)	YEAR 14 (2009)	YEAR 14 (2009)	TOTAL		
		1st HALF	2nd HALF	1st QTR	2nd, 3rd & 4th QTRs			
	(1)	(2)	(3)	(4)	(5)	(6)		
15	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,899,298	\$0	\$0	\$0	\$0	\$2,899,298	
16	CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	0	0	0	
17	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	0	1,520	
18	TOTAL TO BE RECOVERED	2,900,818	0	0	0	0	2,900,818	
19	TOTAL AMOUNT RECOVERED	2,888,053	0	0	0	0	2,888,053	
20	EXPECTED FUTURE RECOVERIES	0	0	0	0	0	0	
21	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(3,278)	0	0	0	0	(3,278)	
22	TRANSFER BALANCE TO RESIDENTIAL	(9,487)	0	0	0	0	(9,487)	
22	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0	\$0	
		=====	=====	=====	=====	=====	=====	
23	AMOUNT TO BE RECOVERED					\$0		
24	ADJ. ESTIMATED SECTOR KWH - YEAR 14				382,404,300	1,082,469,300		
	SURCHARGE RANGE ( \$ PER KWH )							
25	FLOOR (CARRYOVER)					0.000000		
26	MIDPOINT - proposed rate				0.000000	0.000000		
27	CEILING (TOTAL COST)					0.000000		
INDUSTRIAL SECTOR	TOTAL YEARS 1 thru 12	YEAR 13 (2008)	YEAR 13 (2008)	YEAR 14 (2009)	YEAR 14 (2009)	TOTAL		
		1st HALF	2nd HALF	1st QTR	2nd, 3rd & 4th QTRs			
	(1)	(2)	(3)	(4)	(5)	(6)		
28	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$79,026	\$0	\$0	\$0	\$0	\$79,026	
29	CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	0	0	0	
30	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	0	0	0	0	0	0	
31	TOTAL TO BE RECOVERED	79,026	0	0	0	0	79,026	
32	TOTAL AMOUNT RECOVERED	92,137	0	0	0	0	92,137	
33	EXPECTED FUTURE RECOVERIES	0	0	0	0	0	0	
34	TRANSFER BALANCE TO RESIDENTIAL & COMMERCIAL	13,111	0	0	0	0	13,111	
35	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0	\$0	
		=====	=====	=====	=====	=====	=====	
36	AMOUNT TO BE RECOVERED					\$0		
37	ADJ. ESTIMATED SECTOR KWH - YEAR 14				366,095,900	1,073,870,400		
	SURCHARGE RANGE ( \$ PER KWH )							
38	FLOOR (CARRYOVER)					0.000000		
39	MIDPOINT				0.000000	0.000000		
40	CEILING (TOTAL COST) - proposed rate					0.000000		

1996												
KENTUCKY POWER COMPANY												
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM												
YEAR 1	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/YR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/YR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS										(4)X(5%)	(9)+(10)	(12)
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	660	23,800	\$0.03	\$744	\$719	\$719	\$719	\$29,005
Compact Fluorescent Bulb	269	73	\$56.06	\$15,081	62	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	\$32,310	813	167,478	\$0.03	\$5,215	\$8,796	\$8,796	\$8,796	\$46,321
High - Efficiency Heat Pump - Mobile Home	356	158	\$495.95	\$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	\$21,512
TOTAL RESIDENTIAL PROGRAMS	2,610	959		\$663,291		1,989,174		\$61,918	\$77,585	\$12,474	\$90,059	\$815,288
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	\$0	\$506	\$6,300
Smart Financing - New Building	0	0		\$0	30,600	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	97	20		\$129,695		0		\$0	\$506	\$6,195	\$6,701	\$136,396
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	15	1	\$149.40	\$2,241	0	0			\$0	\$112	\$112	\$2,353
Smart Audit - Class 2	2	1	\$8,980.00	\$17,960	0	0			\$0	\$696	\$696	\$18,656
Smart Financing - General	0	0		\$3,919	28,200	0	\$0.04	\$0	\$0	\$196	\$196	\$4,115
Smart Financing - Compressed Air System	0	0		\$0	164,800	0	\$0.03	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	17	2		\$24,120		0		\$0	\$0	\$1,206	\$1,206	\$25,326
TOTAL COMPANY	2,724	981		\$817,106		1,989,174		\$61,918	\$78,091	\$19,875	\$97,966	\$976,990
* Lost revenue and efficiency incentives are based on initial values per the settlement agreement.												

1997												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 1997												
YEAR 2 ( 1st HALF )												
PROGRAM DESCRIPTIONS	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/6 MOS (KWH/PARTIC)	NET LOST ENERGY SAVINGS	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS												
Energy Fitness	273	651	\$260.68	\$71,167	1,345	875,595	\$0.03	\$27,266	\$21,354	n/a	\$21,354	\$119,767
Targeted Energy Efficiency - All Electric	118	279	\$816.97	\$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	561	\$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	\$9,208	\$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.												

1997												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM												
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 (1)X(3)	NET LOST REV/IQTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/IQTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12) (4)+(9)+(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	106	\$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	\$65,496
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	\$6,701
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	28	\$686.00	\$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		\$1,267	\$100	\$100	\$100	\$6,883
TOTAL COMPANY	701	4,140		\$243,717		1,756,418		\$55,003	\$12,727	\$5,985	\$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  
17

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)X(3)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/QTR (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)X(10)	TOTAL EST. COSTS TO BE RECOVERED (12) (4)+@+(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	\$6,077	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)	(\$766)
TOTAL RESIDENTIAL PROGRAMS	897	4,397		\$280,744		2,061,487		\$64,158	\$14,501	\$5,693	\$20,194	\$365,096
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	71	473	\$230.92	\$16,395	0	0			\$0	\$820	\$820	\$17,215
- Class 2	21	33	\$2,705.00	\$56,805	0	0			\$0	\$2,840	\$2,840	\$9,645
Smart Financing - Existing Building	9	8	\$2,282.56	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	101	515		\$93,743		96,450		\$4,088	\$7,320	\$3,660	\$10,980	\$108,811
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	18	37	\$524.22	\$9,436	0	0			\$0	\$472	\$472	\$9,908
Smart Audit - Class 2	0	3	n/a	\$1,094	0	0			\$0	\$55	\$55	\$1,149
Smart Financing - General	0	0	n/a	\$11,802	14,625	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	\$495,766

\* 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 17

YEAR 3 (1st HALF)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/6 MOS (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/6 MOS) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C PG. 10B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	TOTAL* INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	544	1,768	\$184.44	\$100,334	682	1,205,776	\$0.03	\$37,524	\$11,304	n/a	\$11,304	\$149,162
Targeted Energy Efficiency - All Electric	122	565	\$1,132.92	\$138,216	2,784	1,572,960	\$0.03	\$48,935	\$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	\$595.30	\$36,330	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	\$39,802	0	0	n/a	\$0	\$0	\$1,980	\$1,980	\$41,582
- Class 2	8	60	\$1,600.00	\$44,800	0	0	n/a	\$0	\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	28	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	\$0	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,800.00	\$1,800	0	0	n/a	\$0	\$0	\$90	\$90	\$1,890
Smart Financing - General	0	0	\$0.00	\$1,338	29,250	0	\$0.04	\$0	\$0	\$67	\$67	\$1,405
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	13	54		\$6,091		0		\$0	\$0	\$305	\$305	\$6,396
TOTAL COMPANY	1,057	5,966		\$419,591		5,342,058		\$170,422	\$20,933	\$11,436	\$32,369	\$622,362

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

1998												
KENTUCKY POWER COMPANY												
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 3( 2nd HALF )												
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 (2X(6)) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (4)+(10)+(11) (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	448	2,277	\$301.30	\$134,982	682	1,552,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,618
Targeted Energy Efficiency - All Electric	131	697	\$1,187.51	\$155,564	2,784	1,940,448	\$0.03	\$60,367	\$7,778	\$7,778	\$7,778	\$223,709
- Non-All Electric	42	238	\$139.82	\$5,864	340	80,920	\$0.03	\$2,528	\$70	\$0	\$70	\$8,462
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	108	940	\$147.45	\$15,925	1,094	1,028,360	\$0.03	\$32,023	\$780	\$0	\$780	\$48,728
- Non Resistance Heat	64	894	\$72.27	\$4,625	442	395,148	\$0.03	\$12,313	\$1,863	\$0	\$1,863	\$18,801
High - Efficiency Heat Pump - Mobile Home	173	764	\$514.50	\$89,009	1,250	955,000	\$0.03	\$29,701	\$5,623	\$0	\$5,623	\$124,333
Mobile Home New Construction	33	11	\$549.45	\$18,132	0	0	n/a		\$0	\$907	\$907	\$19,039
TOTAL RESIDENTIAL PROGRAMS	999	6,090		\$424,101		5,961,398		\$185,525	\$17,645	\$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	\$99,963
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a		\$0	\$1,260	\$1,260	\$26,460
Smart Financing - Existing Building	29	32	\$1,878.86	\$54,487	22,200	710,400	\$0.04	\$30,085	\$23,585	\$0	\$23,585	\$108,157
Smart Financing - New Building	5	6	\$1,529.20	\$7,646	15,300	91,800	\$0.04	\$3,926	\$144	\$0	\$144	\$11,716
TOTAL COMMERCIAL PROGRAMS	221	906		\$182,536		802,200		\$34,011	\$23,729	\$6,020	\$29,749	\$246,296
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	59	\$862.33	\$2,657	0	0	n/a		\$0	\$128	\$128	\$2,685
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$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.												

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C  
PAGE 5A of 17

YEAR 4 ( 1st HALF )	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	NET LOST ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
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 - Non-All Electric	75	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$15,150	\$0	\$7,153	\$7,153	\$165,359
	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 - Non 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
	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	\$379,941		5,352,977		\$166,601	\$27,663	\$7,158	\$34,821	\$581,363
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	186	964	\$204.71	\$38,076	0	0	n/a	0	\$0	\$1,904	\$1,904	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a	0	\$0	\$2,164	\$2,164	\$45,444
Smart Financing - Existing Building	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$28,687	\$1,395	\$0	\$1,395	\$60,740
Smart Financing - New Building	3	9	\$0.00	\$2,350	14,101	126,909	\$0.04	\$5,428	\$787	\$0	\$787	\$8,565
TOTAL COMMERCIAL PROGRAMS	211	1,111	\$114,364	\$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	\$0
TOTAL COMPANY	904	7,920	\$494,305	\$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  
17

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 (2X(5)) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (6)X(7) (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+10 (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	2,519	\$0.00	\$972	707	1,780,933	\$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	\$561.42	\$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	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. Pg.16B) (9)	MAXIMIZING INCENTIVE (% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 5 (1st half)												
PROGRAM DESCRIPTIONS												
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	\$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	\$25,185	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$36,306
TOTAL COMMERCIAL PROGRAMS	172	1,344		\$124,947		1,424,272		\$60,436	\$4,770	\$3,942	\$8,712	\$194,085
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	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												
YEAR 5 (2nd half)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/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.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS										(4)X(5%)	(9)+(10)	(4)+(9)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	1,525	\$0.00	\$0	706	1,076,650	\$0.03	\$33,505	\$0	\$5,521	\$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	\$1,925	\$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	\$17,874	\$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	\$9,621	\$0	\$9,621	\$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		\$114,626	\$9,006	\$5,521	\$14,527	\$322,117
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	159	1,026	\$165.24	\$26,273	0	0	n/a	\$0	\$0	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a	\$0	\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,288,354	\$0.04	\$54,562	\$5,581	\$0	\$5,581	\$82,092
Smart Financing - New Building	0	21	\$0.00	\$7,269	14,102	296,142	\$0.04	\$12,666	\$0	\$0	\$0	\$19,935
TOTAL COMMERCIAL PROGRAMS	212	1,242		\$133,936		1,584,496		\$67,228	\$5,581	\$5,236	\$10,817	\$211,981
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	494	5,123		\$326,700		5,274,755		\$182,054	\$14,567	\$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												
YEAR 6 (1st Half)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS										(4)X(5%)	(9)X(10)	(4)X(8)X(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	\$1,592	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	568	\$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		3,359,377		\$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	\$5,687	\$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
TOTAL COMPANY	424	4,540		\$307,142		5,198,486		\$182,569	\$14,643	\$8,229	\$23,072	\$512,782

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/98.

\*\*\* Participants since 01/01/98.

Year 2001												
KENTUCKY POWER COMPANY												
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 6 (2nd Half)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (1)X(3)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	535	\$0.00	\$0	706	\$37,710	\$0.03112	\$11,754	\$0	\$0	\$0	\$11,754
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	306,180	\$0.03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668
Targeted Energy Efficiency - Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0.03124	\$1,166	\$231	\$0	\$231	\$5,144
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0.03114	\$16,396	\$1,326	\$0	\$1,326	\$21,922
High - Efficiency Heat Pump - Non Resistance Heat	0	35	\$0.00	\$0	446	15,610	\$0.03116	\$486	\$0	\$0	\$0	\$486
High - Efficiency Heat Pump - Mobile Home	47	469	\$510.64	\$24,000	1,476	692,244	\$0.03110	\$21,529	\$3,958	\$0	\$3,958	\$49,487
Mobile Home New Construction ***	92	568	\$555.43	\$51,100	1,755	996,840	\$0.03110	\$31,002	\$4,087	\$0	\$4,087	\$96,189
TOTAL RESIDENTIAL PROGRAMS	303	2,627		\$173,707		2,920,316		\$90,858	\$9,602	\$4,483	\$14,085	\$278,650
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	131	966	\$454.04	\$59,479	0	0	n/a	\$0	\$0	\$2,974	\$2,974	\$62,453
Smart Audit - Class 2	5	111	\$9,817.20	\$49,086	0	0	n/a	\$0	\$0	\$2,454	\$2,454	\$51,540
Smart Financing - Existing Building	16	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		\$166,916		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 17

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER		CUMULATIVE PARTICIPANT NUMBER **	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG. 16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
	(1)	(2)											
RESIDENTIAL PROGRAMS	0	116		\$0.00		707	82,012	\$0.03112	\$2,552	\$0	\$0	\$0	\$2,552
Energy Fitness	63	442		\$1,752.40	\$110,401	1,028	454,376	\$0.03111	\$14,136	\$0	\$5,520	\$5,520	\$130,057
Targeted Energy Efficiency - All Electric	32	135		\$65.47	\$2,095	315	42,525	\$0.03124	\$1,328	\$137	\$0	\$137	\$3,560
- Non-All Electric	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	1	314		\$1,152.00	\$1,152	1,200	376,800	\$0.03114	\$11,734	\$44	\$0	\$44	\$12,930
High - Efficiency Heat Pump - Resistance Heat	0	0		\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	43	414		\$619.77	\$26,650	1,144	473,616	\$0.03110	\$14,729	\$1,244	\$0	\$1,244	\$42,623
High - Efficiency Heat Pump - Mobile Home	57	568		\$641.77	\$36,581	1,809	1,027,512	\$0.03110	\$31,956	\$231	\$0	\$231	\$68,768
Mobile Home New Construction ***	196	1,989			\$176,879		2,456,841		\$76,435	\$1,656	\$5,520	\$7,176	\$260,490
TOTAL RESIDENTIAL PROGRAMS													
COMMERCIAL PROGRAMS	125	923		\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,706	\$2,706	\$56,821
Smart Audit - Class 1	8	104		\$3,711.00	\$29,688	0	0	n/a	\$0	\$0	\$1,484	\$1,484	\$31,172
- Class 2	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 - Existing Building	5	42		\$1,394.60	\$6,973	14,101	592,242	\$0.04277	\$25,330	\$1,312	\$0	\$1,312	\$39,615
Smart Financing - New Building	145	1,170			\$108,645		1,933,724		\$82,142	\$2,940	\$4,190	\$7,130	\$197,917
TOTAL COMMERCIAL PROGRAMS													
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0		\$0.00	\$0	0	0	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	341	3,159		\$285,524	\$4,390,565				\$158,577	\$4,596	\$9,710	\$14,306	\$458,407

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

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

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

Year 2002												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 7 (2nd Half)												
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS (KWH/HALF) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness	76	457	\$1,039.33	\$78,989	1,028	469,796	\$0.03111	\$14,615	\$0	\$3,949	\$3,949	\$97,553
Targeted Energy Efficiency - All Electric	13	156	\$85.92	\$1,117	315	49,140	\$0.03124	\$1,535	\$56	\$0	\$56	\$2,708
- 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 - 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	\$146.031	\$146,031		2,022,559		\$62,921	\$1,548	\$3,949	\$5,497	\$213,449
COMMERCIAL PROGRAMS	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$0	\$3,721	\$3,721	\$78,143
Smart Audit - Class 1	0	90	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	25	97	\$909.76	\$22,744	13,282	1,288,354	\$0.04235	\$54,562	\$5,814	\$0	\$5,814	\$53,120
Smart Financing - Existing Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$26,538	\$4,197	\$0	\$4,197	\$69,534
Smart Financing - New Building	41	1,017	\$135.965	\$135,965		1,908,842		\$81,100	\$10,011	\$3,721	\$13,732	\$230,797
TOTAL COMMERCIAL PROGRAMS	41	1,017	\$135.965	\$135,965		1,908,842		\$81,100	\$10,011	\$3,721	\$13,732	\$230,797
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	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	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	234	2,634	\$280.996	\$280,996		3,931,401		\$144,021	\$11,559	\$7,670	\$19,229	\$444,246

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/1999.  
\*\*\* Participants since 07/01/1999.

Year 2003													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													9A of
YEAR PROGRAM													17
YEAR 8 (1st HALF)													TOTAL
PROGRAM DESCRIPTIONS													ACTUAL
NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOSS	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	RECOVERED COSTS TO BE		
NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(1)X(3)	(KWH/PARTICIPANT) (5)	(6)	(7)	(6)X(7)	(9)	(5% of COSTS) (10)	(11)	(12)		
										(9)+(10)	(4)+(9)+(11)		
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency	100	467	\$849.84	1,028	480,076	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168		
- All Electric	7	151	\$79.29	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066		
- Non-All Electric	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Compact Fluorescent Bulb	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump	0	94	\$0.00	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513		
- Resistance Heat	0	0	\$0.00	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat	34	268	\$379.41	1,144	306,592	\$0.03110	\$9,555	\$983	\$0	\$983	\$23,418		
High - Efficiency Heat Pump	0	46	\$482.61	1,808	831,680	\$0.03110	\$25,865	\$187	\$0	\$187	\$48,252		
- Heat Pump	0	0	\$0.00	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0		
- Air Conditioner	101	23	\$142.72	1,194	27,462	\$0.03116	\$856	\$2,127	\$0	\$2,127	\$17,398		
Modified Energy Fitness	288	1,463	\$135.054		1,806,024		\$56,185	\$3,327	\$4,249	\$7,576	\$198,815		
TOTAL RESIDENTIAL PROGRAMS													
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	620	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
- Class 2	0	73	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Existing Building	0	110	\$0.00	13,282	1,461,020	\$0.04235	\$61,874	\$0	\$0	\$0	\$61,874		
Smart Financing - New Building	0	49	\$0.00	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	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 2	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - General	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Compressed Air System	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0		0		\$0	\$0	\$0	\$0	\$0		
TOTAL COMPANY	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													17
YEAR 8 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF (KWH/PARTICIPANT)	TOTAL ENERGY SAVINGS (KWH-HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOSST	EFFICIENCY INCENTIVE (EX C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	INCENTIVE TOTAL *	TOTAL ACTUAL COSTS TO BE	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTICIPANT) (5)	(2)X(5)	(7)	(6)X(7)	(9)	(10)	(11)	(12)	
				(1)X(3)						(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	69	473	\$974.94	\$67,271	1,028	486,244	\$0.03111	\$15,127	\$0	\$3,364	\$3,364	\$85,762	
- Non-All Electric	69	167	\$76.10	\$5,251	316	52,772	\$0.03124	\$1,649	\$295	\$0	\$295	\$7,195	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	63	\$0.00	\$0	1,200	75,600	\$0.03114	\$2,354	\$0	\$0	\$0	\$2,354	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	29	256	\$453.45	\$13,150	1,144	292,864	\$0.03110	\$9,108	\$839	\$0	\$839	\$23,097	
Mobile Home New Construction ***													
- Heat Pump	64	419	\$649.59	\$41,574	1,810	758,390	\$0.03110	\$23,566	\$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	366,856	\$0.03116	\$12,054	\$9,287	\$0	\$9,287	\$211,603	
TOTAL RESIDENTIAL PROGRAMS	673	1,702		\$317,658		2,052,726		\$63,878	\$10,681	\$3,364	\$14,045	\$395,581	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	453	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	63	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	77	\$0.00	\$0	13,282	1,022,714	\$0.04235	\$43,312	\$0	\$0	\$0	\$43,312	
Smart Financing - New Building	0	47	\$0.00	\$0	14,102	662,794	\$0.04277	\$28,348	\$0	\$0	\$0	\$28,348	
TOTAL COMMERCIAL PROGRAMS	0	640		\$0		1,685,508		\$71,660	\$0	\$0	\$0	\$71,660	
INDUSTRIAL PROGRAMS -													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	673	2,342		\$317,658		3,738,234		\$135,538	\$10,681	\$3,364	\$14,045	\$467,241	
* Lost revenue and efficiency incentives are based on prospective values.													
** Cumulative participants include a reduction for the cumulative participants as of 12/31/2000.													
*** Participants since 07/01/2000.													

Year 2004													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 10A of 17
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG. 16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
												(4)+(9)+(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												
YEAR 9 (2nd HALF)												
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET COST (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6)	NET REVENUE (\$/KWH) (7)	TOTAL NET REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11)	TOTAL COSTS TO BE (12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness												
Targeted Energy Efficiency	89	462	\$1,118.43	\$99,540	1,028	474,936	\$0.03111	\$14,775	\$0	\$4,977	\$4,977	\$119,292
- All Electric	72	205	\$60.60	\$4,363	316	64,780	\$0.03124	\$2,024	\$308	\$0	\$308	\$6,695
- 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	15	\$0.00	\$0	1,200	18,000	\$0.03114	\$561	\$0	\$0	\$0	\$561
- Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	46	239	\$469.57	\$21,600	1,144	273,416	\$0.03110	\$8,503	\$1,330	\$0	\$1,330	\$31,433
High - Efficiency Heat Pump												
- Mobile Home												
Mobile Home New Construction ***												
- Heat Pump	70	379	\$597.14	\$41,800	1,810	685,990	\$0.03110	\$21,334	\$284	\$0	\$284	\$63,418
- Air Conditioner	0	2	#DIV/0!	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	391	1,070	\$347.20	\$135,756	1,194	1,277,580	\$0.03116	\$39,809	\$8,234	\$0	\$8,234	\$183,799
TOTAL RESIDENTIAL PROGRAMS	668	2,372		\$303,059		2,795,018		\$87,016	\$10,156	\$4,977	\$15,133	\$405,208
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	191	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	10	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	41	\$0.00	\$0	13,282	544,562	\$0.04235	\$23,062	\$0	\$0	\$0	\$23,062
Smart Financing - New Building	0	30	\$0.00	\$0	14,102	423,060	\$0.04277	\$18,094	\$0	\$0	\$0	\$18,094
TOTAL COMMERCIAL PROGRAMS	0	272		\$0		967,622		\$41,156	\$0	\$0	\$0	\$41,156
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	668	2,644		\$303,059		3,762,640		\$128,172	\$10,156	\$4,977	\$15,133	\$446,364
* Lost revenue and efficiency incentives are based on prospective values.												
** Cumulative participants include a reduction for the cumulative participants as of 12/31/2001.												
*** Participants since 07/01/2001.												

Year 2005													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													11A of
YEAR PROGRAM													17
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTR (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)	
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)		(4)+(9)+(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	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	34	231	\$560.21	\$19,047	1,145	264,495	\$0.03110	\$6,226	\$2,693	\$0	\$2,693	\$29,966	
- Mobile Home													
Mobile Home New Construction ***													
- Heat Pump	67	371	\$614.85	\$41,195	1,808	670,768	\$0.03110	\$20,861	\$8,372	\$0	\$8,372	\$70,428	
- Air Conditioner	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10	
Modified Energy Fitness	371	1,479	\$400.87	\$148,723	613	906,627	\$0.03116	\$28,250	\$15,612	\$0	\$15,612	\$192,585	
TOTAL RESIDENTIAL PROGRAMS	617	2,778		\$310,137		2,327,802		\$72,461	\$27,802	\$4,881	\$32,683	\$415,281	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	64	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	3	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	29	\$0.00	\$0	13,282	385,178	\$0.04235	\$16,312	\$0	\$0	\$0	\$16,312	
Smart Financing - New Building	0	18	\$0.00	\$0	14,101	253,818	\$0.04277	\$10,856	\$0	\$0	\$0	\$10,856	
TOTAL COMMERCIAL PROGRAMS	0	114		\$0		638,996		\$27,168	\$0	\$0	\$0	\$27,168	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	617	2,892		\$310,137		2,966,798		\$99,629	\$27,802	\$4,881	\$32,683	\$442,449	
* Lost revenue and efficiency incentives are based on prospective values.													
** Cumulative participants include a reduction for the cumulative participants as of 06/30/2002.													
*** Participants since 01/01/2002.													

Year 2005													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													11B of
YEAR PROGRAM													17
YEAR 10 (2nd HALF)													TOTAL
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (11)	RECOVERED COSTS TO BE (12)	
RESIDENTIAL PROGRAMS			PER PARTICIPANT (3)	(1)X(3)		(2)X(5)	(6)X(7)			(4)X(5%)	(9)+-(10)	(4)+-(8)+(11)	
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	85	492	\$1,207.52	\$102,639	896	440,832	\$0.03111	\$13,714	\$0	\$5,132	\$5,132	\$121,485	
- Non-All Electric	26	233	\$65.85	\$1,712	266	61,978	\$0.03124	\$1,936	\$513	\$0	\$513	\$4,161	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat													
High - Efficiency Heat Pump	40	225	\$478.78	\$19,071	1,144	257,400	\$0.03110	\$8,005	\$3,168	\$0	\$3,168	\$30,244	
- Mobile Home													
Mobile Home New Construction **													
- Heat Pump	83	385	\$544.23	\$45,171	1,810	696,850	\$0.03110	\$21,672	\$10,372	\$0	\$10,372	\$77,215	
- Air Conditioner	0	2	\$0.00	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10	
Modified Energy Fitness	351	1,826	\$373.12	\$130,965	612	1,117,512	\$0.03116	\$34,822	\$14,770	\$0	\$14,770	\$180,657	
TOTAL RESIDENTIAL PROGRAMS	585	3,163		\$299,558		2,574,888		\$90,159	\$28,823	\$5,132	\$33,955	\$413,672	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	20	\$0.00	\$0	13,282	265,640	\$0.04235	\$11,250	\$0	\$0	\$0	\$11,250	
Smart Financing - New Building	0	11	\$0.00	\$0	14,102	155,122	\$0.04277	\$6,635	\$0	\$0	\$0	\$6,635	
TOTAL COMMERCIAL PROGRAMS	0	31		\$0		420,762		\$17,885	\$0	\$0	\$0	\$17,885	
INDUSTRIAL PROGRAMS -													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	585	3,194		\$299,558		2,995,650		\$98,044	\$28,823	\$5,132	\$33,955	\$431,557	

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

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

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



Year 2006													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 12B of 17
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOSS (6)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* (9)+(10)	RECOVERED COSTS TO BE (12)	
			PER PARTICIPANT (3)	(1)X(3)	(KWH/PARTICIPANT) (5)	(KWH/HALF (6)	(7)	(6)X(7)	(EX. C. PG.16B) (9)	(5% of COSTS) (10)	(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	\$308,767	
TOTAL RESIDENTIAL PROGRAMS	832	3,833		\$415,139		3,074,108		\$95,707	\$39,783	\$4,991	\$44,774	\$555,620	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS -													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	832	3,833		\$415,139		3,074,108		\$95,707	\$39,783	\$4,991	\$44,774	\$555,620	

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/2003.  
 \*\*\* Participants since 07/01/2003.

Year 2007													EXHIBIT C PAGE 13A of	17											
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													TOTAL ACTUAL	TOTAL ACTUAL											
YEAR 12 (1st HALF)													MAXIMIZING	EFFICIENCY	NET	TOTAL	INCENTIVE	RECOVERED							
PROGRAM DESCRIPTIONS													INCENTIVE	INCENTIVE	LOST	NET * REVENUES	INCENTIVE	INCENTIVE							
NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * COSTS TO BE	RECOVERED (12)	RECOVERED (12)	RECOVERED (12)													
NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6) (2)X(5)	(\$KWH) (7)	(EX. C. PG.16B) (8)	(5% of COSTS) (10) (4)X( 5%)	(9)+(10)	(11)	(12)	(9)+(10)+(11)													
RESIDENTIAL PROGRAMS																									
Energy Fitness																									
0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0													
Targeted Energy Efficiency																									
128	295	\$1,022.27	\$130,851	896	284,320	\$0.04346	\$11,487	\$6,543	\$6,543	\$148,891	\$148,891	\$148,891													
29	115	\$66.48	\$2,508	277	31,855	\$0.04392	\$1,390	\$572	\$572	\$4,470	\$4,470	\$4,470													
Compact Fluorescent Bulb																									
0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0													
High - Efficiency Heat Pump																									
0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	\$0													
0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	\$0													
High - Efficiency Heat Pump																									
50	153	\$450.00	\$22,500	1,145	175,185	\$0.04346	\$7,614	\$3,960	\$3,960	\$34,074	\$34,074	\$34,074													
Mobile Home																									
84	304	\$593.10	\$47,300	1,810	550,240	\$0.04348	\$23,924	\$10,497	\$10,497	\$81,721	\$81,721	\$81,721													
0	0	\$0.00	\$0	157	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	\$0													
Modified Energy Fitness																									
515	1,605	\$381.00	\$196,214	613	983,865	\$0.04349	\$42,788	\$21,871	\$21,871	\$260,673	\$260,673	\$260,673													
Case No 2006 - 00373, Dated December 14, 2006:																									
- HEAP - Kentucky Power Company's Information Technology Implementation Costs																									
			\$59,968							\$59,968	\$59,968	\$59,968													
- HEAP - KACA's Information Technology Implementation Costs																									
			\$15,700							\$15,700	\$15,700	\$15,700													
TOTAL RESIDENTIAL PROGRAMS																									
806	2,472		\$474,041		2,005,465		\$87,203	\$36,700	\$36,700	\$604,487	\$604,487	\$604,487													
COMMERCIAL PROGRAMS																									
Smart Audit - Class 1																									
0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0													
0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0													
Smart Financing - Existing Building																									
0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0													
0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0													
TOTAL COMMERCIAL PROGRAMS																									
0	0		\$0		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0													
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)																									
Smart Audit - Class 1																									
0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0													
0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0													
Smart Financing - General																									
0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0													
0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0													
Smart Financing - Compressed Air System																									
0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0													
TOTAL INDUSTRIAL PROGRAMS																									
0	0		\$0		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0													
TOTAL COMPANY																									
806	2,472		\$474,041		2,005,465		\$87,203	\$36,700	\$36,700	\$604,487	\$604,487	\$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 2008	KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM	17	Exhibit C PAGE 14A of	TOTAL ACTUAL COSTS TO BE						
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ACTUAL PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOSS REVENUE (5)	REVENUES (6)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (9)+(10)	RECOVERED (12)
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ACTUAL PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOSS REVENUE (5)	REVENUES (6)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (9)+(10)	RECOVERED (12)
RESIDENTIAL PROGRAMS										
Energy Fitness	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
Targeted Energy Efficiency	119	521	\$1,358.15	\$161,620	1,016	\$0.04346	\$9,189	\$0	\$9,189	\$193,814
- All Electric	56	196	\$83.11	\$4,654	568	\$0.04345	\$3,454	\$0	\$3,454	\$12,945
- Non-All Electric	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
- Resistance Heat	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	61	252	\$457.38	\$27,900	875	\$0.04346	\$8,539	\$0	\$8,539	\$46,022
- Mobile Home										
Mobile Home New Construction ***										
- Heat Pump	95	520	\$552.63	\$52,500	861	\$0.04348	\$10,597	\$0	\$10,597	\$82,564
- Air Conditioner	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
Modified Energy Fitness	560	2,612	\$361.32	\$202,339	435	\$0.04349	\$27,871	\$0	\$27,871	\$279,624
TOTAL RESIDENTIAL PROGRAMS	891	4,101		\$449,013		\$106,306	\$59,650	\$0	\$59,650	\$614,969
COMMERCIAL PROGRAMS										
Smart Audit - Class 1	0	0	\$0.00	\$0	0	n/a	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	n/a	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$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	n/a	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	n/a	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	\$0.00000	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	891	4,101		\$449,013		\$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													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													14B of
YEAR PROGRAM													17
YEAR 13 (2nd HALF)													TOTAL
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ACTUAL PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ESTIMATED PROGRAM COSTS (1)X(3)	NET LOST REVQ/TRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (9)+(10)	RECOVERED COSTS TO BE (12)	
						KWH/ HALF (2)X(6)		(9)X(7)		(4)X(5%)		(4)+(9)+(11)	
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	89	545	\$991.21	\$88,218	1,016	563,720	\$0.04346	\$24,065	\$6,873	\$0	\$6,873	\$119,156	
- All Electric	20	223	\$67.50	\$1,750	566	126,664	\$0.04345	\$5,504	\$1,234	\$0	\$1,234	\$8,488	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb													
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	74	289	\$442.57	\$32,750	874	252,586	\$0.04346	\$10,977	\$10,359	\$0	\$10,359	\$54,086	
- Mobile Home													
Mobile Home New Construction	108	548	\$560.00	\$59,400	860	471,280	\$0.04348	\$20,491	\$12,047	\$0	\$12,047	\$91,938	
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	440	2,793	\$356.35	\$156,792	435	1,214,955	\$0.04349	\$62,838	\$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	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS -													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
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													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													15A of
YEAR PROGRAM													17
YEAR 14 (1st QTR)													TOTAL
NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/QTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOSS REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (11)	RECOVERED COSTS TO BE (12)		
PROGRAM DESCRIPTIONS		PER PARTICIPANT (3)	(1)X(3)	(KWH/PARTICIPANT) (5)	(2)X(5)	(7)	(6)X(7)	(9)+(10)	(4)X(5%)	(9)+(10)	(4)+(9)+(11)		
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency	48	584	\$1,080.00	508	296,672	\$0.04346	\$12,893	\$3,707	\$0	\$3,707	\$68,440	\$68,440	
- All Electric	6	224	\$85.00	284	63,616	\$0.04345	\$2,764	\$370	\$0	\$370	\$3,644	\$3,644	
- Non-All Electric	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	25	319	\$450.00	437	139,403	\$0.04346	\$6,058	\$3,500	\$0	\$3,500	\$20,808	\$20,808	
- Mobile Home													
Mobile Home New Construction ***	45	576	\$550.00	430	247,680	\$0.04348	\$10,769	\$5,020	\$0	\$5,020	\$40,539	\$40,539	
- Heat Pump	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
- Air Conditioner	201	2,878	\$380.00	217	624,526	\$0.04349	\$27,161	\$10,004	\$0	\$10,004	\$113,545	\$113,545	
Modified Energy Fitness	325	4,581	\$164,730	1,371,897			\$59,645	\$22,601	\$0	\$22,601	\$246,976	\$246,976	
TOTAL RESIDENTIAL PROGRAMS													
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0	\$0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	325	4,581	\$164,730	1,371,897			\$59,645	\$22,601	\$0	\$22,601	\$246,976	\$246,976	

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 04/01/2006.

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3  
YEAR PROGRAM

YEAR 14 (2nd, 3rd & 4th QTRs)

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/QTR (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE (11)	TOTAL * COSTS TO BE ESTIMATED (12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	(4)X(5)	(9)X(10)	(11)
Energy Fitness	162	693	\$1,080.00	\$174,960	1,524	1,056,132	\$0.04346	\$45,899	\$12,510	(5% of COSTS)	\$12,510	\$233,369
- All Electric	72	264	\$85.00	\$6,120	852	224,928	\$0.04345	\$9,773	\$4,441	(4)X(5)	\$4,441	\$20,334
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
- 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	85	381	\$450.00	\$38,250	1,312	499,872	\$0.04346	\$21,724	\$11,899		\$11,899	\$71,873
- Mobile Home	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
Mobile Home New Construction	140	669	\$550.00	\$77,000	1,291	863,679	\$0.04348	\$37,553	\$15,617		\$15,617	\$130,170
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
Modified Energy Fitness	599	3,279	\$380.00	\$227,620	653	2,141,187	\$0.04349	\$93,120	\$29,812		\$29,812	\$350,552
TOTAL RESIDENTIAL PROGRAMS	1,058	5,286	\$523,950	\$523,950	4,785,798	4,785,798	\$206,069	\$74,279	\$74,279		\$74,279	\$806,298
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$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	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$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	\$0.00	\$0	0	0	\$0.00000	\$0	\$0		\$0	\$0
TOTAL COMPANY	1,058	5,286	\$523,950	\$523,950	4,785,798	4,785,798	\$206,069	\$74,279	\$74,279		\$74,279	\$806,298

\* Lost revenue and efficiency incentives are based on prospective values.  
\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2007.





KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2009 KENTUCKY RETAIL ENERGY SALES IN KWH		PAGE 17 of		17
FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS				
PROGRAM YR 14 - 2009				
LINE NO.	YEAR	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
1	TOTAL ULTIMATE SALES (KWH)*	2,488,700,000	1,475,200,000	3,520,700,000
2	LESS NON-METERED **	14,932,200	8,851,200	21,124,200
3	TOTAL ESTIMATED RETAIL KWH SALES	2,473,767,800	1,466,348,800	3,499,575,800
4	LESS OPT - OUT CUSTOMERS KWH	0	0	2,059,689,192
5	KWH BEFORE LOST REVENUE IMPACTS	2,473,767,800	1,466,348,800	1,439,886,608
6	LESS LOST REVENUE IMPACTS	11,420,681	1,496,550	0
7	ADJUSTED KWH BY SECTOR	2,462,347,119	1,464,852,250	1,439,886,608
8	LINE 7/LINE 1	98.9%	99.3%	40.9%
PROGRAM YR 14 (1st QTR)				
LINE NO.	PROGRAM YR 14 (1st QTR)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
9	TOTAL ULTIMATE SALES (KWH)*	839,700,000	385,100,000	895,100,000
10	LINE 8	98.9%	99.3%	40.9%
11	ADJUSTED KWH BY SECTOR	830,463,300	382,404,300	366,095,900
PROGRAM YR 14 (2nd, 3rd & 4th QTRs)				
LINE NO.	PROGRAM YR 14 (2nd, 3rd & 4th QTRs)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
12	TOTAL ULTIMATE SALES (KWH)*	1,649,000,000	1,090,100,000	2,625,600,000
13	LINE 8	98.9%	99.3%	40.9%
14	ADJUSTED KWH BY SECTOR	1,630,861,000	1,082,469,300	1,073,870,400
* SOURCE: 2009 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 2008.				