



**KENTUCKY
POWER**

A unit of American Electric Power

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

RECEIVED

AUG 14 2009

**PUBLIC SERVICE
COMMISSION**

August 14, 2009

Dear Mr. Derouen:

Re: Case No. 2009-

2009-00337

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

Jeff R. Derouen
February 25, 2009
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Line 4) and dividing by the adjusted estimated sector KWH sales for the remaining fourth quarter (see Exhibit C, Column 4, Line 11).

The Joint Applicants request the Commission to approve the following:

- (1) The Experimental DSM Electric Tariff to become effective September 28, 2009. This will allow the Company to utilize the new residential factor with the first billing cycle in October 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,



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			
	RESIDENTIAL	COMMERCIAL**	INDUSTRIAL*
	(\$ Per Kwh)	(\$ Per KWH)	(\$ Per KWH)
Floor Factor =	0.000392	-0-	- 0 -
Ceiling Factor =	0.000873	-0-	- 0 -

(I)
(I)

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			
	RESIDENTIAL	COMMERCIAL **	INDUSTRIAL*
DSM (c)	394,984	-0-	- 0 -
S ©	624,355,700	-0-	- 0 -
Adjustment Factor \$	0.000633	-0-	- 0 -

(R)
(R)
(I)

*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 August 14, 2009 EFFECTIVE DATE Bills rendered on or after September 28, 2009

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

KENTUCKY POWER COMPANY
Demand Side Management
Status Report
 As of June 30, 2009

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DEFINITIONS

- 1) YTD Costs
 - Year-to-Date costs recorded January 1, 2009 through June 30, 2009.
- 2) YTD Impacts
 - Estimated in place load impacts for Year-to-Date participants.
- 3) PTD Costs
 - Costs recorded from the inception of the program through June 30, 2009.
- 4) PTD Impacts
 - Estimated in place load impacts for Program-to-Date participants.

COMMENTS

Our calculations are based on actual participants and costs as of June 30, 2009. 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 1/1/09 to 06/30/09 are calculated using the revised values contained in Schedule C of this status report.

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

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

KENTUCKY POWER COMPANY
SUMMARY INFORMATION (ALL PROGRAMS)

As of June 30, 2009

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$851,711</u>	<u>\$14,312,878</u>
Total Program Costs	416,347	9,856,824
Total Lost Revenues	116,036	3,568,709
Total Efficiency / Maximizing Incentive	69,411	931,804
HEAP - Kentucky Power's Information Technology Implementation Costs (Case No 2006 - 00373, Dated December 14, 2006)	0	58,968
HEAP - KACA's Information Technology Implementation Costs	<u>0</u>	<u>15,700</u>
Total DSM Costs As of June 30, 2009	<u>\$601,794</u>	<u>\$14,432,005</u>

DESCRIPTION	YTD	PTD
Actual In-Place Energy Savings:	266,797 kWh	484,586,241 kWh
w/ T&D Line Losses:	293,477 kWh	533,044,865 kWh
Total kW Reductions:		
Winter	546	19,465
w/ T&D Line Losses:	606	21,606
Summer	167	4,391
w/ T&D Line Losses:	185	4,874



KENTUCKY POWER COMPANY

PROGRAM INFORMATION

PROGRAM:	Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

2009														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	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	49,002,687	0	0	441	1,932



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Energy Fitness	
Reporting Period:	January - June 2009

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

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COMMENTS:

This program was discontinued May 14, 1999.



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PROGRAM INFORMATION

PROGRAM:	Targeted Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential - Low Income
REPORTING PERIOD:	January - June 2009

		2009												
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
All Electric	7	25	14	24	30	19							119	2,584
Non All Electric	1	1	5	4	8	3							22	935

Impacts

Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	Summer	Winter
71,354	74,838,694	13	58
		596	2,682



KENTUCKY POWER COMPANY

Targeted Energy Efficiency	
Reporting Period:	January - June 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	253,327.00
Equipment/Vendor:	128,211.00	0.00	2,679,758.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	9,553.00
Total Program Costs	128,211.00	0.00	2,942,638.00
Lost Revenues:	30,572.00	1,944.00	559,001.00
Efficiency Incentive:	10,546.00	184.00	39,027.00
Maximizing Incentive:	0.00	0.00	123,197.00
Total Costs	169,329.00	2,128.00	3,663,863.00

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 \$126,159 for all-electric and \$2,052 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for all-electric participants and non-all-electric participants is 64,169 and 7,185 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 11/56 and 1/2 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$25,389 and \$5,183 respectively.

The YTD Efficiency Incentive for all-electric and non-all-electric participants is \$9,189 and \$1,357 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 - June 2009

2009														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	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	228,131		0	0	3
					3



KENTUCKY POWER COMPANY

Compact Fluorescent Bulb	
Reporting Period:	January - June 2009

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

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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 - June 2009

		2009												
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
Resistance	0	0	0	0	0	0	0						0	1,367
Non Resistance	0	0	0	0	0	0							0	929

		Impacts			
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
0	61,704,601	0	0	851	2,995

KENTUCKY POWER COMPANY

	High Efficiency Heat Pumps - Retrofit
Reporting Period:	January - June 2009

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



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 - June 2009

2009														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	4	7	5	15	19	11							61	1,948

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
28,618	72,037,335	25	49	274	3,436



KENTUCKY POWER COMPANY

High Efficiency Heat Pump - Mobile Home	
Reporting Period:	January - June 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	46,374.00
Equipment/Vendor:	3,000.00	0.00	39,105.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	24,400.00	0.00	854,300.00
Other Costs:	0.00	0.00	1,167.00
Total Program Costs	27,400.00	0.00	940,946.00
Lost Revenues:	11,370.00	5,820.00	425,700.00
Efficiency Incentive:	8,539.00	18,331.00	138,931.00
Maximizing Incentive:	0.00	0.00	0.00
Total Costs	47,309.00	24,151.00	1,505,577.00

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.



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PROGRAM INFORMATION	
PROGRAM:	Mobile Home New Construction
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

		2009												YTD	PTD
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
Heat Pump		18	13	9	14	13	21							88	1,828
Air Conditioner		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	Winter	Summer	Winter
50,009	102,194,343	57	130	387	4,590		



KENTUCKY POWER COMPANY

	Mobile Home New Construction
Reporting Period:	January - June 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	30,294.00
Equipment/Vendor:	4,400.00	0.00	113,463.00
Promotional:	0.00	0.00	3,939.00
Customer Incentives:	44,000.00	0.00	914,950.00
Other Costs:	250.00	0.00	4,366.00
Total Program Costs	48,650.00	0.00	1,067,012.00
Lost Revenues:	20,665.00	0.00	473,779.00
Efficiency Incentive:	9,816.00	0.00	128,551.00
Maximizing Incentive:	0.00	0.00	2,580.00
Total Costs	79,131.00	0.00	1,671,922.00

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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 - June 2009

2009														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	67	74	77	75	67	65							425	5,414

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	Summer	Winter
115,917	59,958,472		75	237	3,190



KENTUCKY POWER COMPANY

	Modified Energy Fitness
Reporting Period:	January - June 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	27,106.00
Equipment/Vendor:	162,993.00	0.00	1,983,214.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
Total Program Costs	162,993.00	0.00	2,010,320.00
Lost Revenues:	52,498.00	0.00	484,246.00
Efficiency Incentive:	21,152.00	0.00	212,146.00
Maximizing Incentive:	0.00	0.00	0.00
Total Costs	236,643.00	0.00	2,706,712.00

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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

PROGRAM INFORMATION	
PROGRAM:	High Efficiency Heat Pump
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

Participant	2009												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
Resistance	0	0	6	2	7	13								28	28
Non Resistance	0	0	9	4	28	20								61	61

Impacts			
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction		
	YTD	Summer	Winter
YTD	PTD	Summer	Winter
23,814	23,814	14	108
		14	108



KENTUCKY POWER COMPANY

High Efficiency Heat Pump	
Reporting Period:	January - June 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	3,950.00	0.00	3,950.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	31,600.00	0.00	31,600.00
Other Costs:	0.00	0.00	0.00
Total Program Costs	35,550.00	0.00	35,550.00
Lost Revenues:	781.00	0.00	781.00
Efficiency Incentive:	13,387.00	0.00	13,387.00
Maximizing Incentive:	1,350.00	0.00	1,350.00
Total Costs	51,068.00	0.00	51,068.00

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COMMENTS:

This program was implemented to reduce residential electric consumption by replacing older, less efficient electric heating systems with high efficiency heat pumps. Customers are provided an incentive encouraging them to promote the highest efficiency equipment practical.

The YTD Estimated in Place Energy (kWh) Savings for resistance heat replacement and non-resistance heat replacement participants is 16,460 and 7,354 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for resistance heat replacement and non-resistance heat replacement participants is 0/81 and 14/27 respectively.

The YTD Loss Revenue for resistance heat replacement and non-resistance heat replacement participants is \$572 and \$209 respectively.

The Efficiency Incentive for resistance heat replacement participants is \$13,387. The Maximizing Incentive for the non-resistance heat replacement participants is \$1,350.

The projected participant and budgetary level for 2009 is 50 resistance heat replacement customers, 50 non-resistance heat replacement customers and \$53,000 respectively.



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PROGRAM INFORMATION	
PROGRAM:	Community Outreach Compact Fluorescent Lamp
PARTICIPANT DEFINITION:	Number of Customers
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

2009														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	0	0	430	496							926	926

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
3,765	3,765	1	24	24	1
					24

KENTUCKY POWER COMPANY

Reporting Period:	Community Outreach Compact Fluorescent Lamp January - June 2009
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Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
CFLs	5,404.00	0.00	5,404.00
Promotional:	0.00	0.00	0.00
Administration	0.00	0.00	0.00
Other Costs:	0.00	0.00	0.00
Total Program Costs	5,404.00	0.00	5,404.00
Lost Revenues:	150.00	0.00	150.00
Efficiency Incentive:	4,621.00	0.00	4,621.00
Maximizing Incentive:	0.00	0.00	0.00
Total Costs	10,175.00	0.00	10,175.00

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COMMENTS:

The Community Outreach Compact Fluorescent Lighting (CFL) program is designed to educate and influence residential customers to purchase and use compact fluorescent lighting in their homes.

The projected participant and budgetary level for 2009 is 3,500 customers and \$40,200 respectively.



KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Energy Education For Students
PARTICIPANT DEFINITION:	Number of Students
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

2009														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	0	0	0	0							0	0

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



KENTUCKY POWER COMPANY

Energy Education For Students	
Reporting Period:	January - June 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
CFLs	8,139.00	0.00	8,139.00
Promotional:	0.00	0.00	0.00
Educational Workshops	0.00	0.00	0.00
Program Development & Administration	0.00	0.00	0.00
Total Program Costs	8,139.00	0.00	8,139.00
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	0.00
Maximizing Incentive:	0.00	0.00	0.00
Total Costs	8,139.00	0.00	8,139.00

KENTUCKY POWER COMPANY



COMMENTS:

The Energy Education for Students program is designed to partner with the National Energy Education Development Project (NEED) to implement an energy education program for 7th grade students at participating middle schools. The students will be provided a package of four 23 watt CFLs to install in their homes. The program will influence residential customers to purchase and use compact fluorescent lighting in their homes.

A workshop for the Pike County Schools and the Pikeville Independent Schools 7th grade teachers was scheduled for Monday, May 11, 2009. The compact fluorescent lamps were ordered for the meeting. However, the meeting was cancelled due to the flooding in Pike County.

The projected participant and budgetary level for 2009 is 3,500 students and \$40,200 respectively.



KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Audit - Commercial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - June 2009

Participant	2009												YTD	PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec			
Class I	0	0	0	0	0	0								0	1,952
Class II	0	0	0	0	0	0								0	194

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

KENTUCKY POWER COMPANY

Smart Audit - Commercial	
Reporting Period:	January - June 2009

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



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	2009												PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		YTD
Existing Building	0	0	0	0	0	0							0	182
New Building	0	0	0	0	0	0							0	69

Impacts					
Estimated in Place Energy (kWh) Savings	Anticipated Peak Demand (kW) Reduction				
	YTD	Summer	Winter	Summer	Winter
YTD	PTD				
0	112,897,260	0	0	1,519	2,640



KENTUCKY POWER COMPANY

Smart Incentive - Commercial	
Reporting Period:	January - June 2009

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



KENTUCKY POWER COMPANY

COMMENTS:

This program was discontinued December 31, 2002.



KENTUCKY POWER COMPANY

PROGRAM INFORMATION	
PROGRAM:	Smart Audit - Industrial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - June 2009

Participant	2009												PTD	
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		YTD
Class I	0	0	0	0	0	0							0	60
Class II	0	0	0	0	0	0							0	4

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

KENTUCKY POWER COMPANY



Smart Audit - Industrial	
Reporting Period:	January - June 2009

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



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 - June 2009

2009														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
General	0	0	0	0	0	0							0	1
Compressed Air	0	0	0	0	0	0							0	0

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD		YTD	PTD	
			Summer	Winter	Summer
0	155,763		0	0	6

KENTUCKY POWER COMPANY



Reporting Period:	Smart Incentive - Industrial January - June 2009
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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
Total Program Costs	0.00	0.00	32,114.00
Lost Revenues:	0.00	0.00	0.00
Efficiency Incentive:	0.00	0.00	383.00
Maximizing Incentive:	0.00	0.00	655.00
Total Costs	0.00	0.00	33,152.00

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 13	YEAR 14 (2009) 1st HALF	YEAR 14 (2009) 3rd QTR	YEAR 14 (2009) 4th QTR	TOTAL	
	(1)	(2)	(3)	(4)	(5)	
1	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$10,892,191	\$601,794	\$325,945	\$300,400	\$12,120,330
2	CUMULATIVE (OVER)/UNDER COLLECTION	0	369,044	119,127	244,784	0
3	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	(\$41,824)
4	TOTAL TO BE RECOVERED	10,850,367	970,838	445,072	545,184	12,078,506
5	TOTAL AMOUNT RECOVERED	10,480,977	851,711	0	0	\$11,332,688
6	EXPECTED FUTURE RECOVERIES	0	0	200,288	395,217	\$595,505
7	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(9,833)	0	0	0	(\$9,833)
8	TRANSFER PORTION OF BALANCE FROM COMMERCIAL	9,487	0	0	0	\$9,487
9	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$369,044	\$119,127	\$244,784	\$149,967	\$149,967
		=====	=====	=====	=====	=====
10	AMOUNT TO BE RECOVERED				\$545,184	
11	ADJ. ESTIMATED SECTOR KWH - YEAR 14			567,389,300	624,355,700	
	SURCHARGE RANGE (\$ PER KWH)					
12	FLOOR (CARRYOVER)	COL 5, L 2 / COL 5, L 11			0.000392	
13	MIDPOINT - proposed rate			0.000353	0.000633	
14	CEILING (TOTAL COST)	COL 5, L 4 / COL 5, L 11			0.000873	
COMMERCIAL SECTOR	TOTAL YEARS 1 thru 12	YEAR 13 (2008) 1st HALF	YEAR 14 (2009) 1st QTR	YEAR 14 (2009) 2nd, 3rd & 4th QTRs	TOTAL	
	(1)	(2)	(3)	(4)	(5)	
15	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,899,298	\$0	\$0	\$0	\$2,899,298
16	CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	0	0
17	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	1,520	0	0	0	1,520
18	TOTAL TO BE RECOVERED	2,900,818	0	0	0	2,900,818
19	TOTAL AMOUNT RECOVERED	2,888,053	0	0	0	2,888,053
20	EXPECTED FUTURE RECOVERIES	0	0	0	0	0
21	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(3,278)	0	0	0	(3,278)
22	TRANSFER BALANCE TO RESIDENTIAL	(9,487)	0	0	0	(9,487)
22	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0
		=====	=====	=====	=====	=====
23	AMOUNT TO BE RECOVERED				\$0	
24	ADJ. ESTIMATED SECTOR KWH - YEAR 14			382,106,400	351,522,000	
	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) 1st HALF	YEAR 14 (2009) 1st QTR	YEAR 14 (2009) 2nd, 3rd & 4th QTRs	TOTAL	
	(1)	(2)	(3)	(4)	(5)	
28	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$79,026	\$0	\$0	\$0	\$79,026
29	CUMULATIVE (OVER)/UNDER COLLECTION	0	0	0	0	0
30	18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	0	0	0	0	0
31	TOTAL TO BE RECOVERED	79,026	0	0	0	79,026
32	TOTAL AMOUNT RECOVERED	92,137	0	0	0	92,137
33	EXPECTED FUTURE RECOVERIES	0	0	0	0	0
34	TRANSFER BALANCE TO RESIDENTIAL & COMMERCIAL	13,111	0	0	0	13,111
35	(OVER)/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0
		=====	=====	=====	=====	=====
36	AMOUNT TO BE RECOVERED				\$0	
37	ADJ. ESTIMATED SECTOR KWH - YEAR 14			344,173,500	371,535,600	
	SURCHARGE RANGE (\$ PER KWH)					
38	FLOOR (CARRYOVER)				0.000000	
39	MIDPOINT			0.000000	0.000000	
40	CEILING (TOTAL COST) - proposed rate				0.000000	

1996

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

Exhibit C
Page 2 of 17

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)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% OF COSTS) (10)	INCENTIVE (9)+(10)	TOTAL * COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	552	148	\$221.65	\$122,351	2,690	398,120	\$0.03	\$12,397	\$43,177	\$11,450	\$11,450	\$177,925
Targeted Energy Efficiency - All Electric	223	101	\$1,026.88	\$228,994	5,570	562,570	\$0.03	\$17,513	\$0	\$719	\$719	\$257,957
- Non-All Electric	74	35	\$372.19	\$27,642	680	23,800	\$0.03	\$744				\$29,005
Compact Fluorescent Bulb	269	73	\$56.06	\$15,081	62	4,526	\$0.03	\$140	\$425		\$425	\$15,646
High - Efficiency Heat Pump - Resistance Heat	539	216	\$73.49	\$39,611	2,275	491,400	\$0.03	\$15,292	\$10,634	\$10,634	\$10,634	\$65,637
- 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	\$496.95	\$176,914	2,160	341,280	\$0.03	\$10,617	\$13,834	\$13,834	\$13,834	\$201,365
Mobile Home New Construction	70	22	\$292.69	\$20,488	0	0				\$1,024	\$1,024	\$21,512
TOTAL RESIDENTIAL PROGRAMS	2,610	959		\$663,291		1,989,174		\$61,918	\$77,585	\$12,474	\$90,059	\$815,268
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	91	19	\$1,258.51	\$114,524	0	0			\$0	\$5,726	\$5,726	\$120,250
- Class 2	5	1	\$1,875.40	\$9,377	0	0			\$0	\$469	\$469	\$9,846
Smart Financing - Existing Building	1	0	\$5,794.00	\$5,794	22,000	0	\$0.04	\$0	\$506	\$0	\$506	\$5,300
Smart Financing - New Building	0	0	\$0	\$0	30,600	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	97	20		\$129,695				\$0	\$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	\$998	\$998	\$18,958
Smart Financing - General	0	0	\$0	\$0	28,200	0	\$0.04	\$0	\$0	\$198	\$198	\$4,115
Smart Financing - Compressed Air System	0	0	\$0	\$0	164,800	0	\$0.03	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	17	2		\$24,120				\$0	\$0	\$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 3 YR PROGRAM

Exhibit C
PAGE 3B of 17

YEAR 2 (3rd QTR)	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST 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) (4)X(5)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (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	\$15,960	\$0	\$2,780	\$2,780	\$74,354
- Non-All Electric	15	108	\$193.33	\$2,900	170	18,360	\$0.03	\$574	\$25	n/a	\$25	\$3,489
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	\$767	n/a	\$767	\$19,000
- Non Resistance Heat	84	695	\$66.18	\$5,559	221	153,595	\$0.03	\$4,786	\$2,445	n/a	\$2,445	\$12,790
High - Efficiency Heat Pump - Mobile Home	77	509	\$689.62	\$53,101	625	318,125	\$0.03	\$9,894	\$2,503	n/a	\$2,503	\$65,498
Mobile Home New Construction	0	82	n/a	\$6,092	0	0			\$0	\$305	\$305	\$6,397
TOTAL RESIDENTIAL PROGRAMS	593	3,706		\$176,788		1,726,568		\$53,736	\$11,100	\$3,085	\$14,185	\$244,709
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	98	383	\$413.13	\$40,487	0	0			\$0	\$2,024	\$2,024	\$42,511
- Class 2	5	19	\$2,705.00	\$13,525	0	0			\$0	\$676	\$676	\$14,201
Smart Financing - Existing Building	2	2	\$3,067.00	\$6,134	11,100	22,200	\$0.04	\$940	\$1,627	n/a	\$1,627	\$8,701
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	\$0	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	105	405		\$60,146		29,850		\$1,267	\$1,627	\$2,700	\$4,327	\$65,740
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	3	26	\$666.00	\$1,998	0	0			\$0	\$100	\$100	\$2,098
Smart Audit - Class 2	0	3	n/a	\$0	0	0			\$0	\$0	\$0	\$0
Smart Financing - General	0	0	n/a	\$4,785	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$4,785
Smart Financing - Compressed Air System	0	0	n/a	\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	3	29		\$6,783		0		\$0	\$0	\$100	\$100	\$6,883
TOTAL COMPANY	701	4,140		\$243,717		1,756,418		\$55,003	\$12,727	\$5,685	\$16,612	\$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

YEAR 2 (4th QTR)	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/QTR (2)X(5) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOST REVENUES (8)X(7) (8)	EFFICIENCY INCENTIVE (EX. C, PG.10B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10) (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
Energy Fitness	432	1,287	\$259.53	\$112,115	341	438,867	\$0.03	\$13,658	\$8,977	n/a	\$8,977	\$134,750
Targeted Energy Efficiency - All Electric	124	443	\$924.15	\$114,595	1,393	617,099	\$0.03	\$19,198	\$0	\$5,730	\$5,730	\$139,523
- Non-All Electric	78	146	\$103.55	\$8,077	170	24,820	\$0.03	\$775	\$129	n/a	\$129	\$8,981
Compact Fluorescent Bulb	0	269	n/a	\$0	17	4,573	\$0.03	\$141	\$0	\$0	\$0	\$141
High - Efficiency Heat Pump - Resistance Heat	111	823	\$106.90	\$11,866	547	450,181	\$0.03	\$14,019	\$801	n/a	\$801	\$26,686
- Non Resistance Heat	102	782	\$142.21	\$14,505	221	172,822	\$0.03	\$5,385	\$2,969	n/a	\$2,969	\$22,859
High - Efficiency Heat Pump - Mobile Home	50	565	\$406.70	\$20,335	625	353,125	\$0.03	\$10,982	\$1,825	n/a	\$1,825	\$32,942
Mobile Home New Construction	0	82	n/a	(\$749)	0	0				(\$37)	(\$37)	(\$786)
TOTAL RESIDENTIAL PROGRAMS	897	4,397		\$280,744		2,061,487		\$64,158	\$14,501	\$5,893	\$20,194	\$365,096
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	71	473	\$230.92	\$16,395	0	0			\$0	\$620	\$620	\$17,215
- Class 2	21	33	\$2,705.00	\$56,805	0	0			\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	9	8	\$2,282.56	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
TOTAL COMMERCIAL PROGRAMS	101	515		\$99,743		96,450		\$4,088	\$7,320	\$3,660	\$10,990	\$109,811
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	\$1,084	0	0			\$0	\$55	\$55	\$1,149
Smart Financing - General	0	0	\$11,802	\$11,802	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$11,802
Smart Financing - Compressed Air System	0	0	n/a	\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	18	40		\$22,332	0	0			\$0	\$527	\$527	\$22,859
TOTAL COMPANY	1,016	4,952		\$396,819		2,157,937		\$68,246	\$21,821	\$9,880	\$31,701	\$496,766

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

1998

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
PAGE 4A of 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 (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (10)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS												
RESIDENTIAL PROGRAMS	544	1,768	\$184.44	\$100,334	682	1,205,776	\$0.03	\$37,524	\$11,304	n/a	\$11,304	\$149,162
Energy Fitness	122	565	\$1,132.92	\$138,216	2,784	1,572,960	\$0.03	\$48,935	\$0	\$6,911	\$6,911	\$194,062
Targeted Energy Efficiency - All Electric - 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	\$286	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat - Non Resistance Heat	21	887	\$70.10	\$1,472	1,094	970,378	\$0.03	\$30,218	\$152	n/a	\$152	\$31,842
High - Efficiency Heat Pump - Mobile Home	26	848	\$70.00	\$1,820	442	374,816	\$0.03	\$11,679	\$757	n/a	\$757	\$14,256
Mobile Home New Construction	66	616	\$535.30	\$35,330	1,250	770,000	\$0.03	\$23,947	\$2,145	n/a	\$2,145	\$61,422
TOTAL RESIDENTIAL PROGRAMS	803	5,238		\$279,882	0	4,971,558	n/a	\$154,725	\$14,398	\$6,911	\$21,309	\$455,916
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	204	597	\$194.13	\$39,602	0	0	n/a	\$0	\$0	\$1,980	\$1,980	\$41,582
Smart Audit - Class 2	28	60	\$1,600.00	\$44,800	0	0	n/a	\$0	\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	8	16	\$5,581.50	\$44,652	22,200	355,200	\$0.04	\$15,043	\$6,506	n/a	\$6,506	\$66,201
Smart Financing - New Building	1	1	\$4,564.00	\$4,564	15,300	15,300	\$0.04	\$654	\$29	\$0	\$29	\$5,247
TOTAL COMMERCIAL PROGRAMS	241	674		\$133,618	0	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	\$0	\$305	\$305	\$6,396
TOTAL COMPANY	1,057	5,966		\$419,591	0	5,342,058		\$170,422	\$20,933	\$11,436	\$32,369	\$622,382

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

1998

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
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PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4) (1)X(3)	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. 16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5)	TOTAL * INCENTIVE (11) (9)X(10)	TOTAL EST. COSTS TO BE RECOVERED (12) (4)+(9)+(11)
RESIDENTIAL PROGRAMS	448	2,277	\$301.30	\$134,982	682	1,652,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,618
Energy Fitness	131	697	\$1,187.51	\$166,564	2,784	1,940,448	\$0.03	\$60,367	\$0	\$7,778	\$7,778	\$223,709
Targeted Energy Efficiency - All Electric - Non-All Electric	42	238	\$139.62	\$5,864	340	80,920	\$0.03	\$2,528	\$70	\$0	\$70	\$8,462
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	108	940	\$147.45	\$15,925	1,094	1,028,360	\$0.03	\$32,023	\$780	\$0	\$780	\$48,728
- Non Resistance Heat	64	894	\$72.27	\$4,625	442	395,148	\$0.03	\$12,313	\$1,863	\$0	\$1,863	\$18,801
High - Efficiency Heat Pump - Mobile Home	173	764	\$514.50	\$89,009	1,250	955,000	\$0.03	\$29,701	\$5,623	\$0	\$5,623	\$124,333
Mobile Home New Construction	33	11	\$549.45	\$18,132	0	0	n/a	0	\$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	\$0	\$4,760	\$4,760	\$99,963
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a	0	\$0	\$1,260	\$1,260	\$26,460
Smart Financing - Existing Building	29	32	\$1,878.86	\$54,487	22,200	710,400	\$0.04	\$30,085	\$23,585	\$0	\$23,585	\$109,197
Smart Financing - New Building	5	6	\$1,329.20	\$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 - (West. Opt-Outs Removed)												
Smart Audit - Class 1	3	59	\$852.33	\$2,557	0	0	n/a	0	\$0	\$128	\$128	\$2,685
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$383	\$0	\$383	\$2,813
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
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

PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET COST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (6)	NET COST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS 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)
RESIDENTIAL PROGRAMS	306	2,694	\$312.58	\$95,650	707	1,904,658	\$0.03	\$59,273	\$10,370	\$0	\$10,370	\$165,293
Energy Fitness	75	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$15,150	\$0	\$7,153	\$7,153	\$165,359
Targeted Energy Efficiency - All Electric - Non-All Electric	12	249	\$12.00	\$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
High - Efficiency Heat Pump - Mobile Home	2	853	\$50.00	\$100	442	377,026	\$0.03	\$11,748	\$0	\$5	\$5	\$11,853
Mobile Home New Construction ***	101	826	\$545.99	\$55,145	1,475	1,218,350	\$0.03	\$37,891	\$8,505	\$0	\$8,505	\$101,541
TOTAL RESIDENTIAL PROGRAMS	693	6,711	\$379,941	\$379,941	1,756	79,020	\$0.03	\$2,458	\$4,353	\$0	\$4,353	\$64,357
COMMERCIAL PROGRAMS	186	964	\$204.71	\$38,076	0	0	n/a	0	\$0	\$1,904	\$1,904	\$39,980
Smart Audit - Class 1	16	87	\$2,705.00	\$43,280	0	0	n/a	0	\$0	\$2,164	\$2,164	\$45,444
Smart Audit - Class 2	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$28,687	\$1,395	\$0	\$1,395	\$60,740
Smart Financing - Existing Building	3	9	\$0.00	\$2,350	14,101	126,909	\$0.04	\$3,428	\$787	\$0	\$787	\$8,565
Smart Financing - New Building	211	1,111	\$114,364	\$114,364	804,291	804,291	\$0.04	\$34,115	\$2,182	\$4,068	\$6,250	\$154,729
TOTAL COMMERCIAL PROGRAMS	693	6,711	\$379,941	\$379,941	1,756	79,020	\$0.03	\$2,458	\$4,353	\$0	\$4,353	\$64,357
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	60	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	4	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$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	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	904	7,920	\$494,305	\$494,305	6,215,216	6,215,216	\$0.03	\$200,716	\$11,226	\$41,071	\$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

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

YEAR 4 (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/HALF (KWH/HPARTIC) (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) (4)X(5)	TOTAL * INCENTIVE (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12) (4)+(9)+(11)
Energy Fitness Targeted Energy Efficiency - All Electric - Non-All Electric	66	700	\$1,222.76	\$80,702	690	441,000	\$0.03	\$2,103	\$40	\$4,035	\$4,035	\$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 - Non Resistance Heat	140	810	\$211.14	\$29,560	1,200	972,000	\$0.03	\$8,260	\$6,187	\$0	\$6,187	\$66,015
High - Efficiency Heat Pump - Mobile Home	134	739	\$539.07	\$72,236	1,475	1,090,025	\$0.03	\$33,900	\$11,284	\$0	\$11,284	\$117,420
Mobile Home New Construction ***	123	196	\$581.42	\$71,515	1,755	343,980	\$0.03	\$10,688	\$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	186	1,129	\$356.11	\$66,948	0	0	n/a		\$0	\$3,347	\$3,347	\$70,295
Smart Audit - Class 1	21	103	\$2,705.00	\$56,805	0	0	n/a		\$0	\$2,840	\$2,840	\$59,645
Smart Audit - Class 2	25	66	\$2,726.04	\$68,151	13,282	676,612	\$0.04	\$7,125	\$5,814	\$0	\$5,814	\$111,090
Smart Financing - Existing Building	8	13	\$3,087.00	\$24,696	14,101	183,313	\$0.04	\$7,840	\$2,099	\$0	\$2,099	\$34,635
Smart Financing - New Building									\$7,913	\$6,187	\$14,100	\$275,665
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)	0	57	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	4	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$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
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 1/23/1996.
 *** Participants since 09/01/98.

Year 2000													Exhibit C PAGE 6A of 17	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM														
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (2)X(5)	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)		
RESIDENTIAL PROGRAMS	0	2,161	\$0.00	\$0	707	1,927,827	\$0.03	\$47,546	\$0	\$0	\$0	\$47,546		
Energy Fitness	66	659	\$1,272.61	\$83,992	630	415,170	\$0.03	\$12,816	\$0	\$4,200	\$4,200	\$101,108		
Targeted Energy Efficiency - All Electric - Non-All Electric	28	202	\$90.82	\$2,543	306	61,812	\$0.03	\$1,831	\$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 - Non Resistance Heat	38	683	\$200.00	\$7,600	1,200	819,600	\$0.03	\$25,522	\$1,679	\$0	\$1,679	\$34,801		
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	144	1,126	\$397.19	\$57,195	0	0	n/a	\$0	\$2,860	\$0	\$2,860	\$60,055		
Smart Audit - Class 1	8	112	\$2,705.00	\$21,640	0	0	n/a	\$0	\$1,082	\$0	\$1,082	\$22,722		
Smart Audit - Class 2	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 - Existing Building	4	20	\$6,296.75	\$25,195	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$36,306		
Smart Financing - New Building	172	1,344		\$124,947		1,424,272		\$60,436	\$4,770	\$3,942	\$8,712	\$194,095		
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	\$0.00	\$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				\$201,012	\$14,865	\$8,142	\$23,007	\$619,151		
TOTAL COMPANY	450	6,382		\$295,132		5,941,672		\$201,012	\$14,865	\$8,142	\$23,007	\$619,151		

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

Year 2000

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
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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 (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 (11)	TOTAL EST COSTS TO BE RECOVERED (12)
				(1)X(3)		(2)X(5)	(7)	(8)X(7)		(4)X(5%)	(9)+1(10)	(4)+1(11)
RESIDENTIAL PROGRAMS	0	1,525	\$0.00	\$0	706	1,076,650	\$0.03	\$33,505	\$0	\$0	\$0	\$33,505
Energy Fitness	99	583	\$1,115.41	\$110,426	630	367,290	\$0.03	\$11,426	\$0	\$5,521	\$5,521	\$127,373
Targeted Energy Efficiency - All Electric	21	170	\$94.67	\$1,988	306	52,020	\$0.03	\$1,625	\$105	\$0	\$105	\$3,718
- Non-All Electric												
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	25	481	\$200.00	\$5,000	1,200	577,200	\$0.03	\$17,974	\$1,105	\$0	\$1,105	\$24,079
- Non Resistance Heat	0	147	\$0.00	\$0	446	65,562	\$0.03	\$2,043	\$0	\$0	\$0	\$2,043
High - Efficiency Heat Pump - Mobile Home	43	572	\$495.35	\$21,300	1,476	844,272	\$0.03	\$26,257	\$3,621	\$0	\$3,621	\$51,178
Mobile Home New Construction ***	94	403	\$875.00	\$54,050	1,755	707,265	\$0.03	\$21,996	\$4,175	\$0	\$4,175	\$90,221
TOTAL RESIDENTIAL PROGRAMS	282	3,881		\$192,764		3,690,259		\$114,826	\$9,006	\$5,521	\$14,527	\$322,117
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	159	1,026	\$165.24	\$26,273	0	0	n/a	0	\$0	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a	0	\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,288,354	\$0.04	\$54,562	\$5,581	\$0	\$5,581	\$82,082
Smart Financing - New Building	0	21	\$0.00	\$7,269	14,102	296,142	\$0.04	\$12,666	\$0	\$0	\$0	\$19,995
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	484	5,123		\$326,700		5,274,755		\$182,054	\$14,587	\$10,757	\$25,344	\$534,098

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 12/31/97
 *** Participants since 09/01/99.

Year 2001

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

Exhibit C
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PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACT. PROGRAM COSTS (4)	NET LOST REV/CSTR (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 (9)+(10)	TOTAL EST. COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	1,044	\$0.00	\$0	707	738,108	\$0.03112	\$22,970	\$0	\$0	\$0	\$22,970
Targeted Energy Efficiency - All Electric	62	535	\$1,276.94	\$79,170	630	337,050	\$0.03111	\$10,486	\$0	\$3,959	\$3,959	\$83,615
- Non-All Electric	18	137	\$87.89	\$1,582	306	41,922	\$0.03124	\$1,310	\$90	\$0	\$90	\$2,962
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007
- Non Resistance Heat	0	81	\$0.00	\$0	447	\$6,207	\$0.03116	\$1,128	\$0	\$0	\$0	\$1,128
High - Efficiency Heat Pump - Mobile Home	53	558	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,587	\$4,463	\$0	\$4,463	\$55,084
Mobile Home New Construction ***	83	488	\$537.04	\$44,874	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896
TOTAL RESIDENTIAL PROGRAMS	239	3,281	\$154,974	\$154,974		3,368,377		\$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	\$627,999	\$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	\$152,168		1,840,109		\$78,076	\$5,687	\$4,270	\$9,957	\$240,101
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0	\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	424	4,540	\$307,142	\$307,142		5,198,486		\$182,569	\$14,843	\$8,229	\$23,072	\$512,783

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 09/30/98.
 *** Participants since 01/01/99.

Year 2001												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 6 (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/QTR (KWH/PARTIC) (5)	TOTAL ENERGY SAVINGS KWH/HALF (2)X(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)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	535	\$0.00	\$0	706	377,710	\$0.03112	\$11,754	\$0	\$0	\$0	\$11,754
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	306,180	\$0.03111	\$9,625	\$0	\$4,483	\$4,483	\$103,668
- Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0.03124	\$1,166	\$231	\$0	\$231	\$5,144
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0.03114	\$15,396	\$1,326	\$0	\$1,326	\$21,922
- Non Resistance Heat	0	35	\$0.00	\$0	446	15,910	\$0.03116	\$486	\$0	\$0	\$0	\$486
High - Efficiency Heat Pump - Mobile Home	47	469	\$510.64	\$24,000	1,476	692,244	\$0.03110	\$21,529	\$3,958	\$0	\$3,958	\$49,487
Mobile Home New Construction ***	92	568	\$555.43	\$51,100	1,755	996,840	\$0.03110	\$31,002	\$4,087	\$0	\$4,087	\$86,189
TOTAL RESIDENTIAL PROGRAMS	303	2,627		\$173,707		2,920,316		\$90,868	\$9,602	\$4,483	\$14,085	\$278,650
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	131	966	\$454.04	\$59,479	0	0	n/a	\$0	\$0	\$2,974	\$2,974	\$62,453
- Class 2	5	111	\$9,817.20	\$49,086	0	0	n/a	\$0	\$0	\$2,454	\$2,454	\$51,540
Smart Financing - Existing Building	15	109	\$1,664.27	\$24,964	13,282	1,447,738	\$0.04235	\$61,312	\$3,488	\$0	\$3,488	\$89,764
Smart Financing - New Building	18	34	\$1,799.28	\$32,387	14,102	479,468	\$0.04277	\$20,507	\$4,722	\$0	\$4,722	\$67,616
TOTAL COMMERCIAL PROGRAMS	169	1,220		\$165,916		1,927,206		\$81,819	\$8,210	\$5,428	\$13,638	\$261,373
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	472	3,847		\$339,623		4,847,522		\$172,677	\$17,812	\$9,911	\$27,723	\$540,023

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

Year 2002

KENTUCKY POWER COMPANY
ESTIMATED SECTOR SURCHARGES
FOR 3 YEAR PROGRAM

Exhibit C
PAGE 8A of 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/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 (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	116	\$0.00	\$0	707	82,012	\$0.03112	\$2,552	\$0	\$0	\$0	\$2,552
Targeted Energy Efficiency - All Electric	63	442	\$1,752.40	\$110,401	1,028	454,376	\$0.03111	\$14,136	\$0	\$5,520	\$5,520	\$130,057
- Non-All Electric	32	135	\$65.47	\$2,095	315	42,525	\$0.03124	\$1,328	\$137	\$0	\$137	\$3,560
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	1	314	\$1,152.00	\$1,152	1,200	376,800	\$0.03114	\$11,734	\$44	\$0	\$44	\$12,930
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	43	414	\$619.77	\$26,650	1,144	473,616	\$0.03110	\$14,729	\$1,244	\$0	\$1,244	\$42,623
Mobile Home New Construction ***	57	568	\$641.77	\$36,581	1,809	1,027,512	\$0.03110	\$31,956	\$231	\$0	\$231	\$68,768
TOTAL RESIDENTIAL PROGRAMS	196	1,989		\$176,879		2,456,841		\$76,435	\$1,656	\$5,520	\$7,176	\$260,490
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	125	923	\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,706	\$2,706	\$56,821
- Class 2	8	104	\$3,711.00	\$29,688	0	0	n/a	\$0	\$0	\$1,484	\$1,484	\$31,172
Smart Financing - Existing Building	7	101	\$2,552.71	\$17,869	13,282	1,341,482	\$0.04235	\$56,812	\$1,628	\$0	\$1,628	\$76,309
Smart Financing - New Building	5	42	\$1,394.60	\$6,973	14,101	592,242	\$0.04277	\$25,330	\$1,312	\$0	\$1,312	\$33,615
TOTAL COMMERCIAL PROGRAMS	145	1,170		\$108,645		1,933,724		\$82,142	\$2,940	\$4,190	\$7,130	\$197,917
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	341	3,159		\$285,524		4,390,565		\$169,577	\$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 (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency - All Electric	76	457	\$1,039.33	\$78,989	1,028	469,796	\$0.03111	\$14,615	\$0	\$3,949	\$3,949	\$97,553
- Non-All Electric	13	156	\$85.92	\$1,117	315	49,140	\$0.03124	\$1,535	\$56	\$0	\$56	\$2,708
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat - Non Resistance Heat	0	177	\$0.00	(\$352)	1,200	212,400	\$0.03114	\$6,614	\$0	\$0	\$0	\$6,262
High - Efficiency Heat Pump - Mobile Home	43	308	\$603.84	\$25,965	1,144	352,352	\$0.03110	\$10,958	\$1,244	\$0	\$1,244	\$38,167
Mobile Home New Construction ***	61	519	\$644.46	\$39,312	1,809	938,871	\$0.03110	\$29,199	\$248	\$0	\$248	\$68,759
TOTAL RESIDENTIAL PROGRAMS	193	1,617		\$145,031		2,022,559		\$62,921	\$1,548	\$3,949	\$5,497	\$213,449
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$0	\$3,721	\$3,721	\$78,143
- Class 2	0	90	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	25	97	\$909.76	\$22,744	13,282	1,288,354	\$0.04235	\$54,562	\$5,814	\$0	\$5,814	\$83,120
Smart Financing - New Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$28,538	\$4,197	\$0	\$4,197	\$69,534
TOTAL COMMERCIAL PROGRAMS	41	1,017		\$135,965		1,908,842		\$81,100	\$10,011	\$3,721	\$13,732	\$230,797
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0				\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	234	2,634		\$280,996		3,931,401		\$144,021	\$11,559	\$7,670	\$19,229	\$444,246

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

Year 2003													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 REVENUE	TOTAL ENERGY SAVINGS	NET LOST REVENUE	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL NET * LOSS	REVENUES	INCENTIVE	TOTAL *	COSTS TO BE RECOVERED
NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(4)	(5)	(6)	(7)	(9)	(10)	(8)	(6)	(11)	(12)	(4)+(8)+(11)
			(1)X(3)	(KWH/ PARTICIPANT)	KWH/HALF (2)X(5)	(\$/KWH)	(EX. C. PG.16B)	(5% of COSTS)	(9)X(7)	(10)	(9)+(10)	(12)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Fitness													
Targeted Energy Efficiency	100	\$84.84	\$84,984	1,028	480,076	\$0.03111	\$0	\$4,249	\$14,935	\$4,249	\$4,249	\$104,168	\$104,168
- All Electric	7	\$79.29	\$555	314	47,414	\$0.03124	\$30	\$0	\$1,481	\$0	\$30	\$2,066	\$2,066
- Non-All Electric													
Compact Fluorescent Bulb	0	\$0.00		0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	\$0.00	\$0	1,200	112,800	\$0.03114	\$0	\$0	\$3,513	\$0	\$0	\$3,513	\$3,513
- Resistance Heat	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat													
High - Efficiency Heat Pump	34	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$983	\$0	\$9,535	\$983	\$983	\$23,418	\$23,418
- Mobile Home													
Mobile Home New Construction ***	46	\$462.61	\$22,200	1,808	831,680	\$0.03110	\$187	\$0	\$25,865	\$187	\$187	\$48,252	\$48,252
- Heat Pump	0	\$0.00	\$0	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Air Conditioner													
Modified Energy Fitness	101	\$142.72	\$14,415	1,194	27,462	\$0.03116	\$856	\$0	\$856	\$856	\$856	\$17,398	\$17,398
TOTAL RESIDENTIAL PROGRAMS	288		\$135,054		1,806,024		\$56,185	\$4,249	\$56,185	\$4,249	\$56,185	\$198,815	\$198,815
COMMERCIAL PROGRAMS	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Class 2	73	\$0.00	\$0	13,282	1,461,020	\$0.04235	\$0	\$0	\$61,874	\$0	\$0	\$61,874	\$61,874
Smart Financing - Existing Building	0	\$0.00	\$0	14,101	680,949	\$0.04277	\$0	\$0	\$29,552	\$0	\$0	\$29,552	\$29,552
Smart Financing - New Building	49	\$0.00	\$0										
TOTAL COMMERCIAL PROGRAMS	0		\$0		2,151,969		\$91,426	\$0	\$91,426	\$0	\$0	\$91,426	\$91,426
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0		\$0				\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	288		\$135,054		3,957,993		\$147,611	\$4,249	\$147,611	\$4,249	\$147,611	\$290,241	\$290,241

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

Year 2003	Exhibit C	PAGE	9B of	17	TOTAL	ACTUAL	COSTS TO BE								
KENTUCKY POWER COMPANY	ESTIMATED SECTOR SURCHARGES FOR 3	YEAR PROGRAM	PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/HALF (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH-HALF) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* LOSS (8)	EFFICIENCY INCENTIVE (EX C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL* INCENTIVE (9)+(10)	RECOVERED (12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	706	0	\$0.03112	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Fitness															
Targeted Energy Efficiency	69	473	\$974.94	\$67,271	1,028	486,244	\$0.03111	1,028	\$15,127	\$3,364	\$3,364	\$3,364	\$3,364	\$85,762	
- All Electric	69	167	\$76.10	\$5,251	316	52,772	\$0.03124	316	\$1,649	\$295	\$295	\$0	\$295	\$7,195	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	0	0	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb															
High - Efficiency Heat Pump	0	63	\$0.00	\$0	1,200	75,600	\$0.03114	1,200	\$2,354	\$0	\$0	\$0	\$0	\$2,354	
- Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	446	\$0	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat															
High - Efficiency Heat Pump	29	256	\$453.45	\$13,150	1,144	292,864	\$0.03110	1,144	\$9,108	\$839	\$839	\$0	\$839	\$23,097	
- Mobile Home															
Mobile Home New Construction ***	64	419	\$649.59	\$41,574	1,810	758,390	\$0.03110	1,810	\$23,586	\$260	\$260	\$0	\$260	\$65,420	
- Heat Pump	1	0	\$150.00	\$150	158	0	\$0.03124	158	\$0	\$0	\$0	\$0	\$0	\$150	
- Air Conditioner															
Modified Energy Fitness	441	324	\$431.43	\$190,262	1,194	386,856	\$0.03116	1,194	\$12,054	\$9,287	\$9,287	\$0	\$9,287	\$211,603	
TOTAL RESIDENTIAL PROGRAMS	673	1,702	\$317,658	\$317,658	2,052,726	\$63,678	\$10,681	\$3,364	\$14,045	\$395,581	\$395,581	\$0	\$395,581	\$1,166,000	
COMMERCIAL PROGRAMS	0	453	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	63	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Class 2	0	77	\$0.00	\$0	13,282	1,022,714	\$0.04235	13,282	\$43,312	\$0	\$0	\$0	\$0	\$0	\$43,312
Smart Financing - Existing Building	0	47	\$0.00	\$0	14,102	662,794	\$0.04277	14,102	\$28,348	\$0	\$0	\$0	\$0	\$0	\$28,348
Smart Financing - New Building	0	640	\$0	\$0	0	1,685,508	\$0	0	\$71,660	\$0	\$0	\$0	\$0	\$71,660	
TOTAL COMMERCIAL PROGRAMS	0	640	\$0	\$0	0	0	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	0	\$0	\$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
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0	\$0	0	0	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	673	2,342	\$317,658	\$317,658	3,738,234	\$135,538	\$10,681	\$3,364	\$14,045	\$467,241	\$467,241	\$0	\$467,241	\$1,166,000	

* 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	
YEAR 9 (1st HALF)													TOTAL ACTUAL COSTS TO BE	
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/QTR (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 (12)		
			PER PARTICIPANT (3)	PROGRAM (4)	(KWH/PARTIC) (5)	(2)X(5)	(6)X(7)			(4)X(5)	(9)+(10)	(4)+(8)+(11)		
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0		
Energy Fitness														
Targeted Energy Efficiency	72	463	\$751.54	\$64,111	1,028	475,964	\$0.03111	\$14,807	\$0	\$2,706	\$2,706	\$71,624		
- All Electric	10	179	\$78.60	\$786	314	56,206	\$0.03124	\$1,756	\$43	\$0	\$43	\$2,595		
- 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	42	\$0.00	\$0	1,200	50,400	\$0.03114	\$1,569	\$0	\$0	\$0	\$1,569		
- Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat														
High - Efficiency Heat Pump	41	247	\$428.05	\$17,550	1,144	282,568	\$0.03110	\$8,788	\$1,186	\$0	\$1,186	\$27,524		
- Mobile Home														
Mobile Home New Construction ***														
- 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		
TOTAL COMPANY	526	2,526		\$246,378		3,778,808		\$132,733	\$8,539	\$2,706	\$11,245	\$390,356		

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

Year 2004		Kentucky Power Company Estimated Sector Surcharges for 3 Year Program										Exhibit C
Year 9 (2nd Half)		PAGE 10B of 17										TOTAL ACTUAL COSTS TO BE
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST REV/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)	INCENTIVE TOTAL * (11)	RECOVERED COSTS (12)
			PER PARTICIPANT (3)	(1)X(3)		(2)X(5)	(6)X(7)	(9)+(10)	(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	89	462	\$1,118.43	\$99,540	1,028	474,936	\$0.03111	\$14,775	\$4,977	\$4,977	\$19,292	\$19,292
- All Electric	72	205	\$60.60	\$4,363	316	64,780	\$0.03124	\$2,024	\$0	\$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	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	46	239	\$469.57	\$21,600	1,144	273,416	\$0.03110	\$8,503	\$1,330	\$1,330	\$31,433	\$31,433
- Mobile Home	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Mobile Home New Construction ***	70	379	\$597.14	\$41,800	1,810	685,990	\$0.03110	\$21,334	\$284	\$284	\$63,418	\$63,418
- Heat Pump	0	0	\$0.00	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$10	\$10
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	391	1,070	\$347.20	\$135,756	1,194	1,277,580	\$0.03116	\$39,809	\$8,234	\$8,234	\$183,799	\$183,799
TOTAL RESIDENTIAL PROGRAMS	668	2,372	\$303,059	\$303,059		2,795,018	\$87,016	\$10,156	\$4,977	\$15,133	\$405,208	\$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	\$23,062	\$23,062
Smart Financing - New Building	0	30	\$0.00	\$0	14,102	423,060	\$0.04277	\$18,094	\$0	\$0	\$18,094	\$18,094
TOTAL COMMERCIAL PROGRAMS	0	272	\$0	\$0		967,622	\$41,156	\$10,156	\$0	\$0	\$41,156	\$41,156
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0	\$0		0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	668	2,644	\$303,059	\$303,059		3,762,640	\$128,172	\$10,156	\$4,977	\$15,133	\$446,364	\$446,364

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 12/31/2001.
 *** Participants since 07/01/2001.

Year 2005													Exhibit C PAGE 11A of 17	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													TOTAL ACTUAL COSTS TO BE	
YEAR 10 (1st Half)													TOTAL *	
PROGRAM DESCRIPTIONS													RECOVERED (12) (4)+(9)+(11)	
NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (4)	NET LOST (KWH/ PARTICIPANT) REV/QTR (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6)	NET LOST REVENUE (\$/KWH) (7)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL NET * LOSS (6)X(7)	REVENUES (8)	INCENTIVE (11)	INCENTIVE (9)+(10)	RECOVERED (12)	
PROGRAM DESCRIPTIONS	NUMBER	PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	REV/QTR	KWH/ HALF	(\$/KWH)	INCENTIVE	(5% of COSTS)	LOSS	REVENUES	INCENTIVE	INCENTIVE	RECOVERED	
RESIDENTIAL PROGRAMS	0	\$0.00	(1)X(3)	707	(2)X(5)	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Energy Fitness														
Targeted Energy Efficiency	88	\$1,109.22	\$97,611	896	427,392	\$0.03111	\$0	\$4,881	\$13,296	\$0	\$4,881	\$4,881	\$115,788	
- All Electric	57	\$62.47	\$3,561	267	58,206	\$0.03124	\$1,125	\$0	\$1,818	\$0	\$1,125	\$0	\$6,504	
- Non-All Electric	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	34	\$560.21	\$19,047	1,145	264,495	\$0.03110	\$2,693	\$0	\$6,226	\$2,693	\$2,693	\$0	\$29,966	
- Mobile Home														
Mobile Home New Construction ***	67	\$614.95	\$41,195	1,808	670,768	\$0.03110	\$8,372	\$0	\$20,861	\$8,372	\$8,372	\$0	\$70,428	
- Heat Pump	0	\$0.00	\$0	157	314	\$0.03124	\$0	\$0	\$10	\$0	\$0	\$0	\$10	
- Air Conditioner	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	371	\$400.87	\$148,723	613	906,627	\$0.03116	\$15,612	\$0	\$28,250	\$15,612	\$15,612	\$0	\$192,585	
TOTAL RESIDENTIAL PROGRAMS	617	2,778	\$310,137	2,327,802	2,327,802	\$0.03116	\$27,802	\$4,881	\$72,461	\$27,802	\$32,683	\$0	\$415,281	
COMMERCIAL PROGRAMS	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	\$0.00	\$0	13,282	385,178	\$0.04235	\$0	\$0	\$16,312	\$0	\$0	\$0	\$16,312	
Smart Financing - New Building	0	\$0.00	\$0	14,101	253,818	\$0.04277	\$0	\$0	\$10,856	\$0	\$0	\$0	\$10,856	
TOTAL COMMERCIAL PROGRAMS	0	114	\$0	638,996	638,996	\$0.04277	\$0	\$0	\$27,168	\$0	\$0	\$0	\$27,168	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	617	2,892	\$310,137	2,966,798	2,966,798	\$0.03116	\$27,802	\$4,881	\$99,629	\$27,802	\$32,683	\$0	\$442,449	

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 06/30/2002.
 *** Participants since 01/01/2002.

Year 2005													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 11B of
YEAR 10 (2nd HALF)													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/QTRS (KWH/PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* REVENUES (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	INCENTIVE RECOVERED (11) (9)X(10)	TOTAL ACTUAL COSTS TO BE (12) (4)X(8)X(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	85	492	\$1,207.52	\$102,639	896	440,832	\$0.03111	\$13,714	\$0	\$5,132	\$5,132	\$121,485	
- Non-All Electric	26	233	\$65.85	\$1,712	266	61,978	\$0.03124	\$1,936	\$513	\$0	\$513	\$4,161	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Non-Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	40	225	\$476.78	\$19,071	1,144	257,400	\$0.03110	\$8,005	\$3,168	\$0	\$3,168	\$30,244	
Mobile Home New Construction ***													
- Heat Pump	83	395	\$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		\$80,159	\$28,823	\$5,132	\$33,955	\$413,672	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	20	\$0.00	\$0	13,282	265,640	\$0.04235	\$11,250	\$0	\$0	\$0	\$11,250	
Smart Financing - New Building	0	11	\$0.00	\$0	14,102	155,122	\$0.04277	\$6,635	\$0	\$0	\$0	\$6,635	
TOTAL COMMERCIAL PROGRAMS	0	31		\$0		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 12A of
YEAR 11 (1st HALF)													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/QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSSES (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	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Energy Fitness													
Targeted Energy Efficiency	75	496	\$974.31	\$73,073	896	444,416	\$0.03111	\$13,826	\$0	\$3,654	\$3,654	\$90,553	
- All Electric	34	249	\$84.56	\$2,875	267	66,483	\$0.03124	\$2,077	\$671	\$0	\$671	\$5,623	
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Resistance Heat	0	0	\$0.00	\$0	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	48	230	\$446.06	\$21,411	1,145	263,350	\$0.03110	\$8,190	\$3,802	\$0	\$3,802	\$33,403	
- Mobile Home													
Mobile Home New Construction ***	90	425	\$561.21	\$50,509	1,810	769,250	\$0.03110	\$23,924	\$11,246	\$0	\$11,246	\$85,679	
- Heat Pump	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10	
- Air Conditioner	440	2,185	\$275.33	\$121,144	613	1,339,405	\$0.03116	\$41,736	\$18,515	\$0	\$18,515	\$181,395	
Modified Energy Fitness	687	3,587	\$269.012	\$269,012		2,883,218		\$69,763	\$34,234	\$3,654	\$37,888	\$396,663	
TOTAL RESIDENTIAL PROGRAMS													
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0	\$0	\$0	0	0		\$0	\$0	\$0	\$0	\$0	
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	\$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	\$0	\$0	
TOTAL COMPANY	687	3,587	\$269.012	\$269,012		2,883,218		\$89,763	\$34,234	\$3,654	\$37,888	\$396,663	

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

** Cumulative participants include a reduction for the cumulative participants as of 06/30/2003.

*** Participants since 01/01/2003.

Year 2006												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												
YEAR 11 (2nd HALF)												
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) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET* REVENUES (8) (6)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10) (4)X(5%)	INCENTIVE TOTAL* (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(9)+(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	886	430,976	\$0.03111	\$13,408	\$0	\$4,991	\$4,991	\$118,228
- Non-All Electric	46	254	\$84.00	\$3,864	266	67,564	\$0.03124	\$2,111	\$908	\$0	\$908	\$6,883
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	45	245	\$460.00	\$20,700	1,144	280,280	\$0.03110	\$8,717	\$3,564	\$0	\$3,564	\$32,981
Mobile Home New Construction ***												
- Heat Pump	94	460	\$544.15	\$51,150	1,808	831,680	\$0.03110	\$25,865	\$11,746	\$0	\$11,746	\$88,761
- Air Conditioner	0	2	\$0.00	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	560	2,391	\$427.85	\$239,596	612	1,463,292	\$0.03116	\$45,596	\$23,565	\$0	\$23,565	\$308,757
TOTAL RESIDENTIAL PROGRAMS	832	3,833		\$415,139		3,074,108		\$95,707	\$39,763	\$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	\$39,763	\$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 COSTS TO BE			
YEAR 12 (1st HALF)													MAXIMIZING INCENTIVE	EFFICIENCY INCENTIVE	TOTAL *	RECOVERED (12)	
PROGRAM DESCRIPTIONS													(5% of COSTS) (10)	(EX. C. PG.18B) (9)	INCENTIVE (11)	INCENTIVE (9)+(10)	(4)+(9)+(11)
NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	PER PARTICIPANT COSTS (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ HALF (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (9)	MAXIMIZING INCENTIVE (10)	INCENTIVE (11)	TOTAL *	RECOVERED (12)	TOTAL ACTUAL	TOTAL COSTS TO BE			
RESIDENTIAL PROGRAMS																	
Energy Fitness	0	0	\$0.00	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Targeted Energy Efficiency	128	295	\$1,022.27	896	264,320	\$0.04346	\$11,487	\$0	\$6,543	\$9,543	\$9,543	\$148,861	\$148,861	\$4,470			
- All Electric	29	115	\$96.48	277	31,955	\$0.04362	\$1,390	\$572	\$0	\$572	\$572	\$4,470	\$4,470	\$0			
- Non-All Electric	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Compact Fluorescent Bulb	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
High - Efficiency Heat Pump	0	0	\$0.00	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
- Resistance Heat	0	0	\$0.00	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
- Non Resistance Heat	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
High - Efficiency Heat Pump	50	153	\$450.00	1,145	175,185	\$0.04346	\$7,614	\$3,960	\$0	\$3,960	\$3,960	\$34,074	\$34,074	\$0			
- Mobile Home	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Mobile Home New Construction ***																	
- Heat Pump	84	304	\$563.10	1,810	550,240	\$0.04348	\$23,924	\$10,497	\$0	\$10,497	\$10,497	\$81,721	\$81,721	\$0			
- Air Conditioner	0	0	\$0.00	157	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Modified Energy Fitness	515	1,805	\$381.00	613	893,865	\$0.04349	\$42,788	\$21,671	\$0	\$21,671	\$21,671	\$260,673	\$260,673	\$0			
Case No 2006 - 00373, Dated December 14, 2006:																	
- HEAP - Kentucky Power Company's																	
Information Technology Implementation Costs																	
- HEAP - KACA's	806	2,472	\$56,988	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$56,988	\$56,988	\$0			
Information Technology Implementation Costs	0	0	\$15,700	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$15,700	\$15,700	\$0			
TOTAL RESIDENTIAL PROGRAMS	806	2,472	\$474,041	0	2,005,465	\$0.04346	\$67,203	\$36,700	\$6,543	\$43,243	\$43,243	\$604,467	\$604,467	\$0			
COMMERCIAL PROGRAMS																	
Smart Audit - Class 1	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
- Class 2	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Smart Financing - Existing Building	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Smart Financing - New Building	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
TOTAL COMMERCIAL PROGRAMS	0	0	\$0.00	0	0	\$0.00000	\$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	\$0	\$0			
Smart Audit - Class 2	0	0	\$0.00	0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Smart Financing - General	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$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	\$0	\$0			
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0.00	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
TOTAL COMPANY	806	2,472	\$474,041	0	2,005,465	\$0.04346	\$67,203	\$36,700	\$6,543	\$43,243	\$43,243	\$604,467	\$604,467	\$0			

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

Year 2007													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 13B 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) (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * 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 ACTUAL COSTS TO BE RECOVERED (12) (4)+(9)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	100	421	\$879.82	\$87,982	896	377,216	\$0.04346	\$16,394	\$0	\$4,399	\$4,399	\$108,775	
- Non-All Electric	50	151	\$89.58	\$4,479	276	41,676	\$0.04362	\$1,818	\$987	\$0	\$987	\$7,284	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	45	209	\$450.00	\$20,250	1,144	239,096	\$0.04346	\$10,391	\$3,564	\$0	\$3,564	\$34,205	
Mobile Home New Construction ***													
- Heat Pump	129	426	\$551.94	\$71,200	1,808	770,208	\$0.04348	\$33,489	\$16,120	\$0	\$16,120	\$120,809	
- Air Conditioner	0	0	\$0.00	\$0	158	0	\$0.04343	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	485	2,113	\$353.79	\$171,590	612	1,293,156	\$0.04349	\$56,239	\$20,409	\$0	\$20,409	\$248,236	
TOTAL RESIDENTIAL PROGRAMS	809	3,320	\$355.501	\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0	\$0	\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS													
(w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0	\$0	\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	809	3,320	\$355.501	\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311	

* Lost revenue and efficiency incentives are based on prospective values.
** Cumulative participants include a reduction for the cumulative participants as of 06/30/2006.
*** Participants since 07/01/2005.

Year 2008		KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM										Exhibit C PAGE 14A of 17
PROGRAM DESCRIPTIONS	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET* LOSS	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL*	TOTAL ACTUAL COSTS TO BE
	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(4)	(KWH/ PARTICIPANT) (5)	(6)	(\$/KWH) (7)	(8)	(EX. C, PG.18B) (9)	(5% of COSTS) (10)	(11)	(12)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Energy Fitness												
Targeted Energy Efficiency	119	521	\$1,358.15	\$161,620	1,016	529,336	\$0.04346	\$23,005	\$9,189	\$0	\$9,189	\$193,814
- All Electric	56	196	\$83.11	\$4,654	568	111,328	\$0.04345	\$4,837	\$3,454	\$0	\$3,454	\$12,945
- 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	61	252	\$457.38	\$27,900	875	220,500	\$0.04346	\$9,583	\$8,539	\$0	\$8,539	\$46,022
- Mobile Home												
Mobile Home New Construction ***	95	520	\$552.63	\$52,500	861	447,720	\$0.04348	\$19,467	\$10,597	\$0	\$10,597	\$82,564
- 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	560	2,612	\$361.32	\$202,339	435	1,136,220	\$0.04349	\$49,414	\$27,871	\$0	\$27,871	\$279,624
TOTAL RESIDENTIAL PROGRAMS	891	4,101		\$449,013		2,445,104		\$106,306	\$59,650	\$0	\$59,650	\$614,969
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	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)	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
TOTAL COMPANY	891	4,101		\$449,013		2,445,104		\$106,306	\$59,650	\$0	\$59,650	\$614,969

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

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

*** Participants since 07/01/2005.

Year 2008													Exhibit C PAGE 14B of	17
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM														
YEAR 13 (2nd HALF)														
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER ** (2)	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ACTUAL PROGRAM COSTS (1)X(3)	NET LOSS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS KWH/ HALF (6) (2)X(5)	NET LOSS REVENUE (\$/KWH) (7)	TOTAL NET * LOSS 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 ACTUAL COSTS TO BE RECOVERED (12) (4)+(9)+(11)		
RESIDENTIAL PROGRAMS														
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Targeted Energy Efficiency														
- All Electric	89	545	\$991.21	\$88,218	1,016	553,720	\$0.04346	\$24,065	\$6,873	\$0	\$6,873	\$119,156		
- Non-All Electric	20	223	\$87.50	\$1,750	568	126,664	\$0.04345	\$5,504	\$1,234	\$0	\$1,234	\$8,488		
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump														
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
High - Efficiency Heat Pump														
- Mobile Home	74	289	\$442.57	\$32,750	874	252,586	\$0.04346	\$10,977	\$10,359	\$0	\$10,359	\$54,086		
Mobile Home New Construction														
- Heat Pump	108	548	\$550.00	\$59,400	860	471,280	\$0.04348	\$20,491	\$12,047	\$0	\$12,047	\$91,938		
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Modified Energy Fitness	440	2,793	\$356.35	\$156,792	435	1,214,955	\$0.04349	\$52,838	\$21,899	\$0	\$21,899	\$231,529		
TOTAL RESIDENTIAL PROGRAMS	731	4,398		\$338,910		2,619,205		\$113,875	\$52,412	\$0	\$52,412	\$505,197		
COMMERCIAL PROGRAMS														
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0		
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)														
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0		
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0		
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0		
TOTAL COMPANY	731	4,398		\$338,910		2,619,205		\$113,875	\$52,412	\$0	\$52,412	\$505,197		

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

Year 2009	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 * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (11)	RECOVERED COSTS TO BE (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	TOTAL PROGRAM COSTS (4)	REV/QTRS (KWH/PARTICIPANT) (5)	KWH/HALF (6)	REVENUE (7)	LOSSES (8)	INCENTIVE (9)	INCENTIVE (10)	INCENTIVE TOTAL * (11)	RECOVERED COSTS TO BE (12)
RESIDENTIAL PROGRAMS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	TOTAL PROGRAM COSTS (4)	REV/QTRS (KWH/PARTICIPANT) (5)	KWH/HALF (6)	REVENUE (7)	LOSSES (8)	INCENTIVE (9)	INCENTIVE (10)	INCENTIVE TOTAL * (11)	RECOVERED COSTS TO BE (12)
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targated Energy Efficiency - All Electric	119	575	\$1,060.16	\$126,159	1,016	564,200	\$0.04346	\$25,389	\$9,189	\$0	\$9,189	\$160,737
- Non-All Electric	22	210	\$93.27	\$2,052	568	119,280	\$0.04345	\$5,183	\$1,357	\$0	\$1,357	\$8,592
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	61	299	\$449.18	\$27,400	875	261,625	\$0.04346	\$11,370	\$8,539	\$0	\$8,539	\$47,309
Mobile Home New Construction	88	552	\$552.84	\$48,650	861	475,272	\$0.04348	\$20,665	\$9,816	\$0	\$9,816	\$79,131
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Air Conditioner	425	2,775	\$383.51	\$162,993	435	1,207,125	\$0.04349	\$52,498	\$21,152	\$0	\$21,152	\$236,643
Modified Energy Fitness	28	7	\$305.36	\$8,550	1,879	13,153	\$0.04348	\$572	\$13,387	\$0	\$13,387	\$22,509
High Efficiency Heat Pump - Resistance Heat Replacement	61	16	\$442.62	\$27,000	301	4,816	\$0.04350	\$209	\$0	\$1,350	\$1,350	\$28,559
- Heat Pump Replacement	0	0	#DIV/0!	\$8,139	23	0	\$0.04370	\$0	\$0	\$0	\$0	\$8,139
Energy Education for Student Program (NEED)	926	149	\$5.84	\$5,404	23	3,427	\$0.04370	\$150	\$4,621	\$0	\$4,621	\$10,175
Community Outreach Program (CFL)	1,730	4,583	\$416.347	\$416,347	2,668,898	2,668,898	\$0	\$116,036	\$68,061	\$1,350	\$69,411	\$601,794
TOTAL RESIDENTIAL PROGRAMS												
COMMERCIAL PROGRAMS	0	0	\$0.00	\$0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0
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	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	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	n/a	\$0	\$0	\$0	\$0	\$0	\$0
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	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	\$0	\$0	\$0
TOTAL COMPANY	1,730	4,583	\$416.347	\$416,347	2,668,898	2,668,898	\$0	\$116,036	\$68,061	\$1,350	\$69,411	\$601,794

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

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

*** Cumulative participants include a reduction for the cumulative participants as of 07/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

Year	Year 2009	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/WTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ QTR) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOSS (8)	EFFICIENCY INCENTIVE (EX. C. PG.18B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	INCENTIVE TOTAL * (11)	RECOVERED COSTS TO BE ESTIMATED (12)
YEAR 14 (4th QTR)						(1)X(3)		(2)X(5)		(6)X(7)	(9)	(4)X(5%)	(9)X(10)	(4)+(9)+(11)
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM														17
RESIDENTIAL PROGRAMS														
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	0	\$0	\$0			\$0	\$0
Targeted Energy Efficiency - All Electric	46	623	\$1,079.65	\$49,664	508	316,484	\$0.04346	316,484	\$13,754	\$3,552	\$0		\$3,552	\$66,970
- Non-All Electric	29	218	\$125.00	\$3,625	284	61,912	\$0.04345		\$2,690	\$1,789	\$0		\$1,789	\$8,104
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	0	\$0	\$0			\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	0	\$0	\$0			\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	0	\$0	\$0			\$0	\$0
High - Efficiency Heat Pump - Mobile Home	25	327	\$452.00	\$11,300	437	142,899	\$0.04346		\$6,210	\$3,500	\$0		\$3,500	\$21,010
Mobile Home New Construction - Heat Pump	49	576	\$544.90	\$26,700	430	247,680	\$0.04348		\$10,769	\$5,466	\$0		\$5,466	\$42,935
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000		\$0	\$0			\$0	\$0
Modified Energy Fitness	186	2,707	\$376.00	\$69,936	217	567,419	\$0.04349		\$25,547	\$9,257	\$0		\$9,257	\$104,740
High Efficiency Heat Pump - Resistance Heat Replacement	15	51	\$450.00	\$6,750	939	47,889	\$0.04348		\$2,082	\$7,172	\$0		\$7,172	\$16,004
- Heat Pump Replacement	30	106	\$450.00	\$13,500	150	15,900	\$0.04350		\$692	\$0	\$675		\$675	\$14,867
Energy Education for Student Program (NEED)	0	1,200	#DIV/0!	\$0	11	13,200	\$0.04370		\$577	\$0	\$0		\$0	\$577
Community Outreach Program (CFL)	1,287	2,857	\$13.52	\$17,398	11	31,427	\$0.04370		\$1,373	\$6,422	\$0		\$6,422	\$25,193
TOTAL RESIDENTIAL PROGRAMS	1,667	8,665		\$198,873		1,464,810			\$63,694	\$37,158	\$675		\$37,833	\$300,400
COMMERCIAL PROGRAMS														
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0		\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0		\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000		\$0	\$0	\$0		\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000		\$0	\$0	\$0		\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0			\$0	\$0	\$0		\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)														
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0		\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0		\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000		\$0	\$0	\$0		\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000		\$0	\$0	\$0		\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0			\$0	\$0	\$0		\$0	\$0
TOTAL COMPANY	1,667	8,665		\$198,873		1,464,810			\$63,694	\$37,158	\$675		\$37,833	\$300,400

* Lost revenue and efficiency incentives are based on prospective values.
 ** Cumulative participants include a reduction for the cumulative participants as of 01/01/2007.
 *** Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

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

PROGRAM DESCRIPTIONS	ANNUAL SHARED SAVINGS (\$)												TOTAL	YEAR 13 (69) (09X30)	YEAR 14 (67) (09X33)	YEAR 15 (63) (09X34)		
	YEAR 1 (39) (10X07)	YEAR 2 (40) (21X10)	YEAR 3 (41) (31X13)	YEAR 4 (42) (41X12)	YEAR 5 (43) (31X14)	YEAR 6 (44) (31X15)	YEAR 7 (45) (31X17)	YEAR 8 (46) (41X19)	YEAR 9 (47) (41X21)	YEAR 10 (48) (41X24)	YEAR 11 (49) (41X26)	YEAR 12 (50) (41X28)						
RESIDENTIAL PROGRAMS																		
Energy Efficiency	\$43,177	\$11,304	\$10,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Advanced Energy Efficiency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- All Electric	\$718	\$154	\$40	\$141	\$105	\$90	\$231	\$43	\$305	\$125	\$513	\$671	\$808	\$572	\$0	\$0	\$0	\$0
- Home Energy Audit	\$425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Compact Fluorescent Bulb	\$10,634	\$1,899	\$4,375	\$6,187	\$1,055	\$1,016	\$1,325	\$44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- High Efficiency Heat Pump	\$0,796	\$5,414	\$757	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- High Efficiency Water Heater	\$13,034	\$4,230	\$2,145	\$5,623	\$11,264	\$3,795	\$3,821	\$4,483	\$3,956	\$1,244	\$1,244	\$983	\$3,169	\$3,654	\$0	\$0	\$0	\$0
- Mobile Home New Construction	\$0	\$0	\$0	\$5,464	\$4,468	\$4,175	\$3,687	\$4,087	\$231	\$248	\$187	\$260	\$278	\$284	\$8,372	\$10,372	\$11,246	\$11,746
- Pool Conditioner	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Modified Energy Filings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- High Efficiency Heat Pump	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Furnace Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Heat Pump Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Energy Education for Student Program (NEED)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Community Outreach Program (CEI)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RESIDENTIAL PROGRAMS	\$77,665	\$25,001	\$14,386	\$27,663	\$10,095	\$9,006	\$9,256	\$10,656	\$8,002	\$1,656	\$1,546	\$3,327	\$10,611	\$10,156	\$7,002	\$28,823	\$34,234	\$39,783
- Participation Bonus (\$60/100)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COMMERCIAL PROGRAMS																		
Smart Audit - Class 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS																		
Smart Audit - Class 1 (w/EA, Opt-Outs Removed)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL SHARED SAVINGS (\$)	\$78,661	\$30,389	\$34,547	\$30,933	\$14,845	\$14,843	\$17,612	\$4,560	\$10,146	\$28,823	\$34,234	\$39,783	\$41,060	\$38,700	\$41,060	\$52,412	\$58,061	\$62,422
TOTAL SAVINGS (\$)	\$78,661	\$30,389	\$34,547	\$30,933	\$14,845	\$14,843	\$17,612	\$4,560	\$10,146	\$28,823	\$34,234	\$39,783	\$41,060	\$38,700	\$41,060	\$52,412	\$58,061	\$62,422

KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2009 KENTUCKY RETAIL ENERGY SALES IN KWH FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS		PAGE 17 of		17
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 (3rd QTR)				
9	TOTAL ULTIMATE SALES (KWH)*	573,700,000	384,800,000	841,500,000
10	LINE 8	98.9%	99.3%	40.9%
11	ADJUSTED KWH BY SECTOR	567,389,300	382,106,400	344,173,500
PROGRAM YR 14 (4th QTR)				
12	TOTAL ULTIMATE SALES (KWH)*	631,300,000	354,000,000	908,400,000
13	LINE 8	98.9%	99.3%	40.9%
14	ADJUSTED KWH BY SECTOR	624,355,700	351,522,000	371,535,600
* 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.				