

421 West Main Street  
Post Office Box 634  
Frankfort, KY 40602-0634  
[502] 223-3477  
[502] 223-4124 Fax  
www.stites.com

October 28, 2009

RECEIVED

OCT 28 2009

PUBLIC SERVICE  
COMMISSION

Mark R. Overstreet  
(502) 209-1219  
(502) 223-4387 FAX

**HAND DELIVERED**

Jeff R. Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

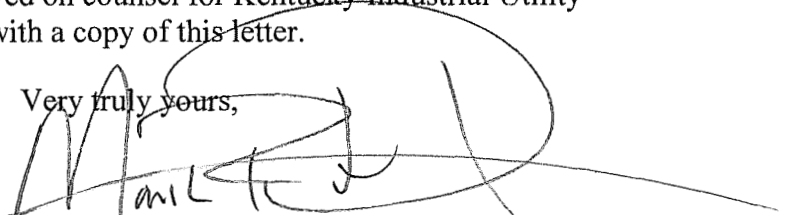
**RE: P.S.C. Case No. 2009-00337**

Dear Mr. Derouen:

Please find enclosed and accept for filing the original and four copies of Kentucky Power's responses to the Commission's October 15, 2009 data requests.

A copy of the response is being served on counsel for Kentucky Industrial Utility Customers, Inc. and the Attorney General with a copy of this letter.

Very truly yours,



Mark R. Overstreet

MRO

Enclosure

cc: Dennis Howard, II  
Michael L. Kurtz.

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE**  
**PUBLIC SERVICE COMMISSION OF KENTUCKY**

**RECEIVED**

OCT 28 2009

PUBLIC SERVICE  
COMMISSION

**IN THE MATTER OF**

**JOINT APPLICATION PURSUANT TO 1994 HOUSE )**  
**BILL NO. 501 FOR THE APPROVAL OF KENTUCKY )**  
**POWER COMPANY'S 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 )**

Case No. 2009-00337

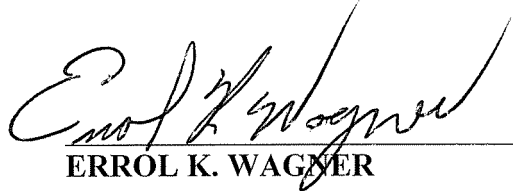
**KENTUCKY POWER COMPANY RESPONSES TO  
COMMISSION STAFF'S FIRST SET OF DATA REQUESTS**

**October 28, 2009**

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
COUNTY OF FRANKLIN ) CASE NO. 2009-00337

The undersigned, **Errol Wagner**, being duly sworn, states he is the Director of Regulatory Services for Kentucky Power Company, that he has personal knowledge of the matters set forth in the Data Responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
ERROL K. WAGNER

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 28<sup>th</sup> day of October 2009.

 (SEAL)  
Notary Public

My Commission Expires:

January, 23, 2013

## **Kentucky Power Company**

### **REQUEST**

Refer to page 2 of the Demand-Side Management Status Report ("Report") and Schedule C, pages 15C, 16A, and 16B. Page 2 of the Report states that "[t]he efficiency incentive is the product of the number of participants for the month and the efficiency rate (\$/participant)." Kentucky Power calculates the efficiency incentive on pages 16A and 16B of Schedule C. The efficiency incentive is then carried forward to page 16B.

- a. Refer to page 16A. Explain how the amounts in column 7, 2009 Values, were determined. Provide supporting calculations.
- b. Explain how the method used by Kentucky Power satisfies the definition of "efficiency incentive" as defined on page 91 of the Joint Application of Kentucky Power's Demand-Side Management Programs in Case No. 1995-00427, dated September 27, 1995, which states that the efficiency incentive is 15 percent of the estimated net savings associated with the programs.

### **RESPONSE**

- a. The amounts in column 7 on Page 16A of the revised Schedule C (Item No. 10, Pages 80 and 81 of 82) of the Report are the efficiency rates (\$/participant) for each of Kentucky Power's Residential Programs as defined on page 2 of the Report. They are calculated by the ratio of the Net Benefit of the Total Resource Cost Test for each program, as defined by the California Standard Practice Manual, over the total number of participants for each program for the three year prospective time period. That result is multiplied by 15 percent, which results in the estimated net savings associated with each program. Please refer to Page 3 of 3 of the attached for the supporting calculations.
- b. The method used by Kentucky Power satisfies the definition of "efficiency incentive" as defined on page 91 of the Joint Application of Kentucky Power's Demand-Side Management Programs in Case No. 1995-00427 because it calculates 15 percent of the estimated net savings associated with each program.

**WITNESS:** Errol K Wagner

Kentucky Power Company  
 Schedule of DSM Residential Programs Efficiency Incentives and Net Average kWh/Participant Savings

Ln No	TEE - Non All Electric 2008 3-Year Prospective	TEE - All Electric 2008 Three Year Prospective	HEHP - Mobil Home 2008 3-Year Prospective	MHNC - Heat Pump 2008 3-Year Prospective	Modified Energy Fitness 2008 3-Year Prospective	High Efficiency Heat Pump 2008 3-Year Prospective	High Efficiency Heat Pump 2008 3-Year Prospective	Energy Education For Students (NEED) 2008 3-Year Prospective Note: Per Bulb 1/	Community Outreach Program (CFL) 2008 3-Year Prospective Note: Per Bulb 1/	
<b>Program Parameters</b>										
1	Energy Impact (kWh)	-1136	-2032	-3364	-2073	-870	-4,176	-858	-46	-46
2	Demand Impact (kW)									
3	Winter	-0.081	-0.605	-0.2	-1.6	-1.6	-2.9	-0.444	0.023	0.023
4	Summer	-0.049	-0.122	-0.35	-0.7	-0.7	0	-0.235	0.001	0.001
5	Program Duration	3	3	3	3	3	3	3	3	3
6	Total No. of Participants or CFLs	225	450	300	450	3000	250	250	46,000	19,200
7	Freerider Percentage	0%	0%	48%	17%	0%	10%	30%	0	0
8	Equipment Life	14	14	15	15	Varies by Measure	15	15	7	7
9	Incremental Equipment Cost	\$101.00	\$737	\$600	\$1,012	\$370	1000	1000 \$	2.50	\$ 2.50
10	Administration cost	\$0.00	\$175	\$20	\$20	\$0	42	42 \$	0.37	\$ 0.15
11	Evaluation Cost / Percent	12%	12%	13%	10%	2%	28	28 \$	0.35	\$ 0.51
12	Rebates / Incentives	\$0.00	\$0.00	\$450	\$550	\$0.00	\$450	\$450	0	\$ 0.51
13	Inflation Rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3%	3%
<b>14 Cost/Benefit Parameters</b>										
15	Benefit - TRC Test	\$106,059	\$465,328	\$226,967	\$460,368	\$1,415,461	\$ 1,178,330	\$ 242,099	\$1,657,062	\$700,261
16	Cost - TRC Test	\$13,540	\$233,655	\$31,835	\$125,723	\$420,123	\$ 381,500	\$ 381,500	\$127,016	\$62,458
17	Net Benefit - TRC Test	\$92,519	\$231,673	\$195,132	\$334,645	\$995,338	\$796,830	(\$139,401)	\$1,530,046	\$637,803
18	Efficiency Incentive (Ln 17/Ln 6*.15)	\$61.68	\$77.22	\$97.57	\$111.55	\$49.77	\$478.10	\$0.00	\$4.99	\$4.98
<b>Net Average Annual kWh/Participant</b>										
19	or CFL Bulb (Ln 1 ( 1 - Ln7)	-1,136	-2,032	-1,749	-1,721	-870	-3,758	-601	-46 1/	-46 1/
20	(Energy Impact x (1-Freerider %)									
<b>Number of CFL Bulbs</b>										
21	given to each Participant								4	4
22	Net Average Annual kWh/Participant								-184	-184

## **Kentucky Power Company**

### **REQUEST**

Refer to pages 17-19 of the Report. Page 19 states that, for the High Efficiency Heat Pump - Mobile Home, the 2009 projected participant level is 110 and the budgetary level is \$49,500, or approximately \$450 per participant. Page 17 shows a participant level through June 2009 of 61. Page 18 shows costs through June 2009 of \$47,309, or approximately \$775 per participant. Explain why the actual costs are higher than the budgeted costs for this program.

### **RESPONSE**

The DSM Collaborative budgeted \$49,500 for the projected program costs for the twelve months of 2009. The DSM Collaborative budgeted amount included only the incentive costs paid to the customer and the HVAC dealer (a total of \$450 per heat pump installation) for the projected full year's 110 program participants (\$49,500(110 X \$450)).

Please reference Revised Exhibit C page 15A attached to Item No. 10 of these responses. The High-Efficiency Heat Pump Mobile Home line, Column 12, shows the revised estimated costs to be recovered for the six month of 2009 at \$47,320 for the 61 new participants during this six month period. This amount is made up of \$27,400 for the incentives paid to the customers and the HVAC dealers during the six month period, \$11,381 in lost revenue amount for the six month period and \$8,539 efficiency incentive amount for the six month period.

**WITNESS:** Errol K Wagner

## **Kentucky Power Company**

### **REQUEST**

Refer to pages 20-22 of the Report. Page 22 states that, for the Mobile Home New Construction, the 2009 projected participant level is 185 and the budgetary level is \$101,750, or approximately \$550 per participant. Page 20 shows a participant level through June 2009 of 88. Page 21 shows costs through June 2009 of \$79,131 , or approximately \$900 per participant. Explain why the actual costs are higher than the budgeted costs for this program.

### **RESPONSE**

The DSM Collaborative budgeted \$101,750 for the projected program costs for the twelve months of 2009. The DSM Collaborative budgeted amount included only the incentive costs paid to the customer and the manufactured housing dealer (a total of \$550 per heat pump installation) for the projected 185 program participants for the entire twelve months of 2009.

Please reference Revised Exhibit C page 15A attached to Item No. 10 of these responses. The Mobile Home New Construction line, Column 12, shows the revised estimated costs to be recovered for the six month of 2009 at \$79,145 for the 88 new participants during this six month period. This amount is made up of \$48,650 for the incentives paid to both the customers and the mobile home dealers during the six month period, \$20,679 lost revenue amount for the six month period and \$9,816 for efficiency incentive during the six month period.

**WITNESS:** Errol K Wagner

## **Kentucky Power Company**

### **REQUEST**

Refer to pages 23-25 of the Report. Page 25 states that, for the Modified Energy Fitness, the 2009 projected participant level is 800 and the budgetary level is \$304,000, or approximately \$380 per participant. Page 23 shows a participant level through June 2009 of 425. Page 24 shows costs through June 2009 of \$236,643, or approximately \$557 per participant. Explain why the actual costs are higher than the budgeted costs for this program.

### **RESPONSE**

The DSM Collaborative budgeted \$304,000 for the projected program costs for the twelve month for 2009. The budget included only the projected audit costs (\$380 per audit for the projected 800 program participants for the twelve months of 2009.

Please reference Revised Exhibit C page 15A, attached to Item No. 10 of these responses. The Modified Energy Fitness line, Column 12, shows the revised estimated costs to be recovered for the first six months of 2009 at \$236,595 for 425 new participants during this six month period. This amount is made up of \$162,993 paid for the cost of the audits during the six month period, \$52,450 in lost revenue for the six month period and \$21,152 for the efficiency incentive amount for the six month period.

**WITNESS:** Errol K Wagner



**Kentucky Power Company**

**REQUEST**

Refer to pages 26 and 28 of the Report. Page 26 shows that there were 61 non-resistance heat participants through June 2009. Page 28 states that the budgetary level of participants for 2009 is 50. Explain whether promotional efforts decrease when the budgetary level of participants is reached in any given year.

**RESPONSE**

No. The promotional efforts do not decrease when the budgetary level of participants is reached in any given year.

If participation levels continue to increase, the DSM Collaborative will request Commission approval to increase projected participation and budgetary levels for the program in future filings.

**WITNESS:** Errol K Wagner

**Kentucky Power Company**

**REQUEST**

Refer to page 34 of the Report. This page states that, for the Energy Education for Students Program, the projected participant and budgetary levels for 2009 are 3,500 and \$40,200, respectively. In Case No. 2008-00349,2 the 2009 participant and budgetary levels were stated at 1,200 and \$22,000, respectively. Explain the discrepancy in these amounts.

**RESPONSE**

The projected participant and budgetary levels contained on page 34 of the Report are incorrect. The correct participant and budgetary levels are 1,200 and \$22,000 respectively.  
(Please see the Revised page 34 attached to Item No 10 of these responses)

**WITNESS:** Errol K Wagner

## **Kentucky Power Company**

### **REQUEST**

Refer to Schedule C, pages 2 - 15C. Should column 3 be titled "Total Actual Program Costs" rather than "Total Estimated Program Costs?" If no, explain.

### **RESPONSE**

A more appropriate title for Column 3 on Page 15A is "Average Actual Program Costs per Participant". Column 4 is the total actual program costs.

A more appropriate title for Column 3 Pages 15B and 15C is "Average Estimated Program Cost per Participant". Column 4 is the total estimated program cost. The formula in Column 4, (1) X (3) should be removed and the formula (4) / (1) should be shown in Column 3. The reason the formula (1) X (3) was in Column 4 is that at the time of the initial DSM filing, all that was known was the estimated cost per participant and Column 4 was a calculated value.

As demonstrated on the revised attachment to Item No. 10 of this filing, the Company suggests the heading in Column 3 be revised to either Average Actual Program Cost per Participant or Average Estimated Program Cost per Participant, depending on whether the costs are actual or projected (estimated). We suggest that Pages 2 through 14B not be revised due to the fact they are a result of prior closed cases..

Please see revised Pages 15A, 15B and 15C attached.

**WITNESS:** Errol K Wagner

Revised - October 28, 2009												
Year 2009												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 15A of
YEAR 14 (1st HALF)												17
	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	ACTUAL	ACTUAL	REV/QTRS	ENERGY	LOST	NET	INCENTIVE	INCENTIVE	TOTAL *	ESTIMATED
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C. PG.16B)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	PARTICIPANT	(4) (1)X(3)	(5)	(6) (2)X(5)	(7)	(8) (6)X(7)	(9)	(10) (4)X(5%)	(11) (9)+(10)	(12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
Targeted Energy Efficiency			**	\$1,060.16	\$126,159	1,016	584,200	\$0.04346	\$25,389	\$9,189	\$0	\$160,737
- All Electric	119	575	**	\$93.27	\$2,052	568	119,280	\$0.04352	\$5,191	\$0	\$1,357	\$8,600
- Non-All Electric	22	210	**									
Compact Fluorescent Bulb	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
- Resistance Heat	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
- Non Resistance Heat												
High - Efficiency Heat Pump	61	299	**	\$449.18	\$27,400	875	261,625	\$0.04350	\$11,381	\$8,539	\$0	\$47,320
- Mobile Home												
Mobile Home New Construction	88	552	**	\$552.84	\$48,650	861	475,272	\$0.04351	\$20,679	\$9,816	\$0	\$79,145
- Heat Pump	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
- Air Conditioner												
Modified Energy Fitness	425	2,775	**	\$383.51	\$162,993	435	1,207,125	\$0.04345	\$52,450	\$21,152	\$0	\$236,595
High Efficiency Heat Pump			***	\$305.36	\$8,550	1,879	13,153	\$0.04349	\$572	\$13,387	\$0	\$22,509
- Resistance Heat Replacement	28	7	***	\$442.62	\$27,000	301	4,816	\$0.04353	\$210	\$0	\$1,350	\$28,560
- Heat Pump Replacement	61	16	***									
Energy Education for Student Program (NEED)	0	0	***	#DIV/0!	\$8,139	92	0	\$0.04370	\$0	\$0	\$0	\$8,139
Community Outreach Program (CFL)	926	149	***	\$5.84	\$5,404	92	13,708	\$0.04370	\$599	\$4,621	\$0	\$10,624
TOTAL RESIDENTIAL PROGRAMS	1,730	4,583			\$416,347		2,679,179		\$116,471	\$68,061	\$1,350	\$602,229
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0
- Class 2	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0			\$0		0		\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0		\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0
Smart Financing - General	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0		\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0			\$0		0		\$0	\$0	\$0	\$0
TOTAL COMPANY	1,730	4,583			\$416,347		2,679,179		\$116,471	\$68,061	\$1,350	\$602,229

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 07/01/2006.  
 \*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

Revised - October 28, 2009												
Year 2009												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 15B of
YEAR 14 (3rd QTR)												17
PROGRAM DESCRIPTIONS	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ESTIMATED COSTS TO BE RECOVERED
	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	(4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ QTR (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C, PG.16B) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	(12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	45	623	\$1,079.00	\$48,555	508	316,484	\$0.04346	\$13,754	\$3,475	\$0	\$3,475	\$65,784
- Non-All Electric	27	207	\$125.00	\$3,375	284	58,788	\$0.04352	\$2,558	\$1,665	\$0	\$1,665	\$7,598
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	24	321	\$450.00	\$10,800	437	140,277	\$0.04350	\$6,102	\$3,360	\$0	\$3,360	\$20,262
Mobile Home New Construction												
- Heat Pump	48	566	\$550.00	\$26,400	430	243,380	\$0.04351	\$10,589	\$5,354	\$0	\$5,354	\$42,343
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	189	2,795	\$376.04	\$71,071	218	609,310	\$0.04345	\$26,475	\$9,407	\$0	\$9,407	\$106,953
High Efficiency Heat Pump												
- Resistance Heat Replacement	15	36	\$450.00	\$6,750	940	33,840	\$0.04349	\$1,472	\$7,172	\$0	\$7,172	\$15,394
- Heat Pump Replacement	30	76	\$450.00	\$13,500	150	11,400	\$0.04353	\$496	\$0	\$675	\$675	\$14,671
Energy Education for Student Program (NEED)	1,200	600	\$18.33	\$22,000	46	27,600	\$0.04370	\$1,206	\$5,976	\$0	\$5,976	\$29,182
Community Outreach Program (CFL)	1,287	1,570	\$13.52	\$17,398	46	72,220	\$0.04370	\$3,156	\$6,422	\$0	\$6,422	\$26,976
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>2,865</b>	<b>6,794</b>		<b>\$219,849</b>		<b>1,513,299</b>		<b>\$65,808</b>	<b>\$42,831</b>	<b>\$675</b>	<b>\$43,506</b>	<b>\$329,163</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>2,865</b>	<b>6,794</b>		<b>\$219,849</b>		<b>1,513,299</b>		<b>\$65,808</b>	<b>\$42,831</b>	<b>\$675</b>	<b>\$43,506</b>	<b>\$329,163</b>

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 10/01/2006.  
 \*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

Revised - October 28, 2009												
Year 2009												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 15C of
YEAR 14 (4th QTR)												17
PROGRAM DESCRIPTIONS	NEW PARTICIPANT NUMBER (1)	CUMULATIVE PARTICIPANT NUMBER (2)	AVERAGE ESTIMATED PROGRAM COSTS PER PARTICIPANT (3)	TOTAL ESTIMATED PROGRAM COSTS (4)	NET LOST REV/QTRS (KWH/ PARTICIPANT) (5)	TOTAL ENERGY SAVINGS (KWH/ QTR) (6)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10) (11)	TOTAL ESTIMATED COSTS TO BE RECOVERED (4)+(8)+(11) (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electnc	46	623	** \$1,079.65	\$49,664	508	316,484	\$0.04346	\$13,754	\$3,552	\$0	\$3,552	\$66,970
- Non-All Electnc	29	218	** \$125.00	\$3,625	284	61,912	\$0.04352	\$2,694	\$1,789	\$0	\$1,789	\$8,108
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	\$0.04350	\$6,216	\$3,500	\$0	\$3,500	\$21,016
Mobile Home New Construction												
- Heat Pump	49	576	** \$544.90	\$26,700	430	247,680	\$0.04351	\$10,777	\$5,466	\$0	\$5,466	\$42,943
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	186	2,707	** \$376.00	\$69,936	217	587,419	\$0.04345	\$25,523	\$9,257	\$0	\$9,257	\$104,716
High Efficiency Heat Pump												
- Resistance Heat Replacement	15	51	*** \$450.00	\$6,750	939	47,889	\$0.04349	\$2,083	\$7,172	\$0	\$7,172	\$16,005
- Heat Pump Replacement	30	106	*** \$450.00	\$13,500	150	15,900	\$0.04353	\$692	\$0	\$675	\$675	\$14,867
Energy Education for Student Program (NEED)	0	1,200	*** #DIV/0!	\$0	46	55,200	\$0.04370	\$2,412	\$0	\$0	\$0	\$2,412
Community Outreach Program (CFL)	1,287	2,857	*** \$13.52	\$17,398	46	131,422	\$0.04370	\$5,743	\$6,422	\$0	\$6,422	\$29,563
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>1,667</b>	<b>8,665</b>		<b>\$198,873</b>		<b>1,606,805</b>		<b>\$69,894</b>	<b>\$37,158</b>	<b>\$675</b>	<b>\$37,833</b>	<b>\$306,600</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>1,667</b>	<b>8,665</b>		<b>\$198,873</b>		<b>1,606,805</b>		<b>\$69,894</b>	<b>\$37,158</b>	<b>\$675</b>	<b>\$37,833</b>	<b>\$306,600</b>

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

**Kentucky Power Company**

**REQUEST**

Refer to Schedule C, pages 13B and 14A. Explain why the KWH/participant in column 5 changed from page 13B to 14A.

**RESPONSE**

The reason the KWH changed from page 13B to 14A is because of the newer evaluation report. The KWH on page 13B are based on the three year evaluation performed in Case No 2005-00333. (Order dated November 21, 2005.) The KWH used on page 14A are based on the three year evaluation performed in Case No 2008-00350. (Order dated November 25, 2008.)

Page 13B includes KWH savings for residential programs that are today inactive. Page 14A includes the KWH savings only for those active DSM programs.

**WITNESS:** Errol K Wagner

## **Kentucky Power Company**

### **REQUEST**

Refer to Schedule C, page 15A.

- a. Refer to column 5. For Kentucky Power's newest programs, the High Efficiency Heat Pump, Energy Education for Students Program, and the Community Outreach Program, provide the calculations for the KWH/participant shown in column 5.
- b. Refer to column 7. For Kentucky Power's newest programs, the High Efficiency Heat Pump, Energy Education for Students Program, and the Community Outreach Program, provide the calculations for the \$/kWh shown in column 7.

### **RESPONSE**

a. Column 5 of Schedule C, page 15A, is the Net Lost Revenue for the first half of 2009, which is one-half of the projected net annual energy impact per in the High Efficiency Heat Pump, Energy Education for Students Program and the Community Outreach Program. The calculations are shown below.

High Efficiency Heat Pump – Resistance Heat Replacement:  
Half Year Net Annual Energy Impact/Participant =  $.50 \times 3,578 \text{ kWh} = 1,789 \text{ kWh}$

High Efficiency Heat Pump – Heat Pump Replacement:  
Half Year Net Annual Energy Impact/Participant =  $.50 \times 601 \text{ kWh} = 301 \text{ kWh}$

Energy Education For Students Program and Community Outreach Program (CFL):  
Half Year Net Annual Energy Impact/Participant =  $.50 \times 184 \text{ kWh} = 92 \text{ kWh}$

b. In the Company's August 14, 2009 filing in this proceeding, the annual energy savings values for the High Efficiency Heat Pump - Resistance Heat program of 4,176 kWhs and High Efficiency Heat Pump – Replacement program of 858 kWhs failed to reflect the effects of the free-rider percentage reduction. The revised and the as filed values can be found on Page 3 of 14.



The explanation of the calculations for the \$/kWh shown in column 7 for the newest programs are shown on pages 9 through 12 of 14 attached.

The lost revenues factors for the four existing programs as filed on August 14, 2009 were based on the 2005 evaluation annual kWh savings values versus the 2008 evaluation annual kWh savings. Page 3 of 14 summarizes all the revised lost revenue factors for all programs versus the values that were filed.

The Energy Education for Student Program (NEED) and the Community Outreach Program annual kWh savings were initially filed as a one bulb (46 kWh) savings, versus a 4 bulbs (184 kWh) savings. Each participant received four bulbs and the four bulb savings should have been used. The revised page 15A (attached to the Company's response to Item No. 10), reflects a six month kWh savings of 92 kWh and the revised pages 15B and 15C (attached to the Company's response to Item No. 10), reflects a three month savings of 46 kWh.

**WITNESS:** Errol K Wagner

**Kentucky Power Company**  
**Schedule of Revised Lost Revenue Factors versus Filed Lost Revenue Factors**

	Revised		As Filed		Difference	
	kWh Annual Savings per Participant	Lost Revenue Factors	kWh Annual Savings per Participant	Lost Revenue Factors	kWh Annual Savings per Participant	Lost Revenue Factors
<b>Residential Program</b>						
Targeted Energy Efficiency						
- All Electric	2,032	\$0.04346	1,792	\$0.04346	240	\$0.00000
- Non-All Electric	1,136	<b>\$0.04352</b>	533	<b>\$0.04345</b>	603	\$0.00007
High - Efficiency Heat Pump						
- Mobile Home	1,749	<b>\$0.04350</b>	2,289	<b>\$0.04346</b>	(540) 0	\$0.00004 \$0.00000
Mobile Home New Construction						
- Heat Pump	1,721	<b>\$0.04351</b>	3,618	<b>\$0.04348</b>	(1,897)	\$0.00003
Modified Energy Fitness	870	<b>\$0.04345</b>	1,225	<b>\$0.04349</b>	(355) 0	(\$0.00004) \$0.00000
High Efficiency Heat Pump						
- Resistance Heat Replacement	3,758	<b>\$0.04349</b>	4,176	<b>\$0.04348</b>	(418)	\$0.00001
- Heat Pump Replacement	601	<b>\$0.04353</b>	858	<b>\$0.04350</b>	(257)	\$0.00003
Energy Education for Student Program (NEED)	184	\$0.04370	184	\$0.04370	0	\$0.00000
Community Outreach Program (CFL)	184	\$0.04370	184	\$0.04370	0	\$0.00000

Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

TARGETED ENERGY EFFICIENCY - ALL ELECTRIC

Line No	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
<u>Heat</u>								
1	011 RSW-LMWH	2,009,071	73	2,293	2,043 2/	169.3333	\$0.04351	\$537.84
2	012 RSW-A	508,608	16	2,649	2,349 2/	169.3333	\$0.04351	\$117.88
3	013 RSW-B	151,953	4	3,166	2,766 2/	169.3333	\$0.04351	\$29.47
4	014 RSW-C	19,264	1	1,605	1,105 2/	169.3333	\$0.04351	\$7.37
5	015 RS	351,808,282	18,186	1,612	1,612	169.3333	\$0.04351	\$133,988.84
6	017 RS EMP	12,924,808	559	1,927	1,927	169.3333	\$0.04351	\$4,118.54
7	022 RSW-RS	1,273,595,445	64,841	1,637	1,637	169.3333	\$0.04351	\$477,728.51
8	028 AORH-W ON/OFF	123,399	8	1,285	1,285	169.3333	\$0.03335 3/	\$45.18
9	030 RSW-ON/OFF	1,802,084	71	2,115	2,115	169.3333	\$0.03701 3/	\$444.96
10	032 RS LM-ON/OFF	3,435,452	112	2,556	2,556	169.3333	\$0.03035 3/	\$575.60
11	034 AORH-ON/OFF	16,584	2	691	691	169.3333	\$0.02971 3/	\$10.06
12	036 RS-TOD-ON/OFF	62,206	1	5,184	5,184	169.3333	\$0.04458 3/	\$7.55
13	Total	1,646,457,154	83,871					\$617,611.80
14	Monthly Per Customer (Col 8, Ln 13 / Col 3, Ln 13)							\$7.36
15	Annual Per Customer					2,032		\$88.32
16	Realization (Col 8, Ln 15 / Col 6, Ln 15)							\$0.04346

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh  
 3/ Rate is weighted average of peak/off peak.

Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

TARGETED ENERGY EFFICIENCY - NON ALL ELECTRIC

Line No	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH (C2)/(C3) / 12	KWh Excl. Storage WH KWH	Average Monthly Reduction (L15) / 12	Applicable Energy Rate 1/	Monthly Lost Revenue (C3)*(C6)*(C7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
<u>Non-Heat</u>								
1	011 RSW-LMWH	779,487	45	1,443	1,193 2/	94.6667	\$0.04351	\$185.35
2	014 RSW-C	37,359	2	1,557	1,057 2/	94.6667	\$0.04351	\$8.24
3	015 RS	571,513,396	43,936	1,084	1,084	94.6667	\$0.04351	\$180,970.10
4	022 RSW-RS	239,575,250	16,311	1,224	1,224	94.6667	\$0.04351	\$67,184.16
5	Total	811,905,492	60,294					\$248,347.85
6	Monthly Per Customer (Col 8, Ln 5 / Col 3, Ln 5)							\$4.12
7	Annual Per Customer					1,136	\$49.44	
8	Realization (Col 8, Ln 6 / Col 6, Ln 6)							\$0.04352

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh

Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

HIGH EFFICIENCY HEAT PUMP - MOBILE HOME

Line No	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
	<u>Heat</u>							
1	011 RSW-LMWH	2,009,071	73	2,293	2,043 2/	145.7500	\$0.04351	\$462.94
2	012 RSW-A	508,608	16	2,649	2,349 2/	145.7500	\$0.04351	\$101.47
3	013 RSW-B	151,953	4	3,166	2,766 2/	145.7500	\$0.04351	\$25.37
4	014 RSW-C	19,264	1	1,605	1,105 2/	145.7500	\$0.04351	\$6.34
5	015 RS	351,808,282	18,186	1,612	1,612	145.7500	\$0.04351	\$115,328.02
6	017 RS EMP	12,924,808	559	1,927	1,927	145.7500	\$0.04351	\$3,544.94
7	022 RSW-RS	1,273,595,445	64,841	1,637	1,637	145.7500	\$0.04351	\$411,194.55
8	028 AORH-W ON/OFF	123,399	8	1,285	1,285	145.7500	\$0.03335 3/	\$38.89
9	030 RSW-ON/OFF	1,802,084	71	2,115	2,115	145.7500	\$0.03701 3/	\$382.99
10	032 RS LM-ON/OFF	3,435,452	112	2,556	2,556	145.7500	\$0.03035 3/	\$495.43
11	034 AORH-ON/OFF	16,584	2	691	691	145.7500	\$0.02971 3/	\$8.66
12	036 RS-TOD-ON/OFF	62,206	1	5,184	5,184	145.7500	\$0.04458 3/	\$6.50
13	Total	1,646,457,154	83,871					\$531,596.10
14	Monthly Per Customer (Col 8, Ln 13 / Col 3, Ln 13)							\$6.34
15	Annual Per Customer					1,749		\$76.08
16	Realization (Col 8, Ln 15 / Col 6, Ln 15)							\$0.04350

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh  
 3/ Rate is weighted average of peak/off peak.

**Kentucky Power Company  
Twelve Months Ended 04/30/2008  
Demand Side Management Program - Lost Revenue**

**MOBILE HOME NEW CONSTRUCTION - HEAT PUMP**

Line No	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
	<u>Heat</u>							
1 011	RSW-LMWH	2,009,071	73	2,293	2,043 2/	143.4167	\$0.04351	\$455.52
2 012	RSW-A	508,608	16	2,649	2,349 2/	143.4167	\$0.04351	\$99.84
3 013	RSW-B	151,953	4	3,166	2,766 2/	143.4167	\$0.04351	\$24.96
4 014	RSW-C	19,264	1	1,605	1,105 2/	143.4167	\$0.04351	\$6.24
5 015	RS	351,808,282	18,186	1,612	1,612	143.4167	\$0.04351	\$113,481.74
6 017	RS EMP	12,924,808	559	1,927	1,927	143.4167	\$0.04351	\$3,488.19
7 022	RSW-RS	1,273,595,445	64,841	1,637	1,637	143.4167	\$0.04351	\$404,611.77
8 028	AORH-W ON/OFF	123,399	8	1,285	1,285	143.4167	\$0.03335 3/	\$38.26
9 030	RSW-ON/OFF	1,802,084	71	2,115	2,115	143.4167	\$0.03701 3/	\$376.86
10 032	RS LM-ON/OFF	3,435,452	112	2,556	2,556	143.4167	\$0.03035 3/	\$487.50
11 034	AORH-ON/OFF	16,584	2	691	691	143.4167	\$0.02971 3/	\$8.52
12 036	RS-TOD-ON/OFF	62,206	1	5,184	5,184	143.4167	\$0.04458 3/	\$6.39
13	Total	1,646,457,154	<b>83,871</b>					<b>\$523,085.79</b>
14	Monthly Per Customer (Col 8, Ln 13 / Col 3, Ln 13)							<b>\$6.24</b>
15	Annual Per Customer					<b>1,721</b>		<b>\$74.88</b>
16	Realization (Col 8, Ln 15 / Col 6, Ln 15)							<b>\$0.04351</b>

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
2/ Storage Water Heating KWh fixed block  
LM - 250 KWh  
A - 300 KWh  
B - 400 KWh  
C - 500 KWh  
3/ Rate is weighted average of peak/off peak.

Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

MODIFIED ENERGY FITNESS

Line No	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
<u>Non-Heat</u>								
1 011	RSW-LMWH	779,487	45	1,443	1,193 2/	72.5000	\$0.04351	\$141.95
2 014	RSW-C	37,359	2	1,557	1,057 2/	72.5000	\$0.04351	\$6.31
3 015	RS	571,513,396	43,936	1,084	1,084	72.5000	\$0.04351	\$138,595.01
4 022	RSW-RS	239,575,250	16,311	1,224	1,224	72.5000	\$0.04351	\$51,452.64
<u>Heat</u>								
5 011	RSW-LMWH	2,009,071	73	2,293	2,043 2/	72.5000	\$0.04351	\$230.28
6 012	RSW-A	508,608	16	2,649	2,349 2/	72.5000	\$0.04351	\$50.47
7 013	RSW-B	151,953	4	3,166	2,766 2/	72.5000	\$0.04351	\$12.62
8 014	RSW-C	19,264	1	1,605	1,105 2/	72.5000	\$0.04351	\$3.15
9 015	RS	351,808,282	18,186	1,612	1,612	72.5000	\$0.04351	\$57,367.28
10 017	RS EMP	12,924,808	559	1,927	1,927	72.5000	\$0.04351	\$1,763.35
11 022	RSW-RS	1,273,595,445	64,841	1,637	1,637	72.5000	\$0.04351	\$204,539.31
12 028	AORH-W ON/OFF	123,399	8	1,285	1,285	72.5000	\$0.03335 3/	\$19.34
13 030	RSW-ON/OFF	1,802,084	71	2,115	2,115	72.5000	\$0.03701 3/	\$190.51
14 032	RS LM-ON/OFF	3,435,452	112	2,556	2,556	72.5000	\$0.03035 3/	\$246.44
15 034	AORH-ON/OFF	16,584	2	691	691	72.5000	\$0.02971 3/	\$4.31
16 036	RS-TOD-ON/OFF	62,206	1	5,184	5,184	72.5000	\$0.04458 3/	\$3.23
17	Total	2,458,362,648	144,168					\$454,626.20
18	Monthly Per Customer (Col 8, Ln 17 / Col 3, Ln 17)							\$3.15
19	Annual Per Customer					870		\$37.80
20	Realization (Col 8, Ln 19 / Col 6, Ln 19)							\$0.04345

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh  
 3/ Rate is weighted average of peak/off peak.

**Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue**

**HIGH EFFICIENCY HEAT PUMP - RESISTANCE HEAT**

Line No	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
	<u>Heat</u>							
1 011	RSW-LMWH	2,009,071	73	2,293	2,043 2/	313.1667	\$0.04351	\$994.69
2 012	RSW-A	508,608	16	2,649	2,349 2/	313.1667	\$0.04351	\$218.01
3 013	RSW-B	151,953	4	3,166	2,766 2/	313.1667	\$0.04351	\$54.50
4 014	RSW-C	19,264	1	1,605	1,105 2/	313.1667	\$0.04351	\$13.63
5 015	RS	351,808,282	18,186	1,612	1,612	313.1667	\$0.04351	\$247,800.31
6 017	RS EMP	12,924,808	559	1,927	1,927	313.1667	\$0.04351	\$7,616.87
7 022	RSW-RS	1,273,595,445	64,841	1,637	1,637	313.1667	\$0.04351	\$883,515.89
8 028	AORH-W ON/OFF	123,399	8	1,285	1,285	313.1667	\$0.03335 3/	\$83.55
9 030	RSW-ON/OFF	1,802,084	71	2,115	2,115	313.1667	\$0.03701 3/	\$822.91
10 032	RS LM-ON/OFF	3,435,452	112	2,556	2,556	313.1667	\$0.03035 3/	\$1,064.52
11 034	AORH-ON/OFF	16,584	2	691	691	313.1667	\$0.02971 3/	\$18.61
12 036	RS-TOD-ON/OFF	62,206	1	5,184	5,184	313.1667	\$0.04458 3/	\$13.96
13	Total	1,646,457,154	83,871					\$1,142,217.45
14	Monthly Per Customer (Col 8, Ln 13 / Col 3, Ln 13)							\$13.62
15	Annual Per Customer					3,758		\$163.44
16	Realization (Col 8, Ln 15 / Col 6, Ln 15)							\$0.04349

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh  
 3/ Rate is weighted average of peak/off peak.



Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

HIGH EFFICIENCY HEAT PUMP - REPLACEMENT

Line No.	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
	<u>Heat</u>							
1 011	RSW-LMWH	2,009,071	73	2,293	2,043 2/	50.0833	\$0.04351	\$159.08
2 012	RSW-A	508,608	16	2,649	2,349 2/	50.0833	\$0.04351	\$34.87
3 013	RSW-B	151,953	4	3,166	2,766 2/	50.0833	\$0.04351	\$8.72
4 014	RSW-C	19,264	1	1,605	1,105 2/	50.0833	\$0.04351	\$2.18
5 015	RS	351,808,282	18,186	1,612	1,612	50.0833	\$0.04351	\$39,629.56
6 017	RS EMP	12,924,808	559	1,927	1,927	50.0833	\$0.04351	\$1,218.13
7 022	RSW-RS	1,273,595,445	64,841	1,637	1,637	50.0833	\$0.04351	\$141,296.60
8 028	AORH-W ON/OFF	123,399	8	1,285	1,285	50.0833	\$0.03335 3/	\$13.36
9 030	RSW-ON/OFF	1,802,084	71	2,115	2,115	50.0833	\$0.03701 3/	\$131.60
10 032	RS LM-ON/OFF	3,435,452	112	2,556	2,556	50.0833	\$0.03035 3/	\$170.24
11 034	AORH-ON/OFF	16,584	2	691	691	50.0833	\$0.02971 3/	\$2.98
12 036	RS-TOD-ON/OFF	62,206	1	5,184	5,184	50.0833	\$0.04458 3/	\$2.23
13	Total	1,646,457,154	83,871					\$182,661.55
14	Monthly Per Customer (Col 8, Ln 13 / Col 3, Ln 13)							\$2.18
15	Annual Per Customer					601		\$26.16
16	Realization (Col 8, Ln 15 / Col 6, Ln 15)							\$0.04353

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh  
 3/ Rate is weighted average of peak/off peak.

Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

COMMUNITY OUTREACH COMPACT FLUORESCENT LIGHTING (CFL) PROGRAM

Line No.	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 1/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
<u>Non-Heat</u>								
1 011	RSW-LMWH	779,487	45	1,443	1,193 2/	15.3333	\$0.04351	\$30.02
2 014	RSW-C	37,359	2	1,557	1,057 2/	15.3333	\$0.04351	\$1.33
3 015	RS	571,513,396	43,936	1,084	1,084	15.3333	\$0.04351	\$29,311.99
4 022	RSW-RS	239,575,250	16,311	1,224	1,224	15.3333	\$0.04351	\$10,881.91
<u>Heat</u>								
5 011	RSW-LMWH	2,009,071	73	2,293	2,043 2/	15.3333	\$0.04351	\$48.70
6 012	RSW-A	508,608	16	2,649	2,349 2/	15.3333	\$0.04351	\$10.67
7 013	RSW-B	151,953	4	3,166	2,766 2/	15.3333	\$0.04351	\$2.67
8 014	RSW-C	19,264	1	1,605	1,105 2/	15.3333	\$0.04351	\$0.67
9 015	RS	351,808,282	18,186	1,612	1,612	15.3333	\$0.04351	\$12,132.82
10 017	RS EMP	12,924,808	559	1,927	1,927	15.3333	\$0.04351	\$372.94
11 022	RSW-RS	1,273,595,445	64,841	1,637	1,637	15.3333	\$0.04351	\$43,258.80
12 028	AORH-W ON/OFF	123,399	8	1,285	1,285	15.3333	\$0.03335 3/	\$4.09
13 030	RSW-ON/OFF	1,802,084	71	2,115	2,115	15.3333	\$0.03701 3/	\$40.29
14 032	RS LM-ON/OFF	3,435,452	112	2,556	2,556	15.3333	\$0.03035 3/	\$52.12
15 034	AORH-ON/OFF	16,584	2	691	691	15.3333	\$0.02971 3/	\$0.91
16 036	RS-TOD-ON/OFF	62,206	1	5,184	5,184	15.3333	\$0.04458 3/	\$0.68
17	Total	2,458,362,648	144,168					\$96,150.61
18	Monthly Per Customer (Col 8, Ln 17 / Col 3, Ln 17)							\$0.67
19	Annual Per Customer					184 4/		\$8.04
20	Realization (Col 8, Ln 19 / Col 6, Ln 19)							\$0.04370

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.

2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh

3/ Rate is weighted average of peak/off peak.

4/ 4 CFL Bulbs X 46 KWH per Bulb = 184 KWH

Kentucky Power Company  
 Twelve Months Ended 04/30/2008  
 Demand Side Management Program - Lost Revenue

ENERGY EDUCATION FOR STUDENTS PROGRAM

Line No.	Tariff	Billed & Accrued KWH	Average No. of Customers	Average Monthly KWH	KWh Excl. Storage WH KWH	Average Monthly Reduction	Applicable Energy Rate 3/	Monthly Lost Revenue
	(1)	(2)	(3)	(4) (C2)/(C3) / 12	(5)	(6) (L15) / 12	(7)	(8) (C3)*(C6)*(C7)
<u>Non-Heat</u>								
1	011 RSW-LMWH	779,487	45	1,443	1,193 2/	15.3333	\$0.04351	\$30.02
2	014 RSW-C	37,359	2	1,557	1,057 2/	15.3333	\$0.04351	\$1.33
3	015 RS	571,513,396	43,936	1,084	1,084	15.3333	\$0.04351	\$29,311.99
4	022 RSW-RS	239,575,250	16,311	1,224	1,224	15.3333	\$0.04351	\$10,881.91
<u>Heat</u>								
5	011 RSW-LMWH	2,009,071	73	2,293	2,043 2/	15.3333	\$0.04351	\$48.70
6	012 RSW-A	508,608	16	2,649	2,349 2/	15.3333	\$0.04351	\$10.67
7	013 RSW-B	151,953	4	3,166	2,766 2/	15.3333	\$0.04351	\$2.67
8	014 RSW-C	19,264	1	1,605	1,105 2/	15.3333	\$0.04351	\$0.67
9	015 RS	351,808,282	18,186	1,612	1,612	15.3333	\$0.04351	\$12,132.82
10	017 RS EMP	12,924,808	559	1,927	1,927	15.3333	\$0.04351	\$372.94
11	022 RSW-RS	1,273,595,445	64,841	1,637	1,637	15.3333	\$0.04351	\$43,258.80
12	028 AORH-W ON/OFF	123,399	8	1,285	1,285	15.3333	\$0.03335 3/	\$4.09
13	030 RSW-ON/OFF	1,802,084	71	2,115	2,115	15.3333	\$0.03701 3/	\$40.29
14	032 RS LM-ON/OFF	3,435,452	112	2,556	2,556	15.3333	\$0.03035 3/	\$52.12
15	034 AORH-ON/OFF	16,584	2	691	691	15.3333	\$0.02971 3/	\$0.91
16	036 RS-TOD-ON/OFF	62,206	1	5,184	5,184	15.3333	\$0.04458 3/	\$0.68
17		2,458,362,648	144,168					\$96,150.61
18	Monthly Per Customer (Col 8, Ln 17 / Col 3, Ln 17)							\$0.67
19	Annual Per Customer					184 4/		\$8.04
20	Realization (Col 8, Ln 19 / Col 6, Ln 19)							\$0.04370

1/ Tariff Rates excluding base fuel of \$0.02124/KWh.  
 2/ Storage Water Heating KWh fixed block  
 LM - 250 KWh  
 A - 300 KWh  
 B - 400 KWh  
 C - 500 KWh  
 3/ Rate is weighted average of peak/off peak.  
 4/ 4 CFL Bulbs X 46 KWH per Bulb = 184 KWH

**Kentucky Power Company  
 Residential Tariff Codes Less Base Fuel Rate**

<b>Tariff Codes</b>	<b>Energy Charge</b>	<b>Fuel Adjustment Clause</b>	<b>Applicable Energy Rate</b>
-------------------------	--------------------------	---------------------------------------	---------------------------------------

**Tariff (R. S.) Residential Service**

011	\$0.06475	\$0.02124	\$0.04351
012	\$0.06475	\$0.02124	\$0.04351
013	\$0.06475	\$0.02124	\$0.04351
014	\$0.06475	\$0.02124	\$0.04351
015	\$0.06475	\$0.02124	\$0.04351
017	\$0.06475	\$0.02124	\$0.04351
022	\$0.06475	\$0.02124	\$0.04351

**Tariff R. S. - L. M. - T. O. D.  
 (Residential Service Load Management Time of Day)**

028	\$0.03335	\$0.00000	\$0.03335
029	\$0.03335	\$0.00000	\$0.03335
030	\$0.03701	\$0.00000	\$0.03701
031	\$0.03701	\$0.00000	\$0.03701
032	\$0.03035	\$0.00000	\$0.03035
033	\$0.03035	\$0.00000	\$0.03035
034	\$0.02971	\$0.00000	\$0.02971
035	\$0.02971	\$0.00000	\$0.02971

**Tariff R. S. - T. O. D. (Time of Day)**

036	\$0.04458	\$0.00000	\$0.04458
037	\$0.04458	\$0.00000	\$0.04458

**Kentucky Power Company**  
**Twelve Months Ended 04/30/ 2009**  
**Calculation of Average Peak/Off-Peak Energy Rate**

	All KWH Used During On-Peak Billing Period	All KWH Used During Off-Peak Billing Period	Cost per KWH Used as the Base Cost in the Standard Fuel Adj. Clause	Net	KWH	Revenue	Applicable Energy Rate
028 AORH-W	0.1065		0.02124	0.08526	38,133	3,251.22	
029 AORH-W		0.03137	0.02124	0.01013	85,266	863.74	
Total					123,399	4,114.96	0.03335
030 RSW-ONP	0.1065		0.02124	0.08526	644,648	54,962.69	
031 RSW-OPF		0.03137	0.02124	0.01013	1,157,436	11,724.83	
Total					1,802,084	66,687.52	0.03701
032 RS LM-O	0.1065		0.02124	0.08526	924,763	78,845.29	
033 RS LM-O		0.03137	0.02124	0.01013	2,510,689	25,433.28	
Total					3,435,452	104,278.57	0.03035
034 AORH-ON	0.1065		0.02124	0.08526	4,321	368.41	
035 AORH-OF		0.03137	0.02124	0.01013	12,263	124.22	
Total					16,584	492.63	0.02971
036 RS-TOD-	0.1065		0.02124	0.08526	28,526	2,432.13	
037 RS-TD-O		0.03137	0.02124	0.01013	33,680	341.18	
Total					62,206	2,773.31	0.04458

Source: Tariff Summary - Billed & Accrued - By Revenue Class, 12 Months (April 2008).

**Kentucky Power Company**

**REQUEST**

Refer to Schedule C, pages 15A - 17. Page 17 provides energy sales information for 2009. Line 6 on page 17 is titled "Less Loss Revenue Impacts." For the residential sector, the amount shown on this line is 11,420,681 kWh. Explain why this amount does not reconcile with the total from column 6 on pages 15A - 15C of 5,573,227 (2,668,898 + 1,439,519 + 1,464,810).

**RESPONSE**

The Company agrees that the 5,573,227 kWh should have been used on Page 17, Line 6 for the lost revenue impacts.

Please note, the lost revenue factors and kWh savings per participant (Energy Education for Student Program (NEED) and Community Outreach Program) on Pages 15A, 15B and 15C of Schedule C were revised as discussed in Question 9b.

The residential DSM midpoint factor has been revised to \$0.00630 from the previously filed \$0.000641.

Please see the revised DSM Adjustment Clause Tariff, Status Report and Schedule C attached.

**WITNESS:** Errol K Wagner

REVISED OCTOBER 28, 2009

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

RATE. (Cont'd.)

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

		CUSTOMER SECTOR		
		<u>RESIDENTIAL</u> (\$ Per Kwh)	<u>COMMERCIAL**</u> (\$ Per KWH)	<u>INDUSTRIAL*</u> (\$ Per KWH)
Floor Factor	=	0.000396	-0-	- 0 -
Ceiling Factor	=	0.000885	-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		
		<u>RESIDENTIAL</u>	<u>COMMERCIAL**</u>	<u>INDUSTRIAL*</u>
<u>DSM (c)</u>		401,129	-0-	- 0 -
S ©		626,249,600	-0-	- 0 -
Adjustment Factor	\$	0.000641	-0-	- 0 -

( R )  
 ( R )  
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\*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 October 28, 2009 EFFECTIVE DATE Bills rendered on or after XXXXXXXXXXXX, 2009

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

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

**INDEX**

PAGE	DESCRIPTION
1	Definitions
3	Summary Information (All Programs)
<b><u>Active Programs:</u></b>	
<b>Residential Programs</b>	
5	Energy Fitness
8	Targeted Energy Efficiency
11	Compact Fluorescent Bulb
14	High Efficiency Heat Pump
17	High Efficiency Heat Pump - Mobile Home
20	Mobile Home New Construction
23	Modified Energy Fitness Program
26	High Efficiency Heat Pump
29	Energy Education for Students
32	Community Outreach Compact Fluorescent Lamp (CFL)
<b>Commercial Programs</b>	
35	Smart Audit
38	Smart Incentive
<b>Industrial Programs</b>	
41	Smart Audit
44	Smart Incentive



## 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.

Revised - October 28, 2009

**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	116,471	3,569,144
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>\$602,229</u>	<u>\$14,432,440</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



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Energy Fitness
PARTICIPANT DEFINITION:	Number of Households
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

<b>2009</b>														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	0	0	0	0							0	2,812

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
0	49,002,687	0	0	441	1,932

# KENTUCKY POWER COMPANY



Energy Fitness	
Reporting Period:	January - June 2009

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued May 14, 1999.

# KENTUCKY POWER COMPANY



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

<b>2009</b>														
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

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



Revised - October 28, 2009

# KENTUCKY POWER COMPANY



Targeted Energy Efficiency	
Reporting Period:	January - June 2009

<b>Costs</b>				
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
<b>Total Program Costs</b>		<b>128,211.00</b>	<b>0.00</b>	<b>2,942,638.00</b>
Lost Revenues:		30,580.00	1,944.00	559,009.00
Efficiency Incentive:		10,546.00	184.00	39,027.00
Maximizing Incentive:		0.00	0.00	123,197.00
<b>Total Costs</b>		<b>169,337.00</b>	<b>2,128.00</b>	<b>3,663,871.00</b>

Revised - October 28, 2009

## 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 \$5,191 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



<b>PROGRAM INFORMATION</b>	
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	Winter
0		228,131	0	0	3	3

# KENTUCKY POWER COMPANY



Compact Fluorescent Bulb	
Reporting Period:	January - June 2009

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1996.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
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	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

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2001.



# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	High Efficiency Heat Pump - Mobile Home
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

<b>2009</b>														
	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

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

Revised - October 28, 2009

# KENTUCKY POWER COMPANY



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

<b>Costs</b>			
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
<b>Total Program Costs</b>	<b>27,400.00</b>	<b>0.00</b>	<b>940,946.00</b>
Lost Revenues:	11,381.00	5,820.00	425,711.00
Efficiency Incentive:	8,539.00	18,331.00	138,931.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>47,320.00</b>	<b>24,151.00</b>	<b>1,505,588.00</b>

# KENTUCKY POWER COMPANY



## COMMENTS:

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

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

# KENTUCKY POWER COMPANY



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

<b>2009</b>														
	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

<b>Impacts</b>						
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction			
YTD	PTD		YTD		PTD	
			Summer	Winter	Summer	Winter
50,009	102,194,343		57	130	387	4,590

Revised - October 28, 2009

# KENTUCKY POWER COMPANY



Mobile Home New Construction	
Reporting Period:	January - June 2009

<b>Costs</b>				
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	
<b>Total Program Costs</b>	<b>48,650.00</b>	<b>0.00</b>	<b>1,067,012.00</b>	
Lost Revenues:	20,679.00	0.00	473,793.00	
Efficiency Incentive:	9,816.00	0.00	128,551.00	
Maximizing Incentive:	0.00	0.00	2,580.00	
<b>Total Costs</b>	<b>79,145.00</b>	<b>0.00</b>	<b>1,671,936.00</b>	

# KENTUCKY POWER COMPANY



## COMMENTS:

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

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



# KENTUCKY POWER COMPANY

<b>PROGRAM INFORMATION</b>	
PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

<b>2009</b>														
	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

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
115,917	59,958,472	75	237	782	3,190

Revised - October 28, 2009

# KENTUCKY POWER COMPANY



Modified Energy Fitness	
Reporting Period:	January - June 2009

<b>Costs</b>				
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	
<b>Total Program Costs</b>	<b>162,993.00</b>	<b>0.00</b>	<b>2,010,320.00</b>	
Lost Revenues:	52,450.00	0.00	484,198.00	
Efficiency Incentive:	21,152.00	0.00	212,146.00	
Maximizing Incentive:	0.00	0.00	0.00	
<b>Total Costs</b>	<b>236,595.00</b>	<b>0.00</b>	<b>2,706,664.00</b>	



# KENTUCKY POWER COMPANY



## COMMENTS:

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

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

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

# KENTUCKY POWER COMPANY



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

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

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

Revised - October 28, 2009

# KENTUCKY POWER COMPANY



High Efficiency Heat Pump	
Reporting Period:	January - June 2009

<b>Costs</b>			
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
<b>Total Program Costs</b>	<b>35,550.00</b>	<b>0.00</b>	<b>35,550.00</b>
Lost Revenues:	782.00	0.00	782.00
Efficiency Incentive:	13,387.00	0.00	13,387.00
Maximizing Incentive:	1,350.00	0.00	1,350.00
<b>Total Costs</b>	<b>51,069.00</b>	<b>0.00</b>	<b>51,069.00</b>

Revised - October 28, 2009

## KENTUCKY POWER COMPANY



### 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 \$210 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.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
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	Winter
3,765	3,765	1	24	1	24

Revised - October 28, 2009

# KENTUCKY POWER COMPANY



Community Outreach Compact Fluorescent Lamp	
Reporting Period:	January - June 2009

<b>Costs</b>				
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	
<b>Total Program Costs</b>	<b>5,404.00</b>	<b>0.00</b>	<b>5,404.00</b>	
Lost Revenues:	599.00	0.00	599.00	
Efficiency Incentive:	4,621.00	0.00	4,621.00	
Maximizing Incentive:	0.00	0.00	0.00	
<b>Total Costs</b>	<b>10,624.00</b>	<b>0.00</b>	<b>10,624.00</b>	

# KENTUCKY POWER COMPANY



## 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



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

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

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



# KENTUCKY POWER COMPANY



Energy Education For Students	
Reporting Period:	January - June 2009

<b>Costs</b>				
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	
<b>Total Program Costs</b>	<b>8,139.00</b>	<b>0.00</b>	<b>8,139.00</b>	
Lost Revenues:	0.00	0.00	0.00	
Efficiency Incentive:	0.00	0.00	0.00	
Maximizing Incentive:	0.00	0.00	0.00	
<b>Total Costs</b>	<b>8,139.00</b>	<b>0.00</b>	<b>8,139.00</b>	

Revised - October 28, 2009

## 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 1,200 students and \$22,000 respectively.

# KENTUCKY POWER COMPANY



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

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

<b>Impacts</b>						
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

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY



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

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

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

# KENTUCKY POWER COMPANY



Smart Incentive - Commercial	
Reporting Period:	January - June 2009

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2002.



# KENTUCKY POWER COMPANY



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

2009														
Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
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

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1998.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Incentive - Industrial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - June 2009

<b>2009</b>														
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

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

# KENTUCKY POWER COMPANY



Smart Incentive - Industrial	
Reporting Period:	January - June 2009

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1998.

Revised - October 28, 2009					
KENTUCKY POWER COMPANY		Exhibit C			
DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT				PAGE 1 of 17	
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	\$502,229	\$329,163	\$306,600	\$12,130,183
2) CUMULATIVE (OVER)/UNDER COLLECTION	0	369,044	119,552	247,829	0
3) 18 MOS. RETROACTIVE(OVER)/UNDER ADJUSTMENT	(41,824)	0	0	0	(\$41,824)
4) TOTAL TO BE RECOVERED	10,850,367	871,273	448,725	554,429	12,088,359
5) TOTAL AMOUNT RECOVERED	10,480,977	851,711	0	0	\$11,332,688
6) EXPECTED FUTURE RECOVERIES	0	0	200,896	401,426	\$602,322
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	\$119,562	\$247,829	\$153,003	\$153,003
10) AMOUNT TO BE RECOVERED				\$554,429	
11) ADJ. ESTIMATED SECTOR KWH - YEAR 14			569,110,400	626,249,600	
SURCHARGE RANGE ( \$ PER KWH )					
12) FLOOR (CARRYOVER)	COL 5, L 2 / COL 5, L 11			0.000396	
13) MIDPOINT - proposed rate				0.000353	0.000641
14) CEILING (TOTAL COST)	COL 5, L 4 / COL 5, L 11			0.000885	
COMMERCIAL SECTOR	TOTAL YEARS 1 thru 12	YEAR 13 (2008) 1st HALF	YEAR 14 (2009) 3rd QTR	YEAR 14 (2009) 4th QTR	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			382,491,200	351,876,000	
SURCHARGE RANGE ( \$ PER KWH )					
25) FLOOR (CARRYOVER)				0.000000	
26) MIDPOINT - proposed rate				0.000000	
27) CEILING (TOTAL COST)				0.000000	
INDUSTRIAL SECTOR	TOTAL YEARS 1 thru 12	YEAR 13 (2008) 1st HALF	YEAR 14 (2009) 3rd QTR	YEAR 14 (2009) 4th QTR	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	
40) CEILING (TOTAL COST) - proposed rate				0.000000	

1999												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM											Exhibit C Page 2 of 17	
YEAR 1	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/YR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG. 16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/YR (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X(5%)	(11) (9)X(10)	(12) (4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	552	148	\$221.65	\$122,351	2,690	398,120	\$0.03	\$12,397	\$43,177		\$43,177	\$177,925
Targeted Energy Efficiency - All Electric	223	101	\$1,026.88	\$228,894	5,570	662,670	\$0.03	\$17,513	\$0	\$11,460	\$11,460	\$267,957
- Non-All Electric	74	35	\$372.19	\$27,642	680	23,800	\$0.03	\$744	\$719		\$719	\$29,005
Compact Fluorescent Bulb	269	73	\$56.06	\$15,081	62	4,626	\$0.03	\$140	\$425		\$425	\$16,646
High - Efficiency Heat Pump - Resistance Heat	539	216	\$73.49	\$39,511	2,275	491,400	\$0.03	\$15,292	\$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	\$46,321
High - Efficiency Heat Pump - Mobile Home	356	158	\$496.95	\$176,914	2,160	341,280	\$0.03	\$10,617	\$13,634		\$13,634	\$201,365
Mobile Home New Construction	70	22	\$292.69	\$20,488	0	0				\$1,024	\$1,024	\$21,512
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>2,610</b>	<b>959</b>		<b>\$663,291</b>		<b>1,989,174</b>		<b>\$61,918</b>	<b>\$77,585</b>	<b>\$12,474</b>	<b>\$90,059</b>	<b>\$815,268</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	91	19	\$1,258.51	\$114,524	0	0			\$0	\$5,726	\$5,726	\$120,250
- Class 2	5	1	\$1,875.40	\$9,377	0	0			\$0	\$469	\$469	\$9,846
Smart Financing - Existing Building	1	0	\$5,794.00	\$5,794	22,000	0	\$0.04	\$0	\$506		\$506	\$6,300
Smart Financing - New Building	0	0	\$0	\$0	30,800	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>97</b>	<b>20</b>		<b>\$129,695</b>		<b>0</b>		<b>\$0</b>	<b>\$506</b>	<b>\$6,195</b>	<b>\$6,701</b>	<b>\$138,396</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	16	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	\$888	\$888	\$18,858
Smart Financing - General	0	0	\$3,919	\$3,919	28,200	0	\$0.04	\$0	\$196		\$196	\$4,115
Smart Financing - Compressed Air System	0	0	\$0	\$0	164,800	0	\$0.03	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>17</b>	<b>2</b>		<b>\$24,120</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$1,208</b>	<b>\$1,208</b>	<b>\$26,326</b>
<b>TOTAL COMPANY</b>	<b>2,724</b>	<b>981</b>		<b>\$617,106</b>		<b>1,989,174</b>		<b>\$61,918</b>	<b>\$78,091</b>	<b>\$19,875</b>	<b>\$97,966</b>	<b>\$976,990</b>

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



1997												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 1997											Exhibit C PAGE 3A of 17	
YEAR 2 ( 1st HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(6% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(6)	(7)	(8)X(7)	(9)	(4)X( 6%)	(9)X(10)	(4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	273	661	\$260.68	\$71,167	1,345	875,995	\$0.03	\$27,266	\$21,354	n/a	\$21,354	\$119,787
Targeted Energy Efficiency - All Electric	118	279	\$818.97	\$96,638	2,785	777,015	\$0.03	\$24,188	\$0	\$4,832	\$4,832	\$129,658
- Non-All Electric	26	88	\$88.23	\$2,294	340	29,920	\$0.03	\$935	\$252	n/a	\$252	\$3,481
Compact Fluorescent Bulb	0	269		\$0	31	8,339	\$0.03	\$258	\$0	n/a	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	123	590	\$2.58	\$317	1,138	671,420	\$0.03	\$20,895	\$2,427	n/a	\$2,427	\$23,639
- Non-Resistance Heat	124	581	\$2.55	\$318	407	236,467	\$0.03	\$7,384	\$2,070	n/a	\$2,070	\$9,752
High - Efficiency Heat Pump - Mobile Home	109	403	\$167.87	\$17,208	1,080	435,240	\$0.03	\$13,540	\$4,238	n/a	\$4,238	\$34,984
Mobile Home New Construction	12	78	\$635.17	\$7,622	0	0	n/a	n/a	\$0	\$381	\$381	\$8,003
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>785</b>	<b>2,939</b>		<b>\$195,564</b>		<b>3,033,998</b>		<b>\$94,446</b>	<b>\$30,339</b>	<b>\$5,213</b>	<b>\$36,562</b>	<b>\$325,562</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	243	207	\$264.00	\$64,152	0	0	n/a	n/a	\$0	\$3,208	\$3,208	\$67,360
- Class 2	11	9	\$2,705.00	\$29,765	0	0	n/a	n/a	\$0	\$1,488	\$1,488	\$31,243
Smart Financing - Existing Building	0	1	n/a	\$5,629	11,000	11,000	\$0.04	\$469	\$0	\$281	\$281	\$8,379
Smart Financing - New Building	1	0	\$4,692.00	\$4,692	15,300	0	\$0.04	\$0	\$50	n/a	\$50	\$4,742
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>255</b>	<b>217</b>		<b>\$104,228</b>		<b>11,000</b>		<b>\$469</b>	<b>\$50</b>	<b>\$4,977</b>	<b>\$5,027</b>	<b>\$109,724</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	9	20	\$279.56	\$2,516	0	0	n/a	n/a	\$0	\$126	\$126	\$2,942
Smart Audit - Class 2	1	2	\$1,133.00	\$1,133	0	0	n/a	n/a	\$0	\$57	\$57	\$1,190
Smart Financing - General	0	0	n/a	\$7,840	14,100	0	\$0.04	\$0	\$0	\$392	\$392	\$8,232
Smart Financing - Compressed Air System	0	0		\$0	82,400	0	\$0.03	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>10</b>	<b>22</b>		<b>\$11,489</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$575</b>	<b>\$575</b>	<b>\$12,084</b>
<b>TOTAL COMPANY</b>	<b>1,050</b>	<b>3,178</b>		<b>\$311,281</b>		<b>3,044,998</b>		<b>\$94,916</b>	<b>\$30,389</b>	<b>\$10,765</b>	<b>\$41,164</b>	<b>\$447,350</b>
* Lost revenue and efficiency incentives are based on initial values per the settlement agreement.												

1997												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM											Exhibit C PAGE 38 of	17
YEAR 2 ( 3rd QTR )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/QTR (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X(5%)	(11) (9)X(10)	(12) (4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	257	957	\$184.99	\$47,542	341	326,337	\$0.03	\$10,166	\$5,340	n/a	\$5,340	\$63,038
Targeted Energy Efficiency - All Electric	51	369	\$1,090.08	\$65,594	1,392	513,648	\$0.03	\$15,980	\$0	\$2,780	\$2,780	\$74,354
- Non-All Electric	15	108	\$193.33	\$2,900	170	18,360	\$0.03	\$574	\$25	n/a	\$25	\$3,499
Compact Fluorescent Bulb	0	269	n/a	\$0	16	4,304	\$0.03	\$133	\$0	\$0	\$0	\$193
High - Efficiency Heat Pump - Resistance Heat	109	717	\$55.05	\$6,000	647	392,199	\$0.03	\$12,213	\$787	n/a	\$787	\$19,000
- Non Resistance Heat	84	695	\$66.18	\$5,659	221	153,595	\$0.03	\$4,785	\$2,445	n/a	\$2,445	\$12,780
High - Efficiency Heat Pump - Mobile Home	77	509	\$889.62	\$53,101	625	318,125	\$0.03	\$9,894	\$2,503	n/a	\$2,503	\$65,488
Mobile Home New Construction	0	82	n/a	\$6,092	0	0			\$0	\$305	\$305	\$8,397
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>593</b>	<b>3,706</b>		<b>\$176,788</b>		<b>1,726,688</b>		<b>\$53,736</b>	<b>\$11,100</b>	<b>\$3,085</b>	<b>\$14,185</b>	<b>\$244,709</b>
	*****	*****		*****		*****		*****	*****	*****	*****	*****
<b>COMMERCIAL PROGRAMS</b>												
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	\$13,625	0	0			\$0	\$678	\$678	\$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
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>105</b>	<b>405</b>		<b>\$60,146</b>		<b>29,850</b>		<b>\$1,267</b>	<b>\$1,627</b>	<b>\$2,700</b>	<b>\$4,927</b>	<b>\$65,740</b>
	*****	*****		*****		*****		*****	*****	*****	*****	*****
<b>INDUSTRIAL PROGRAMS -</b> (w/EsL Opt-Outs Removed)												
Smart Audit - Class 1	3	26	\$686.00	\$1,998	0	0			\$0	\$100	\$100	\$2,098
Smart Audit - Class 2	0	3	n/a	\$0	0	0			\$0	\$0	\$0	\$0
Smart Financing - General	0	0	n/a	\$4,785	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$4,785
Smart Financing - Compressed Air System	0	0		\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>3</b>	<b>29</b>		<b>\$6,783</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$100</b>	<b>\$100</b>	<b>\$6,883</b>
	*****	*****		*****		*****		*****	*****	*****	*****	*****
<b>TOTAL COMPANY</b>	<b>701</b>	<b>4,140</b>		<b>\$243,717</b>		<b>1,756,418</b>		<b>\$55,003</b>	<b>\$12,727</b>	<b>\$5,885</b>	<b>\$18,612</b>	<b>\$317,332</b>
	*****	*****		*****		*****		*****	*****	*****	*****	*****
* Lost revenue and efficiency incentives are based on prospective values.												

1997												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM											Exhibit C PAGE 3C of	17
YEAR 2 ( 4th QTR )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% OF COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/QTR (6) (2)X(6)	\$(KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X(5)	(11) (9)X(10)	(12) (4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	432	1,287	\$259.53	\$112,116	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	\$139,623
- Non-All Electric	78	146	\$103.55	\$8,077	170	24,820	\$0.03	\$775	\$129	n/a	\$129	\$8,881
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	\$26,086
- Non Resistance Heat	102	762	\$142.21	\$14,605	221	172,822	\$0.03	\$5,385	\$2,969	n/a	\$2,969	\$22,899
High - Efficiency Heat Pump - Mobile Home	50	565	\$406.70	\$20,335	625	353,125	\$0.03	\$10,982	\$1,625	n/a	\$1,625	\$32,942
Mobile Home New Construction	0	82	n/a	(\$749)	0	0	0	0	0	(\$37)	(\$37)	(\$786)
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>897</b>	<b>4,397</b>		<b>\$280,744</b>		<b>2,061,487</b>		<b>\$64,158</b>	<b>\$14,501</b>	<b>\$5,693</b>	<b>\$20,194</b>	<b>\$365,096</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	71	473	\$230.82	\$16,395	0	0	0	0	\$0	\$820	\$820	\$17,216
- Class 2	21	33	\$2,705.00	\$56,805	0	0	0	0	\$0	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	9	8	\$2,282.66	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>101</b>	<b>516</b>		<b>\$93,743</b>		<b>96,450</b>		<b>\$4,088</b>	<b>\$7,320</b>	<b>\$3,660</b>	<b>\$10,980</b>	<b>\$108,811</b>
<b>INDUSTRIAL PROGRAMS -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	18	37	\$524.22	\$9,436	0	0	0	0	\$0	\$472	\$472	\$9,908
Smart Audit - Class 2	0	3	n/a	\$1,094	0	0	0	0	\$0	\$55	\$55	\$1,149
Smart Financing - General	0	0	n/a	\$11,802	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$11,802
Smart Financing - Compressed Air System	0	0	n/a	\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>18</b>	<b>40</b>		<b>\$22,332</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$527</b>	<b>\$527</b>	<b>\$22,859</b>
<b>TOTAL COMPANY</b>	<b>1,016</b>	<b>4,952</b>		<b>\$396,819</b>		<b>2,157,937</b>		<b>\$68,246</b>	<b>\$21,821</b>	<b>\$9,880</b>	<b>\$31,701</b>	<b>\$496,766</b>
* Lost revenue and efficiency incentives are based on prospective values.												

1888												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 4A of	17
YEAR 3( 1st HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	INCENTIVE (11)	RECOVERED (12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)X(10)	(4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	544	1,768	\$184.44	\$100,334	682	1,205,776	\$0.03	\$37,524	\$11,304	n/a	\$11,304	\$149,162
Targeted Energy Efficiency - All Electric	122	565	\$1,132.92	\$138,216	2,784	1,572,960	\$0.03	\$48,935	\$0	\$6,911	\$6,911	\$194,062
- Non-All Electric	24	203	\$112.82	\$2,710	340	69,020	\$0.03	\$2,156	\$40	n/a	\$40	\$4,906
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	21	887	\$70.10	\$1,472	1,094	970,378	\$0.03	\$30,218	\$162	n/a	\$162	\$31,842
- Non Resistance Heat	26	848	\$70.00	\$1,820	442	374,816	\$0.03	\$11,679	\$767	n/a	\$767	\$14,266
High - Efficiency Heat Pump - Mobile Home	60	616	\$535.30	\$36,330	1,250	770,000	\$0.03	\$23,947	\$2,145	n/a	\$2,145	\$61,422
Mobile Home New Construction	0	82	n/a	\$0	0	0	n/a		\$0	\$0	\$0	\$0
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>803</b>	<b>5,238</b>		<b>\$279,882</b>		<b>4,971,558</b>		<b>\$154,725</b>	<b>\$14,398</b>	<b>\$6,911</b>	<b>\$21,309</b>	<b>\$455,916</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	204	597	\$194.13	\$39,602	0	0	n/a		\$0	\$1,980	\$1,980	\$41,582
- Class 2	28	60	\$1,600.00	\$44,800	0	0	n/a		\$0	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	8	16	\$5,581.50	\$44,652	22,200	355,200	\$0.04	\$15,043	\$6,506	n/a	\$6,506	\$65,201
Smart Financing - New Building	1	1	\$4,664.00	\$4,564	16,300	15,300	\$0.04	\$654	\$29	\$0	\$29	\$5,247
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>241</b>	<b>674</b>		<b>\$133,618</b>		<b>370,500</b>		<b>\$15,697</b>	<b>\$6,535</b>	<b>\$4,220</b>	<b>\$10,755</b>	<b>\$160,070</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	12	51	\$246.08	\$2,953	0	0	n/a		\$0	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,800.00	\$1,800	0	0	n/a		\$0	\$90	\$90	\$1,890
Smart Financing - General	0	0	\$0.00	\$1,336	29,250	0	\$0.04	\$0	\$0	\$67	\$67	\$1,405
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>13</b>	<b>54</b>		<b>\$6,091</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$305</b>	<b>\$305</b>	<b>\$6,396</b>
<b>TOTAL COMPANY</b>	<b>1,057</b>	<b>5,966</b>		<b>\$419,591</b>		<b>5,342,058</b>		<b>\$170,422</b>	<b>\$20,933</b>	<b>\$11,436</b>	<b>\$32,369</b>	<b>\$622,382</b>
* Lost revenue and efficiency incentives are based on prospective values.												

1998												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 4B of	17
YEAR 3( 2nd HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
				(1)X(3)		(2)X(6)		(6)X(7)		(4)X( 5%)	(8)X(10)	(4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	448	2,277	\$301.30	\$134,982	682	1,652,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,518
Targeted Energy Efficiency - All Electric	131	697	\$1,187.51	\$155,564	2,784	1,940,448	\$0.03	\$69,367	\$0	\$7,778	\$7,778	\$223,709
- Non-All Electric	42	238	\$139.62	\$5,864	340	80,920	\$0.03	\$2,528	\$70	\$0	\$70	\$8,462
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	108	940	\$147.46	\$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	\$6,623	\$0	\$6,623	\$124,333
Mobile Home New Construction	33	11	\$649.45	\$18,132	0	0	n/a	\$0	\$907	\$907	\$19,039	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>899</b>	<b>6,090</b>		<b>\$424,101</b>		<b>5,961,398</b>		<b>\$185,525</b>	<b>\$17,645</b>	<b>\$8,685</b>	<b>\$26,330</b>	<b>\$835,956</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	176	795	\$534.85	\$95,203	0	0	n/a	\$0	\$4,760	\$4,760	\$99,963	
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a	\$0	\$1,260	\$1,260	\$26,460	
Smart Financing - Existing Building	29	32	\$1,878.86	\$54,487	22,200	710,400	\$0.04	\$30,085	\$23,585	\$0	\$23,585	\$108,167
Smart Financing - New Building	5	6	\$1,529.20	\$7,646	15,300	91,800	\$0.04	\$3,926	\$144	\$0	\$144	\$11,716
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>221</b>	<b>906</b>		<b>\$182,536</b>		<b>802,200</b>		<b>\$34,011</b>	<b>\$23,729</b>	<b>\$8,020</b>	<b>\$29,749</b>	<b>\$246,286</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	3	59	\$852.33	\$2,557	0	0	n/a	\$0	\$128	\$128	\$2,685	
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$383	\$0	\$383	\$2,813
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>4</b>	<b>63</b>		<b>\$4,987</b>		<b>0</b>		<b>\$0</b>	<b>\$383</b>	<b>\$128</b>	<b>\$511</b>	<b>\$5,498</b>
<b>TOTAL COMPANY</b>	<b>1,224</b>	<b>7,039</b>		<b>\$611,624</b>		<b>6,763,598</b>		<b>\$219,536</b>	<b>\$41,757</b>	<b>\$14,833</b>	<b>\$56,590</b>	<b>\$887,750</b>
* Lost revenue and efficiency incentives are based on prospective values.												

1998												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 5A of	17
YEAR 4 ( 1st HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG. 16B)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)(3)	(KWH/PARTIC) (5) (6)	KWH/HALF (6) (2)(5)	(\$/KWH) (7)	REVENUES (8) (6)(7)	PG. 16B) (9)	(5% of COSTS) (10) (4)(3) 5%	INCENTIVE (11) (9)(10)	RECOVERED (12) (4)(8)(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	306	2,694	\$312.58	\$96,650	707	1,904,658	\$0.03	\$69,273	\$10,370	\$0	\$10,370	\$165,293
Targeted Energy Efficiency - All Electric	76	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$16,150	\$0	\$7,153	\$7,153	\$185,359
- Non-All Electric	12	249	\$112.00	\$1,344	306	76,194	\$0.03	\$2,380	\$60	\$0	\$60	\$3,784
Compact Fluorescent Bulb	0	269	\$0.00	\$0	31	8,339	\$0.03	\$258	\$0	\$0	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	99	1,002	\$273.74	\$27,100	1,200	1,202,400	\$0.03	\$37,443	\$4,376	\$0	\$4,376	\$68,818
- Non Resistance Heat	2	853	\$50.00	\$100	442	377,026	\$0.03	\$11,748	\$0	\$5	\$5	\$11,653
High - Efficiency Heat Pump - Mobile Home	101	826	\$545.89	\$55,145	1,476	1,218,350	\$0.03	\$37,891	\$8,505	\$0	\$8,505	\$101,641
Mobile Home New Construction ***	98	46	\$587.20	\$57,546	1,758	79,020	\$0.03	\$2,458	\$4,353	\$0	\$4,353	\$64,397
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>693</b>	<b>6,711</b>		<b>\$379,941</b>		<b>5,352,977</b>		<b>\$166,601</b>	<b>\$27,683</b>	<b>\$7,158</b>	<b>\$34,821</b>	<b>\$581,363</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	186	964	\$204.71	\$38,076	0	0	n/a	\$0	\$1,904	\$1,904	\$1,904	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a	\$0	\$2,164	\$2,164	\$2,164	\$45,444
Smart Financing - Existing Building	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$28,687	\$1,395	\$0	\$1,395	\$60,740
Smart Financing - New Building	3	9	\$0.00	\$2,350	14,101	126,909	\$0.04	\$5,428	\$787	\$0	\$787	\$8,665
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>211</b>	<b>1,111</b>		<b>\$114,364</b>		<b>804,291</b>		<b>\$34,116</b>	<b>\$2,182</b>	<b>\$4,068</b>	<b>\$6,250</b>	<b>\$164,729</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	60	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>65</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>TOTAL COMPANY</b>	<b>904</b>	<b>7,920</b>		<b>\$494,305</b>		<b>6,215,218</b>		<b>\$200,716</b>	<b>\$29,846</b>	<b>\$11,226</b>	<b>\$41,071</b>	<b>\$736,092</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
* Lost revenue and efficiency incentives are based on prospective values.												
** Cumulative participants include a reduction for the cumulative participants as of 06/30/98.												
*** Participants since 09/01/98.												

1999												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											EXHIBIT C PAGE 5B of	17
YEAR 4 ( 2nd HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)(3)	(4)	(5)	(2)(6)	(7)	(6)(8)	(9)	(4)(10)	(9)(11)	(4)(8)+(12)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	2,619	\$0.00	\$972	707	1,760,933	\$0.03	\$55,423	\$0	\$0	\$0	\$56,395
Targeted Energy Efficiency - All Electric	66	709	\$1,222.76	\$80,702	630	441,000	\$0.03	\$13,720	\$0	\$4,035	\$4,035	\$98,457
- Non-All Electric	8	220	\$67.50	\$540	306	67,320	\$0.03	\$2,103	\$40	\$0	\$40	\$2,583
Compact Fluorescent Bulb	0	123	\$0.00	\$0	31	3,813	\$0.03	\$118	\$0	\$0	\$0	\$118
High - Efficiency Heat Pump - Resistance Heat	140	810	\$211.14	\$29,560	1,200	972,000	\$0.03	\$30,268	\$6,187	\$0	\$6,187	\$66,016
- Non Resistance Heat	0	593	\$0.00	\$0	447	265,071	\$0.03	\$8,260	\$0	\$0	\$0	\$8,260
High - Efficiency Heat Pump - Mobile Home	134	739	\$539.07	\$72,236	1,475	1,090,025	\$0.03	\$33,900	\$11,284	\$0	\$11,284	\$117,420
Mobile Home New Construction ***	123	196	\$581.42	\$71,915	1,755	343,880	\$0.03	\$10,698	\$5,464	\$0	\$5,464	\$87,677
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>471</b>	<b>5,900</b>		<b>\$255,525</b>		<b>4,864,142</b>		<b>\$154,490</b>	<b>\$22,975</b>	<b>\$4,035</b>	<b>\$27,010</b>	<b>\$437,025</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	188	1,129	\$356.11	\$66,948	0	0	n/a	\$0	\$0	\$3,347	\$3,347	\$70,295
- Class 2	21	103	\$2,705.00	\$56,805	0	0	n/a	\$0	\$0	\$2,840	\$2,840	\$59,646
Smart Financing - Existing Building	25	66	\$2,726.04	\$68,151	13,282	876,612	\$0.04	\$37,125	\$5,814	\$0	\$5,814	\$111,090
Smart Financing - New Building	8	13	\$3,087.00	\$24,696	14,101	183,313	\$0.04	\$7,840	\$2,099	\$0	\$2,099	\$34,635
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>242</b>	<b>1,311</b>		<b>\$216,600</b>		<b>1,059,925</b>		<b>\$44,965</b>	<b>\$7,913</b>	<b>\$6,187</b>	<b>\$14,100</b>	<b>\$275,665</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	57	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	1	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>62</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>713</b>	<b>7,273</b>		<b>\$472,125</b>		<b>6,024,067</b>		<b>\$199,455</b>	<b>\$30,888</b>	<b>\$10,222</b>	<b>\$41,110</b>	<b>\$712,690</b>

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

Year 2000												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 6A of	17
YEAR 5 (1st half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG. 16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(10)	(9)X(11)	(4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	2,161	\$0.00	\$0	707	1,527,827	\$0.03	\$47,646	\$0	\$0	\$0	\$47,546
Targeted Energy Efficiency - All Electric	66	659	\$1,272.61	\$83,992	630	416,170	\$0.03	\$12,916	\$0	\$4,200	\$4,200	\$101,108
- Non-AI Electric	28	202	\$80.82	\$2,543	306	61,812	\$0.03	\$1,931	\$141	\$0	\$141	\$4,615
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	38	683	\$200.00	\$7,600	1,200	819,600	\$0.03	\$25,522	\$1,679	\$0	\$1,679	\$34,801
- Non Resistance Heat	0	348	\$0.00	\$0	447	195,956	\$0.03	\$4,847	\$0	\$0	\$0	\$4,847
High - Efficiency Heat Pump - Mobile Home	49	683	\$500.00	\$22,600	1,475	1,007,425	\$0.03	\$31,331	\$3,789	\$0	\$3,789	\$57,620
Mobile Home New Construction ***	101	302	\$530.20	\$63,650	1,766	630,010	\$0.03	\$16,483	\$4,466	\$0	\$4,466	\$74,519
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>278</b>	<b>6,038</b>		<b>\$170,185</b>		<b>4,517,400</b>		<b>\$140,676</b>	<b>\$10,095</b>	<b>\$4,200</b>	<b>\$14,295</b>	<b>\$325,056</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	144	1,128	\$397.19	\$57,195	0	0	n/a	\$0	\$2,860	\$2,860	\$2,860	\$60,055
- Class 2	8	112	\$2,705.00	\$21,640	0	0	n/a	\$0	\$1,082	\$1,082	\$1,082	\$22,722
Smart Financing - Existing Building	16	88	\$1,307.31	\$20,917	13,282	1,142,252	\$0.04	\$48,374	\$3,721	\$0	\$3,721	\$73,012
Smart Financing - New Building	4	20	\$6,298.76	\$25,195	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$38,306
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>172</b>	<b>1,344</b>		<b>\$124,947</b>		<b>1,424,272</b>		<b>\$60,436</b>	<b>\$4,770</b>	<b>\$3,942</b>	<b>\$8,712</b>	<b>\$194,095</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>460</b>	<b>6,382</b>		<b>\$295,132</b>		<b>5,941,672</b>		<b>\$201,012</b>	<b>\$14,865</b>	<b>\$8,142</b>	<b>\$23,007</b>	<b>\$519,151</b>
* Lost revenue and efficiency incentives are based on prospective values.												
** Cumulative participants include a reduction for the cumulative participants as of 08/30/97.												
*** Participants since 09/01/98												



Year 2009												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 68 of	17
YEAR 5 (2nd half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
				(1)(3)		(2)(6)		(6)(7)		(4)(5)	(9)(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	1,626	\$0.00	\$0	706	1,076,650	\$0.03	\$33,605	\$0	\$0	\$0	\$33,605
Targeted Energy Efficiency - All Electric	89	583	\$1,116.41	\$110,428	630	367,290	\$0.03	\$11,428	\$0	\$5,921	\$5,921	\$127,373
- Non-All Electric	21	170	\$94.67	\$1,988	308	52,020	\$0.03	\$1,625	\$105	\$0	\$105	\$3,718
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	25	481	\$200.00	\$5,000	1,200	577,200	\$0.03	\$17,974	\$1,105	\$0	\$1,105	\$24,079
- Non Resistance Heat	0	147	\$0.00	\$0	446	65,562	\$0.03	\$2,043	\$0	\$0	\$0	\$2,043
High - Efficiency Heat Pump - Mobile Home	43	572	\$495.35	\$21,300	1,478	844,272	\$0.03	\$26,257	\$3,621	\$0	\$3,621	\$51,178
Mobile Home New Construction ***	94	403	\$576.00	\$54,050	1,765	707,265	\$0.03	\$21,996	\$4,175	\$0	\$4,175	\$80,221
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>282</b>	<b>3,881</b>		<b>\$182,764</b>		<b>3,690,269</b>		<b>\$114,826</b>	<b>\$9,006</b>	<b>\$5,521</b>	<b>\$14,527</b>	<b>\$322,117</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	159	1,026	\$165.24	\$26,273	0	0	n/a	\$0	\$0	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a	\$0	\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,288,364	\$0.04	\$64,662	\$6,581	\$0	\$6,581	\$82,092
Smart Financing - New Building	0	21	\$0.00	\$7,269	14,102	296,142	\$0.04	\$12,666	\$0	\$0	\$0	\$19,935
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>212</b>	<b>1,242</b>		<b>\$133,936</b>		<b>1,584,496</b>		<b>\$67,228</b>	<b>\$5,581</b>	<b>\$5,236</b>	<b>\$10,817</b>	<b>\$211,981</b>
<b>INDUSTRIAL PROGRAMS -</b>												
<b>(w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>
<b>TOTAL COMPANY</b>	<b>494</b>	<b>5,123</b>		<b>\$326,700</b>		<b>5,274,765</b>		<b>\$182,054</b>	<b>\$14,587</b>	<b>\$10,757</b>	<b>\$25,344</b>	<b>\$534,098</b>

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/97

\*\*\* Participants since 09/01/98.

Year 2001												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 7A of 17	
YEAR 6 (1st Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
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	635	\$1,276.94	\$79,170	630	337,050	\$0.03111	\$10,486	\$0	\$3,959	\$3,959	\$93,616
- Non-All Electric	18	137	\$87.89	\$1,682	308	41,922	\$0.03124	\$1,310	\$90	\$0	\$90	\$2,982
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007
- Non Resistance Heat	0	81	\$0.00	\$0	447	36,207	\$0.03118	\$1,128	\$0	\$0	\$0	\$1,128
High - Efficiency Heat Pump - Mobile Home	53	658	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,697	\$4,483	\$0	\$4,483	\$56,084
Mobile Home New Construction ***	83	488	\$537.04	\$44,574	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>239</b>	<b>3,281</b>		<b>\$164,974</b>		<b>3,358,377</b>		<b>\$104,493</b>	<b>\$9,256</b>	<b>\$3,959</b>	<b>\$13,215</b>	<b>\$272,682</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	134	1,017	\$321.82	\$43,124	0	0	n/a	\$0	\$0	\$2,166	\$2,166	\$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	16	112	\$2,308.00	\$34,635	13,282	1,487,584	\$0.04235	\$62,999	\$3,488	\$0	\$3,488	\$101,122
Smart Financing - New Building	8	25	\$4,016.13	\$32,129	14,101	352,528	\$0.04277	\$16,077	\$2,089	\$0	\$2,089	\$49,305
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>186</b>	<b>1,259</b>		<b>\$152,168</b>		<b>1,840,109</b>		<b>\$78,076</b>	<b>\$5,587</b>	<b>\$4,270</b>	<b>\$9,857</b>	<b>\$240,101</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>424</b>	<b>4,540</b>		<b>\$307,142</b>		<b>5,198,486</b>		<b>\$182,569</b>	<b>\$14,843</b>	<b>\$8,229</b>	<b>\$23,072</b>	<b>\$512,783</b>

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/99.

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

Year 2001												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 7B of 17	
YEAR 6 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE	TOTAL *	TOTAL EST. COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	KWH/HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X(5%)	INCENTIVE (11) (9)X(10)	RECOVERED (12) (4)X(8)X(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	635	\$0.00	\$0	706	377,710	\$0.03112	\$11,754	\$0	\$0	\$0	\$11,754
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	306,180	\$0.03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668
- Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0.03124	\$1,166	\$231	\$0	\$231	\$5,144
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0.03114	\$15,398	\$1,326	\$0	\$1,326	\$21,922
- Non Resistance Heat	0	35	\$0.00	\$0	446	16,610	\$0.03116	\$486	\$0	\$0	\$0	\$486
High - Efficiency Heat Pump - Mobile Home	47	469	\$510.64	\$24,000	1,476	692,244	\$0.03110	\$21,529	\$3,958	\$0	\$3,958	\$49,487
Mobile Home New Construction ***	92	668	\$555.43	\$51,100	1,765	996,840	\$0.03110	\$31,002	\$4,087	\$0	\$4,087	\$86,189
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>303</b>	<b>2,627</b>		<b>\$173,707</b>		<b>2,920,316</b>		<b>\$90,858</b>	<b>\$9,602</b>	<b>\$4,483</b>	<b>\$14,085</b>	<b>\$276,650</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	131	966	\$454.04	\$59,479	0	0	n/a	\$0	\$0	\$2,974	\$2,974	\$62,453
- Class 2	3	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	\$24,984	13,282	1,447,738	\$0.04235	\$61,312	\$3,488	\$0	\$3,488	\$89,764
Smart Financing - New Building	18	34	\$1,789.28	\$32,387	14,102	479,468	\$0.04277	\$20,507	\$4,722	\$0	\$4,722	\$57,616
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>169</b>	<b>1,220</b>		<b>\$165,916</b>		<b>1,927,206</b>		<b>\$81,819</b>	<b>\$8,210</b>	<b>\$5,428</b>	<b>\$13,638</b>	<b>\$261,373</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>472</b>	<b>3,847</b>		<b>\$339,623</b>		<b>4,847,522</b>		<b>\$172,677</b>	<b>\$17,812</b>	<b>\$9,911</b>	<b>\$27,723</b>	<b>\$540,023</b>

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 12/31/99

\*\*\* Participants since 07/01/98.

Year 2002												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 8A of 17	
YEAR 7 ( 1st Half )	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS KWH/HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES	EFFICIENCY (EX. C, PG.18B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(1)X(3)			(2)X(6)		(6)X(7)		(4)X(5%)	(8)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	116	\$0.00	\$0	707	82,012	\$0.03112	\$2,592	\$0	\$0	\$0	\$2,592
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	\$2,085	315	42,525	\$0.03124	\$1,328	\$137	\$0	\$137	\$3,580
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	\$12,830
- 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	\$819.77	\$28,850	1,144	473,616	\$0.03110	\$14,728	\$1,244	\$0	\$1,244	\$42,623
Mobile Home New Construction ***	57	588	\$641.77	\$38,581	1,809	1,027,512	\$0.03110	\$31,858	\$231	\$0	\$231	\$68,788
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>190</b>	<b>1,889</b>		<b>\$176,879</b>		<b>2,458,841</b>		<b>\$78,435</b>	<b>\$1,858</b>	<b>\$5,520</b>	<b>\$7,176</b>	<b>\$280,480</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	125	923	\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,708	\$2,708	\$58,821
- Class 2	8	104	\$3,711.00	\$28,888	0	0	n/a	\$0	\$0	\$1,484	\$1,484	\$31,172
Smart Financing - Existing Building	7	101	\$2,552.71	\$17,889	13,282	1,341,482	\$0.04235	\$58,812	\$1,828	\$0	\$1,828	\$78,308
Smart Financing - New Building	5	42	\$1,394.80	\$8,873	14,101	592,242	\$0.04277	\$25,330	\$1,312	\$0	\$1,312	\$33,815
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>145</b>	<b>1,170</b>		<b>\$108,645</b>		<b>1,933,724</b>		<b>\$82,142</b>	<b>\$2,940</b>	<b>\$4,190</b>	<b>\$7,130</b>	<b>\$187,917</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>341</b>	<b>3,159</b>		<b>\$285,524</b>		<b>4,390,565</b>		<b>\$158,577</b>	<b>\$4,598</b>	<b>\$8,710</b>	<b>\$14,308</b>	<b>\$458,407</b>

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

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

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

Year 2002												
											Exhibit C	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											PAGE 68 of 17	
YEAR 7 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)(X3)	(KWH/PARTIC)	(2)(X6)	(\$/KWH)	(6)(X7)		(4)(X6%)		(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	0	\$0.00	\$0	708	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency - All Electric	76	457	\$1,039.33	\$78,889	1,028	469,796	\$0.03111	\$14,616	\$0	\$3,949	\$3,949	\$97,553
- Non-All Electric	13	156	\$85.92	\$1,117	316	49,140	\$0.03124	\$1,535	\$58	\$0	\$58	\$2,708
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High-Efficiency Heat Pump - Resistance Heat	0	177	\$0.00	(\$352)	1,200	212,400	\$0.03114	\$6,614	\$0	\$0	\$0	\$6,262
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High-Efficiency Heat Pump - Mobile Home	43	308	\$603.84	\$25,968	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	\$68,769
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>193</b>	<b>1,617</b>		<b>\$145,031</b>		<b>2,022,559</b>		<b>\$62,921</b>	<b>\$1,548</b>	<b>\$3,949</b>	<b>\$5,497</b>	<b>\$213,449</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$0	\$3,721	\$3,721	\$78,143
- Class 2	0	90	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	25	97	\$909.78	\$22,744	13,282	1,288,354	\$0.04235	\$54,562	\$5,814	\$0	\$5,814	\$83,120
Smart Financing - New Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$26,538	\$4,197	\$0	\$4,197	\$69,534
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>41</b>	<b>1,017</b>		<b>\$135,965</b>		<b>1,908,842</b>		<b>\$81,100</b>	<b>\$10,011</b>	<b>\$3,721</b>	<b>\$13,732</b>	<b>\$230,797</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>234</b>	<b>2,634</b>		<b>\$280,996</b>		<b>3,931,401</b>		<b>\$144,021</b>	<b>\$11,559</b>	<b>\$7,670</b>	<b>\$19,229</b>	<b>\$444,246</b>

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

Year 2003												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 9A of	17
YEAR 8 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS KWH/HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/HALF (6) (2)X(5)	(7)	REVENUES (8) (6)X(7)	(EX. C, PG.16B) (9)	(5% of COSTS) (10) (4)X(5%)	(11) (9)+(10)	RECOVERED (12) (4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	100	467	\$949.84	\$84,984	1,028	480,076	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168
- Non-All Electric	7	151	\$79.29	\$555	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	94	\$0.00	\$0	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	34	268	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$9,535	\$983	\$0	\$983	\$23,418
Mobile Home New Construction ***												
- Heat Pump	46	460	\$482.61	\$22,200	1,808	831,680	\$0.03110	\$25,865	\$187	\$0	\$187	\$48,262
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	101	23	\$142.72	\$14,415	1,194	27,462	\$0.03116	\$856	\$2,127	\$0	\$2,127	\$17,398
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>288</b>	<b>1,463</b>		<b>\$135,054</b>		<b>1,806,024</b>		<b>\$56,185</b>	<b>\$3,327</b>	<b>\$4,249</b>	<b>\$7,576</b>	<b>\$198,815</b>
=====												
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	620	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	73	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	110	\$0.00	\$0	13,282	1,461,020	\$0.04235	\$61,874	\$0	\$0	\$0	\$61,874
Smart Financing - New Building	0	49	\$0.00	\$0	14,101	690,949	\$0.04277	\$29,552	\$0	\$0	\$0	\$29,552
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>852</b>		<b>\$0</b>		<b>2,151,969</b>		<b>\$91,426</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$91,426</b>
=====												
<b>INDUSTRIAL PROGRAMS -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>288</b>	<b>2,315</b>		<b>\$135,054</b>		<b>3,957,993</b>		<b>\$147,611</b>	<b>\$3,327</b>	<b>\$4,249</b>	<b>\$7,576</b>	<b>\$290,241</b>
=====												
* Lost revenue and efficiency incentives are based on prospective values.												
** Cumulative participants include a reduction for the cumulative participants as of 06/30/2000.												
*** Participants since 01/01/2000.												

Year 2003												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 9B of	17
YEAR 8 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS KWH/HALF	NET LOST REVENUE \$/KWH	TOTAL NET * LOST REVENUES \$/KWH	EFFICIENCY INCENTIVE (EX. C, PG.18B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(4) (1)X(3)	(5) (KWH/ PARTICIPANT)	(6) (2)X(5)	(7)	(8) (6)X(7)	(9)	(10) (4)X(5%)	(11)	(12) (4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	0	\$0.00	\$0	708	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	89	473	\$874.84	\$67,271	1,028	488,244	\$0.03111	\$15,127	\$0	\$3,384	\$3,384	\$85,762
- Non-All Electric	69	187	\$78.10	\$5,251	318	52,772	\$0.03124	\$1,848	\$295	\$0	\$295	\$7,185
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	63	\$0.00	\$0	1,260	75,600	\$0.03114	\$2,354	\$0	\$0	\$0	\$2,354
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03118	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	29	258	\$453.45	\$13,150	1,144	282,864	\$0.03110	\$8,108	\$839	\$0	\$839	\$23,097
Mobile Home New Construction ***												
- Heat Pump	64	419	\$649.59	\$41,574	1,810	758,380	\$0.03110	\$23,588	\$260	\$0	\$260	\$65,420
- Air Conditioner	1	0	\$150.00	\$150	158	0	\$0.03124	\$0	\$0	\$0	\$0	\$150
Modified Energy Fitness	441	324	\$431.43	\$180,262	1,184	388,858	\$0.03118	\$12,054	\$9,287	\$0	\$9,287	\$211,003
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>673</b>	<b>1,702</b>		<b>\$317,858</b>		<b>2,052,726</b>		<b>\$63,878</b>	<b>\$10,681</b>	<b>\$3,384</b>	<b>\$14,045</b>	<b>\$395,581</b>
=====												
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	453	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	83	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	77	\$0.00	\$0	13,282	1,022,714	\$0.04235	\$43,312	\$0	\$0	\$0	\$43,312
Smart Financing - New Building	0	47	\$0.00	\$0	14,102	662,784	\$0.04277	\$28,348	\$0	\$0	\$0	\$28,348
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>640</b>		<b>\$0</b>		<b>1,685,508</b>		<b>\$71,660</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$71,660</b>
=====												
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
=====												
<b>TOTAL COMPANY</b>	<b>673</b>	<b>2,342</b>		<b>\$317,858</b>		<b>3,738,234</b>		<b>\$135,538</b>	<b>\$10,681</b>	<b>\$3,384</b>	<b>\$14,045</b>	<b>\$467,241</b>
=====												
* Lost revenue and efficiency incentives are based on prospective values.												
** Cumulative participants include a reduction for the cumulative participants as of 12/31/2000.												
*** Participants since 07/01/2000.												

Year 2004												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 10A of 17	
YEAR 9 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS KWH/ HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.10B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11) (8)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(4) (1)X(3)	(5) (KWH/PARTIC)	(6) (2)X(5)	(7)	(8)	(9)	(10) (4)X(5%)	(11)	(12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	72	483	\$751.54	\$54,111	1,028	475,864	\$0.03111	\$14,807	\$0	\$2,708	\$2,708	\$71,624
- Non-All Electric	10	179	\$78.80	\$788	314	58,208	\$0.03124	\$1,758	\$43	\$0	\$43	\$2,585
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	42	\$0.00	\$0	1,200	50,400	\$0.03114	\$1,569	\$0	\$0	\$0	\$1,569
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	41	247	\$428.05	\$17,550	1,144	282,568	\$0.03110	\$8,788	\$1,188	\$0	\$1,188	\$27,524
Mobile Home New Construction ***												
- Heat Pump	68	394	\$503.88	\$34,250	1,808	712,352	\$0.03110	\$22,154	\$278	\$0	\$278	\$58,880
- Air Conditioner	1	1	\$150.00	\$150	157	157	\$0.03124	\$5	\$0	\$0	\$0	\$155
Modified Energy Fitness	334	735	\$417.78	\$139,531	1,184	877,590	\$0.03118	\$27,348	\$7,034	\$0	\$7,034	\$173,911
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>528</b>	<b>2,061</b>		<b>\$248,378</b>		<b>2,455,237</b>		<b>\$78,425</b>	<b>\$8,539</b>	<b>\$2,708</b>	<b>\$11,245</b>	<b>\$334,048</b>
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	808,343	\$0.04277	\$25,933	\$0	\$0	\$0	\$25,933
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>465</b>		<b>\$0</b>		<b>1,323,571</b>		<b>\$56,308</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$56,308</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>528</b>	<b>2,526</b>		<b>\$248,378</b>		<b>3,778,808</b>		<b>\$132,733</b>	<b>\$8,539</b>	<b>\$2,708</b>	<b>\$11,245</b>	<b>\$390,356</b>

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2001.

\*\*\* Participants since 01/01/2001.



Year 2004												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C	
											PAGE 10B of	17
YEAR 9 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS KWH/ HALF (2)X(5)	NET LOST REVENUE (\$/KWH) (7)	TOTAL NET * LOST (8)X(7)	EFFICIENCY INCENTIVE (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(5)	(6)	(7)	(8)X(7)	(EX. C. PG.18B) (9)	(5% of COSTS) (10)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	708	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	89	482	\$1,118.43	\$99,540	1,028	474,938	\$0.03111	\$14,775	\$0	\$4,977	\$4,977	\$119,292
- Non-All Electric	72	205	\$60.60	\$4,363	316	64,780	\$0.03124	\$2,024	\$308	\$0	\$308	\$8,895
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	15	\$0.00	\$0	1,200	18,000	\$0.03114	\$581	\$0	\$0	\$0	\$581
- Non Resistance Heat	0	0	\$0.00	\$0	448	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	46	239	\$469.57	\$21,800	1,144	273,416	\$0.03110	\$8,503	\$1,330	\$0	\$1,330	\$31,433
Mobile Home New Construction ***												
- Heat Pump	70	379	\$597.14	\$41,800	1,810	685,890	\$0.03110	\$21,334	\$284	\$0	\$284	\$83,418
- Air Conditioner	0	2	#DIV/0!	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	391	1,070	\$347.20	\$135,756	1,184	1,277,580	\$0.03116	\$39,809	\$8,234	\$0	\$8,234	\$183,799
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>668</b>	<b>2,372</b>		<b>\$303,059</b>		<b>2,795,018</b>		<b>\$87,018</b>	<b>\$10,156</b>	<b>\$4,977</b>	<b>\$15,133</b>	<b>\$405,208</b>
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	544,582	\$0.04235	\$23,082	\$0	\$0	\$0	\$23,082
Smart Financing - New Building	0	30	\$0.00	\$0	14,102	423,080	\$0.04277	\$18,094	\$0	\$0	\$0	\$18,094
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>272</b>		<b>\$0</b>		<b>887,662</b>		<b>\$41,156</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$41,156</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>668</b>	<b>2,644</b>		<b>\$303,059</b>		<b>3,762,640</b>		<b>\$128,172</b>	<b>\$10,156</b>	<b>\$4,977</b>	<b>\$15,133</b>	<b>\$446,364</b>

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

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

\*\*\* Participants since 07/01/2001.

Year 2005												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 11A of	17
YEAR 10 (1st Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET *	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ACTUAL COSTS TO BE
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (8)X(7)	(EX. C. PG.10B) (9)	(5% of COSTS) (10) (4)X(5%)	INCENTIVE (11) (9)+(10)	RECOVERED (12) (4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	88	477	\$1,109.22	\$97,611	886	427,392	\$0.03111	\$13,298	\$0	\$4,881	\$4,881	\$115,788
- Non-All Electric	67	218	\$62.47	\$3,561	287	58,208	\$0.03124	\$1,818	\$1,125	\$0	\$1,125	\$6,504
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	34	231	\$560.21	\$19,047	1,145	284,495	\$0.03110	\$8,228	\$2,693	\$0	\$2,693	\$29,988
Mobile Home New Construction ***												
- Heat Pump	87	371	\$814.65	\$41,195	1,808	670,788	\$0.03110	\$20,881	\$8,372	\$0	\$8,372	\$70,428
- Air Conditioner	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	371	1,479	\$400.87	\$148,723	613	906,627	\$0.03118	\$28,250	\$15,612	\$0	\$15,612	\$192,585
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>617</b>	<b>2,778</b>		<b>\$310,137</b>		<b>2,327,802</b>		<b>\$72,461</b>	<b>\$27,802</b>	<b>\$4,881</b>	<b>\$32,683</b>	<b>\$415,281</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	64	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	3	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	29	\$0.00	\$0	13,282	385,178	\$0.04235	\$16,312	\$0	\$0	\$0	\$18,312
Smart Financing - New Building	0	18	\$0.00	\$0	14,101	253,818	\$0.04277	\$10,858	\$0	\$0	\$0	\$10,858
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>114</b>		<b>\$0</b>		<b>638,996</b>		<b>\$27,168</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,168</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>617</b>	<b>2,892</b>		<b>\$310,137</b>		<b>2,986,798</b>		<b>\$99,629</b>	<b>\$27,802</b>	<b>\$4,881</b>	<b>\$32,683</b>	<b>\$442,449</b>

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/2002.

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

Year 2005												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 11B of	17
YEAR 10 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	PROGRAM	PROGRAM	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ACTUAL
PROGRAM DESCRIPTIONS	NUMBER	NUMBER **	PER PARTICIPANT	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C. PG.16B)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(8)X(7)		(4)X(5%)	(8)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	708	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	85	492	\$1,207.52	\$102,639	898	440,832	\$0.03111	\$13,714	\$0	\$5,132	\$5,132	\$121,485
- Non-All Electric	26	233	\$85.85	\$1,712	268	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	\$476.76	\$19,071	1,144	257,400	\$0.03110	\$9,005	\$3,168	\$0	\$3,168	\$30,244
Mobile Home New Construction ***												
- Heat Pump	83	385	\$544.23	\$45,171	1,810	698,850	\$0.03110	\$21,872	\$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	1,828	\$373.12	\$130,985	812	1,117,512	\$0.03116	\$34,822	\$14,770	\$0	\$14,770	\$180,557
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>585</b>	<b>3,163</b>		<b>\$299,558</b>		<b>2,574,888</b>		<b>\$80,159</b>	<b>\$28,823</b>	<b>\$5,132</b>	<b>\$33,855</b>	<b>\$413,872</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	20	\$0.00	\$0	13,282	265,640	\$0.04235	\$11,250	\$0	\$0	\$0	\$11,250
Smart Financing - New Building	0	11	\$0.00	\$0	14,102	155,122	\$0.04277	\$6,635	\$0	\$0	\$0	\$6,635
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>31</b>		<b>\$0</b>		<b>420,762</b>		<b>\$17,885</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,885</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>585</b>	<b>3,194</b>		<b>\$299,558</b>		<b>2,995,650</b>		<b>\$98,044</b>	<b>\$28,823</b>	<b>\$5,132</b>	<b>\$33,855</b>	<b>\$431,557</b>

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

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

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

Year 2006												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 12A of	17
YEAR 11 (1st HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/ HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES (8)X(7)	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	(1)X(3)	(KWH/ PARTICIPANT) (5)	(KWH/ HALF) (6)	(7)	(8)X(7)	(9)	(10)	(11)	(12)
										(4)X(5%)		(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	75	496	\$974.31	\$73,073	898	444,418	\$0.03111	\$13,828	\$0	\$3,854	\$3,654	\$90,553
- Non-All Electric	34	249	\$84.58	\$2,875	267	88,483	\$0.03124	\$2,077	\$671	\$0	\$671	\$5,623
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03118	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	48	230	\$446.08	\$21,411	1,145	283,350	\$0.03110	\$8,180	\$3,802	\$0	\$3,802	\$33,403
Mobile Home New Construction ***												
- Heat Pump	80	425	\$581.21	\$50,509	1,810	789,250	\$0.03110	\$23,924	\$11,248	\$0	\$11,248	\$85,878
- Air Conditioner	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	440	2,185	\$275.33	\$121,144	813	1,339,405	\$0.03118	\$41,738	\$18,515	\$0	\$18,515	\$181,385
TOTAL RESIDENTIAL PROGRAMS	887	3,587		\$288,012		2,883,218		\$88,783	\$34,234	\$3,854	\$37,888	\$398,663
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	887	3,587		\$288,012		2,883,218		\$88,783	\$34,234	\$3,854	\$37,888	\$398,663

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

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

\*\*\* Participants since 01/01/2003.

Year 2006												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 129 of	17
YEAR 11 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(EX. C. PG.16B) (9)	(5% of COSTS) (10) (4)X(5%)	(9)+(10)	(12) (4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	0	\$0.00	\$0	708	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	87	481	\$1,147.46	\$98,829	896	430,976	\$0.03111	\$13,408	\$0	\$4,991	\$4,991	\$118,226
- Non-All Electric	46	254	\$84.00	\$3,864	268	67,584	\$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	\$6,717	\$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	660	2,391	\$427.65	\$239,596	612	1,463,292	\$0.03116	\$45,596	\$23,565	\$0	\$23,565	\$308,757
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>832</b>	<b>3,833</b>		<b>\$415,139</b>		<b>3,074,108</b>		<b>\$95,707</b>	<b>\$39,783</b>	<b>\$4,991</b>	<b>\$44,774</b>	<b>\$555,620</b>
=====												
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
=====												
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>832</b>	<b>3,833</b>		<b>\$415,139</b>		<b>3,074,108</b>		<b>\$95,707</b>	<b>\$39,783</b>	<b>\$4,991</b>	<b>\$44,774</b>	<b>\$555,620</b>
=====												

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

Year 2007												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 13A of	17
YEAR 12 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C. PG.10B) (9)	(5% of COSTS) (10)	INCENTIVE (11)	(12)
			(1)X(3)			(2)X(6)		(8)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	128	295	\$1,022.27	\$130,851	898	284,320	\$0.04348	\$11,487	\$0	\$8,543	\$8,543	\$148,881
- Non-All Electric	29	115	\$68.48	\$2,508	277	31,855	\$0.04392	\$1,390	\$572	\$0	\$572	\$4,470
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03118	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	50	153	\$450.00	\$22,500	1,146	175,185	\$0.04348	\$7,814	\$3,980	\$0	\$3,980	\$34,074
Mobile Home New Construction ***												
- Heat Pump	84	304	\$583.10	\$47,300	1,810	550,240	\$0.04348	\$23,824	\$10,497	\$0	\$10,497	\$81,721
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.04343	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	515	1,605	\$381.00	\$198,214	813	883,885	\$0.04349	\$42,788	\$21,871	\$0	\$21,871	\$280,873
Case No 2008 - 00373, Dated December 14, 2008:												
- HEAP - Kentucky Power Company's Information Technology Implementation Costs				\$58,988								\$58,988
- HEAP - KACA's Information Technology Implementation Costs				\$15,700								\$15,700
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>808</b>	<b>2,472</b>		<b>\$474,041</b>		<b>2,005,485</b>		<b>\$87,203</b>	<b>\$38,700</b>	<b>\$8,543</b>	<b>\$43,243</b>	<b>\$804,487</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>808</b>	<b>2,472</b>		<b>\$474,041</b>		<b>2,005,485</b>		<b>\$87,203</b>	<b>\$38,700</b>	<b>\$8,543</b>	<b>\$43,243</b>	<b>\$804,487</b>

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

Year 2007												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 13B of	17
YEAR 12 (2nd Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/ PARTICIPANT)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(5)	(6) HALF (2)X(5)	(7)	REVENUES (8) (6)X(7)	(EX. C, PG.16B) (9)	(5% of COSTS) (10) (4)X(5%)	(11) (9)+(10)	(12) (4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	100	421	\$679.82	\$67,982	896	377,216	\$0.04346	\$16,394	\$0	\$4,399	\$4,399	\$108,775
- Non-All Electric	50	151	\$99.58	\$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	1,806	770,208	\$0.04348	\$33,489	\$16,120	\$0	\$16,120	\$120,809
- Air Conditioner	0	0	\$0.00	\$0	158	0	\$0.04343	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	485	2,113	\$353.79	\$171,590	612	1,293,156	\$0.04349	\$56,239	\$20,409	\$0	\$20,409	\$248,238
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>809</b>	<b>3,320</b>	<b>\$355,501</b>	<b>\$171,590</b>	<b>2,721,352</b>	<b>2,721,352</b>	<b>\$118,331</b>	<b>\$41,080</b>	<b>\$4,399</b>	<b>\$45,479</b>	<b>\$519,311</b>	
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>INDUSTRIAL PROGRAMS - (w/Eat. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>TOTAL COMPANY</b>	<b>809</b>	<b>3,320</b>	<b>\$355,501</b>	<b>\$171,590</b>	<b>2,721,352</b>	<b>2,721,352</b>	<b>\$118,331</b>	<b>\$41,080</b>	<b>\$4,399</b>	<b>\$45,479</b>	<b>\$519,311</b>	

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

Year 2008												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 14A of	17
YEAR 13 (1st HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(\$/KWH) (7)	REVENUES (8)	(EX. C. PG.16B) (9)	(5% of COSTS) (10)	INCENTIVE (11)	(4)+(8)+(11) (12)
RESIDENTIAL PROGRAMS								(8)X(7) (9)		(4)X(5%) (10)	(9)+(10) (11)	(4)+(8)+(11) (12)
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	119	521	\$1,358.15	\$181,820	1,016	529,338	\$0.04346	\$23,005	\$9,189	\$0	\$9,189	\$193,814
- Non-All Electric	56	199	\$83.11	\$4,854	588	111,328	\$0.04345	\$4,837	\$3,454	\$0	\$3,454	\$12,945
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	61	252	\$457.38	\$27,900	875	220,500	\$0.04346	\$9,583	\$8,539	\$0	\$8,539	\$46,022
Mobile Home New Construction ***												
- Heat Pump	95	520	\$552.83	\$52,500	861	447,720	\$0.04348	\$19,487	\$10,597	\$0	\$10,597	\$82,594
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	580	2,612	\$381.32	\$202,339	435	1,136,220	\$0.04349	\$48,414	\$27,871	\$0	\$27,871	\$279,624
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>891</b>	<b>4,101</b>		<b>\$449,013</b>		<b>2,445,104</b>		<b>\$108,308</b>	<b>\$59,650</b>	<b>\$0</b>	<b>\$59,650</b>	<b>\$614,989</b>
=====												
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
=====												
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>891</b>	<b>4,101</b>		<b>\$449,013</b>		<b>2,445,104</b>		<b>\$108,308</b>	<b>\$59,650</b>	<b>\$0</b>	<b>\$59,650</b>	<b>\$614,989</b>
=====												

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

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

\*\*\* Participants since 07/01/2005.



Year 2008												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 14B of	17
YEAR 13 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/ HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(9)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS						(2)X(6)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(9)+(11)
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	\$89,218	1,016	553,720	\$0.04348	\$24,065	\$6,873	\$0	\$6,873	\$119,156
- Non-All Electric	20	223	\$97.50	\$1,750	588	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	252,588	\$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	\$150,792	435	1,214,955	\$0.04349	\$52,836	\$21,899	\$0	\$21,899	\$231,520
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>731</b>	<b>4,398</b>		<b>\$338,910</b>		<b>2,819,205</b>		<b>\$113,875</b>	<b>\$52,412</b>	<b>\$0</b>	<b>\$52,412</b>	<b>\$505,197</b>
=====												
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
=====												
<b>INDUSTRIAL PROGRAMS -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>731</b>	<b>4,398</b>		<b>\$338,910</b>		<b>2,819,205</b>		<b>\$113,875</b>	<b>\$52,412</b>	<b>\$0</b>	<b>\$52,412</b>	<b>\$505,197</b>
=====												
* Lost revenue and efficiency incentives are based on prospective values.												
** Cumulative participants include a reduction for the cumulative participants as of 01/01/2008.												

Year 2009												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												Exhibit C PAGE 15A of 17
YEAR 14 (1st HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	ACTUAL	ACTUAL	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ESTIMATED
	NUMBER	NUMBER	PER	COSTS	(KWH/ PARTICIPANT)	KWH/ HALF	(\$/KWH)	REVENUES	(EX. C, PG.16B)	(5% of COSTS)	INCENTIVE	RECOVERED
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	119	675	** \$1,060.16	\$126,159	1,016	584,200	\$0.04346	\$25,389	\$9,189	\$0	\$9,189	\$160,737
- Non-All Electric	22	210	** \$93.27	\$2,052	588	119,280	\$0.04352	\$5,191	\$1,357	\$0	\$1,357	\$8,600
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	61	299	** \$449.18	\$27,400	875	281,625	\$0.04380	\$11,381	\$8,539	\$0	\$8,539	\$47,320
Mobile Home New Construction												
- Heat Pump	88	552	** \$552.84	\$48,650	861	475,272	\$0.04351	\$20,679	\$9,816	\$0	\$9,816	\$79,145
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	425	2,775	** \$383.51	\$162,993	435	1,207,125	\$0.04345	\$52,450	\$21,152	\$0	\$21,152	\$236,595
High Efficiency Heat Pump												
- Resistance Heat Replacement	28	7	*** \$305.36	\$8,550	1,879	13,153	\$0.04349	\$572	\$13,387	\$0	\$13,387	\$22,509
- Heat Pump Replacement	61	16	*** \$442.62	\$27,000	301	4,816	\$0.04363	\$210	\$0	\$1,350	\$1,350	\$28,560
Energy Education for Student Program (NEED)	0	0	#DIV/0!	\$8,139	92	0	\$0.04370	\$0	\$0	\$0	\$0	\$8,139
Community Outreach Program (CFL)	926	149	*** \$5.84	\$5,404	92	13,708	\$0.04370	\$599	\$4,621	\$0	\$4,621	\$10,624
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>1,730</b>	<b>4,583</b>		<b>\$416,347</b>		<b>2,679,179</b>		<b>\$116,471</b>	<b>\$68,061</b>	<b>\$1,350</b>	<b>\$69,411</b>	<b>\$602,229</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>1,730</b>	<b>4,583</b>		<b>\$416,347</b>		<b>2,679,179</b>		<b>\$116,471</b>	<b>\$68,061</b>	<b>\$1,350</b>	<b>\$69,411</b>	<b>\$602,229</b>

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

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

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

Year 2009												Revised - October 28, 2009	
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 15B of 17		
YEAR 14 (3rd QTR)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/ QTR)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (6)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.18B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ESTIMATED COSTS TO BE (12) (4)+(8)+(11)	
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	(4) (1)X(3)	(5) (KWH/ PARTICIPANT)	(6) KWH/ QTR (2)X(5)	(7) (\$/KWH)	(8) REVENUES (6)X(7)	(9)	(10) (4)X(5%)	(11) (9)+(10)	(12) (4)+(8)+(11)	
<b>RESIDENTIAL PROGRAMS</b>													
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	45	623	** \$1,079.00	\$48,555	508	318,484	\$0.04346	\$13,764	\$3,475	\$0	\$3,475	\$65,784	
- Non-All Electric	27	207	** \$125.00	\$3,375	284	58,788	\$0.04362	\$2,558	\$1,665	\$0	\$1,665	\$7,598	
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	24	321	** \$450.00	\$10,800	437	140,277	\$0.04360	\$8,102	\$3,360	\$0	\$3,360	\$20,282	
Mobile Home New Construction													
- Heat Pump	48	566	** \$550.00	\$28,400	430	243,380	\$0.04361	\$10,589	\$5,354	\$0	\$5,354	\$42,343	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	189	2,795	** \$376.04	\$71,071	218	609,310	\$0.04346	\$28,475	\$9,407	\$0	\$9,407	\$106,853	
High Efficiency Heat Pump													
- Resistance Heat Replacement	15	36	\$450.00	\$8,750	840	33,840	\$0.04348	\$1,472	\$7,172	\$0	\$7,172	\$15,394	
- Heat Pump Replacement	30	76	** \$460.00	\$13,500	150	11,400	\$0.04363	\$498	\$0	\$675	\$875	\$14,871	
Energy Education for Student Program (NEED)	1,200	500	** \$18.33	\$22,000	46	27,600	\$0.04370	\$1,208	\$5,976	\$0	\$5,976	\$29,182	
Community Outreach Program (CFL)	1,287	1,570	** \$13.52	\$17,398	46	72,220	\$0.04370	\$3,158	\$8,422	\$0	\$8,422	\$26,976	
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>2,865</b>	<b>6,794</b>		<b>\$219,849</b>		<b>1,513,289</b>		<b>\$85,808</b>	<b>\$42,831</b>	<b>\$875</b>	<b>\$43,506</b>	<b>\$329,163</b>	
<b>COMMERCIAL PROGRAMS</b>													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>TOTAL COMPANY</b>	<b>2,865</b>	<b>6,794</b>		<b>\$219,849</b>		<b>1,513,289</b>		<b>\$85,808</b>	<b>\$42,831</b>	<b>\$675</b>	<b>\$43,506</b>	<b>\$329,163</b>	

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

\*\* Cumulative participants include a reduction for the cumulative participants as of 10/01/2006.

\*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2008 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

Year 2009													Revised - October 28, 2009												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													Exhibit C PAGE 15C of 17												
YEAR 14 (4th QTR)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	AVERAGE ESTIMATED PROGRAM COSTS	TOTAL ESTIMATED PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ QTR	NET LOST REVENUE (\$/KWH)	TOTAL NET *	EFFICIENCY INCENTIVE	MAXIMIZING INCENTIVE	TOTAL *	TOTAL ESTIMATED COSTS TO BE RECOVERED													
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	(4) (1)X(3)	(5) (KWH/ PARTICIPANT)	(6) KWH/ QTR (2)X(5)	(7) (\$/KWH)	(8) REVENUES (6)X(7)	(9) (EX. C, PG.16B)	(10) (6% of COSTS) (4)X(5%)	(11) INCENTIVE (9)+(10)	(12) RECOVERED (4)+(8)+(11)													
<b>RESIDENTIAL PROGRAMS</b>																									
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0													
Targeted Energy Efficiency																									
- All Electric	46	623	** \$1,079.65	\$49,664	508	316,484	\$0.04346	\$13,754	\$3,552	\$0	\$3,552	\$66,870													
- Non-All Electric	29	218	** \$125.00	\$3,625	284	61,912	\$0.04362	\$2,684	\$1,789	\$0	\$1,789	\$8,108													
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	** \$462.00	\$11,300	437	142,899	\$0.04360	\$6,216	\$3,500	\$0	\$3,500	\$21,016													
Mobile Home New Construction																									
- Heat Pump	49	576	** \$544.90	\$26,700	430	247,880	\$0.04361	\$10,777	\$5,468	\$0	\$5,468	\$42,943													
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0													
Modified Energy Fitness	186	2,707	** \$376.00	\$69,936	217	587,419	\$0.04346	\$25,523	\$9,257	\$0	\$9,257	\$104,718													
High Efficiency Heat Pump																									
- Resistance Heat Replacement	15	51	*** \$450.00	\$6,750	939	47,899	\$0.04349	\$2,083	\$7,172	\$0	\$7,172	\$16,005													
- Heat Pump Replacement	30	106	*** \$460.00	\$13,500	150	15,900	\$0.04363	\$692	\$0	\$875	\$676	\$14,867													
Energy Education for Student Program (NEED)	0	1,200	*** #DIV/0!	\$0	46	55,200	\$0.04370	\$2,412	\$0	\$0	\$0	\$2,412													
Community Outreach Program (CFL)	1,287	2,857	*** \$13.52	\$17,398	46	131,422	\$0.04370	\$5,743	\$8,422	\$0	\$6,422	\$29,563													
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>1,687</b>	<b>8,685</b>		<b>\$198,873</b>		<b>1,608,805</b>		<b>\$69,894</b>	<b>\$37,158</b>	<b>\$875</b>	<b>\$37,833</b>	<b>\$308,600</b>													
<b>COMMERCIAL PROGRAMS</b>																									
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0													
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0													
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0													
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0													
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>													
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>																									
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0													
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0													
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0													
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0													
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>													
<b>TOTAL COMPANY</b>	<b>1,687</b>	<b>8,685</b>		<b>\$198,873</b>		<b>1,608,805</b>		<b>\$69,894</b>	<b>\$37,158</b>	<b>\$875</b>	<b>\$37,833</b>	<b>\$308,600</b>													

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

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

\*\*\* Cumulative participants include a reduction for the cumulative participants as of 01/01/2008 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).

KENTUCKY POWER COMPANY DEVIATION FOR 3 YEAR DSM EXPERIMENT CALCULATION OF EFFICIENCY INCENTIVE		NUMBER OF NEW PARTICIPANTS																				Exhibit C PAGE 18A of 17															
PROGRAM DESCRIPTIONS	INITIAL VALUES	PROSP. VALUES	1999 VALUES	2000 VALUES	2001 VALUES	2002 VALUES	2003 VALUES	2004 VALUES	2005 VALUES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15													
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)		
RESIDENTIAL PROGRAMS																																					
Energy Fitness	\$78.27	\$20.78	\$33.89	\$33.89	\$33.89	n/a	n/a	532	273	689	544	448	308	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Targeted Energy Efficiency - Air Electric	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17.72	\$17.22	223	118	125	122	131	75	68	68	69	67	68	63	76	100	69	72	89	88	85	75	87	128	100	119	89	110	45	46		
Targeted Energy Efficiency - Non-Air Electric	\$9.71	\$1.06	\$5.02	\$4.28	\$19.73	\$91.68	\$81.68	74	28	93	24	42	12	0	28	21	18	48	32	12	7	69	10	72	57	26	34	48	29	50	58	20	22	37	28		
Corrective Energy Audit	\$1.58	n/a	n/a	n/a	n/a	n/a	n/a	299	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
High Efficiency Heat Pump - Replace Heat	\$18.73	\$7.22	\$44.19	\$44.19	\$44.19	n/a	n/a	539	123	220	21	108	69	140	38	29	23	30	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
High Efficiency Heat Pump - Non Replace Heat	\$18.69	\$29.11	n/a	n/a	n/a	n/a	n/a	827	124	188	28	64	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
High Efficiency Heat Pump - Mobile Home	\$38.88	\$32.50	\$84.21	\$78.92	\$79.20	\$129.99	\$139.99	358	109	127	68	172	101	134	49	43	53	47	43	43	34	26	41	48	34	40	48	45	50	45	61	74	61	24	29		
Mobile Home New Construction - Heat Pump	n/a	n/a	\$44.47	\$4.00	\$124.99	\$111.55	\$111.55	0	0	0	0	33	88	123	101	64	83	92	57	81	48	84	88	70	67	83	90	84	84	128	95	108	88	48	49		
Mobile Home New Construction - Air Conditioner	n/a	n/a	\$44.47	\$0.41	\$0.41	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Mediated Energy Fitness			\$71.06	\$42.08	\$49.77	\$49.77												191	441	334	361	371	351	440	660	515	485	660	440	425	189	189					
High Efficiency Heat Pump - Furnace Replacement							\$478.10																														
High Efficiency Heat Pump - Heat Pump Replacement							\$0.00																														
Energy Education for Student Program (NEED)							\$4.88																														
Community Outreach Program (CEP)							\$4.88																														
TOTAL RESIDENTIAL PROGRAMS ** Participants since 09/01/08																																					
COMMERCIAL PROGRAMS																																					
Smart Audit - Class 1	\$0.00	n/a	n/a	n/a	n/a	n/a	n/a	81	243	188	204	178	198	186	144	158	134	131	125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Audit - Class 2	\$0.00	n/a	n/a	n/a	n/a	n/a	n/a	51	11	20	28	9	18	21	8	29	28	5	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Financing - Existing Buildings	\$509.34	\$913.26	\$332.54	\$332.54	\$332.54	\$332.54	\$332.54	1	0	11	8	28	8	25	16	24	15	15	7	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Financing - New Buildings	\$50.33	\$28.78	\$282.33	\$282.33	\$282.33	\$282.33	\$282.33	0	1	0	1	5	3	8	4	0	8	18	5	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMMERCIAL PROGRAMS																																					
INDUSTRIAL PROGRAMS - (excl. Out-Of-State Removal)																																					
Smart Audit - Class 1	\$0.00	n/a	n/a	n/a	n/a	n/a	n/a	15	8	21	12	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Audit - Class 2	\$0.00	n/a	n/a	n/a	n/a	n/a	n/a	2	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Financing - Central	\$178.69	\$382.80	n/a	n/a	n/a	n/a	n/a	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Financing - Commercial Air System	\$4,050.21	\$4,040.80	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INDUSTRIAL PROGRAMS																																					
ANNUAL SHARED SAVINGS (S)																																					



Revised - October 28, 2009				
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	5,573,227	0	0
7	ADJUSTED KWH BY SECTOR	2,468,194,573	1,466,348,800	1,439,886,608
8	LINE 7/LINE 1	99.2%	99.4%	40.9%
PROGRAM YR 14 (3rd QTR)				
9	TOTAL ULTIMATE SALES (KWH)*	573,700,000	384,800,000	841,500,000
10	LINE 8	99.2%	99.4%	40.9%
11	ADJUSTED KWH BY SECTOR	569,110,400	382,491,200	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	99.2%	99.4%	40.9%
14	ADJUSTED KWH BY SECTOR	626,249,600	351,876,000	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.				