



**KENTUCKY  
POWER**

A unit of American Electric Power

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COMMISSION

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

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

February 15, 2010

Dear Mr. Derouen:

Re: Case No. 2010-00067

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

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

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

In this filing, the DSM Collaborative is requesting Commission approval to increase annual participation levels for the Modified Energy Fitness Program from 800 to 1,200 customers per year. The increase in participants will help reduce the backlog of customers requesting an energy audit and help the Company achieve its annual energy and demand reduction goals. The Company and the implementation contractor (Honeywell International) both agree that the annual achievement of 1,200 energy audits is feasible.

Jeff R. Derouen  
February 15, 2010  
Page 2

The DSM Collaborative is also requesting Commission approval to increase annual participation levels for the all-electric homes for the Targeted Energy Efficiency Program from 210 to 415 homes per year. The increase in participants is necessary due to the influx of federal stimulus funds and the hiring of additional weatherization crews at each of the Community Action Agencies. Therefore, increasing the projected number of all-electric homes weatherized this year.

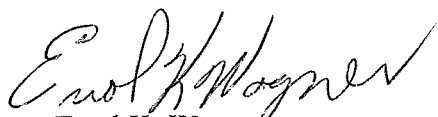
The revised DSM Adjustment clause factor for the residential sector has been agreed upon and is proposed by the DSM Collaborative (see Exhibit C, Column 5, Line 13). The proposed factor for the residential sector is the midpoint between the ceiling and the floor calculations as demonstrated on Exhibit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

The Joint Applicants request the Commission to approve the following:

- (1) The Experimental DSM Electric Tariff to become effective March 30, 2010. This will allow the Company to utilize the new residential factor with the first billing cycle in April 2010.

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

Sincerely,



Errol K. Wagner  
Director of Regulatory Services

enclosure

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

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

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

CUSTOMER SECTOR			
	<u>RESIDENTIAL</u> (\$ Per Kwh)	<u>COMMERCIAL**</u> (\$ Per KWH)	<u>INDUSTRIAL*</u> (\$ Per KWH)
Floor Factor =	0.000237	-0-	-0-
Ceiling Factor =	0.001184	-0-	-0-

(R)  
(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>	1,144,672	-0-	-0-
S ©	1,611,068,700	-0-	-0-
Adjustment Factor \$	0.000711	-0-	-0-

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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 February 15, 2010 EFFECTIVE DATE Service rendered on or after March 30, 2010

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

**KENTUCKY POWER COMPANY**  
**Demand Side Management**  
**Status Report**  
As of December 31, 2009

**INDEX**

<b>PAGE</b>	<b>DESCRIPTION</b>
1	Definitions
3	Summary Information (All Programs)
<b><u>Active Programs:</u></b>	
<b>Residential Programs</b>	
5	Energy Fitness
8	Targeted Energy Efficiency
11	Compact Fluorescent Bulb
14	High Efficiency Heat Pump
17	High Efficiency Heat Pump - Mobile Home
20	Mobile Home New Construction
23	Modified Energy Fitness Program
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 December 31, 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 December 31, 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 December 31, 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 12/31/09 are calculated using the revised values contained in Schedule C of this status report.

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

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

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

As of December 31, 2009

DESCRIPTION	YTD	PTD
Total Revenue Collected	<u>\$1,225,065</u>	<u>\$14,686,232</u>
Total Program Costs	942,697	10,383,174
Total Lost Revenues	251,407	3,704,080
Total Efficiency / Maximizing Incentive	181,331	1,043,724
HEAP - Kentucky Power's Information Technology Implementation Costs (Case No 2006 - 00373, Dated December 14, 2006)	0	58,968
HEAP - KACA's Information Technology Implementation Costs	<u>0</u>	<u>15,700</u>
Total DSM Costs As of December 31, 2009	<u>\$1,375,435</u>	<u>\$15,205,646</u>

DESCRIPTION	YTD		PTD	
Actual In-Place Energy Savings:	1,269,147	kWh	518,401,681	kWh
w/ T&D Line Losses:	1,396,062	kWh	570,241,849	kWh
Total kW Reductions:				
Winter	1,401		20,327	
w/ T&D Line Losses:	1,555		22,563	
Summer	345		4,570	
w/ T&D Line Losses:	383		5,073	



# KENTUCKY POWER COMPANY



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

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

Impacts					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
0	51,121,865	0	0	441	1,932

# KENTUCKY POWER COMPANY



Energy Fitness	
Reporting Period:	January - December 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



## PROGRAM INFORMATION

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

### 2009

Participant	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
All Electric	7	25	14	24	30	19	25	17	21	21	24	32	259	2,724
Non All Electric	1	1	5	4	8	3	5	8	1	10	28	9	83	996

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
320,260	79,500,146	30	131	614	2,754

# KENTUCKY POWER COMPANY



Targeted Energy Efficiency	
Reporting Period:	January - December 2009

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	253,327.00
Equipment/Vendor:	273,480.00	0.00	2,825,027.00
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>273,480.00</b>	<b>0.00</b>	<b>3,087,907.00</b>
Lost Revenues:	62,900.00	1,944.00	591,329.00
Efficiency Incentive:	25,119.00	184.00	53,600.00
Maximizing Incentive:	0.00	0.00	123,197.00
<b>Total Costs</b>	<b>361,499.00</b>	<b>2,128.00</b>	<b>3,856,033.00</b>

# KENTUCKY POWER COMPANY



## COMMENTS:

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

The Equipment / Vendor cost categories includes the cost of labor and materials of measures installed, participant energy education costs and vendor administration costs. The YTD costs are \$265,246 for all-electric and \$8,234 for non-all-electric homes.

The YTD Estimated in Place Energy (kWh) Savings for all-electric participants and non-all-electric participants is 283,032 and 37,228 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for all-electric and non-all-electric participants is 25/122 and 5/9 respectively.

The YTD Lost Revenue for all-electric participants and non-all-electric participants is \$52,765 and \$10,135 respectively.

The YTD Efficiency Incentive for all-electric and non-all-electric participants is \$20,000 and \$5,119 respectively.

The projected participant and budgetary level for 2010 is 415 all-electric homes, 78 non-all-electric homes and \$448,025 respectively.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Compact Fluorescent Bulb
PARTICIPANT DEFINITION:	Number of Bulbs Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 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	0	0	0	0	0	269

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
0	260,768	0	0	3	3

# KENTUCKY POWER COMPANY



Compact Fluorescent Bulb	
Reporting Period:	January - December 2009

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



# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1996.

# KENTUCKY POWER COMPANY



## PROGRAM INFORMATION

PROGRAM:	High Efficiency Heat Pumps - Retrofit
PARTICIPANT DEFINITION:	Number of Units Installed
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2009

### 2009

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

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
0	64,812,063	0	0	851	2,995

# KENTUCKY POWER COMPANY



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



## PROGRAM INFORMATION

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

### 2009

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	4	7	5	15	19	11	19	12	15	22	24	7	160	2,047

### Impacts

Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
142,048	77,003,901	33	210	282	3,606

# KENTUCKY POWER COMPANY



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

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	46,374.00
Equipment/Vendor:	7,900.00	0.00	44,005.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	64,000.00	0.00	893,900.00
Other Costs:	0.00	0.00	1,167.00
<b>Total Program Costs</b>	<b>71,900.00</b>	<b>0.00</b>	<b>985,446.00</b>
Lost Revenues:	24,383.00	5,820.00	438,713.00
Efficiency Incentive:	22,398.00	18,331.00	152,790.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>118,681.00</b>	<b>24,151.00</b>	<b>1,576,949.00</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 2010 is 150 and \$67,500 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 - December 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	17	12	24	17	20	13	191	1,911
Air Conditioner	0	0	0	0	0	0	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
192,229	110,708,230	123	282	453	4,742



# KENTUCKY POWER COMPANY



Mobile Home New Construction	
Reporting Period:	January - December 2009

<b>Costs</b>					
Description		Year-To-Date	Retroactive Adjustment	Program-To-Date	
Total Evaluation		0.00	0.00	30,294.00	
Equipment/Vendor:		9,450.00	0.00	118,513.00	
Promotional:		0.00	0.00	3,939.00	
Customer Incentives:		95,000.00	0.00	965,950.00	
Other Costs:		250.00	0.00	4,366.00	
<b>Total Program Costs</b>		<b>104,700.00</b>	<b>0.00</b>	<b>1,123,062.00</b>	
Lost Revenues:		41,484.00	0.00	494,598.00	
Efficiency Incentive:		21,306.00	0.00	140,041.00	
Maximizing Incentive:		0.00	0.00	2,580.00	
<b>Total Costs</b>		<b>167,490.00</b>	<b>0.00</b>	<b>1,760,281.00</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 2010 is 170 heat pumps and \$93,500 respectively.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Modified Energy Fitness
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 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	70	74	67	71	56	38	801	5,790

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
430,530	66,967,386	141	447	848	3,400

# KENTUCKY POWER COMPANY



Modified Energy Fitness	
Reporting Period:	January - December 2009

<b>Costs</b>			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	27,106.00
Equipment/Vendor:	302,864.00	0.00	2,123,085.00
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>302,864.00</b>	<b>0.00</b>	<b>2,150,191.00</b>
Lost Revenues:	102,178.00	0.00	533,926.00
Efficiency Incentive:	39,816.00	0.00	230,810.00
Maximizing Incentive:	0.00	0.00	0.00
<b>Total Costs</b>	<b>444,858.00</b>	<b>0.00</b>	<b>2,914,927.00</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 2010 is 1,200 and \$480,000 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 - December 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	9	12	8	13	18	3	91	91
Non Resistance	0	0	9	4	28	20	33	31	15	23	41	13	217	217

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
229,846	229,846	51	360	51	360

# KENTUCKY POWER COMPANY



High Efficiency Heat Pump	
Reporting Period:	January - December 2009

Costs			
Description	Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation	0.00	0.00	0.00
Equipment/Vendor:	15,300.00	0.00	15,300.00
Promotional:	0.00	0.00	0.00
Customer Incentives:	123,150.00	0.00	123,150.00
Other Costs:	0.00	0.00	0.00
Total Program Costs	138,450.00	0.00	138,450.00
Lost Revenues:	7,565.00	0.00	7,565.00
Efficiency Incentive:	43,507.00	0.00	43,507.00
Maximizing Incentive:	4,875.00	0.00	4,875.00
Total Costs	194,397.00	0.00	194,397.00

# 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 154,460 and 75,386 respectively.

The YTD Anticipated Peak Demand (kW) Reduction summer/winter for resistance heat replacement and non-resistance heat replacement participants is 0/264 and 51/96 respectively.

The YTD Loss Revenue for resistance heat replacement and non-resistance heat replacement participants is \$5,475 and \$2,090 respectively.

The Efficiency Incentive for resistance heat replacement participants is \$43,507. The Maximizing Incentive for the non-resistance heat replacement participants is \$4,875.

The projected participant and budgetary level for 2010 is 100 resistance heat replacement customers, 250 non-resistance heat replacement customers and \$157,500 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 - December 2009

<b>2009</b>														
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD	PTD
New Participants	0	0	0	0	430	496	727	382	578	540	62	529	3,744	3,744

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
67,032	67,032	4	96	4	96

# KENTUCKY POWER COMPANY



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

<b>Costs</b>					
Description		Year-To-Date	Retroactive Adjustment	Program-To-Date	
Total Evaluation		0.00	0.00	0.00	
CFLs		27,457.00	0.00	27,457.00	
Promotional:		6,662.00	0.00	6,662.00	
Administration		0.00	0.00	0.00	
Other Costs:		0.00	0.00	0.00	
<b>Total Program Costs</b>		<b>34,119.00</b>	<b>0.00</b>	<b>34,119.00</b>	
Lost Revenues:		10,654.00	0.00	10,654.00	
Efficiency Incentive:		18,683.00	0.00	18,683.00	
Maximizing Incentive:		0.00	0.00	0.00	
<b>Total Costs</b>		<b>63,456.00</b>	<b>0.00</b>	<b>63,456.00</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 2010 is 4,800 customers and \$56,000 respectively.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Energy Education For Students
PARTICIPANT DEFINITION:	Number of Students
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 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	637	379	114	0	1,130	1,130

<b>Impacts</b>					
Estimated in Place Energy (kWh) Savings			Anticipated Peak Demand (kW) Reduction		
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
14,117	14,117	1	29	1	29

# KENTUCKY POWER COMPANY



Energy Education For Students	
Reporting Period:	January - December 2009

<b>Costs</b>				
Description		Year-To-Date	Retroactive Adjustment	Program-To-Date
Total Evaluation		0.00	0.00	0.00
CFLs		12,184.00	0.00	12,184.00
Promotional:		0.00	0.00	0.00
Educational Workshops		5,000.00	0.00	5,000.00
Program Development & Administration		0.00	0.00	0.00
<b>Total Program Costs</b>		<b>17,184.00</b>	<b>0.00</b>	<b>17,184.00</b>
Lost Revenues:		2,243.00	0.00	2,243.00
Efficiency Incentive:		5,627.00	0.00	5,627.00
Maximizing Incentive:		0.00	0.00	0.00
<b>Total Costs</b>		<b>25,054.00</b>	<b>0.00</b>	<b>25,054.00</b>

# 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.

The projected participant and budgetary level for 2010 is 1,700 students and \$31,000 respectively.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Commercial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Commercial
REPORTING PERIOD:	January - December 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	0	0	0	0	0	0	1,952
Class II	0	0	0	0	0	0	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 - December 2009

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



# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY



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

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

Impacts					
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
YTD	PTD	YTD		PTD	
		Summer	Winter	Summer	Winter
0	119,392,974	0	0	1,519	2,640

# KENTUCKY POWER COMPANY



Smart Incentive - Commercial	
Reporting Period:	January - December 2009

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 2002.

# KENTUCKY POWER COMPANY



<b>PROGRAM INFORMATION</b>	
PROGRAM:	Smart Audit - Industrial
PARTICIPANT DEFINITION:	Number of Audits
CUSTOMER SECTOR:	Industrial
REPORTING PERIOD:	January - December 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	0	0	0	0	0	0	60
Class II	0	0	0	0	0	0	0	0	0	0	0	0	0	4

<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 - Industrial	
Reporting Period:	January - December 2009

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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1998.

# KENTUCKY POWER COMPANY



PROGRAM INFORMATION	
PROGRAM:	Smart Incentive - Industrial
PARTICIPANT DEFINITION:	Number of Incentives
CUSTOMER SECTOR:	Residential
REPORTING PERIOD:	January - December 2009

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

Impacts					
Estimated in Place Energy (kWh) Savings		Anticipated Peak Demand (kW) Reduction			
		YTD		PTD	
YTD	PTD	Summer	Winter	Summer	Winter
0	163,521	0	0	6	6



# KENTUCKY POWER COMPANY



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

# KENTUCKY POWER COMPANY



## COMMENTS:

This program was discontinued December 31, 1998.

KENTUCKY POWER COMPANY DERIVATION OF 3 SECTOR SURCHARGES FOR 3 YR EXPERIMENT		Exhibit C	PAGE 1 of 18				
RESIDENTIAL SECTOR		TOTAL YEARS 1 thru 13	YEAR 14 (2009) 1st HALF	YEAR 14 (2009) 2nd HALF	YEAR 15 (2010) 1st QTR	YEAR 15 (2010) 2nd, 3rd & 4th QTRs	TOTAL
1	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$10,892,191	\$602,229	\$773,205	\$390,606	\$1,524,168	\$14,182,400
2	CUMULATIVE (OVER/UNDER COLLECTION	0	369,044	119,562	519,414	382,588	0
3	18 MOS. RETROACTIVE(OVER/UNDER ADJUSTMENT	(41,824)	0	0	0	0	(41,824)
4	TOTAL TO BE RECOVERED	10,850,367	971,273	892,768	910,020	1,906,756	14,140,576
5	TOTAL AMOUNT RECOVERED	10,480,977	851,711	373,354	0	0	11,706,042
6	EXPECTED FUTURE RECOVERIES	0	0	0	527,432	1,145,470	1,672,902
7	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(9,833)	0	0	0	0	(9,833)
8	TRANSFER PORTION OF BALANCE FROM COMMERCIAL	9,487	0	0	0	0	9,487
9	(OVER/UNDER COLLECTION TO BE REFUNDED	\$369,044	\$119,562	\$519,414	\$382,588	\$761,286	\$761,286
10	AMOUNT TO BE RECOVERED	=====	=====	=====	=====	=====	=====
11	ADJ. ESTIMATED SECTOR KWH - YEAR 15			822,827,300		1,611,068,700	
SURCHARGE RANGE (\$ PER KWH)							
12	FLOOR (CARRYOVER)	COL. 5, L 2 / COL. 5, L 11					
13	MIDPOINT - proposed rate			0.000641		0.000711	
14	CEILING (TOTAL COST)	COL. 5, L 4 / COL. 5, L 11				0.001184	
COMMERCIAL SECTOR		TOTAL YEARS 1 thru 12	YEAR 13 (2008) 1st HALF	YEAR 14 (2009) 1st QTR	YEAR 14 (2009) 2nd, 3rd & 4th QTRs	TOTAL	
		(1)	(2)	(3)	(4)	(5)	
15	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$2,899,298	\$0	\$0	\$0	\$2,899,298	
16	CUMULATIVE (OVER/UNDER COLLECTION	0	0	0	0	0	
17	18 MOS. RETROACTIVE(OVER/UNDER ADJUSTMENT	1,520	0	0	0	1,520	
18	TOTAL TO BE RECOVERED	2,900,818	0	0	0	2,900,818	
19	TOTAL AMOUNT RECOVERED	2,888,053	0	0	0	2,888,053	
20	EXPECTED FUTURE RECOVERIES	0	0	0	0	0	
21	TRANSFER PORTION OF BALANCE FROM INDUSTRIAL	(3,278)	0	0	0	(3,278)	
22	TRANSFER BALANCE TO RESIDENTIAL	(9,487)	0	0	0	(9,487)	
22	(OVER/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0	
23	AMOUNT TO BE RECOVERED	=====	=====	=====	=====	=====	
23	AMOUNT TO BE RECOVERED					\$0	
24	ADJ. ESTIMATED SECTOR KWH - YEAR 15			372,551,200		1,073,122,400	
SURCHARGE RANGE (\$ PER KWH)							
25	FLOOR (CARRYOVER)					0.000000	
26	MIDPOINT - proposed rate			0.000000		0.000000	
27	CEILING (TOTAL COST)					0.000000	
INDUSTRIAL SECTOR		TOTAL YEARS 1 thru 12	YEAR 13 (2008) 1st HALF	YEAR 14 (2009) 1st QTR	YEAR 14 (2009) 2nd, 3rd & 4th QTRs	TOTAL	
		(1)	(2)	(3)	(4)	(5)	
28	CURRENT PERIOD AMOUNT TO BE RECOVERED	\$79,026	\$0	\$0	\$0	\$79,026	
29	CUMULATIVE (OVER/UNDER COLLECTION	0	0	0	0	0	
30	18 MOS. RETROACTIVE(OVER/UNDER ADJUSTMENT	0	0	0	0	0	
31	TOTAL TO BE RECOVERED	79,026	0	0	0	79,026	
32	TOTAL AMOUNT RECOVERED	92,137	0	0	0	92,137	
33	EXPECTED FUTURE RECOVERIES	0	0	0	0	0	
34	TRANSFER BALANCE TO RESIDENTIAL & COMMERCIAL	13,111	0	0	0	13,111	
35	(OVER/UNDER COLLECTION TO BE REFUNDED	\$0	\$0	\$0	\$0	\$0	
36	AMOUNT TO BE RECOVERED	=====	=====	=====	=====	=====	
36	AMOUNT TO BE RECOVERED					\$0	
37	ADJ. ESTIMATED SECTOR KWH - YEAR 15			844,005,400		2,560,146,400	
SURCHARGE RANGE (\$ PER KWH)							
38	FLOOR (CARRYOVER)					0.000000	
39	MIDPOINT			0.000000		0.000000	
40	CEILING (TOTAL COST) - proposed rate					0.000000	

1996

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YR PROGRAM

YEAR 1	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/YR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST REVENUES	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/YR (6)	(\$/KWH) (7)	(8)	(9)	(10)	(11)	(12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(5)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS									\$43,177		\$43,177	\$177,925
Energy Fitness	552	148	\$221.65	\$122,351	2,690	398,120	\$0.03	\$12,397	\$0	\$11,450	\$11,450	\$257,957
Targeted Energy Efficiency - All Electric	223	101	\$1,026.88	\$228,994	5,570	562,570	\$0.03	\$17,513	\$719	\$719	\$719	\$29,005
- Non-All Electric	74	35	\$372.19	\$27,542	680	23,800	\$0.03	\$744				
Compact Fluorescent Bulb	269	73	\$56.06	\$15,081	62	4,526	\$0.03	\$140	\$425		\$425	\$15,646
High - Efficiency Heat Pump - Resistance Heat	539	216	\$73.49	\$39,611	2,275	491,400	\$0.03	\$15,292	\$10,634		\$10,634	\$65,537
- Non Resistance Heat	527	206	\$61.31	\$32,310	813	167,478	\$0.03	\$5,215	\$8,796		\$8,796	\$46,321
High - Efficiency Heat Pump - Mobile Home	356	158	\$496.95	\$176,914	2,160	341,280	\$0.03	\$10,617	\$13,834		\$13,834	\$201,365
Mobile Home New Construction	70	22	\$292.69	\$20,488	0	0				\$1,024	\$1,024	\$21,512
<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>
COMMERCIAL PROGRAMS									\$0	\$5,726	\$5,726	\$120,250
Smart Audit - Class 1	91	19	\$1,258.51	\$114,524	0	0			\$0	\$469	\$469	\$9,846
- Class 2	5	1	\$1,875.40	\$9,377	0	0			\$506		\$506	\$6,300
Smart Financing - Existing Building	1	0	\$5,794.00	\$5,794	22,000	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0		\$0	30,600	0	\$0.04	\$0				
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>97</b>	<b>20</b>		<b>\$129,695</b>				<b>\$0</b>	<b>\$506</b>	<b>\$6,195</b>	<b>\$6,701</b>	<b>\$136,396</b>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)									\$0	\$112	\$112	\$2,353
Smart Audit - Class 1	15	1	\$149.40	\$2,241	0	0			\$0	\$898	\$898	\$18,858
Smart Audit - Class 2	2	1	\$8,980.00	\$17,960	0	0			\$0	\$196	\$196	\$4,115
Smart Financing - General	0	0		\$0	28,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0		\$0	164,800	0	\$0.03	\$0				
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>17</b>	<b>2</b>		<b>\$24,120</b>				<b>\$0</b>	<b>\$0</b>	<b>\$1,206</b>	<b>\$1,206</b>	<b>\$25,326</b>
<b>TOTAL COMPANY</b>	<b>2,724</b>	<b>981</b>		<b>\$817,106</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

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)	(10)	INCENTIVE (11)	RECOVERED (12)
			(3)	(1)X(3)		(2)X(5)		(6)X(7)		(4)X( 5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	273	651	\$260.68	\$71,167	1,345	875,595	\$0.03	\$27,266	\$21,354	n/a	\$21,354	\$119,787
Targeted Energy Efficiency - All Electric	118	279	\$818.97	\$96,638	2,785	777,015	\$0.03	\$24,188	\$0	\$4,832	\$4,832	\$125,658
- Non-All Electric	26	88	\$88.23	\$2,294	340	29,920	\$0.03	\$935	\$252	n/a	\$252	\$3,481
Compact Fluorescent Bulb	0	269		\$0	31	8,339	\$0.03	\$258	\$0	n/a	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	123	590	\$2.58	\$317	1,138	671,420	\$0.03	\$20,895	\$2,427	n/a	\$2,427	\$23,639
- Non Resistance Heat	124	581	\$2.56	\$318	407	236,467	\$0.03	\$7,364	\$2,070	n/a	\$2,070	\$9,752
High - Efficiency Heat Pump - Mobile Home	109	403	\$157.87	\$17,208	1,080	435,240	\$0.03	\$13,540	\$4,236	n/a	\$4,236	\$34,984
Mobile Home New Construction	12	78	\$635.17	\$7,622	0	0	n/a	n/a	\$0	\$381	\$381	\$8,003
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>785</b>	<b>2,939</b>		<b>\$195,564</b>		<b>3,033,996</b>		<b>\$94,446</b>	<b>\$30,339</b>	<b>\$5,213</b>	<b>\$35,552</b>	<b>\$325,562</b>
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	243	207	\$264.00	\$64,152	0	0	n/a	n/a	\$0	\$3,208	\$3,208	\$67,360
- Class 2	11	9	\$2,705.00	\$29,755	0	0	n/a	n/a	\$0	\$1,488	\$1,488	\$31,243
Smart Financing - Existing Building	0	1	n/a	\$5,629	11,000	11,000	\$0.04	\$469	\$0	\$281	\$281	\$6,379
Smart Financing - New Building	1	0	\$4,692.00	\$4,692	15,300	0	\$0.04	\$0	\$50	n/a	\$50	\$4,742
<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>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	9	20	\$279.56	\$2,516	0	0	n/a	n/a	\$0	\$126	\$126	\$2,642
Smart Audit - Class 2	1	2	\$1,133.00	\$1,133	0	0	n/a	n/a	\$0	\$57	\$57	\$1,190
Smart Financing - General	0	0	n/a	\$7,840	14,100	0	\$0.04	\$0	\$0	\$392	\$392	\$8,232
Smart Financing - Compressed Air System	0	0		\$0	82,400	0	\$0.03	\$0	\$0	\$0	\$0	\$0
<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>\$12,064</b>
<b>TOTAL COMPANY</b>	<b>1,050</b>	<b>3,178</b>		<b>\$311,281</b>		<b>3,044,996</b>		<b>\$94,915</b>	<b>\$30,389</b>	<b>\$10,765</b>	<b>\$41,154</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 3B of 18

YEAR 2 (3rd QTR)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/QTR (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5)		
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	257	957	\$184.99	\$47,542	341	326,337	\$0.03	\$10,156	\$5,340	n/a	\$5,340	\$63,038
Targeted Energy Efficiency - All Electric	51	369	\$1,090.08	\$55,594	1,392	513,648	\$0.03	\$15,980	\$0	\$2,780	\$2,780	\$74,354
- Non-All Electric	15	108	\$193.33	\$2,900	170	18,360	\$0.03	\$574	\$25	n/a	\$25	\$3,499
Compact Fluorescent Bulb	0	269	n/a	\$0	16	4,304	\$0.03	\$133	\$0	\$0	\$0	\$133
High - Efficiency Heat Pump - Resistance Heat	109	717	\$55.05	\$6,000	547	392,199	\$0.03	\$12,213	\$787	n/a	\$787	\$19,000
- Non Resistance Heat	84	695	\$66.18	\$5,559	221	153,595	\$0.03	\$4,786	\$2,445	n/a	\$2,445	\$12,790
High - Efficiency Heat Pump - Mobile Home	77	509	\$689.62	\$53,101	625	318,125	\$0.03	\$9,894	\$2,503	n/a	\$2,503	\$65,498
Mobile Home New Construction	0	82	n/a	\$6,092	0	0			\$0	\$305	\$305	\$6,397
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>593</b>	<b>3,706</b>		<b>\$176,788</b>		<b>1,726,568</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	\$13,525	0	0			\$0	\$676	\$676	\$14,201
Smart Financing - Existing Building	2	2	\$3,067.00	\$6,134	11,100	22,200	\$0.04	\$940	\$1,627	n/a	\$1,627	\$8,701
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	\$0	\$0	\$327
<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>\$4,327</b>	<b>\$65,740</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	3	26	\$666.00	\$1,998	0	0			\$0	\$100	\$100	\$2,098
Smart Audit - Class 2	0	3	n/a	\$0	0	0			\$0	\$0	\$0	\$0
Smart Financing - General	0	0	n/a	\$4,785	14,625	0	\$0.04	\$0	\$0	n/a	\$0	\$4,785
Smart Financing - Compressed Air System	0	0		\$0	41,200	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<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

YEAR 2 ( 4th 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	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/QTR (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	(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	432	1,287	\$259.53	\$112,115	341	438,867	\$0.03	\$13,658	\$8,977	n/a	\$8,977	\$134,750
Targeted Energy Efficiency - All Electric	124	443	\$924.15	\$114,595	1,393	617,099	\$0.03	\$19,198	\$0	\$5,730	\$5,730	\$139,523
- Non-All Electric	78	146	\$103.55	\$8,077	170	24,820	\$0.03	\$775	\$129	n/a	\$129	\$8,981
Compact Fluorescent Bulb	0	269	n/a	\$0	17	4,573	\$0.03	\$141	\$0	\$0	\$0	\$141
High - Efficiency Heat Pump - Resistance Heat	111	823	\$106.90	\$11,866	547	450,181	\$0.03	\$14,019	\$801	n/a	\$801	\$26,686
- Non Resistance Heat	102	782	\$142.21	\$14,505	221	172,822	\$0.03	\$5,385	\$2,969	n/a	\$2,969	\$22,859
High - Efficiency Heat Pump - Mobile Home	50	565	\$406.70	\$20,335	625	353,125	\$0.03	\$10,982	\$1,625	n/a	\$1,625	\$32,942
Mobile Home New Construction	0	82	n/a	(\$749)	0	0	0	0	0	(\$37)	(\$37)	(\$786)
<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	\$230.92	\$16,395	0	0	0	\$0	\$0	\$820	\$820	\$17,215
- Class 2	21	33	\$2,705.00	\$56,805	0	0	0	\$0	\$2,840	\$2,840	\$2,840	\$59,645
Smart Financing - Existing Building	9	8	\$2,282.56	\$20,543	11,100	88,800	\$0.04	\$3,761	\$7,320	n/a	\$7,320	\$31,624
Smart Financing - New Building	0	1	n/a	\$0	7,650	7,650	\$0.04	\$327	\$0	n/a	\$0	\$327
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>101</b>	<b>515</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.

1998

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

YEAR 3( 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 REVENUES	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/6 MOS (6)	(\$/KWH) (7)	(8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X( 5%)		
<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	\$112.92	\$2,710	340	69,020	\$0.03	\$2,156	\$40	n/a	\$40	\$4,906
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	21	887	\$70.10	\$1,472	1,094	970,378	\$0.03	\$30,218	\$152	n/a	\$152	\$31,842
- Non Resistance Heat	26	848	\$70.00	\$1,820	442	374,816	\$0.03	\$11,679	\$757	n/a	\$757	\$14,256
High - Efficiency Heat Pump - Mobile Home	66	616	\$535.30	\$35,330	1,250	770,000	\$0.03	\$23,947	\$2,145	n/a	\$2,145	\$61,422
Mobile Home New Construction	0	82	n/a	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
<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	\$1,980	\$41,582
- Class 2	28	60	\$1,600.00	\$44,800	0	0	n/a	\$0	\$2,240	\$2,240	\$2,240	\$47,040
Smart Financing - Existing Building	8	16	\$5,581.50	\$44,652	22,200	355,200	\$0.04	\$15,043	\$6,506	n/a	\$6,506	\$66,201
Smart Financing - New Building	1	1	\$4,564.00	\$4,564	15,300	15,300	\$0.04	\$654	\$29	\$0	\$29	\$5,247
<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 -</b> (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	12	51	\$246.08	\$2,953	0	0	n/a	\$0	\$148	\$148	\$148	\$3,101
Smart Audit - Class 2	1	3	\$1,800.00	\$1,800	0	0	n/a	\$0	\$90	\$90	\$90	\$1,890
Smart Financing - General	0	0	\$0.00	\$1,338	29,250	0	\$0.04	\$0	\$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>\$305</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

YEAR 3( 2nd HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/6 MOS	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.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/6 MOS (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	448	2,277	\$301.30	\$134,982	682	1,552,914	\$0.03	\$48,327	\$9,309	\$0	\$9,309	\$192,618
Targeted Energy Efficiency - All Electric	131	697	\$1,187.51	\$155,564	2,784	1,940,448	\$0.03	\$60,367	\$0	\$7,778	\$7,778	\$223,709
- Non-All Electric	42	238	\$139.62	\$5,864	340	80,920	\$0.03	\$2,528	\$70	\$0	\$70	\$8,462
Compact Fluorescent Bulb	0	269	\$0.00	\$0	32	8,608	\$0.03	\$266	\$0	\$0	\$0	\$266
High - Efficiency Heat Pump - Resistance Heat	108	940	\$147.45	\$15,925	1,094	1,028,360	\$0.03	\$32,023	\$780	\$0	\$780	\$48,728
- Non Resistance Heat	64	894	\$72.27	\$4,625	442	395,148	\$0.03	\$12,313	\$1,863	\$0	\$1,863	\$18,801
High - Efficiency Heat Pump - Mobile Home	173	764	\$514.50	\$89,009	1,250	955,000	\$0.03	\$29,701	\$5,623	\$0	\$5,623	\$124,333
Mobile Home New Construction	33	11	\$549.45	\$18,132	0	0	n/a	0	\$0	\$907	\$907	\$19,039
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>999</b>	<b>6,090</b>		<b>\$424,101</b>		<b>5,961,398</b>		<b>\$185,525</b>	<b>\$17,645</b>	<b>\$8,685</b>	<b>\$26,330</b>	<b>\$635,956</b>
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	178	795	\$534.85	\$95,203	0	0	n/a	0	\$0	\$4,760	\$4,760	\$99,963
- Class 2	9	73	\$2,800.00	\$25,200	0	0	n/a	0	\$0	\$1,260	\$1,260	\$26,460
Smart Financing - Existing Building	29	32	\$1,878.86	\$54,487	22,200	710,400	\$0.04	\$30,085	\$23,585	\$0	\$23,585	\$108,157
Smart Financing - New Building	5	6	\$1,529.20	\$7,646	15,300	91,800	\$0.04	\$3,926	\$144	\$0	\$144	\$11,716
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>221</b>	<b>906</b>		<b>\$182,536</b>		<b>802,200</b>		<b>\$34,011</b>	<b>\$23,729</b>	<b>\$6,020</b>	<b>\$29,749</b>	<b>\$246,296</b>
<b>INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	3	59	\$852.33	\$2,557	0	0	n/a	0	\$0	\$128	\$128	\$2,685
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a	0	\$0	\$0	\$0	\$0
Smart Financing - General	1	0	\$0.00	\$2,430	29,250	0	\$0.04	\$0	\$383	\$0	\$383	\$2,813
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	82,400	0	\$0.04	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>4</b>	<b>63</b>		<b>\$4,987</b>		<b>0</b>		<b>\$0</b>	<b>\$383</b>	<b>\$128</b>	<b>\$511</b>	<b>\$5,498</b>
<b>TOTAL COMPANY</b>	<b>1,224</b>	<b>7,059</b>		<b>\$611,624</b>		<b>6,763,598</b>		<b>\$219,536</b>	<b>\$41,757</b>	<b>\$14,833</b>	<b>\$56,590</b>	<b>\$887,750</b>

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

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

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 (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL EST. COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(9)+(10)	(4)+(8)+(11)
			(1)X(3)			(2)X(5)		(6)X(7)		(4)X(5%)		
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	306	2,694	\$312.58	\$95,650	707	1,904,658	\$0.03	\$59,273	\$10,370	\$0	\$10,370	\$165,293
Targeted Energy Efficiency - All Electric	75	773	\$1,907.41	\$143,056	630	486,990	\$0.03	\$15,150	\$0	\$7,153	\$7,153	\$165,359
- Non-All Electric	12	249	\$112.00	\$1,344	306	76,194	\$0.03	\$2,380	\$60	\$0	\$60	\$3,784
Compact Fluorescent Bulb	0	269	\$0.00	\$0	31	8,339	\$0.03	\$258	\$0	\$0	\$0	\$258
High - Efficiency Heat Pump - Resistance Heat	99	1,002	\$273.74	\$27,100	1,200	1,202,400	\$0.03	\$37,443	\$4,375	\$0	\$4,375	\$68,918
- Non Resistance Heat	2	853	\$50.00	\$100	442	377,026	\$0.03	\$11,748	\$0	\$5	\$5	\$11,853
High - Efficiency Heat Pump - Mobile Home	101	826	\$545.99	\$55,145	1,475	1,218,350	\$0.03	\$37,891	\$8,505	\$0	\$8,505	\$101,541
Mobile Home New Construction ***	98	45	\$587.20	\$57,546	1,756	79,020	\$0.03	\$2,458	\$4,353	\$0	\$4,353	\$64,357
<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>\$27,663</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	\$39,980
- Class 2	16	87	\$2,705.00	\$43,280	0	0	n/a		\$0	\$2,164	\$2,164	\$45,444
Smart Financing - Existing Building	6	51	\$5,109.67	\$30,658	13,282	677,382	\$0.04	\$28,687	\$1,395	\$0	\$1,395	\$60,740
Smart Financing - New Building	3	9	\$0.00	\$2,350	14,101	126,909	\$0.04	\$5,428	\$787	\$0	\$787	\$8,565
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>211</b>	<b>1,111</b>		<b>\$114,364</b>		<b>804,291</b>		<b>\$34,115</b>	<b>\$2,182</b>	<b>\$4,068</b>	<b>\$6,250</b>	<b>\$154,729</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
Smart Audit - Class 2	0	4	\$0.00	\$0	0	0	n/a		\$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>6,215,216</b>		<b>\$200,716</b>	<b>\$29,845</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 06/30/96.  
 \*\*\* Participants since 09/01/98.

1999

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

YEAR 4 ( 2nd HALF )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	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) (1)X(3)	(KWH/PARTIC) (5)	KWH/HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X( 5%)	(11) (9)+(10)	(12) (4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	2,519	\$0.00	\$972	707	1,780,933	\$0.03	\$55,423	\$0	\$0	\$0	\$56,395
Targeted Energy Efficiency - All Electric	66	700	\$1,222.76	\$80,702	630	441,000	\$0.03	\$13,720	\$0	\$4,035	\$4,035	\$98,457
- Non-All Electric	8	220	\$67.50	\$540	306	67,320	\$0.03	\$2,103	\$40	\$0	\$40	\$2,683
Compact Fluorescent Bulb	0	123	\$0.00	\$0	31	3,813	\$0.03	\$118	\$0	\$0	\$0	\$118
High - Efficiency Heat Pump - Resistance Heat	140	810	\$211.14	\$29,560	1,200	972,000	\$0.03	\$30,268	\$6,187	\$0	\$6,187	\$66,015
- Non Resistance Heat	0	593	\$0.00	\$0	447	265,071	\$0.03	\$8,260	\$0	\$0	\$0	\$8,260
High - Efficiency Heat Pump - Mobile Home	134	739	\$539.07	\$72,236	1,475	1,090,025	\$0.03	\$33,900	\$11,284	\$0	\$11,284	\$117,420
Mobile Home New Construction ***	123	196	\$581.42	\$71,515	1,755	343,980	\$0.03	\$10,698	\$5,464	\$0	\$5,464	\$87,677
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>471</b>	<b>5,900</b>		<b>\$255,525</b>		<b>4,964,142</b>		<b>\$154,490</b>	<b>\$22,975</b>	<b>\$4,035</b>	<b>\$27,010</b>	<b>\$437,025</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>COMMERCIAL PROGRAMS</b>												
Smart Audit - Class 1	188	1,129	\$356.11	\$66,948	0	0	n/a	\$0	\$3,347	\$3,347	\$0	\$70,295
- Class 2	21	103	\$2,705.00	\$56,805	0	0	n/a	\$0	\$2,840	\$2,840	\$0	\$59,645
Smart Financing - Existing Building	25	66	\$2,726.04	\$68,151	13,282	876,612	\$0.04	\$37,125	\$5,814	\$0	\$5,814	\$111,090
Smart Financing - New Building	8	13	\$3,087.00	\$24,696	14,101	183,313	\$0.04	\$7,840	\$2,099	\$0	\$2,099	\$34,635
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>242</b>	<b>1,311</b>		<b>\$216,600</b>		<b>1,059,925</b>		<b>\$44,965</b>	<b>\$7,913</b>	<b>\$6,187</b>	<b>\$14,100</b>	<b>\$275,665</b>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
<b>INDUSTRIAL PROGRAMS - (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>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												
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	TOTAL * INCENTIVE	TOTAL EST. COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	(11)	(12)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(4)X(5%) (10)	(9)+(10) (11)	(4)+(8)+(11) (12)
RESIDENTIAL PROGRAMS					707	1,527,827	\$0.03	\$47,546	\$0	\$0	\$0	\$47,546
Energy Fitness	0	2,161	\$0.00	\$0	630	415,170	\$0.03	\$12,916	\$0	\$4,200	\$4,200	\$101,108
Targeted Energy Efficiency - All Electric	66	659	\$1,272.61	\$83,992	306	61,812	\$0.03	\$1,931	\$141	\$0	\$141	\$4,615
- Non-All Electric	28	202	\$90.82	\$2,543								
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	38	683	\$200.00	\$7,600	1,200	819,600	\$0.03	\$25,522	\$1,679	\$0	\$1,679	\$34,801
- Non Resistance Heat	0	348	\$0.00	\$0	447	155,556	\$0.03	\$4,847	\$0	\$0	\$0	\$4,847
High - Efficiency Heat Pump - Mobile Home	45	683	\$500.00	\$22,500	1,475	1,007,425	\$0.03	\$31,331	\$3,789	\$0	\$3,789	\$57,620
Mobile Home New Construction ***	101	302	\$530.20	\$53,550	1,755	530,010	\$0.03	\$16,483	\$4,486	\$0	\$4,486	\$74,519
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>278</b>	<b>5,038</b>		<b>\$170,185</b>		<b>4,517,400</b>		<b>\$140,576</b>	<b>\$10,095</b>	<b>\$4,200</b>	<b>\$14,295</b>	<b>\$325,056</b>
COMMERCIAL PROGRAMS					0	0	n/a	\$0	\$0	\$2,860	\$2,860	\$60,055
Smart Audit - Class 1	144	1,126	\$397.19	\$57,195	0	0	n/a	\$0	\$0	\$1,082	\$1,082	\$22,722
- Class 2	8	112	\$2,705.00	\$21,640	0	0	n/a	\$0	\$0	\$0	\$0	\$73,012
Smart Financing - Existing Building	16	86	\$1,307.31	\$20,917	13,282	1,142,252	\$0.04	\$48,374	\$3,721	\$0	\$3,721	\$38,306
Smart Financing - New Building	4	20	\$6,298.75	\$25,195	14,101	282,020	\$0.04	\$12,062	\$1,049	\$0	\$1,049	\$194,095
<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>
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)					0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
<b>TOTAL INDUSTRIAL PROGRAMS</b>	<b>0</b>	<b>0</b>		<b>\$0</b>		<b>0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL COMPANY</b>	<b>450</b>	<b>6,382</b>		<b>\$295,132</b>		<b>5,941,672</b>		<b>\$201,012</b>	<b>\$14,865</b>	<b>\$8,142</b>	<b>\$23,007</b>	<b>\$519,151</b>

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

Year 2000

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM

YEAR 5 (2nd half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C, PG.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/HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X( 5%)	(11) (9)+(10)	(12) (4)+(8)+(11)
<b>RESIDENTIAL PROGRAMS</b>												
Energy Fitness	0	1,525	\$0.00	\$0	706	1,076,650	\$0.03	\$33,505	\$0	\$0	\$0	\$33,505
Targeted Energy Efficiency - All Electric	99	583	\$1,115.41	\$110,426	630	367,290	\$0.03	\$11,426	\$0	\$5,521	\$5,521	\$127,373
- Non-All Electric	21	170	\$94.67	\$1,988	306	52,020	\$0.03	\$1,625	\$105	\$0	\$105	\$3,718
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	25	481	\$200.00	\$5,000	1,200	577,200	\$0.03	\$17,974	\$1,105	\$0	\$1,105	\$24,079
- Non Resistance Heat	0	147	\$0.00	\$0	446	65,562	\$0.03	\$2,043	\$0	\$0	\$0	\$2,043
High - Efficiency Heat Pump - Mobile Home	43	572	\$495.35	\$21,300	1,476	844,272	\$0.03	\$26,257	\$3,621	\$0	\$3,621	\$51,178
Mobile Home New Construction ***	94	403	\$575.00	\$54,050	1,755	707,265	\$0.03	\$21,996	\$4,175	\$0	\$4,175	\$80,221
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>282</b>	<b>3,881</b>		<b>\$192,764</b>		<b>3,690,259</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	\$1,314	\$1,314	\$27,587
- Class 2	29	98	\$2,705.00	\$78,445	0	0	n/a		\$0	\$3,922	\$3,922	\$82,367
Smart Financing - Existing Building	24	97	\$914.54	\$21,949	13,282	1,288,354	\$0.04	\$54,562	\$5,581	\$0	\$5,581	\$82,092
Smart Financing - New Building	0	21	\$0.00	\$7,269	14,102	296,142	\$0.04	\$12,666	\$0	\$0	\$0	\$19,935
<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 - (w/Est. Opt-Outs Removed)</b>												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a		\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00	\$0	\$0	\$0	\$0	\$0
<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>5,274,755</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 18	
YEAR 6 (1st Half)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACT. PROGRAM	NET LOST REV/QTR	TOTAL ENERGY SAVINGS	NET LOST REVENUE	TOTAL NET * LOST	EFFICIENCY INCENTIVE (EX. C. PG.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)	(KWH/PARTIC) (5)	KWH/HALF (6)	(\$/KWH) (7)	REVENUES (8)	(9)	(10)	(11)	(12)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(5)	(7)	(6)X(7)	(9)	(4)X(5%)	(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	535	\$1,276.94	\$79,170	630	337,050	\$0.03111	\$10,486	\$0	\$3,959	\$3,959	\$93,615
- Non-All Electric	18	137	\$87.89	\$1,582	306	41,922	\$0.03124	\$1,310	\$90	\$0	\$90	\$2,982
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	23	438	\$201.04	\$4,624	1200	525,600	\$0.03114	\$16,367	\$1,016	\$0	\$1,016	\$22,007
- Non Resistance Heat	0	81	\$0.00	\$0	447	36,207	\$0.03116	\$1,128	\$0	\$0	\$0	\$1,128
High - Efficiency Heat Pump - Mobile Home	53	558	\$472.15	\$25,024	1475	823,050	\$0.03110	\$25,597	\$4,463	\$0	\$4,463	\$55,084
Mobile Home New Construction ***	83	488	\$537.04	\$44,574	1755	856,440	\$0.03110	\$26,635	\$3,687	\$0	\$3,687	\$74,896
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>239</b>	<b>3,281</b>		<b>\$154,974</b>		<b>3,358,377</b>		<b>\$104,493</b>	<b>\$9,256</b>	<b>\$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	\$2,156	\$2,156	\$45,280
- Class 2	28	105	\$1,510.00	\$42,280	0	0	n/a	\$0	\$0	\$2,114	\$2,114	\$44,394
Smart Financing - Existing Building	15	112	\$2,309.00	\$34,635	13,282	1,487,584	\$0.04235	\$62,999	\$3,488	\$0	\$3,488	\$101,122
Smart Financing - New Building	8	25	\$4,016.13	\$32,129	14,101	352,525	\$0.04277	\$15,077	\$2,099	\$0	\$2,099	\$49,305
<b>TOTAL COMMERCIAL PROGRAMS</b>	<b>185</b>	<b>1,259</b>		<b>\$152,168</b>		<b>1,840,109</b>		<b>\$78,076</b>	<b>\$5,587</b>	<b>\$4,270</b>	<b>\$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 06/30/98.

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

Year 2001													
KENTUCKY POWER COMPANY													Exhibit C
ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 7B of 18
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 (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/HALF (6) (2)X(5)	(\$/KWH) (7)	REVENUES (8) (6)X(7)	(9)	(10) (4)X(5%)	(11) (9)+(10)	(12) (4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	535	\$0.00	\$0	706	377,710	\$0.03112	\$11,754	\$0	\$0	\$0	\$11,754	
Targeted Energy Efficiency - All Electric	88	486	\$1,018.86	\$89,660	630	306,180	\$0.03111	\$9,525	\$0	\$4,483	\$4,483	\$103,668	
- Non-All Electric	46	122	\$81.46	\$3,747	306	37,332	\$0.03124	\$1,166	\$231	\$0	\$231	\$5,144	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump - Resistance Heat	30	412	\$173.33	\$5,200	1,200	494,400	\$0.03114	\$15,396	\$1,326	\$0	\$1,326	\$21,922	
- Non Resistance Heat	0	35	\$0.00	\$0	446	15,610	\$0.03116	\$486	\$0	\$0	\$0	\$486	
High - Efficiency Heat Pump - Mobile Home	47	469	\$510.64	\$24,000	1,476	692,244	\$0.03110	\$21,529	\$3,958	\$0	\$3,958	\$49,487	
Mobile Home New Construction ***	92	568	\$555.43	\$51,100	1,755	996,840	\$0.03110	\$31,002	\$4,087	\$0	\$4,087	\$86,189	
<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>\$278,650</b>	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	131	966	\$454.04	\$59,479	0	0	n/a	\$0	\$0	\$2,974	\$2,974	\$62,453	
- Class 2	5	111	\$9,817.20	\$49,086	0	0	n/a	\$0	\$0	\$2,454	\$2,454	\$51,540	
Smart Financing - Existing Building	15	109	\$1,664.27	\$24,964	13,282	1,447,738	\$0.04235	\$61,312	\$3,488	\$0	\$3,488	\$89,764	
Smart Financing - New Building	18	34	\$1,799.28	\$32,387	14,102	479,468	\$0.04277	\$20,507	\$4,722	\$0	\$4,722	\$57,616	
<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>	
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>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 12/31/98													
*** Participants since 07/01/98.													

Year 2002

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES  
FOR 3 YEAR PROGRAM

YEAR 7 ( 1st Half )	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS PER PARTICIPANT	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS (KWH/HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C. PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE	TOTAL ACTUAL COSTS TO BE RECOVERED
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X( 5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS	0	116	\$0.00	\$0	707	82,012	\$0.03112	\$2,552	\$0	\$0	\$0	\$2,552
Energy Fitness	63	442	\$1,752.40	\$110,401	1,028	454,376	\$0.03111	\$14,136	\$0	\$5,520	\$5,520	\$130,057
Targeted Energy Efficiency - All Electric	32	135	\$65.47	\$2,095	315	42,525	\$0.03124	\$1,328	\$137	\$0	\$137	\$3,560
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	1	314	\$1,152.00	\$1,152	1,200	376,800	\$0.03114	\$11,734	\$44	\$0	\$44	\$12,930
High - Efficiency Heat Pump - Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	43	414	\$619.77	\$26,650	1,144	473,616	\$0.03110	\$14,729	\$1,244	\$0	\$1,244	\$42,623
High - Efficiency Heat Pump - Mobile Home	57	568	\$641.77	\$36,581	1,809	1,027,512	\$0.03110	\$31,956	\$231	\$0	\$231	\$68,768
Mobile Home New Construction ***				\$176,879		2,456,841		\$76,435	\$1,656	\$5,520	\$7,176	\$260,490
TOTAL RESIDENTIAL PROGRAMS	196	1,989										
COMMERCIAL PROGRAMS	125	923	\$432.92	\$54,115	0	0	n/a	\$0	\$0	\$2,706	\$2,706	\$56,821
Smart Audit - Class 1	8	104	\$3,711.00	\$29,688	0	0	n/a	\$0	\$0	\$1,484	\$1,484	\$31,172
- Class 2	7	101	\$2,552.71	\$17,869	13,282	1,341,482	\$0.04235	\$56,812	\$1,628	\$0	\$1,628	\$76,309
Smart Financing - Existing Building	5	42	\$1,394.60	\$6,973	14,101	592,242	\$0.04277	\$25,330	\$1,312	\$0	\$1,312	\$33,615
Smart Financing - New Building								\$82,142	\$2,940	\$4,190	\$7,130	\$197,917
TOTAL COMMERCIAL PROGRAMS	145	1,170		\$108,645		1,933,724						
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System								\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0								
TOTAL COMPANY	341	3,159		\$285,524		4,390,565		\$158,577	\$4,596	\$9,710	\$14,306	\$458,407

\* Lost revenue and efficiency incentives are based on prospective values.  
 \*\* Cumulative participants include a reduction for the cumulative participants as of 06/30/1999.  
 \*\*\* Participants since 01/01/1999.



Year 2002

Exhibit C

PAGE 8B of 18

KENTUCKY POWER COMPANY  
ESTIMATED SECTOR SURCHARGES  
FOR 3 YEAR PROGRAM

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 KWH/HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES	EFFICIENCY INCENTIVE (EX. C. PG.16B)	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)		(KWH/PARTIC)	(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Energy Fitness	76	457	\$1,039.33	\$78,989	1,028	469,796	\$0.03111	\$14,615	\$0	\$3,949	\$3,949	\$97,553
Targeted Energy Efficiency - All Electric	13	156	\$85.92	\$1,117	315	49,140	\$0.03124	\$1,535	\$56	\$0	\$56	\$2,708
- Non-All Electric												
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Resistance Heat	0	177	\$0.00	(\$352)	1,200	212,400	\$0.03114	\$6,614	\$0	\$0	\$0	\$6,262
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	43	308	\$603.84	\$25,965	1,144	352,352	\$0.03110	\$10,958	\$1,244	\$0	\$1,244	\$38,167
Mobile Home New Construction ***	61	519	\$644.46	\$39,312	1,809	938,871	\$0.03110	\$29,199	\$248	\$0	\$248	\$68,759
TOTAL RESIDENTIAL PROGRAMS	193	1,617		\$145,031		2,022,559		\$62,921	\$1,548	\$3,949	\$5,497	\$213,449
	=====	=====		=====		=====		=====	=====	=====	=====	=====
COMMERCIAL PROGRAMS	0	786	\$0.00	\$74,422	0	0	n/a	\$0	\$0	\$3,721	\$3,721	\$78,143
Smart Audit - Class 1	0	90	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	25	97	\$909.76	\$22,744	13,282	1,288,354	\$0.04235	\$54,562	\$5,814	\$0	\$5,814	\$83,120
Smart Financing - Existing Building	16	44	\$2,424.94	\$38,799	14,102	620,488	\$0.04277	\$26,538	\$4,197	\$0	\$4,197	\$69,534
Smart Financing - New Building												
TOTAL COMMERCIAL PROGRAMS	41	1,017		\$135,965		1,908,842		\$81,100	\$10,011	\$3,721	\$13,732	\$230,797
	=====	=====		=====		=====		=====	=====	=====	=====	=====
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System												
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
	=====	=====		=====		=====		=====	=====	=====	=====	=====
TOTAL COMPANY	234	2,634		\$280,996		3,931,401		\$144,021	\$11,559	\$7,670	\$19,229	\$444,246
	=====	=====		=====		=====		=====	=====	=====	=====	=====

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

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

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

Year 2003												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 9A of	18
YEAR 8 (1st HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS KWH/HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(4)	(KWH/ PARTICIPANT) (5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(1)X(3)		(2)X(5)		(6)X(7)		(4)X(5)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	100	467	\$849.84	\$84,984	1,028	480,076	\$0.03111	\$14,935	\$0	\$4,249	\$4,249	\$104,168
- Non-All Electric	7	151	\$79.29	\$555	314	47,414	\$0.03124	\$1,481	\$30	\$0	\$30	\$2,066
Compact Fluorescent Bulb	0	0	\$0.00		0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	94	\$0.00	\$0	1,200	112,800	\$0.03114	\$3,513	\$0	\$0	\$0	\$3,513
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	34	268	\$379.41	\$12,900	1,144	306,592	\$0.03110	\$9,535	\$983	\$0	\$983	\$23,418
Mobile Home New Construction ***												
- Heat Pump	46	460	\$482.61	\$22,200	1,808	831,680	\$0.03110	\$25,865	\$187	\$0	\$187	\$48,252
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.03124	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	101	23	\$142.72	\$14,415	1,194	27,462	\$0.03116	\$856	\$2,127	\$0	\$2,127	\$17,398
<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>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	620	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	73	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	110	\$0.00	\$0	13,282	1,461,020	\$0.04235	\$61,874	\$0	\$0	\$0	\$61,874
Smart Financing - New Building	0	49	\$0.00	\$0	14,101	690,949	\$0.04277	\$29,552	\$0	\$0	\$0	\$29,552
<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>
	=====	=====		=====		=====		=====	=====	=====	=====	=====
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>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	18
YEAR 8 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/HALF	TOTAL ENERGY SAVINGS (KWH/HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * REVENUES (8)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) (4)	(KWH/ PARTICIPANT) (5)	(6) (2)X(5)	(7)	(8)	(9)	(10)	(11)	(12)
								(6)X(7)		(4)X(5)	(9)+(10)	(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	69	473	\$974.94	\$67,271	1,028	486,244	\$0.03111	\$15,127	\$0	\$3,364	\$3,364	\$85,762
- Non-All Electric	69	167	\$76.10	\$5,251	316	52,772	\$0.03124	\$1,649	\$295	\$0	\$295	\$7,195
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	63	\$0.00	\$0	1,200	75,600	\$0.03114	\$2,354	\$0	\$0	\$0	\$2,354
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	29	256	\$453.45	\$13,150	1,144	292,864	\$0.03110	\$9,108	\$839	\$0	\$839	\$23,097
Mobile Home New Construction ***												
- Heat Pump	64	419	\$649.59	\$41,574	1,810	758,390	\$0.03110	\$23,586	\$260	\$0	\$260	\$65,420
- Air Conditioner	1	0	\$150.00	\$150	158	0	\$0.03124	\$0	\$0	\$0	\$0	\$150
Modified Energy Fitness	441	324	\$431.43	\$190,262	1,194	386,856	\$0.03116	\$12,054	\$9,287	\$0	\$9,287	\$211,603
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>673</b>	<b>1,702</b>		<b>\$317,658</b>		<b>2,052,726</b>		<b>\$63,878</b>	<b>\$10,681</b>	<b>\$3,364</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	63	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	77	\$0.00	\$0	13,282	1,022,714	\$0.04235	\$43,312	\$0	\$0	\$0	\$43,312
Smart Financing - New Building	0	47	\$0.00	\$0	14,102	662,794	\$0.04277	\$28,348	\$0	\$0	\$0	\$28,348
<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>\$317,658</b>		<b>3,738,234</b>		<b>\$135,538</b>	<b>\$10,681</b>	<b>\$3,364</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												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 10A of 18
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)	EFFICIENCY INCENTIVE (EX. C. PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (12) (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (3)	COSTS (4) (1)X(3)	(KWH/PARTIC) (5)	(KWH/ HALF (6)	(2)X(5) (7)	(8)	(9)	(10)	(9)+(10)	(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	463	\$751.54	\$54,111	1,028	475,964	\$0.03111	\$14,807	\$0	\$2,706	\$2,706	\$71,624
- Non-All Electric	10	179	\$78.60	\$786	314	56,206	\$0.03124	\$1,756	\$43	\$0	\$43	\$2,585
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	42	\$0.00	\$0	1,200	50,400	\$0.03114	\$1,569	\$0	\$0	\$0	\$1,569
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	41	247	\$428.05	\$17,550	1,144	282,568	\$0.03110	\$8,788	\$1,186	\$0	\$1,186	\$27,524
Mobile Home New Construction ***												
- Heat Pump	68	394	\$503.68	\$34,250	1,808	712,352	\$0.03110	\$22,154	\$276	\$0	\$276	\$56,680
- Air Conditioner	1	1	\$150.00	\$150	157	157	\$0.03124	\$5	\$0	\$0	\$0	\$155
Modified Energy Fitness	334	735	\$417.76	\$139,531	1,194	877,590	\$0.03116	\$27,346	\$7,034	\$0	\$7,034	\$173,911
TOTAL RESIDENTIAL PROGRAMS	526	2,061		\$246,378		2,455,237		\$76,425	\$8,539	\$2,706	\$11,245	\$334,048
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	338	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	30	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	54	\$0.00	\$0	13,282	717,228	\$0.04235	\$30,375	\$0	\$0	\$0	\$30,375
Smart Financing - New Building	0	43	\$0.00	\$0	14,101	606,343	\$0.04277	\$25,933	\$0	\$0	\$0	\$25,933
TOTAL COMMERCIAL PROGRAMS	0	465		\$0		1,323,571		\$56,308	\$0	\$0	\$0	\$56,308
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	526	2,526		\$246,378		3,778,808		\$132,733	\$8,539	\$2,706	\$11,245	\$390,356

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

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

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

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

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

Year 2005												Exhibit C
KENTUCKY POWER COMPANY												PAGE
ESTIMATED SECTOR SURCHARGES FOR 3												11A of
YEAR PROGRAM												18
YEAR 10 (1st Half)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL ENERGY	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ACTUAL
	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM	REV/QTR	SAVINGS	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE
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)		(6)X(7)		(4)X(5)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	88	477	\$1,109.22	\$97,611	896	427,392	\$0.03111	\$13,296	\$0	\$4,881	\$4,881	\$115,788
- Non-All Electric	57	218	\$62.47	\$3,561	267	58,206	\$0.03124	\$1,818	\$1,125	\$0	\$1,125	\$6,504
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	34	231	\$560.21	\$19,047	1,145	264,495	\$0.03110	\$8,226	\$2,693	\$0	\$2,693	\$29,966
Mobile Home New Construction ***												
- Heat Pump	67	371	\$614.85	\$41,195	1,808	670,768	\$0.03110	\$20,861	\$8,372	\$0	\$8,372	\$70,428
- Air Conditioner	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	371	1,479	\$400.87	\$148,723	613	906,627	\$0.03116	\$28,250	\$15,612	\$0	\$15,612	\$192,585
TOTAL RESIDENTIAL PROGRAMS	617	2,778		\$310,137		2,327,802		\$72,461	\$27,802	\$4,881	\$32,683	\$415,281
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	64	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	3	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	29	\$0.00	\$0	13,282	385,178	\$0.04235	\$16,312	\$0	\$0	\$0	\$16,312
Smart Financing - New Building	0	18	\$0.00	\$0	14,101	253,818	\$0.04277	\$10,856	\$0	\$0	\$0	\$10,856
TOTAL COMMERCIAL PROGRAMS	0	114		\$0		638,996		\$27,168	\$0	\$0	\$0	\$27,168
INDUSTRIAL PROGRAMS -												
(w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	617	2,892		\$310,137		2,966,798		\$99,629	\$27,802	\$4,881	\$32,683	\$442,449

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

Year 2005													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													11B of
YEAR PROGRAM													18
YEAR 10 (2nd HALF)	NEW	CUMULATIVE	TOTAL ESTIMATED	TOTAL ACTUAL	NET LOST	TOTAL ENERGY	NET LOST	TOTAL NET *	EFFICIENCY	MAXIMIZING		TOTAL ACTUAL	
PROGRAM DESCRIPTIONS	PARTICIPANT	PARTICIPANT	PROGRAM COSTS	PROGRAM COSTS	REV/QTRS	SAVINGS	REVENUE	LOST	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE	
	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)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	85	492	\$1,207.52	\$102,639	896	440,832	\$0.03111	\$13,714	\$0	\$5,132	\$5,132	\$121,485	
- Non-All Electric	26	233	\$65.85	\$1,712	266	61,978	\$0.03124	\$1,936	\$513	\$0	\$513	\$4,161	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	40	225	\$476.78	\$19,071	1,144	257,400	\$0.03110	\$8,005	\$3,168	\$0	\$3,168	\$30,244	
Mobile Home New Construction ***													
- Heat Pump	83	385	\$544.23	\$45,171	1,810	696,850	\$0.03110	\$21,672	\$10,372	\$0	\$10,372	\$77,215	
- Air Conditioner	0	2	\$0.00	\$0	158	316	\$0.03124	\$10	\$0	\$0	\$0	\$10	
Modified Energy Fitness	351	1,826	\$373.12	\$130,965	612	1,117,512	\$0.03116	\$34,822	\$14,770	\$0	\$14,770	\$180,557	
<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>\$33,955</b>	<b>\$413,672</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>\$33,955</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

YEAR 11 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/HALF PARTICIPANT)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)(9)	EFFICIENCY INCENTIVE (EX. C, P.G.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE RECOVERED (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	(1)X(3) COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	(7)	(8)X(9) REVENUES (8)	(9)	(10)	(9)+(10) INCENTIVE (11)	(4)+(8)+(11) RECOVERED (12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency												
- All Electric	75	496	\$974.31	\$73,073	896	444,416	\$0.03111	\$13,826	\$0	\$3,654	\$3,654	\$90,553
- Non-All Electric	34	249	\$84.56	\$2,875	267	66,483	\$0.03124	\$2,077	\$671	\$0	\$671	\$5,623
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - Mobile Home	48	230	\$446.06	\$21,411	1,145	263,350	\$0.03110	\$8,190	\$3,802	\$0	\$3,802	\$33,403
Mobile Home New Construction ***												
- Heat Pump	90	425	\$561.21	\$50,509	1,810	769,250	\$0.03110	\$23,924	\$11,246	\$0	\$11,246	\$85,679
- Air Conditioner	0	2	\$0.00	\$0	157	314	\$0.03124	\$10	\$0	\$0	\$0	\$10
Modified Energy Fitness	440	2,185	\$275.33	\$121,144	613	1,339,405	\$0.03116	\$41,736	\$18,515	\$0	\$18,515	\$181,395
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>687</b>	<b>3,587</b>		<b>\$269,012</b>		<b>2,883,218</b>		<b>\$89,763</b>	<b>\$34,234</b>	<b>\$3,654</b>	<b>\$37,888</b>	<b>\$396,663</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>687</b>	<b>3,587</b>		<b>\$269,012</b>		<b>2,883,218</b>		<b>\$89,763</b>	<b>\$34,234</b>	<b>\$3,654</b>	<b>\$37,888</b>	<b>\$396,663</b>

\* 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 2007												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 18
YEAR 12 (1st HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/HALF)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11)	TOTAL ACTUAL COSTS TO BE (12)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT COSTS (3)	COSTS (4)	(KWH/ PARTICIPANT) (5)	KWH/ HALF (6)	\$/KWH (7)	REVENUES (8)	(9)	(5% of COSTS) (10)	INCENTIVE (11)	RECOVERED (12)
	(1)	(2)	(3)	(1)X(3)	(5)	(2)X(6)	(7)	(6)X(7)	(9)	(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	707	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency	128	295	\$1,022.27	\$130,851	896	264,320	\$0.04346	\$11,487	\$0	\$6,543	\$6,543	\$148,881
- All Electric	29	115	\$86.48	\$2,508	277	31,855	\$0.04362	\$1,390	\$572	\$0	\$572	\$4,470
- Non-All Electric												
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	447	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	50	153	\$450.00	\$22,500	1,145	175,185	\$0.04346	\$7,614	\$3,960	\$0	\$3,960	\$34,074
Mobile Home New Construction ***												
- Heat Pump	84	304	\$563.10	\$47,300	1,810	550,240	\$0.04348	\$23,924	\$10,497	\$0	\$10,497	\$81,721
- Air Conditioner	0	0	\$0.00	\$0	157	0	\$0.04343	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	515	1,605	\$381.00	\$198,214	613	983,865	\$0.04349	\$42,788	\$21,671	\$0	\$21,671	\$260,673
Case No 2006 - 00373, Dated December 14, 2006:												
- HEAP - Kentucky Power Company's Information Technology Implementation Costs				\$58,968								\$58,968
- HEAP - KACA's Information Technology Implementation Costs				\$15,700								\$15,700
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>806</b>	<b>2,472</b>		<b>\$474,041</b>		<b>2,005,465</b>		<b>\$87,203</b>	<b>\$36,700</b>	<b>\$6,543</b>	<b>\$43,243</b>	<b>\$604,487</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>806</b>	<b>2,472</b>		<b>\$474,041</b>		<b>2,005,465</b>		<b>\$87,203</b>	<b>\$36,700</b>	<b>\$6,543</b>	<b>\$43,243</b>	<b>\$604,487</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												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											PAGE 13B of	18
YEAR 12 (2nd Half)	NEW	CUMULATIVE	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS (KWH/HALF PARTICIPANT)	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES (8)X(7)	EFFICIENCY INCENTIVE (EX. C, PG.16B) (9)	MAXIMIZING INCENTIVE (5% of COSTS) (10)	TOTAL * INCENTIVE (11) (9)+(10)	TOTAL ACTUAL COSTS TO BE (12) (4)+(8)+(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)X(7) (6)X(7)	(9)	(10)	(11)	(12)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	706	0	\$0.03112	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency	100	421	\$879.82	\$87,982	896	377,216	\$0.04346	\$16,394	\$0	\$4,399	\$4,399	\$108,775
- All Electric	50	151	\$89.58	\$4,479	276	41,676	\$0.04362	\$1,818	\$987	\$0	\$987	\$7,284
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	0	\$0.00	\$0	1,200	0	\$0.03114	\$0	\$0	\$0	\$0	\$0
- Resistance Heat	0	0	\$0.00	\$0	446	0	\$0.03116	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump - 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 ***	129	426	\$551.94	\$71,200	1,808	770,208	\$0.04348	\$33,489	\$16,120	\$0	\$16,120	\$120,809
- Heat Pump	0	0	\$0.00	\$0	158	0	\$0.04343	\$0	\$0	\$0	\$0	\$0
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	485	2,113	\$353.79	\$171,590	612	1,293,156	\$0.04349	\$56,239	\$20,409	\$0	\$20,409	\$248,238
TOTAL RESIDENTIAL PROGRAMS	809	3,320		\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	809	3,320		\$355,501		2,721,352		\$118,331	\$41,080	\$4,399	\$45,479	\$519,311

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

Year 2008												
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM											Exhibit C PAGE 14A of	18
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	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)		(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	521	\$1,358.15	\$161,620	1,016	529,336	\$0.04346	\$23,005	\$9,189	\$0	\$9,189	\$193,814
- Non-All Electric	56	196	\$83.11	\$4,654	568	111,328	\$0.04345	\$4,837	\$3,454	\$0	\$3,454	\$12,945
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump												
- Mobile Home	61	252	\$457.38	\$27,900	875	220,500	\$0.04346	\$9,583	\$8,539	\$0	\$8,539	\$46,022
Mobile Home New Construction ***												
- Heat Pump	95	520	\$552.63	\$52,500	861	447,720	\$0.04348	\$19,467	\$10,597	\$0	\$10,597	\$82,564
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	560	2,612	\$361.32	\$202,339	435	1,136,220	\$0.04349	\$49,414	\$27,871	\$0	\$27,871	\$279,624
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>891</b>	<b>4,101</b>		<b>\$449,013</b>		<b>2,445,104</b>		<b>\$106,306</b>	<b>\$59,650</b>	<b>\$0</b>	<b>\$59,650</b>	<b>\$614,969</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>891</b>	<b>4,101</b>		<b>\$449,013</b>		<b>2,445,104</b>		<b>\$106,306</b>	<b>\$59,650</b>	<b>\$0</b>	<b>\$59,650</b>	<b>\$614,969</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	18
YEAR 13 (2nd HALF)	NEW PARTICIPANT	CUMULATIVE PARTICIPANT	TOTAL ESTIMATED PROGRAM COSTS	TOTAL ACTUAL PROGRAM COSTS	NET LOST REV/QTRS	TOTAL ENERGY SAVINGS KWH/ HALF	NET LOST REVENUE (\$/KWH)	TOTAL NET * LOST REVENUES	EFFICIENCY INCENTIVE (EX. C, PG.16B)	MAXIMIZING INCENTIVE (5% of COSTS)	TOTAL * INCENTIVE (9)+(10)	TOTAL ACTUAL COSTS TO BE RECOVERED (4)+(8)+(11)
PROGRAM DESCRIPTIONS	NUMBER (1)	NUMBER ** (2)	PER PARTICIPANT (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	89	545	\$991.21	\$88,218	1,016	553,720	\$0.04346	\$24,065	\$6,873	\$0	\$6,873	\$119,156
- Non-All Electric	20	223	\$87.50	\$1,750	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	252,586	\$0.04346	\$10,977	\$10,359	\$0	\$10,359	\$54,086
Mobile Home New Construction												
- Heat Pump	108	548	\$550.00	\$59,400	860	471,280	\$0.04348	\$20,491	\$12,047	\$0	\$12,047	\$91,938
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	440	2,793	\$356.35	\$156,792	435	1,214,955	\$0.04349	\$52,838	\$21,899	\$0	\$21,899	\$231,529
<b>TOTAL RESIDENTIAL PROGRAMS</b>	<b>731</b>	<b>4,398</b>		<b>\$338,910</b>		<b>2,619,205</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>2,619,205</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 01/01/2006.

Year 2009													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													15A of
YEAR PROGRAM													18
	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL	
	PARTICIPANT	PARTICIPANT	PROGRAM	PROGRAM	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ACTUAL	
			COSTS	COSTS		SAVINGS	REVENUE	LOST				COSTS TO BE	
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/	KWH/	(\$/KWH)	REVENUES	(EX. C.	(5% of	INCENTIVE	RECOVERED	
	(1)	(2)	PARTICIPANT	(4)	PARTICIPANT)	HALF	(7)	(8)	(9)	(10)	(11)	(12)	
			(3)		(5)	(6)		(6)X(7)		(4)X(5)	(9)+(10)	(4)+(8)+(11)	
			(4)/(1)			(2)X(5)							
<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	575	** \$1,060.16	\$126,159	1,016	584,200	\$0.04346	\$25,389	\$9,189	\$0	\$9,189	\$160,737	
- Non-All Electric	22	210	** \$93.27	\$2,052	568	119,280	\$0.04352	\$5,191	\$1,357	\$0	\$1,357	\$8,600	
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
High - Efficiency Heat Pump													
- Mobile Home	61	299	** \$449.18	\$27,400	875	261,625	\$0.04350	\$11,381	\$8,539	\$0	\$8,539	\$47,320	
Mobile Home New Construction													
- Heat Pump	88	552	** \$552.84	\$48,650	861	475,272	\$0.04351	\$20,679	\$9,816	\$0	\$9,816	\$79,145	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	425	2,775	** \$383.51	\$162,993	435	1,207,125	\$0.04345	\$52,450	\$21,152	\$0	\$21,152	\$236,595	
High Efficiency Heat Pump													
- Resistance Heat Replacement	28	7	*** \$305.36	\$8,550	1,879	13,153	\$0.04349	\$572	\$13,387	\$0	\$13,387	\$22,509	
- Heat Pump Replacement	61	16	*** \$442.62	\$27,000	301	4,816	\$0.04353	\$210	\$0	\$1,350	\$1,350	\$28,560	
Energy Education for Student Program (NEED)	0	0	*** \$0.00	\$8,139	92	0	\$0.04370	\$0	\$0	\$0	\$0	\$8,139	
Community Outreach Program (CFL)	926	149	*** \$5.84	\$5,404	92	13,708	\$0.04370	\$599	\$4,621	\$0	\$4,621	\$10,624	
<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 -</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>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												Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM												PAGE 15B of
												18
YEAR 14 (2nd HALF)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL
	PARTICIPANT	PARTICIPANT	ACTUAL	ACTUAL	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE		ACTUAL
PROGRAM DESCRIPTIONS	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)
			(4)/(1)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)
RESIDENTIAL PROGRAMS												
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency	140	620	** \$993.48	\$139,087	1,016	629,920	\$0.04346	\$27,376	\$10,811	\$0	\$10,811	\$177,274
- All Electric	61	200	** \$101.34	\$6,182	568	113,600	\$0.04352	\$4,944	\$3,762	\$0	\$3,762	\$14,888
- Non-All Electric	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Compact Fluorescent Bulb	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Non Resistance Heat	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
High - Efficiency Heat Pump	99	342	** \$449.49	\$44,500	874	298,908	\$0.04350	\$13,002	\$13,859	\$0	\$13,859	\$71,361
- Mobile Home	99	342	** \$449.49	\$44,500	874	298,908	\$0.04350	\$13,002	\$13,859	\$0	\$13,859	\$71,361
Mobile Home New Construction	103	556	** \$544.17	\$56,050	860	478,160	\$0.04351	\$20,805	\$11,490	\$0	\$11,490	\$88,345
- Heat Pump	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Modified Energy Fitness	375	2,631	** \$372.99	\$139,871	435	1,144,485	\$0.04345	\$49,728	\$18,664	\$0	\$18,664	\$208,263
High Efficiency Heat Pump	63	60	*** \$514.29	\$32,400	1,879	112,740	\$0.04349	\$4,903	\$30,120	\$0	\$30,120	\$67,423
- Resistance Heat Replacement	156	144	*** \$451.92	\$70,500	300	43,200	\$0.04353	\$1,880	\$0	\$3,525	\$3,525	\$75,905
- Heat Pump Replacement	156	144	*** \$451.92	\$70,500	300	43,200	\$0.04353	\$1,880	\$0	\$3,525	\$3,525	\$75,905
Energy Education for Student Program (NEED)	1,130	558	*** \$8.00	\$9,045	92	51,336	\$0.04370	\$2,243	\$5,627	\$0	\$5,627	\$16,915
Community Outreach Program (CFL)	2,818	2,501	*** \$10.19	\$28,715	92	230,092	\$0.04370	\$10,055	\$14,062	\$0	\$14,062	\$52,832
TOTAL RESIDENTIAL PROGRAMS	4,945	7,612		\$526,350		3,102,441		\$134,936	\$108,395	\$3,525	\$111,920	\$773,206
COMMERCIAL PROGRAMS												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)												
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0
TOTAL COMPANY	4,945	7,612		\$526,350		3,102,441		\$134,936	\$108,395	\$3,525	\$111,920	\$773,206

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

Year 2010													Exhibit C
KENTUCKY POWER COMPANY ESTIMATED SECTOR SURCHARGES FOR 3 YEAR PROGRAM													PAGE 16A of
YEAR 15 (1st QTR)													TOTAL ESTIMATED
PROGRAM DESCRIPTIONS	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING			
	PARTICIPANT	PARTICIPANT	ESTIMATED	ESTIMATED	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	COSTS TO BE	
	NUMBER	NUMBER	PROGRAM	PROGRAM	(KWH/ PARTICIPANT)	SAVINGS	REVENUE	LOST	(EX. C, PG.16B)	(5% of COSTS)	INCENTIVE	RECOVERED	
	(1)	(2)	PER PARTICIPANT (3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
			(4) / (1)			(2)X(5)		(6)X(7)		(4)X(5%)	(9)+(10)	(4)+(8)+(11)	
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	102	730	** \$1,050.49	\$107,150	508	370,840	\$0.04346	\$16,117	\$7,876	\$0	\$7,876	\$131,143	
- Non-All Electric	18	245	** \$125.00	\$2,250	284	69,580	\$0.04352	\$3,028	\$1,110	\$0	\$1,110	\$6,388	
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	16	391	** \$450.00	\$7,200	437	170,867	\$0.04350	\$7,433	\$2,240	\$0	\$2,240	\$16,873	
Mobile Home New Construction													
- Heat Pump	40	612	** \$550.00	\$22,000	430	263,160	\$0.04351	\$11,450	\$4,462	\$0	\$4,462	\$37,912	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	216	2,786	** \$400.00	\$86,400	217	604,562	\$0.04345	\$26,268	\$10,750	\$0	\$10,750	\$123,418	
High Efficiency Heat Pump													
- Resistance Heat Replacement	15	99	*** \$450.00	\$6,750	939	92,961	\$0.04349	\$4,043	\$7,172	\$0	\$7,172	\$17,965	
- Heat Pump Replacement	60	247	*** \$450.00	\$27,000	150	37,050	\$0.04353	\$1,613	\$0	\$1,350	\$1,350	\$29,963	
Energy Education for Student Program (NEED)	185	1,223	*** \$15.14	\$2,800	46	56,258	\$0.04370	\$2,458	\$921	\$0	\$921	\$6,179	
Community Outreach Program (CFL)	900	4,044	*** \$9.05	\$8,145	46	186,024	\$0.04370	\$8,129	\$4,491	\$0	\$4,491	\$20,765	
TOTAL RESIDENTIAL PROGRAMS	1,552	10,377		\$269,695		1,851,302		\$80,539	\$39,022	\$1,350	\$40,372	\$390,606	
COMMERCIAL PROGRAMS													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
- Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Opt-Outs Removed)													
Smart Audit - Class 1	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	0	0	\$0.00	\$0	0	0	n/a	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Compressed Air System	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	0	0		\$0		0		\$0	\$0	\$0	\$0	\$0	
TOTAL COMPANY	1,552	10,377		\$269,695		1,851,302		\$80,539	\$39,022	\$1,350	\$40,372	\$390,606	

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

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

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



Year 2010													Exhibit C
KENTUCKY POWER COMPANY													PAGE
ESTIMATED SECTOR SURCHARGES FOR 3													16B of
YEAR PROGRAM													18
YEAR 15 (2nd, 3rd & 4th QTRs)	NEW	CUMULATIVE	AVERAGE	TOTAL	NET LOST	TOTAL	NET	TOTAL	EFFICIENCY	MAXIMIZING		TOTAL	
	PARTICIPANT	PARTICIPANT	ESTIMATED	ESTIMATED	REV/QTRS	ENERGY	LOST	NET *	INCENTIVE	INCENTIVE	TOTAL *	ESTIMATED	
PROGRAM DESCRIPTIONS	NUMBER	NUMBER	PER	COSTS	(KWH/	KWH/	(\$/KWH)	REVENUES	(EX. C,	(5% of	INCENTIVE	RECOVERED	
	(1)	(2)	PARTICIPANT	(4)	PARTICIPANT)	QTRs	(7)	(8)	PG.16B)	COSTS)	(11)	(12)	
			(3)		(5)			(6)	(9)	(10)	(9)+(10)	(4)+(8)+(11)	
			(4)/(1)			(2)X(5)		(6)X(7)		(4)X(5%)			
RESIDENTIAL PROGRAMS													
Energy Fitness	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Targeted Energy Efficiency													
- All Electric	313	807	** \$1,057.91	\$331,125	1,524	1,229,868	\$0.04346	\$53,450	\$24,170	\$0	\$24,170	\$408,745	
- Non-All Electric	60	250	** \$125.00	\$7,500	852	213,000	\$0.04352	\$9,270	\$3,701	\$0	\$3,701	\$20,471	
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	134	411	** \$450.00	\$60,300	1,312	539,232	\$0.04350	\$23,457	\$18,759	\$0	\$18,759	\$102,516	
Mobile Home New Construction													
- Heat Pump	130	586	** \$550.00	\$71,500	1,291	756,526	\$0.04351	\$32,916	\$14,502	\$0	\$14,502	\$118,918	
- Air Conditioner	0	0	\$0.00	\$0	0	0	\$0.00000	\$0	\$0	\$0	\$0	\$0	
Modified Energy Fitness	984	2,828	** \$400.00	\$393,600	653	1,846,684	\$0.04345	\$80,238	\$48,974	\$0	\$48,974	\$522,812	
High Efficiency Heat Pump													
- Resistance Heat Replacement	85	148	*** \$450.00	\$38,250	2,819	417,212	\$0.04349	\$18,145	\$40,639	\$0	\$40,639	\$97,034	
- Heat Pump Replacement	190	372	*** \$450.00	\$85,500	451	167,772	\$0.04353	\$7,303	\$0	\$4,275	\$4,275	\$97,078	
Energy Education for Student Program (NEED)	1,515	2,236	*** \$18.61	\$28,200	138	308,568	\$0.04370	\$13,484	\$7,545	\$0	\$7,545	\$49,229	
Community Outreach Program (CFL)	3,900	6,641	*** \$12.27	\$47,855	138	916,458	\$0.04370	\$40,049	\$19,461	\$0	\$19,461	\$107,365	
TOTAL RESIDENTIAL PROGRAMS	7,311	14,279		\$1,063,830		6,395,320		\$278,312	\$177,751	\$4,275	\$182,026	\$1,524,168	
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	7,311	14,279		\$1,063,830		6,395,320		\$278,312	\$177,751	\$4,275	\$182,026	\$1,524,168	
* Lost revenue and efficiency incentives are based on prospective values.													
** Cumulative participants include a reduction for the cumulative participants as of 04/01/2007.													
*** Cumulative participants include a reduction for the cumulative participants as of 01/01/2009 (High Efficiency Heat Pump, Energy Education for Students and Community Outreach Program (CFL)).													



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

PROGRAM DESCRIPTIONS	ANNUAL SHARED SAVINGS (\$)																													
	YEAR 1 (37) (1)X(8)	YEAR 2 (38) (1)X(9)	YEAR 3 (39) (2)X(10)	YEAR 4 (40) (2)X(11)	YEAR 4 (41) (2)X(12)	YEAR 4 (42) (3)X(13)	YEAR 5 (43) (3)X(14)	YEAR 5 (44) (3)X(15)	YEAR 5 (45) (3)X(16)	YEAR 6 (46) (3)X(17)	YEAR 6 (47) (3)X(18)	YEAR 6 (48) (4)X(19)	YEAR 6 (49) (4)X(20)	YEAR 6 (50) (4)X(21)	YEAR 6 (51) (4)X(22)	YEAR 6 (52) (4)X(23)	YEAR 6 (53) (4)X(24)	YEAR 6 (54) (5)X(25)	YEAR 6 (55) (5)X(26)	YEAR 6 (56) (5)X(27)	YEAR 6 (57) (5)X(28)	YEAR 6 (58) (5)X(29)	YEAR 6 (59) (5)X(30)	YEAR 6 (60) (6)X(31)	YEAR 6 (61) (6)X(32)	YEAR 6 (62) (7)X(33)	YEAR 6 (63) (7)X(34)	YEAR 6 (64) (7)X(35)	YEAR 6 (64) (7)X(36)	
RESIDENTIAL PROGRAMS																														
Energy Fitness	\$43,177	\$21,354	\$14,317	\$11,304	\$9,309	\$10,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency																														
- All Electric	\$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
- Non-All Electric	\$719	\$252	\$154	\$40	\$70	\$60	\$40	\$141	\$105	\$90	\$231	\$137	\$56	\$30	\$295	\$43	\$308	\$1,125	\$513	\$671	\$908	\$572	\$987	\$3,454	\$1,234	\$1,357	\$3,762	\$1,110	\$3,701	
Compact Fluorescent Bulb	\$425	\$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																														
- Resistance Heat	\$10,634	\$2,427	\$1,568	\$152	\$780	\$4,376	\$6,187	\$1,679	\$1,105	\$1,016	\$1,326	\$44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Non Resistance Heat	\$6,798	\$2,070	\$5,414	\$797	\$1,853	\$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																														
- Mobile Home	\$13,834	\$4,236	\$4,128	\$2,145	\$6,623	\$8,505	\$11,284	\$3,789	\$3,621	\$4,463	\$3,658	\$1,244	\$1,244	\$983	\$939	\$1,168	\$1,330	\$2,693	\$3,168	\$3,802	\$3,564	\$3,660	\$3,564	\$6,539	\$10,359	\$8,539	\$13,659	\$2,240	\$18,759	
Mobile Home New Construction ***																														
- Heat Pump	\$0	\$0	\$0	\$0	\$0	\$4,353	\$5,484	\$4,466	\$4,176	\$3,687	\$4,087	\$231	\$248	\$167	\$260	\$276	\$284	\$9,372	\$10,372	\$11,246	\$11,746	\$10,497	\$16,120	\$10,597	\$12,047	\$9,616	\$11,450	\$4,462	\$14,502	
- Air Conditioner																														
Modified Energy Fitness																														
High Efficiency Heat Pump																														
- Furnace Replacement																														
- Heat Pump Replacement																														
Energy Education for Student Program (NEED)																														
Community Outreach Program (CFL)																														
TOTAL RESIDENTIAL PROGRAMS	\$77,585	\$30,339	\$25,601	\$14,398	\$17,645	\$27,663	\$22,975	\$10,085	\$9,006	\$9,256	\$9,602	\$1,656	\$1,548	\$3,327	\$10,681	\$8,539	\$10,156	\$27,602	\$28,623	\$34,234	\$39,783	\$36,700	\$41,080	\$59,650	\$52,412	\$68,061	\$108,395	\$39,022	\$177,751	
*** Participants since 09/01/99																														
COMMERCIAL PROGRAMS																														
Smart Audit - Class 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
- Class 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - Existing Building	\$505	\$0	\$9,946	\$8,506	\$23,585	\$1,995	\$5,814	\$3,721	\$5,581	\$3,488	\$3,488	\$1,628	\$5,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - New Building	\$0	\$50	\$0	\$29	\$144	\$787	\$2,039	\$1,649	\$0	\$2,039	\$4,722	\$1,312	\$4,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL COMMERCIAL PROGRAMS	\$505	\$50	\$9,946	\$8,535	\$23,729	\$2,182	\$7,813	\$4,770	\$5,581	\$5,587	\$8,210	\$2,940	\$10,011	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
INDUSTRIAL PROGRAMS - (w/Est. Out-Ofs Removed)																														
Smart Audit - Class 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Audit - Class 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Smart Financing - General	\$0	\$0	\$0	\$0	\$383	\$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 - Compressed Air System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL PROGRAMS	\$0	\$0	\$0	\$0	\$383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
ANNUAL SHARED SAVINGS (\$)	\$78,091	\$30,389	\$34,547	\$20,933	\$41,757	\$29,845	\$30,880	\$14,865	\$14,507	\$14,843	\$17,812	\$4,596	\$11,559	\$3,327	\$10,681	\$8,539	\$10,156	\$27,602	\$28,623	\$34,234	\$39,783	\$36,700	\$41,080	\$59,650	\$52,412	\$68,061	\$108,395	\$39,022	\$177,751	

KENTUCKY POWER COMPANY		Exhibit C		
FORECAST OF 2010 KENTUCKY RETAIL ENERGY SALES IN KWH		PAGE 18 of		18
FOR RESIDENTIAL, COMMERCIAL AND INDUSTRIAL SECTORS				
PROGRAM YR 15 - 2010				
LINE NO.	YEAR	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
1	TOTAL ULTIMATE SALES (KWH) *	2,456,000,000	1,454,400,000	3,424,700,000
2	LESS NON-METERED **	14,736,000	8,726,400	20,548,200
3	TOTAL ESTIMATED RETAIL KWH SALES	2,441,264,000	1,445,673,600	3,404,151,800
4	LESS OPT - OUT CUSTOMERS KWH	0	0	0
5	KWH BEFORE LOST REVENUE IMPACTS	2,441,264,000	1,445,673,600	3,404,151,800
6	LESS LOST REVENUE IMPACTS ***	8,246,622	0	0
7	ADJUSTED KWH BY SECTOR	2,433,017,378	1,445,673,600	3,404,151,800
8	LINE 7/LINE 1	99.1%	99.4%	99.4%
LINE NO.	PROGRAM YR 15 (1st QTR)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
9	TOTAL ULTIMATE SALES (KWH) *	830,300,000	374,800,000	849,100,000
10	LINE 8	99.1%	99.4%	99.4%
11	ADJUSTED KWH BY SECTOR	822,827,300	372,551,200	844,005,400
LINE NO.	PROGRAM YR 15 (2nd, 3rd & 4th QTR)	RESIDENTIAL SECTOR	COMMERCIAL SECTOR	INDUSTRIAL SECTOR
12	TOTAL ULTIMATE SALES (KWH) *	1,625,700,000	1,079,600,000	2,575,600,000
13	LINE 8	99.1%	99.4%	99.4%
14	ADJUSTED KWH BY SECTOR	1,611,068,700	1,073,122,400	2,560,146,400
* SOURCE: 2010 LOAD FORECAST COMPILED BY AEP CORPORATE PLANNING AND BUDGETING DEPT.				
** .60% ESTIMATED TO BE NON-METERED (OL) DETERMINED FROM BILLED JURISDICTIONAL TARIFF SUMMARY FOR 12 MOS. ENDED DECEMBER 2009.				
*** LOST REVENUE IMPACTS				
Page 16A of 18, Column 6 - TOTAL RESIDENTIAL PROGRAMS		1,851,302		
Page 16B of 18, Column 6 - TOTAL RESIDENTIAL PROGRAMS		6,395,320		
TOTAL		8,246,622		