

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE SEMI-ANNUAL DEMAND-SIDE)	
MANAGEMENT PROGRAM AND COST)	CASE NO.
RECOVERY FILING OF AMERICAN ELECTRIC)	2003-00314
POWER D/B/A KENTUCKY POWER COMPANY)	

O R D E R

This matter comes before the Commission through the August 15, 2003 filing of American Electric Power d/b/a Kentucky Power Company (Kentucky Power) on behalf of its Demand-Side Management (DSM) Collaborative.¹ The filing includes a revised tariff proposing increased DSM surcharges for Kentucky Power s residential and commercial customers, to become effective September 29, 2003, and individual status reports for each of Kentucky Power s DSM programs through June 30, 2003.

The revised DSM tariff includes increases in the DSM surcharge factors for residential customers from \$.000151 per Kwh to \$.000333 per Kwh and for commercial customers from \$.000036 per Kwh to \$.000414 per Kwh. The revised DSM surcharge factors were calculated using the methodology proposed by Kentucky Power and approved by the Commission in each of Kentucky Power s previous DSM cases.

¹ The DSM Collaborative includes Kentucky Power, the Attorney General s Office, Kentuckians for the Commonwealth, Big Sandy Area Development District, Northeast Kentucky Area Development Council, Kentucky Tech Northeast Region, Christian Appalachian Project, Kentucky Division of Energy, Coleman Oil, Cedar Knoll Galleria, Kentucky Industrial Utility Customers, Big Sandy Area Community Action Program, LKLP Community Action Council, Middle Kentucky River Area Development Council, Appalachian Regional Defense Fund, and Appalachian Service Project.

The individual status reports describe year-to-date and program-to-date costs, as well as demand and energy savings attributed to each program through June 30, 2003. The filing also includes cost projections agreed upon by the DSM Collaborative for the remainder of calendar year 2003.

SUMMARY

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Kentucky Power has continued to keep the Commission properly informed of the progress and status of its DSM programs by timely filing individual status reports on its DSM programs.

2. Kentucky Power's revised DSM surcharge factors are reasonable as they reflect the ongoing level of DSM program costs and the true-up of prior-period DSM costs and revenues.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's revised tariff containing DSM surcharge factors of \$.000333 per Kwh for residential customers and \$.000414 per Kwh for commercial customers is approved to be effective on and after September 29, 2003.

2. Within 10 days from the date of this Order, Kentucky Power shall file a revised DSM tariff showing the date of issue and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 25th day of September, 2003.

By the Commission

ATTEST:


Executive Director