

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

The Electronic Joint Application Of Kentucky )  
Power Company And Community Action Kentucky,) )  
Inc. To: (1) Expand And Modify Kentucky Power )  
Company's Home Energy Assistance Program; )  
(2) Approve The Amended Operating Agreement; )  
(3) Approve Kentucky Power's Voluntary Energy )  
Assistance Fund; (4) Approve Revised Tariff )  
Sheets; and (5) Grant All Other Relief To )  
Which They May Be Entitled )

Case No. 2018-00311

**JOINT APPLICATION**

Kentucky Power Company ("Kentucky Power" or the "Company") and Community Action Kentucky, Inc.<sup>1</sup> ("CAK") (collectively "Joint Applicants") petition the Public Service Commission of Kentucky for an order approving: (1) the amendments to the Company's existing home energy assistance program; (2) the expansion of the Company's home energy assistance program to provide limited assistance to eligible persons not otherwise receiving assistance from the Company; (3) approval pursuant to KRS 278.287 of Kentucky Power's voluntary energy assistance fund; (4) the approval of the new agreement between Kentucky Power and CAK with regard to these programs; (5) the approval of revised Tariff Sheets 1-2, 2-17 (sample residential bill format), 2-18 (sample residential bill format), 6-1, 6-4, 6-6, 6-8, 6-10, and 25-1; and (6) for all other relief to which they may be entitled.

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<sup>1</sup> Community Action Kentucky, Inc. formerly was named Kentucky Association for Community Action, Inc. By a filing dated October 7, 2010, it amended its name to Community Action Kentucky, Inc.

## Introduction

1. Kentucky Power is a corporation organized under the laws of the Commonwealth of Kentucky.<sup>2</sup> The Company is in good standing in the Commonwealth.

2. The post office address of Kentucky Power is 855 Central Avenue, Suite 200, Ashland, Kentucky 41101.<sup>3</sup> The Company's electronic mail address is [kentucky\\_regulatory\\_services@aep.com](mailto:kentucky_regulatory_services@aep.com). Kentucky Power is engaged in the generation, purchase, transmission, distribution and sale of electric power. Kentucky Power serves approximately 166,400 customers in the following 20 counties of eastern Kentucky: Boyd, Breathitt, Carter, Clay, Elliott, Floyd, Greenup, Johnson, Knott, Lawrence, Leslie, Letcher, Lewis, Magoffin, Martin, Morgan, Owsley, Perry, Pike and Rowan. Kentucky Power also supplies electric power at wholesale to other utilities and municipalities in Kentucky for resale. Kentucky Power is a utility as that term is defined at KRS 278.010.

3. CAK is a non-profit corporation organized under the laws of the Commonwealth of Kentucky.<sup>4</sup> CAK's post office address is 101 Burch Court, Frankfort, Kentucky 40601. CAK's electronic mail address is [KPSC@capky.org](mailto:KPSC@capky.org).

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<sup>2</sup> A certified copy of the Company's Articles of Incorporation and all amendments thereto was attached to the Joint Application in *In the Matter Of: The Joint Application Of Kentucky Power Company, American Electric Power Company, Inc. And Central And South West Corporation Regarding A Proposed Merger*, P.S.C. Case No. 99-149. The Company's August 27, 2018 Certificate of Existence is filed as **Exhibit 1** to this Application.

<sup>3</sup> Kentucky Power also currently maintains a Regulatory Services office located at 101A Enterprise Drive, P.O. Box 5190, Frankfort, Kentucky 40602-5190.

<sup>4</sup> A certified copy of CAK's Articles of Incorporation was filed with the Commission in Case No. 2004-00303, *In The Matter Of: Joint Application of Kentucky Utilities Company, Kentucky Association for Community Action, Inc. and Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. for the Establishment of a Home Energy Assistance Program*.

The Existing Kentucky Power Home Energy Assistance Program.

4. Kentucky Power and CAK entered into an agreement dated July 28, 2006 whereby CAK, by arrangement with its member agencies, would provide certain administrative and oversight services for Kentucky Power's home energy assistance program by, *inter alia*, taking applications for assistance and identifying eligible applicants to Kentucky Power for participation in the Company's home energy assistance program.

5. Kentucky Power's existing home energy assistance program seeks to improve the affordability of electric service for low-income customers by providing a subsidy during peak heating and cooling months. Participation in the program allows customers receiving benefits to become more energy self-sufficient and reduce the incidence of disconnections.

6. Kentucky Power's home energy assistance program initially was funded through a ten cent per residential meter monthly charge. Kentucky Power initially contributed 50 percent of the amount collected through the monthly residential meter charge to fund the program. The Company subsequently increased its contribution to match on a dollar-for-dollar basis the amount collected through the monthly residential meter charge. Currently, the home energy assistance charge is \$0.30 per residential meter per month with a matching Company contribution. For the twelve months ended August 31, 2018, the monthly residential meter charge collected \$382,341.<sup>5</sup> Kentucky Power contributed an equal amount for the same period.

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<sup>5</sup> Effective January 19, 2018 the monthly residential meter charge (and matching Company contribution) increased from \$0.15 to \$0.30.

7. The Commission approved Kentucky Power's existing home energy assistance program, and the operating agreement with CAK, by order dated December 14, 2006.<sup>6</sup>

8. Participants in the Company's existing home energy assistance program must be Kentucky Power customers or must have applied for service. Participants must be enrolled in the federal Low Income Home Energy Assistance Program ("LIHEAP") and must be the ratepayer of record for their household. LIHEAP benefits due a participant, as well as any benefits paid the participant under the Company's existing home energy assistance program, are paid to Kentucky Power and are used to reduce the amount due the Company through bill credits.

9. Existing program benefits are currently credited to the accounts of eligible participants for bills rendered during the December, January, February, and March revenue months (winter heating season) and the July, August, and September revenue months (summer cooling season). Customers who use electricity as their primary source of heat receive monthly benefits of \$65.00 a month for each of the seven benefit months. Customers who do not use electricity as their primary source of heat currently receive \$33.00 in monthly benefits for each of the seven benefit months.

10. Eighty-five percent of the program funding is used to provide benefits to customers who use electricity as their primary source of heat. The balance of the available funding assists residential customers who use non-electric heating as their primary form of heating. For the program year beginning December 1, 2017, Kentucky Power initially allocated funding for 989 electric heating participants and 344 non-electric heating participants. Funding for an additional 856 electric heating participants and 297 non-electric heating participants was allocated following

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<sup>6</sup> *In the Matter of: The Joint Application Of Kentucky Power Company And Kentucky Association For Community Action, Inc. For Establishment Of A Home Energy Assistance Program*, Case No. 2006-00373 (Ky. P.S.C. December 14, 2006).

the Commission's January 18, 2018 order in Case No. 2017-00179 increasing the home energy assistance program per residential meter charge and accompanying Company contribution.

11. Program slots are allocated on a county-by-county basis to each of the five currently participating community action agencies.<sup>7</sup> Each county is allocated the percentage of slots equal to the proportion the number of Kentucky Power residential customers living in the county bears to the total number of Kentucky Power residential customers.

12. Each participating community action agency identifies potentially eligible participants, and participation in the program is based on, among other things, a final eligibility determination, the relative need of the potential participant and the availability of a program slot in the potential participant's designated area. Among the factors used for determining need are considerations similar to those used to determine receipt of weatherization assistance, including the proportion of income required to pay energy costs and the presence of a senior citizen or a child under six years of age in the household. The initial assignment of program slots is made by mid-December of each year for the applicable program year. A waiting list is developed by each participating community action agency, and new potential participants are ranked in accordance with the program criteria, including need. As applicable slots become available, eligible participants are assigned benefit slots. If a slot remains unfilled it can be transferred to another county or community action agency with unmet demand.

13. Information for determining eligibility, including income levels, household composition, heating energy source, and other criteria, is collected by the participating community

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<sup>7</sup> Because of the low number of Kentucky Power residential customers residing within the counties they serve, and by agreement of the two agencies, the Daniel Boone Development Council and Licking Valley Community Action Program do not participate in the program because the administrative costs and overhead were expected to exceed the benefits available to be distributed.

action agency. Other information, including the level of the applicant's energy use, is provided by the Company. Based on all of that information, CAK submits eligible participants to Kentucky Power to place them in available benefit slots.

14. Participants receive a credit on their electric bill during the program months, and they are responsible for paying the portion of the bill not covered by the credit. If the credit exceeds the balance due at billing (including any arrearages), the credit is applied to the following month's bill. If a participant changes residences, the participant may remain in the program if the participant remains a Kentucky Power customer, service is maintained in the participant's name, and he or she notifies the enrolling agency of the change of address.

15. If a participant becomes ineligible or otherwise leaves the program, any unused benefit amounts for that participant remain in the program pool for distribution.

16. Participants currently remain eligible for other non-Company assistance. Any LIHEAP subsidy assistance received by a participant that is directed to Kentucky Power is credited to the participant's bill.

17. Participation in the program terminates: (a) upon the participant's failure to meet the eligibility requirements; (b) at the participant's request; or (c) following service disconnection, whether voluntary or for failure to pay all outstanding charges as provided below. If the final bill results in a credit balance, any refund will be limited to the portion of the credit balance in excess of the subsidy assistance provided in the then current program year.

18. Disconnections are handled in accordance with Kentucky Power's tariffs and applicable Commission regulations. A participant may continue in the program following

disconnection if the past due amount and all other required charges are paid in full within five working days of disconnection.

Proposed Amendments To The Existing Program

19. Kentucky Power proposes to amend its existing home energy assistance program:

(a) to increase the monthly “winter heating season” benefit amounts from \$65.00 per month to \$115.00 per month for participating residential customers whose primary source of heat is electric heating;

(b) to increase the monthly “winter heating season” benefit amounts from \$33.00 per month to \$58.00 per month for participating residential customers whose primary source of heat is something other than electric heating;

(c) to change the “winter heating season” during which benefits will be paid from the December through March revenue months to the January through April revenue months;

(d) to rename and reconfigure the existing Home Energy Assistance Program (“HEAP”) by creating the Home Energy Assistances in Reduced Temperatures (“HEART” Program). This will mitigate customer confusion of this program with the separate LIHEAP program;

(e) to discontinue the current “summer cooling season” credits made during the July, August, and September revenue months as a means of providing increased funding for winter heating season amounts;

(f) to establish a separate energy assistance program to provide assistance in an amount not to exceed \$175.00 each program year to participating customers who require more limited assistance than is available through HEART. This second program will be named Temporary Heating Assistance in Winter (“THAW” Program);

(g) to establish Kentucky Power’s voluntary energy cost assistance fund pursuant to KRS 278.287 through customer donations (“Donations”) to fund a subpart of the Company’s HEART Program (the “Donation HEART Program”). Donations will be segregated from the funds used for the THAW program and HEART Program. The Company proposes to match the Donations, up to a maximum of \$20,000 for each program year. The Donations and the Company’s match (up to \$20,000) would be segregated, and benefits from the Donation HEART Program would be determined subject to and in conformity with the requirements of KRS 278.287(7) and applicable HEART Program requirements. Donations and the matching Company contribution will not be used in connection with the THAW Program; and

(h) to approve the necessary changes to Kentucky Power’s tariffs.

Kentucky Power also seeks approval of its new agreement with CAK to provide administrative and oversight services for these Programs as set out in that agreement. Company Witness Horeled provides additional information regarding each of these proposals in his testimony filed with this application.

A. HEART

20. By eliminating the current summer cooling season credits the Company is able to increase the monthly benefit amounts customers receive through the HEART Program in the four months when electric energy usage is the greatest for both electric heating and non-electric heating

customers. The higher bills arising during the winter heating season can challenge customers' ability to keep their account current. HEART Program participants will receive slightly higher total benefits each program year than under the current program:

Heating Source	Current		Proposed	
	Benefit	7 Months	Benefit	4 Months
Electric	\$65.00	\$455.00	\$115.00	\$460.00
Non-Electric	\$33.00	\$231.00	\$58.00	\$232.00

21. The HEART Program will be administered (subject to the changes indicated) in substantially the same fashion as the Company's existing home energy assistance program. HEART Program slots will be allocated among counties on a percentage of total residential customers basis. The participating local community action agencies will continue to gather information from applicants and identify potential participants. The process for making final eligibility determinations and allocating benefit slots will remain the same. The program eligibility requirements are unchanged except that the Company is proposing that:

(a) HEART participants be required to enroll in Kentucky Power's Average Monthly Payment ("AMP") plan. AMP helps to level customers' highest bills thereby making higher payments more affordable. Requiring that customers participate in AMP will assist with higher seasonal heating and cooling bills and also is intended to help customers to migrate off of the HEART Program and thereby make room for new participants in upcoming program years;

(b) Limit eligibility to those customers who are current in their payments or who are no more than 59 days in arrears. Customers with greater arrearages could become eligible by paying down their arrearage to no more than 59 days; and

(c) HEART Program benefits will not be available to customers who receive THAW Program benefits during the same program year.

22. The HEART Program will be allocated 75 percent of the total funds collected through the \$0.30 monthly residential meter charge and the matching Kentucky Power contribution. This allocation will be reviewed by Kentucky Power following one year of experience with the HEART Program. Eighty five percent of the total HEART Program funds for a program year will be allocated to those participants who use electric heating as their primary source of heat. The remainder of HEART Program funds will be allocated to participating non-electric heating customers. Kentucky Power projects funding for 1,535 electric heating customers and 537 non-electric heating customers for the benefit year beginning January 2019.

B. THAW

23. Kentucky Power's proposed THAW Program targets a need not met by the Company's existing home energy assistance program. Legislators and community leaders have highlighted over the past several years the subset of the Company's customers who are at risk of losing their electric service because of a temporary or limited condition and who could benefit from more limited assistance in paying their electric bill than that provided by the HEART Program. The THAW Program will provide participants with benefits not to exceed \$175.00 in any program year.

24. Eligibility to participate in THAW, subject to the availability of funding and the annual \$175.00 ceiling on the crediting of THAW benefits, is subject to the following limitations:

(a) the applicant must be a residential customer of Kentucky Power with service in the applicant's name;

(b) the applicant's service must not be disconnected for nonpayment at the time of the application for THAW benefits;

(c) the applicant's account at any residential address must not be more than 59 days past due at the time of the application for THAW benefits;

(d) the applicant must not have engaged in fraudulent conduct, such as theft or diversion of energy, in connection with the provision of electric service by the Company to any residential address;

(e) the applicant must not at the time of application be receiving benefits from either of the HEART Programs or have received benefits from those Programs in the current program year; and

(f) the applicant must not have presented the Company on more than one occasion with checks or electronic payments for payment for electric service rendered at any residential address that are dishonored by the drawee or payor for any reason.

Customers are eligible to apply for THAW Program benefits even if they do not meet the low-income requirements for the HEART Programs.

25. The participating local community action agencies will receive applications for THAW benefits. Benefits are available for award, subject to availability of funds, during January, February, March, and April of each calendar year. The process for identifying THAW Program participants and other operational details of the THAW Program will be the same as are currently used by CAK and the Company for the LIHEAP program. Participation in the THAW Program, and the amount of the THAW benefit paid, up to \$175.00, will be determined by each local community action agency using criteria to be developed by CAK and Kentucky Power. Benefits

will be credited, subject to the availability of funds, based on the order the applications are received by each participating community action agency. THAW program funds will be allocated among the counties comprising the five participating local community action agencies on a percentage of total residential customers basis.

26. The THAW program will be allocated 25 percent of the total funds collected through the \$0.30 monthly residential meter charge and matching Kentucky Power contribution. This allocation will be reviewed by Kentucky Power following one year of experience with this program. No Donations or matching Company contributions will be used to fund THAW. Kentucky Power projects providing funding for approximately 1,530 THAW participants in the program year beginning January 2019.

27. Because of their direct experience with customers who might benefit from the THAW Program, Company employees who perform disconnections and otherwise interact with residential customers in the field in connection with those activities, also may identify customers who may be eligible for THAW Program assistance to the participating community action agencies. Any customers so identified would be subject to the same application and eligibility requirements and processes as any other customer. Company employees may also provide information concerning THAW to customers.

C. Establishment Of Kentucky Power's Voluntary Energy Cost Assistance Program (the "Donation HEART Program").

28. KRS 278.287 provides for the establishment of programs by energy utilities to receive voluntary contributions from customers to fund residential customer energy assistance benefits. Kentucky Power proposes to establish a program in conformity with KRS 278.287 to receive voluntary energy cost contributions from customers in the form of special contributions.

Kentucky Power will solicit voluntary energy cost assistance contributions from customers through various means, including, but not limited to, information appearing on customer bills.

29. Kentucky Power will match dollar-for-dollar, up to \$20,000 annually, all voluntary energy cost assistance contributions received. Kentucky Power requests the authority to hold all Donations until the payment of Donation Heart benefits beginning January 2020.

30. All Donations received by Kentucky Power (and the Company match) will be used to fund benefits under the Donation HEART Program from January 1 through March 15 of each year in conformity with KRS 278.287(6). Any Donations received from customers would be credited subject to and in conformity with the requirements of KRS 278.287.

D. Approval Of The New Agreement Between Kentucky Power And CAK.

31. Kentucky Power and CAK have agreed to enter into a new agreement for services related to the operation and administration of the HEART Programs and the THAW Program. The new agreement reflects the operational processes for the Programs and addresses the expansions of and variations in Kentucky Power's home energy assistance programs proposed in this application. The agreement also reflects a modification of the ceiling on the amounts payable to CAK in connection with the costs associated with the services it, and its member community action agencies, would provide in administering the proposed Programs. The existing agreement provides for reimbursing CAK for the reasonable expenses associated with HEAP up to ten percent of total program funds.

32. Under the new agreement with regard to the HEART Programs ( that is, the "HEART Program" and the "Donation HEART Program"), CAK would recover the actual reasonable costs of providing the services applicable to the HEART Programs pursuant to this

Agreement, including all new or increased information technology costs CAK or its member community action agencies may incur to comply with the terms of the new agreement with regard to the HEART Programs (“HEART IT Costs”) (all collectively “HEART Costs”). The total amount of HEART Costs payable to CAK under the new agreement for all HEART program years to which the new agreement would apply will not exceed in total seven percent (7%) of the total funds collected during all of those program years (the “HEART Cost Ceiling”). However, the ceiling shall not apply to the extent necessary to compensate CAK fully for the HEART IT Costs in any program year, that exceed the HEART Cost Ceiling, provided that i) such costs are reasonable and necessary to implement changes for compliance with applicable law or with new data exchange requirements not set forth in the Agreement, and ii) CAK provides Kentucky Power a good faith estimate of such costs before they are incurred.

33. Under the new agreement with regard to the THAW Program, CAK would recover the actual reasonable costs of providing the services applicable to the THAW Programs pursuant to the new agreement, including all new or increased information technology costs CAK or its member community action agencies may incur to comply with the terms of the new agreement (“THAW IT Costs”) (all collectively “THAW Costs”). The total amount of THAW Costs payable to CAK under the new agreement for all THAW program years to which the new agreement may apply would not exceed in total ten percent (10%) of the total funds collected during all of such program years (the “THAW Cost Ceiling”). However, the ceiling shall not apply to the extent necessary to compensate CAK fully for the THAW IT Costs in any program year that exceed the THAW Cost Ceiling, provided that i) such costs are reasonable and necessary to implement changes for compliance with applicable law or with new data exchange requirements not set forth

in the Agreement, and ii) CAK provides Kentucky Power a good faith estimate of such costs before they are incurred. .

34. A copy of the new agreement is attached as **EXHIBIT 2**.

E. Amended Tariff Sheets.

35. Tariff Home Energy Assistance Program (Tariff H.E.A.P.) on file with the Commission as Tariff Sheet 25-1 governs the operation of the Company's existing energy assistance program.

36. Filed as **EXHIBIT 3** to this application are revised Tariff Sheets 1-2, 2-17 (sample residential bill format), 2-18 (sample residential bill format), 6-1, 6-4, 6-6, 6-8, 6-10, and 25-1. The tariff sheets are being revised to reflect the improvements and modifications proposed in the application.

**PUBLISHED NOTICE**

37. Public notice of the application and proposed tariff changes was published in accordance with the requirements of 807 KAR 5:011 on or before the date this application is filed. Kentucky Power will seasonably supplement this application with the proof of publication.

**REQUEST FOR EXPEDITED DECISION**

38. To permit the modifications and expansion of the Company's home energy assistance program requested in this application to be implemented beginning November 1, 2018, Kentucky Power requests that the Commission enter its order granting the requested relief no later than October 31, 2018.

### EXHIBITS

39. The exhibits listed in the Appendix to this application are attached to and made a part of this application.

### COMMUNICATIONS

40. The Joint Applicants respectfully request that communications in this matter be addressed to the e-mail addresses identified on Kentucky Power's September 10, 2018 Notice of Election of Use of Electronic Filing Procedures and also to [KPSC@capky.org](mailto:KPSC@capky.org)

WHEREFORE, the Joint Applicants respectfully request that the Commission issue an Order:

1. Approving the amendments to the Company's existing home energy assistance program;
2. Approving the expansion of the Company's home energy assistance program to provide limited home energy assistance to eligible persons not otherwise receiving HEART assistance from the Company;
3. Approving Kentucky Power's voluntary energy cost assistance fund pursuant to KRS 278.287 and the creation of the Donation HEART Program subpart of the HEART Program;
4. Approving the new agreement between Kentucky Power and CAK;
5. Approving revised Tariff Sheets 1-2, 2-17 (sample residential bill format), 2-18 (sample residential bill format), 6-1, 6-4, 6-6, 6-8, 6-10, and 25-1; and
6. Granting all other relief to which they may be entitled.

Respectfully submitted,



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*by meo per  
e-mail  
authorization*

COUNSEL FOR COMMUNITY ACTION  
KENTUCKY, INC.

## EXHIBITS

- EXHIBIT 1: Company's August 27, 2018 Certificate of Existence.
- EXHIBIT 2: September 21, 2018 Agreement Between Kentucky Power and Community Action Kentucky, Inc.
- EXHIBIT 3: Tariff Sheets 1-2, 2-17 (sample residential bill format), 2-18 (sample residential bill format), 6-1, 6-4, 6-6, 6-8, 6-10, and 25-1.

**Commonwealth of Kentucky**  
**Alison Lundergan Grimes, Secretary of State**

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**Certificate of Existence**

Authentication number: 206192  
Visit <https://app.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Alison Lundergan Grimes, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

**KENTUCKY POWER COMPANY**

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is July 21, 1919 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 27<sup>th</sup> day of August, 2018, in the 227<sup>th</sup> year of the Commonwealth.



*Alison Lundergan Grimes*  
Alison Lundergan Grimes  
Secretary of State  
Commonwealth of Kentucky  
206192/0028317

## AGREEMENT

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THIS AGREEMENT ("Agreement") is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2018, but effective as provided herein, by and between KENTUCKY POWER COMPANY ("Kentucky Power"), a corporation organized and existing under the laws of the Commonwealth of Kentucky, and COMMUNITY ACTION KENTUCKY, INC. ("CAK"), a nonprofit corporation organized and existing under the laws of the Commonwealth of Kentucky (each a "Party" and collectively "Parties").

### WITNESSETH:

WHEREAS, by Order dated March 14, 2006 in KPSC Case No. 2005-00341, *In the Matter of: A General Adjustment In The Rates of Kentucky Power Company*, the Public Service Commission of Kentucky ("KPSC" or the "Commission") approved the parameters of a low-income home energy assistance program to assist low-income households in the Kentucky Power service territory, conditioned upon Commission approval of an agreement between Kentucky Association for Community Action, Inc. ("KACA")(the former name of CAK), and Kentucky Power for the implementation of the program;

WHEREAS, KACA and Kentucky Power entered into an agreement to implement the program which was approved in KPSC Case No. 2005-00341 on July 28, 2006;

WHEREAS, on October 2, 2007, KACA amended its Articles of Incorporation to change its name to CAK;

WHEREAS, by Order dated \_\_\_\_\_ in KPSC Case No. 2018-00311, *In The Matter Of: The Electronic Application Of Kentucky Power Company To: (1) Expand And Modify Kentucky Power Company's Home Energy Assistance Program; (2) Approve The Amended Operating Agreement; (3) Approve Kentucky Power's Voluntary Energy Assistance Fund; (4) Approve Revised Tariff Sheets; and (5) Grant All Other Relief To Which It May Be Entitled*, the Commission approved modifications to Kentucky Power's low-income residential energy assistance program (the Home Energy Assistance in Reduced Temperatures Program, or "HEART Program," a subpart of which will be funded by voluntary donations from customers ("Donations") and which will be subject to KRS 278.287 (the "Donation HEART Program" and with the HEART Program the "HEART Programs") and the creation of a second winter heating assistance program (the Temporary Heating Assistance in Winter Program, or "THAW Program") (the HEART Programs and the THAW Program are collectively referred to as the "Programs"), conditioned upon Commission approval of a new agreement between CAK and Kentucky Power to implement the Programs;

WHEREAS, CAK and Kentucky Power have entered into this Agreement to implement the Programs;

WHEREAS, Kentucky Power's HEART Programs will help low-income families afford and maintain utility service with Kentucky Power during peak heating months;

WHEREAS, Kentucky Power's THAW Program will provide payment assistance during peak heating months to residential Kentucky Power customers not participating in the HEART Program;

WHEREAS, CAK is willing to provide the services described herein to assist Kentucky Power in implementing the Programs for eligible residential customers of Kentucky Power.

NOW, THEREFORE, in consideration of the mutual obligations of the Parties hereto, each of them does hereby covenant and agree as follows:

**I. Term of Agreement**

A. This Agreement shall be for consecutive Program Years for an indefinite term beginning on the Effective Date. As used in this Agreement, the term "Program Year" shall mean the calendar months from October 1 to September 30 the following year, except that the first Program Year under this Agreement shall run from the Effective Date to September 30, 2019.

B. Either Party may terminate this Agreement without cause by giving the other Party notice of its intention to terminate this Agreement no fewer than ninety (90) days prior to the end of any Program Year. In such case, this Agreement will terminate at the end of such Program Year, *provided however* if funds collected for either the HEART Programs or the THAW Program remain unexpended at the termination of this Agreement, the Parties agree that the Program(s) and this Agreement will continue for an additional period necessary to expend the funds (an "Extension"). To the extent applicable, a reference to a Program Year hereafter will include any relevant Extension. Notwithstanding the foregoing, the Parties recognize that the continuation of the Programs and of this Agreement are subject to the Orders of the Commission. Termination of this Agreement shall not relieve either Party of its obligation to continue to perform its duties under this Agreement applicable to the final Program Year, including without limitation, CAK's submission of the audit required by Paragraph III below to Kentucky Power, and compensation by Kentucky Power to CAK pursuant to the terms of this Agreement for services performed in connection with the final Program Year.

C. Nothing in this Paragraph I shall authorize Kentucky Power to collect charges from residential customers to fund the Programs beyond the date of its authority to do so under the Orders of the KPSC and the expiration of Kentucky Power's duly-filed tariffs applicable to the Programs.

## II. Administrative Expenses

A. With regard to the HEART Programs, CAK shall be entitled to recover the actual reasonable costs of providing the services applicable to the HEART Programs pursuant to this Agreement, including all new or increased information technology costs CAK or its member community action agencies may incur to comply with the terms of this Agreement with regard to the HEART Programs (“HEART IT Costs”) (all collectively “HEART Costs”). The total amount of HEART Costs payable to CAK under this Agreement for all Program Years to which this Agreement may apply will not exceed in total seven percent (7%) of the total funds collected during all of such Program Years (the “HEART Cost Ceiling”); *notwithstanding the foregoing*, Kentucky Power agrees to fully compensate CAK for the HEART IT Costs in any Program Year that exceed the HEART Cost Ceiling, provided that i) such costs are reasonable and necessary to implement changes for compliance with applicable law or with new data exchange requirements not set forth in this Agreement, and ii) CAK provides Kentucky Power a good faith estimate of such costs before they are incurred. CAK shall be responsible for distribution of payments due to the participating local community action agencies for HEART Slots filled.

B. With regard to the THAW Program, CAK shall be entitled to recover the actual reasonable costs of providing the services applicable to the THAW Programs pursuant to this Agreement, including all new or increased information technology costs CAK or its member community action agencies may incur to comply with the terms of this Agreement (“THAW IT Costs”) (all collectively “THAW Costs”). The total amount of THAW Costs payable to CAK under this Agreement for all Program Years to which this Agreement may apply will not exceed in total ten percent (10%) of the total funds collected during all of such Program Years (the “THAW Cost Ceiling”); *notwithstanding the foregoing*, Kentucky Power agrees to fully compensate CAK for the THAW IT Costs in any Program Year that exceed the THAW Cost Ceiling, provided that i) such costs are reasonable and necessary to implement changes for compliance with applicable law or with new data exchange requirements not set forth in this Agreement, and ii) CAK provides Kentucky Power a good faith estimate of such costs before they are incurred. CAK shall be responsible for distribution of payments due to the participating local community action agencies for THAW applications accepted for benefits. Notice of such acceptance will be provided to CAK as provided herein.

C. The Parties acknowledge that the above limitations on the HEART Costs and THAW Costs payable to CAK (in each case the “Cost Ceiling”) shall be calculated based upon total funds collected for that Program during all Program Years to which this Agreement is applicable, and that all funds collected for either or both Programs, if unused in any Program Year will “roll-over” and be available for use in subsequent Program Years of the relevant Program. If the Costs of either the HEART Programs or the THAW Program for any Program Year should exceed the Cost Ceiling for that Program in that Program Year (“Excess Costs”), CAK may be paid those Excess Costs from such “roll-over” funds. If no “roll-over” funds are available to fund reasonably incurred or anticipated Excess Costs, the remaining THAW program funds will transferred to the HEART Program to be allocated to additional slots as calculated by Kentucky Power.

### **III. Budget/Audits/Quarterly Meetings**

A. At least 60 days prior to the beginning of a Program Year, Kentucky Power will estimate and inform CAK of the funds it anticipates will be collected for application to each of the Programs (the "Funding Estimates").

B. Using the Funding Estimates and such other information as it may deem appropriate, CAK will prepare and present to Kentucky Power an annual budget for CAK's provision of its services under this Agreement for the upcoming Program Year of each of the Programs (the "Proposed Budgets"). Kentucky Power shall promptly provide CAK such information as it may reasonably request for the preparation of the Proposed Budgets. CAK will provide the Proposed Budgets to Kentucky Power in sufficient time for Kentucky Power to file for any necessary approval by the KPSC, and in no event no later than 30 days after the Effective Date of this Agreement and thereafter at least 30 days before the beginning of each Program Year. Based on the Proposed Budgets, Kentucky Power and CAK will cooperate in the preparation of a mutually-agreeable final budget for the upcoming Program Year for each of the Programs.

C. CAK's financial records will be audited annually at CAK's expense by an independent certified public accountant in accordance with existing federal audit requirements. The audit will include a detailed accounting of all expenses of CAK associated with the Programs. CAK shall provide the audit to Kentucky Power, which may file it with the KPSC if necessary or desired.

D. The Parties agree to meet quarterly, or more often if needed, to review the status of the Programs, including the amount of funds then collected for the Programs and CAK's Costs to date. CAK will prepare and provide to Kentucky Power on a monthly and quarterly basis reports of its Costs compared to budget. CAK shall provide Kentucky Power with a written explanation for any variance in Costs for either Program of 10% or greater from budget.

### **IV. Kentucky Power Responsibilities**

A. Kentucky Power will continue to include a \$0.30 charge to fund the HEART Program and the THAW Program on each residential customer's monthly bill for service ("Customer Charge"). The Customer Charge shall be recovered pursuant to Commission's Order in Case No. 2017-00179 and shall be set forth as a separate line item on each bill. The amount of the Customer Charge is subject to change pursuant to future Orders of the Commission.

B. Kentucky Power will continue to contribute monthly to the HEART Program and the THAW Program a sum equal to the Customer Charge collected from residential customers.

C. Additionally, Kentucky Power will contribute up to a total of \$20,000 per year in additional funds to match voluntary customer Donations to the Voluntary Heart Program. Kentucky Power's contributions shall be made in the month following the calendar month in which a charge is collected or a Donation is received.

D. Kentucky Power will respond to general billing questions from Program participants, including inquiries regarding the details of the application of credits to their Kentucky Power bills pursuant to the Programs.

E. Kentucky Power will provide CAK with information regarding the amount of funds collected for the Programs and the amount of funds credited to the participants in the Programs on their Kentucky Power bills on a monthly and Program Year basis, including a list of customers participating in each of the Programs and the amount credited to them each month.

F. CAK shall submit invoices to Kentucky Power for CAK's Costs at such intervals and in such manner as the Parties may agree throughout the Program Year, but in no event more frequently than on a monthly basis. Kentucky Power shall pay such invoices within 30 days after its receipt of same. CAK will provide such documentation of its Costs reflected in an invoice as Kentucky Power may reasonably request.

G. Kentucky Power shall provide the following reports electronically to CAK using an agreed-upon data transfer method that would be expected to provide adequate security for such data:

i. Billing File. Sent daily as a Program participant is billed by Kentucky Power and provides:

- (a) Kentucky Power indicative data for Program participant such as customer name and Kentucky Power account number;
- (b) CAK indicative data such as the Program participant's request identification and Program;
- (c) Billed month kWh usage;
- (d) Billed month billing data including billed month charges and arrears amounts);
- (e) HEART Programs or THAW Program benefit amount credited to the current bill and the date of such credit.

ii. History File. In response to receipt of CAK's data file which identifies a Kentucky Power customer as being eligible for one of the HEART Programs (the "HEART Eligibility File"), Kentucky Power will transmit a history file containing the following

additional information necessary for CAK to determine whether the identified customer will be accepted into the applicable HEART Program. It provides:

- (a) Kentucky Power indicative data, including customer name and Kentucky Power account number;
- (b) CAK indicative data, including the Program applicant's request identification;
- (c) Customer electric consumption – 12 months of the customer's kWh usage; and
- (d) History of the customer's disconnection for nonpayment ("DNP"), including the number of times service was DNP in the previous 12 months and whether the customer is currently subject to a disconnection notice.

iii. Ineligibility File. Sent to CAK in response to CAK's HEART Enrollment File or information regarding THAW Program participants to notify CAK that a customer is not eligible for one of the Programs due to the customer's participation in the other Program in the same Program Year.

iv. Discontinuation File. Sent to CAK when electric service to a customer enrolled in the HEART Program has been discontinued. Service may be discontinued at customer request or at the end of five working days after service has been DNP and all past due amounts plus all associated charges have not been received by Kentucky Power. The Discontinuation File will provide:

- (a) Kentucky Power indicative data – customer name, Kentucky Power account number; and
- (b) Service discontinuation code (customer request / DNP).

## V. CAK RESPONSIBILITIES

A. CAK, itself and through arrangements with its member community action agencies, shall (i) take applications from Kentucky Power customers seeking to participate in the Programs, (ii) evaluate that information to make a preliminary determination whether an applicant qualifies for the requested Program, (iii) review information regarding eligible applicants from Kentucky Power, (iv) in the case of the HEART Programs, using reasonable applicable criteria, determine whether an eligible applicant will be submitted to Kentucky Power for enrollment in one of the Slots available to that applicant so as to receive benefits under one of the HEART Programs during a Program Year, (v) with regard to the THAW Program evaluate the information available regarding the applicant, and using criteria to be developed by CAK, and agreed upon with Kentucky Power, determine whether such applicant will receive THAW

benefits and in what amount. If CAK learns that a Program participant is no longer eligible to participate in the applicable Program, it will immediately notify Kentucky Power so that the participant's benefits can be discontinued.

B. CAK will encourage its member community action agencies to display at their locations mutually-agreeable informational materials provided by Kentucky Power regarding the Programs.

C. CAK will provide oversight for the Programs, monitor both the implementation and ongoing operation of the Programs, monitor the data collected with regard to the Programs, review and analyze reports regarding the Programs and make such reports as are required herein or by order of the KPSC.

D. CAK will track its Costs associated with the HEART Programs and the THAW Program against the budget for the applicable period through the monthly and quarterly financial reports referred to in paragraph III(B) above and shall ensure that the audit referenced in paragraph III(C) above is performed and delivered as required therein.

E. The Donation HEART program will be funded through voluntary energy cost assistance Donations provided by customers in accordance with KRS 278.287. The Donation HEART Program funds shall be segregated from other HEART Program funds and disbursed in accordance with the requirements of KRS 278.287(7) as reflected in this Agreement.

F. CAK will develop eligibility criteria for the THAW Program, including the bases for determining whether an applicant demonstrates hardship and other characteristics so as to be eligible for benefits under the THAW Program (the "THAW Criteria") and the amount of the benefit applicable to a particular THAW participant who is determined to be eligible for such benefits. CAK will provide its proposed THAW Criteria to Kentucky Power, and CAK and Kentucky Power will cooperate to agree upon the THAW Criteria to be used.

G. CAK shall manage and expend all monies paid to CAK as Costs in a diligent manner that utilizes sound business practices.

H. CAK agrees to maintain, during the term of this Agreement and for two years following its termination, complete and accurate records of all receipts and disbursements related to its Costs. From the information available to it, CAK will provide Kentucky Power with monthly updates related to the Programs, including the number of Kentucky Power customers participating in the Programs, attrition of participants, new customers starting participation in the Programs, and county distribution of Program participants.

I. Kentucky Power shall have the right, at any reasonable time, to inspect and audit the records maintained by CAK relating to the Programs for the current Program Year and the two preceding Program Years at Kentucky Power's sole cost either through Kentucky

Power's own authorized representatives or through any public accounting firm selected by Kentucky Power.

J. CAK agrees to provide Kentucky Power with any and all information available to CAK which may be necessary for Kentucky Power to meet KPSC requirements.

K. As part of its screening and qualification procedures CAK or its member community action agencies shall obtain from all Program applicants a written release permitting Kentucky Power, CAK and the applicable member community action agency to exchange information regarding an applicant/participant/customer as necessary for the administration of the Programs. CAK or its member community action agencies also shall obtain a signed release from the Program applicant waiving any claims against Kentucky Power, CAK and the member community action agency in connection with the Programs and/or their administration. The Parties will cooperate to develop a mutually-agreeable form to be used for such releases.

L. As part of its screening and qualification process CAK or its member community action agencies shall require Program applicants to read, agree to and initial the following statement, or such other similar statement as the Parties may agree to have used:

*The energy assistance program for which you are applying ("Program"), including benefit amounts and eligibility requirements, may be changed from time-to-time, which changes in some cases may require the approval by the Kentucky Public Service Commission. Benefits will be paid only so long as funding is available and you remain eligible for the benefits. Participation in a Program during any Program Year does not make you eligible to participate in any Program during a subsequent Program Year, and you will be required to reapply, and your eligibility for benefits from any Program will be reassessed for each Program Year.*

*No part of any Program benefit will be refunded or paid to you in cash. If a final bill otherwise shows a credit balance, part or all of which is the result of the application of a Program benefit, a refund will be made of only that portion, if any, of the final credit balance that exceeds the total Program benefits applied during the current Program Year.*

M. When identifying to Kentucky Power the applicants who have been designated to receive benefits from the HEART Program, CAK will provide Kentucky Power with a HEART Enrollment File containing the following information using an agreed-upon data transfer method that would be expected to provide adequate security for such data:

- i. Name of the Kentucky Power customer to be enrolled;
- ii. Account number of the Kentucky Power customer to be enrolled;

- iii. Type and level of benefit to be credited to the Kentucky Power customer to be enrolled;
- iv. Applicant request identification; and
- v. Agency code.

N. CAK shall procure and maintain, and shall require that its member community action agencies taking applications for the Programs procure and maintain, the following insurance coverage throughout the term of this Agreement:

i. Commercial general liability insurance covering claims of bodily injury, property damage and professional liability insurance and/or Errors and Omissions insurance in an amount not less than \$500,000 per claim or per occurrence.

ii. The commercial general liability policy shall include Kentucky Power as an additional named insured with respect to Kentucky Power's liability arising out of CAK's operations.

iii. The insurance required by this paragraph V(N)(i) is in addition to and separate from any other obligations contained in the Agreement. If any of the policies indicated above are placed on a "claims-made" basis, such coverage shall be maintained for a period of not less than five years following the termination of this Agreement and CAK shall have the right to recover a portion of the premiums as part of the Costs. The above-referenced limit requirements may be met by any combination of umbrella or excess and primary policies so long as the total limit of insurance requirement is met. The required coverages referred to herein shall in no way affect, nor are they intended as a limitation of, CAK's liability with respect to its performance under this Agreement; notwithstanding the foregoing, CAK shall not be liable to Kentucky Power for any claim or occurrence covered by insurance but for Kentucky Power's failure to provide timely notification of such claim or occurrence.

## VI. OPERATION OF THE HEART PROGRAMS

A. The HEART Programs are intended to provide assistance with residential electric bills to low income individuals who are customers of Kentucky Power. Benefits under the HEART Programs will be generally available for Kentucky Power bills received by customers during the months of January, February, March, and April during a HEART Program Year.

B. With regard to the HEART Program (not the Donation HEART Program which is addressed below) a participant must, at the time their eligibility is determined:

i. Be an individual whose household income does not exceed the then-effective maximum income level for participation in the federal Low Income Home Energy Assistance Program ("LIHEAP") (currently 130% percent of the Federal Poverty guidelines for

the contiguous 48 states as published in the Federal Register for the applicant's family unit size for the applicable year);

ii. Be a residential customer of Kentucky Power with service in the applicant's name or have applied for service in the applicant's name;

iii. Be enrolled in a LIHEAP program and direct their LIHEAP payments to Kentucky Power;

iv. Apply for available weatherization programs and accept services if eligible and available;

v. Not reside in a multi-unit single meter building;

vi. Provide Kentucky Power with access for monthly meter readings;

vii. Not be receiving or have received funds through the THAW Program in the same Program Year;

viii. Be current in their Kentucky Power electric service payments in connection with any residential account in the customer's name or no more than 59 days in arrears in connection with any residential account in the customer's name;

ix. Agree that no part of any HEART benefit will be refunded or paid in cash to the participant. If a final bill otherwise shows a credit balance, part or all of which is the result of the application of a HEART Program benefit, a refund will be made of only that portion, if any, of the final credit balance that exceeds the total HEART Program benefits applied during the current Program Year;

x. Not have electric service disconnected at the residence for which benefits will be credited; and

xi. Enroll in Kentucky Power's Average Monthly Payment ("AMP") plan.

C. With regard to the Donation HEART Program, at the time their eligibility is determined a participant must meet the eligibility requirements below and the requirements set forth in Paragraph VI(B) to the extent the application of Paragraph VI(B) requirements is legally permissible and they do not conflict with the requirements below:

i. Use electricity as a principal source of home energy;

ii. Be responsible for their home heating costs either directly or indirectly as an undesignated portion of the rent;

iii. Have a total household income that is at or below one hundred ten percent (110%) of the federal poverty guidelines as defined in KRS 205.5621;

iv. Have liquid monetary resources that do not exceed one thousand five hundred dollars (\$1,500) if those liquid monetary resources are not used for the medical and living expenses of a household member with a catastrophic illness;

v. Have liquid monetary resources that do not exceed four thousand dollars (\$4,000) if those liquid monetary resources are used for the medical and living expenses of a household member with a catastrophic illness; and

vi. Be a Kentucky Power customer who:

(a) Has received a disconnect notice for non-payment from Kentucky Power;

(b) Is within four (4) days of running out of fuel oil, propane, kerosene, wood, or coal; or

(c) Has received an eviction notice for nonpayment of rent, when heat is included as an undesignated portion of the rent.

D. The HEART Programs, including benefit amounts and eligibility requirements, may be changed from time-to-time upon approval, to the extent necessary, by the KPSC.

E. Allocation of Funding.

i. Seventy-five percent (75%) of the annual funding for the HEART Program and the THAW Program, as described in Paragraphs IV(A) and IV(B) of this Agreement, will be allocated to the HEART Program. Twenty-five percent (25%) of the annual funding for the HEART Program and the THAW Programs, as described in Paragraphs IV(A) and IV(B) of this Agreement will be allocated to the THAW Program.

ii. Initially, 85% of the HEART Program funding referenced in Paragraph VI(E)(i) above shall be made available to residential customers who use electricity as their primary source of heat ("Heat Customers"). The remaining 15% of such HEART Program funding shall be made available to residential customers who use sources other than electricity for heating ("Non-Heat Customers").

iii. All of the customer Donations and the matching amount contributed by Kentucky Power as described in Paragraph IV(C) of this Agreement will be allocated to the Donation HEART Program.

iv. The monthly HEART Program benefit level for Heat Customers shall be \$115. The monthly benefit for Non-Heat Customers shall be \$58.

v. Within each of the three categories of residential customers eligible for the HEART Programs (Heat Customers and Non-Heat Customers in the HEART Program, and the Donation HEART Program), funding slots for the HEART Programs ("Slots") initially shall be allocated to each of CAK's member community action agencies, based upon the

proportion that the number of Kentucky Power residential customers residing within the territory of such community action agency bears to the total number of Kentucky Power residential customers residing in the following Kentucky Counties: Boyd, Carter, Elliott, Greenup, Lawrence, Rowan, Morgan, Floyd, Johnson, Magoffin, Martin, Pike, Breathitt, Owsley, Leslie, Knott, Letcher and Perry Counties. Because of the limited number of Kentucky Power customers in the areas served by Daniel Boone Community Action Agency and Licking Valley Community Action Agency no Slots will be provided for customers in Lewis and Clay Counties. The initial allocation of funding Slots is attached hereto as **EXHIBIT 1**.

vi. If insufficient qualified applicants are timely identified within a community action agency's territory to fill the allocated Slots, a Slot may be transferred to another community action agency.

vii. Kentucky Power and CAK shall annually evaluate and review the formula for allocating Slots and the amount of the monthly benefit available under the HEART Programs.

F. Screening, Eligibility Determination and Participant Identification.

i. CAK, by arrangement with its member community action agencies, shall take an initial screening application from all persons seeking to participate in the HEART Programs. Based on the information collected through that application, CAK will identify those applicants who appear to meet the eligibility requirements for participation in the HEART Program set out in Paragraph VI(B) or in the Donation HEART Program set out in Paragraph VI(C) of this Agreement by sending a HEART Eligibility File which will include the applicant's name and Kentucky Power customer number.

ii. Using the information provided by the applicant, by Kentucky Power in the History File, and other reasonable criteria, CAK will determine whether an applicant is eligible for benefits under the HEART Program or the Donation HEART Program, and whether such eligible applicant will receive one of the available benefit Slots so as to receive benefits under such HEART Program during a Program Year. CAK will identify the recipient of a Heart Program Slot to Kentucky Power by transmitting the HEART Enrollment File referenced above.

iii. The eligibility of any applicant or participant to participate in the HEART Programs will terminate at the end of each Program Year, and they will be required to re-apply and be subject to the eligibility and benefit authorization determination processes anew for any subsequent Program Year.

iv. CAK shall pay the applicable member community action agency \$25.00 for each of its Slots that is filled by a participant in the HEART Programs.

G. Manner of Distribution of Funds.

i. If an applicant is determined to be eligible to participate in one of the HEART Programs but there is no applicable HEART Program Slot available in the applicant's designated area, the eligible applicant shall be placed on a waiting list and admitted to the applicable HEART Program if and when an appropriate slot becomes available based upon the date they were placed on the waiting list.

ii. A participant's benefits under the HEART Programs shall begin with the participant's first Kentucky Power billing cycle following the participant's admission to the HEART Program, provided that such billing cycle falls within a Program month.

H. Participants in the HEART Programs shall receive Program benefits in the form of a credit to their Kentucky Power bill.

I. Termination of Participation.

i. If (1) a Donation HEART Program participant's service is discontinued as provided in paragraph IV(G)(iv) above, or (2) the Donation HEART Program participant no longer meets the eligibility requirements of Paragraph VI(C), then the participant's Donation HEART Program benefit shall be terminated.

ii. If (1) a HEART Program participant's service is discontinued as provided in paragraph IV(G)(iv) above, or (2) the HEART Participant no longer meets the eligibility requirements of Paragraph VI(B), then the participant's HEART Program benefit shall be terminated.

iii. If the benefit of participant in the HEART Programs is terminated, credits to the participant's Kentucky Power account shall terminate the billing month following the date the participant is no longer eligible to participate in the HEART Programs.

**VII. THAW PROGRAM OPERATION**

A. Scope of THAW Program. The THAW Program is intended to provide payment assistance to residential Kentucky Power customers not participating in the HEART Programs. Assistance shall be provided during the months of January, February, March, and April during the term of the THAW Program, or until benefit or administrative THAW Program funds for a Program Year have been depleted.

B. Eligibility. Participants must:

i. Be a residential customer of Kentucky Power with service in the applicant's name that is not disconnected for nonpayment at the time of application for the THAW Program.

ii. Not have a Kentucky Power account that is more than 59 days past due in connection with any residential account in the Participant's name at the time of application for the THAW Program.

iii. Not be currently receiving funds through the HEART Programs or have received funds through the HEART Programs in the current Program Year;

iv. Not have engaged in fraudulent conduct such as theft or diversion of energy in connection with service to any residential address served by Kentucky Power;

v. Not have a history of presenting the Company on more than one occasion with checks or electronic transfers for payment of electric service rendered by the Company at any residential address dishonored by the drawee or payor for any reason; and

vi. Demonstrate proof of hardship and any other necessary characteristics to be eligible for THAW benefits pursuant to the THAW Criteria.

C. The THAW Program, including benefit amounts and eligibility requirements, may be changed from time-to-time, subject any necessary approval by the KPSC.

D. A THAW Program participant will receive assistance benefits in an amount to be determined by CAK based on the THAW Criteria, but not to exceed \$175 per Program Year.

E. Screening and Benefit Determination.

i. CAK, by arrangement with its member community action agencies, shall take an initial screening application from all persons seeking to participate in the THAW Program. Based on the information collected through that application, and subject to receipt of information set forth in paragraph VII(B) that is within Kentucky Power's knowledge or possession, such agency will identify those applicants who appear to meet the eligibility requirements for participation in the THAW Program set out in paragraph VII(B) of this Agreement. If the agency determines an applicant should receive THAW benefits, it will follow the same data transfer process as is currently in use for LIHEAP, but in any event using an agreed-upon data transfer method that would be expected to provide adequate security for such data.

ii. The Parties will develop processes for finalizing benefit decisions and exchanging information necessary for determining eligibility for the THAW Program under paragraph VII(B). In the event that a secure, electronic data exchange process similar to HEART is to be implemented for THAW, it will be subject to the compensation provision applicable to excessive THAW IT Costs set forth in the "notwithstanding" provision of paragraph II(B) of this Agreement.

iii. The eligibility of any applicant or participant to participate in the THAW Program will terminate at the end of each Program Year, and they will be required to re-apply and be subject to the eligibility and benefit authorization determination processes anew for any subsequent Program Year.

iv. CAK shall pay member community action agencies \$16.00 per approved THAW Program application per applicant per calendar year.

F. Manner of Distribution of Funds.

i. Upon a determination that a THAW applicant should receive THAW Program benefits, the participant's actual receipt of such benefits will be based upon availability, on a first come, first serve basis.

ii. A THAW Program applicant shall not be eligible to participate in the THAW Program if the applicant is already receiving benefits through the HEART Program. In no event shall a participant receive payment of any unused THAW Program credit in cash or receive benefits through both the HEART Program and the THAW Program.

iii. THAW Program benefits will be applied to an applicant's account in the month in which the applicant is approved for THAW Program funding.

**VIII. REGULATORY APPROVALS**

Approval by the KPSC of this Agreement and the details of the Programs is required. As a result, the Parties' rights and obligations under this Agreement, and the effectiveness of this Agreement, are expressly contingent upon obtaining and maintaining such approval. The date on which the KPSC approves this Agreement will be the "Effective Date." To the extent that there may be, or later arise, a conflict between this Agreement and any requirement or Order of the KPSC, the KPSC's requirement or Order shall be controlling. CAK and Kentucky Power agree to cooperate in obtaining and maintaining all necessary KPSC approvals for the Programs.

**IX. DEFAULT AND REMEDIES**

A. Each of the following events or occurrences shall constitute an "Event of Default" under this Agreement:

- i. A Parties' insolvency or declaration of bankruptcy;
- ii. A failure by a Party to comply with any substantive obligation attributed to it pursuant to this Agreement, including without limitation:
  - 1. Failure by CAK to provide in a timely manner any financial or progress reports required of it by this Agreement; or
  - 2. Failure by CAK to provide a reasonable explanation for any substantial variance in the Costs as compared to the applicable budget;
  - 3. Failure by Kentucky Power to timely provide the information required from it pursuant to this Agreement; and

4. Failure by Kentucky Power to pay CAK's invoices for Costs as provided herein.

iii. Disclosure or discovery that the covenants and representations made by CAK or Kentucky Power requiring the fulfillment of any requirement covered under this Agreement or any other document submitted in support of this Agreement is, was, or shall be false or misleading in any material respect.

B. Notwithstanding the provisions contained in Paragraph IX(A) above, no Event of Default shall be the basis of any claim or action unless and until the non-defaulting Party has provided the alleged defaulting party a written notice detailing the specific claimed Event(s) of Default, and the alleged defaulting party has not cured, or undertaken significant and continuing efforts to cure the alleged default within twenty (20) days of its receipt of such notice, provided that the alleged default is cured within sixty (60) days following such notice. In the absence of such cure or a legitimate dispute as to the existence of the alleged the default, the non-defaulting Party shall have the right, at its election, to suspend its performance under this Agreement until such cure is completed or the dispute is resolved, or to terminate this Agreement and pursue any other remedies available to it.

C. Neither Party shall be liable to the other for any incidental, indirect, special, punitive, or consequential damages.

## **X. CONFIDENTIALITY**

A. As used in this Agreement, "Confidential Information" means any information obtained or developed by the Parties about individual applicants and participants under the HEART Program or THAW Program (collectively, "Program Applicants") and that is disclosed by one Party to the other Party, whether before or during the term of this Agreement, including but not limited to nonpublic, individually identifiable personal information where the privacy or security of such information is subject to a local, state or federal law governing the privacy or security of such information, and information that is derived from the Confidential Information (for example through testing, analysis, processing, nonpublic reporting)..

B. Except as otherwise expressly permitted in writing by a Party's authorized representative, each of the Parties agrees to protect and maintain as confidential all Confidential Information obtained from another party shall not:

- i. use such Confidential Information received from another Party for any purpose other than in connection with the implementation, operation, evaluation, and oversight of the HEART Program and THAW Program;
- ii. disseminate or use Confidential Information for any purpose beyond the limited purpose in subparagraph i) above;

- iii. disclose, reveal or otherwise provide access to Confidential Information to any person or entity other than a Party's employees, directors, officers, agents and consultants who (i) have a need to know to further the purpose of this Agreement; (ii) have been advised of the information's confidential status; and (iii) are subject to legally binding obligations of confidentiality as to such information no less restrictive than those contained in this Agreement; provided, however, that the Party who received it shall at all times be fully responsible to the Party who disclosed it for the compliance by such persons and entities with this Agreement; or
- iv. give, sell, or otherwise provide or make available Confidential Information to any other individual, firm, partnership, corporation, or agency not a party to this Agreement.

C. The Parties understand and agree that to the extent Confidential Information must be used or reflected in Kentucky Power's billing or accounting systems for purposes of the Programs or Kentucky Power's routine operations, Kentucky Power's usual restrictions on dissemination and availability of customer information shall be sufficient for purposes of satisfying its obligations under this Agreement with respect to Confidential Information.

D. All anecdotal reports containing or using Confidential Information shall use fictitious names, addresses, employers, and other identifiers.

E. Nothing herein shall limit the use of Confidential Information as necessary to implement, document, evaluate, or monitor the Programs or to comply with any court or regulatory agency proceeding or filing to which they may be subject. To the extent Confidential Information is included in any such proceeding or filing, however, the Parties agree to make reasonable efforts to protect its confidentiality.

## **XI. INDEMNIFICATION**

To the extent permitted by law, each Party shall indemnify, and save the other harmless from and against any liabilities, costs, and claims, including judgments rendered against, and fines and penalties imposed upon, such Party, with reasonable attorney's fees and all other costs of litigation (collectively, "Liabilities"), to the extent, and only to the extent, such Liabilities result from the gross negligence or willful misconduct of the indemnifying Party, its employees, agents, or subcontractors, in connection with the performance of this Agreement, and provided the claim for indemnification for Liabilities is asserted during the term of this Agreement or during the twelve (12) months following the termination of this Agreement. Any indemnification of a Party shall to the same extent apply to such Party's directors, officers, employees, agents, and affiliated companies (including any joint ventures of which the indemnified Party or any of

its affiliates are a member and the other members of such joint ventures), and the directors, officers, employees and agents thereof.

## **XII. GOVERNING LAW AND CONSTRUCTION OF AGREEMENT**

The Parties' rights and obligations under this Agreement and the validity and construction of the Agreement shall be interpreted and enforced in accordance with the laws of the Commonwealth of Kentucky without regard to any conflicts of laws or other doctrines that could result in the application of the law of another jurisdiction. The initial draft of this Agreement was prepared by Kentucky Power for convenience purposes only. This Agreement has been negotiated by both Parties, and it shall not be interpreted or construed for or against Kentucky Power or CAK. The words "includes" or "including" shall be understood as though they were followed in each case by the words "without limitation."

## **XIII. ENTIRE AGREEMENT**

This Agreement, its Exhibits, and any documents referred to herein as being incorporated prepared pursuant to the terms so this Agreement contain all the terms, conditions and promises applicable to the Agreement. No modification or waiver of this Agreement, or any provision thereof, shall be valid or binding unless it is in writing and executed by both of the Parties. No waiver by either Party of any default or breach of any term or provision of this Agreement shall be construed as a waiver of any succeeding default or breach of the same or another term or provision of the Agreement.

## **XIV. NO OTHER BENEFICIARIES**

This Agreement is solely between CAK and Kentucky Power, and nothing in this Agreement, the HEART Programs, or the THAW Program shall be construed as creating any rights or claims in any third party.

## **XV. MISCELLANEOUS**

All of the provisions of this Agreement which expressly extend beyond the expiration or termination of this Agreement, including insurance obligations, indemnification obligations, confidentiality obligations, and limitations of liability, shall survive expiration or termination of this Agreement and remain in full force and effect in accordance with the terms of such provisions. If any provision of the Agreement is held to be invalid, such invalidity shall not affect the remaining provisions of the Agreement. Headings are provided for the convenience of the Parties and shall not affect the interpretation of any provision of this Agreement. This Agreement may be executed in counterparts, which counterparts taken together shall constitute the executed Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth above, but effective as provided herein.

KENTUCKY POWER COMPANY

BY: \_\_\_\_\_

Matthew A. Horeled

Its: Director of Regulatory Services

COMMUNITY ACTION KENTUCKY, INC.

BY: \_\_\_\_\_

Roger McCann

Its: Executive Director

Kentucky Power Company  
2018-2019 Home Energy Assistance in Reduced Temperatures (HEART)  
Pro-Rata Calculation for Available Slots for Counties in KPCO Service Territory  
Based upon Number of Heating and Non-Heating Residential Customers

County	Agency Serving County	Heating Sector			Non-Heating Sector			Total No. of HEAP Slots
		No. of Residential Heating Customers	Percentage of Total Residential Heating Customers	No. of Heating Slots	No. of Residential Non-Heating Customers	Percentage of Total Residential Non-Heating Customers	No. of Non-Heating Slots	
BOYD CARTER ELLIOTT GREENUP LAWRENCE	Northeast Kentucky	9,202	10.90%	167	10,538	20.79%	112	279
	Northeast Kentucky	4,862	5.76%	88	2,139	4.22%	23	111
	Northeast Kentucky	14	0.02%	0	11	0.02%	0	0
	Northeast Kentucky	6,014	7.12%	109	6,584	12.99%	70	179
	Northeast Kentucky	3,860	4.57%	70	2,175	4.29%	23	93
	<b>Northeast Kentucky Totals</b>	<b>23,952</b>	<b>28.37%</b>	<b>435</b>	<b>21,447</b>	<b>42.31%</b>	<b>227</b>	<b>663</b>
ROWAN MORGAN	Gateway CSO	561	0.66%	10	333	0.66%	4	14
	Gateway CSO	657	0.78%	12	251	0.50%	3	15
	<b>Gateway CSO Totals</b>	<b>1,218</b>	<b>1.44%</b>	<b>22</b>	<b>584</b>	<b>1.15%</b>	<b>6</b>	<b>28</b>
FLOYD JOHNSON MAGOFFIN MARTIN PIKE	Big Sandy CAP	6,771	8.02%	123	5,599	11.05%	59	182
	Big Sandy CAP	3,376	4.00%	61	2,297	4.53%	24	86
	Big Sandy CAP	1,649	1.95%	30	620	1.22%	7	37
	Big Sandy CAP	2,393	2.83%	44	1,479	2.92%	16	59
	Big Sandy CAP	19,281	22.84%	351	7,892	15.57%	84	434
	<b>Big Sandy CAP Totals</b>	<b>33,470</b>	<b>39.65%</b>	<b>609</b>	<b>17,887</b>	<b>35.29%</b>	<b>189</b>	<b>798</b>
BREATHITT OWSLEY	Middle KY River	2,774	3.29%	50	1,376	2.71%	15	65
	Middle KY River	7	0.01%	0	4	0.01%	0	0
	<b>Middle KY River Totals</b>	<b>2,781</b>	<b>3.29%</b>	<b>50</b>	<b>1,380</b>	<b>2.72%</b>	<b>15</b>	<b>65</b>
LESLIE KNOTT LETCHER PERRY	LKLP	3,479	4.12%	63	1,000	1.97%	11	74
	LKLP	3,783	4.48%	69	2,706	5.34%	29	97
	LKLP	7,263	8.60%	132	2,115	4.17%	22	154
	LKLP	8,472	10.04%	154	3,573	7.05%	38	192
	<b>LKLP Totals</b>	<b>22,997</b>	<b>27.24%</b>	<b>418</b>	<b>9,394</b>	<b>18.53%</b>	<b>100</b>	<b>518</b>
<b>Totals</b>		<b>84,418</b>	<b>100.00%</b>	<b>1,535</b>	<b>50,692</b>	<b>100.00%</b>	<b>537</b>	<b>2,072</b>

537

1,535

No. of slots available this year

\* excluding Bell, Clay & Lewis counties

Kentucky Power Company  
2018-2019 Temporary Heating Assistance in Winter (THAW)  
Pro-Rata Calculation for Available Funds for Counties in KPCO Service Territory  
Based upon Number of Heating and Non-Heating Residential Customers

County	Agency Serving County	Heating Sector			Non-Heating Sector			Total No. of Available Funds
		No. of Residential Heating Customers	Percentage of Total Residential Heating Customers	Available Funds	No. of Residential Heating Customers	Percentage of Total Residential Non-Heating Customers	Available Funds	
BOYD CARTER ELLIOTT GREENUP LAWRENCE	Northeast Kentucky	9,202	10.90%	\$ 24,826	10,538	20.79%	\$ 8,355	
	Northeast Kentucky	4,862	5.76%	\$ 13,117	2,139	4.22%	\$ 1,696	
	Northeast Kentucky	14	0.02%	\$ 38	11	0.02%	\$ 9	
	Northeast Kentucky	6,014	7.12%	\$ 16,225	6,584	12.99%	\$ 5,220	
	Northeast Kentucky	3,860	4.57%	\$ 10,414	2,175	4.29%	\$ 1,724	
	<b>Northeast Kentucky Totals</b>	<b>23,952</b>	<b>28.37%</b>	<b>\$ 64,621</b>	<b>21,447</b>	<b>42.31%</b>	<b>\$ 17,005</b>	
ROWAN MORGAN	Gateway CSO	561	0.66%	\$ 1,514	333	0.66%	\$ 264	
	Gateway CSO	657	0.78%	\$ 1,773	251	0.50%	\$ 199	
	<b>Gateway CSO Totals</b>	<b>1,218</b>	<b>1.44%</b>	<b>\$ 3,286</b>	<b>584</b>	<b>1.15%</b>	<b>\$ 463</b>	
FLOYD JOHNSON MAGOFFIN MARTIN PIKE	Big Sandy CAP	6,771	8.02%	\$ 18,268	5,599	11.05%	\$ 4,439	
	Big Sandy CAP	3,376	4.00%	\$ 9,108	2,297	4.53%	\$ 1,821	
	Big Sandy CAP	1,649	1.95%	\$ 4,449	620	1.22%	\$ 492	
	Big Sandy CAP	2,393	2.83%	\$ 6,456	1,479	2.92%	\$ 1,173	
	Big Sandy CAP	19,281	22.84%	\$ 52,019	7,892	15.57%	\$ 6,257	
	<b>Big Sandy CAP Totals</b>	<b>33,470</b>	<b>39.65%</b>	<b>\$ 90,300</b>	<b>17,887</b>	<b>35.29%</b>	<b>\$ 14,182</b>	
BREATHITT OWSLEY	Middle KY River	2,774	3.29%	\$ 7,484	1,376	2.71%	\$ 1,091	
	Middle KY River	7	0.01%	\$ 19	4	0.01%	\$ 3	
	<b>Middle KY River Totals</b>	<b>2,781</b>	<b>3.29%</b>	<b>\$ 7,503</b>	<b>1,380</b>	<b>2.72%</b>	<b>\$ 1,094</b>	
LESLIE KNOTT LETCHER PERRY	LKLP	3,479	4.12%	\$ 9,386	1,000	1.97%	\$ 793	
	LKLP	3,783	4.48%	\$ 10,206	2,706	5.34%	\$ 2,145	
	LKLP	7,263	8.60%	\$ 19,595	2,115	4.17%	\$ 1,677	
	LKLP	8,472	10.04%	\$ 22,857	3,573	7.05%	\$ 2,833	
	<b>LKLP Totals</b>	<b>22,997</b>	<b>27.24%</b>	<b>\$ 62,044</b>	<b>9,394</b>	<b>18.53%</b>	<b>\$ 7,448</b>	
<b>Totals</b>		<b>84,418</b>	<b>100.00%</b>	<b>\$ 227,753</b>	<b>50,692</b>	<b>100.00%</b>	<b>\$ 40,192</b>	

THAW Funding Available For This Year: \$ 227,753 \$ 40,192

\* excluding Bell, Clay & Lewis counties

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11-~~1<sup>st</sup>~~-1<sup>st</sup> REVIS~~ED~~ SHEET NO. 1-2  
CANCELLING P.S.C. KY. NO. 11-1<sup>st</sup> ORIGINAL~~REVIS~~ED SHEET NO. 1-2

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INDEX

<u>TITLE</u>		<u>SHEET NO.</u>
Tariff C.A.T.V.	Cable Television Pole Attachment	16-1 thru 16-5
Tariff COGEN/SPP I	Cogeneration and/or Small Power Production – 100 kW or less	17-1 thru 17-3
Tariff COGEN/SPP II	Cogeneration and/or Small Power Production – Over 100 kW	18-1 thru 18-3
Tariff S.S.C.	System Sales Clause	19-1 thru 19-2
Tariff F.T.	Franchise Tariff	20-1
Tariff T.S.	Temporary Service	21-1
Tariff D.S.M.C.	Demand-Side Management Adjustment Clause	22-1 thru 22-18
Tariff F.T.C.	Federal Tax Cut Tariff	23-1
Tariff K.E.D.S.	KY. Economic Development Surcharge	24-1
Tariff <del>RH</del> E.A.-P	<del>Residential</del> Home Energy Assistance Program	25-1
Tariff N.U.G.	No-n-Utility Generator	26-1 thru 26-3
Tariff N.M.S.	Net Metering Service	27-1 thru 27-22
Tariff C.C.	Capacity Charge	28-1 thru 28-2
Tariff E.S.	Environmental Surcharge	29-1 thru 29-7
Tariff	Reserved for future use	30-1
Rider R. P.O.	Renewable Power Option Rider	32-1 thru 32-4
Rider A.F.S.	Alternate Feed Service Rider	33-1
Tariff U.G.R.T.	Utility Gross Receipts Tax (School Tax)	34-1
Tariff K.S.T.	Kentucky Sales Tax	34-1
Tariff P.P.A.	Purchase Power Adjustment	35-1 thru 35-3
Tariff XXX	Reserved for Future Use	36-1

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(Cont'd on Sheet No. 1-3)

DATE OF ISSUE: ~~XXXX XX, XXXX~~ July 18, 2018  
DATE EFFECTIVE: ~~Bills Service Rendered On And After July 1, 2018~~ XXXX XX, XXXX  
ISSUED BY: ~~/s/ Matthew A. Hereled~~ ~~Patricia Wehner~~  
TITLE: ~~Managing Director, Regulatory Services & Finance~~  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-~~XXXXX00035~~ Dated ~~June 28, 2018~~ XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 ~~1<sup>st</sup> REVISED~~ SHEET NO. 2-17  
CANCELLING P.S.C. KY. NO. 11 ORIGINAL SHEET NO. 2-17

TERMS AND CONDITIONS OF SERVICE (Cont'd)

**KENTUCKY POWER**  
PO Box 24410  
Canton, OH 44701-4410

Amount due on or before **\$XXX.XX**  
Month DD, YYYY  
Your billing date is Month DD, YYYY  
Amount #XXX-XXX-XXX-X

SERVICE ADDRESS: KPCO RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234  
CY XX

Notes from Kentucky Power:  
Pay your PIP Plus amount due of \$155.44 by the due date to receive a credit up to \$199.61 on your account. Your total account balance is \$1166.18. Your PIP Plus anniversary date is July 2017. Your reverification date is August 3, 2017.

Usage history (kWh):  
Nov Dec Jan  
YYYY YYYY

Methods of payment:  
kentuckypower.com  
PO Box 24410  
Canton, OH 44701-4410  
1 800-611-0964 (\$X.XX fee)

Need to get in touch?  
Customer Operations Center: 1-800-572-1113

Current bill summary:  
Service from MM/DD/YY - MM/DD/YY (XX DAYS)

Electric Service \$XXX.XX  
Fuel Adj. \$XX.XX  
DSM \$XX.XX  
Environmental Surcharge \$XX.XX  
Taxes & Fees XXX.XX

kWh XXXX  
\$XXX.XX Current Charges

Turn over for important information

Thank you for your prompt payment. Please include your account number on your check and return this stub with your payment.  
KPCO RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234

Account #XXX-XXX-XXX-X  
Amount due on or before **\$XXX.XX**  
Month DD, YYYY  
Payment amount: \$  
Pay \$XXX.XX After MM/DD/YY

Make check payable and send to:  
American Electric Power  
PO Box 24410  
Canton, OH 44701-4410

THE HEART program helps low-income customers pay their electric bill. I want to help. My payment reflects my gift of \$\_\_\_\_\_

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**KENTUCKY POWER**  
PO Box 24410  
Canton, OH 44701-4410

KPCO RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234

Current bill summary:  
Service from MM/DD/YY - MM/DD/YY

Electric Service \$XXX.XX  
Fuel Adj. \$XX.XX  
DSM \$XX.XX  
Environmental Surcharge \$XX.XX  
Taxes & Fees XXX.XX

kWh XXXX  
\$XXX.XX Current Charges

Thank you for your prompt payment. Please include your account number on your check and return this stub with your payment.  
KPCO RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234

Account #XXX-XXX-XXX-X  
Amount due on or before **\$XXX.XX**  
Month DD, YYYY  
Payment amount: \$  
Pay \$XXX.XX After MM/DD/YY

Make check payable and send to:  
American Electric Power  
PO Box 24410  
Canton, OH 44701-4410

THE HEART program helps low-income customers pay their electric bill. I want to help. My payment reflects my gift of \$\_\_\_\_\_

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Deleted: Managing Director, Regulatory &  
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(Cont'd on Sheet No. 2-18)

DATE OF ISSUE: ~~XXXX XX, XXXX~~

DATE EFFECTIVE: Service Rendered On And After ~~XXXX XX, XXXX~~

ISSUED BY: /s/ ~~Matthew A. Horeled~~

TITLE: ~~Director, Regulatory Services~~

By Authority Of an Order of the Public Service Commission

In Case No. 2018-~~XXXXX~~ Dated ~~XXXX XX, XXXX~~

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 **1<sup>st</sup> REVISED** SHEET NO. 2-18  
CANCELLING P.S.C. KY. NO. **11 ORIGINAL** SHEET NO. 2-18

TERMS AND CONDITIONS OF SERVICE (Cont'd)



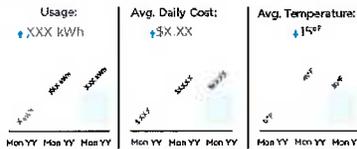
**Service Address:**  
XXXX-XX  
KPCO RESIDENTIAL CUSTOMER  
123 ANYWHERE CT  
ANYWHERE, KY 12345-1234  
**Account #** XXXX-XXX-XXX-X-X

**Line Item Charges:**

Previous Charges	
Total Amount due at last billing	\$ XXXXX
Payment MM/DD/YY - Thank you	-XXXXX
Previous Balance Due	\$ X.XX
Current KPCO Charges	
Tariff 015 - Residential Service MM/DD/YY	
Rate Billing	\$ XXXXX
Federal Tax Cut Credit @ x.xxxxxxx	-XXX
Fuel Adj @ X.XXXXXXX Per kWh	XXXX
DSM Adj @ X.XXXXXXX Per kWh	XXXX
Residential Energy Assistance @ \$XXX	XXXX
Capacity Charge @ X.XXXXXXX Per kWh	XXXX
Environmental Adj X.XXXXXXX%	XXX
Decommissioning Rider X.XXXXXXX%	XXX
Purchase Power Adj @ X.XXXXXXX Per kWh	XXX
Renewable Power Option Rider	XXX
School Tax	XXX
Franchise Tax	XXX
State Sales Tax	XXX
<b>Current Balance Due</b>	<b>\$ XXX.XX</b>
Homeserve Warranty Service (855-769-6267)	\$ XXXX
<b>Total Balance Due</b>	<b>\$ XXX.XX</b>

**Usage Details:**

Values reflect changes between current month and previous month.



Total usage for the past 12 months: X,XXX kWh  
Your average monthly usage: X,XXX kWh

**Meter Details:**

Meter #XXXXXXXX					
Prev.	Type	Current	Type	Metered	Usage
XXXXX	Actual	XX,XXX	Actual	X,XXX	X,XXX kWh
Service Period MM/DD - MM/DD				Multiplier XXXXXXX	
Next scheduled read date should be between Month DD and Month DD.					

**Notes from Kentucky Power:**

**Make this the last bill sent in the mail.** Gain more security and trust and Go Paperless to get an email notification when your bill is ready. Today is the Day! AEP Paperless.com.

**Worried that changes in the postal service may delay your bill or your payment? Go paperless!** You'll receive an email notification when your new bill is available for viewing. You'll also be able to pay online for free. Go to AEP Paperless.com to enroll today!

Visit us at kentuckypower.com

Rates available on request

Paying by check authorizes us to send the information from your check electronically to your bank for payment. If your check is processed electronically, the transaction will appear on your bank statement, although your physical check will not be presented to your financial institution or returned to you. The original check will be destroyed after it is processed. This transaction will not enroll you in any automatic debit process and will only occur each time a check is received. Any re-submissions due to insufficient funds may also occur electronically. Please be aware that all checking transactions will remain secure in this check conversion program. If you have questions about this process or do not want your check to be converted, please contact our Customer Operations Center at the number printed on your bill.

Homeserve USA is optional. Homeserve USA is not the same as KPCO and is not regulated by the KY Public Service Commission. A customer does not have to buy the Warranty Service in order to continue to receive quality regulated service from KPCO.

KENTUCKY POWER COMPANY



**Service Address:**  
XXXX-XX  
KPCO RESIDENTIAL CUSTOMER  
123 ANYWHERE CT  
ANYWHERE, KY 12345-1234  
**Account #** XXXX-XXX-XXX-X-X

**Line Item Charges:**

Previous Charges	
Total Amount due at last billing	\$ XXXXX
Payment MM/DD/YY - Thank you	-XXXXX
Previous Balance Due	\$ X.XX
Current KPCO Charges	
Tariff 015 - Residential Service MM/DD/YY	
Rate Billing	\$ XXXXX
Fuel Adj @ X.XXXXXXX Per kWh	XXXX
DSM Adj @ X.XXXXXXX Per kWh	XXXX
Residential HEAP @ \$X.XX	XXXX
Capacity Charge @ X.XXXXXXX Per kWh	XXXX
Environmental Adj X.XXXXXXX%	XXX
Decommissioning Rider X.XXXXXXX%	XXX
Purchase Power Adj @ X.XXXXXXX Per kWh	XXX
Renewable Power Option Rider	XXX
School Tax	XXX
Franchise Tax	XXX
State Sales Tax	XXX
<b>Current Balance Due</b>	<b>\$ XXX.XX</b>
Homeserve Warranty Service (855-769-6267)	\$ XXXX
<b>Total Balance Due</b>	<b>\$ XXX.XX</b>

(Cont'd on Sheet No. 2-19)

DATE OF ISSUE: XXXX XX, XXXX

DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX

ISSUED BY: /s/ Matthew A. Horeld

TITLE: Director, Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. 201X-XXXXX Dated XXXX XX, XXXX

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- Deleted: Managing Director, Regulatory Services
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KENTUCKY POWER COMPANY  
6-1

P.S.C. KY. NO. 11 ~~2<sup>nd</sup>~~ ~~1<sup>st</sup>~~ REVISED SHEET NO.

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CANCELLING P.S.C. KY. NO. 11 ~~1<sup>st</sup>~~ REVISED ORIGINAL SHEET NO. 6-1

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

**AVAILABILITY OF SERVICE.**

Available for full domestic electric service through 1 (one) meter to individual residential customers including rural residential customers engaged principally in agricultural pursuits.

**RATE.** (Tariff Codes 015, 017, 022)

Service Charge.....	\$ 14.00 per month
Energy Charge: .....	9.684¢ per KWH

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
<del>Residential Energy Assistance</del> Home Energy Assistance Program	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

T

**DELAYED PAYMENT CHARGE.**

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

**VOLUNTEER FIRE DEPARTMENTS** (Tariff Code 024)

Volunteer Fire Departments may qualify pursuant to KRS 278.172 for this tariff but will be required to provide a completed Form 990 and update it annually.

(Cont'd on Sheet No. 6-2)

DATE OF ISSUE: ~~XXXX XX, XXXX July 18, 2018~~  
DATE EFFECTIVE: Service Rendered On And After ~~XXXX XX, XXXX June 28, 2018~~  
ISSUED BY: /s/ ~~Matthew A. Horeled~~ ~~Ronie Wehages~~  
TITLE: ~~Managing Director, Regulatory Services & Finance~~  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-~~XXXXX7-00179~~ Dated ~~XXXX XX, XXXX June 28, 2018~~

KENTUCKY POWER COMPANY  
NO. 6-4

- P S.C. KY. NO. 11-2nd 1st REVISIED SHEET

CANCELLING P.S.C. KY. NO. 11 1st REVISIED ORIGINAL SHEET NO. 6-4

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

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**AVAILABILITY OF SERVICE.**

Available to customers eligible for Tariff R.S. (Residential Service) who use energy storage devices with time-differentiated load characteristics approved by the Company which consume electrical energy only during off-peak hours specified by the Company and store energy for use during on-peak hours.

Households eligible to be served under this tariff shall be metered through a multiple-register meter capable of measuring electrical energy consumption during the on-peak and off-peak billing periods.

**RATE.** (Tariff Codes 028, 030, 032, 034)

Service Charge..... \$ 16.00 per month  
Energy Charge:  
All KWH used during on-peak billing period..... 14.378¢ per KWH  
All KWH used during off-peak billing period..... 6.086¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

**CONSERVATION AND LOAD MANAGEMENT CREDIT.**

For the combination of an approved electric thermal storage space heating system and water heater, both of which are designed to consume electrical energy only between the hours of 9:00P.M. and 7:00A.M. for all days of the week, each residence will be credited 0.745¢ per KWH for all energy used during the off-peak billing period, for a total of 60 monthly billing periods following the installation and use of these devices in such residence.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
<del>Home Energy Assistance Program</del> Residential Energy Assistance	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

(Cont'd on Sheet No. 6-5)

DATE OF ISSUE: ~~XXXX XX XXXX July 18, 2018~~  
DATE EFFECTIVE: Service Rendered On And After ~~June 28, 2018~~ XXXX XX XXXX  
ISSUED BY: /s/ ~~Ronie Wohnhas~~ Matthew A. Horeled  
TITLE: ~~Manager~~ Director, Regulatory & Finance Services  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-XXXXX7-00179 Dated ~~June 28, 2018~~ XXXX XX XXXX

KENTUCKY POWER COMPANY  
NO. 6-6

P.S.C. KY. NO. 11-2<sup>nd</sup>-1<sup>st</sup> REVIS~~ED~~ SHEET

CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVIS~~ED~~ ORIGINAL SHEET NO. 6-6

**TARIFF R.S. - T.O.D.**  
**(Residential Service Time-of-Day)**

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AVAILABILITY OF SERVICE

Available for residential electric service through a multiple-register meter capable of measuring electrical energy consumption during the on-peak and off-peak billing periods to individual residential customers, including residential customers engaged principally in agricultural pursuits. Availability is limited to the first 1,000 customers applying for service under this tariff.

RATE, (Tariff Code 036)

Service Charge..... \$ 16.00 per month  
Energy Charge:  
All KWH used during on-peak billing period..... 14.424¢ per KWH  
All KWH used during off-peak billing period..... 6.086¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00A.M. to 9:00P.M. for all weekdays, Monday through Friday. The off-peak period is defined as 9:00P.M. to 7:00A.M. for all weekdays and all hours of Saturday and Sunday.

MINIMUM CHARGE

This tariff is subject to a minimum monthly charge equal to the Service Charge.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
<del>Residential Energy Assistance</del> Home Energy Assistance Program	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

T

DELAYED PAYMENT CHARGE

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

(Cont'd on Sheet No. 6-7)

DATE OF ISSUE: ~~XXXX XX, XXXX July 18, 2018~~  
DATE EFFECTIVE: Service Rendered On And After ~~XXXX XX, XXXX June 28, 2018~~  
ISSUED BY: /s/ ~~Matthew A. Horced~~ ~~Ranie Wohphas~~  
TITLE: ~~Managing Director, Regulatory & Finance Services~~  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-XXXXX7-00179 Dated ~~XXXX XX, XXXX June 28, 2018~~

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11-~~74~~ <sup>16</sup> REVISED SHEET NO. 6-8  
CANCELLING P.S.C. KY. NO. 11 ~~1<sup>st</sup> REVISED ORIGINAL~~ SHEET NO. 6-8

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**TARIFF R.S. - T.O.D.2**  
**(Experimental Residential Service Time-of-Day 2)**

**AVAILABILITY OF SERVICE.**

Available on a voluntary, experimental basis to individual residential customers for residential electric service through a multi-register meter capable of measuring electrical energy consumption during variable pricing periods. Availability is limited to the first 500 customers applying for service under this tariff.

**RATE.** (Tariff Code 027)

Service Charge ..... \$16.00 per month  
Energy Charge:  
All KWH used during Summer on-peak billing period ..... 17.879¢ per KWH  
All KWH used during Winter on-peak billing period ..... 15.382¢ per KWH  
All KWH used during off-peak billing period ..... 8.115¢ per KWH

For the purpose of this tariff, the on-peak and off-peak billing periods shall be defined as follows:

Months	On-Peak	Off-Peak
Approximate Percent (%)	16%	84%
Of Annual Hours <u>Winter</u>		
<u>Period:</u>		
November 1 to March 31	7:00 A.M. to 11:00 A.M. 6:00 P.M. to 10:00 P.M.	11:00 AM. to 6:00 P.M. 10:00 P.M. to 7:00 A.M.

<u>Summer Period:</u>		
May 15 to September 15	Noon to 6:00 P.M.	6:00 P.M. to Noon
<u>All Other Calendar Periods</u>	None	Midnight to Midnight

NOTE: All KWH consumed during Saturday and Sunday are billed at the off-peak level.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
<del>Residential Energy Assistance</del> Home Energy Assistance Program	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

(Cont'd on Sheet No. 6-9)

DATE OF ISSUE: ~~XXXX XX, XXXX July 19, 2018~~  
DATE EFFECTIVE: Service Rendered On And After ~~XXXX XX, XXXX June 28, 2018~~  
ISSUED BY: /s/ ~~Matthew A. Horeled~~ <sup>Ranie Wohnhaas</sup>  
TITLE: ~~Managing Director, Regulatory & Finance~~ <sup>Services</sup>  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-~~XXXXX7-00179~~ Dated ~~XXXX XX, XXXX June 28, 2018~~

KENTUCKY POWER COMPANY  
6-10

- P.S.C. KY. NO. 11-~~2<sup>nd</sup>~~-~~4<sup>th</sup>~~ REVIS~~ED~~ SHEET NO.

CANCELLING P.S.C. KY. NO. 11 ~~1<sup>st</sup> REVIS~~ED~~ ORIGINAL~~ SHEET NO. 6-10

**TARIFF R. S. D.**  
**(Residential Demand-Metered Electric Service)**

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**AVAILABILITY OF SERVICE.**

Available for residential electric service through one single-phase multiple-register demand meter. Availability is limited to the first 1,000 customers applying for service under this tariff.

**MONTHLY RATE.** (Tariff Code 018)

Service Charge ..... \$17.50 per customer

**Energy Charge**

All KWH used during on-peak billing period..... 9.764¢ per KWH  
All KWH used during off-peak billing period..... 7.048¢ per KWH

Demand Charge .....\$4.02 for each KW of monthly billing demand

For the purpose of this tariff, the on-peak billing period is defined as follows:

Months of October – May.....7:00 A.M to 11:00 A.M for all weekdays

Months of June – September .....4:00 P.M to 9:00 P.M for all weekdays

The off-peak billing period is defined as all weekday hours not defined above as on-peak hours and all hours of Saturday and Sunday.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5	
System Sales Clause	Sheet No. 19	T
Franchise Tariff	Sheet No. 20	
Demand-Side Management Adjustment Clause	Sheet No. 22	
Federal Tax Cut Tariff	Sheet No. 23	
<del>Residential Energy Assistance</del> <del>Home Energy Assistance Program</del>	Sheet No. 25	T
Capacity Charge	Sheet No. 28	
Environmental Surcharge	Sheet No. 29	
School Tax	Sheet No. 33	
Purchase Power Adjustment	Sheet No. 35	
Decommissioning Rider	Sheet No. 38	

**MONTHLY BILLING DEMAND.**

Customer's demand will be taken monthly to be the highest registration of a 60 minute integrating demand meter or indicator during the on- peak period.

**DELAYED PAYMENT CHARGE.**

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, and additional charge of 5% of the unpaid portion will be made.

(Cont'd on Sheet No. 6-11)

DATE OF ISSUE: XXXX XX, XXXX~~July 18, 2018~~  
DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX~~June 28, 2018~~  
ISSUED BY: /s/ ~~Matthew A. Horeled~~~~Ranie Wehnhes~~  
TITLE: ~~Maneene~~ Director, Regulatory & Finance Services  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-~~XXXXXX~~7-00179 Dated XXXX XX, XXXX~~June 28, 2018~~

KENTUCKY POWER COMPANY  
SHEET NO. 25-1

—P.S.C. KY. NO. 11 ~~1<sup>st</sup> REVISED ORIGINAL~~

CANCELLING P.S.C. KY. NO. 10 ORIGINAL SHEET NO. 25-1

**Tariff R.H.E.A.P.**  
**(Residential Home Energy Assistance Program)**

Proceeds of the charge and matching Company contributions will be used to provide financial assistance to eligible low-income residential customers for electric bills during peak heating months (December, January, February, and March through April) and cooling (July, August, and September) months.

**Applicable**

To Tariffs R.S., R.S.D., R.S.-L.M.-T.O.D., R.S.-T.O.D., R.S.-T.O.D.2

**Rate**

\$0.30 per month per residential account

**Programs**

Participation in the programs below will be determined by the residential customer's local community action agency in accordance with guidelines approved by the Commission and the availability of funds. Customer participation is limited to one program each calendar year.

**Home Energy Assistance in Reduced Temperatures (HEART)**

Participating low-income residential customers, whose primary source of heat is electric, are eligible to receive an electric bill credit of \$115.00 a month for bills rendered in January through April.

Participating low-income residential customers, whose primary source of heat is non-electric, are eligible to receive an electric bill credit of \$58.00 a month for bills rendered in January through April.

**Temporary Heating Assistance in Winter (THAW)**

Participating residential customers, who are experiencing temporary economic hardships, are eligible to receive electric bill credits totaling no more than \$175.00 for bills rendered in January through April in any single calendar year.

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DATE OF ISSUE: ~~XXXX XX, XXXX February 7, 2018~~

DATE EFFECTIVE: Service Rendered On And After ~~XXXX XX, XXXX January 19, 2018~~

ISSUED BY: /s/ ~~Matthew A. HoreledRanie K. Wohnbas~~

TITLE: ~~Managing Director, Regulatory Services & Finance~~

By Authority Of an Order of the Public Service Commission

In Case No. 2018-XXXXX7-00179 Dated ~~XXXX XX, XXXX January 18, 2018~~

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 2<sup>nd</sup> REVISED SHEET NO. 1-2  
CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 1-2

INDEX

<u>TITLE</u>		<u>SHEET NO.</u>
Tariff C.A.T.V.	Cable Television Pole Attachment	16-1 thru 16-5
Tariff COGEN/SPP I	Cogeneration and/or Small Power Production – 100 kW or less	17-1 thru 17-3
Tariff COGEN/SPP II	Cogeneration and/or Small Power Production – Over 100 kW	18-1 thru 18-3
Tariff S.S.C.	System Sales Clause	19-1 thru 19-2
Tariff F.T.	Franchise Tariff	20-1
Tariff T.S.	Temporary Service	21-1
Tariff D.S.M.C.	Demand-Side Management Adjustment Clause	22-1 thru 22-18
Tariff F.T.C.	Federal Tax Cut Tariff	23-1
Tariff K.E.D.S.	KY. Economic Development Surcharge	24-1
Tariff R.E.A.	Residential Energy Assistance	25-1
Tariff N.U.G.	Non-Utility Generator	26-1 thru 26-3
Tariff N.M.S.	Net Metering Service	27-1 thru 27-22
Tariff C.C.	Capacity Charge	28-1 thru 28-2
Tariff E.S.	Environmental Surcharge	29-1 thru 29-7
Tariff	Reserved for future use	30-1
Rider R. P.O.	Renewable Power Option Rider	32-1 thru 32-4
Rider A.F.S.	Alternate Feed Service Rider	33-1
Tariff U.G.R.T.	Utility Gross Receipts Tax (School Tax)	34-1
Tariff K.S.T.	Kentucky Sales Tax	34-1
Tariff P.P.A.	Purchase Power Adjustment	35-1 thru 35-3
Tariff XXX	Reserved for Future Use	36-1

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(Cont'd on Sheet No. 1-3)

DATE OF ISSUE: XXXX XX, XXXX  
DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX  
ISSUED BY: /s/ Matthew A. Horeled  
TITLE: Director, Regulatory Services  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-XXXXXX Dated XXXX XX, XXXX

TERMS AND CONDITIONS OF SERVICE (Cont'd)



PO Box 24410  
Canton, OH 44701-4410

Amount due on or before **\$XXX.XX**  
Month DD, YYYY

Your billing date is Month DD, YYYY  
Account #XXX-XXX-XXX-X-X

SERVICE ADDRESS: KPCC RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234

CY XX

XXXX-X X  
030008085 01 AV 0.373

KPCC RESIDENTIAL CUSTOMER  
123 ANYWHERE CT  
ANYWHERE, KY 12345-1234  
123  
123

Notes from Kentucky Power:

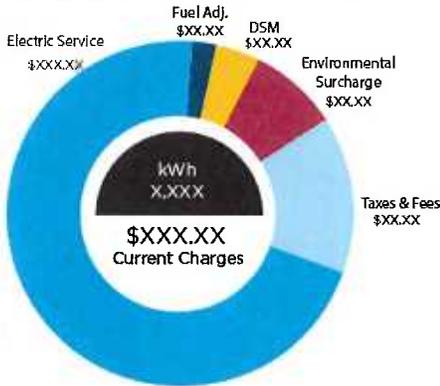
Pay your PIPP Plus amount due of \$155.44 by the due date to receive a credit up to \$199.61 on your account. Your total account balance is \$1,661.8. Your PIPP Plus anniversary date is July 2017. Your reverification date is August 3, 2017

Usage history (kWh):



Current bill summary:

Service from MM/DD/YY - MM/DD/YY (XX DAYS)



Methods of payment:

- kentuckypower.com
- PO Box 24410  
Canton, OH 44701-4410
- 1 800-611-0964 (\$X.XX fee)

Need to get in touch?

Customer Operations Center: 1-800-572-1113

Turn over for important information

Thank you for your prompt payment. Please include your account number on your check and return this stub with your payment.  
KPCC RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234



Send Inquiries to:  
PO Box 24410  
Canton, OH 44701-4710

Account #XXX-XXX-XXX-X-X

Amount due on or before **\$XXX.XX**  
Month DD, YYYY

Payment amount \$

Pay \$XXX.XX After MM/DD/YY

Make check payable and send to:

American Electric Power  
PO Box 24410  
Canton, OH 44701-4410

The HEART program helps low-income customers pay their electric bill. I want to help. My payment reflects my gift of \$\_\_\_\_\_

0000135610000136210100000000000410039216920112312018900006

(Cont'd on Sheet No. 2-18)

DATE OF ISSUE: XXXX XX, XXXX

DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX

ISSUED BY: /s/ Matthew A. Horeled

TITLE: Director, Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. 2018-XXXXX Dated XXXX XX, XXXX

TERMS AND CONDITIONS OF SERVICE (Cont'd)



Service Address:

XXXX-XX

KPCO RESIDENTIAL CUSTOMER  
 123 ANYWHERE CT  
 ANYWHERE, KY 12345-1234

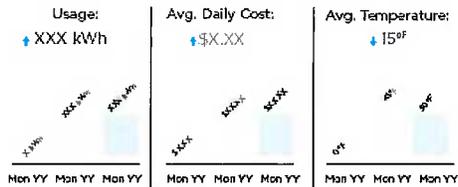
Account #XXX-XXX-XXX-XX

Line Item Charges:

Previous Charges	
Total Amount due at last billing	\$ XXXXX
Payment MM/DD/YY - Thank you	-XXX.XX
Previous Balance Due	\$ X.XX
Current KPCO Charges	
Tariff O15 - Residential Service MM/DD/YY	
Rate Billing	\$ XXX.XX
Federal Tax Cut Credit @ x.xxxxxxx	-X.XX
Fuel Adj @ X.XXXXXX Per kWh	XXXX
DSM Adj @ X.XXXXXX Per kWh	XX.XX
Residential Energy Assistance @ \$XXX	XXXX
Capacity Charge @ X.XXXXXX Per kWh	XX.XX
Environmental Adj X.XXXXXX%	X.XX
Decommissioning Rider X.XXXXXX%	X.XX
Purchase Power Adj @ X.XXXXXX Per kWh	XX.XX
Renewable Power Option Rider	XX.XX
School Tax	XX.XX
Franchise Tax	XX.XX
State Sales Tax	XX.XX
<b>Current Balance Due</b>	<b>\$ XXX.XX</b>
Homeserve Warranty Service (855-769-6267)	\$ XX.XX
<b>Total Balance Due</b>	<b>\$ XXX.XX</b>

Usage Details:

↑↓ Values reflect changes between current month and previous month.



Total usage for the past 12 months: X,XXX kWh  
 Your average monthly usage: X,XXX kWh

Meter Details:

Meter #XXXXXXXX					
Prev.	Type	Current	Type	Metered	Usage
XXXXX	Actual	XX,XXX	Actual	X,XXX	X,XXX kWh
Service Period MM/DD - MM/DD				Multiplier XXXXXXX	
Next scheduled read date should be between Month DD and Month DD.					

Notes from Kentucky Power:

**Make this the last bill sent in the mail.** Gain more security and trust and Go Paperless to get an email notification when your bill is ready. Today is the Day! AEPPaperless.com.

**Worried that changes in the postal service may delay your bill or your payment?** Go paperless! You'll receive an email notification when your new bill is available for viewing. You'll also be able to pay online for free. Go to AEPPaperless.com to enroll today!

Visit us at kentuckypower.com

Rates available on request

Paying by check authorizes us to send the information from your check electronically to your bank for payment. If your check is processed electronically, the transaction will appear on your bank statement, although your physical check will not be presented to your financial institution or returned to you. The original check will be destroyed after it is processed. This transaction will not enroll you in any automatic debit process and will only occur each time a check is received. Any re-submissions due to insufficient funds may also occur electronically. Please be aware that all checking transactions will remain secure in this check conversion program. If you have questions about this process or do not want your check to be converted, please contact our Customer Operations Center at the number printed on your bill.

Homeserve USA is optional. Homeserve USA is not the same as KPCO and is not regulated by the KY Public Service Commission. A customer does not have to buy the Warranty Service in order to continue to receive quality regulated service from KPCO.

KENTUCKY POWER COMPANY

(Cont'd on Sheet No. 2-19)

DATE OF ISSUE: XXXX XX, XXXX

DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX

ISSUED BY: /s/ Matthew A. Horeled

TITLE: Director, Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. 201X-XXXXX Dated XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 2<sup>nd</sup> REVISED SHEET NO. 6-1  
CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 6-1

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

**AVAILABILITY OF SERVICE.**

Available for full domestic electric service through 1 (one) meter to individual residential customers including rural residential customers engaged principally in agricultural pursuits.

**RATE.** (Tariff Codes 015, 017, 022)

Service Charge..... \$ 14.00 per month  
Energy Charge: ..... 9.684¢ per KWH

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
Residential Energy Assistance	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

T

**DELAYED PAYMENT CHARGE.**

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

**VOLUNTEER FIRE DEPARTMENTS** (Tariff Code 024)

Volunteer Fire Departments may qualify pursuant to KRS 278.172 for this tariff but will be required to provide a completed Form 990 and update it annually.

(Cont'd on Sheet No. 6-2)

DATE OF ISSUE: XXXX XX, XXXX  
DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX  
ISSUED BY: /s/ Matthew A. Horeled  
TITLE: Director, Regulatory Services  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-XXXXXX Dated XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 2<sup>nd</sup> REVISED SHEET NO. 6-4  
CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 6-4

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

**AVAILABILITY OF SERVICE.**

Available to customers eligible for Tariff R.S. (Residential Service) who use energy storage devices with time-differentiated load characteristics approved by the Company which consume electrical energy only during off-peak hours specified by the Company and store energy for use during on-peak hours.

Households eligible to be served under this tariff shall be metered through a multiple-register meter capable of measuring electrical energy consumption during the on-peak and off-peak billing periods.

**RATE.** (Tariff Codes 028, 030, 032, 034)

Service Charge..... \$ 16.00 per month  
Energy Charge:  
All KWH used during on-peak billing period..... 14.378¢ per KWH  
All KWH used during off-peak billing period..... 6.086¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

**CONSERVATION AND LOAD MANAGEMENT CREDIT.**

For the combination of an approved electric thermal storage space heating system and water heater, both of which are designed to consume electrical energy only between the hours of 9:00P.M. and 7:00A.M. for all days of the week, each residence will be credited 0.745¢ per KWH for all energy used during the off-peak billing period, for a total of 60 monthly billing periods following the installation and use of these devices in such residence.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
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Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

T

(Cont'd on Sheet No. 6-5)

DATE OF ISSUE: XXXX XX, XXXX  
DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX  
ISSUED BY: /s/ Matthew A. Horeled  
TITLE: Director, Regulatory Services  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-XXXXX Dated XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 2<sup>nd</sup> REVISED SHEET NO. 6-6  
CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 6-6

**TARIFF R.S. - T.O.D.**  
**(Residential Service Time-of-Day)**

**AVAILABILITY OF SERVICE.**

Available for residential electric service through a multiple-register meter capable of measuring electrical energy consumption during the on-peak and off-peak billing periods to individual residential customers, including residential customers engaged principally in agricultural pursuits. Availability is limited to the first 1,000 customers applying for service under this tariff.

**RATE.** (Tariff Code 036)

Service Charge..... \$ 16.00 per month  
Energy Charge:

All KWH used during on-peak billing period..... 14.424¢ per KWH  
All KWH used during off-peak billing period..... 6.086¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00A.M. to 9:00P.M. for all weekdays, Monday through Friday. The off-peak period is defined as 9:00P.M. to 7:00A.M. for all weekdays and all hours of Saturday and Sunday.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
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Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

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**DELAYED PAYMENT CHARGE.**

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

(Cont'd on Sheet No. 6-7)

DATE OF ISSUE: XXXX XX, XXXX  
DATE EFFECTIVE: Service Rendered On And After XXXX XX, XXXX  
ISSUED BY: /s/ Matthew A. Horeled  
TITLE: Director, Regulatory Services  
By Authority of an Order of the Public Service Commission  
In Case No. 2018-XXXXXX Dated XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 2<sup>nd</sup> REVISED SHEET NO. 6-8  
CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 6-8

**TARIFF R.S. - T.O.D.2**  
**(Experimental Residential Service Time-of-Day 2)**

**AVAILABILITY OF SERVICE.**

Available on a voluntary, experimental basis to individual residential customers for residential electric service through a multi-register meter capable of measuring electrical energy consumption during variable pricing periods. Availability is limited to the first 500 customers applying for service under this tariff.

**RATE.** (Tariff Code 027)

Service Charge ..... \$16.00 per month  
Energy Charge:  
All KWH used during Summer on-peak billing period ..... 17.879¢ per KWH  
All KWH used during Winter on-peak billing period ..... 15.382¢ per KWH  
All KWH used during off-peak billing period ..... 8.115¢ per KWH

For the purpose of this tariff, the on-peak and off-peak billing periods shall be defined as follows:

<u>Months</u>	<u>On-Peak</u>	<u>Off-Peak</u>
Approximate Percent (%)	16%	84%
Of Annual Hours <u>Winter</u> <u>Period:</u>		
November 1 to March 31	7:00 A.M. to 11:00 A.M. 6:00 P.M. to 10:00 P.M.	11:00 A.M. to 6:00 P.M. 10:00 P.M. to 7:00 A.M.
<u>Summer Period:</u>		
May 15 to September 15	Noon to 6:00 P.M.	6:00 P.M. to Noon
<u>All Other Calendar Periods</u>	None	Midnight to Midnight

NOTE: All KWH consumed during Saturday and Sunday are billed at the off-peak level.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
Residential Energy Assistance	Sheet No. 25
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

(Cont'd on Sheet No. 6-9)

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KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 2<sup>nd</sup> REVISED SHEET NO. 6-10  
CANCELLING P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 6-10

**TARIFF R. S. D.**  
**(Residential Demand-Metered Electric Service)**

**AVAILABILITY OF SERVICE.**

Available for residential electric service through one single-phase multiple-register demand meter. Availability is limited to the first 1,000 customers applying for service under this tariff.

**MONTHLY RATE.** (Tariff Code 018)

Service Charge ..... \$17.50 per customer

Energy Charge

All KWH used during on-peak billing period..... 9.764¢ per KWH

All KWH used during off-peak billing period..... 7.048¢ per KWH

Demand Charge .....\$4.02 for each KW of monthly billing demand

For the purpose of this tariff, the on-peak billing period is defined as follows:

Months of October – May.....7:00 A.M to 11:00 A.M for all weekdays

Months of June – September .....4:00 P.M to 9:00 P.M for all weekdays

The off-peak billing period is defined as all weekday hours not defined above as on-peak hours and all hours of Saturday and Sunday.

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the Service Charge.

**ADJUSTMENT CLAUSES.**

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5	T
System Sales Clause	Sheet No. 19	
Franchise Tariff	Sheet No. 20	
Demand-Side Management Adjustment Clause	Sheet No. 22	
Federal Tax Cut Tariff	Sheet No. 23	
Residential Energy Assistance	Sheet No. 25	T
Capacity Charge	Sheet No. 28	
Environmental Surcharge	Sheet No. 29	
School Tax	Sheet No. 33	
Purchase Power Adjustment	Sheet No. 35	
Decommissioning Rider	Sheet No. 38	

**MONTHLY BILLING DEMAND.**

Customer's demand will be taken monthly to be the highest registration of a 60 minute integrating demand meter or indicator during the on- peak period.

**DELAYED PAYMENT CHARGE.**

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, and additional charge of 5% of the unpaid portion will be made.

(Cont'd on Sheet No. 6-11)

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In Case No. 2018-XXXXX Dated XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 1<sup>st</sup> REVISED SHEET NO. 25-1  
CANCELLING P.S.C. KY. NO. 10 ORIGINAL SHEET NO. 25-1

**Tariff R.E.A.  
(Residential Energy Assistance)**

Proceeds of the charge and matching Company contributions will be used to provide financial assistance to eligible residential customers for electric bills during peak heating months (January through April).

**Applicable.**

To Tariffs R.S., R.S.D., R.S.-L.M.-T.O.D., R.S.-T.O.D., R.S.-T.O.D.2

**Rate.**

\$0.30 per month per residential account.

**Programs.**

Participation in the programs below will be determined by the residential customer's local community action agency in accordance with guidelines approved by the Commission and the availability of funds. Customer participation is limited to one program each calendar year.

**Home Energy Assistance in Reduced Temperatures (HEART)**

Participating low-income residential customers, whose primary source of heat is electric, are eligible to receive an electric bill credit of \$115.00 a month for bills rendered in January through April.

Participating low-income residential customers, whose primary source of heat is non-electric, are eligible to receive an electric bill credit of \$58.00 a month for bills rendered in January through April.

**Temporary Heating Assistance in Winter (THAW)**

Participating residential customers, who are experiencing temporary economic hardships, are eligible to receive electric bill credits totaling no more than \$175.00 for bills rendered in January through April in any single calendar year.

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