

**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

DIRECT TESTIMONY OF

MATTHEW A. HORELED

ON BEHALF OF KENTUCKY POWER COMPANY

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I. INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME, POSITION WITH KENTUCKY POWER**
2 **COMPANY, AND BUSINESS ADDRESS.**

3 A. My name is Matthew A. Horeled. My position is Director of Regulatory Services,
4 Kentucky Power Company. My business address is 855 Central Avenue, Suite 200,
5 Ashland, Kentucky 41101.

6 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
7 **BUSINESS EXPERIENCE.**

8 A. I received a Bachelor of Arts, Honors degree in History from Loyola University Chicago
9 in May 2001, and a Master of Business Administration degree with a concentration in
10 Finance from Loyola University Chicago in August 2004. I was awarded a Juris Doctor
11 from Valparaiso University School of Law in May 2005.

12 I began my utility industry career with American Electric Power Service Corporation in
13 September 2007 as a Risk & Insurance Management Analyst with responsibility for
14 managing numerous insurance programs. I transferred to the Corporate Planning and
15 Budgeting Department in April 2010 as a Financial Analyst with emphasis on operating
16 company forecasts. In that role, I prepared and reviewed short-term and long-term
17 forecasts for Kentucky Power and Indiana Michigan Power (“I&M”), as well as monthly
18 analyses of budget to actual variances. In April 2014, I was promoted to Financial
19 Analyst Principal. In March 2015, I transferred to I&M as Regulatory Analysis and Case

1 Manager for I&M. In that role, I was responsible for the supervision, preparation, and
2 filing of rate and regulatory matters in Indiana and Michigan. In February 2017, I
3 transferred and was promoted to Director of Business Operations Support for Kentucky
4 Power, with responsibility for all corporate budgeting, financial management, and
5 continuous improvement for the Company. In April 2018, I assumed my current position
6 as Director of Regulatory Services for Kentucky Power. I am responsible for the
7 supervision and direction of Kentucky Power's Regulatory Services Department, which
8 has responsibility for all rate and regulatory matters.

9 **Q HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN ANY REGULATORY**
10 **PROCEEDINGS?**

11 A. Yes. Most recently, I submitted testimony in Case No. 2018-00035 on behalf of the
12 Company in support of the settlement agreement with Kentucky Industrial Utility
13 Customers, Inc. I previously submitted testimony before the Indiana Utility Regulatory
14 Commission in Cause No. 38702-FAC72, Cause No. 38702-FAC73, Cause No. 38702-
15 FAC74, Cause No. 43775 OSS-6, and Cause No. 44511-SPR1.

II. PURPOSE OF TESTIMONY

16 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

17 A. The purpose of my testimony is to describe Kentucky Power Company's current home
18 energy assistance program, as well as the program changes, additions, and improvements
19 the Company is proposing in this case. I also provide the rationales supporting the
20 proposals.

21 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

22 A. Yes, I am sponsoring EXHIBIT MAH-1, which provides a pro-forma example of

1 information the Company provides to Community Action of Kentucky (“CAK”); and
2 **EXHIBIT MAH-2**, which provides unannotated and redline versions of the Company’s
3 tariff sheets that will be modified to implement the proposed changes (Tariff Sheets 1-2,
4 2-17 (sample residential bill format), 2-18 (sample residential bill format), 6-1, 6-4, 6-6,
5 6-8, 6-10, and 25-1.) In addition to the substantive changes to the tariff, Kentucky Power
6 also proposes to rename the current Tariff Home Energy Assistance Program (Tariff
7 H.E.A.P.) as Tariff Residential Energy Assistance (Tariff R.E.A.)

8 **Q. WERE YOUR EXHIBITS PREPARED BY YOU OR UNDER YOUR**
9 **DIRECTION?**

10 A. Yes.

III. RESIDENTIAL ENERGY ASSISTANCE PROGRAM

11 **Q. PLEASE PROVIDE BACKGROUND ON KENTUCKY POWER’S EXISTING**
12 **HOME ENERGY ASSISTANCE PROGRAM.**

13 A. Kentucky Power’s home energy assistance program began in December 2006 and is
14 designed to assist low income Kentucky Power residential customers with their electric
15 bills. The current program year begins each December and runs through November of
16 the following year. Participating customers receive monthly credits (\$65.00 a month for
17 customers who heat with electricity and \$33.00 a month for non-electric heating
18 customers) on their Kentucky Power bills during the winter heating months (December,
19 January, February, and March) and summer cooling months (July, August, and
20 September).

21

1 **Q. HOW IS THE PROGRAM FUNDED?**

2 A. Tariff H.E.A.P. provides for a monthly residential meter charge of \$0.30. The proceeds
3 of this charge are matched dollar-for-dollar by contributions from Kentucky Power.
4 These contributions are paid by the Company's shareholder and not customers. Eighty-
5 five percent of the total available funds are used to provide heating assistance to
6 participants who use electricity as their primary source of heat. The balance is used to
7 fund assistance to non-electric heating residential customers. The benefits are provided
8 to participants through means of a credit to their monthly Kentucky Power bill during the
9 seven program months.

10 **Q. WHAT PERCENTAGE OF KENTUCKY POWER RESIDENTIAL CUSTOMERS**
11 **USE ELECTRIC HEAT?**

12 A. Approximately 62 percent of the Company's approximately 135,000 residential
13 customers use electricity as their primary source of heat; approximately 38 percent of
14 Kentucky Power's customers have non-electric heat.

15 **Q. DOES KENTUCKY POWER DIRECTLY ADMINISTER ITS HOME ENERGY**
16 **ASSISTANCE PROGRAM?**

17 A. No. Kentucky Power partners with CAK to administer the program. CAK in turn works
18 through five local community action agency affiliates to administer the program.
19 Customers seeking home energy assistance through the program must apply to their local
20 community action agency beginning in November for the upcoming program year. The
21 local community action agency processes the applications and determines the recipients.

22 **Q. HOW ARE APPLICANTS SELECTED TO PARTICIPATE IN THE PROGRAM?**

23 A. The available openings in each county are filled by the local community action agency

1 based on the community action agency's assessment and ranking of applicants' need.

2 Kentucky Power does not participate in the selection of participants.

3 **Q. ARE THERE SPECIFIC REQUIREMENTS FOR PARTICIPATION OR IS THE**
4 **PROGRAM AVAILABLE TO ALL KENTUCKY POWER RESIDENTIAL**
5 **CUSTOMERS?**

6 A. The current program is designed to provide assistance to low income residents and there
7 are specific requirements. For instance, participating customers must be enrolled in the
8 federal Low Income Home Energy Assistance Program and apply for all available
9 weatherization programs. In addition, the service at the residence must be in the name of
10 the person seeking to participate in the program. The program also is not available to
11 customers residing in a multi-unit single meter building.

12 **Q. ARE THERE SUFFICIENT FUNDS TO FULFILL ALL APPLICATIONS?**

13 A. No. At the beginning of the 2017-2018 program year there were funds sufficient to
14 provide 989 slots for electric-heating customers and 344 slots for non-electric-heating
15 customers. With the increased funding directed by the Commission's January 18, 2018
16 order in Case No. 2017-00179, and the matching increased contribution by the
17 Company's shareholder, an additional 856 electric-heating slots and 297 non-electric-
18 heating slots were funded. Notwithstanding the meaningful amount of initial funding,
19 and the increased funding made available following the Commission's January 18, 2018
20 order, the Company is informed by CAK that there were more than 2,000 additional
21 applicants for whom slots were not available.

22

1 **Q. HOW IS THE NUMBER OF SLOTS DETERMINED AND HOW ARE THE**
2 **PROGRAM OPENINGS ALLOCATED?**

3 A. Each September, Kentucky Power calculates the number of openings for the upcoming
4 program year based on the amount of funding available, and provides this information to
5 CAK. These slots are then allocated to the five participating local community action
6 agencies on a county basis in the same approximate proportion as the number of
7 residential customers in each county of the local community action agency's territory
8 bears to the total number of Kentucky Power's residential customers. **EXHIBIT MAH-1**
9 provides an example of this calculation.

10 **Q. WHY DOES THE PROGRAM PROVIDE DIFFERING LEVELS OF MONTHLY**
11 **BILL CREDITS TO CUSTOMERS WHO USE ELECTRICITY AS THEIR**
12 **PRIMARY SOURCE OF HEAT AND THOSE WHO DO NOT?**

13 A. Customers who use electricity as their primary source of heat typically have higher
14 electric bills, particularly during the winter heating season, than those who do not.
15 Because of this fact, and the importance of maintaining heat during the winter heating
16 season, Kentucky Power allocates 85 percent of each local community action agency's
17 available funds to households using electricity to provide their primary source of heat.
18 The remainder of the funds are allocated to non-electric heat households.

19 **Q. HOW ARE THE BENEFITS CREDITED?**

20 A. CAK notifies Kentucky Power each program year of the identity of the eligible customers
21 selected to participate. Kentucky Power then applies the applicable credit to each
22 participating customer's bill each program month.
23

1 **Q. CAN PROGRAM SLOTS SOMETIMES BECOME AVAILABLE AFTER THE**
2 **INITIAL SELECTION OF HOME ENERGY ASSISTANCE RECIPIENTS BY**
3 **COMMUNITY ACTION AGENCIES?**

4 A. Yes. Slots can open when a recipient moves from the Company's service territory or
5 fails to maintain his or her eligibility for the program. In addition, a participant loses
6 eligibility when his or her service is terminated for nonpayment and any past due amount
7 and other required charges are not paid in full within five days after termination.

8 **Q. HOW ARE SLOTS THAT SUBSEQUENTLY BECOME AVAILABLE DURING**
9 **THE PROGRAM YEAR FILLED?**

10 A. Each of the local community action agencies administering the program maintains a wait
11 list for eligible applicants in their area who were not initially selected to participate.
12 These applicants are placed on the wait lists based upon the applicant's need. If a slot
13 subsequently becomes available, the applicable local community action agency fills the
14 opening in order from its wait list.

IV. PROPOSED CHANGES

15 **Q. WHY IS KENTUCKY POWER PROPOSING CHANGES TO ITS EXISTING**
16 **HOME ENERGY ASSISTANCE PROGRAM?**

17 A. The existing program has provided meaningful benefits to thousands of customers since it
18 was implemented in 2006. Although there have been increases in the per residential
19 meter charge (from \$0.10 per month to \$0.30 per month) and the Company's matching
20 contribution (from 50 percent to 100 percent) since the program first was implemented,
21 there have been no changes to program design and benefits since the program began.
22 Following up on the concerns expressed by Chairman Schmitt to Kentucky Power

1 President and Chief Operating Officer Matt Satterwhite on the second day of the
2 Company's December 2017 rate case hearing, Kentucky Power earlier this year
3 undertook a comprehensive review of the program with an eye toward making it more
4 effective. This review involved discussions with CAK, community leaders, state and
5 federal legislators, and the Company's customers. Based on these discussions, as well as
6 the Company's own investigation, Kentucky Power developed the modifications it is
7 proposing here. These modifications will allow the Company to broaden the type of
8 needs addressed by the program, as well as to provide more meaningful winter heating
9 season benefits.

10 **Q. PLEASE DESCRIBE THE CHANGES THAT THE COMPANY IS PROPOSING**
11 **IN THIS CASE.**

12 A. The Company is proposing to implement four categories of changes to the existing
13 program. First, Kentucky Power seeks to modify the current program to improve the
14 benefits provided to customers. Second, the Company proposes to broaden the reach of
15 the program by establishing a separate limited payment assistance benefit to address
16 short-term crises or financial hardships. Third, Kentucky Power proposes to increase
17 funding by adding a voluntarily customer donation and matching Company contribution.
18 Finally, the Company proposes to re-brand the program to better differentiate it from
19 other sources of assistance that may also be available to Kentucky Power's customers.

A. Modifications to Improve And Re-Brand the Current Program

1 **Q. WHAT ARE THE CHANGES BEING PROPOSED TO IMPROVE AND RE-**
2 **BRAND THE COMPANY’S EXISTING HOME ENERGY ASSISTANCE**
3 **PROGRAM?**

4 A. The Company is proposing the following changes to its existing home energy assistance
5 program:

- 6 • Eliminate the three monthly cooling season credits. Doing so will allow
7 Kentucky Power to increase the winter heating season credits to provide four
8 monthly winter heating season credits of \$115.00 for electric heating homes and
9 \$58.00 for non-electric heating homes;
- 10 • Change the payment benefit period from a December-to-March time period to a
11 January-to-April period;
- 12 • Limit eligibility to those customers who are current in their payments or are no
13 more than 59 days in arrears. Customers with greater arrears could become
14 eligible by paying down their arrearage to at least 59 days;
- 15 • Require that customers awarded Home Energy Assistance in Reduced
16 Temperatures (“HEART”) benefits also enroll in the Company’s Average
17 Monthly Payment Plan (AMP).
- 18 • Re-brand the program by changing its name from Home Energy Assistance
19 Program (“HEAP”) to HEART

20 **Q. WHY IS KENTUCKY POWER PROPOSING TO ELIMINATE ASSISTANCE**
21 **DURING THE THREE SUMMER COOLING MONTHS?**

22 A. Many customers face their highest electric bills during the winter heating months.

1 During the 2016-2017 program year (December to November), the average customer
 2 with electric heating consumed 45.52% of their annual electric usage during the winter
 3 months of December, January, February, and March (corresponding to the January to
 4 April billing periods). By contrast, the same customers consumed only 22.35% of their
 5 annual usage during the summer cooling months of July, August, and September. The
 6 same pattern held with non-electric heat customers. They on average consumed 37.66%
 7 of their annual usage during those same four winter months, compared to 27.84% during
 8 the same three summer months.

Average Monthly kWh Usage		
Month	Electric Heating	Non-Electric Heating
November	1,186	839
December	1,980	1,172
January	2,112	1,276
February	1,375	846
March	1,738	1,091
April	971	673
May	1,023	855
June	987	870
July	1,352	1,257
August	1,229	1,145
September	957	840
October	921	779
kWh Total	15,831	11,644
Dec. - March	45.52%	37.66%
July-Sept.	22.35%	27.84%

9 Focusing the credits on the winter heating months provides customers with assistance
 10 when they most require it and also enables the Company to provide larger bill credits,
 11 thereby making a bigger impact on the customers' monthly bills when they are most
 12 likely to be in need of assistance.

13

1 **Q. WILL CUSTOMERS RECEIVE THE SAME TOTAL AMOUNT OF**
 2 **ASSISTANCE DURING THE FOUR MONTHS OF THE HEART PROGRAM AS**
 3 **THEY CURRENTLY RECEIVE OVER THE COURSE OF THE SEVEN**
 4 **MONTHS OF THE CURRENT PROGRAM?**

5 A. Absolutely. As the table below illustrates, customers will receive a slightly-increased
 6 total amount of assistance through the HEART program each year:

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

7 **Q. WHY IS THE COMPANY NOT PROPOSING TO PROVIDE THE PROPOSED**
 8 **HIGHER BILL CREDITS (\$115 PER MONTH AND \$58 PER MONTH) DURING**
 9 **BOTH THE WINTER HEATING SEASON AND THE SUMMER COOLING**
 10 **SEASON?**

11 A. Providing the increased bill credits for seven months in lieu of the proposed four months
 12 would reduce the number of customers receiving HEART benefits from 2,072 to 1,184.
 13 Providing an increased level of winter heating season HEART funding to a larger number
 14 of participants better serves the needs of the Company’s customers.

15 **Q. WHAT IS AMP?**

16 A. A customer who is enrolled in AMP pays his or her trailing twelve month average bill
 17 amount each month. In the twelfth month, any balance or credit that has accumulated is
 18 spread in equal amounts over the customer’s next twelve bills.

19

1 **Q. WHY IS THE COMPANY PROPOSING THAT CUSTOMERS ENROLL IN AMP**
2 **TO BE ELIGIBLE FOR HEART?**

3 A. AMP helps customers better manage their electric bills by spreading the highest bills over
4 a twelve-month period. In particular, it shaves the peak off the highest bills, making
5 them more affordable. Requiring that participants enroll in AMP is intended to assist
6 customers in two ways. First, by leveling the monthly amounts payable to the Company,
7 participants should be better able to manage their winter heating season and summer
8 cooling season bills. A longer term benefit is that by requiring participants to enroll in
9 AMP, HEART participants will be better able to manage their electric bills and transition
10 from HEART. This in turn would allow the program to provide assistance to other
11 customers.

12 **Q. WHY IS KENTUCKY POWER SEEKING TO RE-BRAND THE PROGRAM?**

13 A. Some customers are confused by the similarity between the name of the Company's
14 existing HEAP program and the similarly-named but completely separate federal Low
15 Income Home Energy Assistance Program ("LIHEAP"). As a result, some customers do
16 not realize that benefits could be available to them under both programs. Also, some
17 customers assume that by qualifying for the federal program they automatically qualify
18 for Kentucky Power's assistance program, and as a result do not take the necessary steps
19 to receive assistance from the Company's program. Changing the name of the
20 Company's program should help minimize any such confusion with LIHEAP.

B. Kentucky Power's Proposed New Energy Assistance Program.

1 **Q. YOU ALSO INDICATED THE COMPANY PROPOSES TO IMPLEMENT A**
2 **MORE LIMITED ASSISTANCE PROGRAM FOR RESIDENTIAL CUSTOMERS**
3 **WHO EXPERIENCE SHORT-TERM FINANCIAL HARDSHIP. WHAT NEED**
4 **IS THIS NEW PROGRAM DESIGNED TO ADDRESS?**

5 A. Based on discussions with legislators and other public officials, Kentucky Power
6 identified a subset of customers who do not require the broader and more sustained help
7 provided by HEART. These customers nevertheless are at risk of losing their electric
8 service because of a temporary condition. These customers include those who are just
9 above the income threshold for the HEART program or other assistance programs but
10 nevertheless require help with one or perhaps two bills. Single parents with one income,
11 families that have had a member of the household lose a job, or individuals who have
12 been temporarily displaced, oftentimes can benefit from more limited assistance than is
13 provided by HEART. Kentucky Power's new program is designed to support those
14 customers who just need that little bit of assistance to help them through the winter
15 months.

16 **Q. PLEASE DESCRIBE THIS NEW PROGRAM.**

17 A. The Company is proposing a new program called Temporary Heating Assistance in
18 Winter or THAW. The program would offer assistance credit of up to a total of \$175.00
19 per winter heating season to eligible residential customers. The program would be
20 administered by the local community action agencies on a first come, first serve basis.
21 The program would begin in January of each year and continue until the earlier of the end
22 of April or until allocated benefits are expended.

1 **Q. CAN CUSTOMERS RECEIVE THAW BENEFITS MORE THAN ONCE IN A**
2 **CALENDAR YEAR?**

3 A. Yes, but the total THAW assistance available to each customer is subject to the calendar
4 year limit of \$175.00. One of the advantages of THAW is its flexibility. It is anticipated
5 that some participants will require a single credit of \$175.00 or less. Other customers
6 may be better served by multiple credits of lesser amounts that total \$175.00 or less. The
7 local community action agencies have the flexibility under THAW to shape the assistance
8 to best meet each participant's needs.

9 **Q. WHAT ARE THE THAW ELIGIBILITY REQUIREMENTS?**

10 A. An eligible customer must have an active residential account with Kentucky Power and
11 the applicant must be the primary account holder. The applicant must also demonstrate
12 proof of hardship under eligibility criteria that CAK and the local community action
13 agencies will develop.

14 THAW is not available to customers whose electric service at the time of the
15 application is disconnected for nonpayment or whose electric residential service account
16 at any residential address is more than 59 days past due. Also excluded are those
17 customers who have engaged in fraudulent conduct with the Company such as theft or
18 diversion of electricity, or who have a history of multiple dishonored checks or electronic
19 payments. Finally, THAW is not available to customers who receive HEART benefits in
20 the same calendar year.

21 **Q. WHY IS KENTUCKY POWER EXCLUDING CUSTOMERS RECEIVING**
22 **HEART BENEFITS FROM PARTICIPATING IN THAW?**

23 A. The two programs are designed to meet two different types of need. HEART is directed

1 at those customers who require more sustained assistance to meet their winter heating
2 season electric bills. THAW, by contrast, is designed for those customers who can
3 benefit from more limited assistance. By limiting participation to only one program
4 during a calendar year the Company is able to assist a larger number of customers than it
5 otherwise would.

6 **Q. HOW WILL CUSTOMERS WHO MIGHT BENEFIT FROM THAW BE**
7 **IDENTIFIED?**

8 A. The participating local community action agencies will identify those customers who
9 could benefit from THAW through normal client intake and counseling activities. In
10 addition, Kentucky Power representatives who perform disconnections and interact
11 directly with customers oftentimes become aware in the course of their work of
12 customers who would benefit from THAW. Given this front-line experience it makes
13 sense that they also be permitted to alert the participating community action agencies to
14 the identity of customers who might benefit from THAW. This input would be non-
15 binding on the community action agencies; the local community action agencies will
16 retain the final decision on which applicants receive THAW benefits and the amount
17 awarded. The Kentucky Power representatives also would have the ability to inform the
18 customers of THAW.

C. Establishment Of A Voluntary Energy Cost Assistance Program.

19 **Q. WHY IS KENTUCKY POWER PROPOSING TO PROVIDE ITS CUSTOMERS**
20 **WITH A MEANS TO CONTRIBUTE ADDITIONAL FUNDS TO THE**
21 **COMPANY'S HOME ENERGY ASSISTANCE PROGRAMS?**

22 A. The funding of the Company's current home energy assistance program through the

1 monthly residential meter charge and Kentucky Power’s matching contribution provides
2 a meaningful start towards addressing low-income customer assistance needs. But
3 existing funding is inadequate to meet all customer needs. The additional funds that
4 would be provided through the voluntary assistance program would enable the Company
5 to expand the program to provide assistance to more customers. In lieu of asking to
6 increase the monthly per residential meter charge, the Company is proposing to create an
7 area on its monthly customer bill where customers can choose to make a special
8 contribution to further support the HEART program consistent with KRS 278.287. That
9 way, those customers with the means and inclination to provide additional funding are
10 provided the opportunity to do so.

11 **Q. WILL THE CUSTOMER VOLUNTARY CONTRIBUTIONS AND MATCHING**
12 **COMPANY CONTRIBUTION BE USED TO FUND THAW?**

13 A. No. THAW is available to customers who do not meet the more limited qualifications for
14 recipients of funds generated through a voluntary assistance contribution. As a result, the
15 voluntary contributions and matching Company contribution will be allocated to funding
16 HEART.

17 **Q. WILL THE VOLUNTARY CUSTOMER DONATIONS AND MATCHING**
18 **COMPANY CONTRIBUTION BE SEGREGATED FROM HEART AND THAW**
19 **FUNDS?**

20 A. Yes. KRS 278.287(7) places restrictions on the use of customer donations that differ in a
21 limited respect from those proposed for HEART. To ensure that donations are used in
22 accordance with the statute, donations and the Company’s matching contributions will be
23 segregated from HEART and THAW funds. In addition, CAK will administer the use of

1 the funds as a sub-program of HEART called Donation HEART. The limitations
2 established by KRS 278.287 will be in addition to those required for participation in
3 HEART. In addition, because KRS 278.287(7)(c) is more restrictive than the general
4 HEART Program income requirements, donations and the Company's matching
5 contribution will be limited to providing benefits to customers with a total household
6 income that is at or below 110 percent of the federal poverty guidelines as defined in
7 KRS 205.5621.

8 **Q. IS THERE AN ADDITIONAL COST TO CUSTOMERS FOR THE COMPANY**
9 **TO MAKE THESE CHANGES TO IMPLEMENT THE VOLUNTARY**
10 **ASSISTANCE PROGRAM?**

11 A. No. All that is required is that the Company revise its residential bill format to provide
12 customers the opportunity to donate funds along with their bill payment, and to
13 implement procedures so that the additional payment are allocated appropriately. An
14 example of the proposed bill revision is attached as **EXHIBIT MAH-2**.

15

1 **Q. WOULD THE COMPANY MATCH THE VOLUNTARY CUSTOMER**
2 **ASSISTANCE CONTRIBUTIONS?**

3 A. Yes. The Company is offering to match customer contributions, with shareholder money,
4 on a dollar-for-dollar basis, up to \$20,000 annually.

5 **Q. HOW WILL THE INITIAL YEAR'S CONTRIBUTIONS AND MATCHING**
6 **COMPANY CONTRIBUTION BE HANDLED?**

7 A. To provide adequate time for the Commission to review the Company's request to
8 establish the voluntary contribution program, and the time required to implement the
9 program and for customers to begin making contributions, it appears unlikely that there
10 will be a meaningful amount of contributions available for the 2019 HEART program
11 year (January to April 2019). Kentucky Power thus requests the authority to hold
12 contributions received in 2018 and 2019 for use in the 2020 HEART program year.

13 **Q. HAS THE COMPANY DISCUSSED THE PROPOSED CHANGES DESCRIBED**
14 **ABOVE WITH INTERESTED STAKEHOLDERS?**

15 A. Yes. Company management met or held discussions with CAK, Kentucky and federal
16 legislators, other elected officials, and customers to gauge their support for the
17 Company's proposals and to receive stakeholder feedback regarding the Company's
18 programs. Many of the proposed changes described above were ideas or input offered by
19 these interested stakeholders. As part of these outreach efforts, the Company also
20 presented its proposals, including a draft of the application and this testimony, to the
21 Attorney General's Office of Rate Intervention, which represents residential customers in
22 Commission proceedings.

1 **V. ADMINISTERING AND FUNDING THE PROGRAMS**

2 A. Program Administration.

3 **Q. WHO WOULD ADMINISTER HEART and THAW?**

4 A. The Company would continue its arrangement with CAK and participating local
5 community action agencies to administer both programs.

6 **Q. HOW WILL HEART AND THAW BE FUNDED?**

7 A. The Company would continue to use the \$0.30 collected from residential customers each
8 month, which is matched by the Company, to fund both programs. In addition, if
9 approved by the Commission, the Company would further fund the HEART program
10 through voluntary customer contributions, together with an additional matching
11 contribution from the Company of up to \$20,000 per year.

12 **Q. HOW WOULD THE FUNDS BE ALLOCATED BETWEEN THE TWO**
13 **PROGRAMS?**

14 A. The Company would use 75 percent of the funds generated by the monthly per residential
15 meter charge and the Company's matching contribution for HEART. The remaining 25
16 percent of these funds would be allocated for THAW. In addition, all voluntary
17 contributions and the Company's matching contribution would be allocated to HEART.

18 **Q. IS THERE A NEW AGREEMENT GOVERNING THE PROGRAMS?**

19 A. Yes. The new agreement reflects the program changes described above. In addition, the
20 agreement specifies the amount to be paid by CAK to local participating agencies and
21 modifies in certain respects the existing ten percent ceiling on program administrative
22 expenses. The agreement is attached as EXHIBIT 2 to the application.

23

1 **Q. WHAT ARE THE AMOUNTS PAYABLE TO THE LOCAL PARTICIPATING**
2 **COMMUNITY ACTION AGENCIES?**

3 A. The new agreement provides that CAK shall pay member community action agencies
4 \$16.00 per approved THAW Program application per applicant per calendar year. It
5 similarly provides that CAK shall pay member community action agencies \$25.00 for
6 each of its Slots that is filled by a participant in the HEART Programs.

7 **Q. PLEASE DESCRIBE THE CHANGES TO THE CURRENT TEN PERCENT**
8 **CEILING ON ADMINISTRATIVE EXPENSES.**

9 A. The ceiling on reimbursement of actual and reasonable HEART Program costs is reduced
10 to seven percent. The ceiling on reimbursement of actual and reasonable THAW
11 Program costs will be ten percent. Program information technology expenditures are an
12 exception to both ceilings. The respective ceilings will not apply to the extent necessary
13 to compensate CAK fully for the HEART program information technology costs and
14 THAW program information technology costs in any program year provided that i) such
15 costs are reasonable and necessary to implement changes for compliance with applicable
16 law or with new data exchange requirements not set forth in this Agreement, and ii) CAK
17 provides Kentucky Power a good faith estimate of such costs before they are incurred.

18 B. Tariff Changes.

19 **Q. ARE CHANGES TO KENTUCKY POWER'S TARIFFS REQUIRED TO**
20 **IMPLEMENT THE COMPANY'S PROPOSALS?**

21 A. Yes. The Company proposes to change the name of the tariff from Tariff H.E.A.P. to
22 Tariff R.E.A. (Tariff Residential Energy Assistance). Doing so will better reflect the
23 multiple energy assistance programs the Company proposes to offer. An example of the

1 modified tariffs can be found in EXHIBIT MAH-2. In addition, the residential bill
2 format portion of the Company's terms and conditions of service would need to be
3 revised to reflect the addition of the voluntary contribution line.

4 **Q. ARE THERE ANY ADDITIONAL CHANGES TO THE CUSTOMER BILL**
5 **BEING PROPOSED?**

6 A. Yes. In addition to providing the opportunity for customers to make voluntary
7 contributions, Kentucky Power proposes that the line item appearing on residential
8 customer bills to collect the \$0.30 per month residential meter charge be amended to read
9 Residential Energy Assistance to reflect the renamed and expanded assistance programs.
10 An example of this change can be found in EXHIBIT MAH-2.

VI. WEATHERIZATION PROGRAM

11 **Q. HAS THE COMPANY CONSIDERED ANY WEATHERIZATION PROGRAMS**
12 **TO ASSIST LOW INCOME CUSTOMERS?**

13 A. Yes. The Company currently offers a Targeted Energy Efficiency (TEE) program
14 through its Demand-Side Management program. The TEE program assists low income
15 residential customers with weatherization projects. That program currently is slated to
16 expire at the end of this year. Kentucky Power anticipates filing an application in
17 November 2018 to extend the program through 2019.

VII. TIME FRAME FOR A DECISION

18 **Q. IS KENTUCKY POWER REQUESTING AN ORDER BY A CERTAIN DATE IN**
19 **THIS PROCEEDING?**

20 A. Yes. To provide CAK the information required to administer the programs in 2019 and
21 to notify customers of the changes, as well as the time required by the local community

1 action agencies to receive and process applications, the Company requests a decision by
2 October 31, 2018.

3 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

4 **A. Yes.**

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	Northeast Kentucky	9,202	10.90%	167	10,538	20.79%	112	279
CARTER	Northeast Kentucky	4,862	5.76%	88	2,139	4.22%	23	111
ELLIOTT	Northeast Kentucky	14	0.02%	0	11	0.02%	0	0
GREENUP	Northeast Kentucky	6,014	7.12%	109	6,584	12.99%	70	179
LAWRENCE	Northeast Kentucky	3,860	4.57%	70	2,175	4.29%	23	93
	Northeast Kentucky Totals	23,952	28.37%	435	21,447	42.31%	227	663
ROWAN	Gateway CSO	561	0.66%	10	333	0.66%	4	14
MORGAN	Gateway CSO	657	0.78%	12	251	0.50%	3	15
	Gateway CSO Totals	1,218	1.44%	22	584	1.15%	6	28
FLOYD	Big Sandy CAP	6,771	8.02%	123	5,599	11.05%	59	182
JOHNSON	Big Sandy CAP	3,376	4.00%	61	2,297	4.53%	24	86
MAGOFFIN	Big Sandy CAP	1,649	1.95%	30	620	1.22%	7	37
MARTIN	Big Sandy CAP	2,393	2.83%	44	1,479	2.92%	16	59
PIKE	Big Sandy CAP	19,281	22.84%	351	7,892	15.57%	84	434
	Big Sandy CAP Totals	33,470	39.65%	609	17,887	35.29%	189	798
BREATHITT	Middle KY River	2,774	3.29%	50	1,376	2.71%	15	65
OWSLEY	Middle KY River	7	0.01%	0	4	0.01%	0	0
	Middle KY River Totals	2,781	3.29%	50	1,380	2.72%	15	65
LESLIE	LKLP	3,479	4.12%	63	1,000	1.97%	11	74
KNOTT	LKLP	3,783	4.48%	69	2,706	5.34%	29	97
LETCHER	LKLP	7,263	8.60%	132	2,115	4.17%	22	154
PERRY	LKLP	8,472	10.04%	154	3,573	7.05%	38	192
	LKLP Totals	22,997	27.24%	418	9,394	18.53%	100	518
Totals		84,418	100.00%	1,535	50,692	100.00%	537	2,072

No. of slots available this year

1,535

537

* 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	\$ 33,181
	Northeast Kentucky	4,862	5.76%	\$ 13,117	2,139	4.22%	\$ 1,696	\$ 14,813
	Northeast Kentucky	14	0.02%	\$ 38	11	0.02%	\$ 9	\$ 46
	Northeast Kentucky	6,014	7.12%	\$ 16,225	6,584	12.99%	\$ 5,220	\$ 21,446
	Northeast Kentucky	3,860	4.57%	\$ 10,414	2,175	4.29%	\$ 1,724	\$ 12,138
	Northeast Kentucky Totals	23,952	28.37%	\$ 64,621	21,447	42.31%	\$ 17,005	\$ 81,625
ROWAN MORGAN	Gateway CSO	561	0.66%	\$ 1,514	333	0.66%	\$ 264	\$ 1,778
	Gateway CSO	657	0.78%	\$ 1,773	251	0.50%	\$ 199	\$ 1,972
	Gateway CSO Totals	1,218	1.44%	\$ 3,286	584	1.15%	\$ 463	\$ 3,749
FLOYD JOHNSON MAGOFFIN MARTIN PIKE	Big Sandy CAP	6,771	8.02%	\$ 18,268	5,599	11.05%	\$ 4,439	\$ 22,707
	Big Sandy CAP	3,376	4.00%	\$ 9,108	2,297	4.53%	\$ 1,821	\$ 10,929
	Big Sandy CAP	1,649	1.95%	\$ 4,449	620	1.22%	\$ 492	\$ 4,940
	Big Sandy CAP	2,393	2.83%	\$ 6,456	1,479	2.92%	\$ 1,173	\$ 7,629
	Big Sandy CAP	19,281	22.84%	\$ 52,019	7,892	15.57%	\$ 6,257	\$ 58,276
	Big Sandy CAP Totals	33,470	39.65%	\$ 90,300	17,887	35.29%	\$ 14,182	\$ 104,482
BREATHITT OWSLEY	Middle KY River	2,774	3.29%	\$ 7,484	1,376	2.71%	\$ 1,091	\$ 8,575
	Middle KY River	7	0.01%	\$ 19	4	0.01%	\$ 3	\$ 22
	Middle KY River Totals	2,781	3.29%	\$ 7,503	1,380	2.72%	\$ 1,094	\$ 8,597
LESLIE KNOTT LETCHER PERRY	LKLP	3,479	4.12%	\$ 9,386	1,000	1.97%	\$ 793	\$ 10,179
	LKLP	3,783	4.48%	\$ 10,206	2,706	5.34%	\$ 2,145	\$ 12,352
	LKLP	7,263	8.60%	\$ 19,595	2,115	4.17%	\$ 1,677	\$ 21,272
	LKLP	8,472	10.04%	\$ 22,857	3,573	7.05%	\$ 2,833	\$ 25,690
	LKLP Totals	22,997	27.24%	\$ 62,044	9,394	18.53%	\$ 7,448	\$ 69,492
Totals		84,418	100.00%	\$ 227,753	50,692	100.00%	\$ 40,192	\$ 267,945

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

* excluding Bell, Clay & Lewis counties

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11-~~2nd~~-~~4th~~ REVISED SHEET NO. 1-2
 CANCELLING P.S.C. KY. NO. 11-~~1st~~-~~ORIGINAL~~ REVISED 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 R.H.E.A.-P.	Residential Home Energy Assistance Program	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~~ July 18, 2018
 DATE EFFECTIVE: ~~Bills Service~~ Rendered On And After July 1, 2018 XXXX XX, XXXX
 ISSUED BY: /s/ ~~Matthew A. Horeled~~ ~~Ranie Wohnhas~~
 TITLE: ~~Managing~~ Director, Regulatory Services & Finance
 By Authority of an Order of the Public Service Commission
 In Case No. 2018-~~XXXXX00025~~ Dated June 28, 2018 XXXX XX, XXXX

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11 ~~1st 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
Account #XXX-XXX-XXX-X-X

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

XXXX-X X
030003085 01 AV 0.373

KPCO 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 \$166.18. Your PIPP 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 \$XX.XX

kWh X,XXX
Current Charges \$XXX.XX

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

KENTUCKY POWER 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

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

SERVICE ADDRESS: KPCO RESIDENTIAL CUSTOMER
3085-1
030003085 01 AV 0.373

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 \$XX.XX

kWh X,XXX
Current Charges \$XXX.XX

Thank you for your prompt payment. Please include KPCO RESIDENTIAL CUSTOMER, 123 ANYWHERE CT, ANYWHERE, KY 12345-1234

KENTUCKY POWER Send inquiries to:
PO Box 24410
Canton, OH 44701-4710

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

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Deleted: 7...XXXXX00179...Dated XXXX XX,

(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 ~~1st 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

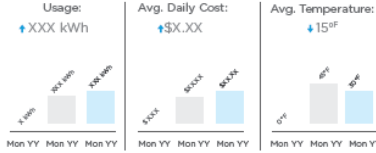
Account #XXX-XXX-XXX-X-X

Line Item Charges:

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

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 #XXXXXXXXXX					
Prev	Type	Current	Type	Metered	Usage
XXXXX	Actual	XX,XXX	Actual	X,XXX	X,XXX kWh
Service Period MM/DD - MM/DD				Multiplier XXXXXXXX	
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

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Service Address:

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

Account #XXX-XXX-XXX-X-X

Line Item Charges:

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

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Deleted: February 7, 2018

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Deleted: Ranie K. Wohnhas

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KENTUCKY POWER COMPANY
6-1

- P.S.C. KY. NO. 11 ~~2nd~~ ~~1st~~ REVIS~~E~~D SHEET NO.

CANCELLING P.S.C. KY. NO. 11 ~~1st~~ REVIS~~E~~D 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
Residential Energy Assistance 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~~ Ranie Wohnhas
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~~ REVISED SHEET

CANCELLING P.S.C. KY. NO. 11-~~1st~~ REVISED 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
Home Energy Assistance Program 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

(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/ ~~Ranie Wohnhas~~ Matthew A. Horeled
TITLE: ~~Managing Director, Regulatory & Finance Services~~
By Authority of an Order of the Public Service Commission
In Case No. 2018-~~XXXXX~~7-00179 Dated ~~June 28, 2018~~ XXXX XX, XXXX

KENTUCKY POWER COMPANY
NO. 6-6

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

CANCELLING P.S.C. KY. NO. 11 ~~1st REVIS~~ED~~ ORIGINAL~~ 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
Federal Tax Cut Tariff	Sheet No. 23
Residential Energy Assistance 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

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. Horled~~ Ranie Wohnhas
TITLE: ~~Managing~~ 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

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KENTUCKY POWER COMPANY

P.S.C. KY. NO. 11-~~2nd~~-~~1st~~ REVIS~~ED~~ SHEET NO. 6-8
CANCELLING P.S.C. KY. NO. 11-~~1st~~ REVIS~~ED~~ 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 (%) Of Annual Hours <u>Winter</u> Period:	16%	84%
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
Residential Energy Assistance 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 18, 2018
DATE EFFECTIVE: Service Rendered On And After ~~XXXX XX, XXXX~~June 28, 2018
ISSUED BY: ~~/s/ Matthew A. Horeled~~Ranie Wohnhas
TITLE: ~~Managing 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

T

KENTUCKY POWER COMPANY
6-10

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

CANCELLING P.S.C. KY. NO. 11-~~1st~~ REVIS~~ED~~ ORIGINAL 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 – September4:00 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
Franchise Tariff	Sheet No. 20
Demand-Side Management Adjustment Clause	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
Residential Energy Assistance Home Energy Assistance Program	Sheet No. 25
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Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

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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 Wonnhas
TITLE: ~~Managing~~ 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 1st 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. Horeled~~ Ranie K. Wornhas

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 2nd REVISED SHEET NO. 1-2
CANCELLING P.S.C. KY. NO. 11 1st 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	T
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	

(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-XXXXX 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


XXXXX X
030003085 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 \$1,166.18. Your PIPP Plus anniversary date is July 2017. Your reverification date is August 3, 2017

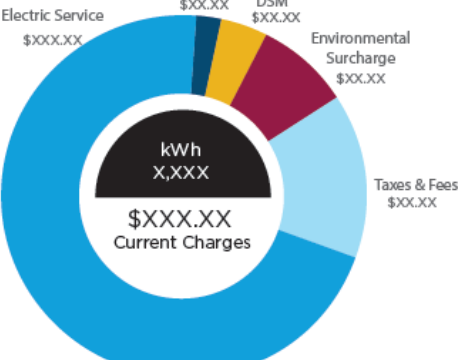
Usage history (kWh):



Nov Dec Jan
YYYY YYYY

Current bill summary:

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



kWh
X,XXX
\$XXX.XX
Current Charges

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 #XXXX-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 \$_____

0000135610000136210100000000000410039216920112312016900006

(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

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TERMS AND CONDITIONS OF SERVICE (Cont'd)



Service Address:

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

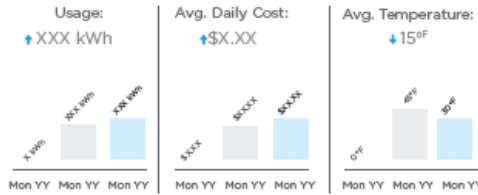
Account #XXX-XXX-XXX-X-X

Line Item Charges:

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

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 #XXXXXXXXXX					
Prev.	Type	Current	Type	Metered	Usage
XX,XXX	Actual	XX,XXX	Actual	X,XXX	X,XXX kWh
Service Period MM/DD - MM/DD				Multiplier X.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 2nd REVISED SHEET NO. 6-1
CANCELLING P.S.C. KY. NO. 11 1st 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

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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.

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-XXXXX Dated XXXX XX, XXXX

KENTUCKY POWER COMPANY

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

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(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 2nd REVISED SHEET NO. 6-6
CANCELLING P.S.C. KY. NO. 11 1st 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
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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 2nd REVISED SHEET NO. 6-8
CANCELLING P.S.C. KY. NO. 11 1st 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 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
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

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

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 2nd REVISED SHEET NO. 6-10
CANCELLING P.S.C. KY. NO. 11 1st 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 – September4:00 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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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 1ST 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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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

VERIFICATION

The undersigned, Matthew A. Horeled, being duly sworn, deposes and says he is the Director of Regulatory Services for Kentucky Power, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Matthew A. Horeled

 Matthew A. Horeled

Commonwealth of Kentucky)	
)	Case No. 2018-00311
County of Boyd)	

Subscribed and sworn before me, a Notary Public, by Matthew A. Horeled this
21 day of September, 2018.

Trisha M. Young Blum

 Notary Public

My Commission Expires 3-18-19

