

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019

DATA REQUEST

KPSC 1_1 Refer to Appendix C to this Order, which contains utility-specific HEA program eligibility criteria, funding and administration data, and annual budgets and disbursements. Confirm that the information in Appendix C applicable to your utility (Utility) is accurate or, if any information is not accurate, provide the updated information.

RESPONSE

Kentucky Power cannot confirm that the information regarding the Company is accurate. Please see attachment KPCO_R_KPSC_1_1_Attachment1 for updated Kentucky Power-specific HEA program eligibility criteria, funding and administration data, and annual budget and disbursement information.

The attachment mirrors Staff's tables. Information that the Company has updated is highlighted in green. The format of the sheet labeled "Appendix C, Pg1" columns "HEART" and "THAW" was modified to reflect the effect of the Commission's September 11, 2019 Order in Case No. 2019-00245.

An additional sheet labeled "Appendix C, Pg3 Detail" has also been provided. This sheet illustrates in depth the determination of program funds and the subsequent slots or funds available to the Company's HEA programs.

Witness: Brian K. West

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DATA REQUEST

KPSC 1_2 Explain how the Utility selected the agency that administers its HEA application process.

RESPONSE

Kentucky Power has contracted with Community Action Kentucky (“CAK”), Inc. or its predecessor to administer the Company’s residential energy assistance programs since the programs were initiated in 2007. Kentucky Power surveyed other potential administrators in 2018 to determine their interest and ability to administer the programs. CAK was the only provider able to administer programs to residents in the 18 counties where the Company’s residential energy assistance programs are offered.¹

Contracting with a single provider provides several benefits to Kentucky Power’s customers. First, it helps to limit the Company’s cost to monitor the administration of the programs. Second, because CAK and its member agencies receive and process LIHEAP applications in addition to administering the Company’s residential energy assistance programs, CAK and its member agencies are able to standardize procedures applicable to both types of assistance and minimize operational costs and customer confusion. Finally, CAK and its member agencies maintain strong relationships within the communities they serve, which Kentucky Power believes enables CAK and its member agencies to effectively serve and assist Kentucky Power customers who may be eligible for the Company’s residential energy assistance programs.

Witness: Brian K. West

¹ 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 HEART slots or THAW funds are provided for customers in Lewis and Clay Counties.

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DATA REQUEST

KPSC 1_3 Describe in specific detail all aspects of the Utility's oversight of the agency that administers HEA applications.

RESPONSE

Kentucky Power exercises oversight of CAK by performing each of the following activities:

- Review and approve CAK's proposed annual budget.
- Provide annual training sessions directly to CAK's community action agencies.
- Collaborate with CAK to ensure file transfers are secure and working as intended.
- Keep abreast of program implementation by responding to general inquiries from HEART and THAW program participants.
- Review CAK invoices prior to making timely payment.
- Annual review of audit prepared by an independent certified public accountant.
- Review the transfer of slots and funds between community action agencies. CAK is required to notify Kentucky Power of each transfer within three business days of its occurrence.
- Quarterly meetings with CAK, or more frequently as needed, to discuss the status of the HEART and THAW programs.

More broadly, the Company also provides oversight by ensuring proper program administration through the following activities:

- Ensure the continued \$0.30 charge on each residential customer's monthly bill ("customer charge") to fund the HEART and THAW programs. The customer charge is recovered pursuant to Commission's Order in Case No. 2017-00179 and appears 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.
- Ensure Donation HEART funds are segregated and disbursed in accordance with KRS 278.287.
- Prepare slots/funds for the upcoming HEA program year and provide to CAK at least 60 days prior to the beginning of the program year.

Witness: Brian K. West

Kentucky Power Company
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DATA REQUEST

KPSC 1_4 Explain in specific detail how the agency that administers the Utility's HEA application process is paid, e.g., a fixed amount per application, a percentage of budgeted or expended funds, or a lump sum.

RESPONSE

Kentucky Power reimburses CAK for CAK's actual reasonable costs, including new and increased IT costs, in administering the Company's residential energy assistance programs. Those costs are capped at seven percent of the total residential energy assistance program revenues (both customer contribution and Kentucky Power matching payment) for the HEART program and ten percent for the THAW program. In addition, Kentucky Power compensates CAK for IT costs that exceed the program caps if Kentucky Power deems them reasonable and necessary to comply with the applicable law or data exchange requirements. CAK also is required to provide the Company with a reasonable estimate of the anticipated costs before they are incurred.

Please see KPCO_R_KPSC_1_4_Attachment1 for a copy of the agreement governing Kentucky Power's reimbursement of CAK, which the Commission most recently reviewed and approved in its September 11, 2019 Order in Case No 2019-00245.

Witness: Brian K. West

AGREEMENT

[BKW] **OCTOBER** THIS AGREEMENT ("Agreement") is made and entered into as of this **1st** day of ~~September~~, 2019, 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 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, by Order dated October 30, 2018 in 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 is funded by voluntary donations from customers ("Donations") and which is 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");

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; and

WHEREAS, based on their experience in implementing the Programs following the Commission's October 30, 2018 order, CAK and Kentucky Power have entered into this amended Agreement to implement the Programs;

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 of the following year, except that the first Program Year under this Agreement shall run from the Effective Date to September 30, 2020.

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 Commission 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 be 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 Donation 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. Establish that the HEART benefits will be credited to the account for the benefit of the applicant by: a. providing satisfactory evidence of service in the applicant's name at the service address; b. applying for service from Kentucky Power in applicant's name at the service address; c. providing an acceptable photo ID in applicant's name evidencing residence at the service address; or d. presenting acceptable evidence of current service in applicant's name

by another utility at the Kentucky Power service address. Each account or service address will be eligible for only one HEART benefit during a single Program Year;

iii. Be enrolled in a LIHEAP program, and for those residential customers who use electricity as their primary source of heat ("Heat Customers"), direct their LIHEAP payments to Kentucky Power;

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

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

vi. 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;

vii. 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;

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

ix. Receive information regarding enrollment in Kentucky Power's payments plans.

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

- Power;
- vi. Be a Kentucky Power customer who:
 - (a) Has received a disconnect notice for non-payment from Kentucky
 - (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 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. CAK shall notify Kentucky Power of each such transfer of a slot within three business days of the transfer.

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. Establish that the THAW benefits will be credited to the account for the benefit of the applicant by: a. providing satisfactory evidence of service in the applicant's name at the service address; b. applying for service from Kentucky Power in applicant's name at the service address; c. providing an acceptable photo ID in applicant's name evidencing residence at the service address; or d. presenting acceptable evidence of current service in applicant's name by another utility at the Kentucky Power service address. Electrical service by Kentucky Power to the service address must not be disconnected for nonpayment at the time of the application to the THAW Program.

ii. Not be receiving or have received funds through the HEART Program in the same Program Year;

iii. Demonstrate proof of hardship and any other necessary attributes to be eligible for THAW benefits pursuant to the THAW Criteria; and

iv. Receive information regarding enrollment in Kentucky Power's payment plans.

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 may transfer some or all of the THAW benefits within a community action agency's territory or among community action agencies upon determining there is insufficient demand for THAW benefits as initially allocated. CAK shall notify Kentucky Power of each such transfer of THAW benefits within three business days of the transfer.

v. 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 Party's 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.

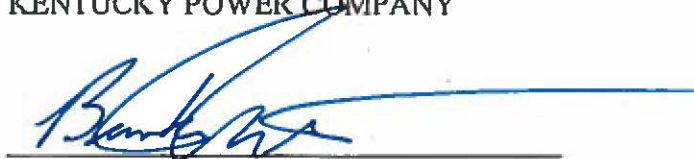
XV. MISCELLANEOUS

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:



Brian K. West

Its: Director of Regulatory Services

COMMUNITY ACTION KENTUCKY, INC.

BY:



Roger McCann

Its: Executive Director

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019

DATA REQUEST

- KPSC 1_5** For each of the Utility's HEA programs, provide the following information:
- a. The number of applicants in the last full program year.
 - b. The number of applicants in the last full program year who were eligible for each HEA program.
 - c. The number of eligible applicants in the last full program year who received assistance from each HEA program.

RESPONSE

This request seeks, in part, information that is not within Kentucky Power's possession, custody, or control and which is within the exclusive control of CAK and its member agencies. Upon receipt of this request, the Company contacted CAK and requested the information necessary to provide a response to this request. CAK has provided the following information regarding the inquiries:

- a. The number of applicants to HEART in the last full program year was 1,084. The number of applicants to THAW in the last full program year was 824.²
- b. The number of applicants to HEART in the last full program year who were eligible was 1,051. The requested information is unavailable for THAW. No new applications are taken for a county once program funds available for that county have been expended.
- c. The number of eligible applicants to HEART in the last full program year who received assistance was 1,046. The number of eligible applicants to THAW in the last full program year who received assistance was 780.

Witness: Brian K. West

² For THAW it is possible for the same customer to receive multiple benefits in the same program year so long as the sum does not exceed \$175. Accordingly 824 represents the number of distinct applicants to THAW.

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019

DATA REQUEST

KPSC 1_6 Provide the average benefit level paid for participants in each of the Utility's HEA programs.

RESPONSE

The HEART program provides a fixed benefit level. 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.

The average benefit level paid to participants in the THAW program during the last full program year was \$163.15.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019

DATA REQUEST

KPSC 1_7 State how often in the past five years that funds generated by the Utility's HEA charge were not fully expended and explain what happens to funds not expended.

RESPONSE

Some funds generated by Kentucky Power's residential energy assistance charge were not expended in each of the past five years. Unexpended funds are rolled over to the next program year and used to calculate the available program funding and slots for the upcoming year.

This calculation is demonstrated in KPCO_R_KPSC_1_1_Attachment1 tab "Appendix C, Pg3 Detail."

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019
Page 1 of 2

DATA REQUEST

KPSC 1_8 Describe in specific detail how the Utility's HEA programs are advertised or communicated to customers. Provide all marketing materials.

RESPONSE

For the 2018 and 2019 program years, the Company provided the following advertisements and communications to customers regarding its HEA programs:

- Customer handbooks are provided to local community action agencies, county judge executive offices, festivals, various community outreach events, and through individual interactions with Customer Service Representatives.³
- Palm cards are provided to field employees during the fall and winter season for distribution.
- The Company provided a press release describing the program to all major media in its service territory during the 2018 program year.⁴ This release was picked up by The Daily Independent and ran on December 10, 2018.
- Information is provided on the Company's website:
<https://www.kentuckypower.com/account/bills/assistance/> and
<https://www.kentuckypower.com/winterbills>
 - The first link provides a printable flyer regarding the HEART and THAW programs. The flyer also was included in a November 8, 2019 targeted email sent to approximately 11,000 residential customers who were past due on their electric account. The flyer also will be included with a newsletter to elected officials in the Company's service territory notifying them of eligibility changes. A similar newsletter (and flyer) were provided on November 5, 2018 to address the changes to the Company's HEA programs approved by the Commission in Case No. 2018-00311.

³ Festivals include Hillbilly Days in Pikeville, Summer Motion in Ashland, and the Black Gold Festival in Hazard. Community Outreach events consist of Kentucky Power personnel attending senior citizen facilities, libraries, or community action offices to present an informational session which includes energy conservation tips, optional programs, and assistance programs. Customer Service Representatives meet with various customers regarding inquiries (such as high bills). At their discretion, a customer handbook may be provided.

⁴ Year 2018 for HEART refers to applications which began November 1st 2018 and benefit months January through April 2019. Year 2018 for THAW refers to applications which began January 2019 and benefits awarded January 2019 through April 2019.

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019
Page 2 of 2

- A targeted postcard was sent in January 2019 to approximately 3,000 residential customers who were between \$200 and \$300 past due on their account.
- A bill insert discussing the THAW program will be sent to residential customers with their December 2019 bill.

Copies of the communications listed above are attached as
KPCO_R_KPSC_1_8_Attachment1 through KPCO_R_KPSC_1_8_Attachment6.

Witness: Brian K. West

KENTUCKY POWER CUSTOMER HANDBOOK

Our Commitment to You

At Kentucky Power, we are committed to supplying our customers with safe and reliable electric service. We aim to give one kind of service to everyone – the best that is possible. That means doing what we can to minimize concerns, answer questions and provide helpful information. We are working every day to raise your expectations to better serve you and our communities across eastern Kentucky.

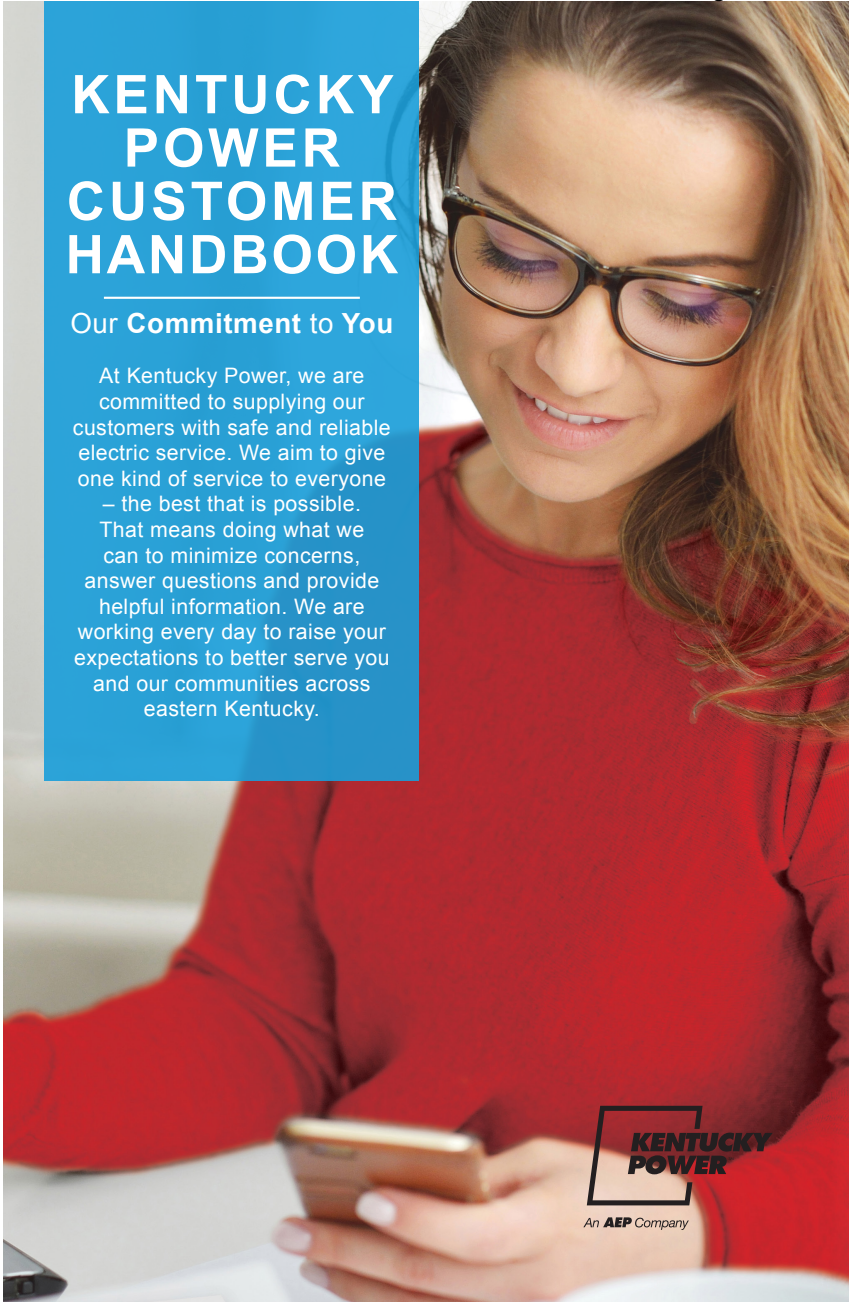


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IMPORTANT CONTACTS

Customers can contact Kentucky Power to open or close an account, ask billing questions, sign up for paperless billing, report a power outage, check the status of service or sign up to receive alerts. There are several ways to contact us:

FOR QUESTIONS ABOUT YOUR BILL OR SERVICE

Our Customer Operations Center is available 24 hours a day, seven days a week and can be reached by calling 1-800-572-1113.

An email can be sent from KentuckyPower.com/contact or the Kentucky Power mobile app.

You can manage your account online or with the Kentucky Power app to access information 24 hours a day, seven days a week. To download the free app, please visit the Apple App Store or Google Play Store.

FOR THE HEARING IMPAIRED (TTY)

1-800-348-9602

TO PAY YOUR BILL BY PHONE

1-800-611-0964

Please note: There will be a \$1.85 BillMatrix service fee.

CALL BEFORE YOU DIG

811 or 1-800-752-6007

Call Kentucky 811 at least two working days before you plan to build a deck, install a fence, plant a tree or tackle any project that requires digging.

SOCIAL MEDIA

[Facebook.com/KentuckyPower](https://www.facebook.com/KentuckyPower)

[@KentuckyPower](https://twitter.com/KentuckyPower)

WORKING WITH US

WE ALWAYS HAVE PROPER IDENTIFICATION

All Kentucky Power employees carry company-issued identification cards showing their name and photograph. Please ask anyone seeking to enter your property or business to show this card and state the reason for the visit. If you have questions, ask the employee to wait outside while you contact customer service at 1-800-572-1113 to confirm the person's identity and purpose of the visit.

REPORTING FRAUD AND SCAMS

Kentucky Power employees will never:

- Call you to request payment or threaten to immediately disconnect your service.
- Ask customers for prepaid debit cards as payment.

Criminals sometimes pose as utility employees and are using increasingly sophisticated tactics in their scams. Thieves typically try to steal your money by phone or in person. Be on the lookout for fraudulent mail and email as well.

If you receive a call you think is fraudulent or want to verify the identity of a Kentucky Power employee at your home or business, please call customer service at 1-800-572-1113.

If you believe you are the victim of a scam, notify us and immediately report the incident by calling your local police through the agency's non-emergency telephone number.



BILLING, METERING AND PAYMENTS

WHY BILLS VARY

When cold weather sets in, heating systems run longer and work harder to maintain warmth within our homes. For example, if the outside temperature is 50 degrees, heating systems might only need to run a few minutes each hour to maintain the inside temperature. But when the temperature drops to near zero and below, the system runs more often and longer to maintain temperature. If the system is a heat pump, less efficient supplemental electric resistance heat automatically comes on when the outdoor temperature is below 30 degrees.

According to the U.S. Department of Energy, heating and cooling is responsible for approximately 48 percent of your electric bill. If you receive an unusually high bill, ask yourself the following questions:

- Was the weather unseasonably hot or cold during the billing period? *The colder or hotter it is outside, your system will use more energy to keep your home warm or cool even when the thermostat setting is the same.*
- Was the thermostat set differently? *Constantly changing your thermostat causes your heat pump or air conditioner to start and stop frequently, use more energy, and increase your bill.*
- Is the heating or air conditioning system operating properly, or is it an older system? *Older systems and those in need of service work inefficiently and will use more electricity.*
- Is the heating or air conditioning system filter dirty? *A dirty filter can cause your system to work harder.*
- Did you use more hot water than usual? *Water heating accounts for about 12 percent of your bill, the biggest chunk after heating and cooling. Lower the temperature to 120°F. For every 10°F reduction in temperature, you can cut costs by up to 5 percent a year.*
- Did your living habits change? *Spending more time at home, having children at home from school or houseguests for the*

holidays, or even adding a major appliance will increase how much electric you use.

- *Is the bill estimated, is it based on an actual reading, or does it include additional energy usage for a previously estimated reading? Estimates are noted on your bill. If we cannot access your meter, an estimate is made based on prior usage. Less than 1 percent of bills are estimated.*
- *How is your home's insulation? Add caulk and weather stripping around drafty windows and doors, gaps around chimneys and recessed lights to prevent energy loss. Improving insulation can make a big difference, too.*

If these questions still don't lead to a reasonable explanation, please call Kentucky Power at 1-800-572-1113 and we will discuss your bill and usage with you.

HOW METERING WORKS

HOW WE TRACK ELECTRICITY USAGE

About once a month, Kentucky Power reads your meter to track your electricity usage and calculate your bill amount. If we are unable to read your meter, we estimate that month's usage based on seasonal data and your usage history. We then adjust your bill amount at the next actual reading. Our actual meter reading percentage exceeds 99 percent.

METER READING

Kentucky Power uses digital meters that are read from a distance using radio frequencies. You may request your meter to be reread. However, if the second reading shows the original reading was correct, a \$21 meter check reading charge will be billed.

METER TAMPERING

Meter tampering is dangerous! It also is against the law to tamper with or alter the operation of your electric meter in any way. Meter tampering is punishable by law.

METER TESTING

Customers can request that their meter be tested. If the meter is found to be inside the tolerance specified in the tariff, a meter test charge of \$48 will be billed. If the accuracy of the meter is found to be outside the tolerance specified in the tariff, your account will be credited promptly for any overpayments and there will be no charge for the test.

PAYMENT OPTIONS

Kentucky Power provides a variety of payment options, including electronic fund transfer, online, via our app, by mail, by phone and at authorized merchant locations. Our payment options include:

AUTOMATIC MONTHLY WITHDRAWAL

If you choose this checkless payment plan, you are authorizing your financial institution to automatically pay your electric bill directly from your checking or savings account.

Important features of this payment option include:

No monthly withdrawal fee.

No enrollment fees.

No checks to write or late charges to incur.

Your Kentucky Power payment will appear on your bank statement, just as it would if you had written a check.

You can continue to receive paper bills in the mail, or can choose to view your bill online.

If you ever need to change the withdrawal date shown on your bill or the bank account number from which your payment is withdrawn, please contact customer service at 1-800-572-1113 at least four business days prior to the scheduled deduction. Changing the withdrawal date does not change your bill's due date. Allow 4 to 6 weeks for changes to take effect.

PAY ONLINE WITH PAPERLESS BILLING

We offer the option of immediately paying your bill electronically. This service is free if you are enrolled in paperless billing rather than receive your bill through the mail.

Paperless billing saves paper, notifies you as soon as bills are ready, and gives you online anytime access to your account. Go to KentuckyPower.com to enroll.

Here's how you can pay online:

- **Pay with checking account.**
 - » *Free.*
 - » *You must be enrolled in paperless billing.*
 - » *Payments can be scheduled in advance (allow two business days for payment to process).*

- **Pay by credit or debit card.**
 - » *There will be a \$1.85 fee charged by BillMatrix.*
 - » *Pay by credit, debit, some ATM cards, electronic check (business customers: electronic check only).*
 - » *Payments can only be scheduled the same day.*
 - » *You will need your account number.*
 - » *Does not require paperless billing.*

Please note: If you are signed up for Auto Monthly Withdrawal, do NOT also schedule automatic payments through the paperless billing program. This will cause duplicate payments.

PAY AT AUTHORIZED MERCHANT

We have agreements with a network of merchants throughout our service territory to accept payments of our electric bills. When you visit one of the authorized merchants, please bring the portion of your bill that displays your account number. Please go to KentuckyPower.com/PayInPerson or contact customer service to find an authorized pay station near you.

Please note: You may be charged up to an additional \$2 by the authorized pay station location for processing your payment. For your protection, please make payments only with authorized agents.

PAY BY MAIL

Mail the return portion of your bill along with a check or money order to one of the addresses listed below. We recommend that you do not send cash through the mail. Please allow adequate time for delivery. Payments are processed during normal business hours, Monday through Friday, except holidays.

REGULAR USPS DELIVERY:	OVERNIGHT PAYMENTS:
KENTUCKY POWER COMPANY PO BOX 371496 PITTSBURGH PA 15250-7496	AMERICAN ELECTRIC POWER ATTN: 371496 500 ROSS ST 154-0470 PITTSBURGH PA 15262-0001

PAY BY PHONE

You can use the Pay by Phone service to make a payment by calling 1-800-611-0964. Be sure to have your account number and banking information ready when you call.

Once you've used this service, you can check your account balances and initiate payments via phone 24 hours a day, seven days a week.

You will receive a confirmation number as proof of payment. Kentucky Power will immediately be notified of your payment through an electronic notice posting to your account. Payments received before 4 p.m. will be posted to your account that evening. Payments made after 4 p.m. or on a weekend or holiday will post the next Kentucky Power business day. Posting schedules may vary on holidays.

Please note: A transaction fee of \$1.85 will be charged by the service provider, BillMatrix. While you will be paying your account with Kentucky Power, the full amount of the fee is paid to BillMatrix as the provider of this service.

ELECTRONIC DATA INTERCHANGE (EDI)

EDI is the electronic transmission of business documents between companies. Used by large commercial and industrial customers, this method requires a partnership agreement between Kentucky Power and the customer whose account will be automatically credited through electronic payment. For more information, please call the telephone number listed on your bill.

OTHER PAYMENT OPTIONS

For information about other available payment options, such as wire transfers, call us at the telephone number on your bill.

USAGE INFORMATION

You can quickly and easily view your electric usage and billing history by going to the Account Summary page on KentuckyPower.com. There are several billing options under "Bills & Payments," including signing up for billing and outage alerts. To retrieve usage information, log on to "My Account," and then select "Energy Usage." You can then click on "Your Energy Usage" to see your usage history or the "Green Button" to view or download your usage details.

You can request up to 24 months of usage information, payment history and detailed consumption date and time-differentiated price data, if applicable, at no charge.

Please note: If you don't have an online account, you can register for one by going to KentuckyPower.com/Account. Create a user ID and password after identifying your account with your phone number or account number.

RATES AND TARIFFS

Kentucky Power is a regulated public utility. Unlike other businesses, the rates we charge customers are reviewed and approved by the Kentucky Public Service Commission (PSC). This process ensures you get the fairest price possible while still allowing utilities the opportunity to earn enough to operate, fund maintenance and improvements, and provide safe and reliable service. Our rates, also called tariffs, set the price you pay for one kilowatt hour (kWh). The average Kentucky Power residential customer uses about 1,300 kWh a month. Your bill will go up or down based on your monthly kWh usage.

Kentucky Power provides online access to its tariffs at KentuckyPower.com. Rates also are posted at the Kentucky Public Service Commission website at psc.ky.gov. You also can view our rates at our office, or request that a copy be sent to you via U.S. Postal Service or by email.

HOW TO REDUCE YOUR BILL

HOW TO SAVE ENERGY

We want to help our customers take control of their energy use to manage costs. Customers who reduce the amount of energy used at home can lower their bills and save money. You can explore energy saving tips, calculate your energy use, and uncover other cost-cutting information on our website.

TARGETED ENERGY EFFICIENCY PROGRAM

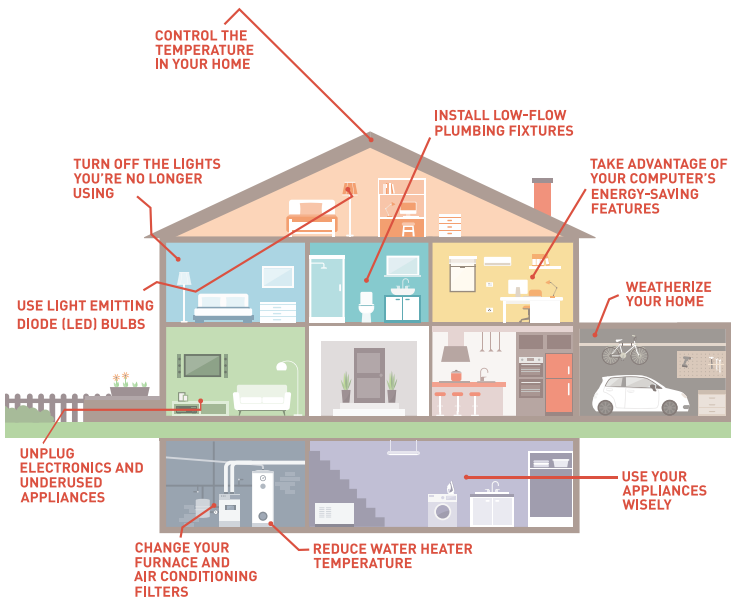
The Targeted Energy Efficiency Program provides weatherization and energy efficiency services to qualifying residential customers who need help reducing their energy bills and improving their homes' safety and comfort. Kentucky Power provides funding for this program through the Kentucky Community Action network of not-for-profit community action agencies. Program services include residential energy audits, the installation of home weatherization/energy conservation items and customer education on home energy efficiency.

Customers who have primary electric heat and use an average of 700 kilowatt-hour (kWh) per month may be eligible to participate.

Customers without primary electric heating also may be eligible for limited efficiency measures if they have electric water heating and use an average of 700 kilowatt-hour (kWh) from November through March. To qualify, a household's income cannot exceed the designated federal poverty guidelines.

To determine if you qualify for this program, please contact the local community action agency in your county.

ENERGY SAVINGS TIPS



PAYMENT PLANS

As seasons change, so will the amount of electricity you use and the amount of your monthly bill. Our Levelized Payment Options allow qualifying residential customers, not-for-profit charitable organizations and places of worship to even out the ups and downs of monthly bills. The plans make planning and paying easier.

Contact customer service at 1-800-572-1113 for additional information about payment options or to establish an arrangement.

- **Average Monthly Payment Plan (AMP):** With AMP, your

monthly bills fluctuate a little less. Each month, your payment is based on the average of the current month's bill, plus the previous 11 months' bills. As a result, the payment amount will fluctuate slightly from month to month. The difference between actual billings and the average bills will be carried in a deferred balance that will accumulate both debit and credit differences for 12 consecutive months. After 12 months, any debit or credit balance will be divided by 12 and equally added to or subtracted from the new AMP charge each month for the next year. Settlement occurs only when participation in the plan is terminated. AMP is not to be used to defer payment of delinquent bills.

- **Budget Billing Plan:** With Budget Billing, you can get some assurance about what your bill will be each month. On the plan, Kentucky Power will estimate the amount of your next 12 months of electric charges based on experience and your energy use history. We will divide this estimate into 12 equal payments and will bill you that amount each month. We also will review your account every six months and may adjust your budget payments to remain in line with any unusual increases or decreases in usage. Every 12 months, we will settle any difference between your actual usage amounts and your budget payments. If you have overpaid, we will apply a credit to your next bill. If you have underpaid, the difference becomes due. Budget Billing can only be established April through December.

EXTENDED PAYMENT ARRANGEMENTS

Qualifying residential customers who are having financial hardship can establish payment arrangements with Kentucky Power. Customers are required to make an initial payment and the remaining balance, excluding any deposit, will be divided into negotiated installments. Each month the installment will be due in addition to the current bill by the bill's due date. If the payment is not received by the due date, the arrangement will be cancelled and the full balance owed.

HOME ENERGY ASSISTANCE IN REDUCED TEMPERATURES (HEART)

Kentucky Power, along with our customers, is proud to sponsor HEART — a program to provide qualifying residential customers with assistance during the winter. Contact customer service at 1-800-572-1113 for additional information or a local community action agency for qualification guidelines.

TEMPORARY HEATING ASSISTANCE IN WINTER (THAW)

THAW is a new program that will provide residential customers who

are experiencing a temporary hardship during the winter heating months with one-time help. Customers can contact customer service at 1-800-572-1113 for additional information or a local community action agency to check eligibility.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

This federal program assists low-income residential customers. To learn more about the program and the qualifications needed for eligibility, contact the Office of Community Services at acf.hhs.gov/ocs/programs/liheap, call 1-800-372-2973, or visit the nearest community action agency.

ELECTRICAL SERVICE

ESTABLISHING NEW SERVICE

NEW CONSTRUCTION

Contact customer service at 1-800-572-1113 if you would like to request electric service. Please call 60 days before new service is needed on any temporary or permanent service for your new home or business. A service address will be needed to complete any request for new service. Additional information can be found at KentuckyPower.com/Builders. Please remember that you may be responsible for some or all of the costs of any new facilities installed for your service.

REMODELING OR RELOCATING EXISTING SERVICE

If you're planning to remodel, build an addition to your home or business, or start a major landscaping project, please contact customer service at 1-800-572-1113 before you start construction. We'll help you plan the work and determine whether changes are needed to our facilities or to yours to provide adequate power.

There may be rates and fees associated with relocating existing AEP facilities. Details are available in the Rates and Tariffs section on KentuckyPower.com. In general, you should be aware that customers are often responsible for the costs of service modifications, facility relocation or meter installations.

UPGRADES

Please let Kentucky Power know if you are increasing your usage or making significant changes to your electric equipment.

By notifying us, we can review your usage and ensure safe and reliable service. This applies to both residential and business customers. Examples include switching from natural gas heating to an all-electric heat pump, adding kitchen equipment, converting to a tankless hot water heater or adding an electric vehicle charger. Likewise, small commercial customers who add or eliminate equipment or processes that will significantly change their usage have a responsibility to notify us of the changes so that we can make any necessary alterations to existing service facilities. Before you install a generating system that will operate in parallel with our distribution system, such as solar or wind, you must submit an interconnection application. This will ensure that your system doesn't affect the reliability of our distribution system or create an unsafe condition. If you have questions, please contact our Distributed Generation coordinator at 614-716-1382 or by email at lmfreeh@aep.com.

DEPOSITS

To protect the interests of all our customers, a security deposit may be required before or after service begins if you have failed to establish creditworthiness. The Kentucky Public Service Commission defines customer deposit guidelines. A cash deposit shall not exceed two-twelfths of the customer's actual or estimated annual bill. In lieu of paying a cash deposit, residential customers may furnish a guarantor who already has established credit for a similar account with Kentucky Power.

In some circumstances, Kentucky Power may request a deposit from customers who were not requested to pay a deposit when applying for service or whose deposit has been refunded, if payments are paid after the due date of the bill two times in a 12-month period. Kentucky Power recognizes that there may be individual circumstances that cause payments to be paid late and will provide any reasonable assistance possible. Customers are encouraged to contact the company immediately if special payment options are needed.

SHUTTING OFF SERVICE

Kentucky Power **may** shut off service for the following reasons:

- At the customer's request.
- For nonpayment of billings and charges, including security deposits by the customer.

- If a former customer who owed unpaid bills continues to reside or request service at the same premise.
- For violations of our contracts or tariffs.
- If providing service conflicts with laws of this state, one of its political subdivisions, or federal laws or regulations.
-
- For tampering with our electric facilities or obtaining electric service in a fraudulent manner.
- For using electricity in a manner that adversely affects other customers or consumers.
- If there are safety hazards to consumers, their premises, the public, or to our personnel or facilities.
- For refusing to allow our personnel access to electric facilities on the customer's owned or leased property.
- For repairs, provided consumers are advised of scheduled maintenance that's expected to last more than six hours.

Kentucky Power will **not** shut off service for:

- Unpaid bills if a medical certificate is received on licensed physician's letterhead or prescription pad stating discontinuation of electric service would be detrimental to the health of a resident of the household. The certificate must include the medical condition and household member's name. Receipt of valid medical certificate will provide a 30-day extension. Customers may have unlimited medical certificates as long as the balance covered under any previous medical certificate extension has been paid in full.
- Unpaid non-tariffed charges.
- Unpaid charges due on someone else's account, unless the customer is a guarantor for that account.

NOTIFICATIONS

If you don't take action within the notice period, we will shut off electric service on the date specified in the shutoff notice or within a reasonable time after that date.

PAYMENTS AND FEES

Kentucky Power employees are not permitted to accept payments at customers' premises in lieu of disconnecting electric service. When a company employee is dispatched to a customer's premise to disconnect service due to the customer's delinquency, the customer will be assessed a collection trip charge.

LIFE SUPPORT SYSTEMS

If you or someone you know relies on a life support system, notify Kentucky Power and a form will be provided for the person's physician to sign so that special attention can be given to that account. Every effort will be made to give these customers advance notice and priority service if a planned service interruption occurs. Kentucky Power recommends that the customer maintain a source of standby power in case of unplanned outages.

RECONNECTING SERVICE

If electric service was shut off because of an unpaid bill, we will restore service when all past-due amounts and a reconnection fee approved by the Kentucky Public Service Commission have been paid. Also, a security deposit may be required before service is reconnected.

Payment received after 5 p.m. on a normal business day will require an after-hours reconnection or holiday reconnection charge to have service restored before the next regular business day. No reconnection will be made for nonpayment after 10 p.m.

Our employees may not be able to reconnect the meter if our safety checks indicate back feed, connected load or a fault condition at the meter base. Please turn off the main breaker or pull the main fuse to have service reconnected; doing so helps ensure the safety of our employees and the protection of your equipment.



SAFETY TIPS AND SERVICES

CALL BEFORE YOU DIG

If you plan to build a deck, install a fence, plant a tree or tackle any project that requires digging, call Kentucky 811 at 811 or 1-800-752-6007 at least two working days in advance. Kentucky 811 will submit the request to all registered utilities in your area. If Kentucky Power has underground power lines in the area where you will be digging, a representative will be sent to the site and mark the approximate location of the lines. The service is free.



It is your responsibility to know the location of all underground lines on your property prior to any excavation. So remember to call before you dig. It's the law.

Details of Kentucky's Call Before You Dig law can be found online at: Kentucky811.org.

POWER OUTAGE RESTORATION PROCESS

During outages, Kentucky Power works to restore power as safely and quickly as possible. In every storm restoration plan, we implement a basic process. Special priority is given to: reported hazards, such as downed power lines; 911 agency calls and emergency facilities, such as fire and police stations.

In restoring electric service to customers, Kentucky Power works on main lines, or circuits, that will restore the largest number of customers in the shortest period of time. A main line feeds power to thousands of homes and is the source of power for secondary and service drop lines. After main lines are restored, power lines that serve smaller clusters of homes are repaired. Finally, lines that feed service drops to individual homes are repaired.

Kentucky Power's goal is to restore service to the greatest number of customers as quickly as possible.

WHAT TO DO DURING A POWER OUTAGE

Take practical steps to keep you and your loved ones safe during a power outage.

To report an outage or safety hazard conditions, call our Customer Operations Center at 1-800-572-1113.

Stay away from all downed lines or sparking equipment, and keep children and pets away from fallen lines and anything the lines may touch.

Never remove debris that's within 10 feet of a power line.

Unplug major appliances to protect them when power comes back on.

Leave a light turned on so you know when power is restored.

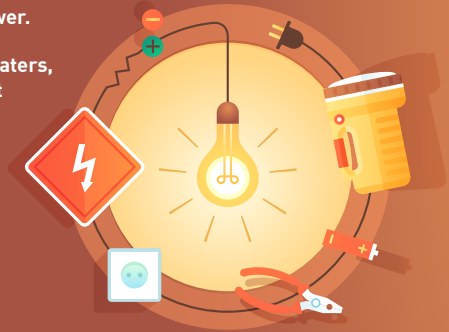
Refuel heaters, lamps and generators outside, and stay away from any flames or sparks. Wipe up fuel spills immediately.

Let us know if you're using a generator. This protects you and our line workers as they work to restore power.

Never operate lanterns, heaters, or fuel-fired stoves without proper ventilation.

Never burn charcoal indoors. It releases poisonous carbon monoxide.

Do not let children carry candles or oil lamps.



TREE CLEARANCE AND STORM CLEANUP

Trees growing near power lines can be dangerous for you, your family and your neighbors. Trees also are a major cause of power interruptions. To continue providing safe, reliable electric service, we must routinely clear vegetation growing near power lines and facilities. Our tree clearing program is cycle-based. That means you can expect to see vegetation control crews at least every five years to make sure power lines in your area are clear.

For your safety, you should NEVER attempt to trim trees near power

lines yourself. We hire professional tree maintenance companies to trim and remove trees. This work is performed according to applicable arboricultural standards and is part of our service for our customers.

During planned tree clearance in lawn areas, we clean up and remove any resulting small debris and limbs. Larger pieces of wood are cut to manageable lengths and piled near the stump of the tree. Removal policies differ following a storm or other emergency. For example, during an emergency, it is our practice to clear the line from fallen debris and perform restoration work only.

PLANTING TREES

Please remember to plant the right tree in the right place. For your safety and to help ensure reliable electric service, please plant trees that won't grow taller than 20 feet high within 15 feet of overhead electric lines. For more information, go to [KentuckyPower.com/info/TreeTrimming](https://www.kentuckypower.com/info/TreeTrimming).

BACKUP GENERATORS

Some customers use backup or standby generators to provide power during outages. Please notify us if you are using a backup generator. Operating a generator poses a potential safety hazard for line workers and you.

The problem arises when the backup generators feed power onto distribution lines, which can electrocute personnel working on the lines. Likewise, power from electric company lines can feed into the generator and cause a fire at your residence.

To avoid these hazards, be sure to have your generator installed by an electrician, and be sure that it has a manual transfer switch to isolate the device from the power grid. Remember that appliances can be connected directly to the generator independent of the household wiring. Make sure that all manufacturers' instructions are followed and that only the recommended number of appliances are plugged into the generator.

EXTREME WEATHER CAUSING HIGH BILLS THIS MONTH?

Kentucky Power customer service representatives are ready to help you and can be reached at 1-800-572-1113.

RECEIVE AN UNEXPECTED BILL THIS MONTH?

Set up an Extended Payment Agreement by logging into your account on our website, or by calling us.

Learn about our Payment Assistance programs, including our programs to provide assistance to low-income customers, on our website, or by calling us.

If you have medical issues, call us and we'll explain how to get a medical extension.

Enroll in the Average Monthly Payment (AMP) plan, which allows for a rolling 12-month average bill to even out winter heating and summer cooling bill spikes. Sign up by logging into your account on our website, or by calling us.

LOST POWER?

Report an outage by calling us or visiting kentuckypower.com/outages. Outages also can be reported using the free Kentucky Power mobile app, available in the Apple App Store and Google Play Store.

View your outage status and an outage map of your community at kentuckypower.com/outages.

Sign up for outage alerts to be notified of outages and when the power is expected to be restored at kentuckypower.com/alerts.

WANT TO REDUCE ELECTRICITY USAGE?

Learn energy saving tips by visiting kentuckypower.com/save.

Call our partners, Community Action of Kentucky, at 1-800-456-3452 to learn about our home weatherization program for low-income families. Local contacts for all counties are listed on the back.

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RECEIVED A DISCONNECT NOTICE?

Call us right away. Kentucky Power can work with you to set up a payment extension or extended payment agreement.

In addition to the federal assistance, Kentucky Power offers two programs to assist low-income customers and others.

Kentucky Power works with Community Action of Kentucky to assist residential customers through the Home Energy Assistance in Reduced Temperatures (HEART) program. Customers with electric heat can receive \$115 of assistance each month January through April. Customers with non-electric heat can receive \$58. Kentucky Power also offers the Temporary Heating Assistance in Winter (THAW) program. THAW provides participating residential customers with assistance up to \$175.

- **Big Sandy Community Action**
(Floyd, Johnson, Magoffin, Martin and Pike counties)
bsacap.org 606-789-3641
- **Gateway Community Action**
(Morgan and Rowan counties)
gcscap.org 606-743-3133 or 606-784-7735
- **Leslie, Knott, Letcher and Perry Community Action**
(Leslie, Knott, Letcher and Perry counties)
lklp.org 800-401-4287
- **Middle Kentucky Community Action**
(Breathitt and Owsley counties)
mkcap.org 606-666-2452
- **Northeast Kentucky Community Action**
(Boyd, Carter, Greenup, Elliott and Lawrence counties)
nkcaa.net 800-817-4443

SIGN UP FOR BILLING ALERTS.

If you received a disconnect notice because you forgot to make a payment, consider being alerted when bills are due. You can sign up to have the payment automatically withdrawn from your bank account.

Help a family member or friend avoid a service disconnection in the future with the Third-Party Notification Program. The account holder can sign you up to receive copies of the billings if service is at risk for nonpayment. Go to kentuckypower.com/account/bills/assistance or call us.



An AEP Company
BOUNDLESS ENERGY™

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WE CAN HELP YOU TAKE CONTROL OF YOUR WINTER BILLS

Kentucky Power customer service representatives are ready to help you and can be reached at 1-800-572-1113. Below are some time-saving questions and short-cuts to look over first.

RECEIVE AN UNEXPECTED BILL THIS MONTH?

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WANT TO REDUCE ELECTRICITY USAGE?

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Call our partners, Community Action of Kentucky, at 1-800-456-3452 to learn about our home weatherization program for low-income families. Local contacts for all counties are listed on the back. Our partner, Christian Appalachian Project, also can assist low-income seniors in Floyd, Johnson, Knott and Martin counties. Call 866-270-4227 for assistance.

Enroll in the **Average Monthly Payment (AMP) plan**, which allows for a rolling 12-month average bill to even out winter heating and summer cooling bill spikes. Sign up by logging into your account on our website, or by calling us. We have new rules that make it easier to sign up.

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Help a family member or friend avoid a service disconnection in the future with the Third-Party Notification Program. The account holder can sign you up to receive copies of the billings if service is at risk for nonpayment. Go to kentuckypower.com/account/bills/assistance or call us at 1-800-562-1113.



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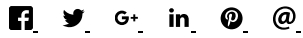
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https://www.dailyindependent.com/news/applications-accepted-for-heating-assistance/article_f447024c-fa2c-11e8-af3f-ffd365279354.html

Applications accepted for heating assistance

Submitted content Dec 10, 2018



The Northeast Kentucky Community Action Agency is taking applications for Kentucky Power's THAW and HEART programs. Applications will be accepted at Northeast offices located in Boyd, Carter, Elliott, Greenup and Lawrence counties. Please note that the Boyd County Northeast office is now located in the Boyd County Senior Citizen Center located at 3015 Louisa Street in Catlettsburg. The temporary phone number for that location is 606-739-6349. Clients can obtain the phone number and address of each office from the website www.nkcaa.net.

The HEART and THAW programs do have specific requirements to be eligible for assistance and those requirements may also be found on the web site.

Requirements for the HEART program:

- 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);
- Be a residential customer of Kentucky Power with service in the applicant's name or have applied for service in the applicant's name;
- Be enrolled in a LIHEAP program and direct their LIHEAP payments to Kentucky Power;
- Apply for available weatherization programs and accept services if eligible and available;
- Not reside in a multi-unit single meter building;
- Provide Kentucky Power with access for monthly meter readings;
- Not be receiving or have received funds through the THAW Program in the same Program Year;
- 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;
- 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;

- Not have electric service disconnected at the residence for which benefits will be credited; and
- Enroll in Kentucky Power's Average Monthly Payment ("AMP") plan.

Requirements for THAW:

1. 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.
2. 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.
3. Not be currently receiving funds through the HEART Programs or have received funds through the HEART Programs in the current Program Year;
4. 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;
5. Not have a history of presenting Kentucky Power on more than one occasion with checks or electronic transfers for payment of electric service rendered by Kentucky Power at any residential address dishonored by the drawee or payor for any reason; and
6. Demonstrate proof of hardship and any other necessary characteristics to be eligible for THAW benefits pursuant to the THAW Criteria.

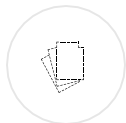
Conversation

FOLLOW



Join the conversation

LOG IN | SIGN UP



Nothing Here Yet

No comments have been posted yet

KENTUCKY POWER'S HEART AND THAW PROGRAMS ASSIST CUSTOMERS IN NEED

Kentucky Power offers programs to assist low income customers and others in need of help: the **Home Energy Assistance in Reduced Temperatures (HEART)** program and the **Temporary Heating Assistance in Winter (THAW)**.

WHAT IS HEART?

HEART provides participating Kentucky Power residential customers who have electric heat with \$115 of assistance each month January to April. Qualifying customers with non-electric heat can receive \$58 a month for those same four months.

The program is administered by Community Action Kentucky and its local community action agencies. The agencies follow specific guidelines to determine who qualifies for assistance.

Kentucky Power customers also can contribute funds to help through Donation HEART. Just check the box on your paper bill and indicate an amount and it will be added each month. Kentucky Power will match donations up to \$20,000 a year. Currently, there is not an option to donate to HEART online.

WHAT IS THAW?

THAW provides participating Kentucky Power residential customers with assistance up to \$175. The program is available January through April or until designated funds are depleted on a first come, first served basis.

Who can qualify for THAW?

- Nearly anyone who can demonstrate hardship with Community Action of Kentucky and the local CAK agency.

Community Action of Kentucky agencies are:

- *Big Sandy Area Community Action Program.* **Counties: Floyd, Johnson, Magoffin, Martin and Pike.** bsacap.org. 606-789-3641.
- *Gateway Community Action Agency.* **Counties: Morgan and Rowan.** gatewaycaa.org. 606-743-3133 or 606-784-7735.
- *LKLP Community Action Council.* **Counties: Knott, Leslie, Letcher and Perry.** lklp.org. 606-436-8853 or 800-401-4287.
- *Middle Kentucky Community Action Partnership.* **Counties: Breathitt and Owsley.** mkcap.org. 606-666-2452.
- *Northeast Kentucky Community Action Agency.* **Counties: Boyd, Carter, Elliott, Lawrence and Greenup.** nkcaa.net. 606-286-4443 or 800-817-4443.

Customers who do not qualify for either **HEART** or **THAW** yet are struggling to pay their electric bill, can still get help. Call 1-800-572-1113 to speak with a Kentucky Power representative to arrange a payment plan.



An AEP Company

Go to KentuckyPower.com for more.

KENTUCKY POWER'S HEART AND THAW PROGRAMS ASSIST CUSTOMERS IN NEED

Kentucky Power is changing its programs to assist low income customers and others in need of help. The Kentucky Home Energy Assistance Program (HEAP) is becoming the **Home Energy Assistance in Reduced Temperatures (HEART)** program. This will help differentiate our program from the federal heating assistance program. Kentucky Power is also adding a new program called the **Temporary Heating Assistance in Winter (THAW)**.

WHAT IS HEART?

HEART provides participating Kentucky Power residential customers who have electric heat with \$115 of assistance each month January to April. Qualifying customers with non-electric heat can receive \$58 a month for those same four months.

The program is administered by Community Action Kentucky and its local community action agencies. The agencies follow specific guidelines to determine who qualifies for assistance.

Kentucky Power customers who receive HEART assistance are automatically enrolled in the Average Monthly Payment (AMP) plan. Future bills usually fluctuate less than \$20 from month to month and there is no settle-up month since costs are spread out through the year.

Kentucky Power customers can donate additional funds to HEART. Kentucky Power will match donations up to \$20,000 a year.

WHAT IS THAW?

THAW provides participating Kentucky Power residential customers with assistance up to \$175. The program is available January through April or until designated funds are depleted on a first come, first served basis.

Who can qualify for THAW?

- Demonstrate hardship with Community Action of Kentucky.
- Have an active account in your name as the primary account holder and not be more than 59 days past due.
- Not be enrolled in HEART.
- Have not had service disconnected for nonpayment and no more than one dishonored check or electronic payment.
- No fraudulent activity on the account.

Community Action of Kentucky agencies are:

- *Big Sandy Area Community Action Program.*
Counties: Floyd, Johnson, Magoffin, Martin and Pike. bsacap.org. 606-789-3641.
- *Gateway Community Action Agency.* **Counties: Morgan and Rowan.** gatewaycaa.org. 606-743-3133.
- *LKLP Community Action Council.* **Counties: Knott, Leslie, Letcher and Perry.** www.lklp.org. 606-436-8853.
- *Middle Kentucky Community Action Partnership.*
Counties: Breathitt and Owsley. mkcap.org. 606-666-2452.
- *Northeast Kentucky Community Action Agency.*
Counties: Boyd, Carter, Elliott, Lawrence and Greenup. nkcaa.net. 606-286-4443.

Customers who do not qualify for either **HEART** or **THAW** yet are struggling to pay their electric bill, can still get help. Call 1-800-572-1113 to speak with a Kentucky Power representative to arrange a payment plan.



An **AEP** Company

Go to KentuckyPower.com for more.



**Cold weather can turn up the heat
on electric bills. Be prepared.**

See other side for details.



Take control of your energy usage.

When the temperatures drop, energy use can increase and so can your electric bill. Below are a few factors to take into consideration this winter.



Mother Nature

Your energy usage can creep up quickly when heating your home in the winter. Electric heating customers can see large jumps in their usage when outside temperatures drop below 32 degrees. Your heating and cooling systems make up approximately 48 percent of your bill. The good news is rates have stabilized. Controlling your usage can help lower your bill.



Extra Billing Days

It's normal for the number of days in each billing cycle to change from month to month. More days per cycle will cause your bill to be higher. You can see the number of days in your billing cycle on the front page of your bill. Only in rare circumstances do we estimate bills. We read meters 99 percent of the time.



Payment Arrangements and Assistance

During the winter months, we can work with qualifying customers on payment arrangements. Call us at 1-800-572-1113 right away when you have trouble paying your bill.

In addition, some customers with limited incomes may qualify for heating assistance with our HEART and THAW programs. Contact your local Community Action Kentucky agency to see if you may qualify. Agencies are listed at KentuckyPower.com.

WHAT YOU CAN DO

Keep your payments consistent throughout the year with our Average Monthly Payment (AMP) plan. It balances out your bill by making minor adjustments each month, so you don't experience extreme highs and lows. Plus, there is no settle-up month surprises. Contact our **Customer Operations Center** at **1-800-572-1113** to sign up.

Visit KentuckyPower.com for additional information and energy saving tips.

KENTUCKY POWER'S PROGRAM ASSISTS THOSE IN NEED



Kentucky Power is assisting customers in need this winter with our **Temporary Heating Assistance in Winter (THAW)** program. If you qualify, **THAW** provides temporary help up to \$175 as long as funds last. Community Action of Kentucky administers the **THAW** program through its partnership with local community action agencies.

**CONTACT YOUR AGENCY TO SEE IF YOU
QUALIFY FOR HEART OR THAW:**

*Big Sandy Area Community
Action Program*
bsacap.org
Counties: Floyd, Johnson,
Magoffin, Martin and Pike
606-789-3641

*Gateway Community
Action Agency*
gatewaycaa.org
Counties: Morgan and Rowan
606-743-3133 or 606-784-7735

LKLP Community Action Council
klp.org
Counties: Knott, Leslie,
Letcher and Perry
606-436-8853 or 800-401-4287

*Middle Kentucky Community
Action Partnership*
mkcap.org
Counties: Breathitt and Owsley
606-666-2452

*Northeast Kentucky Community
Action Agency*
nkcaa.net
Counties: Boyd, Carter, Elliott,
Lawrence and Greenup
606-286-4443 or 800-817-4443



An AEP Company

KentuckyPower.com

Kentucky Power Company
KPSC Case No. 2019-00366
Commission Staff's 1st Set of Data Requests
Dated October 28, 2019

DATA REQUEST

KPSC 1_9 State whether the Utility or the agency that administers the HEA program measures how applicants learned of the HEA program and, if so, provide the data for the last full program year.

RESPONSE

No. This information is not tracked by Kentucky Power, Community Action of Kentucky Inc., or its member agencies.

Witness: Brian K. West

VERIFICATION

The undersigned, Brian K. West, 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.



Brian K. West

Commonwealth of Kentucky)
)
County of Boyd)

Case No. 2019-00366

Subscribed and sworn before me, a Notary Public, by Brian K. West this
18th day of November, 2019.



Notary Public

My Commission Expires 9-26-2023

