

July 19, 2024

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FILED VIA ELECTRONIC TARIFF FILING SYSTEM

Linda C. Bridwell
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RE: **Kentucky Power Company's Annual Tariff D.R. Update**

Dear Ms. Bridwell:

The Company is filing this update to Tariff D.R. in accordance with the Commission's October 7, 2013 Order in Case No. 2012-00578, its June 22, 2015 Order in Case No. 2014-00396, and its January 13, 2021 Order in Case No. 2020-00174.

Pursuant to the January 19, 2024 and February 2, 2024 Orders of the Commission in Case No. 2023-00159, collection under Tariff D.R. is temporarily suspended pending the securitization of the Decommissioning Rider under-recovery regulatory asset balance at the time of securitization. Accordingly, the Tariff D.R. rate remains unchanged.

The Company continues to accrue carrying charges on the Decommissioning Rider under-recovery regulatory asset at the Company's approved weighted average cost of capital until securitized bonds are issued consistent with the Orders in Case No. 2023-00159. If Kentucky Power is unable to issue securitized bonds, collection under this rider will be reinstated.

Notwithstanding the issuance of securitized bonds to recover the Decommissioning Rider under-recovery regulatory asset balance at the time of securitization, the Company expects to continue to defer additional Big Sandy Power Plant retirement costs, not included within the amounts to be securitized discussed above, such as costs associated with Legacy CCR Rule compliance, to the Decommissioning Rider under-recovery regulatory asset balance, as previously approved. Subsequent to securitization, the Company will continue to file annual updates to Tariff D.R. consistent with the Orders referenced above and in the manner prescribed in the tariff.

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Please do not hesitate to contact me if you have any questions.

Very truly yours,

STITES & HARBISON PLLC



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