

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

An Electronic Examination Of The Application Of)	
The Fuel Adjustment Clause Of Kentucky Power)	
Company From November 1, 2020 Through October)	Case No. 2023-00008
31, 2022)	

JOINT MOTION TO APPROVE SETTLEMENT AGREEMENT

Kentucky Power Company (“Kentucky Power” or “Company”), the Attorney General of the Commonwealth of Kentucky (“Attorney General”), and Kentucky Industrial Utility Customers, Inc. (“KIUC”) (collectively, “Parties”) jointly move the Public Service Commission of Kentucky (“Commission”) to approve, by **December 15, 2024**, the November 13, 2024 Settlement Agreement (“Settlement Agreement”) among the Parties attached as **EXHIBIT 1**.

The Commission initiated this proceeding on September 6, 2023 to examine Kentucky Power’s application of its Fuel Adjustment Clause (“FAC”) for the period November 1, 2020 through October 31, 2022. The Attorney General and KIUC timely intervened in the proceeding and have participated jointly in its litigation. After participating in a robust administrative process that included several rounds of pre- and post-hearing discovery, written testimony, an evidentiary hearing, and post-hearing briefs, the Parties engaged in significant and meaningful settlement negotiations in an effort to resolve the contested issues in this proceeding, clarify and resolve ambiguity about the FAC’s operation going forward, and reduce the administrative burden on the Commission, Parties, and customers associated with this proceeding and future FAC reviews. Those efforts have produced the Settlement Agreement.

The Parties submit that the Settlement Agreement is a fair and reasonable resolution of all issues in this proceeding that will provide significant customer benefits, particularly in the

months in which they receive their 2025 and 2026 winter heating bills. To effectuate those customer benefits most meaningfully, the Parties respectfully request that the Commission issue an order approving the Settlement Agreement without modification by December 15, 2024.

This motion also is supported by the Affidavit of Jeffrey D. Newcomb, attached as **EXHIBIT 2**. Proposed FAC tariff revisions effectuating the settlement terms are attached as **EXHIBIT 3**.

DISCUSSION

A. Major Settlement Agreement Terms

The Settlement Agreement's major terms are:

Settlement Amount And Allocation

1. The total settlement amount agreed upon among the parties will be \$16,900,000. Kentucky Power will prospectively modify its Peaking Unit Equivalent ("PUE") calculation and, in conjunction with that change, will provide a transitional monthly credit to reduce the amount of future fuel costs recovered from Kentucky retail customers through its FAC tariff by a total of \$16,536,817.
2. The credit will be allocated between the Residential and Non-Residential classes based on historical energy usage for the period November 2020 through July 2024, and the amount of the credit allocated to the Residential Class will be further increased by 10%, for a total Residential Class settlement amount of \$6,710,990 to be credited to Residential customers based on future energy usage, as detailed below.
3. Of the \$10,189,010 allocated to the Non-Residential Class, Kentucky Power will reimburse KIUC's member that funded its participation in this proceeding for its litigation expenses, \$363,183. This reimbursement will result in KIUC's member being treated equally compared to all other Non-Residential customers who will receive the same transitional monthly credit, but who did not intervene and fund the litigation of this case. The remaining \$9,825,827 will be credited to the Non-Residential Class based on future energy usage, as detailed below.

Timing Of Credits – 2025

4. The Company will apply a transitional monthly credit to the PUE calculation for Residential customers of \$838,874 for four consecutive months beginning the later of the first month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification or the first day of the first billing cycle of January 2025.

5. The 2025 credit will be made through a new line-item bill credit of approximately \$6.40 over the first four months of 2025. These monthly credits will provide winter heating bill reduction benefits to the Company's residential customers.

6. The Company will apply a transitional monthly credit to the PUE calculation for Non-Residential customers of \$1,228,228 for four consecutive months beginning the later of the first month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification or the first day of the first billing cycle of January 2025.

Timing Of Credit – 2026

7. Subject to the Commission's issuance of a final order approving without modification a settlement agreement to be filed in the two-year review proceeding concerning the 2022-2024 FAC Review Period:

a. The Company will apply a transitional monthly credit to the PUE calculation for Residential customers of \$838,874 for four consecutive months beginning the later of the first month after the date of the Commission's issuance of a final order approving without modification the settlement agreement in that two-year review proceeding, or the first day of the first billing cycle of January 2026. This average residential customer credit over both of 2025 and 2026 is expected to total approximately \$51.19.

b. The Company will apply a transitional monthly credit to the PUE calculation for Non-Residential customers of \$1,228,228 for four consecutive months beginning the later of the first month after the date of the Commission's issuance of a final order approving without modification the settlement agreement in that two-year review proceeding, or the first day of the first billing cycle of January 2026.

Effectuation Of Credit

8. The transitional monthly credits shall be reflected as a separate billing line item labeled "Fuel Adjustment Credit" in the months applied.

9. Kentucky Power will true-up the credits to ensure that the full credits are provided to Residential and Non-Residential customers, no more or no less.

Prospective PUE Calculation Modification

10. Starting with FAC-eligible costs incurred on the first day of the first billing month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification and until the Company's next base rate case, Kentucky Power will use a startup cost component of the PUE calculation for each future six-month FAC review period equal to \$4.62/MWh.

11. All other components of the Company's PUE calculation methodology shall remain unchanged until at least the Company's next base rate proceeding.

Other Settlement Terms

12. Kentucky Power and KIUC agree that the Commission should issue a final Order in this proceeding that finds that the proposed base fuel rate is reasonable, the charges and credits billed through the FAC for the review period were reasonable, Kentucky Power's fuel procurement practices during the review period were reasonable, Kentucky Power operated its generating units prudently during the review period, and the PUE shall not be retroactively modified. The Attorney General agrees that the Commission should issue a final Order in this proceeding approving this Settlement Agreement.

13. The Attorney General and KIUC will withdraw their proposal to limit the size of the hypothetical peaking unit in this proceeding, and KIUC agrees not to participate in any of the six-month review proceedings concerning the 2022-2024 FAC Review Period.

14. The Attorney General and KIUC will move to intervene in the two-year review proceeding concerning the 2022-2024 FAC Review Period. In that proceeding, KIUC will support this Settlement Agreement as the reasonable resolution of all issues and will not advocate for adjustments to Kentucky Power's FAC rates during the 2022-2024 Review Period.

15. Kentucky Power will withdraw its appeal of the Commission's final order in Case No. 2023-00145, concerning deferral of Winter Storm Elliott PUE expenses, pending before the Franklin Circuit Court in Case No. 23-CI-682.

B. The Settlement Agreement Is A Reasonable Resolution Of All Pending Issues In This Case, Results In Fair, Just, And Reasonable Rates, And Should Be Approved Without Modification.

The Parties present this Settlement Agreement to the Commission as a full and fair resolution of all issues pending in this proceeding. As also detailed in the Affidavit of Jeffrey D. Newcomb attached as Exhibit 2, the Settlement Agreement provides value to customers and the Parties in reducing litigation costs and bringing finality and certainty to the operation of the Company's FAC during the Review Period and going forward.

As set forth above and further detailed in the Settlement Agreement, Kentucky Power will provide to customers through the FAC a prospective credit to fuel costs in the total amount of \$ \$16,536,817, to be reflected as a separate line item on customers' bills. Commission precedent confirms that application of a prospective credit to fuel costs charged through the

FAC, which acts as a reduction of future fuel costs, to effectuate a settlement agreement in fuel adjustment clause review proceedings is appropriate.¹

The Settlement Agreement is reasonable and in the public interest and should be approved without modification. The unanimous Settlement Agreement will resolve all outstanding issues in this proceeding. The Settlement Agreement represents a reasonable resolution to several important and contentious issues that have consumed significant amounts of the Parties' and the Commission's time and resources. Continued litigation would require the Parties and the Commission to expend additional resources and would also delay the distribution of meaningful transitional credits to Kentucky Power ratepayers. Moreover, the prospective reduction to the startup cost component of the PUE calculation will result in a lower limit on purchased power costs eligible for recovery through Kentucky Power's FAC in the future, providing continued customer benefits and protection against market price volatility.

C. The One-Time Payment From The Settlement Amount To KIUC To Cover Litigation Expenses Is Reasonable And Appropriate.

KIUC intervened in this proceeding, Case No. 2023-00008, and in a previous six-month FAC proceeding, Case No. 2022-00036, that was incorporated into the record of this proceeding. KIUC issued data requests, participated in the evidentiary hearing, and briefed the issues in Case No. 2022-00036. KIUC issued data requests, submitted witness testimony, participated in the evidentiary hearing, and briefed the issues in this proceeding, Case No. 2023-00008. During the course of both of those proceedings, KIUC retained expert witnesses to assist with the litigation. KIUC incurred \$363,183 in costs for expert witness and legal services during the period May 2022 through August 2024.

¹ See Order, *In Re: The Fuel Adjustment Clause of Kentucky Utilities Company*, Case No. 1994-00461-A, Case No. 1994-00461-B, Case No. 1994-00461-C (Ky. P.S.C. May 17, 2002).

No other Non-Residential customers or customer representatives intervened in either of these proceedings. However, all other Non-Residential customers will benefit from KIUC's participation, which led to the Settlement Agreement and anticipated resolution of this proceeding. As part of the fair and reasonable resolution of this proceeding, the Parties have agreed that \$363,183 of the Non-Residential Class share of settlement amount should be paid directly from shareholder funds to KIUC's member who funded this litigation in the first month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification, to reimburse them for their litigation expenses. None of the litigation reimbursement will be retained by KIUC or its counsel. This reimbursement will result in KIUC's member being treated equally compared to all other Non-Residential customers who will receive the same per kWh credit as set forth in the Settlement Agreement, but who did not intervene and fund the litigation of this case.

Payment of KIUC's litigation expenses from the Non-Residential allocation of the settlement amount is appropriate under well-established principles typically applicable in Kentucky courts regarding compensation of parties pressing claims in common interest for others. KRS 412.070 establishes this "common fund doctrine," which states that:

In actions for the settlement of estates, or for the recovery of money or property held in joint tenancy, coparcenary, or as tenants in common, or for the recovery of money or property which has been illegally or improperly collected, withheld or converted, if one (1) or more of the legatees, devisees, distributees or parties in interest has prosecuted for the benefit of others interested with him, and has been to trouble and expense in that connection, the court shall allow him his necessary expenses, and his attorney reasonable compensation for his services, in addition to the costs. This allowance shall be paid out of the funds recovered before distribution...²

² (Emphasis added).

Although the Commission, as a quasi-judicial administrative body, is not bound by the common fund doctrine, its principles are instructive and should be applied here. Had KIUC not intervened in this case, litigated its claims and interests, and ultimately entered into the Settlement Agreement with Kentucky Power, all other Non-Residential customers would not be receiving the benefits of the Settlement Agreement, including the transitional monthly credit and prospective modification to the startup cost calculation of the PUE.

For these reasons, and the reasons stated above, the Commission should approve the reimbursement of KIUC's litigation expenses as fair, just, and reasonable.

CONCLUSION

For the reasons set forth above, Kentucky Power, the Attorney General, and KIUC respectfully request the Commission approve the Settlement Agreement in its entirety and without modification. To effectuate the Settlement Agreement's benefits and provide the most meaningful residential winter heating bill assistance through bill credits in January 2025, the Parties respectfully request that the Commission issue a final order approving the Settlement Agreement by December 15, 2024.

Respectfully submitted,



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**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

An Electronic Examination Of The Application Of)
The Fuel Adjustment Clause Of Kentucky Power)
Company From November 1, 2020 Through October) Case No. 2023-00008
31, 2022)

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into this 13th day of November, 2024, by and between Kentucky Power Company (“Kentucky Power” or “Company”); the Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (“Attorney General”); and Kentucky Industrial Utility Customers, Inc. (“KIUC”). Kentucky Power, the Attorney General, and KIUC are collectively referred to herein as the “Signatory Parties.”

RECITALS

1. On September 6, 2023, the Public Service Commission of Kentucky (“Commission”) initiated this proceeding to examine Kentucky Power’s application of its Fuel Adjustment Clause (“FAC”) from November 1, 2020, through October 31, 2022.
2. The Commission has granted the Attorney General and KIUC intervention in this proceeding. The Attorney General and KIUC proceeded jointly throughout the pendency of this proceeding and are referred to herein collectively as “AG-KIUC.”
3. The parties to this proceeding have had a full opportunity for and have engaged in substantial discovery, including the filing of written data requests and responses; have filed testimony; participated in a one-day evidentiary hearing; and filed post-hearing briefs.

4. The Signatory Parties, representing diverse interests and viewpoints, have reached a complete settlement of all issues raised in this proceeding and have executed this Settlement Agreement for purposes of documenting and submitting their agreement to the Commission for approval. The Signatory Parties agree that this Settlement Agreement provides for a fair, just, and reasonable resolution of all issues in this proceeding.

5. The Signatory Parties request that the Commission issue an Order approving this Settlement Agreement in its entirety before December 15, 2024. This request is based upon the belief that the Parties' participation in settlement negotiations and the materials on file with the Commission adequately support this Settlement Agreement. The Signatory Parties submit that it is important for the Commission to act promptly to approve this Settlement Agreement so that the transitional monthly credits described below can begin to be applied to January 2025 customer bills and thereby provide the most benefits to residential customers possible during the upcoming winter heating months.

6. Adoption of this Settlement Agreement in its entirety will lessen the need for the Commission and the Parties to expend significant resources and will eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final Order herein. It will also lessen the need for the Commission and the Parties to expend significant time and resources in FAC proceedings concerning Kentucky Power's fuel and purchased power costs incurred between November 1, 2022 and October 31, 2024 (the "2022-2024 FAC Review Period").

NOW, THEREFORE, for and in consideration of the mutual promises, agreements, and covenants set forth herein, the Signatory Parties hereby agree as follows:

AGREEMENT

1. Negotiated Settlement Amount.

a. Kentucky Power will prospectively modify its Peaking Unit Equivalent (“PUE”) calculation and, in conjunction with that change, will provide a transitional monthly credit to reduce the amount of future fuel costs recovered from Kentucky retail customers through its FAC tariff by a total of up to \$16,900,000 as a fair and reasonable compromise of this proceeding.

b. The negotiated settlement amount of \$16,900,000 set forth in Paragraph 1.a shall be allocated as follows:

- i. Residential Class. Residential Class energy usage for the period November 2020 through July 2024 was 36.1% of Kentucky Power’s total retail sales. The Residential Class share of the settlement amount will start at \$6,100,900. This amount will be increased by ten percent (10%), for a total Residential Class settlement amount of \$6,710,990. The per kWh Residential Class credit totaling \$6,710,990 will be reflected in the Residential FAC billings consistent with Paragraph 3.
- ii. Non-Residential Class. The starting point for the Non-Residential Class credit will be \$10,189,010 (total settlement amount less the residential share). KIUC’s costs of litigating this proceeding from May 2022 through August 2024 for legal services and expert witnesses was \$363,183. This amount (\$363,183) shall reduce the Non-Residential Class allocation and shall be paid directly from

shareholder funds to KIUC members who funded this FAC litigation in the first month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification. None of the litigation reimbursement will be retained by KIUC or its counsel. This reimbursement will result in the members of KIUC being treated equally compared to all other Non-Residential customers who will receive the same per kWh credit as set forth in Paragraph 3, but who did not intervene and fund the litigation of this case. The remaining Non-Residential Class credit of \$9,825,827 will be reflected in the Non-Residential FAC billings consistent with Paragraph 3.

2. Resolution of Contested Issues.

a. Kentucky Power and KIUC agree that the Commission should issue a final

Order in this proceeding that finds that:

- i. Kentucky Power's proposed base fuel rate is reasonable and approved;
- ii. Kentucky Power's charges and credits billed through the FAC during the review period at issue are reasonable and approved;
- iii. Kentucky Power's fuel procurement practices during the review period at issue were reasonable and prudent;
- iv. Kentucky Power operated its generating units prudently during the review period at issue; and
- v. The PUE calculation shall not be retroactively modified.

b. The Attorney General agrees that the Commission should issue a final Order in this proceeding approving this Settlement Agreement.

- c. Upon approval of this Settlement Agreement without modification,
- i. the Attorney General and KIUC will withdraw their proposal to limit the size of the hypothetical peaking unit in this proceeding.
 - ii. KIUC agrees not to participate in any of the 6-month review proceedings concerning the 2022-2024 FAC Review Period.

d. The Attorney General and KIUC will move to intervene in the 2-year review proceeding concerning the 2022-2024 FAC Review Period. In that proceeding, KIUC will support this Settlement Agreement as the reasonable resolution of all issues and will not advocate for adjustments to Kentucky Power's FAC rates during the 2022-2024 Review Period.

e. Kentucky Power will withdraw its appeal of the Commission's final order in Case No. 2023-00145, pending before the Franklin Circuit Court in Case No. 23-CI-682.

3. Prospective Modification to PUE Calculation.

a. Subject to the Commission's issuance of a final order approving this Settlement Agreement without modification, the Company shall apply the following transitional monthly credits to the PUE calculation.

- i. Beginning the later of the first month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification or the first day of the first billing cycle of January 2025, the Company shall apply a transitional monthly credit to the PUE calculation for Residential customers of \$838,874 for 4 consecutive months. At the end of 2023, there

were 131,090 residential customers. This results in an average residential customer credit of \$51.19. This credit will be made through a new line-item bill credit of approximately \$6.40 over the first four months of 2025. These monthly credits will provide winter heating bill reduction benefits to the Company's residential customers.

- ii. Beginning the later of the first month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification or the first day of the first billing cycle of January 2025, the Company shall apply a transitional monthly credit to the PUE calculation for Non-Residential customers of \$1,228,228 for 4 consecutive months.

b. Subject to the Commission's issuance of a final order approving without modification the settlement agreement to be filed in the 2-year review proceeding concerning the 2022-2024 FAC Review Period, described in Paragraph 2.d above, the Company shall apply the following additional transitional monthly credits to the PUE calculation.

- i. Beginning the later of the first month after the date of the Commission's issuance of a final order approving without modification the settlement agreement in the 2-year review proceeding concerning the 2022-2024 FAC Review Period or the first day of the first billing cycle of January 2026, the Company shall apply a transitional monthly credit to the PUE calculation for Residential customers of \$838,874 for 4 consecutive months. This

credit will be made through a new line-item bill credit of approximately \$6.40 over the first four months of 2026. These monthly credits will provide winter heating bill reduction benefits to the Company's residential customers.

- ii. Beginning the later of the first month after the date of the Commission's issuance of a final order approving without modification the settlement agreement in the 2-year review proceeding concerning the 2022-2024 FAC Review Period or the first day of the first billing cycle of January 2026, the Company shall apply a transitional monthly credit to the PUE calculation for Non-Residential customers of \$1,228,228 for 4 consecutive months.

c. The transitional monthly credits described in Paragraphs 3.a and 3.b above shall be reflected as a separate billing line item labeled "Fuel Adjustment Credit" in the months applied. Kentucky Power will true-up the Residential Class credits to ensure that the full \$6,710,990 is credited to residential customers, no more or no less. Kentucky Power also will true up the Non-Residential Class credits to ensure that the full \$9,825,827 is credited to non-residential customers, no more or no less.

d. Starting with FAC-eligible costs incurred on the first day of the first billing month after the date of the Commission's issuance of a final order approving this Settlement Agreement without modification and until the Company's next base rate case, Kentucky Power will use a startup cost component of the PUE calculation for each future 6-month FAC review period equal to \$4.62/MWh:

e. All other components of the Company's PUE calculation methodology not explicitly modified in this Settlement Agreement shall remain unchanged.

4. Future Prospective PUE Changes.

a. The Signatory Parties agree that any party can propose to modify the startup cost component of the Company's PUE calculation in the Company's next base rate case.

b. The Signatory Parties agree that any future proposed changes to the PUE calculation shall be made in base rate proceedings so that any resulting non-FAC eligible costs are incorporated into the Company's base rate revenue requirement.

c. The transitional monthly credits totaling \$16,900,000 agreed upon in this Settlement Agreement shall be excluded when calculating the ongoing level of PUE costs included in base rates in the Company's future base rate proceedings.

5. Filing of Settlement Agreement.

Following the execution of this Settlement Agreement, the Signatory Parties shall file this Settlement Agreement with the Commission along with a joint request to the Commission for approval of this Settlement Agreement in its entirety without modification.

6. Good Faith and Best Efforts to Seek Approval.

a. The Signatory Parties shall act in good faith and use their best efforts to recommend to the Commission that this Settlement Agreement, and the settlement agreement to be filed in the 2-year review proceeding concerning the 2022-2024 FAC Review Period, described in Paragraph 2.d above, be approved in their entirety and without modification.

b. The Signatory Parties further agree to support the reasonableness and enforceability of this Settlement Agreement, and the settlement agreement to be filed in the 2-year review proceeding concerning the 2022-2024 FAC Review Period, described in Paragraph

2.d above, before the Commission, and to cause their counsel to do the same, including in connection with any appeal from the Commission's adoption or enforcement of either settlement agreement.

c. No party to this Settlement Agreement shall challenge any order of the Commission approving the Settlement Agreement in its entirety and without modification.

7. Failure of Commission to Approve Settlement Agreement.

If the Commission does not accept and approve this Settlement Agreement in its entirety and without modification, then any adversely affected Signatory Party may withdraw from the Settlement Agreement within the statutory periods provided for rehearing and appeal of the Commission's order by (1) giving written notice of withdrawal to all other Parties and (2) timely filing for rehearing or appeal. Upon the latter of (1) the expiration of the statutory periods provided for rehearing and appeal of the Commission's order and (2) the conclusion of all rehearings and appeals, all Signatory Parties that have not withdrawn will continue to be bound by the terms of the Settlement Agreement as modified by the Commission's order.

8. Continuing Commission Jurisdiction.

This Settlement Agreement shall in no way be deemed to divest the Commission of jurisdiction under Chapter 278 of the Kentucky Revised Statutes.

9. Effect of Settlement Agreement.

This Settlement Agreement shall inure to the benefit of, and be binding upon, the parties to this Settlement Agreement, their successors, and assigns.

10. Complete Agreement.

This Settlement Agreement constitutes the complete agreement and understanding among the parties to this Settlement Agreement. Any and all oral statements, representations, or

agreements made prior hereto or contained contemporaneously herewith shall be null and void and shall be deemed to have been merged into this Settlement Agreement.

11. Independent Analysis.

The terms of this Settlement Agreement are based upon the independent analysis of the parties to this Settlement Agreement, are the product of compromise and negotiation, and reflect a fair, just, and reasonable resolution of the issues herein. Notwithstanding anything contained in this Settlement Agreement, the Signatory Parties recognize and agree that the effects, if any, of any future events upon the income of Kentucky Power are unknown and this Settlement Agreement shall be implemented as written.

12. Settlement Agreement and Negotiations Are Not an Admission.

a. The Settlement Agreement shall not be deemed to constitute an admission by any party to this Settlement Agreement that any computation, formula, allegation, assertion, or contention made by any other party in these proceedings is true or valid. Nothing in this Settlement Agreement shall be used or construed for any purpose to imply, suggest, or otherwise indicate that the results produced through the compromise reflected herein represent fully the objectives of the Signatory Parties.

b. Neither the terms of this Settlement Agreement nor any statements made or matters raised during the settlement negotiations shall be admissible in any proceeding, or binding on any of the Signatory Parties, or be construed against any of the Signatory Parties, **except that** in the event of litigation or proceedings involving the approval, implementation or enforcement of this Agreement, the terms of this Settlement Agreement shall be admissible. This Settlement Agreement shall not have any precedential value in this or any other jurisdiction.

13. Consultation with Counsel.

The Signatory Parties warrant that they have informed, advised, and consulted with their respective counsel with regard to the contents and significance of this Settlement Agreement and are relying upon such advice in entering into this agreement.

14. Authority to Bind.

Each of the signatories to this Settlement Agreement hereby warrant they are authorized to sign this agreement upon behalf of, and bind, their respective parties.

15. Construction of Agreement.

This Settlement Agreement is a product of negotiation among all Signatory Parties, and no provision of this Settlement Agreement shall be construed in favor of or against any party hereto. This Settlement Agreement is submitted for purposes of this case only and is not to be deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Kentucky Power or any other utility, except when necessary to support the enforceability of the commitments made in this Settlement Agreement.

16. Counterparts.

This Settlement Agreement may be executed in multiple counterparts.

17. Future Rate Proceedings.

Subject to Paragraphs 2, 3 and 4 of this Agreement, nothing in this Settlement Agreement shall preclude, prevent, or prejudice any party to this Settlement Agreement from raising any argument or issue, or challenging any adjustment, in any future rate proceeding of Kentucky Power.

IN WITNESS WHEREOF, this Settlement Agreement has been agreed to by and
between the following Signatory Parties as of this 13th day of November 2024.

KENTUCKY POWER COMPANY

ATTORNEY GENERAL OF THE
COMMONWEALTH OF KENTUCKY

By: Christen M. Glend

By: John J. Hamre

Its: Counsel

Its: Executive Director
Office of Note Intervention

KENTUCKY INDUSTRIAL UTILITY
CUSTOMERS, INC.

By: Michelle Katz

Its: Counsel

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AFFIDAVIT OF JEFFREY D. NEWCOMB

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF BOYD)

I, Jeffrey D. Newcomb, of lawful age, being duly sworn, depose and state as follows:

1. My name is Jeffrey D. Newcomb. I am employed by Kentucky Power Company as Vice President of Regulatory and Finance.
2. The purpose of this Affidavit is to provide a high-level overview of the settlement terms. The terms of the settlement agreement provide benefits to Kentucky Power’s customers, particularly in the winter heating months when bills are typically highest, is a reasonable resolution of all issues in this proceeding and should be approved without modification. The settlement terms are as follows:

Fuel Adjustment Credit

3. The total settlement amount agreed upon among the parties is \$16,900,000. Of that amount, the Company will provide a transitional monthly credit (the Fuel Adjustment Credit) to reduce the amount of future fuel costs recovered from Kentucky retail customers through its Fuel Adjustment Clause (“FAC”) tariff by a total of \$16,536,817.
4. The Fuel Adjustment Credit will be allocated between the Residential and Non-Residential classes based on historical energy usage for the period November 2020 through July 2024, and the amount of the credit allocated to the Residential Class will be further increased by 10%, for a total Residential Class settlement amount of \$6,710,990 to be credited to Residential customers based on future energy usage.
5. Of the \$10,189,010 allocated to the Non-Residential Class, Kentucky Power will reimburse Kentucky Industrial Utility Customers’ (“KIUC”) member that funded its participation in this proceeding for its litigation expenses, \$363,183. This reimbursement will result in KIUC’s member being treated equally compared to all other Non- Residential customers who will receive the same transitional monthly credit, but who did not intervene and fund the litigation of this case. The remaining \$9,825,827 will be credited to the Non-Residential Class based on future energy usage.

6. I have reviewed the invoices and documentation supporting the KIUC member’s litigation expenses associated with the FAC proceedings leading to this settlement agreement and confirm that \$363,183 is accurate.
7. The Company will reflect the Fuel Adjustment Credit on customer bills in the first month after the Commission’s issuance of a final order approving the settlement agreement without modification in Case No. 2023-00008.
8. The parties to the settlement agreement have asked for an order approving the settlement agreement by December 15, 2024. This would allow Kentucky Power to reflect the Fuel Adjustment Credit on customers’ bills starting in January 2025 to help offset winter heating bills.
9. The Fuel Adjustment Credit will apply for four consecutive months beginning with the first month after the Commission’s issuance of a final order approving the settlement agreement without modification in Case No. 2023-00008. For example, if the Commission were to approve the settlement agreement in December 2024, customers would receive a credit on their January through April bills in 2025. The credit will appear as a new line titled “Fuel Adjustment Credit” on their respective bills.
10. Also, as part of this settlement agreement, the settling parties will support this settlement agreement as the reasonable resolution of all issues in Kentucky Power’s upcoming 2-year FAC review, covering the period 2022-2024. Upon a final order from the Commission approving without modification the settlement agreement to be filed in that proceeding, the Company will provide the Fuel Adjustment Credit for four consecutive months beginning the later of the first month after the date of the Commission’s issuance of that final order, or the first day of the first billing cycle of January 2026.
11. This credit will be based on per-kWh rate as calculated below.

	Residential (\$/kWh)	All Other (\$/kWh)
<u>Transitional Credit Amount</u>	<u>\$6,710,990</u>	<u>\$9,825,827</u>
Historic January through April Retail kWh	1,379,035,920	2,272,033,096
Rate	(0.00487)	(0.00432)

12. The above represents an approximate monthly \$6.40 credit to residential customers over the first four months of 2025 and 2026.
13. The Company shall include an annual reconciliation of the credit as part of the over- or under-recovery computation in the Company’s Fuel Adjustment Clause filed in the fifth month of each year (assuming a December approval of the settlement agreements, final reconciliation would occur in May 2025 and May 2026, respectively).

Peaking Unit Equivalent (“PUE”) Calculation

- 14. Subsequent to the Commission’s final order approving this Settlement Agreement without modification and until the Company’s next base rate case, Kentucky Power will use a startup cost component of \$4.62/MWh within the PUE calculation (currently uses \$30.00).
- 15. The prospective reduction to the startup cost component of the PUE calculation will result in a lower limit on purchased power costs eligible for recovery through Kentucky Power’s FAC in the future, providing continued customer benefits and protection against market price volatility.

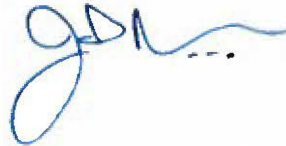
Withdrawal of Winter Storm Elliott Appeal

- 16. Upon approval of the settlement agreement, Kentucky Power will withdraw its appeal of the Commission’s final order in Case No. 2023-00145, pending before the Franklin Circuit Court in Case No. 23-CI-682.

The Settlement is Reasonable Resolution of All Issues

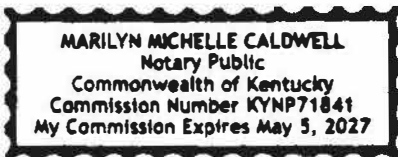
- 17. This settlement agreement was the result of arms-length negotiations with the Office of the Attorney General of the Commonwealth of Kentucky and KIUC and fully resolves the issues in this case and the Company’s next 2-year FAC review in a reasonable manner.


Further, affiant sayeth not.



Jeffrey D. Newcomb
Vice President of Regulatory and Finance,
Kentucky Power Company

SUBSCRIBED AND SWORN TO BEFORE ME, on the 13th day of November, 2024, to certify which witness my hand and official seal.




Notary Public in and for the Commonwealth of
Kentucky

My commission expires: May 5, 2027

Terms and Conditions of Service Continued



Service Address:

KENTUCKY RESIDENTIAL
ADDRESS 123
ABC, KY XXXXX-XXXX
Account #XXX-XXX-XXX-X-X

Line Item Charges:

Previous Charges		
Total Amount Due At Last Billing	\$	XXX.XX
Payment 02/07/22 - Thank You		-XXX.XX
Previous Balance Due	\$	X.XX
Current KPCO Charges		
Tariff XXX - Residential Service XX/XX/XX		
Rate Billing	\$	XXX.XX
Federal Tax Cut @ X.XXXXX- Per kWh		-XX.XX
Fuel Adj @ X.XXXXX Per kWh		XX.XX
Fuel Adjustment Credit @ X.XXXXX Per kWh		-XX.XX
DSM Adj @ X.XXXXX Per kWh		XX.XX
Residential Energy Assistance @ \$X.XX		XX.XX
Purchased Power Adj. \$X.XXXXX/kWh		XX.XX
Renewable Power Option Rider		XX.XX
Environmental Adj. X.XXXXX%		XX.XX
School Tax		XX.XX
City's Franchise Fee		XX.XX
State Sales Tax		XX.XX
Current Balance Due	\$	XXX.XX
Homeserve Warranty Service	\$	XX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
XXXXX	Actual	XXXXX	Actual	XXX	XXX kWh
Service Period XX/XX - XX/XX				Multiplier 1	
Next scheduled read date should be between MM DD and MM DD.					

Notes from KPCO:

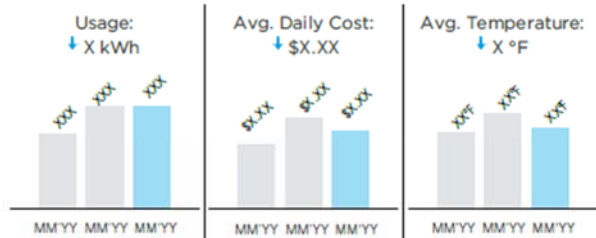
Kentucky Power provides online access to customer rate schedules at <https://kentuckypower.com/account/bills/rates/>. You can access a copy of your rates by clicking the "Kentucky Tariffs" link at that website. You can also view rates at our office, or request that a copy be sent to you via U.S. Postal Service or via email by calling customer service at 1-800-572-1113.

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

www.kyelectricalprotectionplan.com

Usage Details:

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



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

Average (Avg.) monthly usage: XXX kWh



Service Address:

KENTUCKY RESIDENTIAL
ADDRESS 123
ABC, KY XXXXX – XXXX

Account #XXX-XXX-XXX-X-X

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XXX.XX
Payment 02/07/22 - Thank You	-XXX.XX
Previous Balance Due	\$ X.XX
Current KPCO Charges	
Tariff XXX - Residential Service XX/XX/XX	
Rate Billing	\$ XXXXX
Federal Tax Cut @ X.XXXXX- Per kWh	-XX.XX
Fuel Adj @ X.XXXXX Per kWh	XX.XX
DSM Adj @ X.XXXXX Per kWh	XX.XX
Residential Energy Assistance @ \$X.XX	XX.XX
Purchased Power Adj. \$X.XXXXX/kWh	XX.XX
Renewable Power Option Rider	XX.XX
Environmental Adj. X.XXXXX%	XX.XX
School Tax	XX.XX
City's Franchise Fee	XX.XX
State Sales Tax	XX.XX
Current Balance Due	\$ XXX.XX
Homeserve Warranty Service	\$ XX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
XXXXX	Actual	XXXXX	Actual	XXX	XXX kWh
Service Period XX/XX – XX/XX				Multiplier 1	
Next scheduled read date should be between MM DD and MM DD .					

Notes from KPCO:

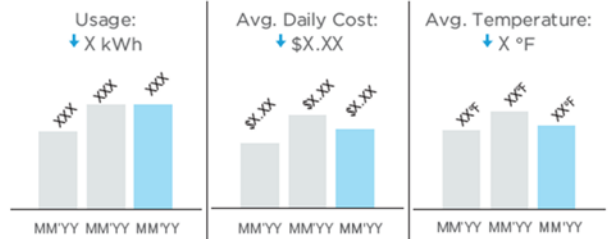
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www.kyelectricalprotectionplan.com

Usage Details:

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



Total usage for the past 12 months: X,XXX kWh
Average (Avg.) monthly usage: XXX kWh

Continued on Sheet 2-16

Terms and Conditions of Service Continued



Service Address:

KENTUCKY GENERAL SERVICE
ADDRESS 123
ABC, KY XXXXX – XXXX
Account #XXX-XXX-XXX-X-X

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XX.XX
Payment XX/XX/XX - Thank You	-XX.XX
Previous Balance Due	\$ X.XX
Current KPCO Charges	
Tariff XXX - General Service XX/XX/XX	
Rate Billing	\$ XX.XX
Demand Charge	XX.XX
Federal Tax Cut @ X.XXXXXX- Per kWh	-XX.XX
Fuel Adj @ X.XXXXXX Per kWh	XX.XX
Fuel Adjustment Credit @ X.XXXXXX Per kWh	-XX.XX
DSM Adj @ X.XXXXXX Per kWh	XX.XX
Kentucky Economic Development Surcharge @ \$X.XX	XX.XX
Purchased Power Adj. \$X.XXXXXX/kWh	XX.XX
Renewable Power Option Rider	XX.XX
Environmental Adj. X.XXXXXX%	XX.XX
School Tax	XX.XX
City's Franchise Fee	XX.XX
State Sales Tax	XX.XX
Current Balance Due	\$ XXXX

Meter Read Details:

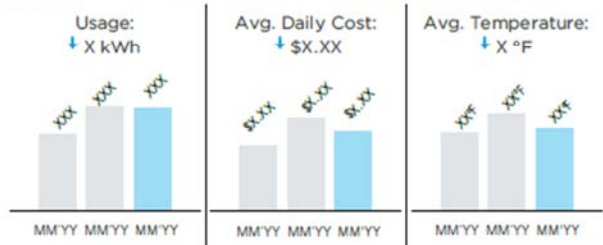
Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
XXX	Actual	XXX	Actual	XXX	XXX kWh
Service Period XX/XX - XX/XX				Multiplier 1	
Next scheduled read date should be between MM DD and MM DD.					

Notes from KPCO:

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Usage Details:

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



Total usage for the past 12 months: XXX kWh

Average (Avg.) monthly usage: XXX kWh

3 _____
3 _____



Service Address:

KENTUCKY GENERAL SERVICE
ADDRESS 123
ABC, KY XXXXX – XXXX
Account #XXX-XXX-XXX-X-X

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XX.XX
Payment XX/XX/XX - Thank You	-XX.XX
Previous Balance Due	\$ X.XX
Current KPCO Charges	
Tariff XXX - General Service XX/XX/XX	
Rate Billing	\$ XX.XX
Demand Charge	XX.XX
Federal Tax Cut @ X.XXXXX- Per kWh	-XX.XX
Fuel Adj @ X.XXXXX Per kWh	XX.XX
DSM Adj @ X.XXXXX Per kWh	XX.XX
Kentucky Economic Development Surcharge @ \$X.XX	XX.XX
Purchased Power Adj. \$X.XXXXX/kWh	XX.XX
Renewable Power Option Rider	XX.XX
Envrionmental Adj. X.XXXXX%	XX.XX
School Tax	XX.XX
City's Franchise Fee	XX.XX
State Sales Tax	XX.XX
Current Balance Due	\$ XX.XX

Meter Read Details:

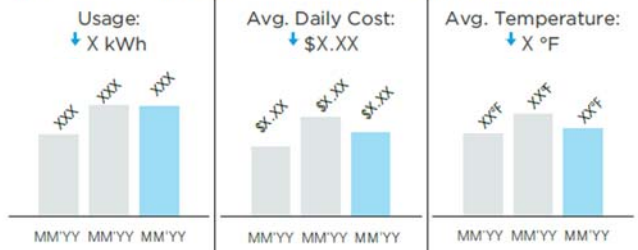
Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
XXX	Actual	XXX	Actual	XXX	XXX kWh
Service Period XX/XX - XX/XX				Multiplier 1	
Next scheduled read date should be between MM DD and MM DD.					

Notes from KPCO:

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Usage Details:

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



Total usage for the past 12 months: XXX kWh

Average (Avg.) monthly usage: XXX kWh

Continued on Sheet 2-18

Terms and Conditions of Service Continued



Service Address:

KENTUCKY LARGE GENERAL SERVICE
ADDRESS 123
ABC, KY XXXXX – XXXX
Account #XXX-XXX-XXX-X-X

Billed Usage MM/YY				
Usage	Power Factor	Power Factor Constant	Meter Location Comp.	Billed Usage
XXX	-	-	-	XXXX kWh
XXX	-	-	-	XXX kW
XXX	-	-	-	XXX.XXX KVA

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XXX.XX
Payment XX/XX/XX - Thank You	-XXX.XX
Previous Balance Due	\$ XX.XX
Current Charges	
Tariff XXX - Large General Service XX/XX/XX	
Rate Billing	\$ XXX.XX
Demand Charge	-XXX.XX
Economic Development Rider - IBDD	-XXX.XX
Economic Development Rider - SBDD	-XXX.XX
Federal Tax Cut @ X.XXXXX- Per kWh	-XXX.XX
Fuel Adj @ X.XXXXX Per kWh	XXX.XX
Fuel Adjustment Credit @ X.XXXXX Per kWh	-XX.XX
DSM Adj @ X.XXXXX Per kWh	XXX.XX
Kentucky Economic Development Surcharge @ \$X.XX	X.XX
Purchased Power Adj. \$X.XXXXX/kWh	XXX.XX
Renewable Power Option Rider	XXX.XX
Environmental Adj. X.XXXXX%	XXX.XX
School Tax	XXX.XX
City's Franchise Fee	XXX.XX
State Sales Tax	XXX.XX
Current Balance Due	\$ XXX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
X	X	X.XXX	Actual	X	X kVAR
X	X	X.XXX	Actual	X.XXX	XXX.XX kW
XXXXX	Actual	XXXXX	Actual	XXX	XXX,XXX kWh
Service Period MM/DD - MM/DD				Multiplier XXX	
Next scheduled read date should be between MM DD and MM DD.					
Net Usage : XXX,XXX kWh			Billable Usage: XXX,XXX kWh		

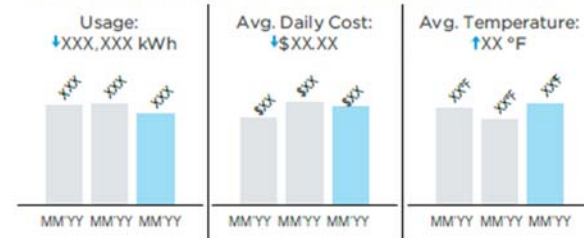
Notes from Kentucky Power:

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Due date does not apply to previous balance due.

Usage Details:

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



Total usage for the past 12 months: XXX kWh

Average (Avg.) monthly usage: XXX kWh



Service Address:

KENTUCKY LARGE GENERAL SERVICE

ADDRESS 123
ABC, KY XXXXX - XXXX
Account #XXX-XXX-XXX-X-X

Billed Usage MM/YY				
Usage	Power Factor	Power Factor Constant	Meter Location Comp	Billed Usage
XXX	-	-	-	XXXX kWh
XXX	-	-	-	XXX kW
XXX	-	-	-	XXX.XXX KVA

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XXX.XX
Payment XX/XX/XX - Thank You	-XXX.XX
Previous Balance Due	\$ XX.XX
Current Charges	

Tariff XXX - Large General Service XX/XX/XX	
Rate Billing	\$ XXX.XX
Demand Charge	-XXX.XX
Economic Development Rider - IBDD	-XXX.XX
Economic Development Rider - SBDD	-XXX.XX
Federal Tax Cut @ X.XXXXX- Per kWh	-XXX.XX
Fuel Adj @ X.XXXXX Per kWh	XXX.XX
DSM Adj @ X.XXXXX Per kWh	XXX.XX
Kentucky Economic Development Surcharge @ \$X.XX	X.XX
Purchased Power Adj. \$X.XXXXX/kWh	XXX.XX
Renewable Power Option Rider	XXX.XX
Environmental Adj. X.XXXXX%	XXX.XX
School Tax	XXX.XX
City's Franchise Fee	XXX.XX
State Sales Tax	XXX.XX
Current Balance Due	\$ XXX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
X	X	X.XXX	Actual	X	X kVAR
X	X	X.XXX	Actual	X.XXX	XXX.XX kW
XXXXX	Actual	XXXXX	Actual	XXX	XXX.XXX kWh
Service Period MM/DD - MM/DD				Multiplier XXX	
Next scheduled read date should be between MM DD and MM DD.					
Net Usage : XXX,XXX kWh			Billable Usage: XXX,XXX kWh		

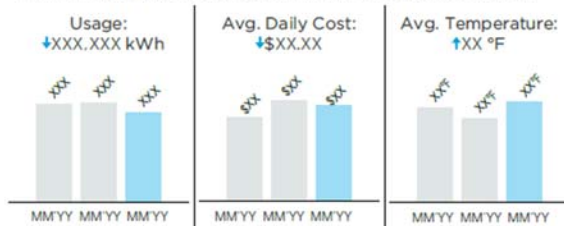
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Due date does not apply to previous balance due.

Usage Details:

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



Total usage for the past 12 months: XXX kWh
Average (Avg.) monthly usage: XXX kWh

Continued on Sheet 2-20

Terms and Conditions of Service Continued



Service Address:

KENTUCKY INDUSTRIAL-PRIMARY & SECONDARY
ADDRESS 123
ABC, KY XXXXX-XXXX
Account #XXX-XXX-XXX-X-X

Billed Usage MM/YY				
Usage	Power Factor	Power Factor Constant	Meter Location Comp.	Billed Usage
XXX.XXX	-	-	-	XXX.XXX kWh
XXX.XXX	-	-	-	XXX.XXX kW On-Pk
XXX.XXX	-	-	-	XXX.XXX kW Off-Pk
Contract Capacity = X.XXX.X			High Prev Demand = X.XXX.X On-Pk	
			High Prev Demand = X.XXX.X Off-Pk	

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XX,XXX.XX
Payment XX/XX/XX - Thank You	-XX,XXX.XX
Previous Balance Due	\$ XX.XX
Current Charges	

Tariff XXX - Industrial General Service XX/XX/XX	
Rate Billing	\$ XX,XXX.XX
Demand Charge	-X,XXX.XX
Economic Development Rider - IBDD	-X,XXX.XX
Economic Development Rider - SBDD	-X,XXX.XX
Federal Tax Cut @ X.XXXXX- Per kWh	-X,XXX.XX
Fuel Adj @ X.XXXXX Per kWh	X,XXX.XX
Fuel Adjustment Credit @ X.XXXXX Per kWh	-XX.XX
Kentucky Economic Development Surcharge @ \$X.XX	X.XX
Purchased Power Adj. \$X.XXXXX/kWh	XX.XX
Purchased Power Adj. \$X.XXXXX/kW	X,XXX.XX
Renewable Power Option Rider	X,XXX.XX
Environmental Adj. X.XXXXX%	X,XXX.XX
School Tax	X,XXX.XX
City's Franchise Fee	X,XXX.XX
State Sales Tax	X,XXX.XX
Total Balance Due	\$ XX,XXX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
X	X	X.XXX	Actual	X	X kVAR
X	X	X.XXX	Actual	X.XXX	XXX.XX kW On-Pk
XXXXX	Actual	XXXXX	Actual	XXX	XXX.XXX kWh
X	X	X.XXX	Actual	X.XX	XXX.X kW Off-Pk
X	X	X.XXX	Actual	X.XXX	XXX.XX kVAR
Service Period MM/DD - MM/DD				Multiplier XXX	
Next scheduled read date should be between MM DD and MM DD.					
Net Usage : XXX,XXX kWh			Billable Usage: XXX,XXX kWh		

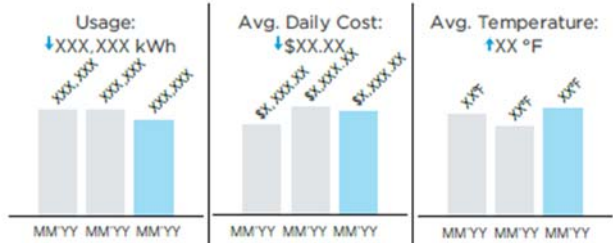
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Due date does not apply to previous balance due.

Usage Details:

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





Service Address:

KENTUCKY INDUSTRIAL-PRIMARY & SECONDARY
ADDRESS 123
ABC, KY XXXXX-XXXX
Account #XXX-XXX-XXX-X-X

Billed Usage MM/YY				
Usage	Power Factor	Power Factor Constant	Meter Location Comp.	Billed Usage
XXX.XXX	-	-	-	XXX.XXX kWh
XXX.XXX	-	-	-	XXX.XXX kW On-Pk
XXX.XXX	-	-	-	XXX.XXX kW Off-Pk
Contract Capacity = X,XXX.X			High Prev Demand = X,XXX.X On-Pk	
			High Prev Demand = X,XXX.X Off-Pk	

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ XX,XXX.XX
Payment XX/XX/XX - Thank You	-XX,XXX.XX
Previous Balance Due	\$ XX.XX
Current Charges	
Tariff XXX - Industrial General Service XX/XX/XX	
Rate Billing	\$ XX,XXX.XX
Demand Charge	-X,XXX.XX
Economic Development Rider - IBDD	-X,XXX.XX
Economic Development Rider - SBDD	-X,XXX.XX
Federal Tax Cut @ X.XXXXXX- Per kWh	-X,XXX.XX
Fuel Adj @ X.XXXXXX Per kWh	X,XXX.XX
Kentucky Economic Development Surcharge @ \$X.XX	X.XX
Purchased Power Adj. \$X.XXXXXX/kWh	XX.XX
Purchased Power Adj. \$X.XXXXXX/kW	X,XXX.XX
Renewable Power Option Rider	X,XXX.XX
Environmental Adj. X.XXXXXX%	X,XXX.XX
School Tax	X,XXX.XX
City's Franchise Fee	X,XXX.XX
State Sales Tax	X,XXX.XX
Total Balance Due	\$ XX,XXX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
X	X	X.XXX	Actual	X	X kVAR
X	X	X.XXX	Actual	X.XXX	XXX.XX kW On-Pk
XXXXX	Actual	XXXXX	Actual	XXX	XXX.XXX kWh
X	X	X.XXX	Actual	X.XX	XXX.X kW Off-Pk
X	X	X.XXX	Actual	X.XXX	XXX.XX kVAR
Service Period MM/DD - MM/DD				Multiplier XXX	
Next scheduled read date should be between MM DD and MM DD.					
Net Usage : XXX,XXX kWh			Billable Usage: XXX,XXX kWh		

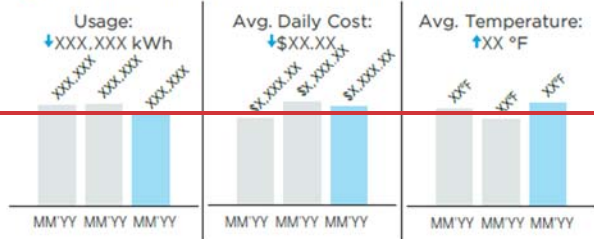
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Due date does not apply to previous balance due.

Usage Details:

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



Total usage for the past 12 months: X,XXX,XXX kWh
Average (Avg.) monthly usage: XXX,XXX kWh

Continued on Sheet 2-22

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3 _____

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3

Terms and Conditions of Service Continued



Service Address:

KENTUCKY INDUSTRIAL—
SUBTRANSMISSION AND TRANSMISSION
ADDRESS 123
ABC, KY XXXXX—XXXX
Account #XXX-XXX-XXX-X-X

Billed Usage MM/YY				
Usage	Power Factor	Power Factor Constant	Meter Location Comp.	Billed Usage
XXX.XXX	-	-	-	XXX.XXX kWh
XXX.XXX	-	-	-	XXX.XXX kW On-Pk
XXX.XXX	-	-	-	XXX.XXX kW Off-Pk
Contract Capacity = X,XXX.X			High Prev Demand = X,XXX.X On-Pk	
			High Prev Demand = X,XXX.X Off-Pk	

Previous Charges	
Total Amount Due At Last Billing	\$ XX,XXX.XX
Payment XX/XX/XX - Thank You	-XX,XXX.XX
Previous Balance Due	\$ XX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
X	X	X.XXX	Actual	X	X kVAR
X	X	X.XXX	Actual	X.XXX	XXX.XX kW On-Pk
XXXXX	Actual	XXXXX	Actual	XXX	XXX.XXX kWh
X	X	X.XXX	Actual	X.XX	XXX.X kW Off-Pk
X	X	X.XXX	Actual	X.XXX	XXX.XX kVAR
Service Period MM/DD - MM/DD				Multiplier XXX	
Next scheduled read date should be between MM DD and MM DD.					

Current Charges

Tariff XXX - Industrial General Service XX/XX/XX	
Rate Billing	\$ XX,XXX.XX
Demand Charge	-X,XXX.XX
Economic Development Rider - IBDD	-X,XXX.XX
Economic Development Rider - SBDD	-X,XXX.XX
Federal Tax Cut @ X,XXXXX- Per kWh	-X,XXX.XX
Fuel Adj @ X,XXXXX Per kWh	X,XXX.XX
Fuel Adjustment Credit @ X,XXXXX Per kWh	-XX.XX
Kentucky Economic Development Surcharge @ \$X.XX	X.XX
Purchased Power Adj. \$X,XXXXX/kWh	XX.XX
Purchased Power Adj. \$X,XXXXX/kW	X,XXX.XX
Renewable Power Option Rider	X,XXX.XX
Environmental Adj. X,XXXXX%	X,XXX.XX
School Tax	X,XXX.XX
City's Franchise Fee	X,XXX.XX
State Sales Tax	X,XXX.XX
Total Balance Due	\$ XX,XXX.XX

Net Usage : XXX,XXX kWh	Billable Usage: XXX,XXX kWh
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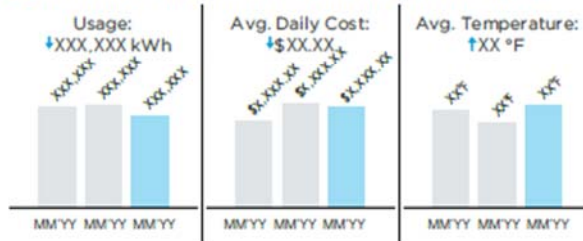
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Due date does not apply to previous balance due.

Usage Details:

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



Total usage for the past 12 months: X,XXX,XXX kWh
Average (Avg.) monthly usage: XXX,XXX kWh

3 _____
3 _____

3
3



Service Address:

KENTUCKY INDUSTRIAL-
SUBTRANSMISSION AND TRANSMISSION
ADDRESS 123
ABC, KY XXXXX-XXXX

Account #XXX-XXX-XXX-X-X

Billed Usage MM/YY				
Usage	Power Factor	Power Factor Constant	Meter Location Comp.	Billed Usage
XXX.XXX	-	-	-	XXX.XXX kWh
XXX.XXX	-	-	-	XXX.XXX kW On-Pk
XXX.XXX	-	-	-	XXX.XXX kW Off-Pk
Contract Capacity = X.XXX.X			High Prev Demand = X,XXX.X On-Pk	
			High Prev Demand = X,XXX.X Off-Pk	

Previous Charges	
Total Amount Due At Last Billing	\$ XX,XXX.XX
Payment XX/XX/XX - Thank You	-XX,XXX.XX
Previous Balance Due	\$ XX.XX
Current Charges	
Tariff XXX - Industrial General Service XX/XX/XX	
Rate Billing	\$ XX,XXX.XX
Demand Charge	-X,XXX.XX
Economic Development Rider - IBDD	-X,XXX.XX
Economic Development Rider - SBDD	-X,XXX.XX
Federal Tax Cut @ X.XXXXX- Per kWh	-X,XXX.XX
Fuel Adj @ X.XXXXX Per kWh	X,XXX.XX
Kentucky Economic Development Surcharge @ \$X.XX	X.XX
Purchased Power Adj. \$X.XXXXX/kWh	XX.XX
Purchased Power Adj. \$X.XXXXX/kW	X,XXX.XX
Renewable Power Option Rider	X,XXX.XX
Environmental Adj. X.XXXXX%	X,XXX.XX
School Tax	X,XXX.XX
City's Franchise Fee	X,XXX.XX
State Sales Tax	X,XXX.XX
Total Balance Due	\$ XX,XXX.XX

Meter Read Details:

Meter #XXXXXXXXXX					
Previous	Type	Current	Type	Metered	Usage
X	X	X.XXX	Actual	X	X kVAR
X	X	X.XXX	Actual	X,XXX	XXX.XX kW On-Pk
XXXXX	Actual	XXXXX	Actual	XXX	XXX,XXX kWh
X	X	X.XXX	Actual	X,XX	XXX.X kW Off-Pk
X	X	X.XXX	Actual	X,XXX	XXX.XX kVAR
Service Period MM/DD - MM/DD				Multiplier XXX	
Next scheduled read date should be between MM DD and MM DD.					

Net Usage : XXX,XXX kWh Billable Usage: XXX,XXX kWh

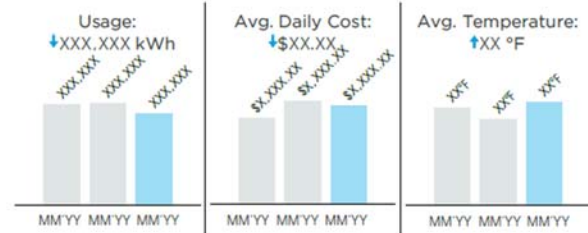
Notes from Kentucky Power:

Kentucky Power provides online access to customer rate schedules at <https://kentuckypower.com/acclint/bills/rates>. You can access a copy of your rates by clicking the "Kentucky Tariffs" link at that website. You can also view rates at our office, or request that a copy be sent to you via U.S. Postal Service or via email by calling customer service at 1-800-572-1113.

Due date does not apply to previous balance due.

Usage Details:

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



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

Average (Avg.) monthly usage: XXX,XXX kWh

3 _____ 3
3 _____ 3

**Tariff F.A.C. Continued
(Fuel Adjustment Clause)**

Rate Continued

3

3

Continued on Sheet 30-3

3 _____ 3 _____

3 3 3

Tariff F.A.C. Continued
(Fuel Adjustment Clause)

3

3

Transitional Monthly Credit

3

3

3 3

33

3

3