

October 15, 2025

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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 Second Revised Tariff Sheet 35-1 (Tariff F.T.C.)**

Dear Ms. Bridwell:

Kentucky Power Company ("Kentucky Power" or "Company") files herewith redline and annotated versions of P.S.C. KY. NO. 13 2nd Revised Tariff Sheet 35-1 (Federal Tax Cut or "F.T.C.") as part of its annual update in compliance with the Commission's January 19, 2024 Order in Case No. 2023-00159.¹

Kentucky Power is updating the applicable Tariff F.T.C. rate on a kWh basis (*see* paragraph 5 of proposed Tariff F.T.C.) and retail revenue for residential (RR), all other classes (OR), and total retail revenue (R) (*see* paragraph 6 of proposed Tariff F.T.C.). The proposed tariff further includes within the F.T.C. mechanism the annual ADIT benefit related to non-Decommissioning Rider regulatory assets that were securitized on June 12, 2025, including the Tariff P.P.A. Under-Recovery Regulatory Asset, the Rockport Deferral Regulatory Asset, and the storm expense regulatory assets. The Commission ordered, consistent with the settlement agreement in Case No. 2023-00159, that "the proposal to include the annual actual impact of the ADIT for these regulatory assets in Tariff F.T.C. is reasonable and should be approved. This approach will ensure that customers benefit from the associated ADIT in a reasonable manner over the life of the ADIT."²

¹ See Order at 17-18, *In The Matter Of: Electronic Application Of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) Approval Of Tariffs And Riders; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; (4) A Securitization Financing Order; And (5) All Other Required Approvals And Relief*, Case No. 2023-00159 (Ky. P.S.C. Jan. 19, 2024).

² *Id.* at 18.

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KPCO_FTC_2025_Annual_Update also is being uploaded with the tariff sheet. It includes the calculations supporting the new Tariff F.T.C. rates.

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

Very truly yours,

STITES & HARBISON PLLC



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KMG