Federal Tax Cut Tariff
(F.T.C.)

Applicable
To Tariffs R.S., R.S.D., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, G.S., S.G.S.-T.O.D., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., I.G.S., C.S.- I.R.P., M.W., O.L., and S.L.

Rate

1. Pursuant to the final order of the Kentucky Public Service Commission in Case No. 2023-00159, Kentucky Power Company is to credit to retail ratepayers the approved annual amount of excess accumulated deferred federal income taxes (ADIT) beginning January 16, 2024.

2. The Company shall amortize the calendar year retail Generation and Distribution related Protected Excess ADIT of $1,824,291 to support the rate credits provided to customers through this tariff.

3. The Company shall provide customers with the ADIT benefit related to Non-Decommissioning Rider Regulatory Assets (defined as the Rockport Deferral Regulatory Asset, Tariff P.P.A. Under-Recovery Regulatory Asset, and Storm Expense Deferral Regulatory Assets) approved for securitization through this tariff, at its Commission-approved WACC. The ADIT benefit described in this paragraph will be annually trued-up to address over/(under) recovery pursuant to the procedure described in paragraph 7 of this tariff.

4. The Company shall include a final reconciliation of the retail Generation and Distribution related Unprotected Excess ADIT as part of the over or under-recovery computation in the October 2024 Federal Tax Cut Tariff adjustment filing.

5. The applicable rates on a kWh basis are as follows:

Residential ($/kWh)	All Other ($/kWh)
$(0.00147)	$(0.00100)

Continued on Sheet 36-2

DATE OF ISSUE: October 15, 2026
DATE EFFECTIVE: Services Rendered On And After November 30, 2026
ISSUED BY: /s/ Amy J. Elliott
TITLE: Vice President, Regulatory & External Affairs
By Authority of an Order of the Public Service Commission
In Case No.: XXXX-XXXXX Dated XXXX XX, XXXX

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6. The allocation of the Annual Revenue Requirement (ARR) which consists of the retail Generation and Distribution related Protected Excess ADIT, the ADIT benefits related to the securitized Non-Decommissioning Rider Regulatory Assets and any over or under-recovery based upon actual information for prior periods between residential and all other customers shall be based upon their respective contribution to total retail revenues, according to the following formula:

$$\text{Residential Allocation } RA(y) = AC(y) \times \frac{\text{KY Residential Retail Revenue } RR}{\text{KY Retail Revenue } R}$$

$$\text{All Other Allocation } OA(y) = AC(y) \times \frac{\text{KY All Other Classes Retail Revenue } OR}{\text{KY Retail Revenue } R}$$

Where:

(y)	=	the credit year;
RR	=	$330,206,036;
OR	=	$396,329,095; and
R	=	$726,535,132.

7. The annual Federal Tax Cut Tariff adjustments shall be filed with the Commission no later than October 15th of each year before it is scheduled to go into effect on Cycle 1 of the December billing cycle, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.

8. Copies of all documents required to be filed with the Commission shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS 61.870 to 61.884.