COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With The May 2025 Major Event Storms	))))))	Case No. 2025-00264

VERIFIED APPLICATION

Kentucky Power Company ("Kentucky Power" or the "Company") applies to the Public Service Commission of Kentucky ("Commission") pursuant to KRS 278.030, KRS 278.040, and KRS 278.220 for an Order permitting the Company to accumulate and defer for review and recovery in its next base rate proceeding before the Commission those extraordinary and incremental net operations and maintenance expenses the Company incurred in connection with the May 16-17, 2025 major storm events in Kentucky Power's service territory. In support of this Application, the Company states:

Applicant

1. Kentucky Power is an electric utility organized as a corporation under the laws of the Commonwealth of Kentucky in 1919.[1] The Company's post office address is 1645 Winchester Avenue, Ashland, Kentucky 41101. The Company's electronic mail address is kentucky_regulatory_services@aep.com.

[1] A certified copy of the Company's Articles of Incorporation and all amendments thereto was attached to the Joint Application in *In the Matter Of: The Joint Application Of Kentucky Power Company, American Electric Power Company, Inc. And Central And South West Corporation Regarding A Proposed Merger*, P.S.C. Case No. 99-149. The Company's August 13, 2025 Certificate of Existence is attached as **EXHIBIT 1.**

2. Kentucky Power is engaged in the generation, purchase, transmission, distribution, and sale of electricity to Kentucky consumers. The Company serves approximately 163,000 retail customers in the following 20 counties of eastern Kentucky: Boyd, Breathitt, Carter, Clay, Elliott, Floyd, Greenup, Johnson, Knott, Lawrence, Leslie, Letcher, Lewis, Magoffin, Martin, Morgan, Owsley, Perry, Pike, and Rowan.

3. Kentucky Power is a wholly-owned subsidiary of American Electric Power Company, Inc.

Introduction

4. The level of storm expense for both Major Event and non-Major Event storms included in Kentucky Power's current base rates totals $1.1 million, as approved in the Commission's January 19, 2024 Order in Case No. 2023-00159.[2]

5. As explained more fully below, on May 16, 2025, and May 17, 2025, Kentucky Power's service territory experienced "Major Event storms," which are also referred to in this Application as "JMED storms." The Company provides a definition and discussion of what storms are classified as Major Event or JMED storms below.

6. The Company's best estimates at the time of this filing indicate that the total costs associated with these Major Event storms in May could total approximately $5.1 million. The Company's best estimates at the time of this filing indicate that all 2025 storms through May 2025 could total approximately $24.0 million, as detailed in the table below:

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[2] *See* Order at 33-35; Appendix B, p. 2, Accepted Adjustment No. 16, *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).

Type	Date	Total Cost	Jurisdictional Incremental O&M[3]
JMED	Jan. 5, 2025	$6,896,941	$4,374,497[4]
	Feb. 15, 2025 – Dist.	$8,083,830	$4,773,671[3]
	Feb. 15, 2025 – Trans.	$259,918	$187,566[3]
	May 16-17, 2025	$5,068,278	$3,070,915
		$20,308,967	**$12,219,083**
Non-JMED[5]	Feb. 11, 2025	$801,892	$445,646
	Mar. 31, 2025	$1,647,685	$954,885
	Apr. 3, 2025	$758,547	$409,711
	May 1, 2025	$170,301	$77,261
	May 20,2025	$224,590	$132,111
		$3,603,015	**$2,019,614**
Total		**$23,911,982**	**$14,426,263**

7. In most instances, the Commission requires a jurisdictional utility to obtain Commission approval before recording as a regulatory asset on the utility's books for accounting purposes an expense that qualifies for establishment as a regulatory asset.[6] In the Company's most recent application to establish deferral authority for a major storm event, however, the Commission clarified and held that "[t]he Commission [would] allow, and recommends, Kentucky Power record expenses for storms occurring in any quarter of the fiscal year as a deferred asset for

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[3] Costs incremental to those currently in base rates and that would not have been incurred but for the storms. See **EXHIBIT 2** for a breakdown of each event.

[4] *See* Order, *Electronic Application of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With The January 5, 2025 and February 15, 2025 Major Event Storms*, Case No. 2025-00031, at 1 (Ky. P.S.C. Mar. 31, 2025).

[5] The Company will continue to monitor all storm projects and evaluate their inclusion in future storm deferral requests. Inclusion will be contingent upon the incurred expenses meeting the parameters to qualify for regulatory asset treatment.

[6] *See* Order, *Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish Regulatory Assets And Liabilities Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With The Two 2015 Major Storm Events*, Case No. 2016-00180, at 1 (Ky. P.S.C. Dec. 12, 2016) ("2016 Storm Order").

accounting purposes only, subject to Kentucky Power providing the Commission with notice of such within five days of the establishment of the regulatory asset and subject to Kentucky Power filing an application within 90 days of the occurrence of the storm seeking Commission approval for such authority."[7]

8. Accordingly, the Company provided notice to the Commission's Executive Director on June 11, 2025, that it recorded a deferred asset, based on estimates at the time, in the amount of $3,244,345.09 for accounting purposes only for the May 16, 2025 and May 17, 2025 Major Storm Events with its 2025 second quarter financial close.[8]

9. The Company's deferral request in this proceeding is limited to the total incremental O&M associated with the May 16, 2024, and May 17, 2025 Major Event storms as demonstrated in Exhibit 2. Furthermore, it is fully incremental to the amount currently in base rates, as the Company has sought prior deferrals in 2025 in which the Commission only permitted deferral of those amounts that exceeded the approximately $1.1 million in base rates.[9] Thus, all additional jurisdictional incremental storm-related O&M costs are incremental to the base amount.

Kentucky Power's Transmission and Distribution Facilities

10. As of February 9, 2025, Kentucky Power owns approximately 1,290 circuit miles of transmission lines. Kentucky Power's transmission system is designed and constructed to meet heavy loading criteria. The transmission system comprises approximately 2,403 metal structures and 4,380 wooden structures.

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[7] *See* Order, *Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With The January 5, 2025 and February 15, 2025 Major Event Storms*, Case No. 2025-00031, at 8 (Ky. P.S.C. Mar. 31, 2025) ("2025 Storm Order").

[8] *See* Counsel's letter to Ms. Linda Bridwell dated June 11, 2025, attached hereto as **EXHIBIT 3**.

[9] *See* 2025 Storm Order.

11. The Company also owns approximately 10,156 circuit miles of distribution lines as of January 28, 2025. Of these, approximately 190 circuit miles are underground. Kentucky Power's distribution system is designed and constructed to meet the industry-accepted medium loading criteria.

12. Kentucky Power's service territory also includes some of the most rugged and difficult topography in the Commonwealth. Its distribution and lower voltage transmission facilities in particular cross mountainous and heavily-wooded terrain.

"Major Event Day" Storms

13. Under IEEE Standard 1366, a Major Event is one that exceeds reasonable design or operational limits of the electric power system. IEEE Standard 1366 statistically defines a "Major Event Day" as any day in which the system's System Average Interruption Duration Index ("SAIDI") exceeds the threshold value of Tmed. The Tmed threshold value in turn is calculated at the end of each reporting period (typically a single calendar year) using data from the previous five years. It is calculated by taking the average of the natural logarithm of each daily SAIDI during the previous five-year period. The standard deviation of the five-year data set is then determined and the threshold value of Tmed is set at 2.5 standard deviations. Any day in the subsequent reporting period that exceeds Tmed is classified as a Major Event Day. The 2025 Tmed threshold is 4,467,511 customer minutes of interruption ("CMI").

14. On May 16, 2025, and May 17, 2025, Kentucky Power's service territory experienced severe weather events involving Major Event Days as defined by IEEE Standard 1366.

The Major Storm Event

May 16-17, 2025

15. Beginning on May 16, 2025, Kentucky Power's service territory experienced severe thunderstorms that produced swaths of large to significant hail (approaching baseball size), localized damaging winds, and heavy rainfall.[10] The National Weather Service reported that excessive rainfall, exceeding three inches in parts of Breathitt County, led to localized flash flooding.[11] Additional isolated flash flooding occurred with the second round of thunderstorms late on May 16th and into the early morning hours of May 17th.[12] The storms caused extensive damage and widespread power outages throughout the service territory. At the peak of the event, approximately 10,226 customers were without electric service.

16. The CMI for this severe thunderstorm event was 18,763,565 minutes, exceeding the Major Event Day threshold.

17. The following reflects a summary of the outages caused by this storm event:

5/16/2025 2:00 p.m., approximately 4,888 customers interrupted
5/16/2025 10:00 p.m., approximately 1,727 customers interrupted
5/17/2025 5:00 a.m., approximately 10,226 customers interrupted
5/17/2025 5:00 p.m., approximately 6,950 customers interrupted
5/18/2025 5:00 a.m., approximately 4,079 customers interrupted
5/18/2025 5:00 p.m., approximately 1,119 customers interrupted
5/19/2025 5:00 a.m., approximately 751 customers interrupted
5/19/2025 8:00 p.m., approximately 204 customers interrupted

18. Kentucky Power Company personnel and business partners immediately began assessing the damage and working to restore customers in a safe and timely manner on May 16,

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[10] https://www.weather.gov/jkl/2025-05-16-Somerset-London-Catastrophic-Tornado-and-Eastern-Kentucky-Severe-Weather

[11] *Id.*

[12] *Id.*

2025. However, restoration efforts were hindered due to additional outages resulting from continued inclement weather into the next day.

19. The Company initiated its Incident Command System (described in more detail in the next section of this Application) at 12:00 p.m. on Friday, May 16, 2025, with Michele Ross, Vice President of Distribution Region Operations for Kentucky Power, as Incident Commander.

20. Outside resources were brought in to assist with restoration efforts. The Company's preliminary records indicate approximately 729 internal and contract employees participated in the restoration efforts. This includes mutual assistance personnel from nine different states (Georgia, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, Texas, and West Virginia) as much of the Commonwealth of Kentucky was impacted by this two-day event.

21. Preliminary records indicate damage to 25 transformers, 41 sets of cross arms, 53 broken poles, and 446 spans of conductor.

22. More than 90% of customers were restored by Sunday, May 18, 2025. Service was fully restored to all customers by 9:35 p.m. on Monday, May 19, 2025. Below is an overview of the Company's restoration completion:

a. Ashland District – Sunday, May 18, 2025, at 11:45 a.m.

b. Pikeville District – Monday, May 19, 2025, at 9:05 p.m.

Cost Mitigation Efforts and Contractor Selection

23. Prior to a storm event, the AEP Meteorology team and Kentucky Power actively monitor the weather. To help determine if the weather will be severe, the AEP Meteorology team and the Company utilize a Storm Outage Prediction Model ("SOPM"). The SOPM application is a resource planning tool that uses historical weather events and utility damage to create predictions of utility damage due to the weather forecast.

24. Kentucky Power utilizes the Incident Command System ("ICS") during Major Storm Events. The ICS is a standardized, on-scene, all-hazard incident management tool that allows responders to manage both small and large emergencies, such as outages related to major storms and other events requiring quick responses. It is the same process used by other utilities and agencies, such as the military and local and state government emergency responders, in responding to emergencies.

25. The primary objective of the ICS is to establish an operation structure that will efficiently utilize all available resources to resolve the emergency situation. It also provides timely and accurate damage assessment reports for management, employees, and the general public.

26. The ICS allows the Company to accomplish rapid and orderly repairs of electric facilities for the protection of public health and safety and the restoration of services to all customers in the minimum time possible.

27. Using the SOPM application, reconnaissance assessments, and damage evaluations, Kentucky Power first determines the number of outside resources needed to safely complete repairs and restore service to customers.

28. If it is determined that the severity of system damage has or will likely exceeded the number of available resources, the Company will seek external mutual assistance. The required number of resources correlates with the type of damage; for example, repairing broken poles takes longer than addressing downed wires.

29. AEP, including Kentucky Power Company, is a member of several Regional Mutual Assistance Groups ("RMAGs"). This membership provides access to additional assistance from other utilities when necessary. The Company's representative submits requests to our closest

RMAG for needed resources, and other members indicate whether they can fully or partially fulfill these requests.

30. The main advantage of being part of multiple RMAGs is the ability to request resources from the closest members. If local assistance is limited due to a regional weather event, the Company can expand its requests to other RMAGs, ensuring the required help is received. Additionally, the Company can seek assistance from non-RMAG sources, such as local cooperatives and municipalities.

31. The Company has an onboarding process for mutual assistance and adheres to Edison Electric Institute ("EEI") governing principles for emergency assistance. The EEI governing principles include guidelines for costs and expenses incurred by mutual assistance resources as a result of furnishing emergency assistance. These guidelines include such items as wages, travel and living expenses, and replacement cost of material and supplies expended or furnished.

32. Designated Company employees are given a roster of mutual assistance workers to ensure that the Company is receiving the agreed upon number of mutual assistance workers and is able to collect pertinent information for tracking and resource assignments. With this information, the Company knows what mutual assistance workers are on property, what areas and work they are assigned, as well as the hours that are worked. This helps the Company ensure that labor from mutual assistance is being properly charged. This tracking procedure also helps to ensure mutual assistance is released in due course to help limit expenses incurred from these resources.

33. The Company's use of the EEI governing principles and systematic tracking approach helps to ensure that storm restoration costs are reasonable and prudently incurred.

The Amount to be Accumulated and Deferred

34. Kentucky Power seeks authorization from the Commission to accumulate and defer for review and recovery in a future base rate proceeding the actual incremental O&M costs associated with the Major Event storms incurred to repair damaged facilities and restore service to customers following the storm events described herein.

35. Kentucky Power's base rates contain O&M storm-related expenses totaling $1,012,476 for distribution.[13]

36. Kentucky Power's base rates contain O&M storm-related expenses totaling $88,524 for transmission.[14]

37. The total jurisdictional incremental O&M costs associated with the Major Event storms that would not have been incurred but for the storms is still being calculated at the time of this filing. This Application therefore includes the Company's best current estimates. Consistent with past accepted practice, the Company will update the estimates contained in this Application to the actual amounts when actual costs are known and will file the actual amounts with the Commission in the docket related to this Application.

38. The total jurisdictional incremental O&M costs associated with the May 16-17, 2025 Major Event storms that would not have been incurred but for the storm could be as high as approximately $3.1 million.[15]

39. The total jurisdictional incremental O&M costs associated with the Major Event storms that would not have been incurred but for the storms could be as high as approximately

[13] Retail jurisdictional amount of 1,012,476: (1,013,489 * 0.999 jurisdictional allocation factor).

[14] Retail jurisdictional amount of 88,524: (89,872 * 0.985 jurisdictional allocation factor).

[15] *Id.*

\$3.1 million.[16] Subject to Commission approval in this case, Kentucky Power seeks approval to defer the total jurisdictional incremental O&M expenses associated with the Major Event storms. Kentucky Power's estimate will be developed in accordance with the Company's established accounting policy. Further, the estimate will be subject to disclosure in the Company's quarterly financial statements, in accordance with ASC 275 – Risks and Uncertainties.

Basis for the Requested Accounting Treatment

40. Financial Accounting Standards Board Accounting Standards Codification 980-340-25-1 ("FASB ASC 980-340-25-1") provides for the creation under prescribed circumstances of a regulatory asset. FASB ASC 980-340-25-1 states:

> Rate actions of a regulator can provide reasonable assurance of the existence of an asset. An enterprise shall capitalize all or part of an incurred cost that would otherwise be charged to expense if both of the following criteria are met:
>
> a. It is probable (as defined in Topic 450) that future revenue in an amount at least equal to the capitalized cost will result from the inclusion of that cost in the allowable costs for ratemaking purposes.
>
> b. Based on the available evidence, the future revenue will be provided to permit recovery of the previously incurred cost rather than to provide for expected levels of similar future costs. If the revenue will be provided through an automatic rate-adjustment clause, this criterion requires that the regulator's intent clearly be to permit recovery of the previously incurred cost. A cost that does not meet these asset recognition criteria at the date the cost is incurred shall be recognized as a regulatory asset when it does meet those criteria at a later date.

41. Similarly, 18 C.F.R. Part 101, app. B § 182.3 permits a utility to record a regulatory-created asset "resulting from the ratemaking actions of [a] regulatory agenc[y]" and provides:

> The amounts included in this account are to be established by those charges which would have been included in net income, or accumulated other comprehensive income, determinations in the current period under the

[16] *Id.*

> general requirements of the Uniform System of Accounts ***but for it being probable that such items will be included in a different period(s) for purposes of developing rates that the utility is authorized to charge for its utility services.*** ….[17]

42. Traditionally, the Commission has exercised its discretion to approve a regulatory asset upon demonstration that the expenses to be deferred fall into one of four categories:

> (1) an extraordinary nonrecurring expenses which could not have reasonably been anticipated or included in the utility's planning; (2) an expense resulting from a statutory or administrative directive; (3) an expense in relation to an industry sponsored initiative; or (4) an extraordinary nonrecurring expense that over time will result in a savings that fully offsets the costs.[18]

43. The Commission has exercised its discretion in the past to approve a regulatory asset capitalizing major storm-related costs, to the extent such costs exceed the amount of storm-related costs contained in base rates, under the first category identified above. The Commission has approved regulatory assets for such costs that it has found to be extraordinary[19] and

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[17] 18 C.F.R. Part 101, app. B §Section 182.3 (emphasis supplied).

[18] *In The Matter Of: The Application of East Kentucky Power Cooperative, Inc. For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To Certain Replacement Power Costs Resulting From Generation Forced Outages*, Case No. 2008-00436 at 4 (Ky. P.S.C. December 23, 2012).

[19] *In The Matter Of: Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish Regulatory Assets And Liabilities Related To Extraordinary Expenses Incurred By Kentucky Power Company In Connection With Three Major Storm Events In 2009*, Case No. 2009-00352 (Ky. P.S.C. Dec. 22, 2009) ("*2009 Storm Case*"); *In The Matter Of: Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To Extraordinary Expenses Incurred By Kentucky Power Company In Connection With Three 2020 Major Storm Events*, Case No. 2020-00368 (Ky. P.S.C. Feb. 5, 2021) ("*2020 Storm Case*"); *In The Matter Of: Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With Three February 2021 Major Storm Events*, Case No. 2021-00129 (Ky. P.S.C. Apr. 13, 2021) ("*February 2021 Storm Case*"); *In The Matter Of: Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With The March 1, 2021 Major Storm Event*, Case No. 2021-00402 (Ky. P.S.C. Dec. 29, 2021) ("*March 2021 Storm Case*"); *In The Matter Of: Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With June 2022 And July 2022 Major Storm Events*, Case No. 2022-00293 (Ky. P.S.C. Sep. 28, 2022) ("*June 2022 Storm Case*"); and *In The Matter Of: Electronic Application Of Kentucky Power Company For An Order Approving Accounting Practices To Establish A Regulatory Asset Related To The Extraordinary Expenses Incurred By Kentucky Power Company In Connection With the March 3, 2023, March 25, 2023, and April 1, 2023 Major Event Storms,* Case No. 2023-00137 (Ky. P.S.C. June 5, 2023).

"sufficiently significant."[20] These determinations in turn involve consideration of the collective magnitude of the storm expenses,[21] in relation to the amount of storm-related costs built into the utility's base rates,[22] and the effect a refusal to authorize a deferral would have on the utility's current year financial results.[23]

44. Based on current estimates, the incremental jurisdictional storm expenses for which the Company seeks deferral authority could total as high as approximately $3.1 million, an amount nearly three times the approximately $1.1 million in O&M storm related expenses included in Kentucky Power's base rates. And as previously mentioned, the Company has already incurred the $1.1 million in storm expense this year.

45. Based upon Commission precedent, Kentucky Power seeks Commission approval to create a regulatory asset deferring the incremental Major Event storms-related expenses, as described above. Estimated total jurisdictional incremental storm-related O&M expenses will be deferred and will be trued-up to net actual costs prior to year-end 2025.

46. In accordance with FASB ASC 980-340-25-1 and Commission precedent, Kentucky Power requests that the Commission exercise its authority under KRS 278.220 to prescribe the manner in which the Company keeps its accounts by entering an order permitting Kentucky Power to accumulate and defer for review and recovery in its next base rate proceeding its extraordinary and nonrecurring expenses incurred by the Company in repairing damage and

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[20] *In The Matter Of: Application Of Kentucky Utilities Company For An Order Approving The Establishment Of A Regulatory Asset*, Case No. 2008-00457, Order at 5 (Ky. P.S.C. Dec. 22, 2008) ("*2008 KU Storm Case*").

[21] Order, *2009 Storm Case* at 3 ("Kentucky Power's damage and service restoration costs related to the cumulative effects of the 2009 Storms are clearly extraordinary in nature based on their absolute magnitude and the amount of storm damage expense built into Kentucky Power's base rates.").

[22] *Id.*; Order, *2020 Storm Case* at 3 ("The cost of these storms amount to over seven times Kentucky Power's O&M expense budgets for storm damage of approximately $1.5 million, which are currently embedded in Kentucky Power's base rates.").

[23] Order. *2008 KU Storm Case* at 5-6.

restoring service in connection with the Major Event storms described herein. If the requested relief is granted, Kentucky Power will record the regulatory asset in FERC Account No. 182.3.

Exhibits

47. The following exhibits are incorporated in this application:

a. The Company's August 13, 2025 Certificate of Existence [**EXHIBIT 1**];

b. Breakdown of costs associated with the Major Event storms [**EXHIBIT 2**]; and

c. Counsel's letter to Ms. Linda Bridwell dated June 11, 2025 [**EXHIBIT 3**].

WHEREFORE, Kentucky Power Company respectfully requests the Commission enter an Order:

1. Authorizing Kentucky Power Company in accordance with FASB ASC 980-340-25-1 and Commission precedent to accumulate and defer for review and recovery in the Company's next base rate proceeding the amount of incremental and extraordinary O&M expenses incurred by the Company in repairing damage and restoring service in connection with the Major Storm events described in this Application;

2. Authorizing Kentucky Power to record the deferred amount as a regulatory asset to be recorded in FERC Account No. 182.3; and

3. Granting Kentucky Power all additional relief to which it may be entitled.

This 14th day of August, 2025.

Respectfully submitted,

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Certificate of Existence

Authentication number: 341416
Visit https://web.sos.ky.gov/ftshow/certvalidate.aspx to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

KENTUCKY POWER COMPANY

KENTUCKY POWER COMPANY is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is July 21, 1919 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 13th day of August, 2025, in the 234th year of the Commonwealth.

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
341416/0028317

Glass, Katie

From:	Gish, Kenneth
Sent:	Wednesday, June 11, 2025 1:17 PM
To:	'PSC Executive Director'
Cc:	Glass, Katie
Subject:	Kentucky Power Notice of Regulatory Asset - May 16, 2025 Storm
Attachments:	KPCO Notice of Regulatory Asset - May 16 Storm.pdf

Ms. Bridwell,

Please find attached Kentucky Power Company's notice, pursuant to the Commission's Order in Case No. 2025-00031, that on June 6, 2025 the Company recorded expenses associated with the May 16, 2025 major storm event as a regulatory asset for accounting purposes only to be recorded in the May financial close.

Because this is the first providing such notice following the Commission's Order in Case No. 2025-00031, please let us know if you would prefer that the Company provide notice in a different format.

As always, please let me know if you have any questions.

Thanks, Ken

Kenneth J. Gish
Member
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Mobile:: 859-533-7985
kgish@stites.com

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June 11, 2025

ELECTRONICALLY FILED

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

RE: **Notice of Recording of Storm Expenses as Deferred Asset**

Dear Ms. Bridwell:

Kentucky Power Company ("Kentucky Power" or the "Company") provides notice, pursuant to the Commission's Order in Case No. 2025-00031, that on June 6, 2025 the Company recorded expenses associated with the May 16, 2025 major storm event as a regulatory asset for accounting purposes only to be recorded in the May financial close. At the time of recording, the amount of the regulatory asset was $3,244,345.09. This is a preliminary estimate of the costs associated with recovery from the storm, and the costs are subject to change. Kentucky Power will file an application within 90 days of the storm seeking approval for establishing the regulatory asset.

Please do not hesitate to reach out with any questions.

Very truly yours,

STITES & HARBISON PLLC

Ken Gish

KJG

VERIFICATION

The undersigned, Jeffrey D. Newcomb, being duly sworn, deposes and says he is the Vice President of Regulatory and Finance for Kentucky Power Company, that he has personal knowledge of the matters set forth in the foregoing application and the information contained therein is true and correct to the best of his information, knowledge, and belief.

JDN

Jeffrey D. Newcomb

Commonwealth of Kentucky)
) Case No. 2025-00264
County of Boyd)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Jeffrey D. Newcomb, on August 13, 2025.

Marilyn Michelle Caldwell
Notary Public

MARILYN MICHELLE CALDWELL
Notary Public
Commonwealth of Kentucky
Commission Number KYNP71841
My Commission Expires May 5, 2027

My Commission Expires May 5, 2027

Notary ID Number KYNP71841