Kentucky Power Company
KPSC Case No. 2025-00365
Commission Staff's First Set of Data Requests
Dated January 15, 2026

DATA REQUEST

KPSC 1_1 Refer to the Direct Testimony of Stevi N. Cobern (Cobern Direct Testimony), page 4, lines 17–18.

a. Provide an updated amount, that includes October through December, of the 2025 budget used.

b. Provide an updated participation count for weatherization assistance under the Targeted Energy Efficiency (TEE) program.

RESPONSE

a. The TEE Program used $280,123 of the budget in calendar year 2025.

b. The TEE Program provided weatherization assistance for a total of 69 participants in calendar year 2025.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_2 Refer to the Cobern Direct Testimony, page 4, lines 18–21. Explain the changes in guidance that the community action agencies mentioned to Kentucky Power and how it affected the number of participants.

RESPONSE

Community action agencies administer DOE Weatherization Assistance Program ("WAP") funds and Kentucky Power TEE Program funds, which are intended to be supplemental to DOE funds. It is Kentucky Power's understanding that the DOE guidance for health- and safety-related eligibility for DOE WAP funds changed, making more of the DOE funds available for qualifying households. Because the TEE Program funds are supplemental to DOE funds, there was less need for TEE Program funds due to the increased availability for DOE funds. However, the community action agencies are making an effort to combine health- and safety-related heat pump replacement with DSM measures like the TEE Program to ensure they are appropriately spending and utilizing TEE Program funds.

Witness: Stevi N. Cobern

DATA REQUEST

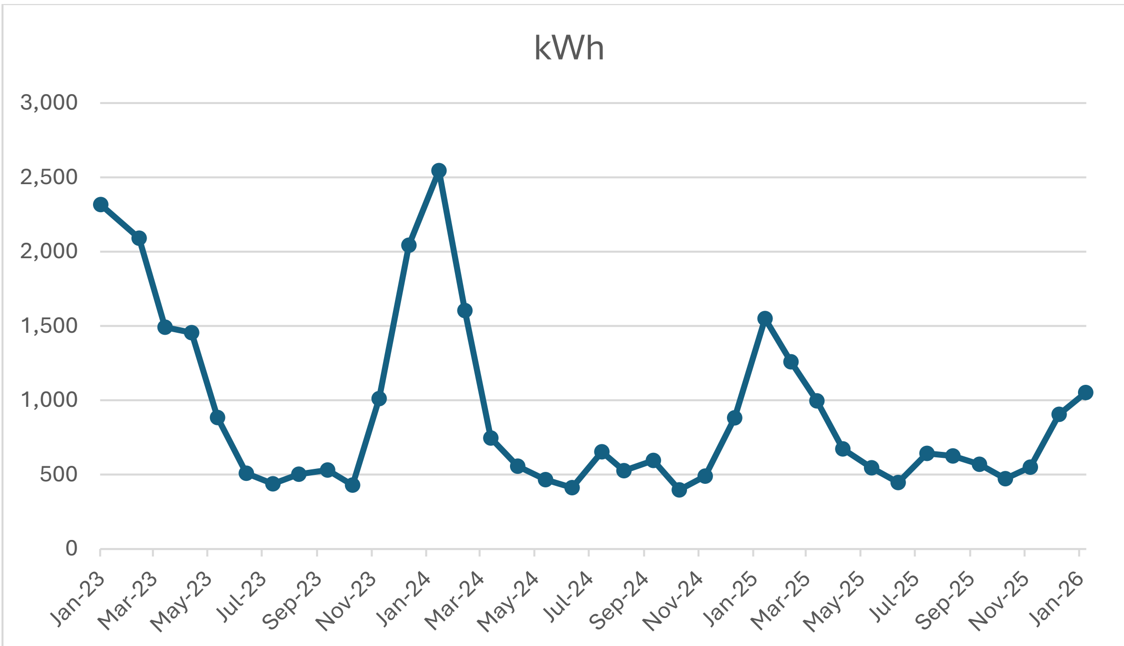
KPSC 1_3 Refer to the Cobern Direct Testimony, page 5, lines 2–6. Refer also to page 4, lines 12–16. Explain the need to increase the budget of the TEE program when only approximately 55 percent of the budget was used through September 2025.

RESPONSE

As an initial matter, during 2025, community action agencies experienced some delays in receiving funds from the Department of Energy (“DOE”), which prevented them from completing crew expansion and increased production as planned. This also has an effect on the amount of TEE funds used, as TEE funds are supplemental to DOE funds. The Company is not aware of any expected delays in DOE funding for 2026 and the community action agencies plan to hire additional staff to enable more homes to be weatherized.

Regardless, the Company understands the unique challenges faced by customers, especially due to housing stock issues in the service territory. The TEE Program directly addresses these concerns by offering weatherization benefits for income qualified customers and can make meaningful improvements to a house that will lower usage and lower the monthly bill. Increasing the budget for the TEE Program provides the opportunity for more customers to receive benefits from the TEE Program.

The chart below reflects usage before and after a customer received weatherization benefits through the TEE Program in 2024. This data is only available on a case-by-case basis as it must be manually accessed and tracked. Nonetheless, this example reflects January 2023 usage at 2,318 kWh, and January 2024 usage at 2,545 kWh, prior to weatherization, which then decreases to 1,550 kWh in January 2025 and 1,053 kWh in January 2026 post-weatherization from the TEE Program.



Examples like these show that expansion of the TEE Program is vital to reaching more customers, and the fact that not all TEE Program funds were used in 2025, which was partially due to factors outside the Company's or customers' control, should not prevent expansion of the program budget.

Witness: Stevi N. Cobern

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DATA REQUEST

KPSC 1_4 Refer to the Cobern Direct Testimony, page 5, lines 17–19. Provide how much of the 2025 budget will shift to 2026.

RESPONSE

For HEIP $406,506 will shift to 2026. For CESP $487,837 will shift to 2026. Please see KPCO_R_KPSC_1_4_Attachment1 for more detail.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_5 Refer to the Cobern Direct Testimony, page 7. Provide how much of the 2025 budget was used for the Home Energy Improvement Program (HEIP), how much of the budget remains, and the amount that will shift into the 2026 budget.

RESPONSE

There was $105,531 in program costs used through September 2025 with an additional $152,644 expected to be used through December 2025 at the time Exhibit SNC-1 was created. Accordingly, there was a total of $258,175 assigned to the 2025 calendar year in Exhibit SNC-1. The total 2025 budget for HEIP was $664,681, and therefore the amount proposed to be shifted into the 2026 budget is $406,506. Please see KPCO_R_KPSC_1_4_Attachment1 for more detail.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_6 Refer to the Cobern Direct Testimony, page 7, lines 3–7. Provide an updated Table SNC-1 to reflect participation numbers through December 2025.

RESPONSE

Please see the below table.

HEIP Program	Nov-25	Dec-25
Total Energy Audit Requests	53	104
Completed Audit	12	19
Scheduled Audit	7	11
Awaiting Scheduling	34	74

Witness: Stevi N. Cobern

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DATA REQUEST

KPSC 1_7 Refer to the Cobern Direct Testimony, page 8, lines 3–6.

a. Explain whether shifting the remaining 2025 budget for the HEIP is associated with the increase in the Demand-Side Management Adjustment Clause residential rate.

b. Provide how much Kentucky Power proposes to increase the HEIP budget excluding the roll-over of the 2025 budget.

RESPONSE

a. The residential DSM rate was increased by $0.000076 per kWh in this filing resulting from shifting the remaining 2025 budget for HEIP to 2026. The increase is attributable to:

- For the estimated period of October 2025 through December 2026, inclusion of three more months (October 2025 through December 2025) into the new program budget; and
- The denominator for the residential factor being lower due to less sales than in the prior update. Notably, this accounts for approximately 91%, or $0.000069, of the increase.

b. The Company is proposing to maintain the 2026 HEIP budget of $548,607 approved in Case No. 2024-00115, not taking into account the budget amounts proposed to be shifted from 2025.

Witness: Lerah M. Kahn (subpart a)

Witness: Stevi N. Cobern (subpart b)

DATA REQUEST

KPSC 1_8 Refer to the Cobern Direct Testimony, page 9, lines 6–9. Explain in more detail what Kentucky Power meant by "may revise incentive amounts . . . based upon program implementation . . . ." Additionally, explain whether Kentucky Power plans to seek Commission approval before revising the incentive amounts.

RESPONSE

Given that the CESP program was approved as a three-year pilot, the Company will evaluate the effectiveness of the program and determine if adjustments are required should the Company seek to extend the program beyond the pilot period. Any changes made to the program would filed with Commission for approval.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_9 Refer to the Cobern Direct Testimony, page 10, lines 3–4.

a. Provide how much Kentucky Power proposed to increase the Commercial Energy Solutions Program (CESP) budget excluding the roll-over of the 2025 budget.

b. Explain whether shifting the remaining 2025 budget for CESP is associated with the increase in the Demand-Side Management Adjustment Clause commercial rate.

RESPONSE

a. The Company proposes to maintain the 2026 CESP budget of $779,409 approved in Case No. 2024-00115, not taking into account the budget amounts proposed to be shifted from 2025.

b. The commercial DSM rate was increased by $0.000236 per kWh in this filing resulting from shifting the remaining 2025 budget for CESP to 2026. The increase is attributable to:

- For the estimated period of October 2025 through December 2026, inclusion of three more months (October 2025 through December 2025) into the new program budget; and
- The denominator for the commercial factor being lower due to less sales than in the prior update. Notably, this accounts for approximately 97%, or $0.000229, of the increase.

Witness: Lerah M. Kahn (subpart b)

Witness: Stevi N. Cobern (subpart a)

DATA REQUEST

KPSC 1_10 Refer to the Cobern Direct Testimony, page 10, lines 3–7. Provide the total amount of the budget used for 2025 and how much of the budget will roll into 2026.

RESPONSE

There was $85,825 in program costs used through September 2025 with an additional $132,349 expected to be used through December 2025 at the time Exhibit SNC-1 was created. Accordingly, there was a total of $222,174 assigned to the 2025 calendar year in Exhibit SNC-1. The total 2025 budget for CESP was $710,011, and therefore, the amount proposed to be shifted into the 2026 budget is $487,837. Please see KPCO_R_KPSC_1_4_Attachment1 for more detail.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_11 Refer to the Cobern Direct Testimony, page 10, lines 4–5. List the proposed additional incentives for heating, ventilation, and air conditioning (HVAC) measures.

RESPONSE

The additional incentives available in year two of the program are consistent with those identified to be rolled out in year two in Case No. 2024-00115, and that were approved by the Commission. These year two measures include HVAC measures such as commercial air conditioning systems, packaged terminal heat pumps, geothermal-heat pumps, air-source heat pumps, heat pump water heaters, and smart thermostats, each installed at the customer's own cost.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_12 Refer to the Cobern Direct Testimony, page 11, lines 3–9. Explain how the timing of the actual implementation of the program lead Kentucky Power to request an increase to the Demand-Side Management surcharge factor, considering the budget nor the desired number of participants were met in 2025.

RESPONSE

The intent of the referenced testimony was to illustrate that the Company’s current DSM rates were predicated on the assumption that the new budgets (and thus costs) would start to be spent earlier in 2025. Shifting these funds to 2026 created an increase in the estimated amounts to be collected in 2026. However, the overall budget of the programs has not changed and the costs to be recovered is subject to true-up to ensure that customers pay no-more or no-less than the actual costs incurred (*see* Exhibit SNC-1 Forms 1.0 and 2.0 at E1). Please also see the Company’s response to KPSC 1_17.

Witness: Lerah M. Kahn

Witness: Stevi N. Cobern

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DATA REQUEST

KPSC 1_13 Refer to the Cobern Direct Testimony, page 11. Provide the anticipated effect on the average commercial customer’s bill as a result of the proposed increase.

RESPONSE

Please see the below table for the requested information.

Customer Classification (1)	**Current charge per kWh** (2)	**Proposed charge per kWh** (3)	**Difference** (4) = (3) - (2)	**Average Monthly Usage* (kWh)** (5)	**Average Monthly $ Increase** (6) = (4) * (5)	**Average Monthly Bill*** (7)	**Average Monthly % Increase** (8) = (6) / (7)
R.S.	$0.000587	$0.000663	0.000076	1,206	$0.09	$198.80	0.05%
G.S. - Secondary	$0.000573	$0.000809	0.000236	1,621	$0.38	$297.34	0.13%
G.S. - Primary	$0.000573	$0.000809	0.000236	8,445	$1.99	$1,398.66	0.14%
G.S. - Subtransmission	$0.000573	$0.000809	0.000236	2,808	$0.66	$858.14	0.08%
G.S. - TOD	$0.000573	$0.000809	0.000236	1,947	$0.46	$337.14	0.14%
L.G.S. - Secondary	$0.000573	$0.000809	0.000236	63,479	$14.98	$9,875.95	0.15%
L.G.S. - Primary	$0.000573	$0.000809	0.000236	112,507	$26.55	$16,612.33	0.16%
L.G.S. - Subtransmission	$0.000573	$0.000809	0.000236	79,962	$18.87	$8,938.43	0.21%
L.G.S. - Transmission	$0.000573	$0.000809	0.000236	94,166	$22.22	$8,452.80	0.26%
L.G.S. - TOD	$0.000573	$0.000809	0.000236	65,124	$15.37	$8,910.19	0.17%

* Based on 12-months ending December 2025

Witness: Lerah M. Kahn

Kentucky Power Company
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DATA REQUEST

KPSC 1_14 Refer to the Application, Exhibit SNC-1, Exhibit_SNC-1.xls.

a. Under the "General Inputs" tab, explain what is meant by the forecasted 2026 numbers being "Based on discussions with CAA and TRC."

b. Under the "Program Costs" tab, explain why the estimated 2026 General Administration and Promotion costs for the residential and commercial programs increase exponentially compared to the combined 2025 costs.

RESPONSE

a. This is a note in the exhibit that indicates the forecast is based on discussions with community action agencies and the Company's implementation contractor, TRC. It is the Company's practice to work with the administrating agencies for all of its programs. For TEE, HEIP, and CESP this means working with community action agencies for the TEE Program and TRC for the HEIP and CESP programs to ensure that the upcoming program year is budgeted appropriately based on their experience for things such as participation and resources. Before submitting this application, the Company spoke with both agencies who confirmed the Company's proposal to shift unspent 2025 funds into 2026 was reasonable and appropriate.

b. The increase in program costs for General Administrative and Promotion expenses results from the Company's proposal to shift unspent 2025 funds into 2026, combined with the pre-planned increases or decreases in those amounts for program year two as described in the Company's application in Case No. 2024-00115. Please see KPCO_R_KPSC_1_4_Attachment1, which provides the original amounts approved in Case No. 2024-00114, as well as the amounts being shifted from 2025 to 2026.

Witness: Stevi N. Cobern

DATA REQUEST

KPSC 1_15 Refer to the Application, generally. Provide updated California Cost-Effectiveness Test results for all of Kentucky Power's active Demand-Side Management programs.

RESPONSE

The Market Potential Study ("MPS") provided in Case No. 2024-00115 provided three-year assumptions for cost-effectiveness for each of the Company's DSM programs. The Company still expects to meet the participation numbers used in the MPS and does not plan to change the overall budget for the three-year pilot time period. As such, the Company expects the results for the California Cost-Effectiveness Test would remain same as what was provided in the MPS.

Witness: Stevi N. Cobern

Kentucky Power Company
KPSC Case No. 2025-00365
Commission Staff's First Set of Data Requests
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DATA REQUEST

KPSC 1_16 Refer to the Application, Exhibit SNC-1, Exhibit_SNC-1.xls. In the "Program Costs" schedule, there is a distinct jump in "Targeted Energy Efficiency" costs estimated for Oct-Dec 2025. Explain what drives this specific cost increase and provide the actual numbers if available.

RESPONSE

The "distinct jump" that Commission Staff may be referring to could be a function of the actual TEE Program costs for October 2024 through December 2024 representing only three months of program costs. Conversely, the actual program costs for January 2025 through September 2025 represent nine months of program costs. The estimated program costs for October 2025 through December 2025 may only be for three months but are explained in the next paragraph. The estimated program costs for January 2026 through December 2026 represent 12 months of program costs.

The Company files a DSM case annually by November 15th. Due to the timing of this filing, the Company uses actual TEE program costs for January through September and estimates costs for October through December and the following year. In 2025, the Company had an annual TEE program budget of $358,185. However, through September, the actual budget spent was $167,008. The Company discussed the underspent budget with the community action agencies and was advised that two of the three agencies would fully spend their allotted budget by the end of the year and thought they could utilize additional unspent funds from the other agency. As such, the Company opted to keep the full remaining unspent budget in 2025, anticipating it would be spent. The community action agencies later stated they could not utilize the additional funds due to staffing levels because of the holidays and vacation times.

Witness: Stevi N. Cobern

Kentucky Power Company
KPSC Case No. 2025-00365
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DATA REQUEST

KPSC 1_17 Refer to the Application, Exhibit SNC-1, Exhibit_SNC-1.xls. The "Incentives" file shows $0.00 in incentives paid for the Commercial sector (CESP) during the "Actual" period of Oct 2024–Dec 2024 and Jan 2025–Sep 2025. Explain the significant incentives estimate for 2026.

RESPONSE

The CESP was always planned to be implemented no earlier than January 2025. However, the CESP was not approved by the Commission as a new DSM program until the Commission's February 28, 2025 Order in Case No. 2024-00115. Given the delay in the CESP implementation due to receiving the Commission's order at the end of February 2025, there was no participation in the program, and therefore no incentives paid, for the periods of October 2024 through December 2024 and January 2025 through September 20245. However, now that participation in the CESP has begun and is expected to increase, so too should incentives paid increase.

Witness: Stevi N. Cobern

VERIFICATION

The undersigned, Stevi N. Cobern, being duly sworn, deposes and says she is a Regulatory Consultant Principle for Kentucky Power, that she has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of her information, knowledge, and belief.

Signed by:
Stevi Cobern
1A4A43C79B4E47F...

Stevi N. Cobern

Commonwealth of Kentucky)
) Case No. 2025-00365
County of Boyd)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Stevi N. Cobern, on 1/28/2026 | 8:47 AM EST.

Signed by:
Michelle Caldwell
E9B1BC7AC31F421...

Notary Public

MARILYN MICHELLE CALDWELL
ONLINE NOTARY PUBLIC
COMMONWEALTH OF KENTUCKY
Commission #KYNP71841
My Commission Expires 5/5/2027

My Commission Expires 05/05/2027

Notary ID Number KYNP71841

VERIFICATION

The undersigned, Lerah M. Kahn, being duly sworn, deposes and says she is the Manager of Regulatory Services for Kentucky Power, that she has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of her information, knowledge, and belief.

Lerah M. Kahn

Lerah M. Kahn

Commonwealth of Kentucky)
) Case No. 2025-00365
County of Boyd)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Lerah M. Kahn, on February 3, 2026.

Marilyn Michelle Caldwell
Notary Public

My Commission Expires May 5, 2027

Notary ID Number KYNP71841

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