DATA REQUEST

KPSC 1_1 Refer to Kentucky Power's Tariff P.P.A. filing in this proceeding, including the workbooks titled "KPCo_PPA_2026_Annual_Update," Tabs PPA Form 1.0, and PPA Form 3.0a. Also refer to Case No. 2025-00307, Kentucky Power's response to Commission Staff's Second Set of Rehearing Requests for Information, Item 1, and the attachment to that response.

a. Recalculate the proposed Tariff P.P.A. rates using the over/under recovery methodology proposed by Kentucky Power in Case No. 2023-00318 and reflected in the attachment to its response to Commission Staff's Second Rehearing Request for Information, Item 1, in Case No. 2025-00307.

b. In the revised calculation, include the Tariff P.P.A. regulatory asset balance as of June 30, 2026, reflecting the balance established pursuant to the Commission's May 28, 2026 Order in Case No. 2025-00307 and all subsequent activity through June 30, 2026.

c. State the revised Tariff P.P.A. over/under recovery amount and reconcile that amount to the $3,849,792.09 regulatory asset balance as of May 28, 2026, identifying and explaining each subsequent adjustment included in the revised amount.

d. Provide the revised Tariff P.P.A. rate calculations, supporting schedules, and proposed tariff sheet. Provide all calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE

Please see the Company's response to each subpart below.

In the response to Commission Staff's Second Set of Rehearing Requests for Information, Item 1, in case No. 2025-00307, the Company requested that the Commission approve the over/under recovery calculation proposed by the Company in Case No. 2023-00318 and "that the Commission include in any Order granting this change explicit language that the change applies to the Company's 2026 annual Tariff P.P.A. update and going forward." However, in light of the fact that the Commission's Order in Case No. 2025-00307 was

issued on October 8, 2026 which was after the Company's 2026 annual Tariff P.P.A. rates were placed into effect, the Company recommends if the Commission approves new rates, the effective date be on a prospective basis to prevent customer confusion around rebills. Any variance in Tariff P.P.A. revenue collected as a result of the October 8, 2026 Order in Case No. 2025-00307can be captured in the next annual P.P.A. update.

a. - b. Please see KPCO_R_KPSC_1_1_Attachment1 for the requested information.

	As of June 30, 2026		
	Mechanism's Over/Under	**Mechanism's Deferral Accounting Reg Asset/Liability**	**Future Base Rate Case Reg Asset**
2025-00307 May 28, 2026 Order	$18,696	$18,696	$3,849,792
Location on KPCO_R_KPSC_1_1_Attachment1, Form 3.0a	O9	O9	M40
2025-00307 October 8, 2026 Rehearing Order	$4,477,590	$4,477,590	N/A
Location on KPCO_R_KPSC_1_1_Attachment1, Form 3.0a	O33	O33	N/A

c. As a result of the October 8, 2026 Rehearing Order in Case No. 2025-00307, both the mechanism's over/under and regulatory asset changed from $18,696 to $4,477,590. This change of $4,458,894 is reconciled as follows:

- Addition of $3,849,792 resulting from the reversion of the regulatory asset established for future recovery in a base rate case in accordance with the Commission's May 28, 2026 Order; and
- Addition of expenses (less base) of $627,798 ($-28,983 which is the prorated amount of May expense month following the May 28, 2026 Order and $656,782 for June expense month).

d. Please see Form 2.0 in KPCO_R_KPSC_1_1_Attachment1 for the rate calculations. Please see KPCO_R_KPSC_1_1_Attachment2 for a redlined and annotated version of P.S.C. KY. NO. 14 Sheet No. 31-2.

Witness: Lerah M. Kahn

Tariff P.P.A. Continued
(Purchase Power Adjustment)

Rates

Tariff Class	$/kWh	$/kW
R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., and R.S.-T.O.D. 2, R.S.D.	$~~0.00022~~0.00187	--
S.G.S.-T.O.D.	$~~0.00019~~0.00187	--
M.G.S.-T.O.D.	$~~0.00019~~0.00187	--
G.S.	$~~0.00019~~0.00187	--
L.G.S., L.G.S.-T.O.D.	$~~0.00007~~0.00189	$~~0.03~~0.00
L.G.S.-L.M.-T.O.D.	$~~0.00017~~0.00187	--
I.G.S. and C.S.-I.R.P.	$~~0.00007~~0.00189	$~~0.04~~(0.01)
M.W.	$~~0.00015~~0.00188	--
O.L.	$~~0.00010~~0.00189	--
S.L.	$~~0.00011~~0.00189	--

The kWh factor as calculated above will be applied to all billing kilowatt-hours for those tariff classes listed above. The kW factor as calculated above will be applied to all on-peak and minimum billing demand kW for the LGS, LGS-T.O.D, IGS, and CS-I.R.P. tariff classes.

The Purchase Power Adjustment factors shall be modified annually using the following formula:

For all tariff classes without demand billing:

$$\text{kWh Factor} = \frac{PPA(E) \times (BE_{Class} / BE_{Total}) + PPA(D) \times (CP_{Class} / CP_{Total})}{BE_{Class}}$$

$$\text{kW Factor} = 0$$

For all tariff classes with demand billing:

$$\text{kWh Factor} = \frac{PPA(E) \times (BE_{Class} / BE_{Total})}{BE_{Class}}$$

$$\text{kW Factor} = \frac{PPA(D) \times (CP_{Class} / CP_{Total})}{BD_{Class}}$$

Continued on Sheet 31-3

DATE OF ISSUE: ~~June 17, 2026~~October 27, 2026
DATE EFFECTIVE: Services Rendered On And After ~~March 1, 2026~~XXXX XX, XXXX
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.: ~~2025-00307~~XXXX-XXXXX Dated ~~May 28, 2026~~XXXX XX, XXXX

Tariff P.P.A. Continued
(Purchase Power Adjustment)

Rates

Tariff Class	$/kWh	$/kW	
R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., and R.S.-T.O.D. 2, R.S.D.	$0.00187	--	I
S.G.S.-T.O.D.	$0.00187	--	
M.G.S.-T.O.D.	$0.00187	--	
G.S.	$0.00187	--	
L.G.S., L.G.S.-T.O.D.	$0.00189	$0.00	R
L.G.S.-L.M.-T.O.D.	$0.00187	--	
I.G.S. and C.S.-I.R.P.	$0.00189	$(0.01)	R
M.W.	$0.00188	--	
O.L.	$0.00189	--	
S.L.	$0.00189	--	

The kWh factor as calculated above will be applied to all billing kilowatt-hours for those tariff classes listed above. The kW factor as calculated above will be applied to all on-peak and minimum billing demand kW for the LGS, LGS-T.O.D, IGS, and CS-I.R.P. tariff classes.

The Purchase Power Adjustment factors shall be modified annually using the following formula:

For all tariff classes without demand billing:

$$\text{kWh Factor} = \frac{PPA(E) \times (BE_{Class} / BE_{Total}) + PPA(D) \times (CP_{Class} / CP_{Total})}{BE_{Class}}$$

$$\text{kW Factor} = 0$$

For all tariff classes with demand billing:

$$\text{kWh Factor} = \frac{PPA(E) \times (BE_{Class} / BE_{Total})}{BE_{Class}}$$

$$\text{kW Factor} = \frac{PPA(D) \times (CP_{Class} / CP_{Total})}{BD_{Class}}$$

Continued on Sheet 31-3

DATE OF ISSUE: October 27, 2026
DATE EFFECTIVE: Services Rendered On And After XXXX XX, XXXX
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

DATA REQUEST

KPSC 1_2 Refer to Kentucky Power's August 27, 2026 responses to Commission Staff's questions concerning Tariff S.S.C., included in Appendix B to the Commission's September 21, 2026 Order in this proceeding. Kentucky Power stated that:

• The existing Tariff S.S.C. mechanism over/under recovery does not function as an accurate true-up because it compares revenues to revenues rather than revenues to actual expenses;
• The Tariff S.S.C. deferral accounting methodology considers both revenues and expenses; and
• Had Kentucky Power's proposed P.P.A. over/under recovery methodology in Case No. 2023-00318 been approved, Kentucky Power would have requested the same treatment for Tariff S.S.C.

a. Explain why the Tariff S.S.C. over/under recovery should not be calculated using the same methodology used in the revised Tariff P.P.A. calculation provided in response to Item 1.

b. Calculate the Tariff S.S.C. over/under recovery and resulting Tariff S.S.C. rate using the methodology applied in response to Item 1 of this request. Provide the revised calculation, supporting schedules, and proposed tariff sheet in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

c. Compare the revised Tariff S.S.C. over/under recovery and rate calculated in response to subpart b with the over/under recovery and rate proposed in Kentucky Power's August 14, 2026 tariff filing in this case. Explain each material difference.

d. Explain how any difference between the Tariff S.S.C. mechanism over/under recovery and the corresponding regulatory asset or liability would be recovered from or returned to customers if the over/under methodology is not changed.

RESPONSE

Please see the Company's response to each subpart below.

In light of the fact that the Company's 2026 annual Tariff S.S.C. rate was placed into effect on October 1, 2026, the Company recommends if the Commission approves a new rate, the effective date be on a prospective basis to prevent customer confusion around rebills.

a. The Company is unaware of a reason that the Tariff S.S.C. over/under recovery should not be calculated using the same methodology as Tariff P.P.A. from Item 1.

b. Please see KPCO_R_KPSC_1_2_Attachment1 for the requested Tariff S.S.C. calculation using the methodology from Item 1. Please see KPCO_R_KPSC_1_2_Attachment2 for redlined and annotated versions of P.S.C. KY. NO. 14 Sheet Nos. 29-1 and 29-2.

c. The only difference between using the over/under for the methodology from Item 1 is that both revenues and expenses, rather than revenue (target) to revenue (collected), are considered. This changes the mechanisms over/under from $(1,245,930) to $(794,941); a variance of $450,989 shown on Form 1.0 of KPCO_R_KPSC_1_2_Attachment1.

d. The recovery of the corresponding regulatory asset or liability would be addressed, if needed, in a future base rate case.

Witness: Lerah M. Kahn

KENTUCKY POWER COMPANY P.S.C. KY. NO. 14 ~~ORIGINAL~~1st REVISED SHEET NO. 29-1
CANCELLING P.S.C. KY. NO ~~13 2nd REVISED~~14 ORIGINAL SHEET NO. 29-1

Tariff S.S.C.
(System Sales Clause)

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. When the annual net revenues from system sales are above or below the annual base net revenues from system sales, as provided in paragraph 2 below, an additional credit or charge equal to the product of the KWHs and a system sales adjustment factor (A) shall be made, where "A", calculated to the nearest 0.0001 mill per kilowatt-hour, is defined as set forth below.

   Annual System Sales Adjustment Factor (A) = (1.0 [Ta –Tb+U/a])/Sa

   In the above formula "T" is Kentucky Power Company's (KPCo) annual net revenues from system sales in the current annual (a), base (b) periods, and "S" is the KWH sales in the current annual (a) period, all defined below. "U/a" represents any under-or-over recovery from the prior period.

   The applicable rate for service rendered on and after ~~September 29, 2025~~XXXX XX, XXXX, calculated in accordance with the above formula, is $(~~0.00029~~0.00005) per kWh.

2. The net revenue from KPCo's sales to non-associated companies as reported in the FERC Energy Regulatory Commission's Uniform System of Accounts under Account 447, Sales for Resale, shall consist of and be derived as follows:

   a. KPCo's total revenues from system sales as recorded in Account 447, less b. and c. below.

   b. KPCo's total out-of-pocket costs incurred in supplying the power and energy for the sales in a. above.

      The out-of-pocket costs include all operating, maintenance, tax, transmission losses and other expenses that would not have been incurred if the power and energy had not been supplied for such sales, including demand and energy charges for power and energy supplied by Third Parties.

   c. KPCo's environmental costs allocated to non-associated utilities in the Company's Environmental Surcharge Report.

3. The base annual net revenues from system sales are: $4,425,300.

4. Sales (S) shall be equated to the sum of (a) generation (including energy produced by generating plant during the construction period), (b) purchase, and (c) interchange-in, less (d) energy associated with pumped storage operations, less (e) inter-system sales and less (f) total system losses.

5. The system sales adjustment factor shall be based upon actual annual revenues and costs for system sales, subject to subsequent adjustment upon final determination of actual revenues and costs.

Continued on Sheet 29-2

DATE OF ISSUE: ~~May 8, 2026~~October 27, 2026
DATE EFFECTIVE Services Rendered On And After ~~March 1, 2026~~XXXX XX, XXXX
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.: ~~2025-00257~~XXXX-XXXXX Dated ~~February 28, 2026~~XXXX XX, XXXX

Tariff S.S.C. Continued
(System Sales Clause)

6. The annual System Sales Clause shall be filed with the Commission no later than August 15th of each year before it is scheduled to go into effect on Cycle 1 of the October billing cycle. The Company shall update the Annual System Sales Adjustment Factor for the period ending June 30, 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.

7. Copies of all documents required to be filed with the Commission under this regulation 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.

Tariff S.S.C.
(System Sales Clause)

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. When the annual net revenues from system sales are above or below the annual base net revenues from system sales, as provided in paragraph 2 below, an additional credit or charge equal to the product of the KWHs and a system sales adjustment factor (A) shall be made, where "A", calculated to the nearest 0.0001 mill per kilowatt-hour, is defined as set forth below.

   Annual System Sales Adjustment Factor (A) = (1.0 [Ta –Tb+U/a])/Sa

   In the above formula "T" is Kentucky Power Company's (KPCo) annual net revenues from system sales in the current annual (a), base (b) periods, and "S" is the KWH sales in the current annual (a) period, all defined below. "U/a" represents any under-or-over recovery from the prior period.

   The applicable rate for service rendered on and after XXXX XX, XXXX, calculated in accordance with the above formula, is $(0.00005) per kWh. T I

2. The net revenue from KPCo's sales to non-associated companies as reported in the FERC Energy Regulatory Commission's Uniform System of Accounts under Account 447, Sales for Resale, shall consist of and be derived as follows:

   a. KPCo's total revenues from system sales as recorded in Account 447, less b. and c. below.

   b. KPCo's total out-of-pocket costs incurred in supplying the power and energy for the sales in a. above.

      The out-of-pocket costs include all operating, maintenance, tax, transmission losses and other expenses that would not have been incurred if the power and energy had not been supplied for such sales, including demand and energy charges for power and energy supplied by Third Parties.

   c. KPCo's environmental costs allocated to non-associated utilities in the Company's Environmental Surcharge Report.

3. The base annual net revenues from system sales are: $4,425,300.

4. Sales (S) shall be equated to the sum of (a) generation (including energy produced by generating plant during the construction period), (b) purchase, and (c) interchange-in, less (d) energy associated with pumped storage operations, less (e) inter-system sales and less (f) total system losses.

5. The system sales adjustment factor shall be based upon actual annual revenues and costs for system sales, subject to subsequent adjustment upon final determination of actual revenues and costs.

Continued on Sheet 29-2

Tariff S.S.C. Continued
(System Sales Clause)

6. The annual System Sales Clause shall be filed with the Commission no later than August 15th of each year before it is scheduled to go into effect on Cycle 1 of the October billing cycle. The Company shall update the Annual System Sales Adjustment Factor for the period ending June 30, 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.

7. Copies of all documents required to be filed with the Commission under this regulation 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.

VERIFICATION

The undersigned, Lerah M. Kahn, being duly sworn, deposes and says she is the Director 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

Commonwealth of Kentucky)
) Case No. 2026-00253
County of Boyd)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Lerah M. Kahn, on October 26, 2026.

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