COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

The Electronic Application Of Kentucky Power Company For: (1) Approval Of Continuation Of Its Demand-Side Management Programs; (2) Authority To Recover Costs And Net Lost Revenues, And To Receive Incentives Associated With The Implementation Of Its Demand-Side Management Programs; (3) Acceptance Of Its Annual DSM Status Report; And (4) All Other Required Approvals And Relief	)	Case No. 2026-00311

DIRECT TESTIMONY OF

STEVI N. COBERN

ON BEHALF OF KENTUCKY POWER COMPANY

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.

A. My name is Stevi N. Cobern, and I am the Distribution Operations Customer Support Manager for Kentucky Power Company ("Kentucky Power" or the "Company"). My business address is 12333 Kevin Avenue, Ashland, Kentucky 41102.

II. BACKGROUND

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE.

A. I received a Regents Bachelor of Arts degree from Marshall University in Huntington, West Virginia in 2022. In 2002, I began working for American Electric Power ("AEP") in AEP's Customer Operations Center. In 2009, I joined Kentucky Power, working in various departments, including meter revenue operations and forestry. I transitioned back to customer service in 2018 as Customer Services Coordinator and was promoted to Customer Services Supervisor in May 2021. In September 2024, I accepted a position as Regulatory Consultant Principal, where I supported the Company's regulatory activities and addressed customer inquiries from the Public Service Commission of Kentucky ("Commission"), the Office of the Attorney General, and Better Business Bureau ensuring timely investigation and response to such inquiries. In April 2026, I accepted my current position as Distribution Operations Customer Support Manager.

Q. WHAT ARE YOUR PRINCIPAL AREAS OF RESPONSIBILITY WITH KENTUCKY POWER?

A. My primary responsibility is supporting the Company's Customer Service group and its demand-side management ("DSM") activities. I am the liaison to the Community Action Agencies ("CAAs") for weatherization programs and the Company's Home Energy Assistance ("HEA") programs. I am responsible for the administration of Kentucky Power's Targeted Energy Efficiency ("TEE") program and HEA programs, which includes the Home Energy Assistance in Reduced Temperatures ("HEART") program, Donation HEART program, and Temporary Heating Assistance in Winter ("THAW") program. My additional responsibilities include supervising key account managers, promoting Kentucky Power's customer programs, and responding to customer inquiries.

Q. HAVE YOU PREVIOUSLY TESTIFIED IN ANY REGULATORY PROCEEDINGS?

A. Yes. I have submitted testimony before this Commission in Case No. 2025-00365, the Company's last annual DSM filing, as well as in Case No. 2019-00366 (Commission's investigation of investor-owned utilities' HEA programs), Case Nos. 2023-00159 and 2025-00257 (the Company's last two base rate cases), Case No. 2024-00115 (the Company's most recent case involving the establishment of demand side management programs), and Case No. 2024-00344 (the Company's application for a certificate of public convenience and necessity to deploy Advanced Metering Infrastructure).

III. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS PROCEEDING?

A. The purpose of my Direct Testimony is to support the Company's request to continue the TEE Program and to provide budget and participant information for the same. I also provide an update on the CAAs' administrative performance, as well as their efforts to advertise the TEE Program to Kentucky Power customers.

IV. TARGETED ENERGY EFFICIENCY PROGRAM

Q. PLEASE PROVIDE A DESCRIPTION OF KENTUCKY POWER'S TEE PROGRAM.

A. Kentucky Power's TEE Program provides weatherization and energy efficiency services to qualifying low-income residential customers in need of help reducing their electricity bills. The TEE Program was expanded in Case No. 2024-00115 to include funding to remedy health, safety, and structural issues that would prevent an otherwise qualifying customer from obtaining weatherization assistance.

Kentucky Power coordinates with local CAAs in the Company's service territory who directly implement the Program. The TEE Program supplements the Commonwealth's Weatherization Assistance Program and Weatherization Readiness Fund.

The TEE Program is available on a voluntary basis to qualifying individual residential customers receiving retail electric service from the Company, who have primary electric heat and use at least an average of 700 kWh per month. Residential customers without primary electric heating may also be eligible for limited efficiency measures if they

have electric water heating and use at least an average of 700 kWh per month from November through March. To qualify, a household's income cannot exceed the designated poverty guidelines as determined by their local CAA.

Q. PLEASE PROVIDE THE CURRENT TEE PROGRAM BUDGET AND PARTICIPATION.

A. The 2026 budget for the TEE Program is $370,060 with a participation target of 95 customers. Additionally, the budget includes $20,000 to make health, safety, and structural repairs, so homes can qualify for additional weatherization assistance. Through September 30, 2026, $283,559 of the budget has been used and 61 participants received weatherization assistance. During the same period, $4,849 of the TEE weatherization readiness budget has been used to make home repairs necessary to allow for the weatherization assistance.

The CAAs confirmed they are working diligently to add participants and expect to use the majority of funds allocated in 2026.

Q. WHAT IS THE APPROVED 2027 BUDGET FOR THE TEE PROGRAM?

A. Consistent with the Company's Application approved by the Commission in Case No. 2024-00115, the TEE Program budget for 2027 is $381,935 (an increase of $11,875 from the 2026 budget) and the participation target is 100 customers for 2027. Additionally, the supplemental funding from the Company to the Weatherization Readiness Fund in 2027 will be $25,000.

V. COMMUNITY ACTION AGENCY CONTRACTS

Q. PLEASE EXPLAIN WHETHER THE COMPANY IS IN THE PROCESS OF EXECUTING CONTRACTS WITH THE COMMUNITY ACTION AGENCIES AS DIRECTED IN THE COMMISSION'S ORDER IN CASE NO. 2025-00365.

A. The Company located Letters of Agreement executed by Kentucky Power and the LKLP Community Action Council between 2009 and 2013. Throughout October 2026, Kentucky Power has been in communication with the CAAs and is working to execute new contracts. The Company will supplement the record of this case with the contracts when they are executed.

VI. TEE PROGRAM MARKETING EFFORTS AND COMMUNITY ACTION AGENCY PERFORMANCE

Q. DESCRIBE WHAT EFFORTS KENTUCKY POWER AND THE COMMUNITY ACTION AGENCIES HAVE MADE TO ENCOURAGE PARTICIPATION IN THE TEE PROGRAM.

A. The Company has worked diligently to promote its DSM programs. Historically, however, the TEE program has not been marketed in the same manner as other DSM programs. This year, the Company expanded its efforts to promote the TEE Program through a customer webinar, customer presentations, the Company's website, and direct customer conversations. In addition, CAAs promote the Weatherization Assistance Program ("WAP"), for which the TEE program provides supplemental funding.

Q. PLEASE EXPLAIN HOW KENTUCKY POWER EXERCISES OVERSIGHT OF COMMUNITY ACTION AGENCIES IN THEIR ADMINISTRATION OF THE TEE PROGRAM.

A. Kentucky Power exercises oversight of the CAAs' administration of the TEE Program through ongoing communication and program monitoring. The Company maintains regular communication with participating CAAs to discuss program administration, address questions or issues, and provide clarification regarding program requirements.

Kentucky Power also conducts a thorough review of invoices and supporting documentation submitted by the CAAs and monitors program expenditures against the approved budget to manage available funding. Additionally, the Company works with the CAAs to reallocate unspent funds among agencies, as needed, to address identified program needs. These activities provide the Company with ongoing visibility into program administration and expenditures and help support the appropriate use of program funding.

Q. PLEASE EVALUATE THE COMMUNITY ACTION AGENCIES' PERFORMANCE AS THIRD-PARTY ADMINISTRATORS.

A. The CAAs have performed well as third-party administrators of the TEE Program for more than 15 years. They are good partners that collaborate frequently with Kentucky Power and are responsive to questions, requests, and program needs. Additionally, from 2021 through 2024, the CAAs demonstrated consistent increases in both customer participation and TEE Program expenditures.

Q. DO YOU RECOMMEND THAT KENTUCKY POWER MAINTAIN ITS WORKING RELATIONSHIP WITH THE COMMUNITY ACTION AGENCIES?

A. Yes, I do. The CAAs have served as reliable third-party administrators of the TEE Program for more than 15 years. Their frequent collaboration with Kentucky Power, responsiveness to questions, requests, and program needs, and demonstrated increases in customer participation and program expenditures support continuation of the working relationship.

VII. REMOVAL OF UNQUALIFIED CUSTOMERS FROM THE TEE PROGRAM WAITLIST

Q. IN ITS ORDER IN CASE NO. 2025-00365, THE COMMISSION ENCOURAGED THE COMPANY TO ADDRESS THE ISSUE OF "UNQUALIFIED CUSTOMERS" ON A WAITLIST. PLEASE IDENTIFY HOW MANY CUSTOMERS ON THE WAITLIST FOR THE TEE PROGRAM ARE NOT QUALIFIED FOR PARTICIPATION.

A. The Company understands the Commission's reference to the term "unqualified customer" in the Order in Case No. 2025-00365 to refer to a customer who otherwise meets the eligibility requirements for weatherization assistance through the WAP and the TEE Program, but whose residence cannot currently qualify for weatherization due to identified health, safety, or structural conditions. The CAAs define this situation as a "deferred application."

Customers seeking weatherization assistance first complete an application, which is reviewed to verify that the customer meets the usage and income level eligibility requirements. An application that meets the eligibility requirements is placed on the waitlist according to program prioritization and remains there pending installation of weatherization measures. Before installation, the application advances to the

preassessment phase, during which the home is assessed. If health, safety, or structural deficiencies are identified, the customer is notified, and the application is returned to the waitlist as "deferred." The customer is given a specified period to correct the deficiencies. If the deficiencies are corrected, a subsequent assessment is conducted to confirm that the home is ready for weatherization.

The CAAs maintain the TEE Program waitlist. As of October 2026, there are a total of 130 customers on the waitlist for weatherization assistance, including 64 customers whose applications are deferred due to health, safety, or structural conditions at their residence.

Q. PLEASE DESCRIBE HOW KENTUCKY POWER INTENDS TO ADDRESS DEFERRED APPLICATIONS ON THE WAITLIST FOR THE TEE PROGRAM.

A. The CAAs currently administer the WAP and TEE Program in a manner that reflects each agency's operational needs, available staffing, and application volume. A weatherization application remains valid for 12 months, after which the customer must recertify household income and continued program eligibility. Current waitlist practices vary among the CAAs. Some CAAs retain an otherwise qualified application on the waitlist for the full 12-month eligibility period when weatherization is deferred because of identified health, safety, or structural conditions, while others review and update their waitlists quarterly.

During contract negotiations, the Company will work with the CAAs to review overall program administration, including waitlist management and reporting practices, and identify opportunities to improve consistency and accuracy.

VIII. CONCLUSION

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

VERIFICATION

The undersigned, Stevi N. Cobern, being duly sworn, deposes and says she is the Distribution Operations Customer Support Manager for Kentucky Power, that she has personal knowledge of the matters set forth in the foregoing testimony and the information contained therein is true and correct to the best of her information, knowledge, and belief after reasonable inquiry.

Stevi N. Cobern

Stevi N. Cobern

Commonwealth of Kentucky)
)
County of Boyd)

Case No. 2026-00311

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Stevi N. Cobern, on October 26, 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