

August 15, 2025

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FILED VIA ELECTRONIC TARIFF FILING SYSTEM

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

RE: **Kentucky Power Company's First Revised Tariff Sheet 33-1 (Tariff D.R.)
and 2nd Revised Tariff Sheet 34-1 (Tariff Sheet S.S.R.).**

Dear Ms. Bridwell:

Kentucky Power Company hereby files redline and annotated versions of P.S.C. KY. NO. 13 1st Revised Tariff Sheet 33-1 (Decommissioning Rider) reflecting updated rates and edits necessary to reflect the impact of securitization on the Securitized Surcharge Rider, and 2nd Revised Tariff Sheet 34-1 (Securitized Surcharge Rider) to ensure that the Decommissioning Rider is excluded from charges to which the Securitized Surcharge Rider applies.

The Company is filing this update to the Decommissioning Rider in accordance with the Commission's October 7, 2013 Order in Case No. 2012-00578, its June 22, 2015 Order in Case No. 2014-00396, and its January 13, 2021 Order in Case No. 2020-00174.

Pursuant to the January 19, 2024 and February 2, 2024 Orders of the Commission in Case No. 2023-00159, collection of the Decommissioning Rider was temporarily suspended pending the securitization of the Decommissioning Rider regulatory asset balance at the time of securitization.

As noted in the Company's July 19, 2024 cover letter associated with these annual filings, the Company continued to defer additional Big Sandy Plant retirement costs that were not included within the amounts to be securitized as discussed above, such as costs associated with Legacy Coal Combustion Residuals Rule compliance, to the Decommissioning Rider regulatory asset balance, as the Commission had previously approved. Accordingly, this annual rate update includes those items to be collected through the Decommissioning Rider going forward and is consistent with the Commission's orders referenced above.

Linda C. Bridwell
August 15, 2025
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Please do not hesitate to contact me if you have any questions.

Very truly yours,

STITES & HARBISON PLLC



Katie M. Glass

KMG

Decommissioning Rider (D.R.)

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

- Pursuant to the final order of the Kentucky Public Service Commission in Case No. 2012-00578 and the Stipulation and Settlement Agreement dated July 2, 2013 as filed and approved by the Commission, Kentucky Power Company is to recover from retail ratepayers the coal-related retirement costs of Big Sandy Unit 1, the retirement costs of Big Sandy Unit 2 and other site-related retirement costs that will not continue in use on a leveled basis, including a weighted average cost of capital (WACC) as set in the Company's most recent Rate Case carrying cost over a 25 year period beginning with the date rates became effective in Case No. 2014-00396. The term "Retirement Costs" are defined as and shall include the net book value, materials and supplies that cannot be used economically at other plants owned by Kentucky Power, and removal costs and salvage credits, asset retirement obligation spent, and operational and maintenance expense, net of related ADIT. Related ADIT shall include the tax benefits from tax abandonment losses.

In accordance with the January 19, 2024 and February 2, 2024 Orders of the Public Service Commission of Kentucky in Case No. 2023-00159 securitization of the entire Decommissioning Rider regulatory asset balance as of April 30, 2025 was completed in June 2025. The Retirement Costs remaining within the Decommissioning Rider after April 30, 2025, are limited to expenses incurred post-securitization related to removal costs and salvage credits, asset retirement obligation spent, and associated operational and maintenance expenses. Those costs will be recovered through this rider on a non-levelized, annual basis.

The applicable rates for service rendered on and after September 29, 2025 to be applied to the revenues described in paragraph 5 of this tariff are:

$$\begin{array}{rclcl} \text{Residential Adjustment} & = & \frac{\$23,220}{\$283,117,288} & = & 0.0082\% \\ \text{Factor} & & & & \\ \\ \text{All Other Classes} & = & \frac{\$29,715}{\$220,527,022} & = & 0.0135\% \\ \text{Adjustment Factor} & & & & \end{array}$$

- The allocation of the actual revenue requirement (ARR) between residential and all other customers shall be based upon their respective contribution to total retail revenues for the most recent twelve month period, ending June 30 according to the following formula:

$$\begin{array}{rclcl} \text{Residential Allocation RA(y)} & = & \text{ARR(y)} & \times & \frac{\text{KY Residential Retail Revenue RR(b)}}{\text{KY Retail Revenue R(b)}} \\ \\ \text{All Other Allocation OA(y)} & = & \text{ARR(y)} & \times & \frac{\text{KY All Other Classes Retail Revenue OR(b)}}{\text{KY Retail Revenue R(b)}} \end{array}$$

Where:

$$\begin{array}{rcl} \text{(y)} & = & \text{the expense year;} \\ \text{(b)} & = & \text{Most recent available twelve month period ended June 30.} \end{array}$$

Continued on Sheet 33-2

DATE OF ISSUE: August 15, 2025
DATE EFFECTIVE: Services Rendered On And After September 29, 2025
ISSUED BY: /s/ Tanner S. Wolfram
TITLE: Director, Regulatory Services
By Authority of an Order of the Public Service Commission
In Case No.: XXXX-XXXXX Dated XXXX XX, XXXX

Decommissioning Rider (D.R.)

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

- Pursuant to the final order of the Kentucky Public Service Commission in Case No. 2012-00578 and the Stipulation and Settlement Agreement dated July 2, 2013 as filed and approved by the Commission, Kentucky Power Company is to recover from retail ratepayers the coal-related retirement costs of Big Sandy Unit 1, the retirement costs of Big Sandy Unit 2 and other site-related retirement costs that will not continue in use on a leveled basis, including a weighted average cost of capital (WACC) as set in the Company's most recent Rate Case carrying cost over a 25 year period beginning with the date rates became effective in Case No. 2014-00396. The term "Retirement Costs" are defined as and shall include the net book value, materials and supplies that cannot be used economically at other plants owned by Kentucky Power, and removal costs and salvage credits, asset retirement obligation spent, and operational and maintenance expense, net of related ADIT. Related ADIT shall include the tax benefits from tax abandonment losses.

In accordance with ~~*Pursuant to~~ the January 19, 2024 and February 2, 2024 Orders of the ~~Kentucky~~ Public Service Commission of Kentucky in Case No. 2023-00159 ~~-securitization of the entire Decommissioning Rider regulatory asset balance as of April 30, 2025 was completed in June 2025. remaining net book value and materials and supplies that cannot be used economically at other plants have been fully securitized. The Retirement Costs remaining within the Decommissioning Rider after April 30, 2025, are limited to expenses incurred post-securitization related to removal costs and salvage credits, asset retirement obligation spent, and associated operational and maintenance expenses. Those costs will be recovered through this rider on a non-levelized, annual basis. collection under this rider is temporarily suspended pending the securitization of the regulatory asset. The Company will continue to accrue carrying charges on the regulatory asset at the Company's approved weighted average cost of capital until securitized bonds are issued. If Kentucky Power is unable to issue securitized bonds, collection under this rider will be reinstated.~~

The applicable rates for service rendered on and after ~~September 29, 2025~~ January 16, 2024 to be applied to the revenues described in paragraph 5 of this tariff are:

$$\begin{array}{lcl} \text{Residential Adjustment Factor} & = & \frac{\$23,220\cancel{\text{XX,XXX,XXX}}}{\$283,117,288\cancel{\text{XX,XXX,XXX}}} = 0.00820\cancel{.0000}\%* \\ \text{All Other Classes Adjustment Factor} & = & \frac{\$29,715\cancel{\text{XX,XXX,XXX}}}{\$220,527,022\cancel{\text{XX,XXX,XXX}}} = 0.01350\cancel{.0000}\%* \end{array}$$

- The allocation of the actual revenue requirement (ARR) between residential and all other customers shall be based upon their respective contribution to total retail revenues for the most recent twelve month period, ending June 30 according to the following formula:

$$\begin{array}{lcl} \text{Residential Allocation RA(y)} & = & \text{ARR(y)} \times \frac{\text{KY Residential Retail Revenue RR(b)}}{\text{KY Retail Revenue R(b)}} \\ \text{All Other Allocation OA(y)} & = & \text{ARR(y)} \times \frac{\text{KY All Other Classes Retail Revenue OR(b)}}{\text{KY Retail Revenue R(b)}} \end{array}$$

DATE OF ISSUE: ~~August 15, 2025~~ February 8, 2024
DATE EFFECTIVE: Services Rendered On And After September 29, 2025 ~~January 16, 2024~~
ISSUED BY: ~~/s/ Tanner S. Wolfram~~ Brian K. West
TITLE: Director, Regulatory Services ~~Vice President, Regulatory & Finance~~

By Authority of an Order of the Public Service Commission
In Case No.: ~~XXXX2023-00159XXXXX~~ Dated ~~XXXX XX, XXXX~~ January 19, 2024; February 2, 2024

Where:

- (y) = the expense year;
(b) = Most recent available twelve month period ended June 30.

Continued on Sheet 33-2

DATE OF ISSUE: ~~August 15, 2025~~February 8, 2024
DATE EFFECTIVE: ~~Services Rendered On And After September 29,~~
~~2025~~January 16, 2024
ISSUED BY: ~~/s/ Tanner S. Wolfram~~Brian K. West
TITLE: ~~Director, Regulatory Services~~Vice President,
Regulatory & Finance

By Authority of an Order of the Public Service Commission

In Case No.: ~~XXXX2023-00159~~XXXXXX Dated ~~XXXX XX, XXXX~~ January
19, 2024; February 2, 2024

Securitized Surcharge Rider (S.S.R.)

Applicable

To all retail electric customers.

Rate

1. Pursuant to the financing order of the Kentucky Public Service Commission in Case No. 2023-00159, Kentucky Power Company is to recover from retail ratepayers the costs approved for securitized bond financing by the Commission. Terms not defined in this rider shall have the meanings ascribed to those terms in that financing order.

This rider is designed to recover from all retail electric customers the amounts necessary to service, repay and administer customer-backed securitized bonds associated with the approved securitized costs pursuant to the terms of the financing order of the Kentucky Public Service Commission in Case No. 2023-00159.

This rider shall remain in effect until the complete repayment and retirement of any securitized bonds, or refunding bonds, associated with the approved securitized costs, together with ongoing financing costs. Upon issuance of a series of securitized bonds, this schedule is irrevocable and associated securitized surcharges are nonbypassable for the full term of that series of securitized bonds.

2. The Periodic Payment Requirement (PPR) is the required periodic payment for a given period due under the securitized bonds as further defined in the financing order.
3. Periodic Billing Requirement (PBR) shall be the aggregate dollar amount of securitized surcharges that must be billed during a given period so that the securitized surcharge collections will be sufficient to meet the sum of all PPR for that period, given: (i) forecast usage and revenue data, excluding the securitized surcharge, for the period; (ii) forecast uncollectibles for the period; and (iii) forecast lags in collection of billed securitized surcharges for the period.
4. The PBR for a given period shall be the sum of (a) the PBR for residential customers for the period (y) (Residential PBR Allocation (y)) and (b) the PBR for all other retail electric customers (non-residential retail electric customers) for the period (y) (Non-Residential PBR Allocation (y)).
5. The Residential PBR Allocation (y) shall be recovered from residential customers through application of the Residential S.S.R. Adjustment Factor to all charges on each residential customers bill for electric service, except for environmental surcharge (ES) and Decommissioning Rider (DR) charges, nonrecurring charges, and pass through charges as discussed and defined in the financing order in Case No. 2023-00159. The charges to which the Residential S.S.R. Adjustment Factor currently applies, based on that definition, are the sum of the customer's Service Charge, Demand Charge, Energy Charge(s), Fuel Adjustment Clause, System Sales Clause, Demand-Side Management Adjustment Clause, Federal Tax Cut, Residential Energy Assistance, and Purchase Power Adjustment. T
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6. The Non-Residential PBR Allocation (y) shall be recovered through application of the Non-Residential S.S.R. Adjustment Factor to all charges on each non-residential retail electric customers bill for electric service, except for charges for base fuel costs and fuel cost adjustments, and environmental surcharge (ES) and Decommissioning Rider (DR) charges, nonrecurring charges, and pass through charges as discussed and defined in the financing order in Case No. 2023-00159. The charges to which the Non-Residential S.S.R. Adjustment Factor currently applies, based on that definition, are the sum of the customer's Service Charge, Demand Charge, Energy Charge(s) less Base Fuel, Minimum Charge, Reactive Charge, System Sales Clause, Demand-Side Management Adjustment Clause, Federal Tax Cut, Kentucky Economic Development Surcharge, and Purchase Power Adjustment. T

Continued on Sheet 34-2

DATE OF ISSUE: August 15, 2025
DATE EFFECTIVE: Services Rendered On And After September 29, 2025
ISSUED BY: /s/ Tanner S. Wolfram
TITLE: Director, Regulatory Services
By Authority of an Order of the Public Service Commission
In Case No.: XXXX-XXXXX Dated XXXX XX, XXXX

Securitized Surcharge Rider (S.S.R.)

Applicable

To all retail electric customers.

Rate

1. Pursuant to the financing order of the Kentucky Public Service Commission in Case No. 2023-00159, Kentucky Power Company is to recover from retail ratepayers the costs approved for securitized bond financing by the Commission. Terms not defined in this rider shall have the meanings ascribed to those terms in that financing order.

This rider is designed to recover from all retail electric customers the amounts necessary to service, repay and administer customer-backed securitized bonds associated with the approved securitized costs pursuant to the terms of the financing order of the Kentucky Public Service Commission in Case No. 2023-00159.

This rider shall remain in effect until the complete repayment and retirement of any securitized bonds, or refunding bonds, associated with the approved securitized costs, together with ongoing financing costs. Upon issuance of a series of securitized bonds, this schedule is irrevocable and associated securitized surcharges are nonbypassable for the full term of that series of securitized bonds.

2. The Periodic Payment Requirement (PPR) is the required periodic payment for a given period due under the securitized bonds as further defined in the financing order.
3. Periodic Billing Requirement (PBR) shall be the aggregate dollar amount of securitized surcharges that must be billed during a given period so that the securitized surcharge collections will be sufficient to meet the sum of all PPR for that period, given: (i) forecast usage and revenue data, excluding the securitized surcharge, for the period; (ii) forecast uncollectibles for the period; and (iii) forecast lags in collection of billed securitized surcharges for the period.
4. The PBR for a given period shall be the sum of (a) the PBR for residential customers for the period (y) (Residential PBR Allocation (y)) and (b) the PBR for all other retail electric customers (non-residential retail electric customers) for the period (y) (Non-Residential PBR Allocation (y)).
5. The Residential PBR Allocation (y) shall be recovered from residential customers through application of the Residential S.S.R. Adjustment Factor to all charges on each residential customers bill for electric service, except for environmental surcharge (ES) and Decommissioning Rider (DR) charges, nonrecurring charges, and pass through charges as discussed and defined in the financing order in Case No. 2023-00159. The charges to which the Residential S.S.R. Adjustment Factor currently applies, based on that definition, are the sum of the customer's Service Charge, Demand Charge, Energy Charge(s), Fuel Adjustment Clause, System Sales Clause, Demand-Side Management Adjustment Clause, Federal Tax Cut, Residential Energy Assistance, and Purchase Power Adjustment.
6. The Non-Residential PBR Allocation (y) shall be recovered through application of the Non-Residential S.S.R. Adjustment Factor to all charges on each non-residential retail electric customers bill for electric service, except for charges for base fuel costs and fuel cost adjustments, and environmental surcharge (ES) and Decommissioning Rider (DR) charges, nonrecurring charges, and pass through charges as discussed and defined in the financing order in Case No. 2023-00159. The charges to which the Non-Residential S.S.R. Adjustment Factor currently applies, based on that definition, are the sum of the customer's Service Charge, Demand Charge, Energy Charge(s) less Base Fuel, Minimum Charge, Reactive Charge, System Sales Clause, Demand-Side Management Adjustment Clause, Federal Tax Cut, Kentucky Economic Development Surcharge, and Purchase Power Adjustment.

Continued on Sheet 34-2

DATE OF ISSUE: August 15, 2025~~May 1, 2025~~
DATE EFFECTIVE: Services Rendered On And After September 29, 2025~~XXXX XX, XXXX~~
ISSUED BY: /s/ Tanner S. Wolfram
TITLE: Director, Regulatory Services
By Authority of an Order of the Public Service Commission
In Case No.: XXXX-XXXXX2023-00159 Dated XXXX XX, XXXX~~April 11, 2025~~