



A unit of American Electric Power

Kentucky Power
101A Enterprise Drive
P O Box 5190
Frankfort, KY 40602-5190
KentuckyPower.com

HAND DELIVERED

May 26, 2015

Jeff R. Derouen, Executive Director
Public Service Commission
P. O. Box 615
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

MAY 26 2015

PUBLIC SERVICE
COMMISSION

RE: Case No. 2014-00271
(To be retained in the Company's General Correspondence file)

Dear Mr. Derouen,

In accordance with the Commission's Order Dated February 13, 2015 in Case No. 2014-00271, Kentucky Power hereby files its monthly DSM update on the level of direct expenditures for April 2015.

If there are any questions please contact me at 502-696-7010.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John A. Rogness III', with a large circular flourish at the end.

John A. Rogness III
Director, Regulatory Services

Attachments

Kentucky Power Company
Summary of Demand Side Management Expenses
Month Ended: April 2015

April expenditures of \$437,897 favorably compared to the budgeted amount of \$409,432 and provided a positive variance of \$28,465. Commercial program expenditures were \$20,821 above budget and residential program expenditures were \$7,644 above budget. Year-to-date, 2015 DSM/EE expenditures were \$51,293 above the budgeted amount. Commercial program expenditures were \$84,833 above budget and residential program expenditures were \$33,541 below budget.

The Mobile Home High Efficiency Heat Pump program is below budget due to the weather and the economy. New dealer forms were distributed in early April representing updated incentives. Dealers were contacted by phone during the first quarter to explain the new forms and to promote the program.

The Target Energy Efficiency Low Income Weatherization program is currently utilizing LIHEAP funds for the majority of the DSM work. DSM program funds are expected to be used at a higher level during and after June 2015, following the reduction of LIHEAP funding.

The Modified Energy Fitness program was affected by weather in February and March preventing a full schedule of weatherization audits for the program. The program implementation contractor Honeywell is also replacing an auditor located in Pikeville, KY, which has resulted in a reduced number of audits for the month. The audit schedule will be adjusted by the implementation contractor during future months to achieve the overall program goal.

The Appliance Recycling implementation contractor did not submit an invoice during April since there were no program participants during March. The program did receive the first customer participants during April, and as a result, invoicing for program expenses is anticipated to be processed in May.

