



A unit of American Electric Power

Kentucky Power
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Frankfort, KY 40602-5190
KentuckyPower.com

HAND DELIVERED

November 24, 2015

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PUBLIC SERVICE
COMMISSION

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

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 October 2015. The attached CD will provide the Commission with the variances between the budget and the expenditures of the Company's DSM programs.

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

Sincerely,

A handwritten signature in blue ink that reads 'John Rogness' with 'SLS' written below it.

John A. Rogness III
Director, Regulatory Services

Attachments

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

October expenditures of \$413,081 were below the budgeted amount of \$454,558 with a negative variance of \$41,478. Commercial program expenditures were \$41,912 below budget and residential program expenditures were \$434 above budget. Year-to-date, 2015 DSM/EE expenditures are \$47,411 above the budgeted amount. Commercial program expenditures are \$227,567 above budget and residential program expenditures are \$180,156 below budget.

The Commercial Incentive program was below budget for October. For YTD, the program is below budget by \$9,538. There were 23 projects completed during October, with \$111,446 incentive payments expensed. Program administrative expenses for September totaling \$34,587 will be included with booked expenses reported with November activities. A customer email-blast issued to 4,978 customers was issued in October. Program advertising on the internet during the month resulted in over 20,000 views. Over 500 television advertisements are planned through November.

The Commercial High Efficiency Heat Pump/AC program is below budget by \$3,110 for the year. To date, there have been 18 units replaced, representing 138% of the programs annual target. Kentucky Power has not been invoiced for charges on this program resulting in a lower 'booked' expense included with YTD program reporting.

The Targeted Energy Efficiency weatherization program was below budget for October by \$22,248. The shortage was mainly due to the Community Action Agencies utilizing LIHEAP funds for the weatherization program. Kentucky Power staff coordinated a conference call with the Community Action Agencies (CAAs) on November 3rd to discuss the program status and end of year performance. The CAAs stated that LIHEAP activities are complete, which will enable increased utilization of DSM program services. Kentucky Power staff also requested the agencies to look for opportunities offered through the program to upgrade homes heating systems with a high efficiency heat pump.

The Residential Efficient Products program was below the monthly budget by \$10,469 but for YTD is above budget by \$69,238. The below monthly target spend for October was due to receiving 1 lighting invoice for the month instead of the normal 2 invoices. The contractor was not able to furnish the invoice of approximately \$26,000 due to processing issues. The lighting invoice will be paid in November.

The Appliance Recycling Program had its best month since the program started with 138 units recycled. For October, the program was \$5,230 above budget.

Kentucky Power Company
DSM/EE Expenditures for 2015

Actual																								
Program	Month of <u>January</u>	Month of <u>February</u>	YTD <u>February</u>	Month of <u>March</u>	YTD <u>March</u>	Month of <u>April</u>	YTD <u>April</u>	Month of <u>May</u>	YTD <u>May</u>	Month of <u>June</u>	YTD <u>June</u>	Month of <u>July</u>	YTD <u>July</u>	Month of <u>August</u>	YTD <u>August</u>	Month of <u>September</u>	YTD <u>September</u>	Month of <u>October</u>	YTD <u>October</u>	Month of <u>November</u>	YTD <u>November</u>	Month of <u>December</u>	YTD <u>December</u>	
Commercial																								
Commercial Incentive	\$ (32,430.35)	\$ 71,009.61	\$ 38,579.26	\$ 134,656.96	\$ 173,236.22	\$ 90,101.01	\$ 263,337.23	\$ 157,201.65	\$ 420,538.88	\$ 97,779.11	\$ 518,317.99	\$ 65,819.77	\$ 584,137.76	\$ 55,454.94	\$ 639,592.70	\$ 136,846.25	\$ 776,438.95	\$ 111,445.60	\$ 887,884.55	\$ -	\$ 887,884.55	\$ -	\$ 887,884.55	
Commercial High Efficiency Heat Pump/AC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200.00	\$ 2,200.00	\$ -	\$ 2,200.00	\$ 850.00	\$ 3,050.00	\$ 1,500.00	\$ 4,550.00	\$ 1,985.00	\$ 6,535.00	\$ 741.00	\$ 7,276.00	\$ -	\$ 7,276.00	\$ -	\$ 7,276.00	\$ -	\$ 7,276.00	
General Administrative and Promotion Commercial	\$ 2,305.90	\$ 23,785.00	\$ 26,090.90	\$ 30,449.66	\$ 56,540.56	\$ 33,737.00	\$ 90,277.56	\$ 19,783.11	\$ 110,060.67	\$ 79,060.54	\$ 189,121.21	\$ -	\$ 189,121.21	\$ 24,169.38	\$ 213,290.59	\$ 264.12	\$ 213,554.71	\$ -	\$ 213,554.71	\$ -	\$ 213,554.71	\$ -	\$ 213,554.71	
School Energy Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ 200,000.00	
Commercial Total	\$ (30,124.45)	\$ 94,794.61	\$ 64,670.16	\$ 165,106.62	\$ 229,776.78	\$ 126,038.01	\$ 355,814.79	\$ 176,984.76	\$ 532,799.55	\$ 177,689.65	\$ 710,489.20	\$ 67,319.77	\$ 777,808.97	\$ 281,609.32	\$ 1,059,418.29	\$ 137,851.37	\$ 1,197,269.66	\$ 111,445.60	\$ 1,308,715.26	\$ -	\$ 1,308,715.26	\$ -	\$ 1,308,715.26	
Residential																								
Residential Efficient Products	\$ (16,913.08)	\$ 75,824.36	\$ 58,911.28	\$ 81,655.46	\$ 140,566.74	\$ 137,935.79	\$ 278,502.53	\$ 100,091.60	\$ 378,594.13	\$ 88,475.81	\$ 467,069.94	\$ 108,390.87	\$ 575,460.81	\$ 88,062.99	\$ 663,523.80	\$ 138,522.08	\$ 802,045.88	\$ 96,578.36	\$ 898,624.24	\$ -	\$ 898,624.24	\$ -	\$ 898,624.24	
Mobile Home High Efficiency Heat Pump	\$ 5,850.00	\$ 3,600.00	\$ 9,450.00	\$ 2,700.00	\$ 12,150.00	\$ 10,300.00	\$ 22,450.00	\$ 6,400.00	\$ 28,850.00	\$ 14,700.00	\$ 43,550.00	\$ 10,950.00	\$ 54,500.00	\$ 11,350.00	\$ 65,850.00	\$ 7,700.00	\$ 73,550.00	\$ 20,250.00	\$ 93,800.00	\$ -	\$ 93,800.00	\$ -	\$ 93,800.00	
Mobile Home New Construction	\$ 4,400.00	\$ 4,400.00	\$ 8,800.00	\$ 7,150.00	\$ 15,950.00	\$ 7,750.00	\$ 23,700.00	\$ 5,450.00	\$ 29,150.00	\$ 9,675.00	\$ 38,825.00	\$ 9,012.50	\$ 47,837.50	\$ 9,850.00	\$ 57,687.50	\$ 4,400.00	\$ 62,087.50	\$ 9,900.00	\$ 71,987.50	\$ -	\$ 71,987.50	\$ -	\$ 71,987.50	
High Efficiency Heat Pump	\$ 15,600.00	\$ 10,422.50	\$ 26,022.50	\$ 24,372.50	\$ 50,395.00	\$ 37,322.50	\$ 87,717.50	\$ 29,525.00	\$ 117,242.50	\$ 33,275.00	\$ 150,517.50	\$ 26,412.50	\$ 176,930.00	\$ 27,550.00	\$ 204,480.00	\$ 23,150.00	\$ 227,630.00	\$ 41,850.00	\$ 269,480.00	\$ -	\$ 269,480.00	\$ -	\$ 269,480.00	
Targeted Energy Efficiency	\$ 12,065.69	\$ 9,109.19	\$ 21,174.88	\$ 30,980.39	\$ 52,155.27	\$ 13,977.69	\$ 66,132.96	\$ 37,169.44	\$ 103,302.40	\$ 34,282.14	\$ 137,584.54	\$ 31,573.64	\$ 169,158.18	\$ 19,189.95	\$ 188,348.13	\$ 21,975.33	\$ 210,323.46	\$ 8,321.69	\$ 218,645.15	\$ -	\$ 218,645.15	\$ -	\$ 218,645.15	
Modified Energy Fitness	\$ 744.88	\$ 83,844.40	\$ 84,589.28	\$ 49,840.62	\$ 134,429.90	\$ 63,148.43	\$ 197,578.33	\$ 75,603.80	\$ 273,182.13	\$ 59,067.00	\$ 332,249.13	\$ 98,690.83	\$ 430,939.96	\$ 103,480.54	\$ 534,420.50	\$ 101,577.11	\$ 635,997.61	\$ 96,825.65	\$ 732,823.26	\$ -	\$ 732,823.26	\$ -	\$ 732,823.26	
Community Outreach Compact Fluorescent Lighting	\$ -	\$ -	\$ -	\$ 12,633.75	\$ 12,633.75	\$ 13,821.54	\$ 26,455.29	\$ -	\$ 26,455.29	\$ -	\$ 26,455.29	\$ 0.37	\$ 26,455.66	\$ 14,598.00	\$ 41,054.38	\$ (0.37)	\$ 41,054.01	\$ -	\$ 41,054.01	\$ -	\$ 41,054.01	\$ -	\$ 41,054.01	
Energy Education for Students	\$ -	\$ -	\$ -	\$ 6,926.40	\$ 6,926.40	\$ -	\$ 6,926.40	\$ -	\$ 6,926.40	\$ -	\$ 6,926.40	\$ 1,800.00	\$ 8,726.40	\$ 1,800.00	\$ 10,526.40	\$ 7,873.60	\$ 18,400.00	\$ 11,375.00	\$ 29,775.00	\$ -	\$ 29,775.00	\$ -	\$ 29,775.00	
General Administrative and Promotion Residential	\$ 2,305.89	\$ 23,785.00	\$ 26,090.89	\$ 10,854.75	\$ 36,945.64	\$ 27,603.00	\$ 64,548.64	\$ 10,652.44	\$ 75,201.08	\$ 49,941.81	\$ 125,142.89	\$ -	\$ 125,142.89	\$ 20,735.42	\$ 145,878.31	\$ 594.12	\$ 146,472.43	\$ -	\$ 146,472.43	\$ -	\$ 146,472.43	\$ -	\$ 146,472.43	
Residential Home Performance	\$ -	\$ -	\$ -	\$ 243,500.00	\$ 243,500.00	\$ -	\$ 243,500.00	\$ -	\$ 243,500.00	\$ 29,500.00	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 29,500.00	\$ 302,500.00	\$ -	\$ 302,500.00	\$ -	\$ 302,500.00	\$ -	\$ 302,500.00		
Appliance Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,254.74	\$ 4,254.74	\$ 8,281.02	\$ 12,535.76	\$ 9,019.39	\$ 21,555.15	\$ 6,713.07	\$ 28,268.22	\$ 12,992.70	\$ 41,260.92	\$ 16,534.33	\$ 57,795.25	\$ -	\$ 57,795.25	\$ -	\$ 57,795.25	
Residential Total	\$ 24,053.38	\$ 210,985.45	\$ 235,038.83	\$ 470,613.87	\$ 705,652.70	\$ 311,858.95	\$ 1,017,511.65	\$ 269,147.02	\$ 1,286,658.67	\$ 327,197.78	\$ 1,613,856.45	\$ 295,850.10	\$ 1,909,706.55	\$ 303,330.69	\$ 2,213,037.24	\$ 348,284.57	\$ 2,561,321.81	\$ 301,635.03	\$ 2,862,956.84	\$ -	\$ 2,862,956.84	\$ -	\$ 2,862,956.84	
DSM Total	\$ (6,071.07)	\$ 305,780.06	\$ 299,708.99	\$ 635,720.49	\$ 935,429.48	\$ 437,896.96	\$ 1,373,326.44	\$ 446,131.78	\$ 1,819,458.22	\$ 504,887.43	\$ 2,324,345.65	\$ 363,169.87	\$ 2,687,515.52	\$ 584,940.01	\$ 3,272,455.53	\$ 486,135.94	\$ 3,758,591.47	\$ 413,080.63	\$ 4,171,672.10	\$ -	\$ 4,171,672.10	\$ -	\$ 4,171,672.10	
Budget																								
Program	Month of <u>January</u>	Month of <u>February</u>	YTD <u>February</u>	Month of <u>March</u>	YTD <u>March</u>	Month of <u>April</u>	YTD <u>April</u>	Month of <u>May</u>	YTD <u>May</u>	Month of <u>June</u>	YTD <u>June</u>	Month of <u>July</u>	YTD <u>July</u>	Month of <u>August</u>	YTD <u>August</u>	Month of <u>September</u>	YTD <u>September</u>	Month of <u>October</u>	YTD <u>October</u>	Month of <u>November</u>	YTD <u>November</u>	Month of <u>December</u>	YTD <u>December</u>	
Commercial																								
Commercial Incentive	\$ 32,870.52	\$ 32,906.77	\$ 65,777.29	\$ 45,906.46	\$ 111,683.75	\$ 75,326.71	\$ 187,010.46	\$ 84,464.77	\$ 271,475.23	\$ 93,602.83	\$ 365,078.06	\$ 132,741.36	\$ 497,819.42	\$ 93,602.83	\$ 591,422.25	\$ 153,000.22	\$ 744,422.47	\$ 153,000.22	\$ 897,422.69	\$ 180,414.40	\$ 1,077,837.09	\$ 344,132.92	\$ 1,421,970.01	
Commercial High Efficiency Heat Pump/AC	\$ -	\$ -	\$ -	\$ -	\$ 1,900.00	\$ 1,900.00	\$ 1,900.00	\$ 1,100.00	\$ 3,000.00	\$ 1,757.14	\$ 4,757.14	\$ 1,757.14	\$ 6,514.28	\$ 1,757.14	\$ 8,271.42	\$ 1,757.14	\$ 10,028.56	\$ 357.14	\$ 10,385.70	\$ 357.15	\$ 10,742.85	\$ 357.15	\$ 11,100.00	
General Administrative and Promotion Commercial	\$ 18,026.97	\$ 18,026.97	\$ 36,053.94	\$ 18,026.96	\$ 54,080.90	\$ 27,990.00	\$ 82,070.90	\$ 22,817.27	\$ 104,888.17	\$ 22,817.27	\$ 127,705.44	\$ 22,817.27	\$ 150,522.71	\$ 22,817.27	\$ 173,339.98	\$ -	\$ 173,339.98	\$ -	\$ 173,339.98	\$ -	\$ 173,339.98	\$ -	\$ 173,339.98	
School Energy Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Commercial Total	\$ 50,897.49	\$ 50,933.74	\$ 101,831.23	\$ 63,933.42	\$ 165,764.65	\$ 105,216.71	\$ 270,981.36	\$ 108,382.04	\$ 379,363.40	\$ 118,177.24	\$ 497,540.64	\$ 157,315.77	\$ 654,856.41	\$ 118,177.24	\$ 773,033.65	\$ 154,757.36	\$ 927,791.01	\$ 153,357.36	\$ 1,081,148.37	\$ 180,771.55	\$ 1,261,919.92	\$ 344,490.07	\$ 1,606,409.99	
Residential																								
Residential Efficient Products	\$ 47,827.70	\$ 47,827.70	\$ 95,655.40	\$ 47,827.70	\$ 143,483.10	\$ 82,964.23	\$ 226,447.33	\$ 82,964.23	\$ 309,411.56	\$ 94,686.46	\$ 404,098.02	\$ 105,918.74	\$ 510,016.76	\$ 105,918.74	\$ 615,935.50	\$ 106,403.62	\$ 722,339.12	\$ 107,047.24	\$ 829,386.36	\$ 129,965.24	\$ 959,351.60	\$ 198,105.50	\$ 1,157,457.10	
Mobile Home High Efficiency Heat Pump	\$ 6,012.12	\$ 6,093.94	\$ 12,106.06	\$ 6,093.94	\$ 18,200.00	\$ 16,400.00	\$ 34,600.00	\$ 9,650.00	\$ 44,250.00	\$ 9,650.00	\$ 53,900.00	\$ 9,650.00	\$ 63,550.00	\$ 9,650.00	\$ 73,200.00	\$ 9,650.00	\$ 82,850.00	\$ 9,650.00	\$ 92,500.00	\$ 7,450.00	\$ 99,950.00	\$ 4,300.00	\$ 104,250.00	
Mobile Home New Construction	\$ 3,273.12	\$ 6,621.51	\$ 9,894.63	\$ 5,505.37	\$ 15,400.00	\$ 8,372.95	\$ 23,772.95	\$ 5,581.97	\$ 29,354.92	\$ 9,739.34	\$ 39,094.26	\$ 8,931.15	\$ 48,025.41	\$ 7,790.16	\$ 55,815.57	\$ 7,240.16	\$ 63,055.73	\$ 8,931.15	\$ 71,986.88	\$ 6,698.36	\$ 78,685.24	\$ 7,814.75	\$ 86,499.99	
High Efficiency Heat Pump	\$ 26,165.00	\$ 17,715.00	\$ 43,880.00	\$ 21,815.00	\$ 65,695.00	\$ 21,883.90	\$ 87,578.90	\$ 28,583.89	\$ 116,512.79	\$ 28,583.89	\$ 145,096.68	\$ 30,633.89	\$ 175,730.57	\$ 28,583.89	\$ 204,664.46	\$ 27,283.89	\$ 231,948.35	\$ 27,733.89	\$ 259,682.24	\$ 19,683.88	\$ 279,366.12	\$ 13,483.88	\$ 292,850.00	
Targeted Energy Efficiency	\$ 17,385.09	\$ 17,285.09	\$ 34,670.18	\$ 17,485.09	\$ 52,155.27	\$ 22,533.15	\$ 74,688.42	\$ 20,153.23	\$ 94,841.65	\$ 25,970.54	\$ 120,812.19	\$ 21,873.67	\$ 142,685.86	\$ 30,423.33	\$ 173,109.19	\$ 30,716.60	\$ 203,825.79	\$ 30,569.96	\$ 234,395.75	\$ 25,960.25	\$ 260,356.00	\$ 33,894.01	\$ 294,250.01	
Modified Energy Fitness	\$ 46,405.20	\$ 47,405.20	\$ 93,810.40	\$ 47,405.21	\$ 141,215.61	\$ 109,521.38	\$ 250,736.99	\$ 110,304.68	\$ 361,041.67	\$ 111,324.11	\$ 472,365.78	\$ 110,304.68	\$ 582,670.46	\$ 111,324.11	\$ 693,994.57	\$ 110,304.68	\$ 804,299.25	\$ 94,336.21	\$ 898,635.46	\$ 93,316.78	\$ 991,952.24	\$ 40,308.78	\$ 1,032,261.02	
Community Outreach Compact Fluorescent Lighting	\$ -	\$ -	\$ -	\$ 4,607.12	\$ 4,607.12	\$ 4,274.92	\$ 8,882.04	\$ 4,686.92	\$ 13,568.96	\$ 4,539.92	\$ 18,108.88	\$ 4,599.92	\$ 22,708.80	\$ 4,599.92	\$ 27,308.72	\$ 4,599.92	\$ 31,908.64	\$ 4,434.92	\$ 36,343.56	\$ 4,637.72	\$ 40,981.28	\$ -	\$ 40,981.28	
Energy Education for Students	\$ -	\$ 477.27	\$ 477.27	\$ 8,022.73	\$ 8,500.00	\$ 300.00	\$ 8,800.00	\$ 11,275.00	\$ 20,075.00	\$ -	\$ 20,075.00	\$ -	\$ 20,075.00	\$ 1,800.00	\$ 21,875.00	\$ -	\$ 21,875.00	\$ 7,193.00	\$ 29,068.00	\$ 2,300.00	\$ 31,368.00	\$ -	\$ 31,368.00	
General Administrative and Promotion Residential	\$ 18,026.96	\$ 18,026.96	\$ 36,053.92	\$ 18,026.97	\$ 54,080.89	\$ 27,990.00	\$ 82,070.89	\$ 27,990.00	\$ 110,060.89	\$ 17,457.28	\$ 127,518.17	\$ 17,457.28	\$ 144,975.45	\$ 17,457.28	\$ 162,432.73	\$ 17,457.28	\$ 179,890.01	\$ -	\$ 179,890.01	\$ -	\$ 179,890.01	\$ -	\$ 179,890.01	
Residential Home Performance	\$ -	\$ -	\$ -	\$ 243,500.00	\$ 243,500.00	\$ -	\$ 243,500.00	\$ -	\$ 243,500.00	\$ 29,500.00	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 29,500.00	\$ 302,500.00	\$ -	\$ 302,500.00	\$ -	\$ 302,500.00	\$ -	\$ 302,500.00	\$ -	\$ 302,500.00
Appliance Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,974.72	\$ 9,974.72	\$ 12,468.40	\$ 2															