



**KENTUCKY  
POWER®**

A unit of American Electric Power

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

**HAND DELIVERED**

February 27, 2015

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FEB 27 2015

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 January 2015, and its program expenditures for November and December 2014.

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

Sincerely,

John A. Rogness III  
Director, Regulatory Services

Attachments

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

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Kentucky Power's January expenses were -\$6,071.07. While a negative number is not desirable, the overall reason for the negative total is primarily related to the unvouchered liability entries processed in December for the two largest programs; Residential Efficient Products, and Commercial Incentive programs. These unvouchered liabilities are processed for expenditures exceeding \$25,000 and represent services rendered in the reporting month, in this case, December 2014. When the actual invoices arrive in January and are validated, the net result (unvouchered less invoice) is the expenditure booked to January business. Although January expenses were negative, the company remains on target to achieve the spending level included with Case No. 2012-00578 by administering the cost effective DSM programs approved in Case 2014-00271.

<b>2014 KENTUCKY POWER DSM</b>	<b>November</b>	<b>December</b>
<b>YTD DSM EXPENDITURE:</b>		
<b>Commercial</b>		
Commercial Incentive	\$703,289	\$1,031,259
Commercial High Efficiency Heat Pump/Air Conditioning	\$14,076	\$14,576
Residential and Commercial HVAC Diagnostics and Tune-up	9,722	10,602
General Administrative and Promotion Commercial	99	17,061
School Energy Manager	0	0
<b>Commercial Total</b>	<b>\$727,185</b>	<b>\$1,073,498</b>
<b>Residential</b>		
Residential Efficient Products	\$697,338	\$904,127
Mobile Home High Efficiency Heat Pump	\$110,148	\$117,398
Mobile Home New Construction	\$82,048	\$95,120
High Efficiency Heat Pump	\$266,387	\$302,887
Targeted Energy Efficiency	\$162,998	\$198,271
Modified Energy Fitness	\$630,884	\$791,419
Community Outreach Compact Fluorescent Lighting	\$63,970	\$63,970
Energy Education for Students	\$29,990	\$35,990
Residential and Commercial HVAC Diagnostics and Tune-up	17,509	26,089
General Administrative and Promotion Residential	99	30,781
Residential Home Performance	64,666	97,000
Appliance Recycling	0	0
<b>Residential Total</b>	<b>\$2,126,037</b>	<b>\$2,663,051</b>
<b>TOTAL DSM</b>	<b>\$2,853,222</b>	<b>\$3,736,549</b>