



A unit of American Electric Power

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

HAND DELIVERED

September 21, 2015

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

RECEIVED
SEP 21 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 August 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 long horizontal line extending to the right.

John A. Rogness III
Director, Regulatory Services

Attachments

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

August expenditures of \$584,940 were above the budgeted amount of \$457,354 and provided a positive variance of \$127,586. Commercial program expenditures were \$163,432 above budget and residential program expenditures were \$35,846 below budget. Year-to-date, 2015 DSM/EE expenditures are \$118,122 above the budgeted amount. Commercial program expenditures are \$286,385 above budget and residential program expenditures are \$168,263 below budget.

The Commercial Incentive program was below budget for August, but YTD, the program is above budget by \$48,170. There were 10 project payments totaling \$38,839 that were completed at the end of August, but were not submitted with contractor invoicing associated with the August program expenses. These projects will be included in the total projects approved for the program payment in September.

The Residential Efficient Products program was behind budget in August but overall the YTD performance is positive at \$47,588 above budget. Incentive payments of \$37,946 were not booked in August but are expected to be recorded with program incentive expenses booked in September.

The Modified Energy Fitness program was below budget for August, and the program remains below the YTD target. However, the program is trending positively with 189 customer homes weatherized for August. A direct mail campaign is set to begin at the end of September that will reach 46,000 customers who are eligible for the program.

The Targeted Energy Efficiency weatherization program was below target for August due to an increase with the Community Action Agencies program investment using LIHEAP funds for installed weatherization services and conservation measures. The program is above the YTD target budget by \$15,239.

The Appliance Recycling program continues to trend below budget targets but overall customer participation is improving with 80 units recycled during August compared to 42 units in July. Effective September 1st, customer incentive payments were increased from \$50 to \$55 to generate more customer participation with the program. The increased customer incentive will continue through December 31, 2015 and an emphasis with program marketing is targeting customer awareness of the program incentive payment change. Marketing activities include a press release, increased bill messages, email blast, print publications such as community newsletters, and a recent taping of a television interview on the program.

Kentucky Power Company
DSM/EE Expenditures for 2015

Actual Program	Month of January	Month of February	YTD February	Month of March	YTD March	Month of April	YTD April	Month of May	YTD May	Month of June	YTD June	Month of July	YTD July	Month of August	YTD August	Month of September	YTD September	Month of October	YTD October	Month of November	YTD November	Month of December	YTD December	
	Commercial																							
Commercial Incentive	\$ (32,430.35)	\$ 71,009.61	\$ 38,579.26	\$ 134,056.96	\$ 172,236.22	\$ 90,101.01	\$ 264,337.23	\$ 157,201.65	\$ 420,538.88	\$ 97,772.11	\$ 518,317.99	\$ 65,819.77	\$ 584,137.76	\$ 55,454.94	\$ 639,592.70	\$ -	\$ 639,592.70	\$ -	\$ 639,592.70	\$ -	\$ 639,592.70	\$ -	\$ 639,592.70	
Commercial High Efficiency Heat Pump/AC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200.00	\$ 2,200.00	\$ -	\$ 2,200.00	\$ 8,500.00	\$ 10,700.00	\$ 1,900.00	\$ 12,600.00	\$ 1,850.00	\$ 14,450.00	\$ -	\$ 14,450.00	\$ -	\$ 14,450.00	\$ -	\$ 14,450.00	\$ -	\$ 14,450.00	
General Administrative and Promotion Commercial	\$ 2,305.90	\$ 23,785.00	\$ 26,090.90	\$ 30,449.64	\$ 35,340.54	\$ 93,757.00	\$ 120,067.57	\$ 19,783.11	\$ 139,850.67	\$ 79,050.54	\$ 219,901.21	\$ -	\$ 219,901.21	\$ 183,121.21	\$ 403,022.42	\$ -	\$ 403,022.42	\$ -	\$ 403,022.42	\$ -	\$ 403,022.42	\$ -	\$ 403,022.42	
School Energy Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Commercial Total	\$ (30,124.45)	\$ 94,794.61	\$ 64,670.16	\$ 164,506.60	\$ 222,776.76	\$ 126,034.01	\$ 355,814.79	\$ 176,984.76	\$ 532,793.55	\$ 177,089.65	\$ 710,489.20	\$ 67,719.77	\$ 777,208.97	\$ 281,699.32	\$ 1,059,418.29	\$ -	\$ 1,059,418.29	\$ -	\$ 1,059,418.29	\$ -	\$ 1,059,418.29	\$ -	\$ 1,059,418.29	
Residential																								
Residential Efficiency Products	\$ (16,919.08)	\$ 75,424.36	\$ 58,911.28	\$ 81,655.46	\$ 140,956.74	\$ 197,935.79	\$ 276,502.53	\$ 100,091.60	\$ 376,594.13	\$ 88,475.81	\$ 465,069.94	\$ 108,390.87	\$ 573,460.81	\$ 68,062.99	\$ 641,523.80	\$ -	\$ 641,523.80	\$ -	\$ 641,523.80	\$ -	\$ 641,523.80	\$ -	\$ 641,523.80	
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	\$ -	\$ 65,850.00	\$ -	\$ 65,850.00	\$ -	\$ 65,850.00	\$ -	\$ 65,850.00	
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	\$ 4,950.00	\$ 28,650.00	\$ 9,850.00	\$ 38,500.00	\$ 9,250.00	\$ 47,750.00	\$ 38,500.00	\$ 86,250.00	\$ -	\$ 86,250.00	\$ -	\$ 86,250.00	\$ -	\$ 86,250.00	\$ -	\$ 86,250.00	
High Efficiency Heat Pump	\$ 15,600.00	\$ 10,422.50	\$ 26,022.50	\$ 24,872.50	\$ 50,995.00	\$ 37,322.50	\$ 88,317.50	\$ 29,525.00	\$ 117,842.50	\$ 31,275.00	\$ 149,117.50	\$ 28,412.50	\$ 177,530.00	\$ 22,750.00	\$ 200,280.00	\$ -	\$ 200,280.00	\$ -	\$ 200,280.00	\$ -	\$ 200,280.00	\$ -	\$ 200,280.00	
Targeted Energy Efficiency	\$ 12,065.69	\$ 9,109.19	\$ 21,174.88	\$ 30,580.63	\$ 52,152.27	\$ 18,977.69	\$ 66,132.96	\$ 37,169.44	\$ 103,302.40	\$ 94,282.14	\$ 137,584.54	\$ 51,573.64	\$ 189,158.18	\$ 152,695.95	\$ 341,854.13	\$ -	\$ 341,854.13	\$ -	\$ 341,854.13	\$ -	\$ 341,854.13	\$ -	\$ 341,854.13	
Modified Energy Fitness	\$ 744.88	\$ 83,844.40	\$ 84,589.28	\$ 49,840.02	\$ 134,429.30	\$ 63,348.43	\$ 197,777.73	\$ 75,603.80	\$ 273,381.53	\$ 92,076.00	\$ 365,457.53	\$ 88,690.83	\$ 454,148.36	\$ 10,420.50	\$ 464,568.86	\$ -	\$ 464,568.86	\$ -	\$ 464,568.86	\$ -	\$ 464,568.86	\$ -	\$ 464,568.86	
Community Outreach Compact Fluorescent Lighting	\$ -	\$ -	\$ -	\$ 12,033.75	\$ 12,033.75	\$ 13,621.54	\$ 25,655.29	\$ -	\$ 25,655.29	\$ -	\$ 25,655.29	\$ -	\$ 25,655.29	\$ 3.37	\$ 25,658.66	\$ 34,558.72	\$ 42,054.38	\$ -	\$ 42,054.38	\$ -	\$ 42,054.38	\$ -	\$ 42,054.38	
Energy Education for Students	\$ -	\$ -	\$ -	\$ 6,236.40	\$ 6,236.40	\$ -	\$ 6,236.40	\$ -	\$ 6,236.40	\$ -	\$ 6,236.40	\$ -	\$ 6,236.40	\$ 1,800.00	\$ 8,036.40	\$ -	\$ 8,036.40	\$ -	\$ 8,036.40	\$ -	\$ 8,036.40	\$ -	\$ 8,036.40	
General Administrative and Promotion Residential	\$ 2,305.89	\$ 23,785.00	\$ 26,090.89	\$ 30,547.75	\$ 35,945.64	\$ 27,603.00	\$ 63,548.64	\$ 10,652.44	\$ 74,201.08	\$ 49,941.81	\$ 124,142.89	\$ -	\$ 124,142.89	\$ 125,142.89	\$ 249,285.78	\$ -	\$ 249,285.78	\$ -	\$ 249,285.78	\$ -	\$ 249,285.78	\$ -	\$ 249,285.78	
Residential Home Performance	\$ -	\$ -	\$ -	\$ 243,500.00	\$ 243,500.00	\$ -	\$ 243,500.00	\$ -	\$ 243,500.00	\$ 29,500.00	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	
Appliance Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,254.74	\$ -	\$ 4,254.74	\$ 4,254.74	\$ 8,509.48	\$ 12,763.78	\$ 17,018.26	\$ 21,272.76	\$ 25,527.26	\$ -	\$ 25,527.26	\$ -	\$ 25,527.26	\$ -	\$ 25,527.26	\$ -	\$ 25,527.26	
Residential Total	\$ 24,053.38	\$ 110,935.45	\$ 135,518.83	\$ 170,652.70	\$ 341,305.49	\$ 181,858.95	\$ 523,164.48	\$ 169,147.82	\$ 692,312.30	\$ 216,658.67	\$ 908,970.97	\$ 239,856.10	\$ 1,148,827.07	\$ 180,113.69	\$ 1,328,940.76	\$ -	\$ 1,328,940.76	\$ -	\$ 1,328,940.76	\$ -	\$ 1,328,940.76	\$ -	\$ 1,328,940.76	
DSM Total	\$ (5,071.07)	\$ 305,780.06	\$ 299,708.99	\$ 635,720.40	\$ 935,429.48	\$ 497,893.06	\$ 1,379,326.64	\$ 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	\$ -	\$ 3,272,455.53	\$ -	\$ 3,272,455.53	\$ -	\$ 3,272,455.53	\$ -	\$ 3,272,455.53	
Budget Program																								
Commercial																								
Commercial Incentive	\$ 32,870.52	\$ 32,906.77	\$ 65,777.29	\$ 45,306.46	\$ 111,683.75	\$ 75,316.71	\$ 187,000.46	\$ 84,664.77	\$ 271,665.23	\$ 375,475.23	\$ 91,602.89	\$ 367,078.12	\$ 132,741.36	\$ 499,819.42	\$ 632,560.83	\$ 591,422.25	\$ 1,184,000.22	\$ 744,412.47	\$ 1,928,412.69	\$ 1,800,414.40	\$ 1,077,897.08	\$ 844,132.83	\$ 1,421,970.01	
Commercial High Efficiency Heat Pump/AC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900.00	\$ 1,900.00	\$ -	\$ 1,900.00	\$ 7,571.14	\$ 9,471.14	\$ 1,751.14	\$ 11,222.28	\$ 1,751.14	\$ 12,973.42	\$ -	\$ 12,973.42	\$ -	\$ 12,973.42	\$ -	\$ 12,973.42	\$ -	\$ 12,973.42	
General Administrative and Promotion Commercial	\$ 18,026.97	\$ 18,026.97	\$ 36,053.94	\$ 36,053.94	\$ 72,107.88	\$ 72,107.88	\$ 144,215.76	\$ 144,215.76	\$ 288,431.52	\$ 288,431.52	\$ 576,863.04	\$ 576,863.04	\$ 1,153,726.08	\$ 1,153,726.08	\$ 2,307,452.16	\$ 2,307,452.16	\$ 4,614,904.32	\$ 4,614,904.32	\$ 9,229,808.64	\$ 9,229,808.64	\$ 18,459,617.28	\$ 18,459,617.28	\$ 36,919,234.56	
School Energy Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Commercial Total	\$ 50,897.49	\$ 50,933.74	\$ 101,831.23	\$ 81,360.40	\$ 183,791.63	\$ 122,633.49	\$ 313,016.46	\$ 128,680.53	\$ 463,566.23	\$ 653,641.37	\$ 193,364.03	\$ 773,941.36	\$ 234,492.50	\$ 923,792.84	\$ 1,244,013.01	\$ 1,184,844.41	\$ 2,368,856.82	\$ 1,458,824.87	\$ 3,827,225.11	\$ 3,630,632.84	\$ 2,140,770.50	\$ 1,346,100.31	\$ 2,468,940.43	
Residential																								
Residential Efficiency 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	\$ 94,656.46	\$ 404,068.02	\$ 105,518.74	\$ 509,586.76	\$ 105,518.74	\$ 615,105.50	\$ 509,586.76	\$ 1,124,692.26	\$ 724,178.13	\$ 1,848,870.39	\$ 1,734,751.24	\$ 1,012,822.54	\$ 611,928.79	\$ 1,624,751.33	
Mobile Home High Efficiency Heat Pump	\$ 6,012.12	\$ 6,012.12	\$ 12,024.24	\$ 6,012.12	\$ 18,036.36	\$ 12,024.24	\$ 36,048.48	\$ 12,024.24	\$ 48,072.72	\$ 16,024.24	\$ 64,096.96	\$ 16,024.24	\$ 80,121.20	\$ 16,024.24	\$ 96,145.44	\$ -	\$ 96,145.44	\$ -	\$ 96,145.44	\$ -	\$ 96,145.44	\$ -	\$ 96,145.44	
Mobile Home New Construction	\$ 3,273.11	\$ 3,273.11	\$ 6,546.22	\$ 3,273.11	\$ 9,819.33	\$ 3,273.11	\$ 13,092.44	\$ 3,273.11	\$ 16,365.55	\$ 5,446.22	\$ 21,811.77	\$ 5,446.22	\$ 27,257.99	\$ 5,446.22	\$ 32,704.21	\$ -	\$ 32,704.21	\$ -	\$ 32,704.21	\$ -	\$ 32,704.21	\$ -	\$ 32,704.21	
High Efficiency Heat Pump	\$ 26,165.00	\$ 17,715.00	\$ 43,880.00	\$ 21,815.00	\$ 65,695.00	\$ 21,815.00	\$ 87,510.00	\$ 28,530.00	\$ 116,040.00	\$ 38,580.00	\$ 154,620.00	\$ 38,580.00	\$ 193,200.00	\$ 24,660.00	\$ 217,860.00	\$ -	\$ 217,860.00	\$ -	\$ 217,860.00	\$ -	\$ 217,860.00	\$ -	\$ 217,860.00	
Targeted Energy Efficiency	\$ 37,583.09	\$ 17,283.99	\$ 54,867.08	\$ 17,283.99	\$ 52,150.98	\$ 17,283.99	\$ 69,434.97	\$ 17,283.99	\$ 86,718.96	\$ 24,567.98	\$ 111,286.94	\$ 24,567.98	\$ 135,854.92	\$ 24,567.98	\$ 160,422.90	\$ -	\$ 160,422.90	\$ -	\$ 160,422.90	\$ -	\$ 160,422.90	\$ -	\$ 160,422.90	
Modified Energy Fitness	\$ 46,403.20	\$ 47,405.20	\$ 93,806.40	\$ 47,405.20	\$ 141,211.60	\$ 93,806.40	\$ 235,018.00	\$ 93,806.40	\$ 328,824.40	\$ 137,612.80	\$ 566,437.20	\$ 137,612.80	\$ 704,050.00	\$ 137,612.80	\$ 841,662.80	\$ -	\$ 841,662.80	\$ -	\$ 841,662.80	\$ -	\$ 841,662.80	\$ -	\$ 841,662.80	
Community Outreach Compact Fluorescent Lighting	\$ -	\$ -	\$ -	\$ 4,607.12	\$ 4,607.12	\$ -	\$ 4,607.12	\$ -	\$ 4,607.12	\$ 5,758.95	\$ 10,366.07	\$ -	\$ 10,366.07	\$ 4,599.92	\$ 14,966.00	\$ 19,565.92	\$ -	\$ 19,565.92	\$ -	\$ 19,565.92	\$ -	\$ 19,565.92	\$ -	\$ 19,565.92
Energy Education for Students	\$ -	\$ 477.27	\$ 477.27	\$ 4,607.12	\$ 5,084.39	\$ 300.00	\$ 5,384.39	\$ 300.00	\$ 5,684.39	\$ 12,374.39	\$ 13,674.39	\$ -	\$ 13,674.39	\$ 1,800.00	\$ 15,474.39	\$ -	\$ 15,474.39	\$ -	\$ 15,474.39	\$ -	\$ 15,474.39	\$ -	\$ 15,474.39	
General Administrative and Promotion Residential	\$ 18,026.96	\$ 18,026.96	\$ 36,053.92	\$ 36,053.92	\$ 72,107.84	\$ 72,107.84	\$ 144,215.68	\$ 144,215.68	\$ 288,431.36	\$ 288,431.36	\$ 576,862.72	\$ 576,862.72	\$ 1,153,725.44	\$ 1,153,725.44	\$ 2,307,450.88	\$ 2,307,450.88	\$ 4,614,901.76	\$ 4,614,901.76	\$ 9,229,803.52	\$ 9,229,803.52	\$ 18,459,607.04	\$ 18,459,607.04	\$ 36,919,214.08	
Residential Home Performance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Appliance Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,747.72	\$ -	\$ 9,747.72	\$ 12,664.40	\$ 22,412.12	\$ 35,076.52	\$ 47,739.92	\$ 60,394.32	\$ 73,048.72	\$ -	\$ 73,048.72	\$ -	\$ 73,048.72	\$ -	\$ 73,048.72	\$ -	\$ 73,048.72	
Residential Total	\$ 159,095.19	\$ 161,432.67	\$ 322,865.36	\$ 161,432.67	\$ 484,260.39	\$ 254,211.25	\$ 738,471.71	\$ 254,211.25	\$ 1,032,682.9															