

HAND DELIVERED

December 21, 2015

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 November 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,



John A. Rogness III
Director, Regulatory Services

Attachments

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PUBLIC SERVICE
COMMISSION

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

November expenditures of \$483,123.81 were above the budgeted amount of \$479,128.87 with a positive variance of \$3,994.94. Commercial program expenditures were \$56,879 below budget and residential program expenditures were \$60,874 above budget. Year-to-date, 2015 DSM/EE expenditures are \$51,405 above the budgeted amount. Commercial program expenditures are \$170,688 above budget and residential program expenditures are \$119,282 below budget. The DSM portfolio is expected to meet the overall program expenditure goal as set forth in the Commission's Order in Case No. 2012-00578 dated October 7, 2013.

The Commercial Incentive program was below budget for November. There were 14 projects completed during the month and \$51,363 incentive payments expensed. Program advertising on the internet during November resulted in over 20,000 views. Approximately 553 television advertisements spots aired in November. Program check promotions continue through Company customer service staff. The program is expected to meet the annual expenditure target.

The Commercial High Efficiency Heat Pump/AC program was below budget by \$3,466.85 for the year through November. To date there have been 19 units replaced representing 146% of the program annual target of 13 units. Kentucky Power has not been invoiced for charges on this program by DNV GL Energy Services USA Inc. resulting in a lower than expected 'booked' expense for the YTD. DNV GL Energy Services USA Inc. has submitted these invoices to be paid in December. The program is expected to meet the annual expenditure target.

The Targeted Energy Efficiency weatherization program was below spending target for November. The YTD expense shortage was mainly due to the Community Action Agencies ("CAA") utilizing LIHEAP funds for the weatherization program. The CAAs stated that LIHEAP activities are complete, allowing for increased utilization of the DSM program services. KPCO staff also requested the agencies to look for opportunities offered through the program to upgrade homes heating system with a high efficiency heat pump. This program will be close to meeting the annual target expenditure. We expect to meet approximately 94% of the annual target. One agency has not sent the November invoice for payment and Kentucky Power does not expect the invoice until January.

The Mobile Home New Construction program was \$556 below budget for November but the YTD program participation is at 92% of the annual target goal. The YTD expense through November is at 90% of the program target. The program is expected to meet the annual program expenditure target.

The Community Outreach CFL program was \$4,637.72 below budget for November but the YTD is at annual program target level. The variance is due to a projected CFL purchase. The actual CFL purchase was completed in August. The program is expected to meet the annual program expenditure target.

The Energy Education for Students program was \$2,300.00 below budget for November but the YTD program expense is 95% of the annual target goal. The variance is due to a projected CFL material purchase in November that was made in December. The program is expected to meet the annual program target.

Kenedy Power Company
DSM/EE Expenditures for 2015

Actual		YTD		YTD		YTD		YTD		YTD		YTD		YTD		YTD		YTD		YTD		
Program	Month of January	Month of February	Month of February	Month of March	Month of March	Month of April	Month of April	Month of May	Month of May	Month of June	Month of June	Month of July	Month of July	Month of August	Month of August	Month of September	Month of September	Month of October	Month of October	Month of November	Month of November	
Commercial																						
Commercial Incentive	\$ (37,416.35)	\$ 71,009.61	\$ 28,579.26	\$ 184,856.98	\$ 173,216.22	\$ 90,101.01	\$ 263,337.23	\$ 157,201.65	\$ 420,538.88	\$ 97,779.11	\$ 518,317.93	\$ 65,817.77	\$ 584,137.76	\$ 55,654.94	\$ 639,592.70	\$ 136,646.25	\$ 776,438.95	\$ 111,445.60	\$ 887,884.55	\$ 123,394.93	\$ 1,011,279.48	\$ -
Commercial High Efficiency Heat Pump/AC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200.00	\$ 2,200.00	\$ -	\$ 2,100.00	\$ 850.00	\$ 1,650.00	\$ 1,500.00	\$ 4,450.00	\$ 1,985.00	\$ 6,535.00	\$ 7,410.00	\$ 7,276.00	\$ -	\$ 2,276.00	\$ -	\$ 7,276.00	\$ 7,276.00
General Administrative and Promotion/Commercial School Energy Manager	\$ 2,305.90	\$ 23,765.00	\$ 28,090.30	\$ 30,449.66	\$ 56,540.56	\$ 93,777.00	\$ 90,277.56	\$ 10,781.11	\$ 110,060.87	\$ 79,050.54	\$ 189,121.21	\$ -	\$ 189,121.21	\$ 24,169.38	\$ 233,290.59	\$ 264.12	\$ 233,554.71	\$ -	\$ 213,554.71	\$ 498.00	\$ 214,052.71	\$ 214,052.71
Commercial Total	\$ (30,110.45)	\$ 94,774.61	\$ 64,670.16	\$ 165,106.62	\$ 229,776.78	\$ 124,638.61	\$ 355,814.79	\$ 178,984.76	\$ 532,799.55	\$ 177,689.65	\$ 710,498.20	\$ 67,316.77	\$ 777,808.97	\$ 281,609.92	\$ 1,059,418.29	\$ 137,851.37	\$ 1,197,269.66	\$ 111,445.60	\$ 2,306,715.26	\$ 123,872.93	\$ 2,432,608.19	\$ -
Residential																						
Residential Efficiency Products	\$ (16,513.08)	\$ 75,824.35	\$ 58,911.28	\$ 81,655.46	\$ 104,566.74	\$ 117,935.79	\$ 278,502.53	\$ 100,091.60	\$ 378,594.13	\$ 85,475.81	\$ 457,069.94	\$ 103,390.87	\$ 575,460.81	\$ 80,652.90	\$ 663,523.80	\$ 138,572.08	\$ 802,645.88	\$ 95,578.36	\$ 898,624.24	\$ 162,312.72	\$ 1,061,336.95	\$ -
Mobile Home High Efficiency Heat Pump	\$ 5,850.00	\$ 3,600.00	\$ 9,450.00	\$ 2,700.00	\$ 10,300.00	\$ 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	\$ 20,350.00	\$ 93,800.00	\$ 8,570.00	\$ 102,370.00	\$ 102,370.00
Mobile Home New Construction	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 7,500.00	\$ 15,950.00	\$ 7,750.00	\$ 23,700.00	\$ 5,450.00	\$ 29,150.00	\$ 9,675.00	\$ 38,825.00	\$ 9,612.50	\$ 47,837.50	\$ 9,850.00	\$ 57,687.50	\$ 4,400.00	\$ 62,087.50	\$ 9,900.00	\$ 71,987.50	\$ 6,142.00	\$ 78,129.50	\$ 78,129.50
High Efficiency Heat Pump	\$ 15,000.00	\$ 10,429.50	\$ 26,029.50	\$ 24,372.50	\$ 50,395.00	\$ 37,322.50	\$ 87,717.50	\$ 23,525.00	\$ 117,242.50	\$ 33,275.00	\$ 150,517.50	\$ 28,412.50	\$ 178,930.00	\$ 27,850.00	\$ 204,480.00	\$ 13,150.00	\$ 227,630.00	\$ 41,850.00	\$ 209,490.00	\$ 31,842.00	\$ 301,332.00	\$ 301,332.00
Targeted Energy Efficiency	\$ 12,055.00	\$ 9,209.19	\$ 21,174.88	\$ 20,908.39	\$ 57,155.37	\$ 13,977.69	\$ 66,132.96	\$ 37,468.44	\$ 103,303.40	\$ 34,282.14	\$ 137,585.54	\$ 25,733.64	\$ 160,158.18	\$ 15,189.95	\$ 188,348.13	\$ 21,975.33	\$ 210,323.46	\$ 8,911.69	\$ 218,465.15	\$ 13,565.62	\$ 232,201.67	\$ 232,201.67
Modified Energy Fitness	\$ 744.88	\$ 83,844.40	\$ 84,489.28	\$ 49,840.63	\$ 134,423.00	\$ 61,618.63	\$ 197,278.15	\$ 76,403.60	\$ 271,182.13	\$ 59,007.00	\$ 332,249.13	\$ 90,890.83	\$ 402,939.96	\$ 103,460.94	\$ 534,422.90	\$ 101,977.11	\$ 633,997.01	\$ 98,923.68	\$ 732,321.26	\$ 112,899.21	\$ 848,731.07	\$ 848,731.07
Community Outreach Compact Fluorescent Lighting	\$ -	\$ -	\$ -	\$ 12,833.75	\$ 12,833.75	\$ 13,821.54	\$ 24,653.29	\$ -	\$ 26,453.29	\$ -	\$ 26,453.29	\$ 0.37	\$ 26,455.66	\$ 14,598.72	\$ 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	\$ -	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -	\$ 1,800.00
General Administrative and Promotion Residential	\$ 2,305.89	\$ 23,765.00	\$ 28,090.30	\$ 10,834.73	\$ 36,934.64	\$ 27,603.00	\$ 64,548.04	\$ 10,523.44	\$ 75,201.08	\$ 49,943.81	\$ 125,142.89	\$ -	\$ 125,142.89	\$ 20,735.42	\$ 145,878.31	\$ 504.12	\$ 146,472.43	\$ -	\$ 146,472.43	\$ 498.00	\$ 146,970.43	\$ 146,970.43
Residential Home Performance	\$ -	\$ -	\$ -	\$ 143,500.00	\$ 243,500.00	\$ -	\$ 243,500.00	\$ -	\$ 243,500.00	\$ 25,000.00	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ 20,000.00	\$ 293,000.00	\$ -	\$ 293,000.00	\$ -	\$ 293,000.00	\$ 293,000.00
Appliance Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,254.74	\$ 4,254.74	\$ 8,281.02	\$ 12,335.76	\$ 8,019.30	\$ 20,268.21	\$ 13,593.70	\$ 41,260.92	\$ 16,534.33	\$ 37,795.23	\$ 23,009.83	\$ 60,805.08	\$ -	\$ 60,805.08
Residential Total	\$ 24,053.88	\$ 210,585.45	\$ 235,038.83	\$ 470,613.87	\$ 705,852.70	\$ 311,848.85	\$ 1,017,511.65	\$ 269,147.02	\$ 1,286,658.67	\$ 327,937.78	\$ 1,614,594.45	\$ 298,850.10	\$ 1,909,706.55	\$ 303,930.69	\$ 2,213,037.24	\$ 348,284.37	\$ 2,561,321.61	\$ 301,635.03	\$ 2,862,958.84	\$ 355,230.88	\$ 3,222,187.72	\$ 3,222,187.72
DSM Total	\$ (6,071.07)	\$ 305,780.06	\$ 298,708.99	\$ 635,720.49	\$ 935,428.48	\$ 437,486.86	\$ 1,373,326.44	\$ 446,131.78	\$ 1,819,458.22	\$ 504,887.43	\$ 2,324,345.65	\$ 383,169.87	\$ 2,687,515.52	\$ 584,940.01	\$ 3,272,453.53	\$ 486,135.94	\$ 3,748,591.47	\$ 413,080.63	\$ 4,171,672.10	\$ 483,123.81	\$ 4,654,795.91	\$ -
Budget																						
Commercial																						
Commercial Incentive	\$ 32,870.52	\$ 32,968.77	\$ 65,777.29	\$ 45,966.46	\$ 111,883.75	\$ 75,326.71	\$ 187,612.46	\$ 84,454.77	\$ 271,475.23	\$ 93,028.83	\$ 365,076.06	\$ 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	\$ 844,321.91
Commercial High Efficiency Heat Pump/AC	\$ 18,026.97	\$ 18,026.97	\$ 36,053.94	\$ 18,026.96	\$ 36,053.90	\$ 27,900.00	\$ 82,070.90	\$ 23,817.27	\$ 104,888.17	\$ 23,817.27	\$ 127,705.44	\$ 27,817.27	\$ 150,522.71	\$ 23,817.27	\$ 173,339.98	\$ -	\$ 173,339.98	\$ -	\$ 173,339.98	\$ -	\$ 173,339.98	\$ 173,339.98
General Administrative and Promotion/Commercial School Energy Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Total	\$ 50,897.49	\$ 50,995.74	\$ 101,831.23	\$ 63,993.42	\$ 147,937.65	\$ 103,226.71	\$ 270,981.36	\$ 108,272.04	\$ 376,363.40	\$ 116,846.10	\$ 492,781.50	\$ 160,558.63	\$ 648,341.89	\$ 117,420.10	\$ 764,862.25	\$ 153,000.22	\$ 917,762.45	\$ 153,000.22	\$ 1,070,762.67	\$ 180,414.40	\$ 1,251,177.07	\$ 1,017,661.89
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	\$ 84,986.46	\$ 404,028.02	\$ 105,518.74	\$ 510,016.78	\$ 105,918.74	\$ 615,935.50	\$ 106,403.62	\$ 722,339.12	\$ 107,047.24	\$ 822,386.36	\$ 128,965.24	\$ 959,351.60	\$ 1,198,105.50
Mobile Home High Efficiency Heat Pump	\$ 6,021.12	\$ 6,021.12	\$ 12,042.24	\$ 6,021.12	\$ 18,063.36	\$ 18,063.36	\$ 36,126.72	\$ 18,063.36	\$ 54,190.08	\$ 27,095.04	\$ 81,285.12	\$ 20,322.76	\$ 101,607.88	\$ 20,322.76	\$ 121,930.64	\$ 12,042.24	\$ 133,972.88	\$ -	\$ 133,972.88	\$ 12,042.24	\$ 146,015.12	\$ 146,015.12
Mobile Home New Construction	\$ 2,872.12	\$ 6,021.12	\$ 9,894.63	\$ 5,505.37	\$ 15,400.00	\$ 8,322.55	\$ 23,722.95	\$ 5,811.97	\$ 29,534.92	\$ 9,735.14	\$ 39,269.06	\$ 9,311.13	\$ 48,580.19	\$ 7,790.16	\$ 56,370.35	\$ 4,400.00	\$ 60,770.35	\$ 9,511.13	\$ 70,281.48	\$ 6,021.12	\$ 76,302.60	\$ 76,302.60
High Efficiency Heat Pump	\$ 26,165.00	\$ 17,715.00	\$ 43,800.00	\$ 21,150.00	\$ 65,950.00	\$ 21,883.00	\$ 87,838.00	\$ 28,839.89	\$ 116,677.89	\$ 28,839.89	\$ 145,517.78	\$ 30,638.89	\$ 176,156.67	\$ 28,839.89	\$ 204,996.56	\$ 17,288.89	\$ 222,285.45	\$ 37,735.89	\$ 260,021.34	\$ 38,683.88	\$ 398,705.22	\$ 398,705.22
Targeted Energy Efficiency	\$ 17,385.09	\$ 17,385.09	\$ 34,770.18	\$ 17,385.09	\$ 51,555.27	\$ 22,533.45	\$ 74,088.72	\$ 20,153.23	\$ 94,241.95	\$ 25,070.54	\$ 119,312.49	\$ 21,873.67	\$ 141,186.16	\$ 14,248.26	\$ 155,434.42	\$ 10,716.16	\$ 166,150.58	\$ -	\$ 166,150.58	\$ 10,716.16	\$ 176,866.74	\$ 176,866.74
Modified Energy Fitness	\$ 46,495.20	\$ 47,408.20	\$ 94,816.40	\$ 47,408.20	\$ 142,224.60	\$ 69,711.38	\$ 196,935.98	\$ 30,304.68	\$ 126,631.30	\$ 30,304.68	\$ 156,935.98	\$ 32,618.28	\$ 189,554.26	\$ 32,618.28	\$ 222,172.54	\$ 13,318.28	\$ 235,490.82	\$ -	\$ 235,490.82	\$ 13,318.28	\$ 248,809.10	\$ 248,809.10
Community Outreach Compact Fluorescent Lighting	\$ -	\$ -	\$ -	\$ 4,772.27	\$ 8,222.73	\$ 8,500.00	\$ 30.00	\$ 8,000.00	\$ 11,275.00	\$ 20,075.00	\$ -	\$ 20,075.00	\$ -	\$ 20,075.00	\$ -	\$ 21,875.00	\$ -	\$ 21,875.00	\$ -	\$ 21,875.00	\$ -	\$ 21,875.00
Energy Education for Students	\$ -	\$ -	\$ -	\$ 243,500.00	\$ 243,500.00	\$ -	\$ 243,500.00	\$ -	\$ 243,500.00	\$ 25,000.00	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ 20,000.00	\$ 293,000.00	\$ -	\$ 293,000.00	\$ -	\$ 293,000.00	
General Administrative and Promotion Residential	\$ 18,026.96	\$ 18,026.96	\$ 36,053.92	\$ 18,026.97	\$ 54,080.89	\$ 27,900.00	\$ 82,070.89	\$ 27,900.00	\$ 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	\$ -	\$ -	\$ -	\$ 143,500.00	\$ 243,500.00	\$ -	\$ 243,500.00	\$ -	\$ 243,500.00	\$ 25,000.00	\$ 273,000.00	\$ -	\$ 273,000.00	\$ -	\$ 273,000.00	\$ 20,000.00	\$ 293,000.00	\$ -	\$ 293,000.00	\$ -	\$ 293,000.00	\$ 293,000.00
Appliance Recycling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,747.72	\$ 82,668.40	\$ 12,443.12	\$ 17,455.76	\$ 39,888.00	\$ 16,783.72	\$ 56,671.52	\$ 11,739.81	\$ 68,411.33	\$ 79,966.01	\$ 97,419.76	\$ 13,204.69	\$ 108,774.45	\$ 8,365.09	\$ 117,139.54	\$ 117,139.54
Residential Total	\$ 165,095.19	\$ 167,497.67	\$ 334,995.36	\$ 167,497.67	\$ 501,211.25	\$ 282,226.71	\$ 783,664.71	\$ 282,226.71	\$ 1,066,286.46	\$ 282,226.71	\$ 1,348,513.17	\$ 282,226.71	\$ 1,630,740.17	\$ 282,226.71	\$ 1,912,966.67	\$ 301,635.03	\$ 2,214,601.70	\$ 301,635.03	\$ 2,516,236.70			