

**TARIFF S. S. C.**  
**(System Sales Clause)**

**APPLICABLE.**

To Tariffs R.S., R.S.D., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, G.S., S.G.S.-T.O.D., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., I.G.S., C.S.- I.R.P., C.S. Coal, M.W., O.L. and S.L.

**RATE.**

1. When the annual net revenues from system sales are above or below the annual base net revenues from system sales, as provided in paragraph 2 below, an additional credit or charge equal to the product of the KWHs and a system sales adjustment factor (A) shall be made, where "A", calculated to the nearest 0.0001 mill per kilowatt-hour, is defined as set forth below.

$$\text{Annual System Sales Adjustment Factor (A)} = (1.0 [T_a - T_b + U/a]) / S_a$$

In the above formula "T" is Kentucky Power Company's (KPCo) annual net revenues from system sales in the current annual (a), base (b) periods, and "S" is the KWH sales in the current annual (a) period, all defined below. "U/a" represents any under-or-over recovery from the prior period.

The applicable rate for service rendered on and after September 28, 2021, calculated in accordance with the above formula, is \$0.00016 per kWh.

2. The net revenue from KPCo's sales to non-associated companies as reported in the FERC Energy Regulatory Commission's Uniform System of Accounts under Account 447, Sales for Resale, shall consist of and be derived as follows:

- a. KPCo's total revenues from system sales as recorded in Account 447, less b. and c. below.
- b. KPCo's total out-of-pocket costs incurred in supplying the power and energy for the sales in a. above.

The out-of-pocket costs include all operating, maintenance, tax, transmission losses and other expenses that would not have been incurred if the power and energy had not been supplied for such sales, including demand and energy charges for power and energy supplied by Third Parties.

- c. KPCo's environmental costs allocated to non-associated utilities in the Company's Environmental Surcharge Report.

**CANCELLED**

January 16, 2024

**KENTUCKY PUBLIC  
SERVICE COMMISSION**

(Cont'd on Sheet No. 19-2)

DATE OF ISSUE: August 14, 2023  
 DATE EFFECTIVE: Service Rendered On And After September 28, 2023  
 ISSUED BY: /s/ Brian K. West  
 TITLE: Vice President, Regulatory & Finance  
 By Authority of an Order of the Public Service Commission  
 In Case No. XXXX-XXXXX Dated XXXX XX, XXXX

**KENTUCKY  
PUBLIC SERVICE COMMISSION**

**Linda C. Bridwell**  
Executive Director



**EFFECTIVE  
9/28/2023**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**TARIFF S. S. C. (Cont'd.)  
(System Sales Clause)**

- 3. The base annual net revenues from system sales are: \$ 7,326,879 T
- 4. Sales (S) shall be equated to the sum of (a) generation (including energy produced by generating plant during the construction period), (b) purchase, and (c) interchange-in, less (d) energy associated with pumped storage operations, less (e) inter-system sales and less (f) total system losses.
- 5. The system sales adjustment factor shall be based upon actual annual revenues and costs for system sales, subject to subsequent adjustment upon final determination of actual revenues and costs.
- 6. The annual System Sales Clause shall be filed with the Commission no later than August 15<sup>th</sup> of each year before it is scheduled to go into effect on Cycle 1 of the October billing cycle. The Company shall update the Annual System Sales Adjustment Factor for the period ending June 30, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
- 7. Copies of all documents required to be filed with the Commission under this regulation shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS 61.870 to 61.884.

**CANCELLED**

January 16, 2024

**KENTUCKY PUBLIC  
SERVICE COMMISSION**

DATE OF ISSUE: April 9, 2021  
 DATE EFFECTIVE: Service Rendered On And After January 14, 2021  
 ISSUED BY: /s/ Brian K. West  
 TITLE: Vice President, Regulatory & Finance  
 By Authority of Orders of the Public Service Commission  
 In Case No. 2020-00174 dated January 13, 2021; January 15, 2021; February 22, 2021, and March 17, 2021

**KENTUCKY  
PUBLIC SERVICE COMMISSION**

**Linda C. Bridwell**  
Executive Director



**EFFECTIVE  
1/14/2021**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)