

Securitized Surcharge Rider (S.S.R.)

Applicable

To all retail electric customers.

Rate

1. Pursuant to the financing order of the Kentucky Public Service Commission in Case No. 2023-00159, Kentucky Power Company is to recover from retail ratepayers the costs approved for securitized bond financing by the Commission. Terms not defined in this rider shall have the meanings ascribed to those terms in that financing order.

This rider is designed to recover from all retail electric customers the amounts necessary to service, repay and administer customer-backed securitized bonds associated with the approved securitized costs pursuant to the terms of the financing order of the Kentucky Public Service Commission in Case No. 2023-00159.

This rider shall remain in effect until the complete repayment and retirement of any securitized bonds, or refunding bonds, associated with the approved securitized costs, together with ongoing financing costs. Upon issuance of a series of securitized bonds, this schedule is irrevocable and associated securitized surcharges are nonbypassable for the full term of that series of securitized bonds.

2. The Periodic Payment Requirement (PPR) is the required periodic payment for a given period due under the securitized bonds as further defined in the financing order.
3. Periodic Billing Requirement (PBR) shall be the aggregate dollar amount of securitized surcharges that must be billed during a given period so that the securitized surcharge collections will be sufficient to meet the sum of all PPR for that period, given: (i) forecast usage and revenue data, excluding the securitized surcharge, for the period; (ii) forecast uncollectibles for the period; and (iii) forecast lags in collection of billed securitized surcharges for the period.
4. The PBR for a given period shall be the sum of (a) the PBR for residential customers for the period (y) (Residential PBR Allocation (y)) and (b) the PBR for all other retail electric customers (non-residential retail electric customers) for the period (y) (Non-Residential PBR Allocation (y)).
5. The Residential PBR Allocation (y) shall be recovered from residential customers through application of the Residential S.S.R. Adjustment Factor to all charges on each residential customers bill for electric service, except for environmental surcharge (ES) and Decommissioning Rider (DR) charges, nonrecurring charges, and pass through charges as discussed and defined in the financing order in Case No. 2023-00159. The charges to which the Residential S.S.R. Adjustment Factor currently applies, based on that definition, are the sum of the customer's Service Charge, Demand Charge, Energy Charge(s), Fuel Adjustment Clause, System Sales Clause, Demand-Side Management Adjustment Clause, Federal Tax Cut, Deferred Tax Liability Rider, Residential Energy Assistance, Purchase Power Adjustment, and Generation Rider.

CANCELLED

Continued on Sheet 35-2

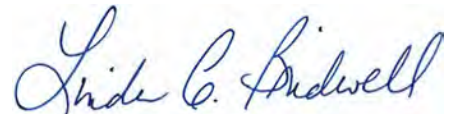
March 1, 2026

**KENTUCKY PUBLIC
SERVICE COMMISSION**

DATE OF ISSUE: May 8, 2026
DATE EFFECTIVE: Services Rendered On And After March 1, 2026
(subject to change)
ISSUED BY: /s/ Amy J. Elliott
TITLE: Vice President, Regulatory & External Affairs
By Authority of an Order of the Public Service Commission
In Case No.: 2025-00257 Dated February 28, 2026

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Linda C. Bridwell
Executive Director



EFFECTIVE

3/1/2026

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Securitized Surcharge Rider Continued (S.S.R.)

6. The Non-Residential PBR Allocation (y) shall be recovered through application of the Non-Residential S.S.R. Adjustment Factor to all charges on each non-residential retail electric customers bill for electric service, except for charges for base fuel costs and fuel cost adjustments, and environmental surcharge (ES) and Decommissioning Rider (DR) charges, nonrecurring charges, and pass through charges as discussed and defined in the financing order in Case No. 2023-00159. The charges to which the Non-Residential S.S.R. Adjustment Factor currently applies, based on that definition, are the sum of the customer's Service Charge, Demand Charge, Energy Charge(s) less Base Fuel, Minimum Charge, Reactive Charge, System Sales Clause, Demand-Side Management Adjustment Clause, Federal Tax Cut, Deferred Tax Liability Rider, Kentucky Economic Development Surcharge, Purchase Power Adjustment, and Generation Rider.
7. The Residential S.S.R. Adjustment Factor (y) shall be calculated according to the following formula:

$$\text{Residential S.S.R. Adjustment Factor (y)} = \frac{\text{Residential PBR Allocation (y)}}{\text{Expected Residential Retail Revenue (y)}}$$

Where:

$$\begin{aligned} \text{(y)} &= \text{the given period} \\ \text{Expected Residential Retail Revenue (y)} &= \text{Expected retail revenue for the period (y) from charges to which the Residential S.S.R. Adjustment Factor will apply in the period (y).} \end{aligned}$$

8. The Non-Residential S.S.R. Adjustment Factor shall be calculated according to the following formula:

CANCELLED

Non-Residential S.S.R.
Adjustment Factor (y)

March 1, 2026

Where:

KENTUCKY PUBLIC
SERVICE COMMISSION

$$= \frac{\text{Non-Residential PBR Allocation (y)}}{\text{Expected Non-Residential Non-Fuel Retail Revenue NR(y)}}$$

$$\begin{aligned} \text{(y)} &= \text{the given period} \\ \text{Expected Non-Residential Non-Fuel Retail Revenue NR(y)} &= \text{Expected non-fuel retail revenue for all non-residential retail electric customers for the period (y) from charges or portions of charges to which the Non-Residential S.S.R. Adjustment Factor will apply in the period (y).} \end{aligned}$$

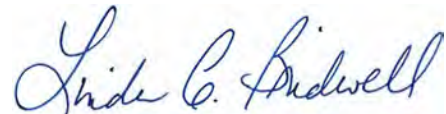
9. The Residential PBR Allocation (y) shall be calculated by taking the sum of the residential true-up for the given period (y) (Residential True-up (y)) and the Residential PPR Allocation (y) and adjusting the sum to reflect both the projection of uncollectible securitized surcharges from residential customers and a projection of payment lags between the billing and collection of securitized surcharges from residential retail customers based upon the most recent experience regarding collection of securitized surcharges from residential customers.

Continued on Sheet 35-3

DATE OF ISSUE: May 8, 2026
DATE EFFECTIVE: Services Rendered On And After March 1, 2026
ISSUED BY: /s/ Amy J. Elliott
TITLE: Vice President, Regulatory & External Affairs
By Authority of an Order of the Public Service Commission
In Case No.: 2025-00257 Dated February 28, 2026

KENTUCKY
PUBLIC SERVICE COMMISSION

Linda C. Bridwell
Executive Director



EFFECTIVE

3/1/2026

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)