

TARIFF A.T.R.
(Asset Transfer Rider)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., Experimental R.S.-T.O.D.2, S.G.S., S.G.S.-T.O.D., M.G.S., M.G.S.-T.O.D., L.G.S., L.G.S.-T.O.D., Pilot K-12 School, I.G.S., C.S.- I.R.P., M.W., O.L. and S.L.

RATE.

In accordance with the Stipulation and Settlement Agreement approved as modified by the Commission by its Order dated October 7, 2013 in Case No. 2012-00578, Kentucky Power Company is to recover from retail ratepayers \$44 million annually beginning January 1, 2014.

Recovery under Tariff A.T.R. shall terminate on the effective date of new base rates for the Company that include Mitchell Units 1 and 2, except that the Company shall recover through the Residential Asset Transfer Adjustment and the All Other Classes Transfer Adjustment such amounts as required to ensure the Company recovers in the year new base rates for the Company are established that include Mitchell Units 1 and 2 a pro rata share (computed on a 365-day annual basis) of the \$44 million annual revenue requirement under Tariff A.T.R..

- The allocation of the \$44 million revenue requirement between residential and all other customers shall be based upon their respective contribution to total retail revenues for the twelve month period ended September 30, 2013, according to the following formula:

$$\text{Residential Allocation RA(m)} = \frac{\$44,000,000}{12 \text{ months}} \times \frac{\text{KY Residential Retail Revenue RR(b)}}{\text{KY Retail Revenue R(b)}} = \$1,541,861$$

$$\text{All Other Allocation OA(m)} = \frac{\$44,000,000}{12 \text{ months}} \times \frac{\text{KY All Other Classes Retail Revenue OR(b)}}{\text{KY Retail Revenue R(b)}} = \$2,124,806$$

Where:

(m) = the expense month;

(b) = twelve month period ended September 30, 2013.

RR(b) = \$214,421,664

OR(b) = \$295,489,874

R(b) = \$509,911,538

- The Residential Asset Transfer Adjustment shall provide for monthly adjustments based on a percent of total revenues, calculated to six decimal places according to the following formula:

$$\text{Residential Asset Transfer Adjustment Factor} = \frac{\text{Net Monthly Residential Allocation NRA(m)}}{\text{Residential Retail Revenue RR(m)}}$$

Where:

Net Monthly Residential Allocation NRA(m)

= Monthly Residential Allocation RA(m), net of Over/(Under) Recovery Adjustment;

Residential Retail Revenue RR(m)

= Monthly Retail Revenue for all KY residential classes for the expense month (m).

- The All Other Classes Asset Transfer Adjustment shall provide for monthly adjustments based on a percent of non-fuel revenues, calculated to six decimal places according to the following formula:

$$\text{All Other Classes Asset Transfer Adjustment Factor} = \frac{\text{Net Monthly All Other Allocation NOA(m)}}{\text{All Other Classes Non-Fuel Retail Revenue ONR(m)}}$$

Where:

Net Monthly All Other Allocation NOA(m)

= Monthly All Other Allocation OA(m), net of Over/(Under) Recovery Adjustment;

All Other Classes Non-Fuel Retail Revenue ONR(m)

= Monthly Non-Fuel Retail Revenue for all classes other than residential for the expense month (m).

(Cont'd on Sheet 36-2)

DATE OF ISSUE: July 10, 2015

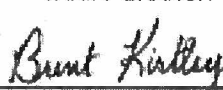
DATE EFFECTIVE: Service Rendered On And After June 30, 2015

ISSUED BY: JOHN A. ROGNESS III

TITLE: Director Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. 2014-00396 Dated June 22, 2015

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 6/30/2015 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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RATE. (Cont'd)

- 5. The monthly asset transfer rider adjustments shall be filed with the Commission ten (10) days before it is scheduled to go into effect, 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.
- 6. Copies of all documents required to be filed with the Commission 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.



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EFFECTIVE 6/30/2015 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)