

CANCELLED

KENTUCKY POWER COMPANY

February 13, 2022

TARIFF F.A.C.

KENTUCKY PUBLIC SERVICE COMMISSION (Fuel Adjustment Clause)

APPLICABLE:

P.S.C. KY. NO. 12 1st REVISED SHEET NO. 5-1

CANCELLING P.S.C. KY. NO. 12 ORIGINAL SHEET NO. 5-1

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., R.S.-T.O.D. 2, R.S.D., 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. The fuel clause shall provide for periodic adjustment per kWh of sales equal to the difference between the fuel costs per kWh of sales in the base period and in the current period according to the following formula:

$$\text{Adjustment Factor} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

Where F is the expense of fossil fuel in the base (b) and current (m) periods; and S is sales in the base (b) and current (m) periods, all as defined below:

2. F(b)/S(b) shall be so determined that on the effective date of the Commission's approval of the utility's application of the formula, the resultant adjustment will be equal to zero (0).
3. Fuel costs (F) shall be the most recent actual monthly cost of:
 - a. Fossil fuel consumed in the utility's own plants, and the utility's share of fossil and nuclear fuel consumed in jointly owned or leased plants, plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of the fuel related substitute generation, plus
 - b. The actual identifiable fossil and nuclear fuel costs [if not known--the month used to calculate fuel (F), shall be deemed to be the same as the actual unit cost of the Company generation in the month said calculations are made. When actual costs become known, the difference, if any, between fuel costs (F) as calculated using such actual unit costs and the fuel costs (F) used in that month shall be accounted for in the current month's calculation of fuel costs (F)] associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute the forced outages, plus
 - c. The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases, the charges as a result of scheduled outage, and other charges for energy being purchased by the Company to substitute for its own higher cost of energy; and less
 - d. The cost of fossil fuel recovered through intersystem sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
 - e. The fuel-related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may be amended from time to time by PJM Interconnection LLC: Billing Line Items 1210, 2210, 1215, 1218, 2217, 2218, 1230, 1250, 1260, 2260, 1370, 2370, 1375, 2375, 1400, 1410, 1420, 1430, 1478, 1340, 2340, 1460, 1350, 2350, 1360, 2360, 1470, 1377, 2377, 1480, 1378, 2378, 1490, 1500, 2420, 2220, 1200, 1205, 1220, 1225, 2500, 2510, 1930, 2211, 2215, 2415 and 2930.
 - f. All fuel costs shall be based on weighted average inventory costing.

(Cont'd on Sheet No. 5-2)

DATE OF ISSUE: January 14, 2022
 DATE EFFECTIVE: Service Rendered On And After February 13, 2022
 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 XXXXX XX, XXXX
807 KAR 5:056, eff. 6-3-2021.

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Linda C. Bridwell
Executive Director



**EFFECTIVE
2/13/2022**

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