

CANCELLED

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 13 ORIGINAL SHEET NO. 30-1

CANCELLING P.S.C. KY. NO. 12 3rd REVISED SHEET NO. 30-1

March 1, 2026

KENTUCKY PUBLIC SERVICE COMMISSION

**Tariff F.A.C.
(Fuel Adjustment Clause)**

Applicable

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., M.W., O.L., and S.L.

D

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 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.

Continued on Sheet 30-2

DATE OF ISSUE: February 8, 2024
 DATE EFFECTIVE: Services Rendered On And After January 16, 2024
 ISSUED BY: /s/ Brian K. West
 TITLE: Vice President, Regulatory & Finance
By Authority of an Order of the Public Service Commission
 In Case No.: 2023-00159 Dated January 19, 2024

KENTUCKY PUBLIC SERVICE COMMISSION

Linda C. Bridwell
Executive Director



EFFECTIVE
1/16/2024
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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CANCELLED

KENTUCKY POWER COMPANY

P.S.C. KY. NO. 13 1st REVISED SHEET NO. 30-2
CANCELLING P.S.C. KY. NO. 13 ORIGINAL SHEET NO. 30-2

March 1, 2026

**KENTUCKY PUBLIC
SERVICE COMMISSION**

**Tariff F.A.C. Continued
(Fuel Adjustment Clause)**

- Rate Continued*
4. Forced outages are all nonscheduled losses of generation or transmission which require substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of the public enemy, then the utility may, upon proper showing, with the approval of the Commission, include the fuel costs of substitute energy in the adjustment. Until such approval is obtained, in making the calculations of fuel costs (F) in subsection (3)(a) and (b) above, the forced outage costs to be subtracted shall be no less than the fuel cost related to the lost generation.
 5. Sales (S) shall be all kWh's sold, excluding intersystem sales. If, for any reason billed system sales cannot be coordinated with the fuel costs for the billing period, sales may be equated to: (i) generation, plus (ii) purchases, plus (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) intersystem sales referred to in subsection (3)(d) above, less (vi) total system losses. Utility used energy shall not be excluded in the determination of sales (S).
 6. The cost of fossil fuel shall only include the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of FERC Uniform System of Accounts for Public Utilities and Licensees, less any cash or other discounts.
 7. At the time the fuel clause is initially filed, the utility shall submit copies of each fossil fuel purchase contract not otherwise on file with the Commission and all other agreements, options, amendments, modifications, and similar documents related to the procurement of fuel supply or purchased power. Any changes in the contracts or other documents, including price escalations, and any new agreements entered into after the initial submission, shall be submitted at the time they are entered into. If fuel is purchased from utility-owned or controlled sources, or the contract contains a price escalation clause, those facts shall be noted and the utility shall explain and justify them in writing. Fuel charges, which are unreasonable, shall be disallowed and may result in the suspension of the fuel adjustment clause based on the severity of the utility's unreasonable fuel charges and any history of unreasonable fuel charges. The Commission on its own motion may investigate any aspect of fuel purchasing activities covered by 807 KAR 5:056 (Fuel Adjustment Clause).
 8. The monthly fuel adjustment shall be filed with the Commission no later than ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustment.
 9. Copies of all documents required to be filed with the Commission under 807 KAR 5:056 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.
 10. At six (6) month intervals, the Commission shall conduct a formal review and may conduct public hearings on a utility's past fuel adjustments. The Commission shall order a utility to charge off and amortize, by means of a temporary decrease of rates, any adjustments the Commission finds unjustified due to improper calculation or application of the charge or improper fuel procurement practice.
 11. Every two (2) years following the initial effective date of each utility's fuel clause, the Commission shall conduct a formal review and evaluate past operations of the clause, disallow improper expenses, and to the extent appropriate, reestablish the fuel clause charge in accordance with Section 1 (2) of 807 KAR 5:056.
 12. The Commission may conduct a public hearing if the Commission finds that a hearing is necessary for the protection of a substantial interest or is in the public interest.

Continued on Sheet 30-3

DATE OF ISSUE: January 2, 2025
DATE EFFECTIVE: Services Rendered On And After December 31, 2024
ISSUED BY: /s/ Tanner S. Wolfram
TITLE: Director, Regulatory Services
By Authority of an Order of the Public Service Commission
In Case No.: 2023-00008 Dated December 13, 2024

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Linda C. Bridwell
Executive Director



EFFECTIVE
12/31/2024
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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**Tariff F.A.C. Continued
 (Fuel Adjustment Clause)**

1. Resulting cost per kilowatt-hour in January 2022 to be used as the base cost in Standard Fuel Adjustment Clause is:

<u>Fuel</u>	January 2022		\$19,529,185	=	\$0.03380/kWh
Sales	January 2022	÷	577,776,513		

This, as used in the Fuel Adjustment Clause, is 3.380¢ per kilowatt-hour.

Transitional Monthly Credit

- Consistent with the Settlement Agreement dated November 14, 2024, and approved by the Commission by its order dated December 13, 2024 in Case No. 2023-00008, Kentucky Power will provide to customers a transitional monthly credit to reduce the amount of future fuel costs recovered from Kentucky retail customers through this tariff as a fair and reasonable compromise of that proceeding. The credit is subject to all conditions precedent and other provisions in the Settlement Agreement.
- The Company shall include an annual reconciliation of the transitional monthly credit as part of the over or under-recovery computation in the Company’s Fuel Adjustment Clause filed in May 2025 and May 2026, respectively.
- The applicable rates on a kWh basis are calculated as follows and will be applied to customers’ January through April bills for 2025 and 2026:

	Residential (\$/kWh)	All Other (\$/kWh)
<u>Transitional Credit Amount</u>	<u>\$6,710,990</u>	<u>\$9,825,827</u>
Historic January through April Retail kWh	1,379,035,920	2,272,033,096
Rate	(0.00487)	(0.00432)

- The applicable rates to be applied to customers’ January through April bills for 2026 are subject to the Commission’s issuance of a final order approving without modification the settlement agreement to be filed in the 2-year review proceeding concerning the 2022-2024 FAC Review Period.

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March 1, 2026

**KENTUCKY PUBLIC
 SERVICE COMMISSION**

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**KENTUCKY
 PUBLIC SERVICE COMMISSION**

Linda C. Bridwell
 Executive Director



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12/31/2024
 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)