

**Notice of Kentucky Power Company's Application
for Approval of an Amended Environmental Compliance Plan and Recovery of Additional Costs
Through Amendment of the Company's Tariff E.S.**

PLEASE TAKE NOTICE that Kentucky Power Company will file on or after November 21, 2019 an application with the Public Service Commission of Kentucky seeking approval of its amended environmental compliance plan to add a single environmental project to Kentucky Power's existing environmental compliance plan. Kentucky Power also will seek approval of amendments to its Tariff E.S. (Environmental Surcharge) to reflect the amended plan and to implement a revised environmental surcharge to recover the costs of the amended environmental compliance plan. Kentucky Power's application has been assigned Case No. 2019-00389.

The project to be added to the Company's environmental compliance plan is the installation of a selective catalytic reduction system on Unit 2 of the Rockport plant. The additional project is required for compliance with the Federal Clean Air Act and the 2007 New Source Review Consent Decree. Kentucky Power's share of the first year cost of the installation of the project, associated upgrades to the existing plant, and allocated costs for support of the project is estimated to be \$11,877,342.

The project is forecasted to go into service beginning on May 31, 2020. If approved by the Commission, rates will become effective May 31, 2020 and reflected on customer bills beginning with the July 2020 billing cycle.

The residential environmental surcharge factor rate is estimated to increase from 5.9116% (annualized surcharge factor for the twelve-month period ended September 2019) to 8.1278% with the addition of the project. The environmental surcharge factor rate for all other customers is estimated to increase from 9.4465% (annualized surcharge factor for the twelve-month period ended September 2019) to 12.5464% with the addition of the project.

The impact on Kentucky Power's customers' total monthly bill amount is estimated to be 2.20% for residential customers and 2.07% for all non-residential customers. For a residential customer using 1,267 kWh per month, the monthly increase in the customer's total bill is expected to be \$3.32. Information regarding the effect on customer bills by customer classification is presented in the table below:

Customer Classification (1)	Average Customer Usage (kWh)* (2)	Average Customer Demand (kW)* (3)	Present Average Bill* (4)	Percent Change (5)	Average Change/ Total Bill Impact (6)	Proposed Average Bill (7)
R.S.	1,267	0	\$150.90	2.20%	\$3.32	\$154.22
S.G.S. - T.O.D.	1,064	0	\$139.22	2.07%	\$2.88	\$142.10
M.G.S. - T.O.D.	3,446	0	\$427.26	2.07%	\$8.84	\$436.11
G.S.	1,640	6	\$230.34	2.07%	\$4.77	\$235.11
L.G.S.	62,827	193	\$7,164.14	2.07%	\$148.30	\$7,312.43
I.G.S.	2,624,200	4,876	\$166,115.79	2.07%	\$3,438.60	\$169,554.39
M.W.	17,766	27	\$1,941.93	2.07%	\$40.20	\$1,982.12
O.L.	77	0	\$16.49	2.07%	\$0.34	\$16.84
S.L.	60	0	\$11.63	2.07%	\$0.24	\$11.87

* Based on 12-months ending September 2019

The changes described in this notice are proposed by Kentucky Power. The Public Service Commission may issue an order modifying or denying the relief sought in Kentucky Power's application. Such action may result in an environmental surcharge for customers of Kentucky Power other than the environmental surcharge described in this notice.

Upon filing, Kentucky Power's application, tariff filings, and any related filings will be available for public inspection at Kentucky Power's offices located at 855 Central Avenue, Suite 200, Ashland, KY 41101 with a phone number of 606-327-2600; 1400 E. Main St., Hazard, KY 41701 with a phone number of 606-436-1322; and 3249 North Mayo Trail, Pikeville, KY 41501 with a phone number of 606-437-3827. Additionally, the application and other related filings will be available for public inspection on the Company's website: www.kentuckypower.com.

The application, tariff filings, testimony, and related filings also will be available for public inspection between the hours of 8:00 a.m. to 4:30 p.m., Monday through Friday, at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky. The application, tariff filings, testimony, and related filings may also be found on the Commission's website: <http://psc.ky.gov> once filed.

Written comments on Kentucky Power's application and the proposed tariff changes may be submitted to the Commission by mail to Public Service Commission, P. O. Box 615, Frankfort, Kentucky 40602-0615 or via the Commission's website: <http://psc.ky.gov>. Comments should reference Case No. 2019-00389.

Any person, corporation, association, or body politic may submit a timely written request for intervention in this case. The motion shall be submitted to the Public Service Commission, P. O. Box 615, Frankfort, Kentucky 40602-0615, and shall establish the grounds for the request, including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Commission may take final action on the application.