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May 24, 2012

RECEIVED

MAY 25 2012

PUBLIC SERVICE
COMMISSION

VIA FEDEX

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sauer Boulevard
Frankfort, KY 40601

RE: Case No. 2012-00143

Dear Mr. Derouen:

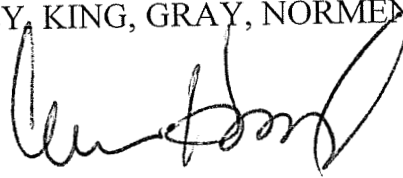
Enclosed for filing are the original and 10 copies of Response of Kenergy Corp. to First Data Request of Commission Staff in above case. .

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By



J. Christopher Hopgood
Attorney for Kenergy Corp.

JCH/cds

Encls.

COPY/w/encls.: Mr. Sandy Novick, Kenergy

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY 25 2012

PUBLIC SERVICE
COMMISSION

In the matter of:

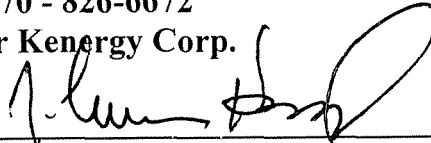
TARIFF FILING OF KENERGY CORP. TO) Case No.
IMPLEMENT DEMAND-SIDE MANAGEMENT) 2012-00143
PROGRAMS)

RESPONSE OF KENERGY CORP. TO FIRST DATA REQUEST
OF COMMISSION STAFF

Following are Kenergy Corp.'s responses to May 4, 2012, Commission Staff's First Request for Information.

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counsel for Kenergy Corp.

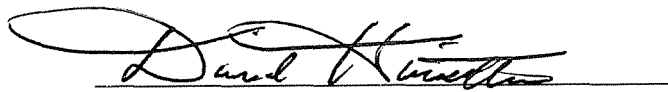
By



J. Christopher Hopgood

VERIFICATION

The undersigned David Hamilton hereby verifies that the information set forth in the following Responses of Kenergy Corp. to First Data Request of Commission Staff is true and correct to the best of my information, knowledge and belief.



David Hamilton
Kenergy Corp.

STATE OF KENTUCKY

COUNTY OF HENDERSON

The foregoing was signed, acknowledged and sworn to before me by

DAVID HAMILTON Member Service Director of KENERGY CORP., this 24~~th~~ day
of May, 2012.

My commission expires September 29, 2013

Charles D. Smithhart
Notary Public, State of Kentucky at Large

(seal)

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**KENERGY CORP.
RESPONSE TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION**

CASE NO. 2012-00143

8 **Item 1)** Refer to the proposed tariffs filed on April 9, 2012.

9 a. Refer to proposed Original Sheet Nos. 49 and 50, the Energy Star
10 Refrigerator Replacement Incentive Program and the Residential High Efficiency
11 Heating, Ventilation and Air Conditioning (“HVAC”) Program tariffs, respectively. In
12 the “Customer Incentives” sections of both tariffs, it states that Kenergy Corp. will pay or
13 reimburse “one of its residential customers” an incentive. Explain the use of the phrase
14 “one of its residential customers” and state whether it is Kenergy’s intention to limit the
15 incentive to one per household.

16 **RESPONSE:**

17 **a. Kenergy Corp. does not intend to limit the incentives in Sheet Nos. 49 and**
18 **50 to one per household. Each of the incentives is intended to be paid to**
19 **residential customers and not commercial customers; hence, the phrase “one**
20 **of its residential customers.”**

21
22 b. Refer to proposed Original Sheet No. 51, the Touchstone Energy New
23 Hoe Program tariff. The “Purpose” section references “one of three specified types of

1 Energy Star rated HVAC systems” that could be installed under this program. However
2 four types are listed in the “Customer Incentives” part of the tariff. Did Kenergy intend
3 for the “Purpose” section to refer to “one of four specified types of Energy Star rated
4 HVAC systems”? If no, explain.

5 **RESPONSE:**

6 **Yes. Sheet No. 51 should read “one of four types of Energy Star rated HVAC**
7 **systems.”**

8

9 c. Refer to proposed Original Sheets Nos. 53 and 53A, the
10 Commercial/Industrial High Efficiency Lighting Replacement Incentive Program tariff.
11 The term “Rural Customers” is used throughout this tariff. Did Kenergy intend to refer to
12 “Commercial and Industrial customers” rather than to Rural Customers”? If no, explain.

13 **RESPONSE:**

14 **Yes. Sheet No. 53 and 53A should read “Commercial and Industrial**
15 **Customers.”**

16

17 **WITNESS: David Hamilton**

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**KENERGY CORP.
RESPONSE TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION**

CASE NO. 2012-00143

8 **Item 2)** Refer to the proposed tariffs filed on April 24, 2012, proposed Original
9 Sheet No. 55, the Residential Weatherization Program-Primary Heating Source Non-
10 Electric and Electric-Sourced Air Conditioning. The "Member Incentives" section states
11 that "Kenergy Corp. will provide 25% of the cost of approved residential weatherization
12 improvements performed in accordance with this program." In the Residential
13 Weatherization Program tariff filed by Big Rivers Electric Corporation, Kenergy's
14 wholesale supplier, it states that "Big Rivers will provide 50% of the cost of residential
15 weatherization improvements performed in accordance with this program." Did Kenergy
16 intend to use "50%" rather than "25%" in this section? If no, explain the reason for the
17 difference in the percentage of weather normalization costs that will be covered by
18 Kenergy and Big Rivers.

19 **RESPONSE:**

20 **No. Kenergy Corp. intends to provide a weatherization incentive of 50% to**
21 **homes with electric heat and electric air conditioning (Sheet Nos. 56, 56A)**
22 **and a 25% incentive to homes with non-electric heat and electric air**
23 **conditioning (Sheet Nos. 55, 55A). The Kenergy Corp. incentives mirror Big**

1 **Rivers Electric Corporation (BREC) weatherization incentives described in**
2 **their DSM-05 and DSM-10 tariffs.**

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4 **WITNESS: David Hamilton**

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**KENERGY CORP.
RESPONSE TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION**

CASE NO. 2012-00143

8 **Item 3** Provide Kenergy's plan for promoting the programs included in the
9 proposed tariffs.

10 **RESPONSE:**

11 **Kenergy Corp. intends to promote the DSM programs through its monthly**
12 **newsletter, its website, social media, regional radio stations, and regional**
13 **newspapers. Promotion also will be made through direct mail, regional home**
14 **builder associations, home expos, Chamber of Commerce meetings, civic club**
15 **meetings, Kenergy Annual Meeting, Kenergy Member Resource Committee**
16 **meetings.**

17
18 **WITNESS: David Hamilton**