

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF MEADE COUNTY RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	Case No.
TO IMPLEMENT DEMAND-SIDE)	2012-00153
MANAGEMENT PROGRAMS)	

ORDER

On March 20, 2012, Meade County Rural Electric Cooperative Corporation (“Meade”) submitted tariffs to adopt, on a permanent basis, nine of the ten demand-side management (“DSM”) programs that were either new or had been previously offered on a pilot basis through December 31, 2011. Meade’s proposed tariffs were designated as Schedules 26 through 34 and became effective April 20, 2012. The proposed tariffs mirror the DSM programs proposed by its wholesale supplier, Big Rivers Electric Corporation (“Big Rivers”).¹ By Order dated May 1, 2012, the Commission initiated this matter, pursuant to KRS 278.260(1), to determine the reasonableness of Meade’s DSM programs.

On April 30, 2012, Meade submitted a supplemental tariff for a tenth DSM program, weatherization for residential customers whose primary heat source is non-electric with electric-sourced air conditioning. The tariff was designated as Schedule 35. The Commission ordered the supplemental tariff to be effective on and after May 26, 2012, subject to change prospectively.

¹ Case No. 2012-00142, Tariff Filing of Big Rivers Electric Corporation to Implement Demand-Side Management Programs (Ky. PSC Aug. 22, 2012).

Commission Staff issued, and Meade responded to, three requests for information. There were no intervenors in the case. The matter now stands submitted for a decision.

DISCUSSION

Meade is proposing the same 10 DSM programs proposed by Big Rivers in Case No. 2012-00142 as follows:

1. Schedule 26 – High Efficiency Lighting Replacement Program;
 2. Schedule 27 - Energy Star Clothes Washer Replacement Incentive Program;
 3. Schedule 28 - Energy Star Refrigerator Replacement Incentive Program;
 4. Schedule 29 - Residential High Efficiency Heating, Ventilation and Air Conditioning (“HVAC”) Program;
 5. Schedule 30 - Residential Weatherization Program;
 6. Schedule 31 - Touchstone Energy New Home Program;
 7. Schedule 32 - Residential and Commercial HVAC & Refrigeration Tune-Up Program;
 8. Schedule 33 - Commercial/Industrial High Efficiency Lighting Replacement Incentive Program;
 9. Schedule 34 - Commercial/Industrial General Energy Efficiency Program;
- and
10. Schedule 35 - Residential Weatherization Program–Primary Heating Source Non-Electric.

Meade's DSM tariffs were evaluated solely to determine whether they mirrored the Big Rivers' DSM tariffs. In response to Commission Staff's Requests for Information, Meade made various text changes to the tariffs and filed updated pages. Having reviewed the record and being otherwise sufficiently advised, the Commission finds that:

1. With the revisions filed by Meade in response to Commission Staff's Requests for Information, Meade's proposed tariffs mirror the DSM tariffs filed by Big Rivers and should be approved.

2. Conservation, EE, and DSM have become more important as there are more constraints placed upon generating utilities whose main source of energy is coal-based generation. In fact, Big Rivers has currently pending before the Commission a proposal seeking more than a quarter billion dollars for compliance purposes with Environmental Protection Agency ("EPA") regulations in Case No. 2012-00063.² Likewise with the release of its Roadmap³ recently, EPA recognizes the value of EE and DSM as tools for partial compliance with the regulations. The Commission commends Meade for beginning to deploy these programs and encourages this effort, but it must make a greater effort to offer cost-effective DSM and other EE programs.

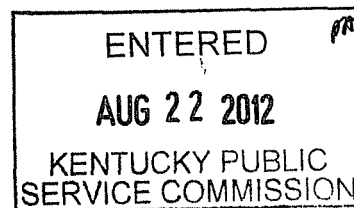
² Case No. 2012-00063, Application of Big Rivers Electric Corporation for Approval of Its 2012 Environmental Compliance Plan, for Approval of Its Amended Environmental Cost Recovery Surcharge Tariff, for Certificates of Public Convenience and Necessity, and for Authority to Establish a Regulatory Account (filed Apr. 2, 2012).

³ EPA's Roadmap for Incorporating Energy Efficiency/Renewable Energy Policies and Program into State and Tribal Implementation Plans, dated July 2012.

IT IS THEREFORE ORDERED that:

1. With the revisions filed by Meade in response to Commission Staff's Requests for Information, Meade's DSM tariffs are approved.
2. Within 20 days of the date of this Order, Meade shall file its revised DSM tariffs with the Commission as approved herein showing the date of issue and that they were issued by authority of this Order.

By the Commission



ATTEST:


Executive Director

Burns E Mercer
Manager
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