



Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED

JUL 11 2011

PUBLIC SERVICE
COMMISSION

LG&E and KU Energy LLC
State Regulation and Rates
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Rick E. Lovekamp
Manager Regulatory Affairs
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July 11, 2011

RE: *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New, Demand-Side Management and Energy-Efficiency Programs - Case No. 2011-00134*

Dear Mr. DeRouen:

Please find enclosed and accept for filing the original and ten (10) copies of the response of Louisville Gas and Electric Company and Kentucky Utilities Company to the Supplemental Requests for Information of the Metropolitan Housing Coalition dated June 28, 2011, in the above-referenced matter.

Should you have any questions regarding the enclosed, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Rick E. Lovekamp". The signature is written in a cursive, flowing style.

Rick E. Lovekamp

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY AND KENTUCKY UTILITIES) CASE NO.
COMPANY FOR REVIEW, MODIFICATION, AND) 2011-00134
CONTINUATION OF EXISTING, AND ADDITION OF NEW)
DEMAND-SIDE MANAGEMENT AND ENERGY-)
EFFICIENCY PROGRAMS)

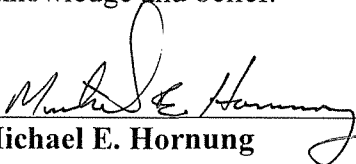
RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
AND
KENTUCKY UTILITIES COMPANY
TO THE METROPOLITAN HOUSING COALITION'S
SUPPLEMENTAL REQUESTS FOR INFORMATION
DATED JUNE 28, 2011

FILED: July 11, 2011

VERIFICATION

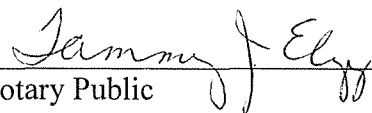
COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Michael E. Hornung**, being duly sworn, deposes and says that he is Manager of Energy Efficiency Planning & Development for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



Michael E. Hornung

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 8th day of July 2011.



Notary Public (SEAL)

My Commission Expires:

November 9, 2014

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 1

Witness: Michael E. Hornung

- Q-1. In responses to Questions 1 and 2 of MHC's First Request for Information, LG&E/KU states "[t]he Companies do not track information by census tract." However, LG&E /KU produced several maps for review by MHC which pinpoint DSM services provided by location down to address (Exhibit 1) and a listing of services by address or zip code (Exhibit 3) for an MHC researcher who was able to create a map of energy efficiency program enrollment (Exhibit 2). It is apparent that LG&E/KU does have information regarding participation in DSM programs that is very specific.
- a. Please describe LG&E/KU's internal capacity to perform Geographic Information Systems (GIS) analysis of service provision, including DSM billing and DSM expenditures.
 - b. Please describe LG&E/KU's external capacity or contracting for GIS analysis, including DSM billing and service provision.
- A-1. On November 11, 2010, LG&E/KU representatives attended a meeting to discuss the proposed DSM filing with various Louisville low-income advocacy groups. During this meeting representatives of Metropolitan Housing Coalition inquired of LG&E and KU for graphical information represented within the Exhibits attached to this data request. The Company stated that the data and software to provide this information in the requested format were not a part of the established reporting processes, but at that time committed to providing this information on a one time request. The Companies had to acquire a 30-day trial of Microsoft MapPoint Software, and then work to extract data from the various databases which range from the Company's Customer Care System, Microsoft Access, and Microsoft Excel. This data went through an extensive mapping and scrubbing process to ensure everything aligned properly and avoided omissions and potential double counting. Additional efforts were needed to learn the MapPoint Software and convert the scrubbed data into the appropriate format to be plotted. This effort took multiple weeks to perform and prepare. On January 7, 2011, LG&E and KU invited representatives from the Metropolitan Housing Coalition to its offices to provide and discuss this information. At that time the Company discussed the effort required to pull

this information together and how the Company does not manage its programs in this manner. In addition, the Company did not purchase any additional software after the trial periods mentioned above.

- a. Currently, the Companies do not have the capacity to perform Geographic Information System analysis as requested by this data request.
- b. Currently, LG&E and KU have not explored external capacity for contracting GIS analysis, including DSM billing and service provisions because the DSM programs are managed on a total Company basis.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 2

Witness: Michael E. Hornung

- Q-2. Please list all the ways that information on where all services (not just DSM services, but all services) provided can be retrieved or analyzed or compiled. Response should include, if available, ability to retrieve and sort data by date, address, ownership status of ratepayer (homeowner or renter), type of service, cost of service for each address or unit.
- A-2. The Companies utilize numerous internal and external data bases and sources in managing the DSM programs. All performance metrics associated with program measures deployed, data associated with services rendered, customer enrollment/engagement/scheduling, and equipment inventory are tracked through the combination of internal and external data sources for each program. This represents over 23 separate sources. In addition, customer information and billing determinants are stored within the Companies' Legacy Customer Information System (pre-April 2009) and current Customer Care System (post-April 2009), while all program expenses are recorded and tracked through the Companies' ORACLE financial system. Consequently the ability to aggregate and analyze this data on a scale smaller than per company requires manual processes to manage the accuracy and integrity of the data.

Both the Companies Legacy Customer Information System and Customer Care System contain data by date, address, and billing determinates associated with the tariff rates associated with each address.

Although the Companies collect various data on its customers for billing purposes, it does not analyze individual customers on the basis of their address, ownership status of ratepayer (homeowner or renter), type of service, cost of service for each address or unit or other means of segregating the residential class of customers by location of residence.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 3

Witness: Michael E. Hornung

- Q-3. Please list all the ways that information on where and amount of DSM fees billed can be retrieved, analyzed or compiled. Response should include ability to know the date, address, amount of fees.
- A-3. All residential customers pay into the DSM Mechanism through their monthly bill. This information is collected within the Company's Customer Care System and Legacy Customer Information System. Although this information is accumulated for billing purposes and can be viewed for individual customer accounts, the Companies have not created reporting that segments this data.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 4

Witness: Michael E. Hornung

- Q-4. Please describe the data collected by LGE/KU for each DSM service provided, specifically address, customer type (e.g. homeowner, renter, business), activities performed and cost per service rendered.
- A-4. See response to Question No. 2.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 5

Witness: Michael E. Hornung

Q-5. Referring to both DSM billing and DSM provision of service- at what geographic levels can this information be aggregated and analyzed: such as address, census block, census tract, political boundaries, zip codes, etc.?

A-5. All residential customers pay into the DSM Mechanism in support of the entire DSM portfolio of programs. The Companies do not maintain data in a single database, nor do the Companies analyze their DSM programs on the basis of delineated geographic levels. For the Companies to retrieve information regarding DSM fees billed and provision of services to individual customers, the Companies would work to extract data from the various databases which range from the Company's Customer Care System, Microsoft Access, and Microsoft Excel for approximately 700,000 individual residential customer accounts at a zip code level.

Please refer to the response to Question No. 2; customer information stored within the Company's Legacy Customer Information System and Customer Care System allows for ad-hoc or manual queries associated with geographic locations such as address and zip codes. Correlation with external data such as census block or census tract would require additional efforts to understand these segmentations and then be manually associated.

DSM service provision geographic segmentation would be dependent on the data requested as each of the over 23 data sources contains various levels. The data provided within the Companies' responses to the Request for Information associated with is filing have been provided at the level of detail available.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 6

Witness: Michael E. Hornung

Q-6. Please map where all services funded by DSM funds or funds specified for DSM from any source were provided, for calendar years 2009 and 2010, using color coding for type of service provided. Please include census tract boundaries in this map.

A-6. The Companies do not maintain the requested data in a single database, nor do the Companies analyze their DSM programs on the basis of zip code, census tract, or other means of segregating the residential class of customers by location of residence. In order to facilitate this request as stated, the Companies would have to purchase additional software and then work to extract data from the various databases which range from the Company's Legacy Customer Information System, Customer Care System, Microsoft Access, and Microsoft Excel. This data would then have to be put through an extensive mapping and scrubbing process to ensure everything aligned properly and avoided omissions and potential double counting. Additional efforts would then be needed to convert the scrubbed data into the appropriate format to be plotted.

Please refer to responses to ACM Question Nos. 2-3, 2-4, 2-5, 2-6, 2-8, and 2-20 where the number of LG&E customers receiving third-party assistance, DSM services for on-line audits, on-site audits, AC tests, AC tune-ups, and number of LG&E customers are provided by zip code.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 7

Witness: Michael E. Hornung

- Q-7. Using information on where all services funded by DSM funds (or funds specified for DSM use from any source) occurred during calendar years 2009 and 2010, please create a map showing levels of DSM funds spent per service activity, using color coding by 6 categories of expenditure. Please include census tract boundaries in this map.
- A-7. The Companies do not maintain the requested data in a single database, nor do the Companies analyze their DSM programs on the basis of zip code, census tract, or other means of segregating the residential class of customers by location of residence. In order to facilitate this request as stated, the Companies would have to purchase additional software and then work to extract data from the various databases which range from the Company's Legacy Customer Information System, Customer Care System, Microsoft Access, and Microsoft Excel. This data would then have to be put through an extensive mapping and scrubbing process to ensure everything aligned properly and avoided omissions and potential double counting. Additional efforts would then be needed to convert the scrubbed data into the appropriate format to be plotted.

Please refer to responses to ACM Question Nos. 2-3, 2-4, 2-5, 2-6, 2-8, and 2-20 where the number of LG&E customers receiving third-party assistance, DSM services for on-line audits, on-site audits, AC tests, AC tune-ups, and number of LG&E customers are provided by zip code.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 8

Witness: Michael E. Hornung

- Q-8. What are the program-specific and aggregate DSM expenditures by census tract for calendar years 2009 and 2010? If this data is not available by census tract, please provide it by zip code. Please map this data grouping aggregate district DSM expenditures into 6 categories.
- A-8. The Companies do not maintain the requested data in a single database, nor do the Companies analyze their DSM programs on the basis of zip code, census tract, or other means of segregating the residential class of customers by location of residence. In order to facilitate this request as stated, the Companies would have to purchase additional software and then work to extract data from the various databases which range from the Company's Legacy Customer Information System, Customer Care System, Microsoft Access, and Microsoft Excel. This data would then have to be put through an extensive mapping and scrubbing process to ensure everything aligned properly and avoided omissions and potential double counting. Additional efforts would then be needed to convert the scrubbed data into the appropriate format to be plotted.

LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY

Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011

Case No. 2011-00134

Question No. 9

Witness: Michael E. Hornung

- Q-9. Using information on all residential customers, please provide the median annual residential ratepayer DSM billing by census tract or zip code and including the number of ratepayers in those geographic areas for calendar years 2009 and 2010.
- A-9. Provided below is the average customer bill impact for the time period of April 2009 through December 2010.

LG&E Average DSM Billing Impact

LG&E Zip	Number of Residential Customers	Average Annual Bill Impact for 2009-2010	LG&E Zip	Number of Residential Customers	Average Annual Bill Impact for 2009-2010	LG&E Zip	Number of Residential Customers	Average Annual Bill Impact for 2009-2010	LG&E Zip	Number of Residential Customers	Average Annual Bill Impact for 2009-2010
40004	2758	\$ 5.22	40041	130	\$ 23.54	40209	164	\$ 35.10	42722	23	\$ 5.82
40006	221	\$ 6.22	40047	5423	\$ 11.88	40210	5633	\$ 34.72	42746	29	\$ 0.03
40010	203	\$ 56.94	40048	1	\$ 7.55	40211	9589	\$ 35.61	42748	836	\$ 6.29
40011	189	\$ 7.63	40050	267	\$ 7.59	40212	7281	\$ 36.90	42749	32	\$ 0.35
40013	57	\$ 6.09	40055	169	\$ 48.72	40213	7298	\$ 34.60	42757	146	\$ 5.78
40014	7115	\$ 49.49	40056	1268	\$ 49.54	40214	19115	\$ 35.07	42764	17	\$ 2.78
40018	18	\$ 38.89	40057	261	\$ 8.04	40215	8817	\$ 33.57			
40019	617	\$ 6.90	40059	6984	\$ 58.98	40216	18028	\$ 36.60			
40023	822	\$ 57.64	40067	750	\$ 7.19	40217	6098	\$ 33.30			
40025	58	\$ 111.71	40068	225	\$ 7.14	40218	13555	\$ 30.77			
40026	2045	\$ 57.91	40069	5	\$ 3.13	40219	15834	\$ 33.84			
40027	128	\$ 62.65	40071	368	\$ 5.28	40220	15344	\$ 35.70			
40031	4913	\$ 32.18	40077	343	\$ 38.41	40222	10274	\$ 43.69			
40033	18	\$ 7.10	40108	1268	\$ 30.03	40223	9818	\$ 45.73			
40037	194	\$ 5.22	40109	447	\$ 10.85	40228	6679	\$ 40.38			
			40118	3978	\$ 39.59	40229	13324	\$ 37.61			
			40150	196	\$ 5.16	40232	1	\$ 47.09			
			40155	465	\$ 29.27	40241	12324	\$ 43.19			
			40160	2041	\$ 5.68	40242	4768	\$ 38.04			
			40162	168	\$ 5.34	40243	4465	\$ 38.98			
			40165	7853	\$ 19.58	40245	11218	\$ 50.00			
			40175	920	\$ 6.17	40258	10875	\$ 39.45			
			40177	571	\$ 33.53	40272	14529	\$ 40.67			
			40202	1272	\$ 25.24	40291	15116	\$ 41.20			
			40203	6617	\$ 29.44	40299	15965	\$ 42.32			
			40204	7858	\$ 32.08	42141	1	\$ -			
			40205	10735	\$ 39.94	42154	1	\$ -			
			40206	10207	\$ 31.94	42214	88	\$ 1.94			
			40207	14736	\$ 42.67	42701	226	\$ 5.34			
			40208	6330	\$ 30.06	42716	149	\$ 5.93			

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 10

Witness: Michael E. Hornung

- Q-10. In the response to the first MHC Request for Information, Question 3, LG&E/KU wrote “[p]articipant goals were not developed considering ownership status, but approximately 30% of LG&E’s customers reside in rental units.” Because there are no proposed participant goals for ratepayers who are renters, it is important to understand how renter participation in DSM programs has changed/increased/improved in since 2007. Specifically, please provide the breakdown by homeowner versus renter for each category of residential DSM service provided for years 2007, 2008, 2009, and 2010. If this data cannot be provided, please provide a detailed explanation of why this data is not tracked.
- A-10. The statement that the Companies provided in the first MHC Request for Information, Question No. 3, “[p]articipant goals were not developed considering ownership status, but approximately 30% of LG&E’s customers reside in rental units” is based on data that was provided in 2010 by Acxiom, a 3rd party vendor. This data represents LG&E and KU as a whole and was not provided in a more granular format. Since the data provided by Acxiom was representative of a snapshot in time for 2010, the Companies do not have the data required to answer this request. As all residential customers pay into the DSM Mechanism, the Companies do not market or track individual customer segments to provide these services.

Please see response to KPSC Question No. 2-29.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 11

Witness: Michael E. Hornung

- Q-11. Please provide a detailed explanation and list of costs for all analysis, tracking, programs or goals, activities and plans for ensuring that DSM services are provided without deliberate or inadvertent discrimination to persons in protected classes as defined by the Fair Housing Act.
- A-11. The Companies do not know or attempt to determine any customer's race, color, religion, national origin, sex, familial status, or disability. In addition, the Companies include equal-employment-opportunity provisions in all their third-party contracts. As all residential customers pay into the DSM Mechanism in support of the entire DSM portfolio of programs, all residential customers have the opportunity to participate and benefit in DSM programming.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 12

Witness: Michael E. Hornung

Q-12. In many DSM programs advertising is the highest cost of the administrative budgets; in the three programs discussed in Data Request 1, Questions 7, 8, and 9, the cost of advertising for the projected 7 year period is \$5,897,000 out of a total administrative budget of \$11,066,000.

Please aggregate the proposed advertising cost of *all* DSM programs over the seven years and explain what activities this supports and cost estimates for each category of advertising activities.

A-12. The table below provides the DSM advertising budgets by program and year. The individual program advertising budgets are utilized in support of direct mail, brochures, educational material, and specific program advertising. The advertising budget within the Customer Education and Public Information Program is used to support the advertising activities for mass media (TV, radio, & billboards) for all the DSM programs.

Expansion / Enhanced / Existing Programs Advertising Budget (\$000s)

Program	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Residential Incentives	\$ 234	\$ 280	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	2,564
Residential Refrigerator Removal	\$ 120	\$ 244	\$ 311	\$ 316	\$ 322	\$ 328	\$ 334	1,976
Smart Energy Profile	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Residential Home Performance	\$ 120	\$ 163	\$ 207	\$ 211	\$ 215	\$ 219	\$ 223	1,357
Residential Demand Conservation	\$ 536	\$ 755	\$ 660	\$ 673	\$ 572	\$ 584	\$ 595	4,376
Residential WeCare	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Program Development & Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Commercial Demand Conservation	\$ 24	\$ 28	\$ 28	\$ 29	\$ 19	\$ 20	\$ 20	168
Commercial Audit / Rebates	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 53	349
Residential Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Residential New Construction	\$ 43	\$ 46	\$ 58	\$ 54	\$ -	\$ -	\$ -	201
Residential HVAC / Tuneup	\$ 48	\$ 48	\$ 48	\$ 48	\$ -	\$ -	\$ -	192
Commercial HVAC / Tuneup	\$ 30	\$ 35	\$ 35	\$ 35	\$ -	\$ -	\$ -	135
Dealer Referral Network	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Customer Education & Public Info	\$ 2,742	\$ 2,875	\$ 3,043	\$ 3,258	\$ -	\$ -	\$ -	11,919
Grand Total	\$ 3,944	\$ 4,521	\$ 4,849	\$ 5,085	\$ 1,590	\$ 1,612	\$ 1,635	\$ 23,236

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 13

Witness: Michael E. Hornung

Q-13. In response to initial Request for Information 3, Witness Michael Hornung stated that "approximately 30% of LGE's customers reside in rental units."

- a. Please provide the source of that percentage.
- b. Please describe whether and how the LGE database can identify, among the ratepayers who are billed for DSM programs, those who are participating in each program, and whether that person resides in a rental unit.

A-13.

- a. The statement that "approximately 30% of LGE's customers reside in rental units" was based on third-party demographic data provided by Acxiom late in 2010. Please see response to KPSC Question No. 2-29.
- b. Given the response to Question No. 2, customer information stored within the Company's Legacy Customer Information System and Customer Care System allows for ad-hoc or manual queries associated with geographic locations such as address and zip codes.

DSM participation within each geographic area would be dependent on the data requested as each of the over 23 data sources contains various levels of geographic specificity. The data provided within the Companies' responses to the Request for Information associated with this filing has been provided at the level of detail available.

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 14

Witness: Michael E. Hornung

- Q-14. Please provide the total number of residential customers participating in each DSM program for the years 2009 and 2010, and what percentage of those households participating are at or below 200% of the federal poverty guidelines.
- A-14. The Companies do not track the percentage of households participating at or below 200% of the federal poverty. However, due to the nature of the WeCare eligibility requirements, the Companies can provide the number of LIHEAP eligible customers for 2009-2010.

Total Number of Customers Participating by Program

Program	Participation Count
Residential Direct Load Control	182,891
Residential AC Test	1,935
Residential AC Tune-Up	830
WeCare	2,313
Residential Audit	1,933

Total Number of Customers Participating in at least one DSM program.

LIHEAP Eligible Customers

2009	34,816
2010	54,423

**LOUISVILLE GAS AND ELECTRIC COMPANY
KENTUCKY UTILITIES COMPANY**

**Response to the Metropolitan Housing Coalition's
Supplemental Requests for Information
Dated June 28, 2011**

Case No. 2011-00134

Question No. 15

Witness: Michael E. Hornung

- Q-15. If the information requested in Supplemental Request 4 is not available, please explain the tracking or other mechanisms that LGE has used and any LGE intends to use going forward, that provides any assurance:
- a. That the marketing efforts for the DSM programs are effective in involving low-income households as participants, and
 - b. That the allocation of program costs for each program among the various classes of residential customers (i.e. single family owner occupied, multi-family owner occupied, condominium, and rental units) and among various income brackets (low-income, moderate income, high income) are fair.
- A-15. As all residential customers pay into the DSM Mechanism in support of the entire DSM portfolio of programs, the Companies do not target specific classes of residential customers, but provides equal opportunity for all customers to participate. The Companies recognize the unique challenges of low-income customers and seek to continue their partnership with community action agencies and low-income advocates in finding ways to serve this customer segment within the Companies' regulatory constraints.

All customers benefit from the aggregate demand reduction that results from the Companies' DSM programs; reduced aggregate demand postpones the need for additional electric generation. This benefit is shared by all customers regardless of their participation within the Companies' DSM programs.