

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR APPROVAL OF A)	CASE NO.
NEW DEMAND-SIDE MANAGEMENT PROGRAM)	2014-00363
FOR ENERGY STAR APPLIANCES AND)	
FOR APPLIANCE RECYCLING)	

ORDER

On October 3, 2014, East Kentucky Power Cooperative, Inc. ("EKPC") submitted two tariff filings seeking authority to implement new demand-side management programs identified as the Energy Star Appliances Program ("ESA") and the Appliance Recycling Program ("ARP"). The proposed ESA program is designed to provide incentives for the purchase of Energy Star appliances. The proposed ARP program is designed to provide incentives for the removal and recycling of energy-inefficient refrigerators and freezers. Along with a cover letter, a cost-benefit analysis, supporting documents, and a guidelines document for each proposed tariff, EKPC submitted tariffs with proposed effective dates of November 3, 2014.

Having reviewed the tariff filings and being otherwise sufficiently advised, the Commission finds that an investigation of the proposed ESA and ARP tariffs is necessary to determine their reasonableness and that such investigation cannot be concluded prior to the proposed effective date. Consequently, the Commission will initiate this proceeding and, pursuant to KRS 278.190(2), will suspend the effective date of the proposed ESA and ARP tariffs for one day and allow the tariffs to go into effect thereafter, subject to change prospectively.

IT IS THEREFORE ORDERED that:

1. EKPC's proposed ESA and ARP tariffs are suspended for one day, to be effective on November 4, 2014, subject to change prospectively.

2. a. The information requested in the Appendix to this Order is due not later than 14 days from the date of this Order. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided.

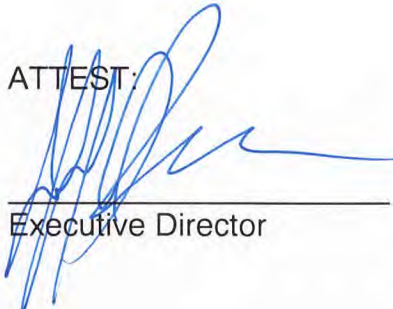
b. Each response shall be answered under oath or, for representatives of a public or private corporation or partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. A party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

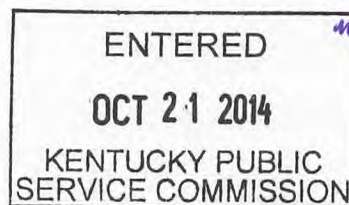
d. For any request to which a party refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

By the Commission

ATTEST:



Executive Director



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00363 DATED OCT 21 2014

1. Refer to the proposed ESA tariff – Payments and Assumptions pages under rebates. Explain why the EKPC Payment to Owner-Member in the Payments portion of the Tariff is different from the Assumptions – Rebates – EK to Co-op.
2. Refer to the proposed ESA tariff – Assumption pages under Lifetime of savings in years versus number of years of net lost revenues. Explain the difference and how the number of years of lost revenues were determined.
3. Provide a copy of the RFP that was issued for the ARP tariff.
4. Refer to the proposed ARP tariff – Assumption sheet under Administrative Cost.
 - a. Explain what “4 only” is.
 - b. Explain whether the \$81 per participant is the Appliance Cost Fee – Paid to Contractor for Promotion, Enrollment, Pickup, Recycling, and Program Admin Costs, and whether this is part of the annual cost of the program.
5. Provide, for years 2015-2017, the projected annual cost of the ESA and ARP programs.
6. Explain the impact of the ESA and ARP programs to EKPC's overall DSM portfolio and the amount of DSM costs in base rates.

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