

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE 2015 INTEGRATED RESOURCE PLAN OF EAST ) CASE NO.  
KENTUCKY POWER COOPERATIVE, INC. ) 2015-00134

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO  
EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a 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.

EKPC 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. For any request to which EKPC fails or refuses to furnish all or part of the requested information, it shall

provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a document containing personal information, EKPC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the document so that personal information cannot be read.

1. Refer to the response to Staff's First Request for Information ("Staff's First Request"), Item 7.b. Describe in detail the discussions EKPC has had with its Member Cooperatives regarding demand-side management ("DSM") program cost recovery options, in particular a DSM surcharge, and state whether any of the Member Cooperatives have expressed an interest in requesting Commission approval of a DSM surcharge.

2. Refer to the response to Staff's First Request, Item 11, EKPC's 2014 DSM Annual Report.

a. State whether the DSM Annual Report includes all the actual costs, peak demand, and energy reductions for EKPC and each of its Member Cooperatives.

b. Explain what steps and procedures EKPC and its Member Cooperatives have taken to prevent duplication of DSM costs, peak demand, and energy savings.

c. Explain how the actual costs, peak demand, and energy savings for the Member Cooperatives who have the Kentucky Energy Retrofit Rider in place are reflected in EKPC's and each of the affected Member Cooperatives' DSM Annual Reports.

3. Refer to EKPC's Integrated Resource Plan, page 27, regarding demand response in the PJM capacity markets. Also refer to Staff's First Request, Item 13. Describe how the May 2014 decision by the U.S. Court of Appeals for the District of Columbia's decision vacating the Federal Energy Regulatory Commission's Order 745 affects PJM's demand-response markets for capacity and energy.<sup>1</sup>

4. Refer to the response to Staff's Supplemental Request for Information ("Staff's Supplemental Request"), Item 3.b. Provide a summary of the September 29, 2015 meeting of Collaborative 2.0 and what steps/actions it is planning for DSM activities for EKPC and its Member Cooperatives going forward.

5. Refer to Staff's Supplemental Request, Item 4. Provide a summary table that identifies resources, load requirements, DSM levels and reserve margins to EKPC's optimal integration and expansion plan in the baseload and peaking/intermediate capacity the proposed purchase from Bluegrass Generation Company, LLC, if approved, will have on the plan during each year of the planning period.

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<sup>1</sup> *Electric Power Supply Ass'n v. FERC*, 11-1486 et al. (D.C. Cir. May 23, 2014); *Demand Response Compensation in Organized Wholesale Energy Markets*, Order No. 745, 134 FERC ¶ 61,187 (Mar. 15, 2011).

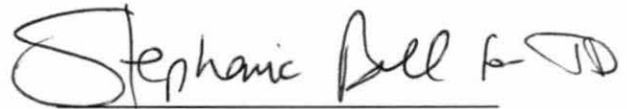
6. Refer to the response to Staff's Supplemental Request, Item 6, the KEMA Assessment of Evaluation Measurement & Verification ("EM&V") for DSM programs ("KEMA Assessment"), pages 1-1 and 1-2 where it states:

EKPC's current evaluation process has generally followed minimum industry standard practices for estimating the impacts of its EE programs. The process is sound and adequately robust for the purposes for which the results have been used to date. The evaluation process has focused exclusively on determining quantitative program impacts. To date, there has been little effort put into examining market effects of program processes. These evaluations have used standard engineering algorithms appropriate to each program type, based on reported, but unverified, participation data from the Owner-Members, and applying deemed energy savings values on a per unit energy savings by measure.

- a. Explain whether EKPC is considering enhancing its current evaluation process of its DSM/EE programs.
- b. Explain what efforts are being implemented in examining market effects or program processes, and what future efforts are being considered.
- c. Also refer to pages 1-3 to 1-5 of the KEMA Assessment. Provide EKPC's response and action steps to implement the 12 recommendations made by KEMA.
- d. Identify and describe what EM&V quality-assurance efforts are being made by EKPC with respect to its Member Cooperatives.

7. Refer to the Scenario Overview of the KEMA Assessment filed in the response to Item 6 of Staff's Supplemental Request to EKPC, page 5-8. Explain whether EKPC is considering any of the eight scenarios, beginning at page 5-8 presented by KEMA, beginning at page 5-8.

8. Refer to the response to Staff's Supplemental Request, Item 8. Provide a summary of the actual costs, peak demand, and energy reductions for EKPC and each of its Member Cooperatives for calendar years 2013 and 2014.

A handwritten signature in black ink that reads "Stephanic Bell" followed by a stylized flourish.

Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED Oct 16 2015

cc: Parties of Record

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