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March 18, 2010

## PARTIES OF RECORD

Re: Case No. 2010-00067

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Richard Raff at 502/564-3940, Extension 263.

Sincerely,  
  
Jeff Derouen  
Executive Director

RR/ew

Attachment

**INTRA-AGENCY MEMORANDUM**

**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case File

**FROM:** Richard Raff, Staff Attorney *JK*

**DATE:** March 18, 2010

**SUBJECT:** Case No. 2010-00067  
Kentucky Power Company Demand-Side Management Programs

An impromptu telephone conference was held on March 17, 2010. Those participating for Kentucky Power were Mark Overstreet, Errol Wagner, Bob Russell, and Don Music; and, for Commission Staff, Richard Raff, Quang Nguyen, Jorge Valladares, Roger Hickman, Jim Livers, and Jeff Johnson.

The purpose of the conference was to discuss the way in which Kentucky Power estimates the number of households to be weatherized under its Target Energy Efficiency Program. Kentucky Power indicated that the number of participants is determined in conjunction with its demand-side management collaborative, and in particular with the local Community Action Agencies, who hire the contractors to perform the weatherization. Kentucky Power also indicated that, within the last year, the Community Action Agencies have received federal stimulus funds which have allowed them to increase the number of weatherization crews, which in turn allows for a substantial increase in the number of homes weatherized. Finally, Kentucky Power stated that it receives an itemized invoice from the weatherization contractor showing the specific work done on each home and the cost charged to Kentucky Power for that work. Commission Staff indicated that in future filings of this type, Kentucky Power should address the accounting procedures that are in place and being utilized to ensure that ratepayers are not being billed for any program costs that are being funded through federal stimulus funds.