

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF JACKSON ENERGY)	
COOPERATIVE CORPORATION FOR)	CASE NO.
APPROVAL TO IMPLEMENT FIVE NEW)	2011-00372
DEMAND-SIDE MANAGEMENT)	
PROGRAMS)	

O R D E R

On September 2, 2011, Jackson Energy Cooperative Corporation (“Jackson Energy”) made a tariff filing concerning the following five Demand-Side Management (“DSM”) programs: (1) Electric Heat Pump Tune Up Program; (2) Electric Thermal Storage Program; (3) Button Up Weatherization Program; (4) Air Source Heat Pump Program; and (5) Advanced Lighting Program. Jackson Energy’s proposed tariffs, designated Original Sheet Nos. 162 to 166, provided that the Advanced Lighting Program would become effective on October 2, 2011 and the other four DSM programs would become effective on October 3, 2011.

On September 22, 2011, the Commission issued an Order suspending the proposed effective dates of the DSM programs for a period of up to five months pursuant to KRS 278.190, finding that an investigation of the proposed DSM tariffs was necessary to determine their reasonableness and that such investigation cannot be concluded prior to the proposed effective date.

On November 3, 2011, Jackson Energy filed a motion requesting authorization to continue operation of the DSM programs during the pendency of this matter. Jackson

Energy advised that it has offered various DSM programs to its members since the late 1980s or early 1990s, including some of the DSM programs at issue in this matter (i.e., the Electric Heat Pump Tune Up; Electric Thermal Storage; Button Up Weatherization; and Air Source Heat Pump). Jackson Energy further advised that the Advanced Lighting Program had been recently approved in Case No. 2011-00148.¹

Jackson Energy notes that the subject DSM programs offer one-time rebates to its customers. The rebates are funded by East Kentucky Power Cooperative, Inc. and disbursed by Jackson Energy to eligible members who participate in any of these DSM programs. Prior to 2011, Jackson Energy had not filed any tariffs with respect to the rebates paid to its members as part of these DSM programs. As a result of comments made by Commission Staff in a separate proceeding, Jackson Energy thought it would be prudent to file tariffs for any and all DSM programs that it had not yet filed.

Jackson Energy asserts that, because the subject DSM programs have been in existence over a long period of time, many of its members have come to expect the benefits of these programs. As an example, Jackson Energy points out that during the fall and winter months, approximately 40–50 Jackson Energy members request an energy audit. On average, the audits result in 12–15 members requesting to participate in one of the subject DSM programs other than the Advanced Lighting program.

¹ Case No. 2011-00148, Filing of New Demand-Side Management Tariffs by East Kentucky Power Cooperative, Inc. and Eleven of its Member Distribution Cooperatives (Ky. PSC, September 30, 2011). Jackson Energy notes that because the Order in Case No. 2011-00148 was entered subsequent to the suspension Order in the case at bar, it has operated under the assumption that the Advanced Lighting tariff has been approved and only the other four proposed DSM programs have been suspended. Given that the Commission will grant Jackson Energy's request to continue operating its proposed programs, the issue whether the Advanced Lighting program has been suspended is moot.

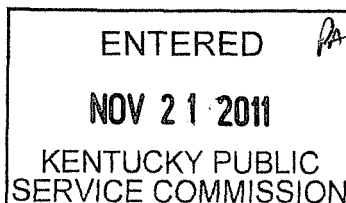
Jackson Energy is of the belief that, absent these program incentives, many of its members will not implement energy-efficient measures that would reduce usage and demand.

Having reviewed the Motion and being otherwise sufficiently advised, the Commission finds that Jackson Energy has established good cause to allow it to continue operating the DSM programs at issue until a final Order is issued in this matter. The Commission takes administrative notice that there may be other jurisdictional electric utilities that might have untariffed DSM programs, and the Commission will take certain actions to address this issue. In light of this, the Commission will place this matter in abeyance until such time as the untariffed DSM programs issue has been addressed.

IT IS THEREFORE ORDERED that:

1. Jackson Energy's request to allow it to proceed with the untariffed DSM programs during the pendency of this case is granted.
2. The matter is placed in abeyance until further Order of the Commission.

By the Commission



ATTEST:



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