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FAX MESSAGE

TO: Jeff Derouen - filings
FAX NO. 502 - 564-3460
FROM: J. CHRISTOPHER HOPGOOD
DATE: July 9, 2012
No. of Pages 10 (including this page)

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JUL 09 2012

PUBLIC SERVICE
COMMISSION

MESSAGE

Re: Case No. 2012-00143

Letter follows. Original being overnighted by FEDEX.

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Original documents will follow by courier or mail

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July 9, 2012

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JUL 09 2012

PUBLIC SERVICE
COMMISSION

VIA FEDEX

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sauer Boulevard
Frankfort, KY 40601

RE: Case No. 2012-00143

Dear Mr. Derouen:

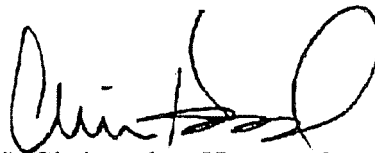
Enclosed for filing are the original and 10 copies of Response of Kenergy Corp. to Third Data Request of Commission Staff in above case.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By



J. Christopher Hopgood
Attorney for Kenergy Corp.

JCH/cds

Encls.

COPY/w/encls.: Attorney General, Utility & Rate Intervention Division
Mr. Sandy Novick, Kenergy Corp.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

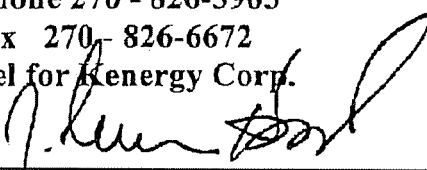
In the matter of:

TARIFF FILING OF KENERGY CORP. TO) Case No.
IMPLEMENT DEMAND-SIDE MANAGEMENT) 2012-00143
PROGRAMS)

RESPONSE OF KENERGY CORP. TO THIRD DATA REQUEST
OF COMMISSION STAFF

Following is Kenergy Corp.'s response to Commission Staff's Third Request for Information dated June 29, 2012.

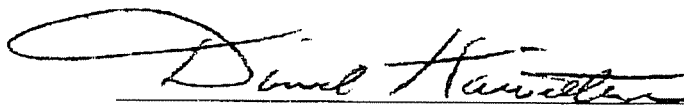
DORSEY, KING, GRAY, NORMENT & HOPGOOD
318 Second Street
Henderson, Kentucky 42420
Telephone 270 - 826-3965
Telefax 270- 826-6672
counsel for Kenergy Corp.

By 

J. Christopher Hopgood

VERIFICATION

The undersigned David Hamilton hereby verifies that the information set forth in the following Responses of Kenergy Corp. to Third Data Request of Commission Staff is true and correct to the best of my information, knowledge and belief.



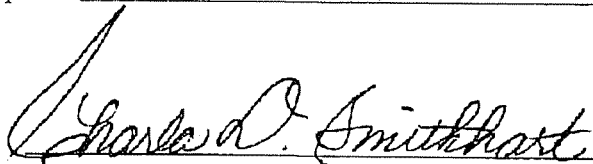
David Hamilton
Kenergy Corp.

STATE OF KENTUCKY

COUNTY OF HENDERSON

The foregoing was signed, acknowledged and sworn to before me by
DAVID HAMILTON, Member Services Director of KENERGY CORP., this 9th day
of July, 2012.

My commission expires September 29, 2013


Notary Public, State of Kentucky at Large

(seal)

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7

**KENERGY CORP.
RESPONSE TO COMMISSION STAFF'S
THIRD REQUEST FOR INFORMATION**

CASE NO. 2012-00143

8 **Item 1)** Refer to Kenergy's proposed tariff, pages 55 and 56, the Residential
9 Weather Normalization tariffs. The Member Incentive sections of these pages state that
10 Kenergy will provide a certain percentage of the cost of weatherization improvements
11 and the Terms and Conditions section states that Kenergy will contract with a third-party
12 contractor that performs weatherization projects, pay the contractor \$150 for the initial
13 audit, and pay \$3 per installed CFL bulb and \$10 per installed low-flow aerator and/or
14 shower head. However, in the Residential Weatherization Program tariffs filed by Big
15 Rivers Electric Corporation ("Big Rivers"),¹ Kenergy's wholesale supplier, it states that
16 Big Rivers will provide a certain percentage of the cost of weatherization improvements
17 and that Big Rivers will contract with a third-party contractor that performs
18 weatherization projects, pay the contractor \$150 for the initial audit, and pay \$3 per
19 installed CFL bulb and \$10 per installed low-flow aerator and/or shower head. State
20 which entity is responsible for the items listed. If the responsible party is Big Rivers,
21 provide revised tariff pages 55, 55A, 56 and 56A.

22

¹ See Case No. 2012-00142, Tariff Filing of Big Rivers Electric Corporation to Implement Demand-Side Management Programs, filed March 16, 2012.

1 **RESPONSE:**

2 **See attached revised tariffs which show that Big Rivers is responsible for the**
3 **cost.**

4

5 **WITNESS: David Hamilton**



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
 PSC NO. 2
Original SHEET NO. 55
 CANCELLING PSC NO. 2
 SHEET NO. _____

CLASSIFICATION OF SERVICE
Residential Weatherization Program – Primary Heating Source Non-Electric and Electric-Sourced Air Conditioning

Residential Weatherization Program-Primary Heating Source Non-Electric and Electric-Sourced Air Conditioning

Purpose

This program promotes increased implementation of weatherization improvements among residential customers whose primary heating source is non-electric with electric-sourced air conditioning by paying an incentive to eligible residential customers who undertake and complete residential weatherization improvements in accordance with this program.

Availability

A DSM program's rates, terms and conditions are available to residential customers subject to the limitations and eligibility requirements of this program and to the rules and regulations of this tariff.

Eligibility

A residential customer served by Kenergy Corp., who undertakes and completes weatherization improvements, in accordance with this program, and has a primary heat source that is non-electric and electric-sourced air conditioning.

Member Incentives

Big Rivers Electric Corporation, on behalf of Kenergy Corp., will provide 25% of the cost of approved residential weatherization improvements performed in accordance with this program.

Terms & Conditions

1. Big Rivers Electric Corporation, on behalf of Kenergy Corp., will contract with a third-party contractor ("Contractor") that performs weatherization projects for electric utilities.
2. Kenergy Corp. will promote the program and submit residential customer names to Contractor.
3. Contractor will contact the residential customers from the names provided and manage the weatherization process.
4. Big Rivers Electric Corporation, on behalf of Kenergy Corp., will pay the Contractor \$150 for the initial audit.

DATE OF ISSUE April 23, 2012
Month / Date / Year

DATE EFFECTIVE May 18, 2012
Month / Date / Year

ISSUED BY *Sanford Neuck*
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. _____ DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 55A

CANCELLING PSC NO. 2

SHEET NO.

CLASSIFICATION OF SERVICE
Residential Weatherization Program - Primary Heating Source Non-Electric

5. Big Rivers Electric Corporation, on behalf of Kenergy Corp., will also pay \$3 per installed CFL bulb and \$10 per installed low-flow aerator, and/or low-flow shower head, if the water heater is electric, as part of the initial audit. Reimbursement will be limited to the following:

- CFL Bulbs Twenty (20) per Residential Customer's residence
Low-Flow Aerator Two (2) per Residential Customer's residence
Low-Flow Shower Head One (1) per Residential Customer's residence

Evaluation, Measurement and Verification

Big Rivers Electric Corporation, on behalf of Kenergy Corp., will initiate a process of evaluation, measurement and verification for the program. The process will ensure the quality and effectiveness of the program and optimal use of resources.

DATE OF ISSUE April 23, 2012

Month / Date / Year

DATE EFFECTIVE May 18, 2012

Month / Date / Year

ISSUED BY Sanford H. Houch

(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 56

CANCELLING PSC NO. 2

SHEET NO.

CLASSIFICATION OF SERVICE

Residential Weatherization Program - Primary Heating Source Electric and Electric-Sourced Air Conditioning

Residential Weatherization Program-Primary Heating Source Electric and Electric-Sourced Air Conditioning

Purpose

This program promotes increased implementation of weatherization improvements among residential customers whose primary heating source is electric with electric-sourced air conditioning by paying an incentive to eligible residential customers who undertake and complete residential weatherization improvements in accordance with this program.

Availability

A DSM program's rates, terms and conditions are available to residential customers subject to the limitations and eligibility requirements of this program and to the rules and regulations of this tariff.

Eligibility

A residential customer served by Kenergy Corp., who undertakes and completes weatherization improvements, in accordance with this program, and has a primary heat source that is electric and electric-sourced air conditioning.

Member Incentives

Big Rivers Electric Corporation, on behalf of Kenergy Corp., will provide 50% of the cost of approved residential weatherization improvements performed in accordance with this program.

Terms & Conditions

- 1. Big Rivers Electric Corporation, on behalf of Kenergy Corp., will contract with a third-party contractor ("Contractor") that performs weatherization projects for electric utilities.
2. Kenergy Corp. will promote the program and submit residential customer names to Contractor.
3. Contractor will contact the residential customers from the names provided and manage the weatherization process.
4. Big Rivers Electric Corporation, on behalf of Kenergy Corp., will pay the Contractor \$150 for the initial audit.

DATE OF ISSUE April 6, 2012
Month / Date / Year

DATE EFFECTIVE May 1, 2012
Month / Date / Year

ISSUED BY Sanford Hovick
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 56A

CANCELLING PSC NO. 2

SHEET NO.

CLASSIFICATION OF SERVICE

Residential Weatherization Program - Primary Heating Source Electric

5. Big Rivers Electric Corporation, on behalf of Kenergy Corp., will also pay \$3 per installed CFL bulb and \$10 per installed low-flow aerator, and/or low-flow shower head, if the water heater is electric, as part of the initial audit, limited to the following:

CFL Bulbs	Twenty (20) per Residential Customer's residence
Low-Flow Aerator	Two (2) per Residential Customer's residence
Low-Flow Shower Head	One (1) per Residential Customer's residence

Evaluation, Measurement and Verification

Big Rivers Electric Corporation, on behalf of Kenergy Corp., will initiate a process of evaluation, measurement and verification for the program. The process will ensure the quality and effectiveness of the program and optimal use of resources.

DATE OF ISSUE April 6, 2012
Month / Date / Year

DATE EFFECTIVE May 1, 2012
Month / Date / Year

ISSUED BY Sanford N. ... (Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. DATED