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)

ORDER

On April 9, 2012, Kenergy Corp. ("Kenergy") made a tariff filing seeking Commission approval of Demand-Side Management ("DSM") programs. Kenergy's proposed tariffs were designated as PSC No. 2, Sheets 47 through 54A, and Kenergy proposed that its new DSM programs become effective on April 30, 2012. On April 16, 2012, the Commission suspended the tariffs for one day and allowed them to become effective subject to change prospectively.

On April 24, 2012, Kenergy submitted a supplemental tariff for a weatherization program for residential customers whose primary heat source is non-electric with electric-sourced air conditioning. Kenergy requested that this tariff, designated as PSC No. 2, Sheets 55 and 55A, be given the same treatment as the tariffs submitted earlier in this proceeding. The Commission ordered the supplemental tariff to be effective on and after May 18, 2012, subject to change prospectively.

On June 18, 2012, Kenergy submitted a tariff for a weatherization program for residential customers whose primary heating source is electric with electric-sourced airconditioning. Kenergy's proposed tariff has an effective date of May 1, 2012 and is designated as PSC No. 2, Sheets 56 and 56A. Kenergy resubmitted that same tariff

with minor text changes on July 10, 2012, again reflecting a May 1, 2012 effective date.¹ Utilities are required to give 30 days' notice for a change in rates pursuant to KRS 278.180(1). However, the Commission may, based upon a showing of good cause, shorten the notice period to 20 days. Kenergy's proposed tariff is intended to mirror a DSM program that was filed by Big Rivers Electric Corporation and is currently in effect, subject to review and change prospectively.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that an investigation of Kenergy's proposed DSM program is necessary to determine its reasonableness. The Commission also finds that good cause exists to shorten the notice period to 20 days. Using a 20-day notice period, the earliest date that the proposed tariff could become effective is July 8, 2012. Pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed DSM program for one day and allow it to become effective subject to change prospectively.

IT IS THEREFORE ORDERED that Kenergy's proposed weatherization program for residential customers whose primary heating source is electric with electric-sourced air-conditioning, designated as PSC No. 2, Sheets 56 and 56A, is suspended for one day from July 8, 2012, and shall become effective on July 9, 2012 subject to change prospectively.

¹ Kenergy originally submitted the tariff on June 18, 2012 in response to Item 2 of Commission Staff's Second Information Request and resubmitted the revised tariff on July 10, 2012 in response to Item 1 of Commission Staff's Third Information Request.

By the Commission

ENTERED

JUL 1 8 2012

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

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