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April 1, 2013

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Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

Re: PSC Case No. 2013-00046

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case an original and four copies of East Kentucky Power Cooperative, Inc.'s supplemental response to Request 6 of Commission Staff's Information Request, originally filed March 25, 2013.

Very truly yours,

Mark David Goss by afw

Mark David Goss
Counsel

Enclosures

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2013-00046

RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S INFORMATION REQUEST DATED 03/11/13

REQUEST 6

RESPONSIBLE PARTY: Scott Drake

Request 6. For each type of load-control switch referenced in question No. 5, state the maximum number of hours of interruption permissible under the proposed tariff per year, per month, and per day.

Response 6. Historically, EKPC implements a four hour control event two to three times each month for water heaters totaling 96 to 144 hours per year. The air conditioners and heat pumps are usually controlled the same period per event, 4 hours two to three times per month, but only from May through September. In the last 2 years, PJM has required control of switches in the AEP zone one time for a total of 4 hours. EKPC and the Owner-Members expect a significant decrease in the total hours switches are controlled once EKPC joins PJM.

The proposed tariff change for hours of interruption is based on the PJM Demand Response Limited Capacity Market rules. EKPC plans to offer the DLC switch capacity (MW) into the PJM capacity market. EKPC is requesting modifications to its existing DLC tariff to conform to the PJM market rules because PJM requires a possible control of up to 6 hours for a single control event during June, July, August, or September.

EKPC's existing tariff establishes a maximum 4 hour control of water heaters per control event. The proposed tariff changes the control hours of water heaters in the months of June through September to up to 6 hours per PJM capacity market rules. Under the existing and proposed tariff for water heaters, EKPC can control water heaters every day of the year within

the times outlined in the tariff. EKPC and the Owner-Members do not anticipate consumer water heating issues when PJM requires a full 6 hour control because the control event will occur only on an extreme hot summer evening; plus EKPC requires a minimum of 40 gallons of stored hot water to participate in the program per the tariff. It is important to note that EKPC's switch control strategy for water heaters is 100% control; the water heaters are switched off 100% of the time during the control event. EKPC will continue to monitor participant comfort issues and is willing to implement a cycling control strategy for water heaters if the 6 hour requirement causes participant erosion.

For air conditioners and heat pumps, EKPC proposes no tariff adjustment with respect to applicable hours. As indicated in the tariff, EKPC can control air conditioners and heat pumps every day in May through September, and in any hour from 10:00 AM to 10:00 PM. It is important to note that the air conditioners and heat pumps are not switched completely off during the control event but cycled on and off. EKPC's switch control strategy for air conditioners and heat pumps is a 50% control; the air conditioners and heat pumps are switched off for only 50% of the time per hour during the control event. The DLC system implements logic to assure that 50% of the switches are controlling when the other 50% are not each hour during an event. EKPC will continue to monitor participant comfort issues and is willing to implement a different cycling control strategy for air conditioners and heat pumps if the 6 hour requirement causes participant erosion.