

January 14, 2015

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

Re: Big Sandy RECC Section DSM- ENERGY STAR<sup>®</sup> Appliances Program (New)

Dear Mr. Derouen:

Please find enclosed for filing with the Commission, via the electronic tariff filing system, the above- referenced tariff.

Big Sandy RECC is expanding its Demand-Side Management (“DSM”) program offerings by introducing the ENERGY STAR<sup>®</sup> appliance program, a common DSM rebate program offered by utilities across Kentucky and the United States that offers incentives to purchase applicable ENERGY STAR<sup>®</sup> appliances. The EKPC DSM Steering Committee (“Steering Committee”), a committee of EKPC and owner-member cooperative (“owner-member”) staff, has determined that the ENERGY STAR<sup>®</sup> appliance program is a worthwhile DSM program. Subsequently, the Steering Committee received approval from EKPC executive staff and owner-member CEOs to develop and fund said program pending Commission approval.

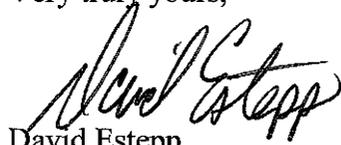
Because the Steering Committee felt that consistency with the Louisville Gas and Electric Company and Kentucky Utilities Company (“LG&E-KU”) program would provide simplicity to its end-use cooperative members (“end-use members”) and help lower public confusion about program incentive levels, it recommended that Big Sandy RECC offer rebate levels for each applicable appliance type that match the rebates offered by LG&E- KU.

The tariff details the end-use cooperative member (“end-use member”) incentive (rebate) levels per ENERGY STAR<sup>®</sup> appliance type as well as the transfer payment to the owner-member to cover lost revenues. Also, attached for your reference, are the detailed program guidelines, which will be available on each participating owner-member’s website. As stated in the guidelines, the end-use member who wishes to apply for an ENERGY STAR<sup>®</sup> appliance rebate may do so by completing the rebate application that can be: 1) downloaded from their owner-member’s website, 2) filled-out through an online portal on their owner-member’s website, or 3) in person at their owner-member’s office. The appliance verification as a qualifying ENERGY STAR<sup>®</sup> appliance, the end-use member qualifications per the program guidelines, and the incentive (rebate) payment will be handled by a 3<sup>rd</sup> party contractor. EKPC issued an RFP for these services as part of the RFP issued for the Appliance Recycling Program (Section DSM – 8: Appliance Recycling Program), and the same contractor will provide services for both the Appliance Recycling Program and the ENERGY STAR<sup>®</sup> appliance program.

Pursuant to KRS 278.180 Big Sandy RECC must give at least 30-days' notice to the Commission. Therefore, the proposed effective date of this program will be February 14, 2015. Pursuant to 807 KAR 5:011, Big Sandy RECC has posted the requisite notice at its office located at 504 11<sup>th</sup> Street Paintsville, KY 41240 and will post the requisite notice on its website, no later than five (5) business days from today's date, which will include a hyperlink to the Commission's website where the tariff can be found. Pursuant to 807 KAR 5:011 Section 8, Big Sandy RECC provided notice of this proposed tariff to its end-use members by publishing same in Kentucky Living Magazine on January 1, 2015.

Please contact me if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "David Estep", written in a cursive style.

David Estep  
President & General Manager, Big Sandy RECC  
504 11<sup>th</sup> Street  
Paintsville, KY 41240