

For Tariff filing

August, 2014

EnergyStar Manufactured Home with heat pump: rebate to manufacturer (SBRA)

All Electric manufactured home built to Energy Star standards with a SEER 13 ASHP

<u>Assumption</u>	<u>Source</u>
Load Impacts Before Participant 17,194 kWh, 9.58 kW (coincident with winter system peak), 3.06 kW (summer) After Participant 5,247 kWh, 6.70 kW (coincident with winter system peak), 2.55 kW (summer)	Heating & cooling electricity loads for a standard efficiency manufactured home with an electric furnace Heating & Cooling loads for a Manufactured home built to energy star standards with a SEER 13 ASHP . kWh savings and summer kW savings as reported by TVA (Jan 2014, Haislip)
Lifetime of savings Generation Capacity Cost - EE = combined cycle, 100% summer \$119.00 in 2013 Avoided Electricity Energy Costs - PJM Market Participant Costs \$ 0	15 Years - TVA assumption Combined Cycle Baseload unit. 100% allocation to summer based on ACES July 1 2014 energy forward curve for AEP_Dayton. DSMore Scenario 1, 0.717 esc in 2015 Incremental measure costs are expected to be covered 100% by rebates and tax credits passed on to participating home buyer. Energy star upgrades (assumed to be \$1,650) plus incremental cost for the heat pump (\$500) less pass-through of rebate paid to home producer (\$1,750) and state of Kentucky tax credit to the dealer (\$400, through 2015).
Administrative Cost EK \$5,800 one time startup fee, plus \$10,000 fixed annual, plus \$1,900 per home Co-op \$50 per new participant	One time startup fee to SBRA (\$5,800). Fixed annual allocated administrative costs (\$3,000) plus M&V (\$7,000). Variable cost per home is the incentive for home producer paid to SBRA (\$1,750 per home) plus SBRA admin fee (\$150 per home). \$50 for rebate processing and tracking
Rate Schedule - Retail Average Residential Rate for Co-ops Cust chrg \$9.62, Energy Rate \$.08966 Rate Schedule - Wholesale East Kentucky E-2 rate.	Current rates in effect as of June, 2011. Current rates in effect as of June, 2011.
Participation -400 for 2015. 0% Free Riders projected because of nature of program	
Rebates Co-op to Participant \$0 EK to Co-op \$2,400	No direct rebate paid to participant. Rebates are modeled as administrative costs because they are paid to the home producer and heat pump contractor 100% of coop admin, plus 10 years estimated net lost revenue.