

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)
COOPERATIVE, INC. FOR A PERMANENT)
DEMAND-SIDE MANAGEMENT DIRECT LOAD) 2008-00161
CONTROL PROGRAM)

FIRST DATA REQUEST OF COMMISSION STAFF TO
EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and seven copies of the following information, with a copy to all parties of record. The information requested herein is due on or before June 4, 2008. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EKPC shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests to which EKPC fails or refuses to furnish all or part of the requested information, EKPC shall

provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the answer to the last question on page 6 of the Direct Testimony of James C. Lamb and to the second paragraph on page 2 of 3 in Exhibit JCL-4. The testimony refers to 45,000 residences contributing a total of 50,000 air conditioners and 27,000 water heaters. Exhibit JCL-4 refers to 50,000 switches on air conditioners and water heaters, which comports with statements made by EKPC personnel at the April 11, 2008 meeting with representatives of its distribution cooperatives and Commission staff which referred to "50,000 customers and 100,000 switches" within 5 years. Clarify the discrepancies between these apparent contradictions in the scope and magnitude of the proposed permanent Direct Load Control ("DLC") program.

2. Refer to Exhibit JCL-1, the second full paragraph on page 3 of 16 under the heading "II. Results." Refer also to Exhibit JCL-5, the first paragraph under the heading "Time Period for the Direct Load Control of Air Conditioners."

a. The language in JCL-1 refers to a 50 percent cycling strategy for air conditioners during the pilot which indicates that the compressor ran for a 7.5 minute interval out of a 15 minute period. The proposed tariff language in JCL-5 refers to cycling the unit off for periods of time up to 15 minutes. Clarify whether the air

conditioner compressor will be off for intervals of 7.5 minutes, as during the pilot, or intervals of up to 15 minutes. If up to 15 minutes, explain the reason for departing from the practice in use during the pilot program.

b. The language in JCL-5 indicates that control of the air conditioner can be by cycling the unit off or "by adjusting the temperature setting on the thermostat." Describe the extent to which adjusting thermostat temperature settings was employed during the pilot program and explain why this technique is being proposed as part of this application.

3. Refer to Exhibit JCL-2, page 2 of 9, numbered paragraphs 8 and 11, and Exhibit JCL-5, page 2 of 3.

a. Clarify whether the thermostats will be purchased and installed by EKPC, or the applicable distribution cooperative, as opposed to the customer being responsible for the purchase and installation and then being reimbursed by EKPC.

b. Explain whether EKPC believes that more detail regarding the provision of thermostats should be included in the text of the tariff.

4. Refer to Exhibit JCL-2, page 2 of 9, numbered paragraph 10.

a. Provide a breakdown of the projected annual marketing and operating costs of \$460,000 into the categories identified in the paragraph.

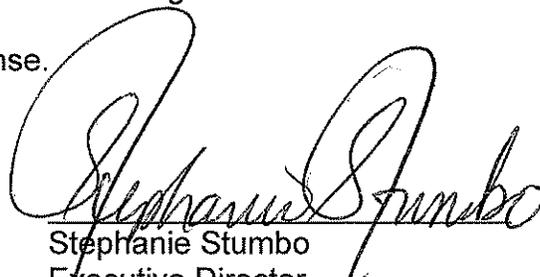
b. Provide copies of the marketing materials EKPC plans to use to promote the permanent DLC program to the customers of its member cooperatives.

5. Refer to page 2 of 3 of Exhibit JCL-5, specifically, the paragraph under the heading "Incentive – Direct Load Control of Air Conditioners Program." The next-to-last sentence indicates that the participant selecting the \$20 incentive will receive this credit regardless of whether the air conditioner or heat pump is controlled.

a. Explain why similar language is not included in the last sentence in connection with the alternative incentive – installation of a digital thermostat.

b. At what point in their participation will customers receive their thermostats?

c. Will participants receive the thermostat regardless of whether their cooling appliance is controlled? Explain the response.



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DATED May 21, 2008

cc: All Parties

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