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**PUBLIC SERVICE
COMMISSION**

September 4, 2009

Via Hand-Delivery

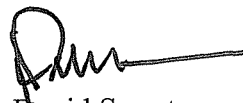
Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: PSC Case No. 2009-00250

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case an original and seven copies of the responses of East Kentucky Power Cooperative, Inc. ("EKPC") to the Initial Data Request of Commission Staff dated August 21, 2009.

Very truly yours,



David Smart
General Counsel

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**APPLICATION OF EAST KENTUCKY POWER)
COOPERATIVE, INC. FOR CONTINUATION OF) CASE NO.
THE TOUCHSTONE ENERGY HOME) 2009-00250
PROGRAM, INCLUDING THE REBATE)
PROVISIONS)**

**RESPONSES TO COMMISSION STAFF'S INITIAL DATA REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.
DATED AUGUST 21, 2009**

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

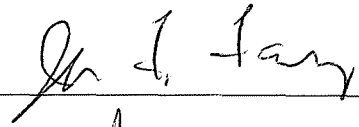
APPLICATION OF EAST KENTUCKY POWER)
COOPERATIVE, INC. FOR CONTINUATION OF)
THE TOUCHSTONE ENERGY HOME)
PROGRAM, INCLUDING THE REBATE)
PROVISIONS)

CASE NO.
2009-00250

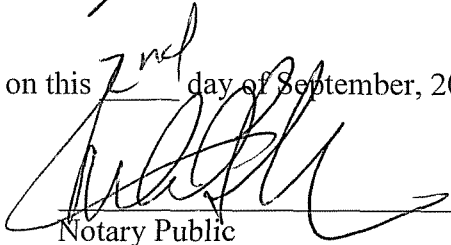
CERTIFICATE

STATE OF RHODE ISLAND)
)
COUNTY OF PROVIDENCE)

John F. Farley, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Initial Data Requests in the above-referenced case dated August 21, 2009, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 7th day of September, 2009.



Notary Public

My Commission expires:

MICHAEL L. SCHEIN
Notary Public, State of Rhode Island
My Commission Expires April 5, 2013

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

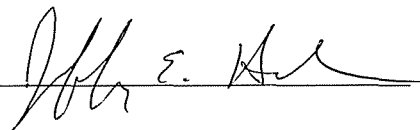
IN THE MATTER OF:

APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR CONTINUATION OF)	CASE NO.
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PROGRAM, INCLUDING THE REBATE)	
PROVISIONS)	

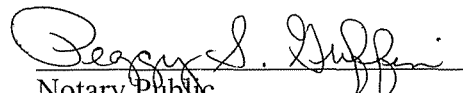
CERTIFICATE

STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Jeffrey E. Hohman, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Initial Data Requests in the above-referenced case dated August 21, 2009, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 3rd day of September, 2009.


 Notary Public

My Commission expires: December 8, 2009

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR CONTINUATION OF)	CASE NO.
THE TOUCHSTONE ENERGY HOME)	2009-00250
PROGRAM, INCLUDING THE REBATE)	
PROVISIONS)	

CERTIFICATE

STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Ann F. Wood, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Initial Data Requests in the above-referenced case dated August 21, 2009, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Ann F. Wood

Subscribed and sworn before me on this 2nd day of September, 2009.

Peggy S. Griffin
 Notary Public

My Commission expires:

December 8, 2009

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

East Kentucky Power Cooperative, Inc. (EKPC) hereby submits responses to the Commission Staff's Initial Data Request dated August 21, 2009. Each response with its associated supportive reference materials is individually tabbed.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 1

RESPONSIBLE PERSON: Jeffrey E. Hohman/Ann F. Wood

COMPANY: East Kentucky Power Cooperative, Inc.

Request 1.

Concerning the recovery of program costs:

- a. While preparing the application in this case, did East Kentucky give any consideration to seeking cost recovery of the program costs as provided under KRS 278.285? Explain the response.
- b. If East Kentucky does not plan to seek recovery of the DSM program costs, explain in detail why East Kentucky decided against seeking cost recovery under KRS 278.285.
- c. What costs, if any, of the program were included in test-year calculations filed in Case No. 2008-00409?¹ What was the amount of those costs?

Response 1a-b.

No. While preparing the application in this case, East Kentucky did not give any consideration to seeking cost recovery of the program costs as provided under KRS 278.285. EKPC has not sought approval to implement a DSM surcharge pursuant to KRS 278.285 because it believed, and still believes, that it was more appropriate to recover DSM-related costs through base rates rather than through a DSM surcharge. While recognizing that the surcharge via KRS 278.285 is an option

available for cost recovery, EKPC understood it could choose the cost recovery option it believed most appropriate. However, in the event EKPC determines that it is more appropriate to recover DSM-related costs through a surcharge, it will certainly do so. In such event, the Commission will be properly advised.

Response 1c. EKPC included \$400,000 in total DSM program costs in the test-year in Case No. 2008-00409. EKPC does not budget DSM program costs by individual programs.

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc. (Ky. PSC Mar. 31, 2009)

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

**COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09
REQUEST 2**

RESPONSIBLE PERSON: Jeffry E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 2. What outside means (i.e., federal grants, corporate sponsorships, etc.) have been used to fund this rebate program? If any, provide the name and amount of funds received by year.

Response 2. East Kentucky has not used any outside means to fund this rebate program.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

COMMISSION STAFF’S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 3

RESPONSIBLE PERSON: Jeffrey E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 3. Provide a breakdown of customer participation, by member-company, that includes how many customers have received rebates and the amounts of those rebates.

Response 3. Following is a table showing the number of customers who received rebates along with the total amount of rebates paid for the period January 1, 2007 to July 31, 2009.

Member-company	Number of Customers receiving rebates	Total amount of rebates paid
Blue Grass Energy	55	13700.00
Clark Energy	4	1000.00
Grayson RECC	20	7500.00
Inter-County RECC	30	10250.00
Jackson Energy	44	13725.00
Owen Electric	16	4300.00
Salt River RECC	37	9875.00
Shelby RECC	5	1250.00
South Kentucky RECC	57	11650.00
Taylor County RECC	5	1250.00

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 4

RESPONSIBLE PERSON: Jeffrey E. Hohman/John F. Farley

COMPANY: East Kentucky Power Cooperative, Inc.

Request 4. Refer to East Kentucky's Application, Exhibit 1, page 3 of 4. East Kentucky estimates that members can save as much as 30 percent each month on their electric usage. Provide any workpapers associated with the determination of energy savings attributable to this program to date.

Response 4. Information is provided on page 2 of this response. Note that the projected energy savings are based on those participants in the program through December 31, 2008. Savings attributable to participants in program years 2004-2006 were reported previously to the Commission in case 2006-00547, and those same values are used at the summary level for this response.

Calculation of energy savings from Touchstone Energy ASHP Home Program
Based on actual participants through December 31, 2008

	Program Year		Savings from 07 & 08 participants (MWh)	Savings from 04-06 participants ** (MWh)	Savings from all participants (MWh)
	2007	2008			
# of New participants	116	104			
Annual energy savings per participant	2,182 kWh	based on 2006 IRP			
Savings to date:	kWh	kWh			
2004				112	112
2005				558	558
2006				1,494	1,494
2007	126556		127	2,096	2,223
2008	253112	113464	367	2,096	2,463
2009	253112	226928	480	2,096	2,576
Expected savings in future:					
2010	253112	226928	480	2,096	2,576
2011	253112	226928	480	2,096	2,576
2012	253112	226928	480	2,096	2,576
2013	253112	226928	480	2,096	2,576
2014	253112	226928	480	2,096	2,576
2015	253112	226928	480	2,096	2,576
2016	253112	226928	480	2,096	2,576
2017	253112	226928	480	2,096	2,576
2018	253112	226928	480	2,096	2,576
2019	253112	226928	480	2,096	2,576
2020	253112	226928	480	2,096	2,576
2021	253112	226928	480	2,096	2,576
2022	253112	226928	480	2,096	2,576
2023	253112	226928	480	2,096	2,576
2024	253112	226928	480	1,984	2,464
2025	253112	226928	480	1,538	2,018

** Source: EKPC response to PSC Request 7 dated 2/14/2007 in Case 2006-00547

Total Savings to date: 9,426 MWh

Total Expected Savings in future: 40,546 MWh

Request 4a. Calculate the associated dollar value of estimated savings to date for the program.

Response 4a. In order to respond to this request, EKPC prepared a new DSManager run using (1) historic (2007-2008) actual values for the number of participants, (2) estimated MWh savings per participant from the Company's 2006 IRP, and (3) estimated avoided energy and capacity costs also taken from the Company's 2006 IRP. That IRP was current during the 2007-2008 timeframe. These results were combined with results for the 2004-2006 program years as previously provided to the Commission in prior case number 2006-00547. In order to compare different program year results, all values are discounted to the base year of 2004.

The present value (base year 2004) of the estimated savings to date (savings which have occurred as of December 31, 2008) is \$590,960. This represents production cost savings, generation capacity savings, and transmission and distribution capacity savings. Please see the information contained in Attachment 1, Page 1 for details concerning the computation.

Request 4b. Calculate the dollar value of expected future savings associated with the program for 2009-2025.

Response 4b. For purposes of responding to 4b, EKPC performed a DSManager run that included historic program years 2007-2008 as above and added forecast program years 2009-2011. EKPC is requesting approval for the program through 2011. For the forecast years 2009-2011, EKPC used number of participants and program costs from the 2009 IRP.

The estimated future savings associated with the program (assuming new participants through 2011) for the period 2009-2025 on a present value basis equals \$10,740,790. This represents production cost savings, generation capacity savings, and transmission & distribution capacity savings. Please see the information contained in Attachment 1, Page 1 for details concerning the computation.

Request 4c. Using the expected future savings, calculate the net present value of the program, showing all calculations and assumptions.

Response 4c. The present value of all savings associated with the program for the period 2004 through 2025 equals \$11,331,750. This represents production cost savings, generation capacity savings, and transmission and distribution capacity savings. This accounts for participation during the program years 2004 through 2011. Please see the information contained in Attachment 1, Page 1 for details concerning the computation.

Using the costs included in the Total Resource Cost test, the present value of all costs associated with the program for program years 2004 through 2011 is \$4,740,000. Included are EKPC administrative costs, member cooperative administrative costs, and the costs incurred by the program participants. Attachment 1, Page 2 provides details concerning program costs.

The net present value, including both benefits and costs, using the Total Resource Cost test, equals \$6,591,750. Attachment 2 includes the results and explanations for the Total Resource Cost test.

Value of Savings associated with Touchstone Energy Home Program
Program years 2004-2011

	Discount rate:	6.50%		base year is 2004		
4c.	Present Value:	\$3,634.41	\$5,916.89	\$1,233.42	\$547.04	\$11,331.75
4a.	PV 2004-2008	\$222.82	\$323.24	\$34.38	\$10.52	\$590.96
4b.	PV 2009-2025	\$3,411.59	\$5,593.64	\$1,199.04	\$536.52	\$10,740.79
		Production Cost Savings \$ thousands	Generation Capacity Savings \$ thousands	Distribution Capacity Savings \$ thousands	Transmission Capacity Savings \$ thousands	Total Production & Capacity Savings \$ thousands
	2004	7	9	1	0	17
	2005	25	38	3	1	67
	2006	61	92	8	2	162
	2007	80	113	13	4	209
	2008	94	133	17	6	250
	2009	237	304	58	25	624
	2010	349	484	102	45	980
	2011	475	675	148	66	1,365
	2012	468	696	151	67	1,383
	2013	440	717	155	69	1,382
	2014	440	738	159	70	1,407
	2015	452	760	163	72	1,447
	2016	458	783	166	75	1,481
	2017	473	806	171	76	1,525
	2018	472	831	175	78	1,555
	2019	471	855	179	80	1,584
	2020	493	880	184	82	1,638
	2021	514	906	188	84	1,691
	2022	452	794	181	83	1,510
	2023	446	818	185	85	1,534
	2024	470	842	189	87	1,588
	2025	487	868	194	89	1,638

Touchstone Energy Home
 Program Costs page
 Program years 2004 through 2011

Data for years 2004 through 2008 are actuals, based on annual reports filed with the PSC
 Data for years 2009 through 2011 are projections, based on EKPC's 2009 IRP filing

Year	Participants	EK Admin/O&M	Coop Admin/O&M	EK Rebate	Coop Rebate	Participant Cost	Rebate to Partic
2004	44	\$ 30,697	\$ 8,008	\$ 12,000	\$ 12,000	\$ 93,500	\$ 24,000
2005	131	\$ 30,873	\$ 23,842	\$ 29,700	\$ 29,700	\$ 278,375	\$ 59,400
2006	236	\$ 31,933	\$ 42,952	\$ 56,225	\$ 56,225	\$ 501,500	\$ 112,450
2007	116	\$ 21,091	\$ 21,112	\$ 35,250	\$ 42,050	\$ 246,500	\$ 77,300
2008	104	\$ 11,307	\$ 18,928	\$ 26,000	\$ 15,525	\$ 221,000	\$ 41,525
2009	1000	\$ 60,000	\$ 500,000	\$ 500,000	\$ -	\$ 1,000,000	\$ -
2010	1000	\$ 61,800	\$ 515,000	\$ 515,000	\$ -	\$ 1,054,000	\$ -
2011	1000	\$ 63,654	\$ 530,000	\$ 530,000	\$ -	\$ 1,110,000	\$ -

over & above
 EK Rebate

Discount Rate:	6.50%
NPV	\$ 241,197
Base year is 2004	\$ 1,159,400
Used for TRC	Yes
Used for Combined Util test	Yes
PV Costs for TRC	\$ 4,740,000
PV Benefits for TRC	\$11,331,750
Net Benefits for TRC	\$6,591,750

Participant Cost	\$ 3,339,405
Rebate to Partic	\$ 275,188
Coop Rebate	\$ 136,338
EK Rebate	\$ 1,197,796
Coop Admin/O&M	\$ 1,159,400
EK Admin/O&M	\$ 1,197,796
Used for TRC	Yes
Used for Combined Util test	Yes
PV Costs for TRC	\$ 4,740,000
PV Benefits for TRC	\$11,331,750
Net Benefits for TRC	\$6,591,750

Yes No Yes No Yes No Yes No Yes No Yes No

Touchstone Energy Home Program Standard California Test - NPV	
Total Resource Cost Test	
LINE	EXPLANATION
1	1 AVOIDED SUPPLY COSTS (E.G. PRODUCTION, CAPACITY) BASED ON ENERGY AND LOAD REDUCTIONS.
2	2 AVOIDED DISTRIBUTION CAPACITY.
3	3 PV OF EKPC'S ELECTRIC PRODUCTION COST DECREASE EVALUATED OVER 21 YEARS. INCLUDES FUEL AND VARIABLE OPERATING AND MAINTENANCE EXPENSE.
4	4 PV OF EKPC'S AVOIDED CAPACITY COSTS DUE TO REDUCED GENERATION REQUIREMENTS.
5	5 AVOIDED TRANSMISSION CAPACITY.
6	6 LINE 2 + LINE 3 + LINE 4 + LINE 5
7	7 TOTAL PROGRAM COSTS TO PARTICIPANTS, THE DISTRIBUTION SYSTEMS, AND EKPC (EXCLUDING INCENTIVES).
8	8 PV OF CUSTOMERS' INCREMENTAL NET INVESTMENT IN TOUCHSTONE ENERGY HOME MEASURES.
9	9 PV OF MEMBER COSTS PER PARTICIPANT EVALUATED OVER 8 YEARS.
10	10 PV OF EKPC'S INCREMENTAL ADMINISTRATIVE COSTS FOR 8 PROGRAM YEARS: 2004-2011.
11	11 LINE 8 + LINE 9 + LINE 10
12	12 LINE 6 MINUS LINE 11
13	13 LINE 6 DIVIDED BY LINE 11

LINE	Benefits	Costs	Net Benefits
1			
2	\$ 1,233,420		
3	\$ 3,634,410		
4	\$ 5,916,890		
5	\$ 547,040		
6	\$ 11,331,760		
7			
8	\$ 3,339,405		
9	\$ 1,159,400		
10	\$ 241,197		
11	\$ 4,740,002		
12	\$ 6,591,758		
13	2.39		

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 5

RESPONSIBLE PERSON: Jeffry E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 5. Provide the total dollar amount of rebates paid by East Kentucky since March, 2007.

Response 5. The total dollar amount of rebates paid by East Kentucky for the period April 1, 2007 to July 31, 2009 is \$68,825.00.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM

INITIAL DATA REQUEST RESPONSE

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 6

RESPONSIBLE PERSON: Jeffry E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 6. Provide a copy of all marketing materials and brochures currently used by East Kentucky to promote Energy Star or energy-efficient homes.

Response 6. Copies of all marketing materials and brochures currently used by East Kentucky to promote Energy Star or energy-efficient homes are provided on pages 2 through 39 of this response.



energy and the power of human connections

Touchstone Energy Home Specifications

Insulation	Touchstone Energy Home
Attic	R-38; cathedral ceiling R-26
Exterior Wall	R-15
Basement Wall	R-13 framed and R-5 continuous
Floors	R-19 over unheated space
Slab	R-6
Windows	18% of wall square footage; double pane Low E; less than or equal to 0.35 U-value; if you exceed maximum square footage, see your co-op energy advisor for recommendation on increasing the exterior wall insulation.
Doors	Insulated door
Ventilation	Touchstone Energy Home
Attic	Passive recommended
Crawlspace	Vents recommended
Vapor Barrier	Crawlspace vapor barrier required; 6 mil. poly minimum
Air Infiltration	Housewrap required; penetrations caulked, less than or equal to 0.35 natural ac/h, blower door tested
HVAC	14 SEER; 8 HSPF
Ducts	Supplies and returns must be insulated to R-6 in unconditioned space, R-4 in conditioned space. Ducts must be sealed and attached to structure with suitable materials.
Duct Leakage	Less than or equal to 6% of unconditioned space
Thermostat	Programmable recommended
Water Heater	Electric, greater than or equal to 0.90

The house must be completed before a blower door test can be performed to verify that the house meets the standard.

For more information on building an energy saving Touchstone Energy Home, contact the energy advisor at your local electric cooperative.



energy and the power of human connections

Touchstone Energy Home

Building a new home is an exciting adventure, and a serious investment. The decisions you make now will affect your quality of living for years to come.

The real cost of owning a home isn't what you pay up front, but what you pay each month to operate your home. We want to help you cut those costs, improve your level of comfort and give you a better return on your investment.

The Touchstone Energy Home offers all the design flexibility you could want, with insulation and equipment standards that promote savings, comfort and an increased market value.

With our homes, choosing savings doesn't mean sacrificing comfort. Energy efficient construction means reduced drafts, stable indoor temperatures and limited noise from the outside.

Every year, you'll save on energy costs, and when you decide to sell, your energy efficient home will be worth much more.

As an added bonus, the Touchstone Energy Home is environmentally friendly because it reduces the demand for energy.

When we designed the Touchstone Energy Home, we researched every detail of energy efficient construction and came up with a set of standards that will fit any home design.

From constructing the foundation to choosing the appliances, we've covered it all. Our energy experts will be involved every step of the way, ensuring your home meets your needs and saves you money.

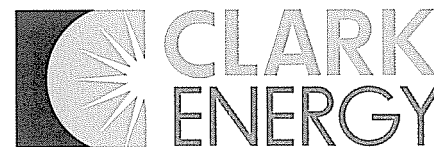
The best news is – with recent improvements in

building materials, construction techniques and heating and cooling systems – building an energy efficient home is extremely affordable.

With a Touchstone Energy Home, you can get the home of your dreams and up to 30 percent energy savings every year for as long as you live there.*

That makes your comfort more assured, your cash more plentiful, and your investment more profitable.

How do I schedule an appointment or find out more? All you have to do is call the contact number at the bottom of this sheet.



A Touchstone Energy Cooperative

859-744-4251

800-992-3269

www.clarkenergy.com

* Up to 30% annual energy savings is achieved when comparing a Touchstone Energy home to standard construction.

Touchstone Energy Home
Specifications Booklet



*Home Sweet Home
has never been so sweet*





Because your satisfaction is our commitment, we designed the Touchstone Energy Home with you and your family in mind.

We know there's no place like home sweet home.

And we're certain that with the Touchstone Energy Home, home can't get any sweeter.



A home that meets Energy Star® standards may qualify as a Touchstone Energy Home. Check with your co-op's energy advisors.



Two dreams... one home

We all dream of building a home that fits our unique tastes and special needs. We all dream of a comfortable budget and a secure financial future.

When you build a Touchstone Energy Home, you and your family can fulfill both dreams.

Your Touchstone Energy Cooperative understands that the real cost of owning a home isn't what you pay up front, but what you pay each month to operate your home. We want to help you drastically cut those costs, improve your level of comfort, and give you a better return on your investment.

Combining superior quality construction standards with the most efficient heating and cooling systems available, the Touchstone Energy Home is a value you'll find difficult to pass up.

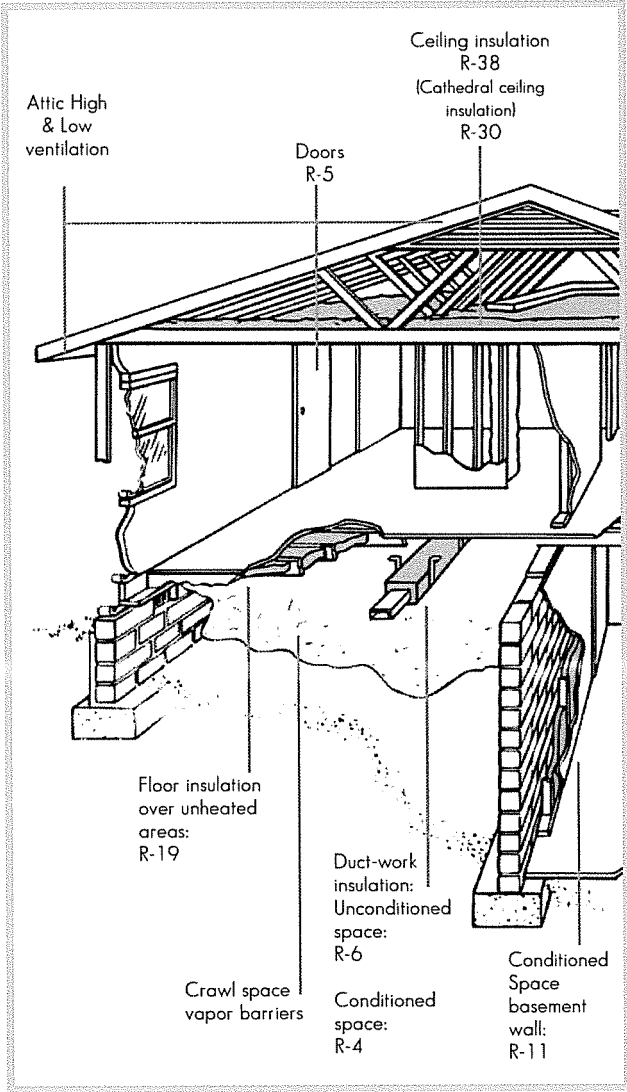
With a Touchstone Energy Home, you'll get the home of your dreams and up to 30 percent energy savings every year for as long as you live in your home.

That makes your home more comfortable, your cash more abundant, and your investment more profitable.

**With a Touchstone Energy Home,
home sweet home has never been so sweet.**

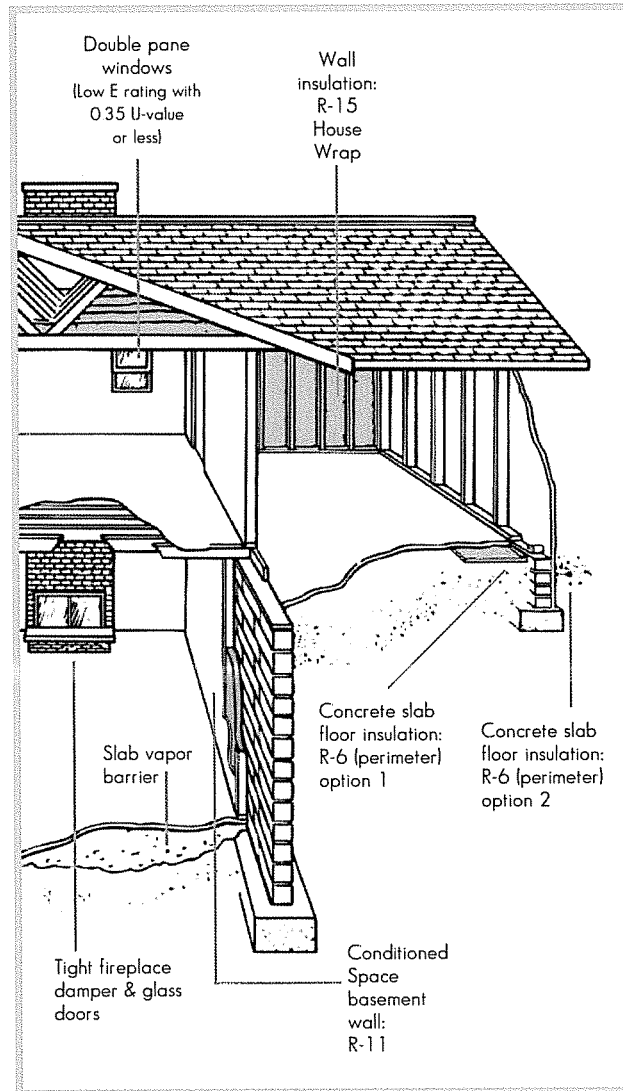


Touchstone Energy Home Specifications:





Minimum Requirements



*Ordinary questions,
extraordinary home...*

**Why should I consider building
a Touchstone Energy Home?**

The Touchstone Energy Home boasts insulation standards and construction methods that will save you hundreds of dollars a year on your energy bill. When you decide to sell, your energy efficient home will be worth thousands of dollars more.

**What if I don't know a lot about insulation
values and other construction terms?**

You aren't alone. That's why our Touchstone Energy professionals are available to help you through the process, at no additional expense to you. Whatever you don't understand, our energy advisors do; and they will be involved every step of the way, ensuring your home meets your needs and saves you money.

Am I limited in the home designs I can choose?

The Touchstone Energy Home offers all the design flexibility you could want, with insulation and equipment standards that guarantee savings, comfort, and an increased market value. When we created our Touchstone Energy home, we researched every detail of energy efficient construction and came up with a set of standards that will fit most home designs.

(Note: Log homes and homes with cathedral ceilings or window areas that exceed 18 percent must be modeled individually. If the home you wish to build falls into one of these categories, contact your Touchstone Energy Cooperative to discuss alternative standards.)

Will the Touchstone Energy Home be less aesthetically pleasing?

Absolutely not. Choosing savings doesn't mean sacrificing the attractive features you desire in a home. Energy efficient construction means you'll have reduced drafts, stable indoor temperatures, limited noise from the outside, and substantial energy savings. It doesn't mean you'll have an unattractive home.

What makes the Touchstone Energy Home more energy efficient than any other home?

We have established standards for construction and insulation that match or surpass all other energy efficient homes on the market. Both heating and cooling system choices we offer in this home are the most efficient on the market.

Why is my energy supplier trying to help me save energy?

When our members save energy, our system runs more efficiently. A more efficient system means savings for all of us, and helps preserve Kentucky's precious natural resources. As an electric cooperative member, you are a member-owner of your Touchstone Energy Cooperative. That means your best interests are far more important to us than making money. We exist solely to serve your energy needs, make your lives convenient and comfortable, and help you save money in every way we can. The Touchstone Energy Home is another way your electric cooperative is boosting the value of your energy dollar.

How can I be sure my home meets the standards?

When your contractor follows our standards, your home will have extraordinary energy efficiency. Before we certify your home as a Touchstone Energy Home, we will conduct what is called a blower door test. This test determines the amount of air leakage inside a home. The test will confirm that your Touchstone

Energy Home has minimum air infiltration for maximum energy efficiency. Read more about the blower door test on Page 24.

Will I be able to afford the Touchstone Energy Home?

The costs will be more up front, but Touchstone Energy homeowners have found it makes far more sense to pay more initially, and then sit back and enjoy up to 30 percent savings every month for as long as they own the home. With recent improvements in building elements, construction techniques and heating and cooling systems, building an energy efficient home is truly affordable.

How do I start?

Inform your contractor that you want to build a Touchstone Energy home and share the standards outlined in this booklet. You'll need to work closely with your contractor throughout the process. Your Touchstone Energy professionals will be available to answer any questions and help ensure your home is being built to the standards we require. Let's examine the standards we have established to help you understand the difference energy efficiency can make.

When should I contact my local cooperative?

Contact your local Cooperative Energy Advisor either before, or as soon as construction begins. The Energy Advisor will review your plans and look for any areas that may require extra attention. During the building process the advisor is required to do a Pre Drywall Inspection. Homes that are not inspected by the Energy Advisor before drywall is installed will not qualify as a Touchstone Energy Home. Staying in contact with your Energy Advisor will ensure that your home is properly sealed and insulated, and will ensure qualification as a Touchstone Energy Home.

*Home Sweet Home
has never been so sweet...*

No two Touchstone Energy Homes are exactly the same, but all have several common features:

Quality insulation

Page 8-15

Reduced air infiltration

Page 16-24

Controlled ventilation

Page 25-28

Highly efficient heating and cooling

Page 28-32



*A home that meets Energy Star®
standards may qualify as
a Touchstone Energy Home.
Check with your co-op's
energy advisors.*

Insulation

Heat flows naturally from a warmer to a cooler space. In winter, inside heat tries to move outside, and in summer, outside heat attempts to move into your air-conditioned home.

In serving as a barrier to that heat transfer, insulation reduces the amount of energy needed for heating and cooling. When your home's thermal envelope doesn't keep heat and cold out, your comfort level and your energy efficiency are affected.

R (resistance) value is a measure of insulation's ability to block heat flow. The higher the R-value, the better the insulation will resist heat.

R-value is determined not only by the insulation's thickness, but also by the material's density, weight and other factors. For example, a six-inch fiberglass insulation batt is rated at R-19. On the other hand, six inches of concrete, a very poor insulator, has an R-value of only 0.5.

The required R-values in a Touchstone Energy Home are outlined or as follows:

Attics

Proper insulation in your attic is critical. In summer, attic insulation blocks heat from entering the home and in winter, it blocks heat from rising out.

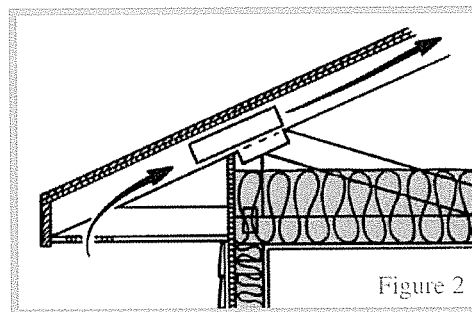
The Touchstone Energy Home must have R-38

insulation in the attic. For options on how to achieve R-38, see Figure 1.

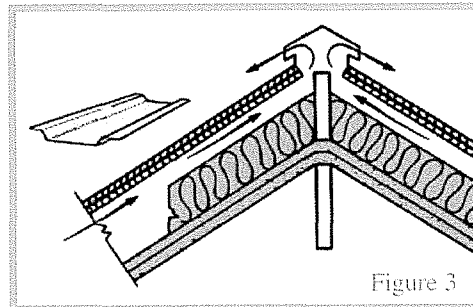
While ordinary roof framing does not allow for R-38 insulation above or near sidewalls, raised or modified truss construction as seen in Figure 2 provides the needed space to accommodate the necessary insulation.

INSULATION	Approx. R/inch
Loose Fill Machine-blown	
Fiberglass	R2.25
Cellulose	R3.7
Open-Cell Foam	R 3.6
Closed Cell (polyurethane) Foam ..	R5.8
Loose Fill Hand-poured	
Cellulose	R3.7
Fiberglass	R2.25
Batts or Blankets	
Fiberglass	R3.14
Rigid Board	
Polystyrene beadboard	R3.6
Extruded Polystyrene	R4-5.41
Styroform Urethane	R5.4-6.2
Fiberglass	R4.0

Figure 1



It is important that the insulation does not restrict ventilation. When soffit vents (see ventilation section) are used, a clear path for ventilation must be provided (Figure 3).



In the Touchstone Energy Home, all recessed light fixtures must be ICAT (Insulation Contact Air Tight) rated. ICAT lighting can be safely covered with insulation and will leak less air than the traditional light fixture.

Please be aware that any home built with a cathedral ceiling needs special attention. Talk to your Touchstone Energy Cooperative advisors about standards for homes with cathedral ceilings.

What is raised or modified truss construction?

A truss is an engineered and manufactured roof support member with “zig-zag” framing members. It does the same job as a rafter but is designed to have a longer span than a rafter.

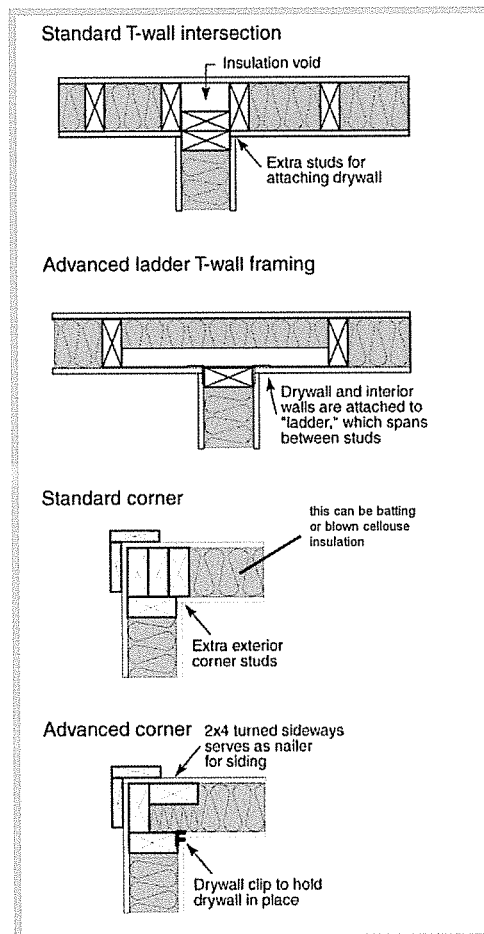
What is an ICAT (insulation contact air tight) rating?

ICAT-rated recessed fixtures are more energy efficient because they keep heated air in the house and can be covered with insulation. Other types allow large amounts of your heating dollar to escape in the attic.

Walls

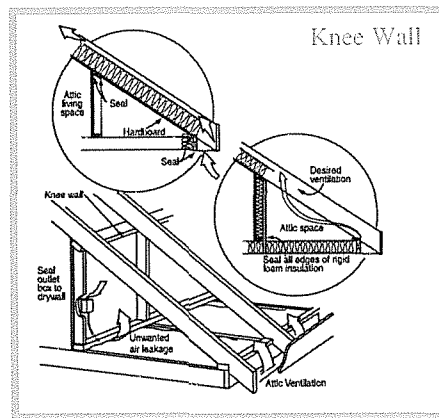
The Touchstone Energy Home requires at least R-15 insulation in exterior walls. Exterior walls in heated basements should be insulated to a minimum R-11.

There are several options for achieving these ratings. See Figure 1 for insulation options and Figure 4 for method options, or contact your local Touchstone Energy advisor.



Knee Walls

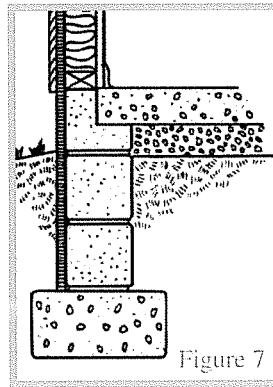
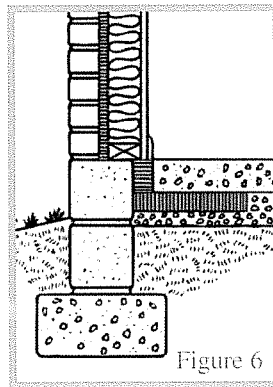
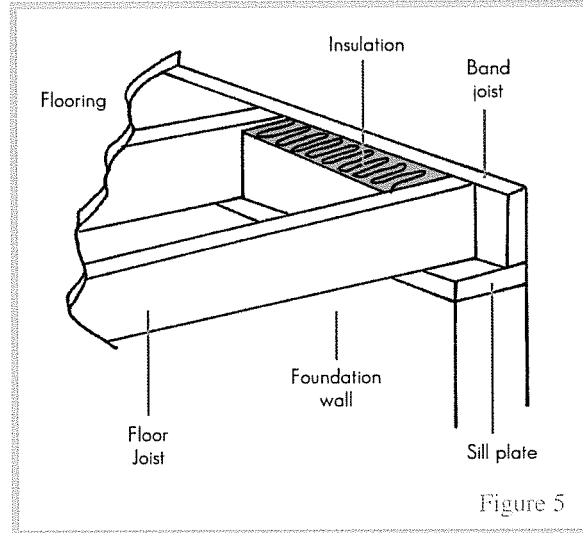
The knee wall is defined as an exterior wall that is bordered by the attic. In the summer, knee walls are exposed to an immense amount of heat, but generally receive a low amount of insulation. For the Touchstone Energy Home we require these walls to be insulated with an R-15 and that the attic side of the wall be backed with an air barrier (some type of rigid board) to enclose the wall insulation and make it effective.



Floors

In a Touchstone Energy Home, floors over unheated basements, garages or crawl spaces should have R-19 insulation installed between the floor joists. We also require the band joist area (where the home's wooden structure rests on the foundation) to be blocked with insulation (Figure 5).

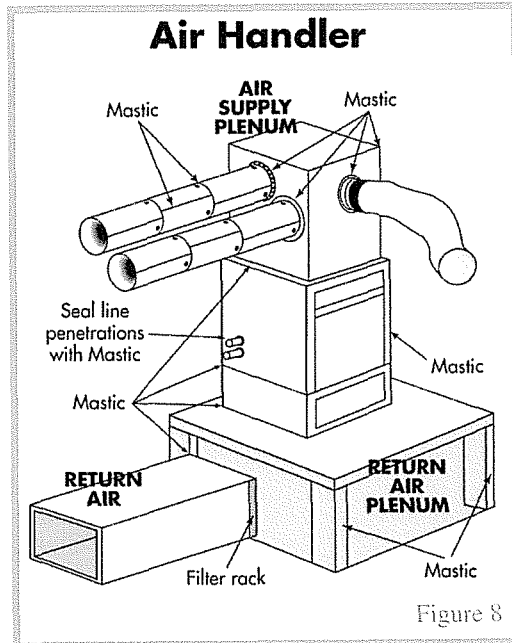
Concrete slab floors are required to have perimeter insulation with an R-value of at least 6. Your installation choices are: 1) insulating the full depth of the concrete slab, plus 24 inches horizontally (Figure 6), or 2) insulating the full width of the slab, plus 24 inches vertically (Figure 7). This insulation material should be rigid board suitable for slab construction. Your builder or contractor can recommend appropriate types.



Ducts

Supply and return ducts in non-conditioned spaces must be insulated at R-6 and have a heavy vapor barrier on the outside of the duct insulation.

Supply and return ducts in conditioned spaces should be insulated to R-4.



Ducts should be made airtight with UL 181-rated foil tape then masticed (Figure 8). Final inspection for the Touchstone Energy Home will include a duct leakage test. It is recommended that ducts in attics be placed beneath attic insulation when possible.

What is the best type of insulation for my home?

The best type of insulation is properly installed insulation. Whichever kind you choose, make sure it is correctly installed. Let's briefly explain the most common types:

Blown-in cellulose fiber (R2.1 - R3.7 per inch)

Cellulose insulation is made from recycled wood fiber, primarily newspaper, and has been treated with a fire retardant chemical. When cellulose is blown into your walls or ceilings, it becomes like a liquid, sticking

to everything it touches, and sealing every crack and seam. Cellulose insulation offers a high fire rating, solid soundproofing, and insect repellency.

Fiberglass batts (R3.14 per inch)

Made of recycled glass that is spun into a cohesive mat, fiberglass batts come in standard widths to fit between ceiling joists. Because it is inorganic, this type of insulation is noncombustible, resists mold and won't decay.

Fiberglass loose-fill (R2.25 per inch)

Also spun from molten glass, this is the lightest loose-fill insulation. While the fiberglass batts are cut into standard widths, this insulation is blown into place.

Mineral wool (slag and rock wool) (R3.125 per inch)

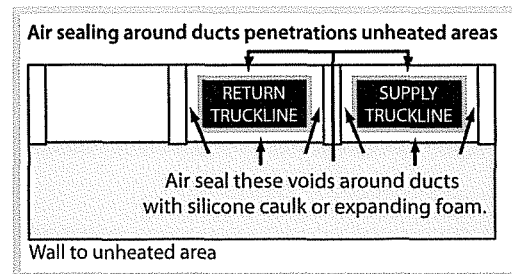
Mineral wool is made by spinning molten slag into long fibers, a process similar to that used to make fiberglass. Mineral wool is completely fireproof and won't melt or burn in a house fire.

Rigid board (R3.6 - R6.2 per inch)

Often used as sheathing in exterior walls to achieve greater R-value, rigid insulation is made from fibrous materials or plastic foams that are pressed into boardlike forms. Common materials include polystyrene, urethane or glass fiber. When installed inside a house, the boards require an additional fireproof covering material. For its thickness, rigid board has a high insulating value.

Foam-in-place (R3.6-R6.2 per inch)

This sprayed-in-place polyurethane or polyisocyanurate (polyiso) foam fills in all small spaces in your home's walls, floors and ceilings. It is fire retardant, mold and mildew resistant, and has a high R-value.



Air Infiltration

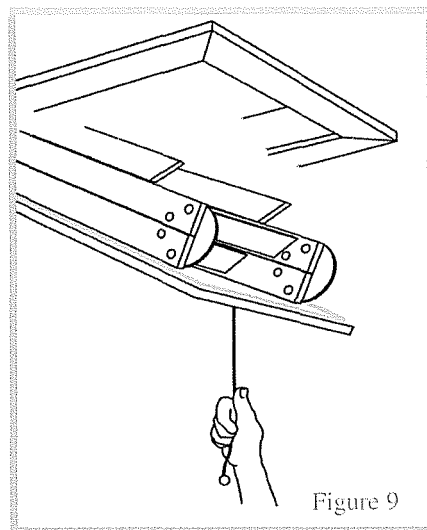
Most homeowners would be surprised to find out how much energy is wasted because of air moving into their homes through unsealed openings. In fact, if you added up all the cracks and gaps in a typical home, it would equal about 150 square inches. That's the equivalent of having a small window open in your home all the time.

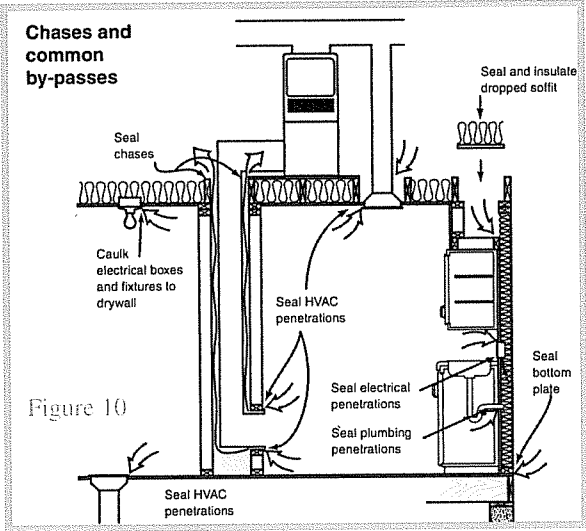
Uncaulked cracks around windows and doors are the most common examples, but a substantial amount of infiltration occurs through spaces that are often overlooked, like electric outlets along interior and exterior walls.

Before taking an in-depth look at the Touchstone Energy Home requirements for windows and doors, let's briefly review some other culprits of air infiltration.

Unconditioned areas of the home, such as attics, basements and crawl space

Pay particular attention to sealing the penetrations for recessed lighting in attics, as well as pull-down stairs (Figure 9) and hatch covers.

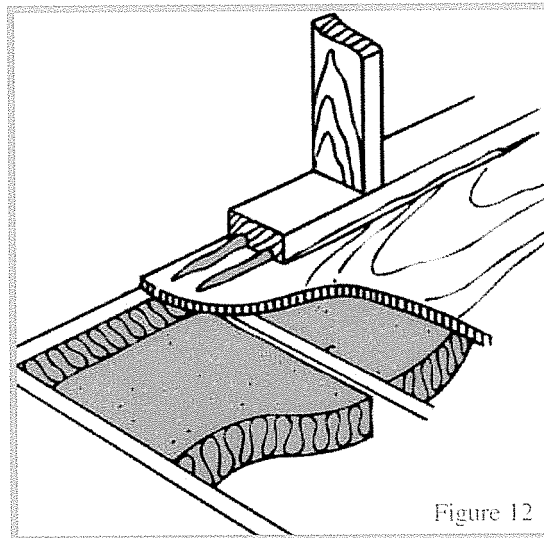




Plumbing, electrical and appliance openings
Attention should be given to sealing penetrations made in the structure for wiring, plumbing, HVAC ductwork, and openings for exhaust fans from ranges, dryers and bathrooms (Figure 10).

Sill Plate

This is the bottom plate of your exterior walls upon which studs and other framing members are attached. This area must be sealed using silicone caulk under the bottom plate (Figure 12), or by installing a bead of caulk where the bottom plate meets the sub-floor.



Most potential holes and cracks can be sealed after your home is framed, and others must be sealed after the drywall is installed.

Besides the obvious benefits of holding down energy bills, reducing air infiltration cuts down moisture problems, helps block air pollutants, impedes entry of insects and rodents, and can affect the size of the heating and cooling system your home will need.

Fireplaces

Every fireplace needs a tight-fitting damper and snug, glass fire doors. For added efficiency, use an outside source of air for the fire.

Duct systems

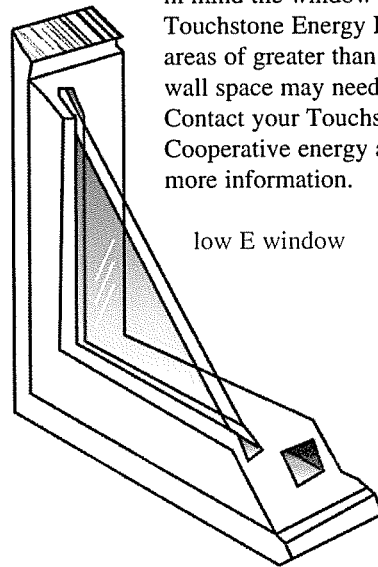
Leaks in forced air duct systems can account for as much as 25 percent of total house energy loss. Besides that, duct leakage can prevent heating and cooling systems from doing their job properly, resulting in hot or cold rooms, and humidity problems. Worse yet, leaks in return ductwork can create air quality problems by pulling pollutants and irritants directly into the house. The Touchstone energy home's ductwork must be sealed with foil tape and mastic. Upon final inspection, the ductwork must be tighter than 10% of the fan's rated capacity.

Windows

The typical home loses more than 25 percent of its heat through windows.

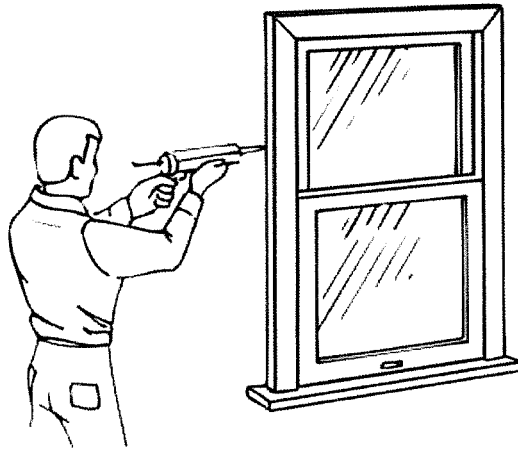
The Touchstone Energy Home requires a maximum window area of 18 percent and double pane low emissivity windows with a U value of .35 or less. The windows also must have a SHGC rating of 0.4 or lower.

When planning your home, please keep in mind the window area. In the Touchstone Energy Home, window areas of greater than 18 percent of the wall space may need special attention. Contact your Touchstone Energy Cooperative energy advisor for more information.



What is a low E window?

Low emissivity or low E coatings are put on window panes to reduce the amount of heat they give off through radiation. In winter, the invisible low E treatment reflects heat back into the house, and in summer, it reflects the sun's radiant heat energy back into the atmosphere.



What is a SHGC rating?

The solar heat gain coefficient measures how much solar heat passes through the glass. The lower the number, the better.

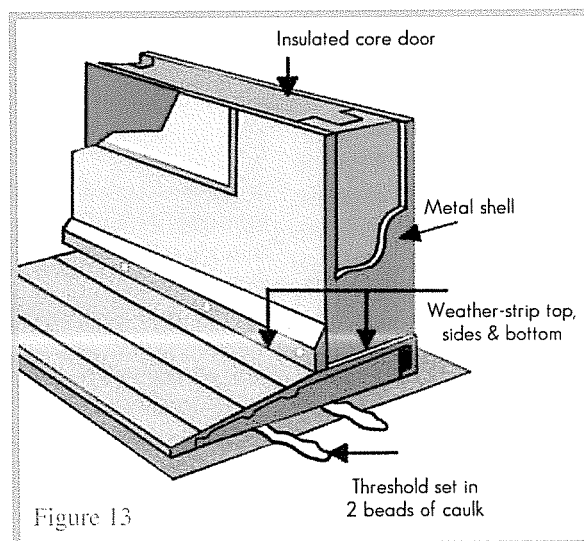
What is a U-value?

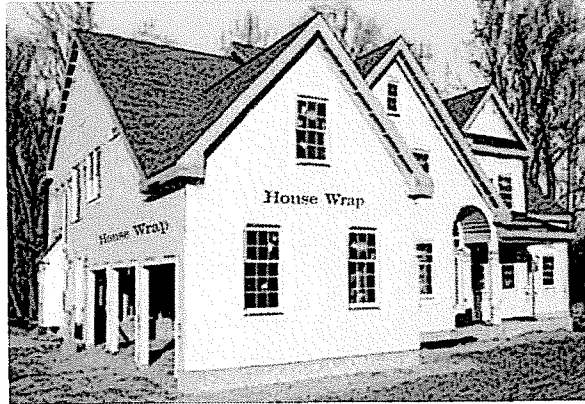
U-Value is the measure of the rate of heat loss through a material. The lower the U-Value, the less heat that is escaping.

Doors

Like windows, doors can be a problem, especially if they are not tightly fitted. The Touchstone Energy Home requires installation of a well insulated door. The door frame should be well caulked and appropriately weather stripped to provide a tight seal when closed.

During construction, window and door frames are normally installed in openings built with 2x4s. The gaps between the frames and studs should be filled with insulation and treated with foam or caulking to seal air infiltration (Figure 13).





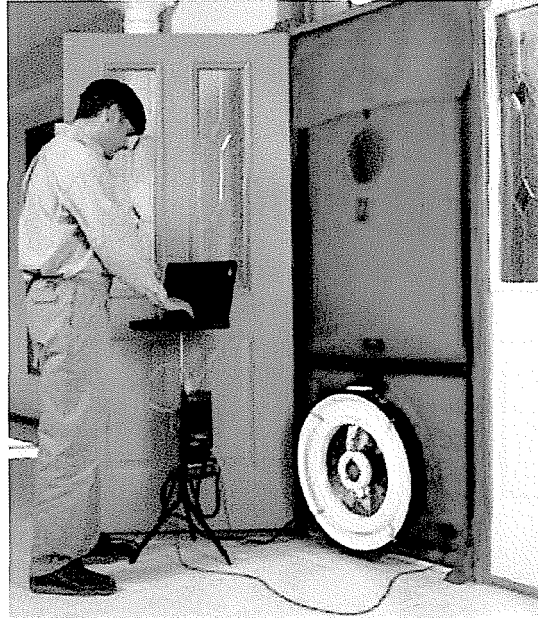
House Wrap

The Touchstone Energy Home requires a house wrap to provide a protective layer over the sheathing to resist moisture and air infiltration.

A house wrap is a special type of product that seals the cracks and gaps and protects the R-value of the insulation inside the walls. While the house wrap lets water vapor out to prevent molding, it keeps moisture from coming in.

For maximum effectiveness, the house wrap must be installed according to manufacturer's specifications.

Consult with your Touchstone Energy Cooperative energy advisor for more information about house wraps and their proper installation.



Blower Door Test

In order for your home to be certified as a Touchstone Energy Home, it must pass a blower door test to confirm the home's tightness. A blower door measures the total air flow rate through all openings in the house by extracting air pressure drop across the house.

The Touchstone Energy Home requires .35 air changes per hour or less, and the ductwork to leak less than 10% of the fan's rated capacity.

Before you move into your home, a blower door test will be conducted by a representative from your Touchstone Energy Cooperative.

Please be aware that the Touchstone Energy Home meets the recommended standard for tight construction, and will not affect indoor air quality.

Controlled Ventilation

Since the Touchstone Energy Home is tightly sealed, it must be properly ventilated to help prevent heat build-up in summer and moisture build-up in winter.

Attic

Continuous air circulation in the attic is a must for preventing problems associated with excessive heat and moisture buildup. Proper attic ventilation increases the comfort of your home, and extends the life of your roof.

In the Touchstone Energy Home, a passive venting system is recommended. A passive system has no moving parts, requires little or no maintenance, generates no noise, requires no energy to operate, and produces year-round results. It uses the natural

How does a blower door test work?

All openings are closed within the heated area of the house. A specially-made, powerful fan is then sealed within an exterior-door opening. The fan pulls air from the house. The tighter the house, the less air the blower door must move to maintain a given pressure. By comparing the whole house test before and after all registers are temporarily sealed, the blower door provides you with an estimate of duct leakage to the outside. Besides measuring the airtightness of the house, it also helps to pinpoint specific air leaks.

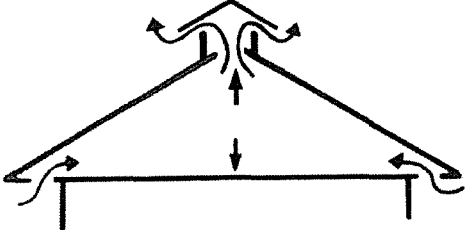
What is a Pascal?

A Pascal measures pressure inside the house minus pressure outside the house, to determine air leakage.

convection of warm air rising to pull air in from the low vent area and to exhaust air through the high vent area.

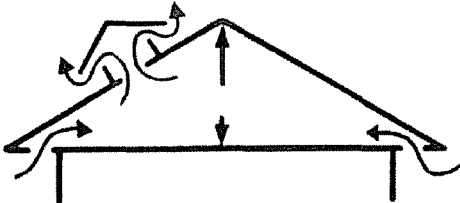
Gable, ridge and soffit vents are common methods to ventilate attics. The specific type required for your home will depend a great deal on its architectural design and your aesthetic preference.

Continuous ridge/eave vent system



1 sq. ft. at ridge and 1/2 sq. ft. at each soffit for each 300 sq. ft. of ceiling.

Roof vent/eave vent system



1 sq. ft. at roof and 1/2 sq. ft. at each soffit for each 300 sq. ft. of ceiling.

What are the different venting options?

Gable vents:

These vents are located at the triangular upper part of a wall closing the end of a ridge roof. They work independently and provide limited airflow across the underside of the roof.

Ridge vents:

These vents are located at the horizontal line at the top edge of two sloping roof planes. They provide an even flow of air across the entire underside of the roof deck.

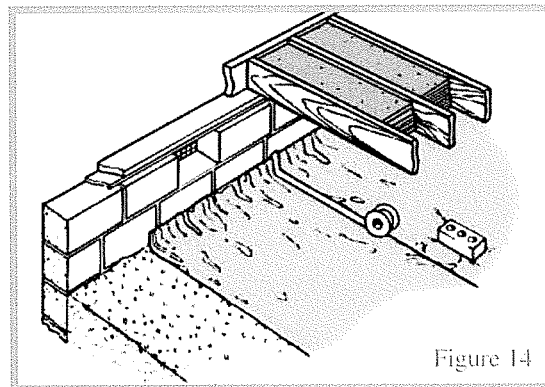
Soffit vents:

These vents make up the enclosed underside of any exterior overhanging section of a roof eave.

Crawl space

When venting a crawl space, install vents to allow for cross ventilation.

Six mil plastic must be placed on the ground of crawl spaces and under slab floors with joints sealed to secure the barrier (Figure 14). For crawl spaces, about 6 inches of the vapor barrier should be turned up onto



What is a vapor barrier?

A vapor barrier is a material that stops the flow of moisture.

Vapor barriers can be created from a variety of materials. The only requirement is that the material be resistant to moisture, which is indicated by its vapor permeance value, called a “perm” rating. To be an effective vapor barrier, a material needs to have a perm rating of 1.0 or lower.

the walls and sealed with adhesive. All seams should be taped, and any punctures in the vapor barrier should be repaired.

Conditioned Crawl Spaces

A new emerging trend in building science is the “Conditioned Crawl Space”. Kentucky State Code now allows this as an acceptable way to construct a crawl-space. The benefits of a Conditioned crawl space are reduced moisture in the house and reduced heat loss from your duct system. If you are considering a conditioned crawl space at your new home, please contact your local Coop Energy Advisor.

Kitchen and bathroom fans

Your home’s ventilation system is not complete without quality bathroom and kitchen fans. They remove both odors and moisture from your house.

We recommend you choose quiet, energy-efficient fans. Noise levels are rated in sones, with lower ratings indicating quieter fans. Check the manufacturer’s labels for energy efficiency and noise ratings.

Heating and Cooling Systems

Nearly 50 percent of the energy consumed in the typical American home goes toward heating and cooling.

What is HSPF (Heating Seasonal Performance Factor)?

HSPF measures heat pump efficiency taking into account reductions in efficiency due to temperature fluctuations, defrosting, fans, supplemental heat and on/off cycles. The higher the HSPF, the less your unit will cost to operate.

If a home's heating and cooling system isn't efficient, appropriate and properly sized, its energy savings will suffer drastically.

That's why our Touchstone Energy Home boasts the most efficient heating and cooling systems on the market.

Consumer now have a choice of three systems: geothermal, air source heat pump, or "dual fuel" (an air source heat pump that uses natural gas or propane as a backup).

Geothermal systems tap into the earth's ability to store heat energy. Through an underground loop system, they move the heat from the earth into your home in winter and move the heat from your home in summer. They also provide between 30 and 40 percent of your hot water needs.

In a single system, the air-source heat pump delivers home heating and central cooling, with added efficiency, performance, and savings. The air-source heat pump doesn't generate heat, but collects heat that already exists in the outdoor air. During the summer, the unit removes heat from inside the home and carries it outdoors.

What is SEER (Seasonal Energy Efficiency Rating)?

SEER measures the performance of an air conditioner based on the amount of cool air divided by the electricity consumed over an entire cooling season. A higher SEER reflects a more efficient cooling system.

**What is EER
(Electrical Efficiency Rating)?**

Because a geothermal heat pump's efficiency is not affected by outdoor air temperatures, the "steady state" EER rating is used to measure the efficiency of the air conditioning cycle. The larger the EER, the more efficient your geothermal system will be.

Your Touchstone Energy Cooperative energy advisor can provide additional information on the benefits of both systems.

The geothermal system must be Air Conditioning and Refrigeration Institute-rated (ARI), with a coefficient of performance (COP) of 3.0, and a minimum Energy Efficiency Rating (EER) of 14.

Heat pumps are ranked by their SEER rating and HSPF rating. Please contact your Touchstone Energy Cooperative energy advisor for the heat pump efficiencies required at your local cooperative.

Both systems must also include a high efficiency electric water heater with a Gas Appliance and Manufacturers Association (GAMA) rating of .90 or higher.

Instantaneous or Tankless water heaters are not currently recommended for the Touchstone Energy Home program and will prevent a house from qualifying as a Touchstone Energy Home.

What is COP (Coefficient of Performance)?

COP determines the energy efficiency of heating equipment by dividing the total heating provided by the system by the total electricity used (watt hours) to produce this heat. The higher the COP, the more efficient the system.

In an energy efficient home, it's extremely important to have a properly sized heating and cooling system. Rule of thumb sizing techniques don't work, and you want to be sure to avoid an oversized, wasteful system. Your Touchstone Energy Cooperative energy advisor can provide assistance in sizing your unit.

Attention to *the Details*

Tight construction and extra insulation give the Touchstone Energy Home an unsurpassed level of comfort and savings.

As your partners in savings and energy efficiency, we have several other suggestions for you to consider when you build your Touchstone Energy Home.

Consider the shape of your house and how it will affect energy costs. A two-story house has less exposed ceiling space than a single-story house with the same living area. An L-shaped house with extra wall exposure to the south and west will need more air-conditioning than a similarly sized house built in a square or rectangle.

Consider the location of your home on the lot. When planning your windows, remember that south-facing windows can capture heat from the sun and help heat your house. Try to minimize window area on the north side of your home.

Placing evergreens, dense shrubs and bushes on the north, northeast and northwest sides of your home will create a natural windbreak and cut your heating bills substantially.

The same windows you use in winter for solar heat can become a problem in the summer by allowing unwanted heat to enter the house. Roof overhangs can be an effective shading device to eliminate the problem. Since the sun is higher in the sky during the summer, the overhang shades windows in summer while still allowing the favorable heat to pass through in winter. Overhangs on southern exposed walls should be at least 2 to 2-1/2 feet wide.

Since deciduous trees lose their leaves in winter, they provide excellent shading during summer and allow sunlight to pass through after the leaves have fallen. Deciduous trees are best used on a south-facing wall.

Garages and other outbuildings should be located on the north side of the house, when physically and aesthetically possible.

Consider an insulated garage door if you have an attached garage. Garage doors should be carefully installed and weather stripped.

When you're choosing the appliances for your home, compare energy efficiency ratings. Homeowners don't realize how much of their annual electric bill is spent running household appliances. Before you purchase, look closely at the yellow Energy Guide on your appliances. Paying less up front sometimes means paying more over the long term. Look for the Energy Star label when shopping for new appliances.

Consider installing compact fluorescent light bulbs. They use one-fourth the electricity of a regular incandescent bulb and last 10 times longer.

When installing outdoor security lighting, pay attention to your energy efficiency options. Your Touchstone Energy expert can help you choose the most energy efficient outdoor lighting.



Touchstone Energy[®]
HOME PROGRAM

Up to 30 percent energy savings on
your energy bill every month

Stable temperatures

Better indoor humidity control

Reduced drafts

Environmentally friendly

Increased property value

Quiet and comfortable

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 7

RESPONSIBLE PERSON: Jeffry E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 7. Explain whether East Kentucky plans any change in its marketing materials or marketing efforts for promotion of its Touchstone Energy Home Program.

Response 7. East Kentucky will provide new and updated marketing materials as well as an updated builder's guide to ensure continuity in the program. Those materials will be completed by January 1, 2010.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

**CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM
INITIAL DATA REQUEST RESPONSE**

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 8

RESPONSIBLE PERSON: Jeffrey E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 8. Does East Kentucky or its member cooperatives promote its Touchstone Energy Home Program to builders?

Response 8. Yes. EKPC and its Member Systems work with local home builders to promote the Touchstone Energy Home Program. EKPC attends area home builders meetings and the Member Systems partner with residential contractors to ensure that all guidelines are met until the home is tested via blower door.

Request 8a. If yes, explain whether it is East Kentucky or its cooperative that contacts the builder and describe the effort that goes into such a promotion.

Response 8a. The member system is the initial contact and EKPC only gets involved when invited by that member system. In the past, EKPC personnel have attended area home builders meetings and the member systems partner with residential contractors to ensure that all guidelines are met until the home is tested via blower door. In addition, specification sheets, promotional brochures and a specification booklet are available for the builder or homeowner. The member system energy advisor acts as a

professional consultant to the builder. If requested, EKPC, through Envision Inc., also provides residential and commercial energy advisors to support the member systems.

Also, EKPC and its member systems, along with the Lexington Home Builders, co-sponsor the Midwest Regional Energy Star Conference. That conference is completely dedicated to energy efficient building and appliances. It is an annual conference and is conducted in Lexington at the Hyatt Regency Hotel.

Request 8b. Explain whether any incentive is paid to builders that adhere to Energy Star construction standards.

Response 8b. How the incentive is administered is up to the individual member cooperative. As long as the guidelines are followed and all standards are tested, EKPC does not have a preference concerning how the incentive is administered by the member system.

Request 8c. Is any marketing material distributed to builders that is directed at the builder, rather than the homebuyer? If yes, provide a copy of the marketing material.

Response 8c. Yes. All of EKPC's marketing materials are suited to both the home builder and the home buyer. It is intended to be instructional but easily understood by anyone wishing to build or purchase a new Touchstone Energy Home. Please see the marketing materials included as part of the response to Request 6.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2009-00250

CONTINUATION OF TOUCHSTONE ENERGY HOME REBATE PROGRAM

INITIAL DATA REQUEST RESPONSE

COMMISSION STAFF'S INITIAL DATA REQUEST DATED 8/21/09

REQUEST 9

RESPONSIBLE PERSON: Jeffrey E. Hohman

COMPANY: East Kentucky Power Cooperative, Inc.

Request 9. Refer to page 4 of the Hohman Testimony. Provide any data supporting the claim that there is a trend toward increased “green building” in Kentucky.

Response 9. That statement was not made on the basis of any data but rather on the increased interest by both the Lexington Home Builders and the Kentucky Home Builders in EKPC’s program. Also, it was based on the success of the 2009 Midwest Regional Energy Star Conference that was co-hosted by EKPC, its member systems, and the Lexington/Kentucky Home Builders. The 2009 Conference was very well attended by builders, contractors and utility personnel. In addition, top speakers from Energy Star, Southface, RESNET and other green building affiliates made presentations to the attendees. This event was so well received that an agenda and date have been set for 2010. Information on both the 2009 and 2010 conference can be found at www.midwestenergyconference.com.