

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEMAND-SIDE MANAGEMENT FILING OF EAST) CASE NO.
KENTUCKY POWER COOPERATIVE, INC.) 2019-00059

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION 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 four copies of the following information, with a copy to all parties of record. The information requested herein is due on or before April 12, 2019. Responses to requests for information in paper medium 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 the 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 response 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 request to which EKPC fails or

refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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 filing a paper containing personal information, EKPC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to page 36 of the Final Report (Report) prepared by GDS Associates Inc. (GDS), stating that Figure 5-4 illustrates a market segmentation of the achievable potential in the commercial sector by 2033. Explain why Food Service is listed as 11 percent in the paragraph that precedes Figure 5-4 and 5 percent in Figure 5-4.

2. Refer to EKPC's cover letter, page 1 of 4.

a. Provide the name of each member of the Demand-Side Management (DSM) Steering Committee and the name of the employer of each member.

b. Provide the meeting minutes of the DSM Steering Committee for the last 12 months.

c. Explain what was required to achieve a consensus in order to recommend changes to EKPC's portfolio of DSM programs.

3. Refer to the cover letter, page 3 of 4. EKPC states that the DSM program cancellation or modification recommendations were based on the Total Resource Cost (TRC) or Ratepayer Impact Measure (RIM) cost-effectiveness results.

a. Explain why other DSM cost-effective tests were not used.

b. In several of the programs, EKPC is proposing to keep or modify the program when the TRC score is greater than one but the RIM score is less than one. Explain why EKPC chose to keep or modify the program when this occurred.

c. Explain why EKPC included the RIM test in its evaluation of cost-effectiveness.

4. Refer to the cover letter, page 4 of 4.

a. Provide an estimate of the number of customers per Owner Member that EKPC believes will have a legacy obligation and an estimate of the amount of time necessary to fulfill these obligations.

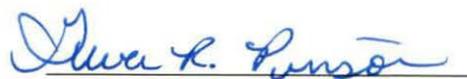
b. Provide a breakdown, by program, of the requests or obligations for rebates, appliance pick-ups, or other program benefits that were initiated by retail members prior to the effective date of the changes in tariffs.

5. For each of the past five years, provide the number of customers, by member-company, that participated in each DSM program and the cost of each program.

6. Refer to the memorandum dated January 30, 2019, from Anthony S. Campbell to the Member System CEOs. The memorandum summarizes the proposed DSM tariff changes and states that there will be no change in the rates charged for electric service to any customer class. Refer to page 3 of the cover letter in which EKPC states the annual 2017 expenditures were just over \$10.5 million, and EKPC now projects total DSM program expenditures to be \$3 million annually. Explain why EKPC is not proposing to decrease the rates it charges for electric service as a result of this \$7.5 million decrease in DSM expenditures.

7. Provide the 2018 DSM expenditures per program per member system.

8. Refer to the application, Exhibit D. Provide a copy of the calculations in this exhibit in Excel spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.
9. Provide a detailed report from EKPC's consultant, John Farley, that includes the projected total cost savings from the proposed tariff changes.
10. Refer to the application. Provide the source data for all benefits and costs used to calculate the benefit/cost ratios for each DSM Tariff.
11. Explain how the Participation numbers were estimated for each program.
12. Explain how Free Rider percentages were determined for each program.
13. Provide a copy of all marketing materials and brochures currently used to promote each DSM program that EKPC proposes to continue.
14. Confirm that EKPC does not offer a DSM program targeted at Low Income Customers. If confirmed, explain whether EKPC has explored any DSM programs targeted at Low Income Customers.



Gwen R. Pinson
Executive Director
Public Service Commission
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DATED MAR 28 2019

cc: Parties of Record

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