

# RECEIVED

APR 1 2 2019

PUBLIC SERVICE COMMISSION

April 12, 2019

Gwen R. Pinson Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602

RE: Case No. 2019-00060

Dear Ms. Pinson:

Enclosed for filing are an original and four copies of the responses of Fleming-Mason Energy Cooperative, Inc. for the Staff's Initial Request for Information dated March 28, 2019, in the above-referenced case.

Sincerely,

Amiles of McRoberts

Jennifer L. McRoberts Office Manager

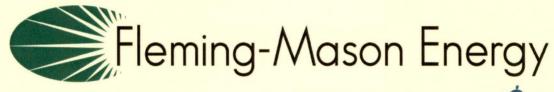
Enclosures

cc: EKPC Distribution Cooperatives



APR 1 2 2019

PUBLIC SERVICE COMMISSION



A Touchstone Energy Cooperative

P O Box 328 Flemingsburg, KY 41041 (606) 845-2661 or (800) 464-3144 Fax No. (606) 845-1008

# **Response to Commission Staff Initial Request for Information**

# 2019-00060

# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEMAND-SIDE MANAGEMENT FILING OF 15 OFCASE NO.EAST KENTUCKY POWER COOPERATIVE, INC'S2019-00060COOPERATIVES)

# <u>AFFIDAVIT</u>

Joni K. Hazelrigg, being duly sworn, states that she has supervised the preparation of the response of Fleming-Mason Energy Cooperative, Inc. to the Public Service Commission Staff's Initial Request for Information in the Appendix dated March 28, 2019, in the above-referenced case, 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.

Witness my hand this  $11^{1/2}$  day of <u>April</u>, 2019

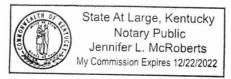
Loui K Hazelingg

Subscribed and sworn before me this \_\_\_\_\_ day of April\_, 2019

miper &. McRoberta

My commission expires:

12/22/22



For each Distribution Cooperative, provide the number of participants in each Demand-Side Management (DSM) program offered by year in each of the past five years.

## **RESPONSE:**

Please see the following tables for the number of participants for the years 2014 - 2018. Note that the amounts listed in the column labeled as "Total Cost" represents the cost of Fleming-Mason Energy's DSM programs that were reimbursed by East Kentucky Power Cooperative ("EKPC") with the exception of advertising costs.

## 2014

Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	1	\$544	\$817	\$1,361
C&I Lighting Upgrade	1	\$544	\$817	\$1,361
Residential	. 4,108	\$23,175	\$20,982	\$44,157
Button Up - Level I	5	\$3,418	\$871	\$4,289
CFL	4,030	\$3,627	\$0	\$3,627
Heat Pump Retrofit	17	\$13,280	\$18,761	\$32,041
LED	1			
TSE Home (Performance)	2	\$1,900	\$900	\$2,800
TSE Home (Prescriptive)	1	\$950	\$450	\$1,400
Direct Load Control	52			
Total	4,109	\$23,719	\$21,799	\$45,518

Notes: Direct Load Contol participants are new participants in the year.

2015	5	,
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Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	4	\$5,465	\$8,210	\$13,674
C&I Lighting Upgrade	4	\$5,465	\$8,210	\$13,674
Residential	2,464	\$77,523	\$61,195	\$138,718
Appliance Recycling Freezer	15	\$1,928	\$1,440	\$3,368
Appliance Recycling Refrigerator	52	\$6,925	\$4,860	\$11,785
Button Up - Level I	15	\$7,792	\$4,307	\$12,099
CFL	1,276	\$1,148	\$0	\$1,148
Energy Audit - Billing Insights Audit	49			
ENERGY STAR Air Source Heat Pump	30	\$9,300	\$9,905	\$19,205
ENERGY STAR Central Air Conditioner	1	\$300	\$100	\$400
ENERGY STAR Clothes Washer	44	\$3,300	\$2,195	\$5,495
ENERGY STAR Dishwasher	50	\$2,500	\$480	\$2,980
ENERGY STAR Freezer	7	\$350	\$85	\$435
ENERGY STAR Heat Pump Water Heater	8	\$2,400	\$770	\$3,170
ENERGY STAR Refrigerator	68	\$6,900	\$5,295	\$12,195
Heat Pump Retrofit	22	\$19,480	\$24,558	\$44,038
LED-Promotional	59			
TSE Home (Performance)	10	\$9,500	\$4,500	\$14,000
TSE Home (Prescriptive)	6	\$5,700	\$2,700	\$8,400
Direct Load Control	752			
Total	2,468	\$82,987	\$69,404	\$152,392

Notes: Direct Load Contol participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC. LED- Promotional and auditing software paid by EKPC to a 3rd party

## 2016

Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	10	\$11,020	\$16,556	\$27,576
C&I Lighting Upgrade	10	\$11,020	\$16,556	\$27,576
Residential	936	\$85,352	\$73,768	\$159,120
Appliance Recycling Freezer	9	\$1,121	\$720	\$1,841
Appliance Recycling Refrigerator	53	\$7,297	\$5,130	\$12,427
Button Up - Level I	16	\$6,913	\$3,475	\$10,388
Energy Audit - Billing Insights Audit	128			
ENERGY STAR Air Source Heat Pump	44	\$13,200	\$16,295	\$29,49
ENERGY STAR Central Air Conditioner	1	\$300	\$100	\$400
ENERGY STAR Clothes Washer	67	\$4,950	\$3,420	\$8,370
ENERGY STAR Dishwasher	91	\$4,550	\$1,370	\$5,920
ENERGY STAR Freezer	17	\$850	\$150	\$1,000
ENERGY STAR Heat Pump Water Heater	7	\$1,500	\$1,540	\$3,040
ENERGY STAR MANUFACTURED HOME	2	\$3,800	\$4,800	\$8,600
ENERGY STAR Refrigerator	80	\$7,800	\$1,530	\$9,330
Heat Pump Retrofit	28	\$24,520	\$31,188	\$55,708
LED-Promotional	143			
TSE Home (Performance)	9	\$8,550	\$4,050	\$12,600
Direct Load Control	241			
Total	946	\$96,372	\$90,324	\$186,696

Notes: Direct Load Contol participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC. LED- Promotional and auditing software paid by EKPC to a 3rd party

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Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	6	\$9,303	\$13,976	\$23,278
C&I Lighting Upgrade	6	\$9,303	\$13,976	\$23,278
Residential	724	\$74,485	\$56,221	\$130,706
Appliance Recycling Freezer	10	\$1,385	\$990	\$2,375
Appliance Recycling Refrigerator	42	\$5,781	\$3,870	\$9,651
Button Up - Level I	9	\$3,538	\$1,626	\$5,165
CFL	200	\$180	\$0	\$180
Energy Audit - Billing Insights Audit	10			
ENERGY STAR Air Source Heat Pump	51	\$15,600	\$17,250	\$32,850
ENERGY STAR Central Air Conditioner	12	\$2,400	\$800	\$3,200
ENERGY STAR Clothes Washer	79	\$5,250	\$2,695	\$7,945
ENERGY STAR Dishwasher	106	\$5,150	\$630	\$5,780
ENERGY STAR Freezer	21	\$950	\$225	\$1,175
ENERGY STAR Heat Pump Water Heater	11	\$1,800	\$1,925	\$3,725
ENERGY STAR Refrigerator	118	\$11,000	\$5,805	\$16,805
Heat Pump Retrofit	15	\$13,850	\$16,805	\$30,655
LED-Promotional	12			
TSE Home (Performance)	8	\$7,600	\$3,600	\$11,200
Direct Load Control	20			
Total	730	\$83,787	\$70,197	\$153,984

Notes: Direct Load Contol participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC. LED- Promotional and auditing software paid by EKPC to a 3rd party

## 2018

Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	6	\$20,867	\$31,321	\$52,187
C&I Lighting Upgrade	6	\$20,867	\$31,321	\$52,187
Residential	7,183	\$77,294	\$55,461	\$132,754
Appliance Recycling Freezer	6	\$870	\$540	\$1,410
Appliance Recycling Refrigerator	24	\$3,773	\$2,430	\$6,203
Button Up - Level I	5	\$2,026	\$960	\$2,986
Energy Audit - Billing Insights Audit	11			
ENERGY STAR Air Source Heat Pump	41	\$10,200	\$11,350	\$21,550
ENERGY STAR Central Air Conditioner	6	\$1,800	\$200	\$2,000
ENERGY STAR Clothes Washer	95	\$5,175	\$3,105	\$8,280
ENERGY STAR Dishwasher	120	\$5,450	\$1,620	\$7,070
ENERGY STAR Freezer	19	\$600	\$285	\$885
ENERGY STAR Heat Pump Water Heater	10	\$900	\$0	\$900
ENERGY STAR Refrigerator	108	\$9,200	\$4,330	\$13,530
Heat Pump Retrofit	23	\$20,820	\$25,691	\$46,511
LED	6,700	\$6,030	\$0	\$6,030
LED-Promotional	3			
TSE Home (Performance)	3	\$2,850	\$1,350	\$4,200
TSE Home (Prescriptive)	8	\$7,600	\$3,600	\$11,200
Direct Load Control	1			
Total	7,189	\$98,160	\$86,781	\$184,941

Notes: Direct Load Contol participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC. LED- Promotional and auditing software paid by EKPC to a 3rd party

For each Distribution Cooperative, provide the total cost for each DSM program by year for the past five years and indicate the amount of the total cost that was reimbursed by East Kentucky Power Cooperative, Inc. (EKPC) and the amount not reimbursed by EKPC.

# **RESPONSE:**

Please see the tables below.

### 2014

Description	Rei	mbursed by EKPC	Re	Not imbursed	Total Cost
Home Energy Audits	\$	-	\$	8,250	\$ 8,250
ETS	\$	-	\$	-	\$ -
How\$Mart KY	\$	-	\$	517	\$ 517
CFL bulbs	\$	3,627	\$	3,627	\$ 7,254
Button Ups	\$	4,289	\$	-	\$ 4,289
Heat Pump Retrofits	\$	32,041	\$	-	\$ 32,041
TSE Home (Performance)	\$	2,800	\$	-	\$ 2,800
TSE Home (Prescriptive)	\$	1,400	\$	-	\$ 1,400
Commercial & Industrial Lighting	\$	1,361	\$	-	\$ 1,361

2015

Description	and the second second second	bursed by EKPC	 Not mbursed	Total Cost
Home Energy Audits	\$	-	\$ 11,750	\$ 11,750
ETS	\$	-	\$ -	\$ -
How\$Mart KY	\$	-	\$ 979	\$ 979
CFL bulbs	\$	1,148	\$ 4,099	\$ 5,247
Button Ups	\$	12,099	\$ -	\$ 12,099
Heat Pump Retrofits	\$	44,038	\$ -	\$ 44,038
Touchstone Energy Homes	\$	22,400	\$ -	\$ 22,400
Appliance Recycling	\$	15,153	\$ -	\$ 15,153
ENERGY STAR Rebates	\$	43,880	\$ -	\$ 43,880
Commercial & Industrial Lighting	\$	13,674	\$ =	\$ 13,674

2016

Description	Rei	mbursed by EKPC	Re	Not imbursed	Total Cost
Home Energy Audits	\$	-	\$	12,500	\$ 12,500
ETS	\$	-	\$	-	\$ -
How\$Mart KY	\$	-	\$	1,713	\$ 1,713
Button Ups	\$	10,388	\$	-	\$ 10,388
Heat Pump Retrofits	\$	55,708	\$	-	\$ 55,708
Touchstone Energy Homes	\$	12,600	\$	694	\$ 13,294
Appliance Recycling	\$	14,268	\$	-	\$ 14,268
ENERGY STAR Rebates	\$	57,555	\$	386	\$ 57,555
Commercial & Industrial Lighting	\$	27,576	\$	-	\$ 27,576
ENERGY STAR Manufactured Home	\$	8,600	\$	-	\$ 8,600
Advertising - DSM Programs	\$	10,687	\$	-	\$ 10,687

# 2017

	Description	Rei	mbursed by EKPC	Rei	Not mbursed	Total Cost
Home Energy	Audits	\$	-	\$	3,000	\$ 3,000
ETS		\$	-	\$	-	\$ -
How\$Mart KY	,	\$	-	\$	1,546	\$ 1,546
CFL bulbs		\$	180	\$	-	\$ 180
* LED bulbs		\$	-	\$	6,363	\$ 6,363
Button Ups		\$	5,165	\$	-	\$ 5,165
Heat Pump R	etrofits	\$	30,655	\$	-	\$ 30,655
Touchstone E	Energy Homes	\$	11,200	\$	-	\$ 11,200
Appliance Re	cycling	\$	12,026	\$	-	\$ 12,026
ENERGY ST	AR Rebates	\$	71,480	\$	-	\$ 71,480
Commercial &	& Industrial Lighting	\$	23,278	\$	-	\$ 23,278
Advertising -	DSM Programs	\$	9,299	\$	-	\$ 9,299

\* LED bulbs purchased in 2017 were reimbursed by EKPC in 2018.

2018

Description	 nbursed by EKPC	Rei	Not mbursed	Total Cost
Home Energy Audits	\$ -	\$	8,750	\$ 8,750
ETS	\$ -	\$	-	\$ -
How\$Mart KY	\$ -	\$	2,576	\$ 2,576
* LED bulbs	\$ 6,030	\$	333	\$ 6,363
Button Ups	\$ 2,986	\$	-	\$ 2,986
Heat Pump Retrofits	\$ 46,511	\$	-	\$ 46,511
Touchstone Energy Homes	\$ 15,400	\$	-	\$ 15,400
Appliance Recycling	\$ 7,613	\$	-	\$ 7,613
ENERGY STAR Rebates	\$ 54,215	\$	-	\$ 54,215
Commercial & Industrial Lighting	\$ 52,187	\$	-	\$ 52,187

\* LED bulbs purchased in 2017 were reimbursed by EKPC in 2018.

Provide the names of members of EKPC's DSM Steering Committee, identify which Distribution Cooperative each member represents, and describe the process used to evaluate the cost-effectiveness and need for existing DSM programs offered by the respective Distribution Cooperatives.

## **RESPONSE:**

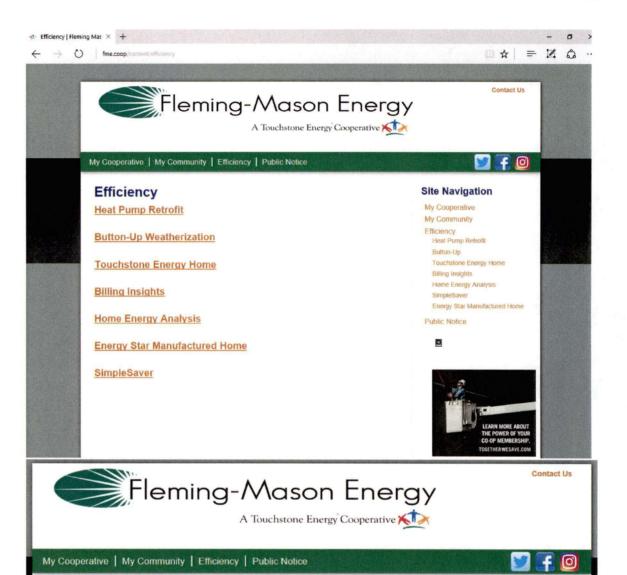
Alan Coffey (South Kentucky RECC), Barry Drury (Blue Grass Energy), Caralyne Pennington (Farmers RECC), Charlie Pasley (Clark Energy), Chuck Filiatreau (Salt River Electric), Jared Routh (Shelby Energy), Dan Hitchcock (Inter-County Energy), John May (Licking Valley RECC), Joni Hazelrigg (Fleming-Mason Energy), Natasha Wiley (Big Sandy RECC), Rich Prewitt (Cumberland Valley), Rick Ryan (Nolin RECC), Sandy Painter (Jackson Energy), Jack Scott Lawless (Owen Electric), Tina Preece (Grayson), Ann Beard (Taylor Co. RECC), Scott Drake (EKPC), Joe Settles (EKPC), Hank Smith (EKPC), Tom Castle (EKPC), Bill Blair (EKPC), Sha Phillips (EKPC), and Josh Littrell (EKPC).

The DSM Steering Committee reviews the DSM Potential Study performed by GDS Associates for each EKPC IRP. That study identifies all potential cost-effective DSM programs. John Farley, DSM consultant, also provides additional insight to DSM program cost-effectiveness evaluations. The DSM Steering Committee, based on their field experience working the membership, helps to identify the need for cost-effective programs. Although no formal process exists to determine need for a new DSM programs, participation levels of existing programs are reviewed to assist in determining the need to continue cost-effective programs. Both the DSM Steering Committee and the owner-member CEOs expressed a desired to continue cost-effective residential programs that assist their members having high bills due to energy-inefficient housing.

Provide a copy of all marketing materials and brochures currently used to promote each DSM program that each Distribution Cooperative proposes to continue.

## **RESPONSE:**

Fleming-Mason Energy utilizes several methods of Member communications, including monthly Member newsletters within *Kentucky Living* magazine; its website; and social media outlets, including Facebook and Twitter. Since the Commission's order in case 2019-00060, dated February 27, 2019, Fleming-Mason Energy has updated its website to reflect the current approved DSM programs. Fleming-Mason Energy will continue to promote revised DSM programs through the resources listed above.



# Heat Pump Retrofit

Resistance heat systems, such as base board heat, ceiling cable and electric furnaces are costly to operate. Consider replacing your existing heating source with a high-efficiency heat pump for energy savings.

To qualify, your home **must be at least two years old** and you **must be replacing electric resistance heat (baseboard heat, ceiling cable, or electric furnaces)**. New manufactured homes that choose to install a heat pump also qualify for this incentive. Proof **must** be provided that resistive heat was removed. This is done by an onsite visit by our energy advisor who will take pictures and verify both old and new systems. The heat pump must be rated at 14 SEER/8.0 HSPF or higher to qualify.

A new provision has been added to this program to allow for mini-split (duct-less) systems, provided they are also replacing electric heat.

#### \* AHRI certificates are required for this rebate

If you are interested in the Heat Pump Retrofit Program or have questions, please contact Michael Parker at <u>1-800-464-3144</u> or email to <u>mparker@fme.coop</u>

#### **Site Navigation**

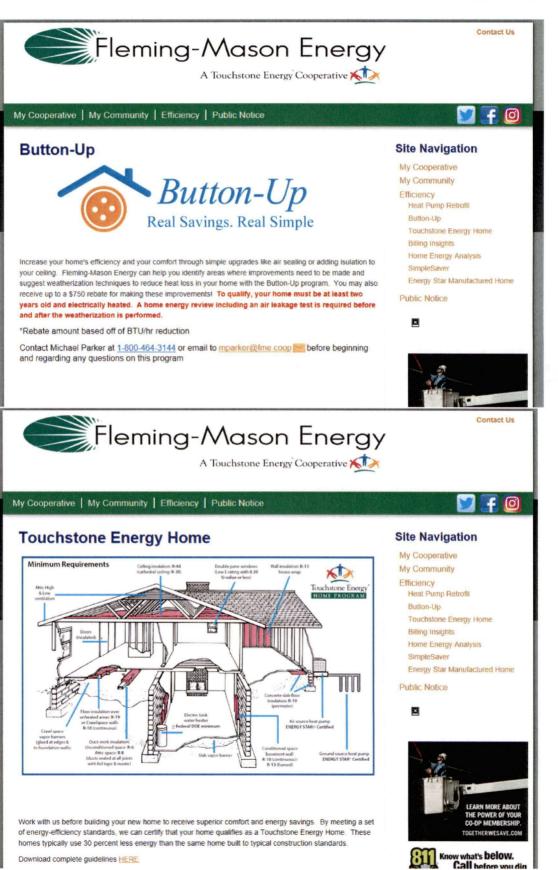
#### My Cooperative

- My Community
- Efficiency
- Heat Pump Retrofit
- Button-Up
- Touchstone Energy Home
- Billing Insights Home Energy Analysis
- SimpleSaver
- Energy Star Manufactured Home

**Public Notice** 

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Download complete guidelines HERE





With SimpleSaver, being energy smart pays.



Contact Us

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Contact Us

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Fleming-Mason Energy

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#### My Cooperative | My Community | Efficiency | Public Notice

# **Energy Star Manufactured Home**

If you're thinking of purchasing a new manufactured home, be sure to mention the ENERGY STAR Manufactured Home program. If you upgrade your home to ENERGY STAR and install a heat pump, you may be eligible for a rebate.

You may save an average of more than 4,000 kWh per year when compared to the standard manufactured home. Right now, that's an average savings of about \$400 each year or about \$30 a month. Since the ENERGY STAR certified home uses substantially less energy for heating, cooling and water heating than a standard manufactured home, it's less expensive to run.

\*Rebate is for EPA approved ENERGY STAR homes not Energy Smart homes provided by Clayton brand dealerships.

## Site Navigation

## My Cooperative My Community Efficiency Heat Pump Retrofit Button-Up **Touchstone Energy Home**

**Billing Insights** Home Energy Analysis

SimpleSaver

Energy Star Manufactured Home

**Public Notice** 



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My Cooperative | My Community | Efficiency | Public Notice

# Home Energy Analysis

Questions about your current home's efficiency? Concerned about your home's energy usage? We're help to help improve the efficiency of your home, and our energy advisor has the tools and information available to assist you. Also we can recommend changes that could help lower your energy bill and make your home more comfortable.

To talk to our energy advisor, call Michael Parker at 1-800-464-3144 or email to mparker@fme.coop

# Site Navigation

- My Cooperative
- My Community

## Efficiency

- Heat Pump Retrofit
- Button-Up
- **Touchstone Energy Home**
- **Billing Insights**
- Home Energy Analysis
- SimpleSaver
- Energy Star Manufactured Home
- **Public Notice**



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# ENERGY EFFICIENT PROGRAMS

# We offer a number of energy efficiency programs designed to help you save money.

# **ENERGY AUDIT**

We're here to help improve the energy efficiency of your home. Our energy advisor will visit your home to perform an energy analysis and recommend changes that could make your home more comfortable and your energy bill lower.

# **TOUCHSTONE ENERGY HOME**

Work with us before building your new home to receive superior comfort and energy savings. By meeting a set of energy-efficiency standards, we can certify that your home qualifies as a Touchstone Energy Home. These homes typically use 20 percent less energy that the same home built to typical construction standards.

# **BUTTON-UP WEATHERIZATION**

You can increase your home's efficiency and your comfort through simple upgrades like adding insulation and replacing doors and windows. We can help you identify areas where improvements need to be made and suggest weatherization techniques to reduce heat loss in your home with the Button-Up Weatherization program.

# **HEAT PUMP RETOFIT**

Resistance heat systems such as base board heat, ceiling cable, and electric furnaces are costly to operate. Consider replacing your heating sources with a high-efficiency heat pump for energy savings. By replacing your resistance heat source, you will also ensure a more comfortable home.

# **HOW\$MARTKY**

HOW\$MARTKY takes the "whole-house" approach to energy efficiency, realizing that the various systems in a home —insulation, appliances, air-leakage, health & safety, and HVAC interact to degrade or improve performance of the home. Rather than provide single-item incentives which may not make much difference, the utilities rely upon a whole-house energy assessment to determine the best package of improvements. After installation, the program allows customers to make installment payments as part of their monthly utility bills, gradually paying for the efficiency upgrades by using part of the energy savings generated by the retrofit.

For Complete requirements and rebate amounts, contact us at: 1-800-464-3144

For each Distribution Cooperative, provide a list and cost of any DSM programs that each Distribution Cooperative offers that EKPC does not offer.

## **RESPONSE:**

- 1. Home Energy Audits
- 2. Kentucky Energy Retrofit Rider (KY How\$Mart)
- 3. Residential Electric Thermal Storage (ETS) Tariff

Please refer to Response 2 for the unreimbursed costs associated with each of these programs.

Case No. 2019-00060 Item 6 Page 1 of 1 Witness: Hazelrigg

# FLEMING-MASON ENERGY COOPERATIVE, INC.

For each Distribution Cooperative, provide a list of any DSM programs targeted at low-income customers and provide a description of said programs.

# **RESPONSE:**

Fleming-Mason Energy does not have any DSM programs targeted at low-income customers.