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July 18, 2019

VIA FedEx OVERNIGHT DELIVERY

Ms. Gwen R. Pinson
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED

JUL 19 2019

PUBLIC SERVICE
COMMISSION

Re: *In the Matter of: Demand-Side Management Filing of Big Rivers Electric Corporation to implement a Low-Income Weatherization Support Program – Case No. 2019-00193*

Dear Ms. Pinson:

Big Rivers Electric Corporation (“Big Rivers”) hereby provides an original and ten (10) copies of its responses to Commission Staff’s Second Request for Information, dated July 3, 2019, in the abovementioned docket. There are currently no intervenors in this proceeding.

Please confirm your receipt of this update by placing the Commission’s file stamp, with date received, on the enclosed additional copy and returning it to Big Rivers in the self-addressed, postage-paid envelop provided.

Should you have any questions about this information, please contact me as shown below.

Sincerely,

A handwritten signature in black ink, appearing to read 'TK' or similar initials.

Tyson Kamuf
Corporate Attorney,
Big Rivers Electric Corporation
tyson.kamuf@bigrivers.com

cc: Roger D. Hickman

ORIGINAL

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JUL 19 2019

**PUBLIC SERVICE
COMMISSION**



Your Touchstone Energy® Cooperative 

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

DEMAND-SIDE MANAGEMENT FILING OF)
BIG RIVERS ELECTRIC CORPORATION)
TO IMPLEMENT A LOW-INCOME)
WEATHERIZATION SUPPORT PROGRAM)

**Case No.
2019-00193**

**Responses to Commission Staff's
Second Request for Information
dated July 3, 2019**

FILED: July 19, 2019

ORIGINAL

BIG RIVERS ELECTRIC CORPORATION

**DEMAND-SIDE MANAGEMENT FILING OF
BIG RIVERS ELECTRIC CORPORATION TO IMPLEMENT
A LOW-INCOME WEATHERIZATION SUPPORT PROGRAM
CASE NO. 2019-00193**

VERIFICATION

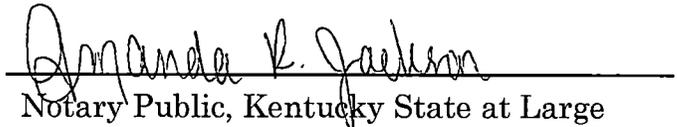
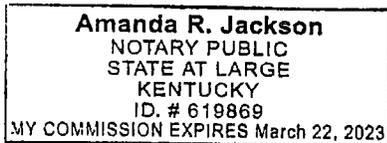
I, Russell L. (Russ) Pogue, verify, state, and affirm that the data request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Russell L. (Russ) Pogue

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Russell L. (Russ) Pogue on this
the 18th day of July, 2019.



Notary Public, Kentucky State at Large

My Commission Expires

March 22, 2023

BIG RIVERS ELECTRIC CORPORATION
DEMAND-SIDE MANAGEMENT FILING OF
BIG RIVERS ELECTRIC CORPORATION TO IMPLEMENT
A LOW-INCOME WEATHERIZATION SUPPORT PROGRAM
CASE NO. 2019-00193

Responses to Commission Staff's Second Request for Information
dated July 3, 2019

July 19, 2019

1 Item 1) *Explain why BREC believes it is appropriate to be spending*
2 *demand-side management ("DSM") funds on health and safety measures*
3 *rather than on weatherization measures.*

4
5 **Response)** The Kentucky Weatherization Assistance Program ("WAP") evaluates
6 a residence's eligibility for weatherization under a United States Department of
7 Agriculture program which determines if health and safety issues would prevent
8 the weatherization measures being carried out. If the residence is not eligible for
9 weatherization *due to health or safety issues*, it is placed on a deferral list until
10 repairs can be made, generally at the owner's expense. The funds provided through
11 Big Rivers Electric Corporation's ("Big Rivers") DSM-14 Low-Income
12 Weatherization Support Program would assist a Community Action Agency ("CAA")
13 in paying for repairs which address the health and safety issues, and, consequently,
14 allow for all WAP measures to be carried out. Without these additional funds, it is
15 unlikely any weatherization measures would be performed. In other words, Big
16 Rivers' use of funds to correct health and safety issues enables weatherization
17 measures to be completed for low income homes that would otherwise qualify for
18 weatherization assistance but for the health or safety issues.

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21 **Witness)** Russell L. Pogue

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1 **Item 2)** *Explain why DSM funds are proposed to be allocated for only*
2 *HVAC upgrades and health and safety measures and not for other DSM*
3 *weatherization initiatives.*

4

5 **Response)** Big Rivers and its Member-Owners regularly investigate potential
6 DSM programs, and in doing so, became aware that restrictions on federal and state
7 funding of WAP health and safety repairs often result in a deferral of the
8 weatherization of low-income homes. In some of these cases, a small amount of
9 funding can result in a home becoming eligible for the entire weatherization
10 process, or for the upgrade of an older, low efficiency HVAC system with a new high
11 efficiency system. In discussions with its Member-Owners and Community Action
12 Agencies in the Member-Owners' service territories, Big Rivers felt that it could
13 maximize the benefit of its weatherization funds by focusing on these gaps that exist
14 with respect to the WAP and thus leveraging its funds so that low income
15 households that would not otherwise qualify for weatherization assistance could
16 utilize the available federal and state funds

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20 **Witness)** Russell L. Pogue

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1 **Item 3)** *If the amount spent per project on health and safety measures*
2 *is limited to \$150, rather than the proposed \$1,500, explain whether there*
3 *will be other weatherization projects to utilize the remaining funds.*

4

5 **Response)** The DSM-14 – Low-Income Weatherization Support program is
6 intended to fill the gap between restrictions on federal and state funding for WAP
7 health and safety issues, and the need to deal with these health and safety issues
8 which are keeping a home from being weatherized. The WAP program already
9 provides a comprehensive weatherization process for homes that are not deferred.
10 Big Rivers' goal is to move homes which have been deferred for health and safety
11 issues, or which don't qualify for an HVAC upgrade because the old low efficiency
12 system is still functional, into being qualified for weatherization or an HVAC
13 system upgrade.

14 Limiting the amount spent on health and safety measures to \$150 would
15 reduce the number of projects that would be made eligible for weatherization and
16 likely eliminate the HVAC system upgrades all together.

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19 **Witness)** Russell L. Pogue

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