



201 Third Street
P.O. Box 24
Henderson, KY 42419-0024
270-827-2561
www.bigrivers.com

August 15, 2019

RECEIVED

AUG 16 2019

PUBLIC SERVICE
COMMISSION

VIA FedEx OVERNIGHT DELIVERY

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

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 Third Request for Information, dated August 2, 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 "Tyson Kamuf".

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

cc: Roger D. Hickman

ORIGINAL

RECEIVED

AUG 16 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
Third Request for Information
dated August 2, 2019**

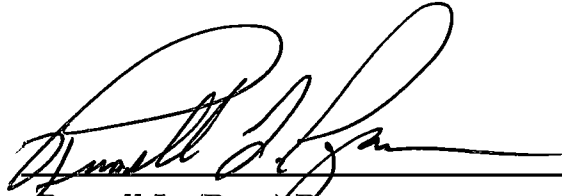
FILED: August 16, 2019

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

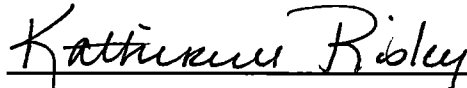
I, Russell L. (Russ) Pogue, verify, state, and affirm that the data request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Russell L. (Russ) Pogue

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Russell L. (Russ) Pogue on this
the 15th day of August, 2019.



Notary Public, Kentucky State at Large
My Commission Expires October 31, 2020



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 Third Request for Information
dated August 2, 2019**

August 16, 2019

1 Item 1) *Regarding the proposed funding for the health and safety*
2 *measures, if those on the deferred list or who do not qualify for a*
3 *weatherization or HVAC system upgrades do not receive BREC's funds for*
4 *health and safety measures so to be eligible, explain whether federal*
5 *weatherization funds will be left unspent.*

6

7 **Response)** Based on the unspent annual weatherization funding mentioned in Big
8 Rivers' response to Item 2, and Big Rivers' discussions with Community Action
9 Agency ("CAA") staff, the limitation on additional weatherization is available housing
10 stock, not federal funding for weatherization measures. Big Rivers' proposal to
11 provide additional funding to overcome health and safety deferrals would expand
12 the available housing stock. Without this expansion in the available housing stock,
13 federal weatherization funds would be left unspent.

14

15

16 **Witness)** Russell L. Pogue

17

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dated August 2, 2019

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1 **Item 2)** *Provide a table showing for each of the last five years for the*
2 *following:*

3

4 **a.** *The amount of federal funds available for weatherization projects*
5 *in BREC's territory;*

6 **b.** *The number of homes weatherized;*

7 **c.** *The amount of federal weatherization funds spent; and*

8 **d.** *The amount of federal weatherization funds unspent.*

9

10 **Response)** Please see the attachment to this response. This information was
11 provided by the CAAs and the Kentucky Housing Corporation ("KHC") who provide
12 low income weatherization assistance in the Big Rivers service area using both
13 United States Department of Energy Weatherization Assistance Program
14 ("USDOE/WAP") and Low-Income Home Energy Assistance Program ("LIHEAP")
15 funding. In addition to the attached table of information, the KHC also stated:

16

17 *"The Department of Energy award runs on a three-year cycle.*
18 *During the three-year period, grantees are allowed to rollover any*
19 *unspent funds to the new year. Fiscal years 2015 – 2017 were all in one*
20 *grant period while fiscal year 2108 started a new, three-year grant.*

21 *LIHEAP dollars flow to Kentucky Housing Corporation (KHC)*
22 *through a sub-grant from the Cabinet for Health and Family Services*
23 *(CHFS). During fiscal years 2015 and 2016, the KHC department*
24 *administering the grant had a merger and two restructures. The*
25 *LIHEAP award data for those two years is not available currently.*

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1 *CHFS does not allow KHC to roll-over unspent dollars; however,*
2 *CHFS will re-calculate unspent dollars and allocate a portion of them*
3 *back to KHC as part of the award. The roll-over is reflected in the total*
4 *award amount."*

5

6

7 **Witness)** Russell L. Pogue

8

**Big Rivers Electric Corporation
Case No. 2019-00193
Federal Weatherization Funds Report**

5 Year Weatherization Assistance Data	Community Action Agency ¹	2015			2016		
		Award	Expenditure	Unspent	Award	Expenditure	Unspent
	Audubon	\$ 476,548	\$ 185,665	\$ 290,883	\$ 433,957	\$ 368,925	\$ 65,031
	Central	283,698	17,817	265,880	488,190	477,523	10,667
	PACS	533,958	338,664	195,294	489,249	300,814	188,434
	WKAS	492,233	156,764	335,468	459,713	447,450	12,262
	Total	<u>\$ 1,786,437</u>	<u>\$ 698,910</u>	<u>\$ 1,087,525</u>	<u>\$ 1,871,109</u>	<u>\$ 1,594,712</u>	<u>\$ 276,394</u>

5 Year Weatherization Assistance Program Kentucky Data	Funding Source ²	2015			2016		
		Award	Expenditure	Unspent	Award	Expenditure	Unspent
	USDOE	\$ 5,383,946	\$ 2,578,210	\$ 2,805,735	\$ 5,498,375	\$ 4,066,092	\$ 1,432,283
	LIHEAP	Not Available	2,700,172	Not Available	Not Available	4,401,398	Not Available
	Total	<u>\$ 5,383,946</u>	<u>\$ 5,278,382</u>	<u>\$ 2,805,735</u>	<u>\$ 5,498,375</u>	<u>\$ 8,467,490</u>	<u>\$ 1,432,283</u>

Units Weatherized	Community Action Agency ¹	2015	2016
		Audubon	Not Available
Central	Not Available	40	
PACS	Not Available	40	
WKAS	Not Available	31	

Note(s): 1.- Audubon = Audubon Area Community Services; Central = Central Kentucky Community Action Council; PACS = Pennyriale Allied Community Services; WKAS = West Kentucky Allied Services.
2.- USDOE = United States Department of Energy; LIHEAP = Low-Income Home Energy Assistance Program.

**Big Rivers Electric Corporation
Case No. 2019-00193
Federal Weatherization Funds Report**

5 Year Weatherization Assistance Data	Community Action			2017			2018		
	Agency ¹	Award	Expenditure	Unspent	Award	Expenditure	Unspent		
Audubon	\$ 548,101	\$ 479,133	\$ 68,967	\$ 556,747	\$ 452,454	\$ 104,293			
Central	561,813	474,761	87,052	385,693	129,843	255,849			
PACS	524,493	254,585	269,907	426,088	282,878	143,209			
WKAS	559,279	559,279	0	509,938	509,938	0			
Total	<u>\$ 2,193,686</u>	<u>\$ 1,767,758</u>	<u>\$ 425,926</u>	<u>\$ 1,878,466</u>	<u>\$ 1,375,113</u>	<u>\$ 503,351</u>			

5 Year Weatherization Assistance Program Kentucky Data	Funding Source ²			2017			2018		
		Award	Expenditure	Unspent	Award	Expenditure	Unspent		
USDOE	\$ 5,498,375	\$ 4,302,339	\$ 1,196,036	\$ 4,520,352	\$ 3,713,231	\$ 807,120			
LIHEAP	7,918,221	4,749,555	3,168,665	6,434,411	4,622,229	1,812,181			
Total	<u>\$ 13,416,596</u>	<u>\$ 9,051,894</u>	<u>\$ 4,364,701</u>	<u>\$ 10,954,763</u>	<u>\$ 8,335,460</u>	<u>\$ 2,619,301</u>			

Units Weatherized	Community Action		2017		2018	
	Agency ¹					
Audubon			67		64	
Central			52		25	
PACS			33		21	
WKAS			35		32	

- Note(s):**
- 1.- Audubon = Audubon Area Community Services; Central = Central Kentucky Community Action Council; PACS = Pennyryle Allied Community Services; WKAS = West Kentucky Allied Services.
 - 2.- USDOE = United States Department of Energy; LIHEAP = Low-Income Home Energy Assistance Program.

**Big Rivers Electric Corporation
Case No. 2019-00193
Federal Weatherization Funds Report**

5 Year Weatherization Assistance Data	Community Action		2019	
	Agency ¹	Award	Expenditure	Unspent
	Audubon	\$ 906,440	\$ 497,005	\$ 409,435
	Central	467,112	58,018	409,094
	PACS	760,336	369,193	391,143
	WKAS	930,377	633,584	296,792
	Total	<u>\$ 3,064,265</u>	<u>\$ 1,557,800</u>	<u>\$ 1,506,464</u>

5 Year Weatherization Assistance Program Kentucky Data	Funding		2019	
	Source ²	Award	Expenditure	Unspent
	USDOE	\$ 5,003,308	\$ 4,269,779	\$ 733,528
	LIHEAP	11,977,781	5,528,572	6,449,209
	Total	<u>\$ 16,981,089</u>	<u>\$ 9,798,351</u>	<u>\$ 7,182,737</u>

Units Weatherized	Community Action	
	Agency ¹	2019
	Audubon	53
	Central	32
	PACS	16
	WKAS	31

Note(s): 1.- Audubon = Audubon Area Community Services; Central = Central Kentucky Community Action Council; PACS = Pennyriple Allied Community Services; WKAS = West Kentucky Allied Services.
2.- USDOE = United States Department of Energy; LIHEAP = Low-Income Home Energy Assistance Program.

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1 **Item 3)** *For any federal weatherization funds listed as unspent in the*
2 *tabled filed in response to Item 2, above, state whether those unspent funds*
3 *lapsed or were available to be spent in subsequent years.*

4

5 **Response)** Based on the document attached to Big Rivers' response to Item 2, and
6 on Big Rivers' discussions with KHC staff, the unspent USDOE/WAP funds are
7 reallocated within the funding cycle of the grant program, but become unavailable at
8 the end of the funding cycle. The amount of funding returned to the federal
9 government at the end of the last funding cycle was nearly \$1.5 million.

10

11

12 **Witness)** Russell L. Pogue

13

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1 **Item 4)** *If the amount of funds spent on health and safety measures is*
2 *limited to \$150 per project, rather than \$1500 per project, and the difference*
3 *of \$1,350 is spent on weatherization, explain if there will be a sufficient*
4 *number of weatherization projects in BREC's territory to utilize the available*
5 *funds. If there are not, provide support for the assertion that there are not*
6 *enough weatherization projects to utilize the available funds without*
7 *spending more than \$150 per project on health and safety measures.*

8

9 **Response)** The four CAAs in Big Rivers' service area all expressed the opinion that
10 spending \$150 on health and safety measures would move no deferred projects
11 forward, *i.e.*, allow the project to be considered for weatherization; therefore, no
12 spending would occur on additional weatherization measures for which federal
13 funding is readily available.

14

15

16 **Witness)** Russell L. Pogue

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