

OWEN Electric

A Touchstone Energy Cooperative 

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PUBLIC SERVICE
COMMISSION

March 31, 2015

HAND DELIVERED

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

Dear Mr. Derouen:

Pursuant to the Commission's final Order in Case No. 2011-00037, dated February 29, 2012, please find enclosed for filing an original and ten (10) copies of Owen Electric Cooperative's Annual Report of DSM and Energy Efficiency Programs.

If you have any questions regarding this filing, please feel free to contact me.

Very truly yours,
OWEN ELECTRIC COOPERATIVE, INC.



Mark A. Stallons
President & CEO

Enclosures

MAS/skc

OWEN ELECTRIC COOPERATIVE
CASE 2011-00037
FINAL ORDER DATED FEBRUARY 29, 2012
ANNUAL REPORT OF DSM AND ENERGY EFFICIENCY PROGRAMS

Item A
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Request (a)

Number of customers and sales volumes for all residential rate schedules and the small commercial schedule for 2014:

Response (a)

Schedule 1 – Farm and Home Base Rate

Number of customers: 54,438

Sales volume (kWh): 754,274,215

Schedule 1 – Farm and Home Off-Peak ETS Rate

Number of customers: 6

Sales volume (kWh): 12,989

Schedule 1-B1 – Farm & Home Time-of-Day (5 days a week)

Number of customers: 3

Sales volume (kWh): 37,327

Schedule 1-B2 – Farm & Home Time-of-Day (7 days a week)

Number of customers: 3

Sales volume (kWh): 39,469

Schedule 1-B3 – Farm & Home Time-of-Day (7 days a week with shoulder)

Number of customers: 7

Sales volume (kWh): 13,787

Schedule 1-B4 – Smart Home Pilot Time-of-Day

Number of customers: 185

Sales volume (kWh): 2,614,681

Schedule 1-D – Farm & Home Inclining Block

Number of customers: 1,029

Sales volume (kWh): 3,050,416

Schedule NM – Net Metering

Number of customers: 6

Sales volume (kWh): 102,524

Schedule 1 – Small Commercial

Number of customers: 2,462

Sales volume (kWh): 54,549,135

Schedule 1-C – Small Commercial Time-of-Day

Number of customers: 26

Sales volume (kWh): 1,323,837

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Request (b)

Recap of Owen's customer awareness and education efforts, plus the number of individual inquiries by members about the optional rate schedules and the number of contacts by customer service representatives concerning these same rate schedules with members who make contact with them in person or by telephone.

Response (b)

Throughout the year Owen Electric continued to engage its membership with regular and on-going communications regarding optional rate offerings available.

Owen Electric has made a consistent effort to include information and reminders about its voluntary rates through its member newsletter and social media.

The member newsletter is sent membership-wide within the monthly issue of *Kentucky Living* magazine. Publication and promotion of Inclining Block and Time-of-Day rates are as follows:

May 2014: The CEO column in the member newsletter within *Kentucky Living* recapped the success of the optional rates among OEC members. It emphasized the ability of members to better manage their energy usage and monthly bill, and gave abbreviated descriptions of each option, inclining block and time of day, and included what lifestyle/strata of member each was designed to benefit.

Throughout 2014 and thus far in 2015, periodic social media messages via the Owen Electric Facebook and Twitter pages have promoted Inclining Block and Time-of-Day rates. These social media campaigns have encouraged members to call customer service and speak to a representative about whether they could benefit from switching to an optional rate.

In addition to the above mentioned newsletter and social media educational efforts, Owen Electric directly mailed letters to 3,605 of its members who were identified as candidates for the Inclining Block rate tariff.

Owen Electric's member service representatives have made 1,445 contacts to members concerning these optional rate offerings and 118 members have contacted Owen Electric about the optional rate schedules.

Owen Electric launched a Prepay Metering tariff during 2014. During the year, the Prepay Metering tariff was promoted in our member newsletter and by Owen Electric's customer service representatives. At year end, 120 members had elected this optional rate.

Owen Electric will continue to engage its members in these and additional awareness and education efforts.

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Request (c)

2014 Budgets, actual expenditures, number of participants, and the estimated impact on sales of each DSM and energy efficiency program approved.

Response (c)

<u>Program</u>	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Participants</u>	<u>Impact on Sales (Reduction kWh/Yr)</u>
<u>RESIDENTIAL</u>				
Button Up	\$10,000	\$15,910	88	53,578
Button Up with Air Seal	↑ (Included above)	(Included above)	(Included above)	(Included above)
Heat Pump	\$30,000	\$51,340	90	651,920
TSE Home	\$20,000	\$55,900	69	177,192
Simple Saver DLC	\$25,000	\$80,010	4,870	32,905
Energy Audits	\$40,000	\$42,048	202	Undetermined
Smart Home	\$0	\$0	185	Undetermined
CFL's	\$4,500	\$4,363	800	50,400
<u>COMMERCIAL</u>				
Lighting	\$60,000	\$39,813	10	654,509
Compressed Air	\$20,000	\$0	0	0
<u>OTHER</u>				
<u>Conservation Voltage Reduction Program</u>	\$0	\$0	Global	554,504

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Request (d)

Estimated implementation date for any program not implemented as of that report and, ultimately, an explanation of the “slippage” in any implementation dates in subsequent reports.

Response (d)

Wireless Communication AMI Pilot – Owen Electric is investigating alternative methods to remotely read meters on a quarter hour, hourly, and daily basis to support our long term energy innovation goals. In January 2015, Owen Electric started a pilot of 8 RF meters and the associated communications equipment, and will be testing functionality of the meters through mid to late 2015. Once pilots are completed, Owen Electric will evaluate the results of the pilot and determine the next steps needed.

Volt Var Optimization Pilot – Owen Electric is continuing to evaluate the benefits of more narrow voltage regulation. Having originally chosen a primarily residential, rurally located, substation with three feeders for this pilot project, it has been determined that both voltage reduction and regulation bandwidth reduction are more difficult and costly to achieve on long, rural feeders. Owen Electric will shift its attention to analyze the impact of advanced voltage and Var control on shorter, more suburban portions of the distribution system. Goals continue to be: demand reduction, line loss reduction, tightened voltage regulation and reactive power management.

Owen Electric is committed to investigating and prudently evaluating DSM and Energy Efficiency opportunities and deploying those systems that add value to our members' quality of service, and ability to manage their energy usage.