

October 17, 2011

HAND DELIVERED

RECEIVED

The Honorable Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard, P.O. Box 615 Frankfort, Kentucky 40602-0615

OCT 17 2011

PUBLIC SERVICE COMMISSION

Dear Mr. Derouen:

Re: PSC Case No. 2011-00148

Pursuant to the Commission's final Order in Case No. 2011-00148, dated September 30, 2011, enclosed are an original and six (6) copies of Owen Electric Cooperative's revised tariffs for two new Demand-Side Management programs.

Please return a stamped copy of all tariffs to my attention.

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

FOR	Entire Territo	ry Served
	Community, Towr	or City
P.S.C. KY. N	NO	6
Original	SHEET NO.	127
CANCELLI	NG P.S.C. KY NO.	6
	SHEET NO.	127

Owen Electric Cooperative, Inc.

(Name of Utility)

Section DSM-5

Commercial & Industrial Advanced Lighting Program

Purpose

The Commercial & Industrial Advanced Lighting Program is an energy efficiency program that encourages commercial and industrial customers to install high efficiency lamps and ballasts in their facilities.

Availability

This program is available to commercial and industrial facilities located in all service territory served by Owen Electric Cooperative.

<u>Eligibility</u>

To qualify for the Commercial & Industrial Advanced Lighting Program the customer must be on a retail commercial or industrial rate. The business must have been in operations for at least two years prior to January 1, 2011, and be current on its power bill payment to Owen Electric Cooperative. No empty buildings, inactive warehouses, or inactive storage areas shall qualify. The business must be open or have its normal lighting load on for at least 50 hours per week. Retrofits of parking lot lighting, provided on photocell control, are eligible.

<u>Rebate</u>

Owen Electric Cooperative will provide an incentive to the customer of \$213 for each kW of lighting load reduction for businesses open 50 hours a week or more. East Kentucky Power Cooperative will reimburse Owen Electric Cooperative an additional \$320 for each kW of lighting load reduction, which is to compensate for lost revenue. For commercial customers, East Kentucky reimbursements are limited to \$15,000 per upgrade (total of both customer and Owen Electric Cooperative rebates) for any facility. For industrial customers, East Kentucky reimbursements are limited to \$30,000 per upgrade (total of both customer and Owen Electric Cooperative rebates) for any facility.

<u>Term</u>

The Commercial & Industrial Advanced Lighting Program is an ongoing program.

Verification Procedure

Qualifying lighting must be identified or documented by Owen Electric Cooperative staff prior to retrofitting. After the customer completes the retrofit, Owen Electric Cooperative staff must verify the installed lighting retrofit. Demand and energy savings will be calculated based on lighting information gathered during the visits. Owen Electric Cooperative personnel will utilize the manufacturer's lighting fixture specifications and known measurements to calculate the savings; rebates under this tariff will be paid after these verification procedures are complete.

DATE OF ISSUE	October 17, 2011		
	Month / Date / Year		
DATE EFFECTIVE <u>Servi</u>	ice rendered on and after September 30, 201	1	
	Month / Date / Year		
ISSUED BY			
	(Signature of Officer)		
TITLE	President/CEO		
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION			
IN CASE NO 2011-0014	18 DATED Sentember	30 2011	

(N)

Owen Electric Cooperative, Inc.

(Name of Utility)

FOR	Entire Territo	ry Served	
	Community, Town	or City	
P.S.C. KY. N	10	6	
Original	SHEET NO.	128A	
CANCELLI	NG P.S.C. KY NO.	6	
	SHEET NO.	128A	

(N)

Section DSM-6

Industrial Compressed Air Program

Purpose

The Industrial Advanced Compressed Air Program is a program designed to reduce electricity consumption through a comprehensive approach to efficient production and delivery of compressed air in industrial facilities. The program includes (1) training of plant staff; (2) a detailed system assessment of the plant's compressed air system including written findings and recommendations; and (3) incentives for capital-intensive improvements.

Availability

This program is available to commercial and industrial facilities using electric compressed air applications located in all service territory served by Owen Electric Cooperative.

Eligibility

To qualify for the Industrial Compressed Air Program, the customer must be on a retail industrial rate and must be a manufacturing operation with a compressed air system that is turned on during all the operating hours of the facility. The business must have been in operations for at least two years prior to January 1, 2011, and be current on its power bill payment to Owen Electric Cooperative.

<u>Rebate</u>

If the customer reduces at least 60% of the compressed air leaks (CFMs), Owen Electric will reimburse to the customer the cost of the original compressed air leakage audit up to \$5,000. East Kentucky Power Cooperative will reimburse Owen Electric the original compressed air leakage audit plus \$150 per kW reduced to compensate lost revenue. The combination of Owen Electric Cooperative's lost revenue payment and the reimbursement of the compressed air leakage audit costs are limited to \$15,000 for any facility.

<u>Term</u>

The Industrial Compressed Air Program is an ongoing program.

DATE OF ISSUE	October 17, 2011	
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DATE EFFECTIVE	Service rendered on and after Septe	ember 30, 2011
	Month / Date / Year	
ISSUED BY	the	
	(Signature of Officer)	
TITLE	President/CEO	
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION		
IN CASE NO	1-00148DATED	September 30, 2011

Owen Electric Cooperative, Inc.

(Name of Utility)

FOR	Entire Territor	ry Served	
Community, Town or City			
P.S.C. KY. N	IO.	6	
Original	SHEET NO.	128B	
CANCELLIN	NG P.S.C. KY NO.	6	
	SHEET NO.	128B	

Section DSM-6 (con't)

Verification Procedures

Determination of the amount of leakage reduction:

- 1. All compressed air leakage audits are to be performed by Envision Energy Services, LLC.
- 2. The leakage reduction will be determined by the measured reduction in compressed air leakage.
- 3. An ultrasonic compressed air leakage audit shall be performed and the results of this audit provided to the customer, Owen Electric Cooperative and EKPC. The report will contain an estimate of the amount of excess load in kW that the leaks are causing. The report will include a detail of leaks detected. The detail of leaks and the excess kW load will be based on the criteria for leak reporting.
- 4. Upon completion of repairs to the system, a follow-up ultrasonic compressed air leakage audit will be conducted for the documented leaks to measure the difference in the kW leakage load. The follow-up audit report will show the net kW leakage saved and results provided to the customer, Owen Electric Cooperative and EKPC. A lost revenue reimbursement will be paid to Owen Electric Cooperative from EKPC based on the difference in the kW leakage load and the cost of the original air-leakage audit will be reimbursed to the customer if a 60% reduction in CFMs air leakage is achieved.

Criteria for leak reporting:

- 1. The criteria for reporting leaks shall be at the discretion of the auditor. At a minimum the report must detail the leak location, decibels measured, CFM of air leakage, and kW leakage load for each leak and summed for the facility.
- 2. The basic rule is that leaks that do not exceed 30 decibels in ultrasonic noise will not be reported or counted in the leakage kW load.
- 3. Exceptions to the 30 decibels rule are as follows:
- a. In a quiet environment with a minimal amount of compressed air, the minimum will drop to between 15 to 20 decibels.
- b. In a high noise environment, especially with robotic welding, the minimum will be raised to 40 to 50 decibels.
- c. Distance is also a factor. A 25 decibel leak in a trunk pipe in a 20-foot ceiling, in a noisy environment, will be documented and added to the leakage kW according to the distance.

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Mont	h / Date / Year	
ISSUED BY		
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TITLEPresi	ident/CEO	
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION		
IN CASE NO	DATED September 30, 2011	

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