

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ANNUAL COST RECOVERY FILING FOR	)	
DEMAND-SIDE MANAGEMENT BY THE UNION	)	CASE NO. 2002-00358
LIGHT, HEAT AND POWER COMPANY	)	

INITIAL DATA REQUEST OF COMMISSION STAFF  
TO THE UNION LIGHT, HEAT AND POWER COMPANY

The Union Light, Heat and Power Company ( ULH&P ), pursuant to Administrative Regulation 807 KAR 5:001, is requested to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this request. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to pages 1-2 of the application, which lists the members of the ULH&P Demand-Side Management ( DSM ) Collaborative ( the Collaborative ). Identify those members that are voting members and those that are non-voting members.

2. Refer to pages 15 through 24 of the application in which the results of the traditional DSM cost-effectiveness tests are included in the narrative. Provide the supporting calculations for each of the following sets of test results.

a. Residential Conservation and Energy Education Refrigerators  
page 15.

b. Residential Conservation and Energy Education Refrigerators  
page 16 (the results at the bottom of the page).

c. Residential Conservation and Energy Education Refrigerators  
page 17.

d. Residential Home Energy House Call page 19 (the results at the  
bottom of the page).

e. Residential Home Energy House Call page 20.

f. Residential Comprehensive Energy Education page 24 (both sets  
of results).

3. Refer to the recommendation to continue the Residential Conservation and Energy Education program on page 20 of the application. Explain in detail why the cost per audit is proposed to increase from \$190 to \$280.

4. Refer to pages 28-34 of the application, which pertain to the proposed revisions to the Home Energy Assistance Plus Program. KRS 278.285(1)(f) provides that the Commission consider the extent to which customer representatives and the Attorney General have been involved in the development of home energy assistance programs and the amount of support for the programs by each participant.

a. Describe the involvement of each member of the Collaborative in developing the proposed Home Energy Assistance Plus Program. The description should identify when the Collaborative member became involved in the program development process. Also, identify any Collaborative members who did not participate at all in the program development.

b. Indicate the degree of support for the proposed energy assistance program by each member of the Collaborative. Identify all Collaborative members who have not adopted a position on the proposed program.

5. Refer to ULH&P's customer distribution as of December 31, 2001 shown on page 33 of the application.

a. Explain whether the Number of Customers section of this chart reflects all customers or only residential customers.

b. If the Number of Customers section reflects all customers, provide a similar chart showing the mix of residential customers only.

c. Provide a similar chart for the 55 initial participants and the 28 participants who completed the pilot program.

6. Refer to pages 33-34 of the application, specifically the passages that pertain to the portion of the Order in Case No. 2001-00309<sup>1</sup> concerning the extent of ratepayer funding and determination of an appropriate cost recovery mechanism for home energy assistance programs.

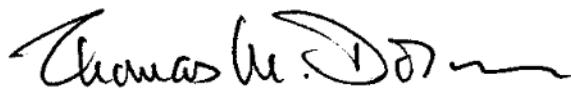
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<sup>1</sup> Case No. 2002-00309, The Annual Cost Recovery Filing for Demand-Side Management Costs by The Union Light, Heat and Power Company, Order dated December 28, 2001.

a. The application proposes that the revised Home Energy Assistance Plus Program be funded by ratepayers at \$75,000 annually, which represents a \$25,000 annual increase over the original pilot program. Describe the extent to which ULH&P and/or the Collaborative considered having some level of shareholder funding due to the proposed increase in the funding level.

b. If shareholders funded \$37,500, one-half of the proposed budget for the program, under ULH&P's allocation of 62.9 percent gas and 37.1 percent electric, by how much would the proposed DSM rates be reduced? Provide calculations and a side-by-side comparison of the proposed DSM rates and the DSM rates derived in response to this request.

7. Refer to page 5 of 5 of Attachment I of the application. For each program shown, provide a schedule that shows the 2002 operating budget and the proposed 2003 operating budget. Explain the reason(s) for the differences between the budgets.



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DATED: October 25, 2002

cc: All parties