

Kentucky Power Company

REQUEST

Please provide all KPC responses to requests for information from all parties and Commission Staff in this proceeding.

RESPONSE

Kentucky Power Company has done so.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please provide Application Exhibit 8 in machine readable electronic format with formulas intact and cells unprotected.

RESPONSE

Please see Kentucky Power's response to Commission Staff 1-53.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please provide the Company's total DSM costs for 2014, including total costs incurred to date and total estimated costs for the year.

RESPONSE

Total Cost as of August 31, 2014
\$1,871,141.61

Total Estimated 2014 Cost (as filed)
\$4,078,189.78

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

For each year of the proposed program period, 2015-2017, please provide the estimated total DSM program costs for each existing program the Company proposes to continue, by the subcategories of "total program costs" provided in the DSM Status Report (Amended Application Exhibit 3).

RESPONSE

The 2015 budget forecast is summarized below. The 2016 and 2017 budget details are not available but overall spending is forecast to be \$6,000,000 per year.

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Program Year	2015
	Total
Forecast Expense	
Commercial	
Commercial Incentive	
Administrative	678,071
Evaluation	0
Incentive	742,500
Marketing	46,000
Other	0
Commercial Incentive Total	1,466,571
Commercial High Efficiency Heat Pump/Air Conditioning	
Administrative	750
Evaluation	0
Incentive	6,500
Marketing	1,000
Other	0
Commercial High Efficiency Heat Pump/Air Conditioning Total	8,250
General Administrative and Promotion Commercial	
Administrative	111,548
Marketing	0
General Administrative and Promotion Commercial Total	111,548
School Energy Management	
Administrative	0
School Energy Management Total	0
Commercial Total	1,586,369
Residential	
Residential Efficient Products	
Administrative	417,195
Evaluation	0
Incentive	631,554
Marketing	12,000
Other	0
Residential Efficient Products Total	1,060,749

Mobile Home High Efficiency Heat Pump	
Administrative	12,250
Evaluation	0
Incentive	91,100
Marketing	2,000
Other	0
Mobile Home High Efficiency Heat Pump Total	105,350
Mobile Home New Construction	
Administrative	7,750
Evaluation	0
Incentive	77,500
Marketing	1,000
Other	250
Mobile Home New Construction Total	86,500
High Efficiency Heat Pump	
Administrative	29,750
Evaluation	0
Incentive	259,500
Marketing	7,500
Other	0
High Efficiency Heat Pump Total	296,750
Targeted Energy Efficiency	
Administrative	294,250
Evaluation	0
Incentive	0
Marketing	0
Other	0
Targeted Energy Efficiency Total	294,250
Modified Energy Fitness	
Administrative	831,750
Evaluation	0
Marketing	10,000
Other	0
Modified Energy Fitness Total	841,750
Community Outreach Compact Fluorescent Lighting	
Administrative	500
Evaluation	0

Marketing	2,000
Other	0
Equipment	38,481
Community Outreach Compact Fluorescent Lighting Total	40,981
Energy Education for Students	
Administrative	6,000
Evaluation	0
Marketing	1,000
Other	0
Equipment	15,393
Energy Education for Students Total	22,393
NEW Residential Home Performance	
Administrative	429,000
Evaluation	0
Incentive	0
Marketing	0
Other	0
NEW Residential Home Performance Total	429,000
NEW Appliance Recycling	
Administrative	103,051
Evaluation	0
Incentive	37,500
Marketing	0
Other	0
NEW Appliance Recycling Total	140,551
General Administrative and Promotion Residential	
Administrative	111,548
General Administrative and Promotion Residential Total	111,548
Residential Total	3,429,823
Forecast Expense Total	5,016,191

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

For each year of the proposed program period, 2015-2017, please provide the participant forecast for each program the Company proposes to offer (both existing and new).

RESPONSE

The 2015 participant forecast is summarized below. The 2016 and 2017 forecast details are not available but are scheduled to be developed in 2015 following completion of the Market Potential Study and Detailed DSM Portfolio design.

Program Year	2015
	Forecast
Measure Quantities	
Commercial	
Commercial Incentive	275
Commercial High Efficiency Heat Pump/Air Conditioning	15
School Energy Management	
Commercial Total	290
Residential	
Residential Efficient Products	273,610
Mobile Home High Efficiency Heat Pump	245
Mobile Home New Construction	155
High Efficiency Heat Pump	595
Targeted Energy Efficiency	165
Modified Energy Fitness	2,040
Community Outreach Compact Fluorescent Lighting	5,500
Energy Education for Students	2,200
NEW Residential Home Performance	30,000
NEW Appliance Recycling	750
Residential Total	315,260
Measure Quantities Total	315,550

WITNESS: Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Please provide the projected energy savings, both in megawatt hours and as a percentage of retail sales, for each year of the proposed program period, 2015-2017.

RESPONSE

The forecast energy savings for the 2015 reporting period is 24,636 MWH which is 0.67 % of 2015 **residential and commercial** forecast retail sales. The 2016 and 2017 forecast savings details are not available but are scheduled to be developed in 2015 following completion of the Market Potential Study and Detailed DSM Portfolio design.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please provide the projected demand savings for each year of the proposed program period, 2015-2017.

RESPONSE

The forecast demand savings for the 2015 reporting period is 3.44 MW. The 2016 and 2017 forecast savings details are not available but are scheduled to be developed in 2015 following completion of the Market Potential Study and Detailed DSM Portfolio design.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please refer to paragraph 20 of the Application (page 10), which states that “[b]y this application the Company is seeking all required authorizations to implement two new DSM programs in furtherance of the identified portion of Paragraph 12 of the Stipulation and Settlement Agreement.”

- a. Please fully explain how the Company’s proposal in this case facilitates KPC’s compliance with the Commission’s October 7, 2013 order in Case No. 2012-00578 approving the Stipulation and Settlement Agreement with modifications.
- b. Please state whether the two new DSM programs proposed in this case are the sole means by which the Company proposes to meet its obligations to increase its DSM/EE investment under the Stipulation and Settlement Agreement in its proposed 2015-2017 DSM/EE plan. If not, please explain.
- c. Please provide all analyses, workpapers and other documents that inform and/or support the Company’s determination as to how to comply with its DSM investment obligations for 2015-2017 pursuant to the Commission’s October 7, 2013 order in Case No. 2012-00578.

RESPONSE

- a. In paragraph 12 of the July 2, 2013 Stipulation and Settlement Agreement Kentucky Power agreed to “increase its aggregate annual spending on cost-effective DSM and energy efficiency measures through Commission-approved DSM programs to \$4 million in 2014....” The programs the Company seeks authorization to extend or modify, as well as the new programs proposed in the application, will allow Kentucky Power to meet its commitment to spend \$5 million in 2015 on cost-effective DSM and energy efficiency programs approved by the Commission and thereby facilitate its compliance with the Stipulation and Settlement Agreement.
- b. No. Please see the Company’s response to SC 1-8(a).
- c. Please see Exhibit 2 to the application.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

For each of the following programs, please explain the reason for the Company's proposed modifications and provide the expected change in demand and energy savings for each program from 2014 to 2015:

- a. Residential Efficient Products
- b. Community Outreach CFL
- c. Energy Education for Students
- d. Modified Energy Fitness
- e. Mobile Home High Efficiency Heat Pump
- f. High Efficiency Heat Pump
- g. Targeted Energy Efficiency programs.

RESPONSE

The program modifications were premised upon, and made generally for the reasons identified in, the 2012-2013 Demand Side Management Portfolio Evaluation prepared by Applied Energy Group for Kentucky Power. Please see KPSC 1-7, KPSC 1-10, KPSC 1-15, KPSC 1-20, KPSC 1-31, and KPSC 1-35.

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2014 - 2015 Forecast Change in Energy and Demand:

Program	2014 - 2015 Energy kWH	2014 - 2015 Demand kW
Residential Efficient Products	355,967	47
Community Outreach	-48,351	-4
Energy Education for Students	-26,307	-2
Modified Energy Fitness	0	0
Mobile Home High Efficiency Heat Pump	21,755	2
High Efficiency Heat Pump	81,960	13
Targeted Energy Efficiency	396,876	36

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please refer to paragraphs 42 and 43 of the Application (pages 16-17). Please state whether the Company anticipates seeking approval of additional DSM/EE programs in 2015.

RESPONSE

Yes. The Company expects to file additional programs with the next DSM filing in August 2015.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please confirm that the market potential study that is underway did not inform the pending application. If you cannot confirm, please explain.

RESPONSE

The Market Potential Study did not inform the pending application.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please confirm that the market potential study that is underway will evaluate the potential for DSM savings in the industrial customer sector. If you cannot confirm, please explain.

RESPONSE

The Company confirms this statement.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please state whether the market potential study will inform future DSM spending by the Company.

RESPONSE

The results of the Market Potential Study will inform future Kentucky Power DSM spending.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please state whether the Company intends to modify its spending plan within the 2015-2017 timeframe to incorporate recommendations or findings from the market potential study.

RESPONSE

Kentucky Power will use the results of the Market Potential Study to develop recommendations for the DSM Portfolio of programs.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please state when the Company plans to submit its next DSM filing.

RESPONSE

Kentucky Power plans to submit its next DSM filing in August 2015.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please explain whether and how the proposed DSM Market Potential Study will inform the Company's next DSM filing.

RESPONSE

The Market Potential Study will inform recommendations for the Kentucky Power portfolio of DSM programs to be reviewed with the DSM Collaborative and filed with the Commission.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Please state whether the next DSM filing will reflect the increased DSM spending level required under the Commission's October 7, 2013 order in Case No. 2012-00578.

RESPONSE

Yes, the next DSM filing will reflect the increased DSM spending level required under the Commission's order in Case No. 2012-00578.

WITNESS: Ranie K Wohnhas

Kentucky Power Company

REQUEST

Now that the market potential study is underway, please explain the role the Company expects the Collaborative to play in the development of the study.

RESPONSE

The Collaborative will be invited to participate in the study planning and will have opportunity for input at scheduled meetings and/or calls to review work progress and study results. See response to SC 1-19 for a tentative time line.

WITNESS: Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Please provide a detailed timeline for completing and filing the potential study by August 15, 2015, including any milestones pertaining to Collaborative review.

RESPONSE

A detailed time line will be developed November 2014. A tentative schedule is as follows:

Date	Milestone
September 2014	Kickoff Review
October 2014	Work Planning
November 19, 2014	Review Work Plan with Collaborative
Mid December 2014	Primary Data Collection Estimates
Late December 2014	Review Data Collection Estimates with Collaborative
Mid December 2014	Preliminary Potential Estimates
Early January 2015	Final Potential Estimates
January 2015	Review Potential Estimates with Collaborative
February 2015	LoadMAP Model Delivery to KPCO
Early February 2015	Preliminary EE Portfolio
Mid February 2015	Review Draft Portfolio with Collaborative
Late February 2015	Final EE Portfolio
March 20, 2015	Draft Report
May 7, 2015	Final Presentation and Report

WITNESS: Ranie K Wohnhas