

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In The Matter Of:

Application Of Kentucky Power Company For	)	
(1) Authority To Modify Certain Existing	)	
Demand-Side Management Programs; (2) Authority	)	
To Implement New Programs; (3) Authority To	)	
Discontinue Certain Existing Demand-Side Management	)	
Programs; (4) Authority To Recover Costs And Net Lost	)	Case No. 2015-00271
Revenues, And To Receive Incentives Associated With	)	
The Implementation Of The Programs; And (5) All Other	)	
Required Approvals and Relief	)	

**Motion For Rehearing To Clarify Commission's**  
**March 11, 2016 Order**

Kentucky Power Company moves the Public Service Commission of Kentucky pursuant to KRS 278.400 for rehearing to clarify the Commission's March 11, 2016 Order to address an ambiguity in the Company's application concerning the Retro-Commissioning Program. In support of its motion Kentucky Power states:

1. The August 10, 2015 Applied Energy Group "Kentucky Power Company (KPCO) Demand Side Management Program Plan" proposed limiting rebates provided under the Retro-Commissioning Program to "\$100,000 per customer."<sup>1</sup>
2. After careful consideration and analysis, Kentucky Power modified the Applied Energy Group \$100,000 limitation on Retro-Commissioning Program rebates by reducing the limit to "\$50,000 per customer account."<sup>2</sup> Kentucky Power proposed the \$50,000 limitation per

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<sup>1</sup> See, Application Exhibit 6 at page 95 of 105.

<sup>2</sup> Application, Exhibit 7 at page 15 of 21.

customer account to conform the limitation more closely to the forecasted annual incentive budget of \$82,283. Applied Energy Group confirmed that the change could be made without affecting the program.

3. At the DSM Collaborative telephone conference conducted on August 26, 2015, Kentucky Power presented its DSM program as proposed in this case. As part of the presentation, the Company “identified differences between the proposed AEG plan and the KPC plan.”<sup>3</sup> The Collaborative, with representatives of the Attorney General and Sierra Club not voting, approved the Company’s proposed plan.<sup>4</sup>

4. Kentucky Power failed to make clear in paragraph 51 of its application that in describing the Retro-Commissioning program in that paragraph it was presenting the program as proposed by Applied Energy Group. Kentucky Power likewise failed to make clear in paragraph 51 of its application that, as set out in in the Retro-Commissioning tariff attached as page 15 of 21 of Exhibit 7 to the Company’s application, Kentucky Power was proposing to limit Retro-Commissioning rebates to \$50,000 per customer account.

5. In describing the Retro-Commissioning Program, the Commission’s March 11, 2016 Order refers to a \$100,000 per customer limit on the rebates: “Customers receive rebates ... per kWh saved in the first year, up to \$100,000.”<sup>5</sup>

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<sup>3</sup> Application, Exhibit 4 at page 1 of 2.

<sup>4</sup> *Id.*

<sup>5</sup> Order, *In the Matter of: Application Of Kentucky Power Company For (1) Authority To Modify Certain Existing Demand-Side Management Programs; (2) Authority To Implement New Programs; (3) Authority To Discontinue Certain Existing Demand-Side Management Programs; (4) Authority To Recover Costs And Net Lost Revenues, And To Receive Incentives Associated With The Implementation Of The Programs; And (5) All Other Required Approvals and Relief*, Case No. 2015-00271 at 8 (Ky. P.S.C. March 11, 2016).

6. The Commission's Order approved the "additions to ... [Kentucky Power's] current DSM/EE portfolio through December 31, 2018....."<sup>6</sup> In addition, the Order required the Company to file revised tariff sheets.<sup>7</sup>

7. Those tariff sheets, including Original Sheet 22-12, were filed March 21, 2016. Original Tariff Sheet 22-12 as filed on March 21, 2016 contains the "\$50,000 per customer account" limitation on rebates under the Retro-Commissioning Program as set out in Exhibit 7 to the Company's application.

8. KRS 278.160(2) prohibits Kentucky Power from charging, demanding, collecting, or receiving "from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules." The Company's Original Tariff Sheet 22-12 as filed limits rebates under the Retro-Commissioning Order are limited to \$50,000 per customer account, and if approved, the Company would be required to apply that limitation.

9. In light of the ambiguity in the Company's application concerning the limit on rebates under the Retro-Commissioning Order, and the conflict between the description of the Retro-Commissioning Program at page 8 of the Commission's Order and the limitation on rebates contained in Original Tariff Sheet 22-12 as filed with the Commission, Kentucky Power requests that the Commission grant rehearing and confirm, or clarify to the extent required, that rebates under the Retro-Commissioning Order are limited to \$50,000 per customer account.

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<sup>6</sup> *Id.* at 17.

<sup>7</sup> *Id.*

Wherefore, Kentucky Power Company respectfully requests that the Public Service Commission of Kentucky enter an Order:

1. Granting rehearing;
2. Confirming that rebates under the Retro-Commissioning Order are limited to \$50,000 per customer account;
3. Approving Original Sheet 22-12 as filed on March 21, 2016; and
4. Granting the Company such further relief as may be appropriate.

Respectfully submitted,



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