

**Minutes of the Kentucky Power Company
DSM Collaborative Meeting
July 28, 2016**

Attendees:

John Rosenberg	Big Sandy Area Development District
David Hall	Our Lady of Bellefonte Hospital
Bertha Daniels	Appalachian Research and Defense Fund
Wanda Thacker	Big Sandy Community Action
Mike Howell	Big Sandy Community Action
EJ Clayton	Kentucky Power Company
Scott Bishop	Kentucky Power Company
Barrett Nolen	Kentucky Power Company
John Rogness	Kentucky Power Company

Phone:

Josh Shuffler	LKLP Community Action Council
Pat Niceley	Community Action Kentucky
Roger McCann	Community Action Kentucky
Dan Sawmiller	Sierra Club
Stephen Sharp	Kentucky Power Company

A DSM Collaborative meeting was held on July 28, 2016, beginning at 10:00 am, at the Johnson County Library in Paintsville Kentucky with E.J. Clayton presiding. The information reviewed at the meeting was emailed to meeting invitees on Wednesday July 27th and included a PowerPoint presentation, 2015 and 2016 DSM Status Reports, and a Schedule C report. Copies of the reviewed materials were provided to those attending at the Johnson County Library. A conference call number was provided for those participating by phone.

Summary of Topics and Discussion

After opening the meeting with introductions, Mr. Clayton presented a summary of the most recently approved DSM Case 2015-00271. Program updates were presented along with budgets and key activities related to program years 2015, 2016, and 2017.

In response to a question regarding 2017 activities, Mr. Clayton clarified that the impact evaluation services were scheduled to begin 2017 with final report anticipated for submittal with the August 2018 DSM Status Report filing.

Ms. Daniels asked if having industrial DSM programs would result in a reduction of the residential DSM surcharge. Response (Clayton/Rogness): Recovery of expenses is specific to the customer sector; residential, commercial, and industrial. Recovery of expenses for residential DSM programs is specific to residential customers. There is no cross subsidization between customer sectors of DSM expenses.

Mr. Sawmiller asked if promotion of DSM programs was utilized with the Home Performance program and if so, whether the benefits were measured. Response (Clayton/Bishop): Yes the program

references the DSM programs in the report information including reports issued to the customer by email. Measuring the impact of cross promotion will be investigated with the upcoming Process and Market evaluation scheduled to begin the fall 2016.

Mr. Nolen and Mr. Bishop reviewed the 2016 Status report and discussed program highlights. Questions regarding specific programs were discussed.

Mr. Sawmiller asked about levelized cost of programs that include lifetime program savings. Mr. Clayton referenced the DSM Program Plan (Case 2015-00271) as having this information.

Ms. Daniels requested more communication between DSM meetings on program updates like contracts, new vendors, etc.

Mr. Sharp, Mr. Rogness, and Mr. Clayton reviewed the Schedule C report and the proposed DSM rates that would be filed in August. Several topics were discussed related to the Schedule C report, including the factors that affect the calculations and when the new rate is estimated to go into effect.

Mr. Rosenberg asked about the overall process including the timeline/schedule for filing. Mr. Rogness provided clarification on the filing process. A link to the PSC webpage for the filing was requested.

Mr. Clayton asked if there was a motion to accept the 2015/2016 Status Reports and the Schedule C Report. Ms. Daniels offered motion to approve the Status Report and the Schedule C report for filing with the Public Service Commission. Mr. Hall seconded the motion. There were no objections noted to the motion.

Mr. Clayton discussed a vacancy in the collaborative due to the retirement of the representative from Kentucky Housing Corporation. Suggestions were offered for potential Collaborative membership including contact information for Kentucky Housing Corporation. Next steps were outlined to address the vacancy.

The meeting adjourned at 12:20 pm.

Action Items

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| E. J. Clayton | Provide email with meeting minutes to the Collaborative. |
| DSM/Regulatory | Provide link to PSC webpage having the upcoming DSM filing information (after filing date). |
| E. J. Clayton | Contact Kentucky Housing Corporation for potential member to replace past member who retired. Mr. McCann is to provide contact information for Kentucky Housing Corporation. |
| E. J. Clayton | Update Collaborative Bylaws for membership changes and provide for Collaborative review 30 days before next meeting. |

Minutes recorded by Scott Bishop.