



Kentucky Power Demand Side Management

Collaborative Meeting

*Johnson County Library
Paintsville, KY*

July 28, 2016

Meeting Agenda

- *Welcome and Introductions*
- *Program Updates*
- *Status Report & Schedule C Report*
- *Schedule of Activities*
- *Collaborative Bylaw Updates*
- *Roundtable Discussion*

Approved DSM Case

DSM Case 2015 – 00271

- *Status Report, Market Study, and Program Design*
- *Kentucky Power filed Application September 15, 2015*
 - *Status Reports*
 - *Schedule C*
 - *Market Assessment*
 - *10 year Program Design*
- *Order received March 11, 2016*
 - *Includes 3 year plan 2016 through 2018*
 - *13 DSM programs*
 - *Continue to review and develop cost effective programs for all customer sectors*



Program Updates

- *\$4,011,367 paid for customers incentives and installed energy efficiency measures (2015 - June 2016)*
 - *Residential \$2,848,524*
 - *Commercial \$1,162,843*
- *\$917,834 paid for installed measures with weatherization programs (2015 through June 2016)*
- *\$8,339,126 in customer incentives and installed EE measures forecast through program year 2017 (2015 – 2017)*
- *47% YTD achievement (as of June 2016) of the 2016 DSM budget goal (\$6,015,334 Case 2015-00271)*

Portfolio of DSM Programs

- 8 Residential and 5 Commercial Programs
- 4 new programs beginning in 2016
- Residential Programs include:

1. Targeted Energy Efficiency
2. Whole House Efficiency - new
3. Residential Home Performance
4. Residential Efficient Products
5. Community Outreach
6. Energy Education for Students
7. New Manufactured Home - new
8. Appliance Recycling

- Commercial Energy Efficiency Programs:

1. Prescriptive Custom
2. New Construction
3. Express Install - new
4. Retro commissioning - new
5. School Energy Manager



2015 DSM Expense

	Expense	Filed Budget*	Achievement
Total Expense			
Commercial			
Commercial Incentive	\$1,403,390	\$1,421,970	99%
Commercial High Efficiency Heat Pump/Air Conditioning	\$9,826	\$11,100	89%
General Administrative and Promotion Commercial	\$217,931	\$173,340	126%
School Energy Manager	\$200,000	\$0	
Commercial Total	\$1,831,147	\$1,606,410	114%
Residential			
Residential Efficients Products	\$1,272,788	\$1,157,457	110%
Mobile Home High Efficiency Heat Pump	\$109,894	\$104,250	105%
Mobile Home New Construction	\$88,491	\$86,500	102%
High Efficiency Heat Pump	\$323,483	\$292,850	110%
Targeted Energy Efficiency	\$283,366	\$294,250	96%
Modified Energy Fitness	\$1,033,644	\$1,032,261	100%
Community Outreach Compact Fluorescent Lighting	\$41,054	\$40,981	100%
Energy Education for Students	\$31,778	\$31,368	101%
General Administrative and Promotion Residential	\$150,848	\$179,890	84%
Residential Home Performance	\$332,000	\$332,000	100%
Appliance Recycling	\$87,352	\$121,425	72%
Residential Total	\$3,754,700	\$3,673,232	102%
Total Expense Total	\$5,585,846	\$5,279,642	106%

* Case 2015-00271

2015 Program Highlights

- *Calculated savings at utility meter
 - 32.8 GWH gross participant savings
 - 26.7 GWH net participant savings*
- *Approximately 35,000 customer participants*
- *177,000 mailed and 126,000 emailed home energy reports*
- *5,600 customers attended sponsored Community Events*
- *290,000 Energy Efficient lights delivered (residential customers)*
- *1,141 Light fixtures retrofitted Commercial customers*
- *New or Modified Products
 - Residential Home Energy Reports and Online Service
 - Appliance Recycling for Refrigerators and Freezers
 - Energy Star Appliance Rebates
 - HVAC - Two Tier Incentives \$300 to \$500
 - Weatherization - Increased Incentives for Heat Pumps
 - Lighting
 - Expanded LED for Residential Efficient Products
 - New 13 watt CFL for EE Kits
 - Community Outreach
 - Energy Education*



2016 YTD DSM Expense

Total Expense	Actual Expense**	Filed Budget*	Achievement	Forecast
Commercial				
Commercial Incentive	\$17,289	\$0		\$17,289
Commercial High Efficiency Heat Pump/Air Conditioning	\$1,700	\$0		\$2,000
General Administrative and Promotion Commercial	\$968	\$88,500	1%	\$56,468
School Energy Manager	\$0	\$203,000	0%	\$202,670
Express Install	\$0	\$392,631	0%	\$192,378
New Construction	\$4,191	\$71,370	6%	\$93,484
Retro-Commissioning	\$1,872	\$205,342	1%	\$108,093
CI Prescriptive Custom	\$716,349	\$1,023,984	70%	\$1,474,160
Commercial Total	\$742,368	\$1,984,827	37%	\$2,146,541
Residential				
Residential Efficiency Products	\$651,370	\$1,130,845	58%	\$1,149,207
Mobile Home High Efficiency Heat Pump	\$0	\$0		\$0
Mobile Home New Construction	\$0	\$0		\$0
High Efficiency Heat Pump	\$0	\$0		\$0
Targeted Energy Efficiency	\$82,770	\$352,410	23%	\$298,654
Modified Energy Fitness	\$151	\$0		\$151
Community Outreach Compact Fluorescent Lighting	\$11,665	\$67,680	17%	\$32,616
Energy Education for Students	\$0	\$31,368	0%	\$40,268
General Administrative and Promotion Residential	\$2,591	\$109,500	2%	\$79,320
Residential Home Performance	\$494,500	\$604,700	82%	\$602,940
Appliance Recycling	\$1,599	\$95,869	2%	\$101,046
New Manufactured Homes	\$39,033	\$171,500	23%	\$161,248
Whole House Efficiency	\$800,682	\$1,466,636	55%	\$1,901,103
Residential Total	\$2,084,361	\$4,030,508	52%	\$4,366,554
Expense Total	\$2,826,729	\$6,015,335	47%	\$6,513,095

* Case 2015-00271

** YTD June 2016

2016 Program Highlights

- *Expanded eligibility for residential home audits*
- *Increased participation for Home Energy Reports*
- *New measures for insulating homes*
- *Incentives for smart thermostats*
- *Expanded residential and commercial contractor network*
- *New EE kits for Community Events and Student Energy Education programs*
- *Expanded on-site customer education at Community Events*
- *Expanded LED product offerings*
- *Expanded Marketing and Promotion*
- *New on-line enrollment options*



2017 DSM Forecast

	Forecast
Total Expense	
Commercial	
Commercial Incentive	\$0
Commercial High Efficiency Heat Pump/Air Conditioning	\$0
General Administrative and Promotion Commercial	\$50,000
School Energy Manager	\$208,000
Appliance Recycling	\$8,253
Express Install	\$222,150
New Construction	\$134,940
Retro-Commissioning	\$133,080
CI Prescriptive Custom	\$1,566,846
Commercial Total	\$2,323,268
Residential	
Residential Efficient Products	\$1,222,313
Mobile Home High Efficiency Heat Pump	\$0
Mobile Home New Construction	\$0
High Efficiency Heat Pump	\$0
Targeted Energy Efficiency	\$308,520
Modified Energy Fitness	\$0
Community Outreach Compact Fluorescent Lighting	\$51,887
Energy Education for Students	\$42,765
General Administrative and Promotion Residential	\$75,200
Residential Home Performance	\$618,800
Appliance Recycling	\$102,318
New Manufactured Homes	\$244,530
Whole House Efficiency	\$1,648,726
Residential Total	\$4,315,059
Expense Total	\$6,638,327

2017 Program Highlights

- *Continue expansion of LED's, transition from CFL's*
- *Potential expansion for Home Energy Reports*
- *Expand Appliance Recycling program to small and medium general service commercial accounts*
- *Explore program options for Industrial customers*
- *Potential for conservation voltage regulation*
- *Process and market evaluation*
- *Begin impact evaluation*



Status Report Review

Review 2015 & 2016 Status Reports.



Schedule C Report

Residential Summary:

Residential Summary									
	Total Years: 1996 thru 2015 1st Half (A)	Actuals			Forecasts			Total (F)	
		Year 2015 2nd Half (B)	Year 2016 1st Half (C)	Year 2016 2nd Half (D)	Year 2017 1st Half (E)				
(1) Current Period Amount To Be Recovered	\$ 28,365,608	\$ 3,573,319	\$ 3,526,066	\$ 3,475,222	\$ 3,220,304	\$ 42,160,519			
(2) Cumulative (Over)/Under Collection	\$ -	\$ 902,421	\$ 4,122,169	\$ 6,134,092	\$ 6,527,537	\$ 17,686,220			
(3) 18 Month Retroactive (Over)/Under Adjustment*	\$ (41,824)	\$ -	\$ -	\$ -	\$ -	\$ (41,824)			
(4) Total To Be Recovered	\$ 28,323,784	\$ 4,475,741	\$ 7,648,235	\$ 9,609,314	\$ 9,747,842	\$ 59,804,915			
(5) Total Amount Recovered	\$ 27,421,016	\$ 353,571	\$ 1,514,143	\$ -	\$ -	\$ 29,288,731			
(6) Expected Future Recoveries	\$ -	\$ -	\$ -	\$ 3,081,777	\$ 8,444,195	\$ 11,525,972			
(7) Transfer Portion of Balance From Industrial**	\$ (9,833)	\$ -	\$ -	\$ -	\$ -	\$ (9,833)			
(8) Transfer Portion of Balance From Commercial***	\$ 9,487	\$ -	\$ -	\$ -	\$ -	\$ 9,487			
(9) (Over)/Under Collection	\$ 902,421	\$ 4,122,169	\$ 6,134,092	\$ 6,527,537	\$ 1,303,646	\$ 18,989,866			
(10) Adjusted Estimated Sector kWh				975,554,604	1,088,941,320				
(11) Floor (Carryover)					\$ 0.006133				
(12) Midpoint - Current Rate / Proposed Rate				\$ 0.003159	\$ 0.007755				
(13) Ceiling (Total Cost)					\$ 0.009376				



Schedule C Report

Commercial Summary:

Commercial Summary						
	Total Years: 1996 thru 2015 1st Half (A)	Actuals		Forecasts		Total (F)
		Year 2015 2nd Half (B)	Year 2016 1st Half (C)	Year 2016 2nd Half (D)	Year 2017 1st Half (E)	
(14) Current Period Amount To Be Recovered	\$ 7,847,071	\$ 1,695,552	\$ 1,378,820	\$ 1,977,127	\$ 1,465,587	\$ 14,364,156
(15) Cumulative (Over)/Under Collection	\$ -	\$ 375,153	\$ 1,125,635	\$ 1,462,153	\$ 2,239,445	\$ 5,202,385
(16) 18 Month Retroactive (Over)/Under Adjustment*	\$ 1,520	\$ -	\$ -	\$ -	\$ -	\$ 1,520
(17) Total To Be Recovered	\$ 7,848,591	\$ 2,070,704	\$ 2,504,455	\$ 3,439,280	\$ 3,705,031	\$ 19,568,062
(18) Total Amount Recovered	\$ 7,460,673	\$ 945,069	\$ 1,042,302	\$ 1,199,835	\$ 2,673,330	\$ 9,448,045
(19) Expected Future Recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,873,165
(20) Transfer Portion of Balance From Industrial**	\$ (3,278)	\$ -	\$ -	\$ -	\$ -	\$ (3,278)
(21) Transfer Portion of Balance To Residential***	\$ (9,487)	\$ -	\$ -	\$ -	\$ -	\$ (9,487)
(22) (Over)/Under Collection	\$ 375,153	\$ 1,125,635	\$ 1,462,153	\$ 2,239,445	\$ 1,031,701	\$ 6,234,087
(23) Adjusted Estimated Sector kWh				\$ 653,861,112	\$ 635,650,224	
Surcharge Range (\$ Per kWh)						
(24) Floor (Carryover)				\$	\$ 0.002871	
(25) Midpoint - Current Rate / Proposed Rate				\$ 0.001835	\$ 0.004206	
(26) Ceiling (Total Cost)				\$	\$ 0.005540	



Collaborative Bylaws

Review updates with bylaws.

2016 Activity Schedule

Filed Reports

- *Status Report, Schedule C*
- *August 15th – Commission filing*

Collaborative Meetings

- *May 3rd (completed)*
- *July 28th Review Status Report, Schedule C*

Process and Market Evaluation

- *Vendor proposals (RFP)*
- *August Contract (target)*
- *September/October – tentative start date*



Roundtable Discussion

