

From: [Bevington, John](#)

To:

[Josh Bills](#); [Chris Woolery](#); [Carrie Ray](#);

[Dan Farris](#); [Napier, Heather \(KYOAG\)](#);

[John Day](#);

[Paige Knutsen](#); [Tiffany McCann](#); [Early, W. Blaine](#); [Stephen Green](#);

[Rachel Norton](#); [Chris Woolery](#);

Cc: [Isaacson, Lana](#); [Keels, Lisa](#); [Hayden, John](#); [Bencomo, Justin](#)

Subject: Follow up from yesterday's DSM Advisory Group Meeting

Attachments: [NDA for DSM Advisory Group Participants Nov 2022.pdf](#)

All,

Following up with everyone that attended yesterday's meeting, and including those who were unable to attend, with some important information.

Regarding our previous data sharing offer and discussions, it was and is our intention to provide all the data you want (that we can reasonably provide). The history of related conversations is not as important as moving forward positively. We believe in this collaboration and want it to work well, and we are certainly willing to share data for this reason.

We understand that the broader group wants detailed cost-benefit input and output data, and we can certainly provide it. We are moving as quickly as we can to provide both the higher-level and ultimately the more granular detail on a data sharing site hosted by our outside counsel, Stoll Keenon Ogden (SKO). As we mentioned, some of this data is proprietary or confidential in nature. So we ask that you sign the attached Non-Disclosure Agreement (NDA) and return it to me with the email addresses for everyone in your organization who signed the NDA. Once the signed NDAs are received, access will be given to the NDA signatories. We've used the HighQ site in many of our larger regulatory cases to share files.

The high level data will be available on the HighQ site no later than Monday. That includes two files: (1) the input file, which summarizes the program specifics and (2) the output file, which includes the scores, Net Present Value results, etc. The more granular detail underlying the input files contains approximately 40 spreadsheets of information, some of which contains customer-specific account information. We cannot share that information, even pursuant to an NDA. After we've completed appropriate redactions of that customer account information, those files will also be available on the HighQ site. We anticipate having all of that data posted to the HighQ site over the course of next week.

In addition, I want to address again the request to delay our DSM-EE filing. We understand the position of those signed onto the letter sent yesterday by Mr. Woolery, but believe it's best for customers to proceed with the filing. Our team has completed a comprehensive analysis of DSM-EE programs to try to maximize opportunities and benefits for all customers, and we've worked very

hard to listen to you, respect your feedback, and inform you about the process throughout. As I stated yesterday, this work produced a robust, expanded DSM-EE plan that we're excited about, and we want to seek PSC authority to roll out those benefits to our customers as soon as possible. DSM-EE is a vital part of the Companies' overall resource mix and it only makes sense for the Companies to file our new plan in connection with the supply side filing we plan to make before year end.

Please know that deploying these programs and enabling savings for our customers as soon as possible won't keep us from exploring possible additional measures and savings with you. As noted in the meeting, we will continue to meet with this Advisory Group as we have for years, monitor market activity, engage with you on opportunities to serve Kentuckians and offer cost-effective and valuable offerings for our customers.

As always, if you have questions or concerns, please don't hesitate to reach out to me or one of my team members. Also, if we've inadvertently left anyone off of this email, please provide their contact information to me and we'll forward this correspondence to them.

Thanks!

John Bevington

Director | Business & Economic Development | LG&E and KU
220 W Main Street, Louisville, KY 40202

O: [REDACTED] | **M:** [REDACTED]

Business Use

NONDISCLOSURE AGREEMENT – DSM-EE ADVISORY GROUP NOVEMBER 2022

This Nondisclosure Agreement (“Agreement”) is made and entered into by and between Louisville Gas and Electric Company (“LG&E”), Kentucky Utilities Company (“KU”), (collectively “Companies”), and _____ (“DSM-EE Advisory Group Participant”).

WHEREAS, the Companies, DSM-EE Advisory Group Participant, and others are members of the Companies’ Demand-Side Management and Energy Efficiency (“DSM-EE”) Advisory Group (“DSM-EE Advisory Group”);

WHEREAS, the Companies have analyzed certain DSM-EE programs, measures, and offerings in anticipation of seeking approval from the Kentucky Public Service Commission (“Commission”) for a 2024-2030 DSM-EE Program Portfolio;

WHEREAS, the Companies and their third-party consultant, Cadmus, have assembled and created certain input data and analyses related to the 2024-2030 DSM-EE Program Portfolio, which the Companies’ counsel have posted on a secure website for viewing by members of the DSM-EE Advisory Group who execute this Agreement (all such information being included in the term, “Confidential Information”);

WHEREAS, DSM-EE Advisory Group Participant hereby requests access to and the inspection of the Confidential Information;

WHEREAS, the Companies will provide DSM-EE Advisory Group Participant with access to the Confidential Information pursuant to the conditions of the Agreement as set forth below; and

NOW, THEREFORE, for good and sufficient consideration, the Companies and DSM-EE Advisory Group Participant agree and covenant as follows:

1. DSM-EE Advisory Group Participant shall not publicize or otherwise disclose the Confidential Information to any third party and shall strictly limit access to the Confidential Information to its legal counsel, itself, or those of its employees (collectively the “Employees”) and its experts or consultants (hereinafter “Agents”) who have a need to know the Confidential Information for purposes of participating in the DSM-EE Advisory Group and the Commission proceeding in which the Commission will consider the Companies’ proposed 2024-2030 DSM-EE Program Portfolio (“Upcoming KPSC Proceeding”). Prior to accessing the Confidential Information, each of the Employees or Agents shall execute a non-disclosure agreement as described in paragraph 3 and attached as Exhibit A to this Agreement.

2. DSM-EE Advisory Group Participant shall strictly limit its and its Employees’ and Agents’ use of the Confidential Information to participating in the DSM-EE Advisory Group and the Upcoming KPSC Proceeding and any appeals from the Upcoming KPSC Proceeding.

3. The non-disclosure agreement to be executed by each Employee and any Agent shall require DSM-EE Advisory Group Participant and its Employees and any Agent to read a copy of this Agreement and certify in writing on Exhibit A that he or she has reviewed this Agreement and agrees to be bound by its terms before disclosure of the Confidential Information will be made.

4. Any notes made by DSM-EE Advisory Group Participant or its Employees or Agents deriving from the Confidential Information shall be deemed to also be Confidential Information hereunder and may not be disclosed or used other than as allowed by this Agreement. Following the conclusion of the Upcoming KPSC Proceeding, all physical or electronic forms of the Confidential Information shall be destroyed by DSM-EE Advisory Group Participant, its Employees, and any Agents and confirmation of the destruction by DSM-EE Advisory Group

Participant, its Employees, and Agents upon request shall be provided in writing to Kendrick R. Riggs, Stoll Keenon Ogden PLLC, 500 West Jefferson Street, Suite 2000, Louisville, Kentucky 40202-2828 upon demand.

5. In the Upcoming Proceeding, the Companies may publicly disclose some or all of the Confidential Information. Solely upon the Companies' disclosure of an item of Confidential Information in the public record of the Upcoming Proceeding shall such item cease to be Confidential Information; all remaining Confidential Information shall remain such unless and until the Companies disclose it in the public record of the Upcoming Proceeding. If DSM-EE Advisory Group Participant is unsure whether the Companies have publicly disclosed any item or portion of the Confidential Information, DSM-EE Advisory Group Participant agrees to inquire of the Companies or the Companies' counsel prior to disclosing any Confidential Information to any person who is not a party to a nondisclosure agreement with the Companies regarding the Confidential Information.

6. If DSM-EE Advisory Group Participant does not obtain intervention in the Upcoming Proceeding, DSM-EE Advisory Group Participant agrees not to disclose any Confidential Information at any time to any person who is not a party to a nondisclosure agreement with the Companies regarding the Confidential Information.

7. If DSM-EE Advisory Group Participant does obtain intervention in the Upcoming Proceeding and desires or is requested to disclose any Confidential Information obtained as a result of the examination thereof, whether in testimony filed by or through cross-examination of any witness or otherwise, DSM-EE Advisory Group Participant shall notify the Companies in advance of the proposed use and shall meet with the Companies' representatives to attempt in good faith to establish a procedure that will accommodate the needs of DSM-EE Advisory Group Participant

for disclosing the information without risking its public disclosure. If the Companies and DSM-EE Advisory Group Participant are unable to agree on a means of preventing public disclosure of the Confidential Information, the Companies and DSM-EE Advisory Group Participant will submit these issues to the Commission for resolution before the information is placed in the public record.

8. Each party to this Agreement will act in good faith, and no party to this Agreement will do anything to deprive any other party of the benefit of this Agreement.

9. In case of any disagreement between the parties in the Upcoming Proceeding with regard to the meaning or application of the Agreement, or either party's compliance with it, the parties agree that the Commission is the sole and exclusive forum for considering any information that is to be afforded confidential protection under this Agreement, and that the remedies within the jurisdiction of the Commission and the remedies stated in this Agreement are the only available remedies. This Agreement does not restrict the parties from seeking any injunctive relief in the Franklin Circuit Court which they believe that they are otherwise entitled to seek; furthermore, it does not extinguish any right to judicial review of the Commission's actions. The parties do, however, expressly waive any other relief or remedy at law, but not in equity, to which they might be entitled in the absence of the limitations of this Agreement.

10. If the Commission rules in the Upcoming Proceeding that any of the information should be removed from the restrictions imposed by this Agreement, no party in the Upcoming Proceeding shall disclose the Confidential Information covered by the Agreement or use it in the public record for twenty (23) business days, until the Commission's Order subjecting the Confidential Information to public disclosure is final pursuant to KRS 278.410, or until all appeals of such Order are exhausted, unless authorized to do so by the providing party or a court of

competent jurisdiction. The provisions of this paragraph are made to enable the providing party to seek a stay or other relief from the Commission or other court order removing the restriction of this Agreement from information claimed by the providing party to be confidential or proprietary.

11. Upon any actual or threatened violation of this Agreement by DSM-EE Advisory Group Participant, the parties acknowledge that the Companies' remedy at law will be inadequate and that the Companies will be irreparably harmed by such violation. As a result, the Companies shall be entitled to preliminary and other injunctive relief against such violation without being required to post a bond therefore, in addition to any other rights or remedies which the Companies may have in equity.

12. DSM-EE Advisory Group Participant's participation in this Agreement shall not be construed as an admission that the Confidential Information claimed to be confidential and proprietary is, as a matter of law, confidential and proprietary, or as a waiver of any right to assert that the Confidential Information is not confidential and proprietary before the Commission or any court of competent jurisdiction.

13. This Agreement shall be governed by the laws of the Commonwealth of Kentucky. This Agreement shall bind the parties to it from the effective date set forth above. Every executed copy of this Agreement will be deemed an original.

EFFECTIVE THIS 11TH DAY OF NOVEMBER 2022.

LOUISVILLE GAS AND ELECTRIC COMPANY
AND KENTUCKY UTILITIES COMPANY



Kendrick R. Riggs

*Counsel for Louisville Gas and Electric Company
and Kentucky Utilities Company*

DSM-EE ADVISORY GROUP PARTICIPANT

Entity Name: _____

Signature: _____

Print Name: _____

Title: _____

From: [Bevington, John](#)

To:

[Redacted]
[Josh Bills](#); [Chris Woolery](#); [Carrie Ray](#);
[Redacted]
[Dan Farris](#); [Napier, Heather \(KYOAG\)](#);
[Redacted]; [John Day](#);
[Redacted]; [Rao, Sumedha](#); [Elisa Owen](#); [Redacted]; [Caryn Denny, EFI](#);
[Paige Knutsen](#); [Tiffany McCann](#); [Early, W. Blaine](#); [Stephen Green](#);
[Rachel Norton](#); [Chris Woolery](#);
[Redacted]

Cc: [Isaacson, Lana](#); [Keels, Lisa](#); [Hayden, John](#); [Bencomo, Justin](#)
Subject: RE: Follow up from yesterday's DSM Advisory Group Meeting

Good evening everyone and happy Thanksgiving Week.

I'm writing this evening to confirm that, as promised, my team uploaded the data files related to our DSM evaluations and cost effectiveness analysis last week to the external site hosted by our legal partner, Stoll Keenan Ogden. As noted below, because some of the information is sensitive, we just need interested parties to return the previously shared non-disclosure agreement to me. From the time of the email below to today we have only received ONE non-disclosure agreement from an interested party which now has access to the data files.

Also of note, if you represent a company that wishes to compete for a contract for vendor services associated with any of the proposed programs, you should not request the data as certain budget assumptions are contained within the files. If you ask for and receive the data, you will be eliminated from consideration from any future contract bid processes.

I hope you all had a good weekend and have a good Thanksgiving week. Please let me or my team know if you have any questions.

Thanks
John

Business Use

From: Bevington, John

Sent: Friday, November 11, 2022 4:33 PM

To: [Redacted]
[Redacted] [Josh Bills](#) [Redacted]; [Chris Woolery](#)
[Redacted]; [Carrie Ray](#) [Redacted]
[Redacted]
[Redacted]
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Farris [REDACTED]; Napier, Heather [REDACTED]
[REDACTED] John Day
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Sumedha [REDACTED]; Elisa Owen [REDACTED];
[REDACTED]; Caryn Denny, EFI [REDACTED]; Paige Knutsen
[REDACTED]; Tiffany McCann [REDACTED]; Early, W. Blaine
[REDACTED]; Stephen Green [REDACTED]; [REDACTED]
[REDACTED] Rachel Norton [REDACTED]; Chris Woolery
[REDACTED]
[REDACTED]
[REDACTED]
Cc: Isaacson, Lana [REDACTED]; Keels, Lisa [REDACTED]; Hayden, John
[REDACTED]; Bencomo, Justin [REDACTED]
Subject: Follow up from yesterday's DSM Advisory Group Meeting

All,

Following up with everyone that attended yesterday's meeting, and including those who were unable to attend, with some important information.

Regarding our previous data sharing offer and discussions, it was and is our intention to provide all the data you want (that we can reasonably provide). The history of related conversations is not as important as moving forward positively. We believe in this collaboration and want it to work well, and we are certainly willing to share data for this reason.

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In addition, I want to address again the request to delay our DSM-EE filing. We understand the position of those signed onto the letter sent yesterday by Mr. Woolery, but believe it's best for customers to proceed with the filing. Our team has completed a comprehensive analysis of DSM-EE programs to try to maximize opportunities and benefits for all customers, and we've worked very hard to listen to you, respect your feedback, and inform you about the process throughout. As I stated yesterday, this work produced a robust, expanded DSM-EE plan that we're excited about, and we want to seek PSC authority to roll out those benefits to our customers as soon as possible. DSM-EE is a vital part of the Companies' overall resource mix and it only makes sense for the Companies to file our new plan in connection with the supply side filing we plan to make before year end.

Please know that deploying these programs and enabling savings for our customers as soon as possible won't keep us from exploring possible additional measures and savings with you. As noted in the meeting, we will continue to meet with this Advisory Group as we have for years, monitor market activity, engage with you on opportunities to serve Kentuckians and offer cost-effective and valuable offerings for our customers.

As always, if you have questions or concerns, please don't hesitate to reach out to me or one of my team members. Also, if we've inadvertently left anyone off of this email, please provide their contact information to me and we'll forward this correspondence to them.

Thanks!

John Bevington

Director | Business & Economic Development | LG&E and KU
220 W Main Street, Louisville, KY 40202

O: [REDACTED] | **M:** [REDACTED]

Business Use

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To: [Chris Woolery](#); [REDACTED]
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[REDACTED]; [Dan Farris](#); [Napier, Heather \(KYOAG\)](#); [REDACTED]
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[Paige Knutsen](#); [Tiffany McCann](#); [Early, W. Blaine](#); [Stephen Green](#);
[Rachel Norton](#); [REDACTED]
[REDACTED]
Cc: [Isaacson, Lana](#); [Keels, Lisa](#); [Hayden, John](#); [Bencomo, Justin](#); [REDACTED]
Subject: RE: Follow up from yesterday's DSM Advisory Group Meeting
Attachments: [image001.jpg](#)

Chris and undersigned below,

Thank you for sharing your concerns. We continue to believe in the value and collaborative nature of the DSM Advisory Group and hope that a dispute about the process for sharing information does not undermine our group's shared objectives.

As I stated in my November 11th and 20th emails, the Companies committed to uploading all DSM input and output data to the Stoll Keenon Ogden file sharing site. We kept that commitment and within the time frame promised. The posted information includes all data the Companies provided to Cadmus to complete the DSM analysis, all of Cadmus's input data, and all outputs from Cadmus.

To date, two parties have signed an NDA and received access to the input and output files. If you have specific concerns with provisions of the NDA, please let me know so we can discuss them. Also, we are happy to discuss perceived data gaps with anyone who reviews the data and has specific concerns.

To your point that the Companies agreed to have a separate conversation to discuss the specific data that could be provided, at the end of the last DSM Advisory Group meeting I asked all parties interested in such a conversation to contact John Hayden. No party contacted John prior to my November 11th email offering data to all who signed an NDA (and no party has contacted him since then about it). So it was to expedite, not impede, the availability of the data that we decided to upload *all* DSM inputs and outputs to the file sharing site so *all* parties could access the data after signing a general non-disclosure agreement.

To be clear, the assertion that LG&E/KU deliberately withheld information requested by the Advisory Group since at least September is not accurate. In response to the initial request made on September 15, LG&E/KU specifically offered to provide underlying data used in the cost/benefit analysis and asked for clarity from the member who made the request about exactly what type of information was being sought. The member indicated that they did not currently have the capacity to review the data or to specify what level of granularity was needed.

We remain committed to sharing data on mutually agreeable terms in advance of the filing. If you **Bevington** would like to discuss specific provisions of the NDA or have questions after reviewing the data, please contact me at your first convenience.

Thanks
John

Business Use

From: Chris Woolery [REDACTED]
Sent: Monday, November 21, 2022 2:04 PM
To: Bevington, John [REDACTED]; [REDACTED]
[REDACTED]
[REDACTED] Josh Bills [REDACTED]; Carrie Ray
[REDACTED]
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[REDACTED]; Stephen Green [REDACTED]
[REDACTED] Rachel Norton [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
Cc: Isaacson, Lana [REDACTED] Keels, Lisa [REDACTED]; Hayden, John
[REDACTED]; Bencomo, Justin [REDACTED]
[REDACTED]
Subject: RE: Follow up from yesterday's DSM Advisory Group Meeting

EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

Hi all,

I am emailing on behalf of the undersigned LGE/KU DSM advisory group members; please see below and attached for our response.

Thanks,
CW



mtassociation.org

**Building a new economy,
together.**

Chris Woolery
Residential Energy Coordinator
HE/HIM/HIS

EMAIL: [REDACTED]
CELL: [REDACTED]

To: LG&E-KU DSM team members

November 21, 2022

To: LG&E/KU DSM Team

We are writing in response to Mr. Bevington's email to the DSM Advisory Group, sent November 11, 2022. LG&E/KU's proposed way forward is inconsistent with Advisory Group discussions and is unacceptable. On the Advisory Group call, LG&E/KU agreed to have a separate conversation, open to all, to discuss the specific data that could be provided to enable independent review and detailed feedback.

With Mr. Bevington's Friday email, LG&E/KU unilaterally changed course. Without any further input, dialogue, or clarification from its Advisory Group, LG&E/KU appear to have determined the scope of information that Advisory Group members will be given access to, when that will happen, and through what means. Despite Mr. Bevington's statements during the November 10 call, claiming that information had not been shared previously because LG&E/KU did not understand what data, inputs, and assumptions Advisory Group members were requesting, LG&E/KU have now decided what information the Advisory Group will be offered. This change in position is quite perplexing. It also makes plain that, across all these months of conversation and unanswered information requests, LG&E/KU has always been capable of sharing detailed information with its Advisory Group, but elected not to.

LG&E/KU have inexplicably withheld information requested by the Advisory Group since at least September. Because of this, Advisory Group members have been unable to conduct their own detailed and independent review of LG&E/KU's DSM planning, or to fully evaluate whether the Companies have developed a portfolio of programs that best meets customer needs and balances customer interests. This issue was addressed in writing by a number of Advisory Group participants in advance of the November 10 call, but practically ignored by LG&E/KU in favor of rushing ahead to a December filing.

There is nothing that requires LG&E/KU to file their DSM plan in December. The selected filing date is not mandated by law, and LG&E/KU is perfectly free to postpone its filing until it shares the information necessary to receive meaningful feedback and input from the Advisory Group participants. Given our shared goals of maximizing value for customers and the entire system, our access to additional expert resources, and our many differing specialties and perspectives, an advisory process that enables in-depth engagement and collaboration, grounded in detailed information sharing and independent analyses, is certain to improve the planning process and result.

If LG&E/KU intends to claim that its DSM-EE Proposal has been developed in concert with input from its Advisory Group, it must postpone filing of that proposal beyond December. It was LG&E/KU's choice to delay sharing of information, and now LG&E/KU must also postpone its filing until the Advisory Group is able to review that information, provide feedback, and see that feedback reflected in the DSM-EE plan. The current plan cannot be considered complete because it has not received the in-depth participation and review that we participants in the Advisory Group have requested, and indeed insist is needed to maximize the potential of DSM-EE for your customers.

The DSM Advisory Group process has also been hobbled by LG&E/KU's failure to inform the Group of its plan to develop two new natural gas plants. DSM planning should not be conducted in isolation from generation and supply planning. Indeed the Commission has directed the utilities to use a holistic planning process, but that has not happened here. In the interest of minimizing costs and risk to ratepayers, meeting PPL's net zero carbon goals, and achieving Metro Louisville's carbon emission reduction goals, DSM planning should be conducted explicitly in the interest of avoiding new construction of fossil fuel generation.

This points to the need to identify goals and measurable objectives early in the planning process, as we indicated in our September 15 letter. We therefore look forward to continuing the Advisory Group process with a focus on setting goals and measurable objectives for the DSM plan, including:

- a. Amount of DSM required to avoid the construction of any new gas or coal plants.
- b. Amount of capacity and energy to be avoided annually and by specified dates.
- c. Amount of carbon emission reductions attributable to DSM, by specified dates.
- d. Target efficiency savings as a percent of total annual energy sales.
- e. Participation rates of low-income customers in DSM programs.

Regarding the proposed non-disclosure agreement, we remain open to a confidentiality agreement that protects genuinely confidential or sensitive information that LG&E/KU intends to seek (and in fact *will* seek) Commission approval to protect from disclosure for legitimate reasons. But the proposed non-disclosure agreement is unacceptable and improperly seeks to restrict Advisory Group participants' engagement with what should be public information.

We thank you for your attention to our concerns. We look forward to the next phase of the DSM Advisory Group being a truly participatory, inclusive process, that enables the in-depth engagement of all participants.

Sincerely,
Apogee-Climate & Energy Transitions

Cathy Hinko
Homeless and Housing Coalition of Kentucky
Kentucky Conservation Committee
Kentuckians For The Commonwealth
Kentucky Interfaith Power & Light
Kentucky Resources Council
Kentucky Solar Energy Society
Metropolitan Housing Coalition
Mountain Association
Renewable Energy Alliance of Louisville

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Sent: Friday, November 11, 2022 4:33 PM
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Cc: Isaacson, Lana [REDACTED]; Keels, Lisa [REDACTED]; Hayden, John
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[EXTERNAL SENDER]

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Thanks!

John Bevington

Director | Business & Economic Development | LG&E and KU
220 W Main Street, Louisville, KY 40202

O: [REDACTED] | **M:** [REDACTED]

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----- The information contained in this transmission is intended only for the person or entity to which it is directly addressed or copied. It may contain material of confidential and/or private nature. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is not allowed. If you received this message and the information contained therein by error, please contact the sender and delete the material from your/any storage medium.

From: [Bevington, John](#)
To: [Chris Woolery](#); [Hayden, John](#); [Keels, Lisa](#)
Cc: [REDACTED]; [Cassandra McCrae](#); [REDACTED]; [Lane Boldman](#); [REDACTED]; [Ashley Wilmes](#); [Elisa Owen](#); [Isaacson, Lana](#)
Subject: RE: Recommendations to the DSM Advisory Committee
Attachments: [image001.jpg](#)

Chris and DSM Advisory Members,

We are in receipt of your message and appreciate the perspective of this particular subset of the DSM Advisory Group. We have a full agenda for our upcoming meeting on Monday, September 19th and plan to engage the entire Advisory group in continued detailed discussions around the DSM planning process, some of which will address points below. We'll also have a slot at the end of the agenda, as usual, for open dialogue, discussion and feedback to the extent that other points need to be made.

As we discuss in our advisory meetings, if we've inadvertently left off anyone that wishes to participate in our meeting Monday, either other organizations or people within yours, please let me know and we'll get information to them.

Best,

John Bevington

Director | Business & Economic Development | LG&E and KU
220 W Main Street, Louisville, KY 40202

O: [REDACTED] | **M:** [REDACTED]

Business Use

From: Chris Woolery [REDACTED]
Sent: Thursday, September 15, 2022 4:53 PM
To: Hayden, John [REDACTED]; Keels, Lisa [REDACTED]; Bevington, John [REDACTED]
Cc: [REDACTED]; Cassandra McCrae [REDACTED]; [REDACTED]; Ashley Wilmes [REDACTED]; Elisa Owen [REDACTED]
Subject: Recommendations to the DSM Advisory Committee

You don't often get email from [REDACTED]. [Learn why this is important](#)

EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

September 15, 2022

To: LG&E-KU DSM team members

Re: Recommendations to the DSM Advisory Group

This letter is written on behalf of several organizations that have participated in LG&E-KU's DSM Advisory Committee. To begin, we want to express our appreciation for the opportunity to participate in the process of developing LG&E-KU's DSM programs. DSM, energy efficiency, and distributed energy resources (DER's) have

great potential for improving the lives of utility customers, their communities, and the environment, while also benefiting the utilities. As LG&E-KU have documented in their recent IRP filings, their DSM programs have achieved many successes and we wish to play an active, constructive role expanding on those successes.

Our organizations represent and work within a diverse community – residential and commercial customers, low-income and disadvantaged communities, renters and homeowners, rural and urban residents – and have experience with many DSM strategies. We offer the following recommendations to strengthen the work of the DSM Advisory Group and LG&E-KU's DSM planning process.

1. Establish measurable objectives for the Companies' DSM programs:
 - a. Amount of capacity to be avoided annually and by specified dates.
 - b. Amount of carbon emission reductions attributable to DSM, by specified dates.
 - c. Target efficiency savings as a percent of total annual energy sales (we propose at least 2% annual savings, striving to join the most successful utility efficiency programs in the US).[1]
 - d. Participation of low-income customers in DSM programs.
2. Enable Advisory Group participants to be more engaged in the DSM planning process by sharing all data, inputs, and other assumptions used in DSM models and cost-testing. This would allow participants to engage with their own experts to analyze and understand in-depth the Companies' DSM modeling, and to dialogue more constructively with the Companies about these models and cost-tests.
3. Be proactive about inviting other stakeholders into the DSM Advisory Committee and ensuring that past participants are receiving invitations and communications.
4. Continue analysis of PAYS (Pay As You Save) inclusive financing programs, and allow members of this Advisory Group to fully participate in the process by sharing assumptions, inputs, models, and results with this group and their paid experts.
5. Prioritize Equity and Community Development. Energy bills are a major burden for many families and small businesses, especially in low-income and marginalized communities. By helping to reduce this burden through effective DSM programs, electric utilities can improve the quality of life in their communities. Designing DSM programs to reach these communities can bring down the barriers that prevent people from using DSM programs and energy efficiency. PAYS is a prime example of a comprehensive program designed to address those barriers.
6. Leverage the Inflation Reduction Act's numerous incentives to expand DSM programs and support low-income customers' ability to access these incentives. The IRA will make numerous financial incentives available for home improvements, but many families cannot afford the capital investments required to access these

incentives and may not have the tax liability allowing them to benefit from tax credits.^{Bevington} Furthermore, renters have limited access to many incentives and therefore the benefits of energy efficiency. DSM programs designed to overcome these barriers (like PAYS, which can also greatly benefit landlords) will make the IRA available to many more people in our communities.

7. Include the Societal Cost Test when evaluating DSM programs, alongside the other Cost Tests currently used. Electric utilities impact their customers' lives in multiple significant ways. The Societal Cost Test is important for gaining a broader view of the costs and benefits DSM programs can provide to customers and can support the development of programs that better serve customers and their communities.

8. Evaluate net metering and distributed energy resources (DERs) as resources on par with DSM programs and supply-side resources. The Companies' 2021 IRP noted that net metering had the potential to supply more than 500 MW of new capacity by 2030.[2] Net metering has many similarities to traditional DSM programs like home insulation and lighting retrofits – the resource is deployed at the customer-meter level, reduces the customer's energy requirements, provides direct benefits to the participating customer, and in the aggregate provides measurable energy and capacity savings for the utility. If treated as a resource on par with traditional DSM programs and supply-side resources, net metering may be found to be a very cost-effective resource option.

a. Statute enables utilities to stop offering net metering service after the installed capacity of net metering systems reaches 1% of a utilities' annual peak load. As LG&E-KU noted in their 2021 IRP, capping net metering growth at 1% would limit distributed solar capacity to under 100 MW through 2036. However, enabling net metering to grow beyond 1% would enable distributed solar to supply more than 500 MW of capacity by 2030. As LG&E-KU acknowledged during the recent IRP proceedings, the 1% figure is not a cap, but a threshold that the utilities have the discretion to exceed.

b. Evaluating net metering as a resource similar to other DSM programs and permitting it to grow beyond the 1% threshold would open up hundreds of MW of additional, low-cost capacity that would be built by customers, on their own properties, using their own funds, at the distribution level.

In closing, thank you again for the opportunity to engage with LG&E-KU in the development of their DSM programs. We look forward to continuing this collaboration.

Sincerely,

Apogee - Climate & Energy Transitions

Homeless and Housing Coalition of
Kentucky

Kentucky Conservation Committee

Kentucky Interfaith Power & Light

Bevington

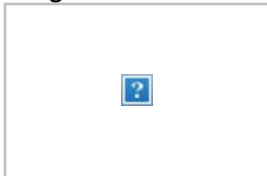
Kentucky Resources Council

Kentucky Solar Energy Society

Mountain Association

[1] *2020 Utility Energy Efficiency Scorecard*, American Council for an Energy Efficient Economy, 2020, p. 26.

[2] Integrated Resource Plan, LG&E-KU, 2021, Volume I, p. 5-29.



mtassociation.org

We changed our name.

[Here's why.](#)

Chris Woolery

Residential Energy Coordinator

HE/HIM/HIS

EMAIL: [REDACTED]

OFFICE/MOBILE: [REDACTED]