

2024 CPCN/Tariff filing
System year 1 is 2025

Backup Generator Control Program

The Backup Generator Control Program is designed to incentivize the use of end-use member-owned backup generators to support EKPC's demand response initiatives. The program helps EKPC optimize its system performance, particularly during high peak hours.

<u>Assumption</u>	<u>Source</u>
Load Impacts Generator annual load relief 416 kWh, 10 kW (coincident with winter system peak), 6 kW (summer)	Based on GDS Tec Pot. Comports with typical diversified peak demands for residential.. kWh are calculated based on # of interruption hours in winter (32) and summer(16)
Lifetime of savings 10 Years.	Estimate . This means that a participant would remain in the program for 10 years.
Discount rate for TRC and RIM Generation Capacity Cost - \$174.60 per kW-year (no escalation). 73% winter 27% summer. Avoided Electricity Energy Costs - PJM Market, AEP-Dayton hub, \$45.96 /MWh in 2025 Transmission Capacity Cost - OATT tariff \$ 35.76 per kW-year in 2025 Distribution Capacity Cost - \$ 4.93 per kW-year in 2025 Participant Costs \$ 104 per year.. 2% esc. Tax credit (benefit): \$0	5 percent per EKPC financial data ; 3.5 % societal test from Mercatus Center report Avoided costs of a RICE unit. Updated escalators to match. Allocation is 73% winter 27% summer. Summer values based on PJM capacity performance market December 2023 with IHS Markit forecast, start year is 2024. based on December 26, 2023 ACES Forward prices for AEP_Dayton hub. \$45.96 /MWh in 2025. DSMore Scenario 9, 0.53 esc in 2025 Network rate, 2023-24. OATT. 2.8 % escalation rate based on 10 yr PPI.. Applied to winter coincident peak. Basd on marginal cost of distribution. 2.8 % escalation rate based on 10 yr PPI. . Applied to winter coincident peak. participant has existing generator. Fuel costs. none for this program
Administrative Cost EK \$ 5,000 fixed first year , 2026 only; \$2,000 (2026 value) fixed annual (2026-2038). 2% esc. Per device fee is \$24 annual (2026-2039) 2% esc Co-op \$ 150 per participant per year, 2% esc.	Fixed first year : set up, data protocol for communicating with generators Fixed annual is ongoing program mgt; Per device annual fee for 3rd party event data mgt end-use member service, testing, verification
Rate Schedule - Retail Median Residential Rate for Co-ops Cust chrg \$16.09 , Energy Rate \$.088229 Rate Schedule - Wholesale East Kentucky E-2 rate.	Current rates in effect as of January 2024.. includes Environmental Surcharge and FAC Current rates in effect as of January 2024. includes Environmental Surcharge and FAC
Participation - 2026-2039: 50 per year.. 0% Free Riders	Budget estimate
Rebates Co-op to Participant \$ 450 per year, , 2% esc EK to Co-op \$600 per year, 2% esc	proposed tariff proposed tariff