COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR 1) CERTIFICATES)	
OF PUBLIC CONVENIENCE AND NECESSITY TO)	
CONSTRUCT NEW GENERATION RESOURCES; 2) FOR)	CASE NO.
A SITE COMPATIBILITY CERTIFICATE RELATING TO)	2024-00370
THE SAME; 3) APPROVAL OF DEMAND SIDE)	
MANAGEMENT TARIFFS; AND 4) OTHER GENERAL)	
RELIEF)	

REBUTTAL TESTIMONY OF SCOTT DRAKE ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.

Filed: March 31, 2025

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST)	
KENTUCKY POWER COOPERATIVE, INC. FOR)	
1) CERTIFICATES OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO CONSTRUCT A NEW)	2024-00370
GENERATION RESOURCES; 2) FOR A SITE)	
COMPABILITY CERTIFICATE RELATING TO)	
THE SAME; 3) APPROVAL OF DEMAND SIDE)	
MANAGEMENT TARIFFS; AND 4) OTHER)	
GENERAL RELIEF)	

<u>AFFIDAVIT</u>

STATE OF KENTUCKY COUNTY OF CLARK

)

)

Scott Drake, being duly sworn, states that he has read the foregoing prepared testimony and that he would respond in the same manner to the questions if so asked upon taking the stand and that the matters and things set forth therein are true and correct, to the best of his knowledge, information and belief.

Scott Drake

Subscribed and sworn before me on this 31st day of March 2025.

Millelley Notary Public GWYN M. WILLOUGHBY Notary Public Commonwealth of Kentucky Commission Number KYNP38003 My Commission Expires Nov 30, 2025

- 1Q.PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND2OCCUPATION.
- A. Scott Drake, P.E., Director of Business and Technical Services at East Kentucky
 Power Cooperative, Inc. ("EKPC"). EKPC's business address is 4775 Lexington,
 Road, Winchester, Kentucky 40391.
- 6 Q. ARE YOU THE SAME INDIVIUDAL THAT SPONSORED DIRECT
 7 TESTIMONY IN THIS CASE?
- 8 A. Yes.

9 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to provide information regarding the DSM EE program plan and information about EKPC's proposed projects at issue herein.
 Q. DO YOU BELIEVE THE PROCESS EKPC AND ITS OWNER-MEMBER
 COOPERATIVES UTILIZED TO IDENTIFY COST-EFFECTIVE AND
 NEEDED DSM/EE PROGRAMS RESULTED IN EFFECTIVE DSM/EE
 PROGRAM CHANGES HAVING MEANINGFUL ENERGY AND

- 16 **DEMAND SAVINGS?**
- A. Yes. EKPC and its owner-members take multiple steps to determine cost-effective
 measures and DSM-EE programs to develop and implement. GSD Associates
 performed a DSM Potential Study that meaningfully informed the process. The
 DSM Potential Study was provided to the Collaborative and discussed with the
 Collaborative, which includes Kentuckians for the Commonwealth, and the
 Mountain Association who are represented in this proceeding as the Joint
 Intervenors. All Collaborative representatives, including the Joint Intervenors,

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attended multiple meetings and advised EKPC and its owner-member cooperatives 1 2 on the suggested programs and potential changes to the programs. One DSM 3 program adopted in the new DSM Plan is a direct result of suggestions by the Collaborative. After being well informed, and as a result of the DSM/EE program 4 evaluation and development process, EKPC and its owner-member cooperatives 5 are requesting approval for four (4) new DSM/EE programs and significant changes 6 to some existing DSM/EE programs resulting in significant energy and demand 7 savings. 8

9 **Q**. **REFER TO WITNESS ROUMPANI'S RESPONSES TO EKPC'S FIRST REQUEST FOR INFORMATION, ITEMS29 AND 48.** 10 DOES THE ANNUAL DSM/EE **BUDGET** LIMIT **END-USE** 11 MEMBER PARTICIPATION IN DSM/EE PROGRAMS AND THUS LIMIT 12 **POTENTIAL ENERGY AND DEMAND SAVINGS?** 13

A. No. The DSM/EE annual budget is created to inform EKPC's financial department
of expected expenditures. The budget is an estimate of expenditures based on
internal DSM expert knowledge of the DSM/EE programs and participation levels.
EKPC does not participate in the DSM surcharge rider and participation
expenditures are not limited to the budget. Therefore, if more end-use members
participate in the DSM/EE programs than was expected in the budget, those
participants will receive their rebates, and more energy and demand will be saved.

Q. REFER TO WITNESS ROUMPANI'S RESPONSES TO EKPC'S FIRST REQUEST FOR INFORMATION ITEMS 16, 19, 23 AND 39. DO YOU FIND

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1 THE INCENTIVE LEVELS TO BE APPROPRIATE FOR THE DSM/EE 2 PROGRAMS?

3 A. Yes. The determination of the incentive (rebate) levels garners significant work to determine the right incentive amount for each measure or program. EKPC more 4 than doubled the incentives for the Button-up program that will result in significant 5 energy and demand savings. Additionally, EKPC created the new High Efficiency 6 Heat Pump program with an incentive level at nearly 40% of the measure cost. 7 Coupling these incentives with the tax credits will result in having most of the 8 participant's measure cost rebated by the utility and the government. This will 9 drive program participation resulting in meaningful energy and demand savings, 10 while not giving away money to program free riders. 11

Q. REFER TO WITNESS ROUMPANI'S RESPONSES TO EKPC'S FIRST REQUEST FOR INFORMATION ITEMS 17, 34b AND 37. DOES THE DSM/EE PLAN ADDRESS EKPC'S WINTER PEAK?

Yes. As noted in EKPC's DSM Plan, several energy efficiency programs 15 A. meaningfully lower EKPC's winter peak loading. 16 Residential Button-up 17 weatherization program is very important as it improves comfort while saving winter demand when the home is well insulated without many air leaks. EKPC 18 19 greatly increased the weatherization measures offered and more than doubled the 20 incentives for Button-up. Witness Roumpani points out that the DSM Potential Study identifies winter demand response savings not addressed by the DSM/EE 21 22 programs. EKPC is requesting approval for the Back-up Generator program that 23 can relieve winter peaks on the grid for many hours. EKPC, at this time, is not proposing to offer the remaining winter demand response programs Witness Roumpani noted due to the fact that those demand response resources relieve the grid for 3 to 4 hours maximum. This works well in the summer because the sun sets. However, Winter Storm Elliott in December 2022 reminded us that winter resources need to last much longer than just 3 to 4 hours. Therefore, EKPC did not pursue other winter demand response programs.

7 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

8 A. Yes.