

421 West Main Street  
Post Office Box 634  
Frankfort, KY 40602-0634  
[502] 223-3477  
[502] 223-4124 Fax  
www.stites.com

September 16, 2010

**HAND DELIVERED**

Jeff R. Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

RECEIVED  
SEP 16 2010  
PUBLIC SERVICE  
COMMISSION

Mark R. Overstreet  
(502) 209-1219  
(502) 223-4387 FAX  
moverstreet@stites.com

RE: **Kentucky Power Company Demand-Side Management Program -- Case No. 2010-00333**

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of Kentucky Power's Response to Staff's September 7, 2010 telephonic data request.

If you have any questions please do not hesitate to contact me.

Very truly yours,

  
Mark R. Overstreet

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE**  
**PUBLIC SERVICE COMMISSION OF KENTUCKY**

**IN THE MATTER OF**

**JOINT APPLICATION PURSUANT TO 1994 HOUSE )**  
**BILL NO. 501 FOR THE APPROVAL OF KENTUCKY )**  
**POWER COMPANY'S COLLABORATIVE DEMAND-SIDE )**  
**MANAGEMENT PROGRAMS, AND FOR AUTHORITY )**  
**TO IMPLEMENT A TARIFF TO RECOVER COSTS, )**  
**NET LOST REVENUES AND RECEIVE INCENTIVES )**  
**ASSOCIATED WITH THE IMPLEMENTATION OF THE )**  
**KENTUCKY POWER COMPANY COLLABORATIVE )**  
**DEMAND-SIDE MANAGEMENT PROGRAMS )**

**CASE NO.**  
**2010-00333**

**KENTUCKY POWER COMPANY RESPONSES TO**  
**COMMISSION STAFF FIRST SET TELEPHONIC INFORMAL**  
**DATA REQUEST**

**September 16, 2010**

**VERIFICATION**

Lila P Munsey, upon being first duly sworn, hereby makes oath that if the foregoing questions were propounded to her at a hearing before the Public Service Commission of Kentucky, she would give the answers recorded following each of said questions and that said answers are true.

Lila P. Munsey  
Lila P. Munsey

Commonwealth of Kentucky )  
County of Franklin ) Case No. 2010-00318  
)

16<sup>th</sup> Sworn to before me and subscribed in my presence by Lila P. Munsey, this the day of September, 2010.

Judy K Rosquist  
Notary Public

My Commission Expires: January 23, 2013

## KENTUCKY POWER COMPANY

### REQUEST

Please provide a breakdown of costs associated with the following four DSM programs from the category labeled "Total Program Costs" on page 3 of the filing into customer education and promotional activities:

- a.) High Efficiency Heat Pump – Mobile Home (MHHP)
- b.) Mobile Home New Construction (MHNC)
- c.) Modified Energy Fitness (MEF)
- d.) High Efficiency Heat Pump (HEHP)

### RESPONSE

The breakdown of costs into customer education and promotional activities for the following four DSM programs is as follows:

	<u>Customer Education</u>	<u>Promotional</u>	<u>Total</u>
a.) MHHP	\$0	\$0	\$0
b.) MHNC	\$0	\$0	\$0
c.) MEF	\$2,900.79	\$14,518.98	\$17,419.77
d.) HEHP	\$0	\$0	\$0

There are no year-to-date costs for education and promotion of MHHP, MHNC, and HEHP programs since forms and other materials distributed during 2010 were available from existing supplies. More generally, the MHHP, MHNC, and HEHP programs are administered by Kentucky Power and have minimal cost for education and promotional items. The promotional functions associated with MHHP, MHNC, and HEHP generally include program mailings to approved HVAC dealers. Promotional mailings can include information on new or existing programs and incentive forms which the dealer submits following installation of approved high efficiency HVAC equipment. Promotional pamphlets which describe the applicable HVAC programs are also distributed at customer or dealer requests and at community outreach events such as the Community Outreach CFL program, scheduled at various locations within the Kentucky Power service area. Kentucky Power also promotes these programs on the company web site ([www.kentuckypower.com](http://www.kentuckypower.com)). The educational functions associated with these programs are limited to personal meetings with approved HVAC dealers and manufactured housing dealers.

Honeywell International administers the MEF program and invoices Kentucky Power Company monthly for the program expenses. The educational and promotional costs for Honeywell generally consist of labor and some material expense. Educational functions include direct discussions with the customer on recommended energy efficiency measures. The customer is also provided a \$5.79 booklet on energy efficiency topics. *Promotional cost are limited to marketing and materials used with customer mailings.*

MEF education and promotion fees are included in the year-to-date Equipment/Vendor Costs of \$196,836 as shown on page 24 of the filing.

**WITNESS:** Lila P. Munsey