

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

TARIFF FILING OF JACKSON ENERGY)
COOPERATIVE CORPORATION FOR) Case No. 2011-00372
APPROVAL TO IMPLEMENT FIVE NEW)
DEMAND-SIDE MANAGEMENT PROGRAMS)

**MOTION TO LIFT SUSPENSION OF
DEMAND-SIDE PROGRAMS**

Comes now Jackson Energy Cooperative Corporation (“JEC”), by and through the undersigned counsel, and hereby moves the Commission to enter an order allowing it to proceed with four demand-side management (“DSM”) programs during the pendency of this case. As grounds for this motion, JEC states as follows:

Background

JEC is a member owned electric cooperative corporation serving a number of members in various counties in Kentucky, including Jackson, Laurel, Rockcastle, Estill, Clay, Lee and Owsley. JEC, along with fifteen other distribution cooperatives, is an owner of East Kentucky Power Cooperative (“EKPC”), which generates and transmits the electricity that is ultimately distributed to the members of Jackson Energy.

Since the late 1980s or early 1990s, JEC, in conjunction with EKPC, has offered various DSM programs to its members. These programs have included, without limitation, the five programs at issue in this case, being: (1) electric heat pump tune up; (2) electric thermal storage (ETS); (3) button up weatherization; (4) air source heat pump; and (5) advanced lighting.¹ These programs offer various one-time rebates to consumers.

¹ On September 30, 2011, in Case Number 2011-00148, the Commission entered an order approving the tariff for the advanced lighting DSM program. Since that order was entered after the Commission’s order

The rebates are funded by EKPC with JEC simply forwarding the rebate to the consumer. Prior to 2011, no tariffs had ever been filed with the PSC with regard to the rebates paid to consumers as part of these DSM programs. As to the ETS program, a tariff was filed with respect to the rates charged to the consumer, but not with respect to the rebate given the consumer who enrolled in that program. The programs had, however, been discussed during various rate cases with the PSC from an accounting perspective when various accounts and payments of JEC were discussed.

Beginning sometime shortly after 2000, new DSM programs that were developed by EKPC in conjunction with the distribution cooperatives were the subject of tariff filings. These programs included, for example, the Touchstone Energy home and the advanced lighting program.

Based upon recent comments by a representative of the PSC, JEC thought it prudent to file tariffs for any and all DSM programs that had not yet been filed. These were the four programs listed above. Accordingly, on September 2, 2011, JEC filed tariffs for all four of these DSM programs. On September 22, 2011, the Commission entered an order finding that an investigation into the proposed DSM tariffs was necessary. The Commission suspended the four DSM programs for five months, pending the resolution of the investigation. Thereafter, the Commission issued information requests to JEC with regard to the programs. JEC is in the process of responding to the requests.

In sum, the four DSM programs – electric heat pump tune up program, ETS, button up weatherization program, and air source heat pump program, have been in use

suspending JEC's tariff's, JEC has operated under the assumption that the advanced lighting tariff has been approved and only the four remaining DSM programs have been suspended.

by JEC and its consumers for many years. Tariffs were recently filed for these programs to ensure compliance with PSC regulations.

Request for Relief

Since these four DSM programs have been in existence for so long, many of JEC's members have come to expect the benefits of the programs. JEC has offered energy audits to its consumers for a number of years. Each month during the Fall and Winter seasons, approximately 40 – 50 JEC members request such audits. On average, the results of those audits result in 12 – 15 members per month requesting to join one of the four DSM programs. JEC strongly believes, based upon past interactions with its members, that without the programs and accompanying rebates, that many consumers will not take advantages of improvements to their homes and heating sources that will result in a reduction of demand to EKPC, which will ultimately be a benefit to all members of JEC. JEC has advertised these four DSM programs for years by many methods, including its website, although all such advertising has been stopped in light of the Commission's recent order.

In sum, these DSM programs are very popular with the members of JEC, particularly during the Fall and Winter months when usage is at its highest. These programs and resulting rebates result in a significant savings to JEC's members, and on their behalf, JEC respectfully requests that the Commission lift its suspension of these DSM programs pending final approval of the DSM tariffs.

Respectfully submitted by,



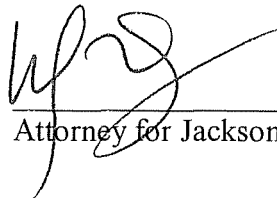
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CERTIFICATE OF SERVICE

The undersigned counsel certifies that a true and correct copy of this motion was served by mailing an original and five copies to the following:

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

On this 2nd day of November 2011.



Attorney for Jackson Energy