

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF BIG RIVERS ELECTRIC)	CASE NO.
CORPORATION TO REVISE AND IMPLEMENT)	2012-00099
DEMAND-SIDE MANAGEMENT PROGRAMS)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation ("Big Rivers"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than April 25, 2013. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Big Rivers shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Big Rivers fails or refuses to furnish all or part of the requested information, Big Rivers

shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request

1. Refer to Big Rivers' proposed Standard Rate – RDS – Rural Delivery Service – DSM-05 Residential Weatherization Program, PSC No. 24, First Revised Sheet No. 2.07 (“Proposed DSM-05 Residential Weatherization Program, First Revised Sheet 2.07”); and to Big Rivers' Commission-approved Standard Rate – RDS – Rural Delivery Service – DSM-05 Residential Weatherization Program, PSC No. 24, Original Sheet No. 2.07 (“Commission-approved DSM-05 Residential Weatherization Program”), dated April 17, 2012. The Commission-approved DSM-05 Residential Weatherization Program, under “Member Incentives,” states:

Big Rivers will provide 50% of the cost of residential weatherization improvements performed in accordance with this program. Big Rivers will also reimburse a Member's reasonable costs of promoting this program, if the promotional program and its costs are pre-approved by Big Rivers.

Big Rivers' Proposed DSM-05 Residential Weatherization Program, First Revised Sheet 2.07, under Member Incentives, states:

Big Rivers will reimburse the cost of an initial site visit, a diagnostic audit, and completed residential weatherization improvements performed in accordance with this program including project management costs. Big Rivers' total reimbursement shall not exceed the amounts outlined below in Terms and Conditions. Big Rivers will also reimburse a Member's reasonable costs of promoting this program, if the

promotional program and its costs are pre-approved by Big Rivers.

- a. Explain why the language has been changed.
- b. State how this language change will impact the members and

participants.

2. Refer to Big Rivers' proposed Standard Rate – RDS – Rural Delivery Service – DSM-05 Residential Weatherization Program, PSC No. 24, First Revised Sheet No. 2.08 (“Proposed DSM-05 Residential Weatherization Program, First Revised Sheet 2.08”), under “Terms and Conditions.” Paragraph 4 states that Big Rivers will pay the Contractor \$150 for the initial site visit. Paragraph 6 states:

The Contractor will collect \$100 from the Rural Customer for the diagnostic audit, which will be reimbursed when the project is complete. If the Rural Customer does not follow-through with the weatherization process, the \$100 will be forfeited and Big Rivers will pay \$350 to the Contractor. Big Rivers will pay the Contractor \$450 for the diagnostic audit upon completion of the weatherization process.

a. Refer to the phrase, “The Contractor will collect \$100 from the Rural Customer for the diagnostic audit, which will be reimbursed when the project is complete.”

(1) State whether Big Rivers will reimburse the customer the \$100. If yes, state whether this will occur when the project is complete.

(2) Explain what is involved in an initial site visit.

(3) Explain whether the contractor is required to provide any documentation or report following an initial site visit.

b. Refer to the phrase, "If the Rural Customer does not follow-through with the weatherization process, the \$100 will be forfeited and Big Rivers will pay \$350 to the Contractor."

(1) Explain who forfeits the \$100.

(2) If the customer does not follow through with the weatherization process, explain whether Big Rivers intends to collect the \$100 from the customer [which was forfeited] and then pay the contractor \$350.

3. Refer to Big Rivers' Proposed DSM-05 Residential Weatherization Program, First Revised Sheet 2.08, under "Terms and Conditions." Paragraph 7 states, "Big Rivers will pay the Contractor up to \$2,500 for implemented residential weatherization measures including project management." Explain whether \$2,500 is the maximum amount Big Rivers anticipates it will pay under this provision, or if the maximum amount is \$2,500 plus additional fees for project management.

4. Refer to Big Rivers' proposed Standard Rate – RDS – Rural Delivery Service – DSM-05 Residential Weatherization Program, PSC No. 24, First Revised Sheet Nos. 2.07 and 2.08.

a. Explain whether the changes in the tariff language will impact the cost-effectiveness of the program.

b. State whether this will change the budgeted amount for this program and, if so, provide the revised amount.

5. Refer to Big Rivers' proposed Standard Rate – RDS – Rural Delivery Service – DSM-07 Residential and Commercial HVAC & Refrigeration Tune-Up

Program (“Proposed DSM-07 Residential and Commercial HVAC & Refrigeration Tune-Up Program”), PSC No. 24, First Revised Sheet No. 2.11.

a. In Big Rivers’ Commission-approved Standard Rate – RDS – Rural Delivery Service – DSM-07 Residential and Commercial HVAC & Refrigeration Tune-Up Program, PSC No. 24, Original Sheet No. 2.11, dated April 17, 2012, under “Member Incentives,” the tariff states, “The incentive is available for up to three residential units per location, and up to five commercial units per location.” Explain why this sentence was deleted from the “Member Incentives” of Big Rivers’ Proposed DSM-07 Residential and Commercial HVAC & Refrigeration Tune-Up Program.

b. Explain whether Big Rivers believes that removing the limits, three residential units per location and five commercial units per location, that are eligible for reimbursement under this program will improve the program.

c. Explain how the changes in the tariff language will impact the cost-effectiveness of the program.

d. State whether this will change the budgeted amount for this program and, if so, provide the revised amount.

6. Refer to Big Rivers’ proposed Standard Rate – RDS – Rural Delivery Service – DSM-10 Residential Weatherization Program – Primary Heating Source Non-Electric (“Proposed DSM-10 Residential Weatherization Program – Primary Heating Source Non-Electric”), PSC No. 24, First Revised Sheet Nos. 2.16 and 2.17.

a. In Big Rivers’ Commission-approved Standard Rate – RDS – Rural Delivery Service – DSM-10 Residential Weatherization Program – Primary Heating

Source Non-Electric, PSC No. 24, Original Sheet No. 2.16, dated May 21, 2012, under “Member Incentives,” it states:

Big Rivers will provide 25% of the cost of residential weatherization improvements performed in accordance with this program. Big Rivers will also reimburse a Member’s reasonable costs of promoting this program, if the promotional program and its costs are pre-approved by Big Rivers.

Big Rivers’ Proposed DSM-10 Residential Weatherization Program – Primary Heating Source Non-Electric, PSC No. 24, First Revised Sheet No. 2.16, under “Member Incentives,” states:

Big Rivers will reimburse the cost of an initial site visit, a portion of the diagnostic audit, and completed residential weatherization improvements performed in accordance with this program including management costs. Big Rivers’ total reimbursement shall not exceed the amounts outlined below in Terms and Conditions. Big Rivers will also reimburse a Member’s reasonable costs of promoting this program, if the promotional program and its costs are pre-approved by Big Rivers.

Explain why language under the “Member Incentives” was changed and how the change in language will impact participants.

b. In Big Rivers’ Proposed DSM-10 Residential Weatherization Program – Primary Heating Source Non-Electric, PSC No. 24, First Revised Sheet No. 2.17, under “Terms & Conditions,” paragraph 6, it states, “Big Rivers will pay the Contractor \$225 upon completion of the diagnostic audit. The Rural Customer will pay \$225 to the Contractor for the diagnostic audit.” Explain why this paragraph was added to the “Term & Conditions” and state whether the total amount to be paid to a contractor is \$500.

7. In Big Rivers' Proposed DSM-10 Residential Weatherization Program – Primary Heating Source Non-Electric, PSC No. 24, First Revised Sheet No. 2.17, under “Terms & Conditions,” paragraph 7, it states, “Big Rivers will pay the Contractor up to \$1,000 for implemented residential weatherization measures including project management.”

a. Explain why this paragraph was added to the “Term & Conditions.”

b. Explain whether \$1,000 is the maximum amount Big Rivers anticipates paying the Contractor under this provision, or whether the maximum amount is \$1,000 plus additional fees for project management.

8. Refer to Big Rivers' newly-proposed Standard Rate – RDS – Rural Delivery Service – DSM-11 Commercial High Efficiency Heating, Ventilation and Air Conditioning (“HVAC”) Program, PSC No. 24, Original Sheet Nos. 2.18 and 2.19.

a. State why this program is now being offered and how the level of member incentive(s) was determined.

b. Provide the proposed budget amount for this program.

c. Provide the cost-effectiveness test results for this program.

d. Explain why the title of the program on Original Sheet No. 2.18 is DSM-11 Commercial High Efficiency Heating, Ventilation and Air Conditioning (“HVAC”) Program, but on Original Sheet No. 2.19 it is DSM-11 Residential High Efficiency Heating, Ventilation and Air Conditioning (“HVAC”) Program.

9. Refer to Big Rivers' newly-proposed Standard Rate – RDS – Rural Delivery Service – DSM-12 High Efficiency Outdoor Lighting Program, PSC No. 24, Original Sheet No. 2.20.

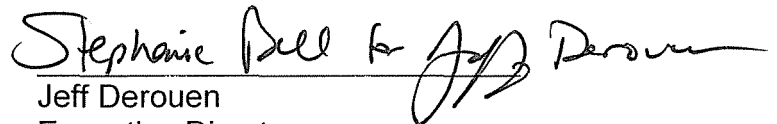
a. State why this program is now being offered and how the level of member incentive(s) was determined.

b. Provide the proposed budget amount for this program.

c. Provide the cost-effectiveness tests results for this program.

10. In Case No. 2011-00036,¹ the Demand-Side Management (“DSM”) budget of \$1 million was approved, and in the current rate case² the same level of DSM budget is requested. Provide, by tariff and program, the amount of incentive and program promotion.

11. Provide, by DSM tariff, program, and member, the actual level of DSM incentive paid by Big Rivers in 2012.



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DATED APR 17 2013

cc: Parties of Record

¹ Case No. 2011-00036, Application of Big Rivers Electric Corporation for a General Adjustment in Rates (Ky. PSC Nov. 17, 2011).

² Case No. 2012-00535, Application of Big Rivers Electric Corporation for an Adjustment of Rates (filed Jan. 15, 2013).

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