ATTORNEYS AT LAW

Konald M. Sullivan Jesse T. Mountjoy Frank Stainback James M. Miller Michael A. Fiorella Allen W. Holbrook R. Michael Sullivan Bryan R. Reynolds* Tyson A. Kamuf Mark W. Starnes C. Ellsworth Mountjoy

*Also Licensed in Indiana

April 25, 2013

RECEIVED

APR 2 5 2013

PUBLIC SERVICE COMMISSION

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

In The Matter Of: Tariff Filing of Big Rivers Electric Corporation To Revise And Implement Demand-Side Programs Case No. 2013-00099

Dear Mr. Derouen:

Enclosed for filing are an original and ten (10) copies of Big Rivers Electric Corporation's response to the Commission Staff's initial request for information.

Sincerely,

Type

Tyson Kamuf

cc: Billie J. Richert

Telephone (270) 926-4000 Telecopier (270) 683-6694

> Ann Building PO Box 727 Owensboro, Kentucky 42302-0727

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE PROGRAMS

CASE NO. 2013-00099

VERIFICATION

I, Russell L. Pogue, verify, state, and affirm that I prepared or supervised the preparation of the data responses filed with this Verification, and that those data responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Ald Izan

Russell L. Pdgule

COMMONWEALTH OF KENTUCKY) COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Russell L. Pogue on this the 24^{+h} day of April, 2013.

Paula mitchell

Notary Public, Ky. State at Large My Commission Expires 1-12-17 ORIGINAL



Your Touchstone Energy® Cooperative

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE PROGRAMS

Case No. 2013-00099

))

Responses to Commission Staff's Initial Request for Information dated April 17, 2013

FILED: April 25, 2013



TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

April 25, 2013

Refer to Big Rivers' proposed Standard Rate - RDS - Rural 1 Item 1) Delivery Service - DSM-05 Residential Weatherization Program, PSC No. 2 24, First Revised Sheet No. 2.07 ("Proposed DSM-05 Residential 3 Weatherization Program, First Revised Sheet 2.07"); and to Big Rivers' 4 Commission-approved Standard Rate - RDS - Rural Delivery Service -5 DSM-05 Residential Weatherization Program, PSC No. 24, Original Sheet 6 No. 2.07 ("Commission-approved DSM-05 Residential Weatherization 7 The Commission-approved DSM-05 8 Program"), dated April 17, 2012. Residential Weatherization Program, under "Member Incentives," states: 9 10 Big Rivers will provide 50% of the cost of residential 11 weatherization improvements performed in accordance 12 with this program. Big Rivers will also reimburse a 13 14 Member's reasonable costs of promoting this program, if the promotional program and its costs are pre-15 approved by Big Rivers. 16 17 Big Rivers' Proposed DSM-05 Residential Weatherization Program, First 18 Revised Sheet 2.07, under Member Incentives, states: 19 20 21 Big Rivers will reimburse the cost of an initial site visit, a diagnostic audit, and completed residential 22 weatherization improvements performed in accordance 23 with this program including project management 24 costs. Big Rivers' total reimbursement shall not exceed 25 the amounts outlined below in Terms and Conditions. 26

> Case No. 2013-00099 Response to PSC 1-1 Witness: Russell L. Pogue Page 1 of 3

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Big Rivers will also reimburse a Member's reasonable 1 2 costs of promoting this program, if the promotional 3 program and its costs are pre-approved by Big Rivers. 4 5 a. Explain why the language has been changed. 6 b. State how this language change will impact the members 7 and participants. 8 9 **Response**) a. The language was changed to reflect program changes designed to 10 increase residential member participation. Under the previous 11 program language less than five percent of members who 12 participated in an initial site visit went forward with 13 weatherization. The contractor reported that members who did 14 weatherize proceeded primarily because of comfort issues rather 15 than energy cost, and that the shared cost aspect of the program 16 posed a significant financial barrier for those who did not 17 weatherize. 18 19 The new language removes the cost sharing barrier completely for all-electric homes. A very similar program for all-20 electric homes in Indiana requires no home-owner investment and 21 shows a weatherization rate for homes that receive an initial site 22

23

visit to be nearly sixty percent. The new program language also

Case No. 2013-00099 Response to PSC 1-1 Witness: Russell L. Pogue Page 2 of 3

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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1		removes financial barriers for low-income members in all-electric
2		homes.
3		b. The program no longer requires a residential member's payment
4		for the diagnostic audit, and it covers up to \$2,500 of
5		weatherization measures and management fees provided the
6		weatherization is completed.
7		
8		
9	Witness)	Russell L. Pogue
10		

Case No. 2013-00099 Response to PSC 1-1 Witness: Russell L. Pogue Page 3 of 3

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

April 25, 2013

Item 2) Refer to Big Rivers' proposed Standard Rate - RDS - Rural 1 Delivery Service - DSM-05 Residential Weatherization Program, PSC No. 2 24. First Revised Sheet No. 2.08 ("Proposed DSM-05 Residential 3 Weatherization Program, First Revised Sheet 2.08"), under "Terms and 4 Conditions." Paragraph 4 states that Big Rivers will pay the Contractor 5 6 \$150 for the initial site visit. Paragraph 6 states: 7 8

16

The Contractor will collect \$100 from the Rural Customer for the diagnostic audit, which will be 9 reimbursed when the project is complete. If the Rural 10 Customer does not follow through with the 11 weatherization process, the \$100 will be forfeited and 12 Big Rivers will pay \$350 to the Contractor. Big Rivers 13 will pay the Contractor \$450 for the diagnostic audit 14 upon completion of the weatherization process. 15

- a. Refer to the phrase, "The Contractor will collect \$100 from 17 the Rural Customer for the diagnostic audit, which will be 18 reimbursed when the project is complete." 19
- 20 (1) State whether Big Rivers will reimburse the customer the \$100. If yes, state whether this will occur when the 21 22 project is complete.
- (2) Explain what is involved in an initial site visit. 23

Case No. 2013-00099 **Response to PSC 1-2** Witness: Russell L. Pogue Page 1 of 4

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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1		(3) Explain whether the contractor is required to provide
2		any documentation or report following an initial site
3		visit.
4		b. Refer to the phrase, "If the Rural Customer does not follow-
5		through with the weatherization process, the \$100 will be
6		forfeited and Big Rivers will pay \$350 to the Contractor."
7		(1) Explain who forfeits the \$100.
8		(2) If the customer does not follow through with the
9		weatherization process, explain whether Big Rivers
10		intends to collect the \$100 from the customer [which was
11		forfeited] and then pay the contractor \$350.
12		
13	Response)	
13 14	Response)	a.
	Response)	a. (1) The contractor will collect the \$100 from the residential
14	Response)	
14 15	Response)	(1) The contractor will collect the \$100 from the residential
14 15 16	Response)	(1) The contractor will collect the \$100 from the residential member, which the contractor will return to the member upon
14 15 16 17	Response)	(1) The contractor will collect the \$100 from the residential member, which the contractor will return to the member upon completion of the weatherization.
14 15 16 17 18	Response)	(1) The contractor will collect the \$100 from the residential member, which the contractor will return to the member upon completion of the weatherization.(2) The initial site visit helps determine what potential energy
14 15 16 17 18 19	Response)	 (1) The contractor will collect the \$100 from the residential member, which the contractor will return to the member upon completion of the weatherization. (2) The initial site visit helps determine what potential energy improvements should be considered. Included in this visit are:
14 15 16 17 18 19 20	Response)	 (1) The contractor will collect the \$100 from the residential member, which the contractor will return to the member upon completion of the weatherization. (2) The initial site visit helps determine what potential energy improvements should be considered. Included in this visit are: Building evaluation concerning general health and safety

Case No. 2013-00099 Response to PSC 1-2 Witness: Russell L. Pogue Page 2 of 4

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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1	iii. Client Education regarding energy improvements and
2	why they should be considered;
3	iv. Client Education regarding rebates currently offered by
4	the co-op; and
5	v. Installation of up to twenty Compact Flourescent Lamps
6	(CFLs), two aerators, and one shower head.
7	(3) The contractor provides a detailed initial site visit report to the
8	residential member and online documentation accessible by
9	the Member Cooperative and Big Rivers, which generalizes
10	energy savings opportunities and details health and safety
11	issues.
12	b.
13	(1) If the residential member participates in the diagnostic audit
14	process but does not follow through with the weatherization
15	process, the residential member will forfeit the \$100 that the
16	residential member paid to the contractor.
17	(2) If the customer does not follow through with the
18	weatherization process, the \$100 that the residential member
19	paid to the contractor is retained by the contractor, and Big
20	Rivers pays the contractor the balance of \$350 for the
21	diagnostic audit.
22	
23	

Case No. 2013-00099 Response to PSC 1-2 Witness: Russell L. Pogue Page 3 of 4

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

April 25, 2013

1

2 Witness) Russell L. Pogue

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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Refer Big Rivers' Proposed DSM-05 Residential 1 Item 3) to Weatherization Program, First Revised Sheet 2.08, under "Terms and 2 Conditions." Paragraph 7 states, "Big Rivers will pay the Contractor up to 3 \$2,500 for implemented residential weatherization measures including 4 5 project management." Explain whether \$2,500 is the maximum amount Big Rivers anticipates it will pay under this provision, or if the maximum 6 amount is \$2,500 plus additional fees for project management. 7 8 9 **Response)** The project management fee is included in the \$2,500. Therefore the maximum amount Big Rivers will pay under this provision is \$2,500. 10 11 12 13 Witness) Russell L. Pogue 14

> Case No. 2013-00099 Response to PSC 1-3 Witness: Russell L. Pogue Page 1 of 1

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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1	Item 4)	Refer to Big Rivers' proposed Standard Rate - RDS - Rural	
2	Delivery S	ervice - DSM-05 Residential Weatherization Program, PSC No.	
3	24, First Revised Sheet Nos. 2.07 and 2.08.		
4			
5		a. Explain whether the changes in the tariff language will	
6		impact the cost-effectiveness of the program.	
7		b. State whether this will change the budgeted amount for	
8		this program and, if so, provide the revised amount.	
9			
10	Response)		
11		a. The Total Resource Cost (TRC) of the weatherization program	
12		overall is expected to increase from 1.74 to 2.00 as a result of	
13		these changes. The program costs per weatherization are	
14		expected to decrease with the expected increase in participation.	
15		b. The budget was increased from \$200,000 in 2012 to \$400,000 in	
16		2013 as a result of low spending in the initial year. Budgeting for	
17		2014 will depend primarily on the program performance in 2013.	
18			
19			
20	Witness)	Russell L. Pogue	
21			

Case No. 2013-00099 Response to PSC 1-4 Witness: Russell L. Pogue Page 1 of 1

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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Item 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.

- 6
- 7 a. In Big Rivers' Commission-approved Standard Rate - RDS -Rural Delivery Service - DSM-07 Residential 8 and 9 Commercial HVAC & Refrigeration Tune-up Program, PSC No. 24, Original Sheet No. 2.11, dated April 17, 2012, under 10 "Member Incentives," the tariff states, "The incentive is 11 12 available for up to three residential units per location, and up to five commercial units per location." Explain why this 13 sentence was deleted from the "Member Incentives" of Big 14 Rivers' Proposed DSM-07 Residential and Commercial 15 HVAC & Refrigeration Tune-up Program. 16
- 17b. Explain whether Big Rivers believes that removing the18limits, three residential units per location and five19commercial units per location, that are eligible for20reimbursement under this program will improve the21program.
- c. Explain how the changes in the tariff language will impact
 the cost-effectiveness of the program.

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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1		d.	State whether this will change the budgeted amount for
2			this program and, if so, provide the revised amount.
3			
4	Response)		
5		a.	Big Rivers' Member Cooperatives participating in the program
6			noted that most large commercial accounts such as schools, multi-
7			family housing. and retail commercial customers had significantly
8			more than five HVAC units, and a number of residential
9			customers had more than three HVAC units and should be able to
10			participate fully. These retail customers have requested the
11			removal of the current tariff restrictions so that they might be
12			eligible for the program.
13		b.	Big Rivers believes these program changes will improve
14			participation in the program by large commercial and residential
15			members. This belief is based on Big Rivers' Member
16			Cooperatives' observations outlined in the response to sub-part a.
17			above.
18		c.	The program cost-effectiveness will not be affected by the removal
19			of this restriction, while program participation will increase.
20		d.	The budgeted amount for this program did not increase for 2013
21			because participation was significantly lower than expected in
22			2012.
23			

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1

2 Witness) Russell L. Pogue

3

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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Refer to Big Rivers' proposed Standard Rate - RDS - Rural 1 Item 6) 2 Delivery Service - DSM-10 Residential Weatherization Program - Primary ("Proposed **DSM-10 Residential** 3 Heating Source Non-Electric Weatherization Program - Primary Heating Source Non-Electric"), PSC 4 No. 24. First Revised Sheet Nos. 2.16 and 2.17. 5 6 a. In Big Rivers' Commission-approved Standard Rate - RDS -7 DSM-10**Residential** 8 Rural Deliverv Service ----Weatherization Program - Primary Heating Source Non-9 Electric, PSC No. 24, Original Sheet No. 2.16, dated May 21, 10 2012, under "Member Incentives," states: 11 12 Big Rivers will provide 25% of the cost of 13 residential weatherization improvements 14 performed in accordance with this 15 program. Big Rivers will also reimburse a 16 Member's reasonable costs of promoting 17 this program, if the promotional program 18 and its costs are pre-approved by Big 19 20 Rivers. 21 **Big Rivers' Proposed DSM-10 Residential Weatherization** 22 Program - Primary Heating Source Non-Electric, PSC No. 23 24, First Revised Sheet No. 2.16, under "Member Incentives," 24 25 states:

> Case No. 2013-00099 Response to PSC 1-6 Witness: Russell L. Pogue Page 1 of 3

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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April 25, 2013

1	
2	Big Rivers will reimburse the cost of an
3	initial site visit, a portion of the diagnostic
4	audit, and completed residential
5	weatherization improvements performed in
6	accordance with this program including
7	management costs. Big Rivers' total
8	reimbursement shall not exceed the
9	amounts outlined below in Terms and
10	Conditions. Big Rivers will also reimburse
11	a Member's reasonable costs of promoting
12	this program, if the promotional program
13 14	and its costs are pre-approved by Big Rivers.
	Ribers.
15	
16	Explain why language under the "Member Incentives" was
17	changed and how the change in language will impact
18	participants.
19	b. In Big Rivers' Proposed DSM-10 Residential Weatherization
20	Program - Primary Heating Source Non-Electric, PSC No.
21	24, First Revised Sheet No. 2.17, under "Terms &
22	Conditions," paragraph 6, it states, "Big Rivers will pay the
23	Contractor \$225 upon completion of the diagnostic audit.
24	The Rural Customer will pay \$225 to the Contractor for the
25	diagnostic audit." Explain why this paragraph was added

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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1		to the "Term & Conditions" and state whether the total
2		amount to be paid to a contractor is \$500.
3		
4	Response)	
5		a. The language was changed to improve program participation
6		while maintaining the program's cost effectiveness. Participants
7		will be required to pay 50% of the diagnostic audit versus 25% in
8		the previous language. Weatherization costs for measures and
9		project management will be reimbursed 100% up to \$1,000 versus
10		25% of weatherization and project management without a cap in
11		the previous language. Big Rivers anticipates that the lower
12		participant cost will reduce financial barriers to residential
13		weatherization for non-electrically heated homes.
14		b. The paragraph was added to describe the cost to the residential
15		member and Big Rivers for the diagnostic audit. The \$225
16		payment from the residential member and the \$225 payment from
17		Big Rivers would result in a total cost of the diagnostic audit of
18		\$450 paid to the contractor.
19		
20		
21	Witness)	Russell L. Pogue
22		

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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1	Item 7) In Big Rivers' Proposed DSM-10 Residential Weatherization		
2	Program - Primary Heating Source Non-Electric, PSC No. 24, First		
3	Revised Sheet No. 2.17, under "Terms & Conditions," paragraph 7, it		
4	states, "Big Rivers will pay the Contractor up to \$1,000 for implemented		
5	residential weatherization measures including project management."		
6			
7	a. Explain why this paragraph was added to the "Term &		
8	Conditions."		
9	b. Explain whether \$1,000 is the maximum amount Big Rivers		
10	anticipates paying the Contractor under this provision, or		
11	whether the maximum amount is \$1,000 plus additional		
12	fees for project management.		
13			
14	Response)		
15	a. The paragraph was added to specify Big Rivers' participation level		
16	in the cost of weatherization measures.		
17	b. The \$1,000 maximum payment for weatherization measures		
18	includes project management fees.		
19			
20			
21	Witness) Russell L. Pogue		
22			

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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1	Item 8) Refer to Big Rivers' newly-proposed Standard Rate - RDS -
2	Rural Delivery Service - DSM-11 Commercial High Efficiency Heating,
3	Ventilation and Air Conditioning ("HVAC") Program, PSC No. 24,
4	Original Sheet Nos. 2.18 and 2.19.
5	
6	a. State why this program is now being offered and how the
7	level of member incentive(s) was determined.
8	b. Provide the proposed budget amount for this program.
9	c. Provide the cost-effectiveness test results for this program.
10	d. Explain why the title of the program on Original Sheet No.
11	2.18 is DSM-11 Commercial High Efficiency Heating,
12	Ventilation and Air Conditioning ("HVAC") Program, but
13	on Original Sheet No. 2.19 it is DSM-11 Residential High
14	Efficiency Heating, Ventilation and Air Conditioning
15	("HVAC") Program.
16	
17	Response)
18	a. Big Rivers' Demand-Side Management/Energy Efficiency
19	("DSM/EE") Working Group, composed of personnel from Big
20	Rivers and its Member Cooperatives, felt commercial HVAC
21	presented a significant opportunity for energy and demand
22	savings that the current programs were not addressing. The
23	working group discussed a number of incentive levels ranging

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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1	fr	from \$25 per ton to \$100 per ton for high efficiency commercial		
2	u	units. Based on direct contact with commercial customers.		
3	D	DSM/EE Working Group members determined that \$75 per ton		
4	w	would motivate members to investigate and select the higher		
5	e	efficiency models versus contractor grade.		
6	b. T	he proposed 2013 budget is \$50,4	000.	
7	c. T	The California Benefit/Cost Ratios are as follows:		
8				
		Big Rivers Electr	ic Corporation	
		DSM-11 Commercial High Effi	-	
		and Air Conditioning ("HVAC") Program		
		California Benef		
	_			
		California Benef	it/Cost Ratios ¹	
		California Benef	it/Cost Ratios ¹ 1.28	
		California Benef TRC UCT	it/Cost Ratios ¹ 1.28 1.90	
		California Benef TRC UCT PT	it/Cost Ratios ¹ 1.28 1.90 1.76	
9		California Benef TRC UCT PT SocT	it/Cost Ratios ¹ 1.28 1.90 1.76 1.28	
9 10		California Benef TRC UCT PT SocT RIM	it/Cost Ratios ¹ 1.28 1.90 1.76 1.28	
~		California Benef TRC UCT PT SocT RIM	it/Cost Ratios ¹ 1.28 1.90 1.76 1.28 0.80	

13

14 Witness) Russell L. Pogue

¹ More information about the California Test may be found in the DSM Potential Study provided as Appendix B to Big Rivers' Integrated Resource Plan filed on November 15, 2010, in Case No. 2010-00443.

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

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Item 9) Re	efer to Big Rivers' newly-proposed Standard Rate - RDS -
Rural Delive	ry Service - DSM-12 High Efficiency Outdoor Lighting
Program, PSC	C No. 24, Original Sheet No. 2.20.
<i>a</i> .	State why this program is now being offered and how the
	level of member incentive(s) was determined.
<i>b</i> .	Provide the proposed budget amount for this program.
c.	Provide the cost-effectiveness tests results for this program.
Response)	
a.	The program is being proposed to incent Member Cooperatives to
	invest in high-efficiency and long-life outdoor lighting
	technologies being developed for this market. With the
	elimination of long-life Mercury Vapor lamps as an option, current
	proven lamp technologies can require trade-offs in either lamp life
	or member satisfaction. The incentive amount was chosen by the
	DSM/EE Working Group as an appropriate incentive for Member
	Cooperatives to investigate and deploy new outdoor lighting
	technologies.
b.	The 2013 proposed budget is \$50,000.
c.	The California Benefit/Cost ratios are shown in the table on the
	following page.
	Rural Delive Program, PSC a. b. c. Response) a.

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TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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1		DSM-12 High Efficier	Big Rivers Electric Corporation DSM-12 High Efficiency Outdoor Lighting Program California Benefit/Cost Ratios ²	
		TRC	1.35 - 2.85	
		UCT	1.35 - 6.11	
		\mathbf{PT}	1.64 - 3.80	
		\mathbf{SocT}	1.35 - 2.85	
		RIM	0.47 - 0.65	
2				
3				
4	Witness)	Russell L. Pogue		

5

² Depending on lamp selected. Also, more information about the California Test may be found in the DSM Potential Study provided as Appendix B to Big Rivers' Integrated Resource Plan filed on November 15, 2010, in Case No. 2010-00443.

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

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1 Item 10) In Case No. 2011-00036,³ the Demand-Side Management

2 ("DSM") budget of \$1 million was approved, and in the current rate case⁴

3 the same level of DSM budget is requested. Provide, by tariff and

4 program, the amount of incentive and program promotion.

5

6 Response) Please see the attached table entitled 'Big Rivers 2012 DSM/Energy
7 Efficiency Program Targets' for the incentive amounts. Big Rivers filed this table
8 as part of its semi-annual DSM/EE Report provided to the Commission pursuant
9 to Ordering Paragraph No. Ordering Paragraph No. 9 of the Commission's Order
10 dated November 17, 2011, in Case No. 2011-00036.

11 The 2012 budget of \$1,000,000 was split into two segments. The first 12 segment addresses incentives or direct payments to Members when a measure is 13 implemented. The total incentive budget was \$800,000. The second segment 14 involves the additional \$200,000 set aside for promotional and regulatory 15 administrative costs associated with the program.

Please see the table provided in Big Rivers' response to Item 11 below
for the mapping of the DSM tariffs to programs.

- 18
- 19 Witness) Russell L. Pogue
- 20

³ Case No. 2011-00036, Application of Big Rivers Electric Corporation for a General Adjustment in Rates (Ky. PSC Nov. 17, 2011).

⁴ Case No. 2012-00535, Application of Big Rivers Electric Corporation for an Adjustment of Rates (filed Jan 15, 2013).

Big Rivers 2012 DSM/Energy Efficiency Program Targets

0		•	U "		, 0			
Residential Programs	Annual &Wh Savings Per Unit	Winter kW Savings Per Unit	Summer kW Savings Per Unit	Unit Quantity	Total Annual KWh Savings	Total Winter kW Savings	Total Summer	Target Spend 2012
Residential Lighting Program								
CFL bulbs	31	0.007	0.003	57,143	1,752,004	408.0	179.2	\$100,000
Residential Efficient Appliances								
Clothes Washer Rebate	224	0.007	0.026	400	89,600	2.8	10.4	\$40,000
nergy Star Refrigerator + Recycling	1,084	0.076	0.089	400	433,600	30.4	35.6	\$40,000
HVAC Program								
Dual Fuel	3,448	7.066	0.146	50	172,400	353.3	7.3	\$25,000
Air Source Heat Pump	692	0.000	0.146	35	24,220	0.0	5.1	\$7,000
Soethermal	3,658	4.453	0.365	24	87,792	106.9	8.8	\$18,000
Weatherization Program								
Stick-Built Home	6,980	4.950	0.890	75	523,500	371.3	66.8	\$150,000
Manufactured Home	4,680	2.200	0.300	25	117,000	55.0	7.5	\$50,000
New Construction								
Gas Heat	2,435	0.260	0.580	48	116,880	12.5	27.8	\$36,000
Air Source Heat Pump	4,922	2.700	0.580	20	98,430	54.0	11.6	\$20,000
Dual Fuel Heat Pump (w/ Gas)	8,370	9.766	0.580	20	167,390	195.3	11.6	\$24,000
Seothermal Heat Pump	8,580	7.150	0.799	10	85,795	71.5	8.0	\$20,000
Tune-Up								
HVAC Tune-Up	636	0.000	0.304	1,320	839,520	0.0	400.9	\$33,000
Commercial/Industrial (C/I) Programs	Annual kWh Savings Per \$	Winter kW Savings Per \$	Summer kW Savings Per \$	Total kW Reduced	Total Annual kWh Savings	Total Winter kW Savings	Total Summer kW Savings	Target Spend 2012
	12	0.0029	0.0027	543	2,219,784	543.0	507.3	\$190,00
Lighting Projects	12	0.0029	0.0027	<u></u>	2,215,784	545.0		,00,00
	7	0.0005	0.0029	86	213,452	16.1	86.0	\$30,00
Misc. Efficient Projects	Annual With	Winter KW	Summar 80			10.1		\$30,00
	Savings Per Unit	Soulings Per Unit	Savingo Per Unit	Unit Quantity	Totel Annual RWh Savings	Total Winter NW Savings	Total Summer kW Savings	Tonget Spland 2012
Tune-Up								
HVAC Tune-Up*	5,268	0.000	1.200	340	1,791,120	0.0	408.0	\$17,000.00
* Assumed 6 tons/unit								
			TOTEL DATIV	Program Savings:	8,73/2,4437	2,220.1	1.74141.1	\$32(1)0_(1)0

Demand Side Management ("DSM") Report **Big Rivers Electric Corporation** January 31, 2013

TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION TO REVISE AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS CASE NO. 2013-00099

Response to Commission Staff's Initial Request for Information dated April 17, 2013

April 25, 2013

1	Item 11)	Provide, by DSM tariff, program, and member, the actual level				
2	of DSM incentive paid by Big Rivers in 2012.					
3						
4	Response)	Please see the attached table.				
5						
6						
7	Witness)	Russell L. Pogue				

8

Case No. 2013-00099 Response to PSC 1-11 Witnesses: Russell L. Pogue Page 1 of 1

		3	2012 Spend	
	Program Description	Kenergy Corp	Meade County RECC	Jackson Purchase Energy
DSM-01	Residential Lighting Program (CFL Bulbs) Residential Efficient Appliances (Energy Star)	\$52,006	\$25,105	\$24,803
DSM-02	Washing Machine	33,900	19,500	2,900
DSM-03	Refrigerator	26,300	10,900	1,100
DSM-04	Energy Star Heating, Ventilation and AC	30,850	6,950	3,650
DSM-05&10	Residential Weatherization Program	12,419	39,492	0
DSM-06	Residential Touchstone Energy New Construction	52,250	4,000	0
DSM-07	HVAC Tune-Up Program	9,675	325	350
DSM-08	Commercial/Industrial Efficient Lighting Program	122,150	23,678	1,285
DSM-09	General Commercial/Industrial Efficiency Program	9,495	0	0
	Promotion	51,698	23,314	0
	Total	\$400,743	\$153,263	\$34,088

2012 Big Rivers Energy Efficiency Spend by Member Cooperative

Case No. 2013-00099 Attachment for Respone to PSC 1-11 Witness: Russell L. Pogue Page 1 of 1