



Kentucky Power
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KentuckyPower.com

HAND DELIVERED

April 27, 2016

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PUBLIC SERVICE
COMMISSION

Aaron Greenwell, Acting Executive Director
Public Service Commission
P. O. Box 615
211 Sower Boulevard
Frankfort, Kentucky 40602

RE: Case No. 2015-00271
(To be retained in the Company's General Correspondence file)

Dear Mr. Greenwell,

In accordance with the Commission's Order Dated March 11, 2016 in Case No. 2015-00271, Kentucky Power hereby files its monthly DSM update on the level of direct expenditures for March 2016.

If there are any questions please contact me at 502-696-7010.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John A. Rogness III', with a long horizontal line extending to the right.

John A. Rogness III
Director, Regulatory Services

Attachments

Kentucky Power Company
Summary of Demand Side Management Expenses
Month Ended: March 2016

March expenditures of \$770,882 are below the budgeted amount of \$928,310 with a negative variance of \$157,428. Commercial program expenditures were \$169,543 below budget and residential program expenditures were \$12,115 above budget. Year-to-date, 2016 DSM/EE expenditures are \$346,863 below the budgeted amount. Commercial program expenditures are \$167,753 below budget and residential program expenditures are \$179,110 below budget.

Two new commercial programs, Express Install and Retro-Commissioning, are beginning to start-up. The Company is anticipating full participation for the remainder of 2016. Together, these two programs account for \$149,493 of the YTD negative variance in the commercial program budget.

The Targeted Energy Efficiency weatherization program is behind in the number of homes anticipated for audit and weatherization services. The reduction is primarily attributed to reduced invoices from Community Action for completed home audits. Kentucky Power is coordinating with CAA to ensure the maximum potential for utilizing the program services and expects an increase in program participation as one agency returns to full capacity following the establishment of a quality control inspector.

Setup and integration is ongoing with a new implementation contractor for the Appliance Recycling program. The anticipated program launch date is late April and estimated participation remains consistent with the original program target.

New program services are being developed with DSM implementation contractors. Several of the new programs are presently behind the YTD budget target but implementation schedules are being developed in conjunction with contracting services to achieve annual program goals. Two residential programs, New Manufactured Homes and Whole House Efficiency, account for \$108,928 of the YTD negative variance in the residential program budget.

Kentucky Power Company
Demand Side Management

ACTUAL EXPENSE:	January	February	YTD February	March	YTD March
Program Expense					
Commercial					
Commercial Incentive	\$16,764.93	\$524.33	\$17,289.26	\$0.00	\$17,289.26
Commercial High Efficiency Heat Pump/Air Conditioning	\$0.00	-\$2,550.00	-\$2,550.00	\$0.00	-\$2,550.00
General Administrative and Promotion Commercial	\$967.50	\$0.00	\$967.50	\$0.00	\$967.50
School Energy Manager	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Appliance Recycling	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Express Install	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
New Construction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Retro-Commissioning	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CI Prescriptive Custom	\$0.00	\$270,325.86	\$270,325.86	\$0.00	\$270,325.86
Commercial Total	\$17,732.43	\$268,300.19	\$286,032.62	\$0.00	\$286,032.62
Residential					
Residential Efficients Products	\$16,540.13	\$183,646.01	\$200,186.14	\$159,560.15	\$359,746.29
Mobile Home High Efficiency Heat Pump	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mobile Home New Construction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
High Efficiency Heat Pump	\$0.00	\$300.00	\$300.00	-\$300.00	\$0.00
Targeted Energy Efficiency	\$3,395.73	\$13,083.77	\$16,479.50	\$8,731.29	\$25,210.79
Modified Energy Fitness	\$151.20	\$0.00	\$151.20	\$0.00	\$151.20
Community Outreach Compact Fluorescent Lighting	\$0.00	\$0.00	\$0.00	\$5,970.43	\$5,970.43
Energy Education for Students	\$0.00	\$0.00	\$0.00	\$4,592.64	\$4,592.64
General Administrative and Promotion Residential	\$967.50	\$1,623.00	\$2,590.50	\$0.00	\$2,590.50
Residential Home Performance	\$0.00	\$0.00	\$0.00	\$444,250.00	\$444,250.00
Appliance Recycling	\$132.53	\$596.03	\$728.56	\$105.00	\$833.56
New Manufactured Homes	\$0.00	\$9,400.00	\$9,400.00	\$550.00	\$9,950.00
Whole House Efficiency	\$0.00	\$143,361.83	\$143,361.83	\$147,422.49	\$290,784.32
Residential Total	\$21,187.09	\$352,010.64	\$373,197.73	\$770,882.00	\$1,144,079.73
Program Expense Total	\$38,919.52	\$620,310.83	\$659,230.35	\$770,882.00	\$1,430,112.35

Budget - Case 2015-00271:	January	February	March	April	May	June	July	August	September	October	November	December
FORECAST EXPENSE												
Commercial												
Commercial Incentive	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial High Efficiency Heat Pump/Air Conditioning	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Administrative and Promotion Commercial	\$6,958	\$6,958	\$25,458	\$5,458	\$5,458	\$5,458	\$5,458	\$5,458	\$5,458	\$5,458	\$5,458	\$5,458
School Energy Manager	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$0	\$0	\$1,000	\$1,000	\$1,000
Appliance Recycling	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Express Install	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719	\$32,719
New Construction	\$0	\$0	\$8,921	\$8,921	\$8,921	\$8,921	\$8,921	\$8,921	\$8,921	\$8,921	\$0	\$0
Retro-Commissioning	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112	\$17,112
CI Prescriptive Custom	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332	\$85,332
Commercial Total	\$142,121	\$142,121	\$169,543	\$149,543	\$149,543	\$149,543	\$349,543	\$149,543	\$149,543	\$150,543	\$141,621	\$141,621
Residential												
Residential Efficient Products	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,258	\$94,008
Mobile Home High Efficiency Heat Pump	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mobile Home New Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
High Efficiency Heat Pump	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Targeted Energy Efficiency	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$30,207	\$20,138
Modified Energy Fitness	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Outreach Compact Fluorescent Lighting	\$0	\$5,001	\$10,002	\$6,668	\$6,668	\$10,002	\$5,251	\$10,252	\$6,668	\$5,001	\$1,917	\$250
Energy Education for Students	\$1,248	\$2,366	\$3,111	\$3,483	\$1,248	\$1,248	\$1,248	\$1,248	\$1,248	\$6,091	\$5,719	\$3,111
General Administrative and Promotion Residential	\$8,292	\$8,292	\$31,792	\$6,792	\$6,792	\$6,792	\$6,792	\$6,792	\$6,792	\$6,792	\$6,792	\$6,792
Residential Home Performance	\$808	\$808	\$445,058	\$808	\$808	\$51,058	\$808	\$808	\$51,058	\$808	\$808	\$51,058
Appliance Recycling	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$7,785	\$10,229
New Manufactured Homes	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292	\$14,292
Whole House Efficiency	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$122,263	\$121,748
Residential Total	\$279,152	\$285,271	\$758,767	\$286,555	\$284,320	\$337,904	\$282,903	\$287,904	\$334,570	\$287,496	\$284,040	\$321,625
FORECAST EXPENSE Total	\$421,273	\$427,392	\$928,310	\$436,098	\$433,863	\$487,447	\$632,446	\$437,447	\$484,113	\$438,039	\$425,661	\$463,247

Variance	January	February	YTD February	March	YTD March	YTD March
Commercial						
Commercial Incentive	\$16,765	\$524	\$17,289	\$0	\$17,289	\$0
Commercial High Efficiency Heat Pump/Air Conditioning	\$0	-\$2,550	-\$2,550	\$0	-\$2,550	\$0
General Administrative and Promotion Commercial	-\$5,991	-\$6,958	-\$12,949	-\$25,458	-\$38,408	\$39,375
School Energy Manager	\$0	\$0	\$0	\$0	\$0	\$0
Appliance Recycling	\$0	\$0	\$0	\$0	\$0	\$0
Express Install	-\$32,719	-\$32,719	-\$65,439	-\$32,719	-\$98,158	\$98,158
New Construction	\$0	\$0	\$0	-\$8,921	-\$8,921	\$8,921
Retro-Commissioning	-\$17,112	-\$17,112	-\$34,224	-\$17,112	-\$51,336	\$51,336
CI Prescriptive Custom	-\$85,332	\$184,994	\$99,662	-\$85,332	\$14,330	\$255,996
Commercial Total	-\$124,389	\$126,179	\$1,790	-\$169,543	-\$167,753	\$453,786
Residential						
Residential Efficients Products	-\$77,718	\$89,388	\$11,670	\$65,302	\$76,973	\$282,774
Mobile Home High Efficiency Heat Pump	\$0	\$0	\$0	\$0	\$0	\$0
Mobile Home New Construction	\$0	\$0	\$0	\$0	\$0	\$0
High Efficiency Heat Pump	\$0	\$300	\$300	-\$300	\$0	\$0
Targeted Energy Efficiency	-\$26,811	-\$17,123	-\$43,934	-\$21,475	-\$65,409	\$90,620
Modified Energy Fitness	\$151	\$0	\$151	\$0	\$151	\$0
Community Outreach Compact Fluorescent Lighting	\$0	-\$5,001	-\$5,001	-\$4,032	-\$9,033	\$15,003
Energy Education for Students	-\$1,248	-\$2,366	-\$3,614	\$1,482	-\$2,132	\$6,724
General Administrative and Promotion Residential	-\$7,324	-\$6,669	-\$13,993	-\$31,792	-\$45,785	\$48,375
Residential Home Performance	-\$808	-\$808	-\$1,617	-\$808	-\$2,425	\$446,675
Appliance Recycling	-\$7,653	-\$7,189	-\$14,842	-\$7,680	-\$22,523	\$23,356
New Manufactured Homes	-\$14,292	-\$4,892	-\$19,183	-\$13,742	-\$32,925	\$42,875
Whole House Efficiency	-\$122,263	\$21,099	-\$101,163	\$25,160	-\$76,003	\$366,788
Residential Total	-\$257,965	\$66,740	-\$191,225	\$12,115	-\$179,110	\$1,323,190
FORECAST EXPENSE Total	-\$382,354	\$192,919	-\$189,435	-\$157,428	-\$346,863	\$1,776,975