P.S.C. No. 17, First Revision to Original Sheet No. 86.8 Canceling P.S.C. No. 10, Original Sheet No. 86.8

Adjustment Clause

DSM

Demand-Side Management Cost Recovery Mechanism

Current Program Incentive Structures

Residential Load Management / Demand Conservation

Switch Option:

- \$5/month bill credit for June, July, August, and September per air conditioning unit or heat pump on single family home.
- \$2/month bill credit for June, July, August, and September per electric water heater (40 gallon minimum) or swimming pool pump on single family home.
- If new customer registers by December 31, 2016, then a \$25 gift card per airconditioning unit or heat pump, water-heater (40 gallon minimum) and/or swimming pool pump switch installed.
 - Customers in a tenant-landlord relationship will receive the entire \$25 new customer incentive.

Multi-family Option:

- Tenant \$2/month bill credit per customer for June, July, August, and September per air conditioning unit, heat pump, or electric water heater (40 gallon minimum).
- Entire Complex Enrollment Property owner receives \$2/month incentive per air conditioning or heat pump switch to the premise owner for June, July, August, and September.
- If new customer registers by December 31, 2016, then a \$25 gift card per airconditioning unit or heat pump installed, where:
 - Customers in a tenant/property owner relationship where the entire complex participates, the property owner will receive a \$25 bonus incentive per air conditioning unit, heat pump, or water heater (40 gallon minimum).
 - Customers in a tenant-landlord relationship where only a portion of the complex participates, the tenant will receive a \$25 gift card new customer incentive.

Residential Refrigerator Removal Program

012/30/16

The program provides \$50 per working refrigerator or freezer.

DATE OF ISSUE: July 20, 2015

- DATE EFFECTIVE: With Service Rendered On and After August 19, 2015
- ISSUED BY: /s/ Edwin R. Staton, Vice President State Regulation and Rates Lexington, Kentucky

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
Bunt Kirtley
EFFECTIVE
8/19/2015 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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Kentucky Utilities Company

P.S.C. No. 17, Third Revision of Original Sheet No. 86.10 Canceling P.S.C. No. 17, Second Revision of Original Sheet No. 86.10

DSM

Demand-Side Management Cost Recovery Mechanism

Monthly Adjustment Factors

Adjustment Clause

Residential Service Rate RS, Residential Time-of-Day Energy Service Rate RTOD-Energy, Residential Time-of-Day Demand Service Rate RTOD-Demand, and Volunteer Fire Department Service Rate VFD DSM Cost Recovery Component (DCR) DSM Revenues from Lost Sales (DRLS) DSM Incentive (DSMI) DSM Capital Cost Recovery Component (DCCR) DSM Balance Adjustment (DBA) Total DSMRC for Rates RS, RTOD-Energy, RTOD-Demand, and VFD	Energy Charge \$ 0.00172 per kWh \$ 0.00024 per kWh \$ 0.00008 per kWh \$ 0.00100 per kWh \$ (0.00051) per kWh \$ 0.00253 per kWh	
	\$ 0.00200 per kwii	
General Service Rate GS*	Energy Charge	
DSM Cost Recovery Component (DCR)	\$ 0.00102 per kWh	I
DSM Revenues from Lost Sales (DRLS)	\$ 0.00030 per kWh	I I
DSM Incentive (DSMI) DSM Capital Cost Recovery Component (DCCR)	\$ 0.00004 per kWh \$ 0.00026 per kWh	1
DSM Balance Adjustment (DBA)	\$ 0.00026 per kWh \$ <u>0.00012</u> per kWh	
Total DSMRC for Rate GS	\$ 0.00174 per kWh	I
		•
All Electric School Rate AES	Energy Charge	
DSM Cost Recovery Component (DCR)	\$ 0.00033 per kWh	I
DSM Revenues from Lost Sales (DRLS)	\$ 0.00009 per kWh	I
DSM Incentive (DSMI)	\$ 0.00001 per kWh	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00058 per kWh	
DSM Balance Adjustment (DBA)	\$(<u>0.00008)</u> per kWh	
Total DSMRC for Rate AES	\$ 0.00093 per kWh	I
Power Service Rate PS*, Time of Day Secondary Service		
Rate TODS*, Time-of-Day Primary Service Rate TODP*, and Retail Transmission Service Rate RTS*	Energy Charge	
DSM Cost Recovery Component (DCR)	Energy Charge \$ 0.00034 per kWh	I
DSM Cost Recovery Component (DCR) DSM Revenues from Lost Sales (DRLS)	\$ 0.00034 per kWh	I
DSM Revenues from Lost Sales (DRLS) DSM Incentive (DSMI)	\$ 0.00009 per kWh	I
DSM Incentive (DSM) DSM Capital Cost Recovery Component (DCCR)	\$ 0.00026 per kWh	1
DSM Balance Adjustment (DBA)	\$(0.00029)per kWh	
Total DSMRC for Rates PS, TODS, TODP and RTS	\$ 0.00042 per kWh	I

* These charges do not apply to industrial customers taking service under these rates because the Company currently does not offer industrial DSM programs.

DATE OF ISSUE: April 18, 2016

DATE EFFECTIVE: June 30, 2016

ISSUED BY: /s/ Robert M. Conroy, Vice President State Regulation and Rates Lexington, Kentucky

Issued by Authority of an Order of the Public Service Commission in Case No. 2015-00398 dated March 31, 2016

KENTUCKY PUBLIC SERVICE COMMISSION		
Aaron D. Greenwell ACTING EXECUTIVE DIRECTOR		
TARIFF BRANCH		
Bunt Kirtley		
EFFECTIVE		
6/30/2016 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)		