

LICKING VALLEY RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR ALL TERRITORY SERVED  
PSC KY NO. 034  
FIRST REVISED SHEET NO. 28.2  
CANCELLING P.S.C. KY NO. 34  
ORIGINAL SHEET NO. 28.2

Section DSM-6

Industrial Compressed Air Program



(SHEET CANCELLED)  
(RESERVED FOR FUTURE USE)


DATE OF ISSUE: FEBRUARY 27, 2019

DATE EFFECTIVE: MARCH 01, 2019

ISSUED BY:

  
Kerry K. Howard  
General Manager/CEO

By AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2019-00060 DATED FEBRUARY 27, 2019

<b>KENTUCKY</b> PUBLIC SERVICE COMMISSION
<b>Gwen R. Pinson</b> Executive Director 
EFFECTIVE <b>3/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

LICKING VALLEY RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR ALL TERRITORY SERVED  
PSC KY NO. 034  
FIRST REVISED SHEET NO. 28.3  
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Section DSM-6 (cont.)

Industrial Compressed Air Program

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KENTUCKY PUBLIC  
SERVICE COMMISSION

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P.S.C. No. 34  
Original Sheet No. 28.2

Licking Valley Rural Electric  
Cooperative Corporation

**Section DSM-6**

**Industrial Compressed Air Program**

**Purpose**

The Industrial Advanced Compressed Air Program is a program designed to reduce electricity consumption through a comprehensive approach to efficient production and delivery of compressed air in industrial facilities. The program includes (1) training of plant staff; (2) a detailed system assessment of the plant's compressed air system including written findings and recommendations; and (3) incentives for capital-intensive improvements.

**Availability**

This program is available to commercial and industrial facilities using electric compressed air applications located in all service territory served by EKPC.

**Eligibility**

To qualify for the Industrial Compressed Air Program, the customer must be on a retail industrial rate and must be a manufacturing operation with a compressed air system that is turned on during all the operating hours of the facility. The business must have been in operations for at least two years prior to January 1, 2011, and be current on its power bill payment to the Member System.

**Rebate**

If the customer reduces at least 60% of the compressed air leaks (CFMs), EKPC will reimburse through the Member System to the customer the cost of the original compressed air leakage audit up to \$5,000. The combination of the Member System lost revenue payment and the reimbursement of the compressed air leakage audit costs are limited to \$15,000 for any facility.

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR TARIFF BRANCH
<u>Burt Kirtley</u> EFFECTIVE <b>9/30/2011</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Licking Valley Rural Electric  
Cooperative Corporation

Section DSM-6 (con't)

Term

The Industrial Compressed Air Program is an ongoing program.

Verification Procedures

Determination of the amount of leakage reduction:

1. The leakage reduction will be determined by the measured reduction in compressed air leakage.
2. An ultrasonic compressed air leakage audit shall be performed and the results of this audit provided to the customer and EKPC. The report will contain an estimate of the amount of excess load in kW that the leaks are causing. The report will include a detail of leaks detected. The detail of leaks and the excess kW load will be based on the criteria for leak reporting.
3. Upon completion of repairs to the system, a follow-up ultrasonic compressed air leakage audit will be conducted for the documented leaks to measure the difference in the kW leakage load. The follow-up audit report will show the net kW leakage saved and results provided to the customer and EKPC. A lost revenue reimbursement will be paid to the Member System based on the difference in the kW leakage load and the cost of the original air-leakage audit will be reimbursed to the customer if a 60% reduction in CFMs air leakage is achieved.

Criteria for leak reporting:

1. The criteria for reporting leaks shall be at the discretion of the auditor. At a minimum the report must detail the leak location, decibels measured, CFM of air leakage, and kW leakage load for each leak and summed for the facility.
2. The basic rule is that leaks that do not exceed 30 decibels in ultrasonic noise will not be reported or counted in the leakage kW load.
3. Exceptions to the 30 decibels rule are as follows:
  - a. In a quiet environment with a minimal amount of compressed air, the minimum will drop to between 15 to 20 decibels.
  - b. In a high noise environment, especially with robotic welding, the minimum will be raised to 40 to 50 decibels.
  - c. Distance is also a factor. A 25 decibel leak in a trunk pipe in a 20-foot ceiling, in a noisy environment, will be documented and added to the leakage kW according to the distance.

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ISSUED BY

*Ray D. Haran*

TITLE General Manager

**JEFF DEROUEN**  
EXECUTIVE DIRECTOR

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Case No. 2011-00148 Dated September 30, 2011

TARIEF BRANCH

*Brent Kirtley*

EFFECTIVE

**9/30/2011**

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