

MEMORANDUM

TO: Member System CEOs
FROM: Anthony S. Campbell *asc*
DATE: January 30, 2019
SUBJECT: DSM Program Revisions

Today, EKPC filed with the Kentucky Public Service Commission (“PSC”), proposed tariffs that revise or eliminate certain DSM programs that are currently in effect. The proposed effective date for the tariff changes is March 1, 2019. Each of the DSM tariffs are voluntary in nature. None of the Cooperatives have a DSM Rider in effect, so there will be no change in the rates charged for electric service to any customer class. However, if the proposed tariffs are approved:

- The Heat Pump Retrofit Program will add ductless mini-splits as an eligible primary heat source. Other eligibility criteria will change and incentives will no longer be tied to AHRI ratings.
- The Button-Up Weatherization Program will no longer apply to installing higher efficiency windows and doors and program levels will be abolished in favor of a single incentive. A new standard for measuring attic insulations will be adopted.
- The Touchstone Energy Home Program will increase the minimum efficiency eligibility standard while retaining only two eligibility paths.
- The Residential Direct Load Control Program will no longer apply to new water heaters or any pool pumps and gives greater flexibility in providing the incentive to members.
- The Commercial Direct Load Control Program will now apply to heat pumps, but will no longer apply to new water heaters. Additional device communication requirements will apply.
- The ENERGY STAR® Manufactured Home Program will have a lower incentive payment now given directly to a qualifying member.

EKPC also proposes to eliminate the: (1) ENERGY STAR Appliance Program; (2) Appliance Recycling Program; (3) Commercial and Industrial Advance Lighting Program; (4) Industrial Compressed Air Program; and (5) HVAC Duct Seal Program, where applicable.

You may examine this tariff filing at the offices of EKPC located at 4775 Lexington Road, Winchester, Kentucky. This tariff filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission’s Web site at <http://psc.ky.gov> . Any comments regarding this tariff filing may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, P. O. Box 615, Frankfort, Kentucky 40602.

The proposals contained in this notice are the items being proposed by EKPC, however, the Public Service Commission may order programs that differ from the proposed programs contained in this notice. Each of EKPC's owner-members is eligible for the proposed tariff revisions or deletions. The proposed tariff revisions or eliminations do not amend or revise existing rates of EKPC and do not include any proposed new rates for EKPC. Consequently, an analysis of the amount of change in dollars and percentage change or the effect upon an average bill for each customer classification is not provided.

A person may submit a timely written request for intervention to the Public Service Commission, P. O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication or mailing of the notice, the Commission may take final action on the tariff filing.