

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42503

Cancelling P.S.C. KY NO. 7, 2nd REVISED SHEET R-33

RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – RESIDENTIAL 3(A)

PURPOSE

The Direct Load Control Program will encourage the reduction in growth of peak demand, enabling ~~the Company~~ *South Kentucky Rural Electric Cooperative Corporation* to utilize its system more efficiently, manage market purchases, and defer the construction of new generation.

AVAILABILITY

The Direct Load Control Program is available to residential ~~customers~~ *members* in the service territories of South Kentucky Rural Electric Cooperative Corporation and will include the control of *existing* water heaters, *existing and new* air conditioners and heat pumps, ~~and pool pumps.~~

Availability may be denied where, in the judgment of the South Kentucky Rural Electric Cooperative Corporation, installation of the load control equipment is impractical.

ELIGIBILITY

To qualify for this Program, the *new* participant must be located in the service territory of South Kentucky Rural Electric Cooperative Corporation and have:

- ~~40-gallon (minimum) electric water heating units, and/or~~
- Central air conditioning or heat pump units *with single-stage compressors,* ~~and/or~~
- ~~Pool pumps.~~

The above appliances may be electrically cycled or interrupted in accordance with the rules of this Tariff.

The participant may either own or rent the residence where the qualifying appliances are located. The residence may be either a single-family structure or a multi-family apartment facility.

The participant is responsible for obtaining the permission of the owner of ~~the~~ *a* rented residence to participate in the load control program. South Kentucky Rural Electric Cooperative Corporation may require that a rental property agreement be executed between South Kentucky Rural Electric Cooperative Corporation and the owner of the rented residence.

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President and Chief Executive Officer

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42503

Cancelling P.S.C. KY NO. 7, 2nd REVISED SHEET R-34

RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – RESIDENTIAL 3(A) (con't)

PROGRAM INCENTIVES

South Kentucky Rural Electric Cooperative Corporation will provide an incentive to the participants in this program for the following appliances.

Water Heaters - South Kentucky Rural Electric Cooperative Corporation will ~~reimburse~~ *provide* the participating residential member a \$10.00 *bill credit* per water heater annually *or may provide the incentive via other payment means including, but not limited to, a check.* The existing participant will receive this credit regardless of whether the water heater is actually controlled.

Air Conditioners and Heat Pumps - South Kentucky Rural Electric Cooperative Corporation will provide an incentive to the participants in this program. The participant may select one of ~~two~~ *three* alternatives, *if available*. The participant will receive one of these incentives regardless of whether the air conditioner or heat pump is actually controlled during any program month.

Alternative One: *For each direct load control switch, South Kentucky Rural Electric Cooperative Corporation will ~~reimburse~~ provide the participating residential member a \$20.00 bill credit annually or may provide the incentive via other payment means including, but not limited to, a check. ~~per air conditioner or heat pump (\$5 per summer months, June, July, August, and September).~~*

Alternative Two: *When technically feasible, South Kentucky Rural Electric Cooperative Corporation ~~will~~ may provide and install at no cost one or more digital Wi-Fi enabled thermostats as needed for control purposes; or South Kentucky Rural Electric Cooperative Corporation may provide a Wi-Fi enabled thermostat and a rebate up to \$100 to offset the member's cost to have the thermostat installed by the member's own heating and air-conditioning contractor. The member must sign-up each South Kentucky Rural Electric Cooperative Corporation provided thermostat within 60 days or return it to South Kentucky Rural Electric Cooperative Corporation or be billed by South Kentucky Rural Electric Cooperative Corporation for the cost of the thermostat. Wi-Fi enabled means any thermostat utilizing the Wi-Fi communication protocol or similar local networking communication protocols. The member must have a fixed location, reliable internet for communication. South Kentucky Rural Electric Cooperative Corporation will provide the participating residential member a \$20 bill credit per qualifying Wi-Fi enabled thermostat annually. ~~After the initial selection of one of the alternatives, the participant may change to the other alternative subject to the following conditions:~~*

- ~~From bill credits to digital thermostats – The change in alternative will be permitted in any month except for the summer months of June through September. In addition, the participant will pay 50 percent of the installed cost of each digital thermostat.~~
- ~~From digital thermostats to bill credits – The change in alternative will be permitted in any month except for the summer months of June through September. In addition, the participant will either reimburse EKPC through South Kentucky Rural Electric Cooperative Corporation, an amount equal to 50 percent of the original installed cost of each digital thermostat that was initially installed if the participant keeps the thermostat or pay 50 percent of the cost to remove each digital thermostat that was initially installed.~~
- ~~Only one change in incentive alternatives will be permitted during a 12-month period.~~

Alternative Three Pool Pumps - South Kentucky Rural Electric Cooperative Corporation will ~~reimburse~~ *provide* the participating residential member a \$20.00 *bill credit* per ~~pool pump~~ *qualifying Wi-Fi enabled thermostat provided by the member that controls an air conditioner or heat pump* annually *or may provide the incentive via other payment means including, but not limited to, a check.* *Wi-Fi enabled means any thermostat utilizing the Wi-Fi communication protocol or similar local networking communication protocols.* South Kentucky Rural Electric

Cooperative Corporation will provide a rebate up to \$100 to offset the member's cost to have the thermostat installed by the member's own heating and air-conditioning contractor. The member must have a fixed location, reliable internet for communication. (~~\$5.00 per summer month, June, July, August and September~~). The participant will receive this credit regardless of whether the pool pump is actually controlled.

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RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – RESIDENTIAL 3(A) (con't)

When the qualifying appliances are located in rental residences, program incentives will be paid to the participant, regardless of whether the participant owns or rents the residence where the qualifying appliances are located. Nothing contained in this Tariff will prohibit a further disposition of the program incentive between the participant and the owner of a rented residence.

PROGRAM SPECIAL INCENTIVES

South Kentucky Rural Electric Cooperative Corporation will provide a special incentive up to \$25.00 for new participants that install a load control switch on qualifying ~~electric water heaters~~, air conditioners and heat pumps, ~~and or pool pumps~~ *utility supplied Wi-Fi enabled thermostat or member supplied Wi-Fi enabled thermostat*. This one time incentive will be in the form of a bill credit on the electric bill following the switch installation *or maybe provided via other payment means including, but not limited to, a check.*

TIME PERIODS FOR DIRECT LOAD CONTROL PROGRAM

~~Water Heaters~~ - ~~A load control switch will be placed on the water heater and~~ *Existing load control switches* may be electrically interrupted for a maximum time period of six (6) hours *per event* during the May through September months indicated below and for a maximum time period of (4) four *per event* hours during the October through April months indicated below.

EKPC will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing – EPT</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

~~Air Conditioners and Heat Pumps~~ - A load control device (switch or *Wi-Fi enabled thermostat*) will be placed on each central air conditioning unit or heat pump that will allow the operating characteristics of the unit to be modified to reduce demand on the system. Communication to the load control device will be accomplished via ~~AMR or, AML or Wi-Fi or similar communication technologies~~.

EKPC will control the air conditioning units and heat pumps only during its summer on-peak billing hours listed below *and up to (4) four hours per event*.

<u>Months</u>	<u>Hours Applicable for Demand Billing – EPT</u>
May through September	10:00 a.m. to 10:00 p.m.

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RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – RESIDENTIAL 3(A) (con't)

~~Pool Pumps – A load control switch will be placed on the pool pump and may be controlled for a six hour curtailment during on peak days May through September. In addition, there may be a 50 percent cycling for the ensuing 2 hour recovery period to prevent creating a new peak.~~

TERMS AND CONDITIONS

1. Prior to the installation of load control devices, South Kentucky Rural Electric Cooperative Corporation may inspect the participant's electrical equipment to insure good repair and working condition, but ~~the~~ South Kentucky Rural Electric Cooperative Corporation shall not be responsible for the repair or maintenance of the electrical equipment.
2. EKPC, on behalf of South Kentucky Rural Electric Cooperative Corporation, will install, *in some cases*, own, and maintain the load management devices controlling the participant's air conditioner, or heat pump, ~~or water heater for Alternatives One and Two as noted in this tariff.~~ The participant must allow ~~the~~ South Kentucky Rural Electric Cooperative Corporation, or their representative, reasonable access to install, maintain, inspect, test and remove load control devices. Inability of ~~the~~ South Kentucky Rural Electric Cooperative Corporation to gain access to the load management device to perform any of the above activities for a period exceeding *thirty (30) days* may, at ~~the~~ South Kentucky Rural Electric Cooperative Corporation's option, result in discontinuance of credits under this Tariff until such time as ~~the~~ South Kentucky Rural Electric Cooperative Corporation is able to gain the required access.
3. Participants may join the program at any time during the year. ~~Participants with water heaters and/or pool pumps will receive the first annual incentive within 12 months after the installation of the load control device. Participants with air conditioning or heat pump units who join during the months of June through September can select an incentive alternative as described in this Tariff. If the bill credit incentive is selected, bill credits incentives will be provided annually. will not begin until after the installation of the load control device and continue for the months remaining in the June to September time period for that year.~~
4. If a participant decides to withdraw from the program or change incentive alternatives, ~~the~~ South Kentucky Rural Electric Cooperative Corporation will endeavor to implement the change as soon as possible.
5. If a participant decides to withdraw from the program, the participant may not apply to rejoin the program for a period of *six (6) months*. Returning participants for air conditioning and heat pump units will be required to initially select the bill credit alternative, but may change alternatives later as described in this Tariff.

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RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – COMMERCIAL 3(B)

PURPOSE

The Direct Load Control Program will encourage the reduction in growth of peak demand, enabling ~~EKPC~~ *South Kentucky Rural Electric Cooperation Corporation* to utilize its system more efficiently, manage market purchases, and defer the construction of new generation.

AVAILABILITY

The Direct Load Control Program is available to commercial customers in the service territories of South Kentucky Rural Electric Cooperative Corporation and will include the control of air conditioners and water heaters.

Availability may be denied where, in the judgment of South Kentucky Rural Electric Cooperative Corporation, installation of the load control equipment is impractical.

ELIGIBILITY

To qualify for this Program, the *new* participant must be located in the service territory of South Kentucky Rural Electric Cooperative Corporation and have a central air conditioning *or heat pump* unit and/or a 40-gallon (minimum) electric water heating unit. The appliance may be electrically cycled or interrupted in accordance with the rules of this Tariff.

The participant is responsible for obtaining the permission of the commercial property owner to participate in the load control program. South Kentucky Rural Electric Cooperative Corporation may require that a rental property agreement be executed between ~~the Member System~~ *South Kentucky Rural Electric Cooperative Corporation* and the owner of the rented commercial property.

PROGRAM INCENTIVES

South Kentucky Rural Electric Cooperative Corporation will provide an incentive to the participants in this program for the following appliances.

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RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – COMMERCIAL 3(B) (con't)

Air Conditioners and Heat Pumps - The incentive will be based on the tonnage of the air conditioning unit. Units up to and including five (5) tons will receive a ~~monthly~~ credit of ~~\$5.00~~ 20.00 per unit. Units over five (5) tons will receive an additional ~~monthly~~ credit of ~~\$1.00~~ 4.00 per ton per unit. South Kentucky Rural Electric Cooperative Corporation will ~~reimburse~~ provide the participating commercial member at the applicable incentive credit, ~~or may provide the incentive via other payment means including, but not limited to, a check.~~ during the months of ~~June through September~~. The participant will receive the incentive regardless of whether the air conditioner is actually controlled during any program month.

Water Heaters - South Kentucky Rural Electric Cooperative Corporation will ~~reimburse~~ provide the ~~existing~~ participating commercial member \$10.00 per water heater annually ~~or may provide the incentive via other payment means including, but not limited to, a check.~~ The participant will receive this credit regardless of whether the water heater is actually controlled.

TIME PERIOD FOR DIRECT LOAD CONTROL PROGRAM

Air Conditioners and Heat Pumps. A load control device will be placed on each central air conditioning unit ~~or heat pump~~ that will allow the operating characteristics of the unit to be modified to reduce demand on the system. ~~If available, the member's utility may provide a Wi-Fi enabled thermostat for program participation. The member must have internet for communication.~~ Communication to the load control device ~~or thermostat~~ will be accomplished via AMR, ~~or~~ AMI ~~or Wi-Fi or similar communication technologies.~~

EKPC will control the air conditioning units only during its summer on-peak billing hours listed below ~~and up to four (4) hours per event.~~

<u>Months</u>	<u>Hours Applicable for Demand Billing - EPT</u>
May through September	10:00 a.m. to 10:00 p.m.

~~Water Heaters. A load control switch will be placed on the water heater and Existing load control switches may be electrically interrupted for a maximum time period of six (6) hours per event during the May through September months indicated below and for a maximum time period of four (4) hours per event during the October through April months indicated below.~~

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RULES AND REGULATIONS

SECTION DIRECT LOAD CONTROL PROGRAM - DSM – COMMERCIAL 3(B) (con't)

EKPC will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EPT</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

TERMS AND CONDITIONS

1. Prior to the installation of load control devices, South Kentucky Rural Electric Cooperative Corporation may inspect the participant's electrical equipment to insure good repair and working condition, but ~~the~~ South Kentucky Rural Electric Cooperative Corporation shall not be responsible for the repair or maintenance of the electrical equipment.
2. EKPC on behalf of South Kentucky Rural Electric Cooperative Corporation, will install, *in some cases*, own, and maintain the load management devices controlling the participant's air conditioner ~~unit or heat pump water heater~~. The participant must allow South Kentucky Rural Electric Cooperative Corporation, or their representative, reasonable access to install, maintain, inspect, test and remove load control devices. Inability of South Kentucky Rural Electric Cooperative Corporation to gain access to the load management device to perform any of the above activities for a period exceeding ~~thirty~~ 30 days may, at South Kentucky Rural Electric Cooperative Corporation's option, result in discontinuance of credits under this tariff until such time as South Kentucky Rural Electric Cooperative Corporation is able to gain the required access.
3. Participants may join the program at any time during the year. Participants with air conditioning *or heat pumps* who join during the months of June through September will receive *the* bill credits *annually*. ~~beginning after the installation of the load control device and continuing for the months remaining in the June to September time period for that year. Participants with water heaters will receive the first annual incentive within 12 months after the installation of the load control device.~~
4. If a participant decides to withdraw from the program, South Kentucky Rural Electric Cooperative Corporation will endeavor to implement the withdrawal as soon as possible. If a participant decides to withdraw from the program, the participant may not apply to rejoin the program for a period of six (6) months

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CLASSIFICATION OF SERVICE

TOUCHSTONE ENERGY HOME

SECTION-DSM -2

PURPOSE

In an effort to improve new residential home energy performance, South Kentucky Rural Electric Cooperative Corporation has designed the Touchstone Energy Home Program. This program provides guidance during the building process to guarantee a home that is ~~>15-20~~ $\geq 25-30\%$ more efficient than the Kentucky standard built home. The standard built new home in rural Kentucky typically receives a ~~100~~ 105 on the Home Energy Rating System ("HERS") Index. ~~A HERS Index Score of 100 means the home is built to only moderate levels of efficiency—generally the 2004 International Energy Conservation Code ("IECC").~~

AVAILABILITY

This program is available to residential members/owners served by South Kentucky Rural Electric Cooperative Corporation.

ELIGIBILITY

To qualify as a Touchstone Energy Home under South Kentucky Rural Electric Cooperative Corporation program, the participating single-family home must be located in the service territory of South Kentucky Rural Electric Cooperative Corporation and must meet the program guidelines following one of the ~~three~~ two available paths of approval. Multi-family dwellings pre-approved by East Kentucky Power Cooperative, Inc. may be eligible.

PRESCRIPTIVE PATH

- Home must meet each efficiency value as prescribed by South Kentucky Rural Electric Cooperative Corporation.
- Home must receive pre-drywall inspection and complete South Kentucky Rural Electric Cooperative Corporation's pre-drywall checklist (contact the Energy Advisor at South Kentucky Rural Electric Cooperative Corporation for a copy of the checklist)
- Home must receive a final inspection, pass a whole house air leakage test (~~<7~~ air changes per hour @50 pascals), and duct leakage test (~~<10%~~ of the fan's rated capacity).
- Primary source of heat must be an Air Source Heat Pump ≥ 14 ~~Seasonal Energy Efficiency Ratio ("SEER")/8.2~~ Heating Seasonal Performance Factor ("HSPF") or Geothermal current ENERGY STAR[®] specification for Seasonal Energy Efficiency Ratio "SEER" and Heating Season Performance Factor "HSPF" or Geothermal.
- Water Heater must be an electric storage tank water heater that is $\geq .90$ ~~Energy Factor (EF)~~ current Energy and Water conservation standards established by the Federal Department of Energy "DOE".

PERFORMANCE PATH LEVEL #1

- Home must receive a HERS Index score between 80-85 (15-20% more efficient than the KY standard built home)
- Home must receive pre-drywall inspection and complete South Kentucky Rural Electric Cooperative Corporation's pre-drywall checklist (contact the Energy Advisor at South Kentucky Rural Electric Cooperative Corporation for a copy of the checklist)

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CLASSIFICATION OF SERVICE

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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~~BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00148
DATED SEPTEMBER 30, 2011~~

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SOMERSET, KENTUCKY 42504

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CLASSIFICATION OF SERVICE

SECTION DSM-6 (con't)

**INDUSTRIAL COMPRESSED
AIR PROGRAM**

TERM

The Industrial Compressed Air Program is an ongoing program.

VERIFICATION PROCEDURE

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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Cancelling P.S.C. KY NO. 7, 1st REVISED SHEET NO. T-33

CLASSIFICATION OF SERVICE

BUTTON-UP WEATHERIZATION PROGRAM

SECTION DSM - 7

PURPOSE

The Button-Up Weatherization Program offers an incentive for reducing the heat loss of a home. The retail member may qualify for this incentive by improving *attic* insulation, ~~installing higher efficiency windows and doors, or by~~ *and* reducing the air leakage of their home.

AVAILABILITY

This program is available to residential members/~~owner~~ served by South Kentucky Rural Electric Cooperative Corporation.

ELIGIBILITY

This program is targeted at older single-family, multi-family or manufactured dwellings. Eligibility requirements are:

- Home must be 2 years old or older to qualify for the incentive.
- Primary source of heat must be electricity.
- ~~Eligible dwellings may qualify for one of four levels:~~

BUTTON UP LEVEL I

~~The insulation portion of the Button Up incentive will promote the reduction of energy usage on the part of the retail member/owner by providing an incentive of \$40 per one thousand British thermal unit per hour (Btuh) reduced, up to \$520 resulting from improved insulation or installing higher efficiency windows or doors. Heat loss calculation of Btuh reduced will be made by South Kentucky Rural Electric Cooperative Corporation using either Manual J 8th Edition or through other methods approved by East Kentucky Power Cooperative (EKPC). Heat loss calculations in Btuh are based on the winter design temperature.~~

BUTTON UP LEVEL I W/ AIR SEALING

~~The air sealing portion of the Button Up incentive will promote the reduction of energy usage through air sealing on the part of retail members/owners. Typical air sealing could include caulking, improved weather stripping, sealing attic accesses, etc. To receive this incentive either an EKPC approved contractor or South Kentucky Rural Electric Cooperative Corporation representative must perform a "pre" and "post" blower door test to measure actual Btuh reduced. This portion of the Button Up incentive will also pay \$40 per thousand Btuh's reduced and increases the Button Up Level I maximum incentive to \$750.~~

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CLASSIFICATION OF SERVICE

BUTTON-UP WEATHERIZATION PROGRAM

SECTION DSM - 7 (con't)

The attic insulation portion of the Button Up incentive will promote the reduction of energy usage on the part of the members. Heat loss calculation of Btuh reduced will be made by using either the Manual J 8th Edition or through other methods approved by EKPC. Heat loss calculations in Btuh are based on the winter design temperature. In order to receive an incentive for attic insulation, an air seal must be completed.

INCENTIVES

The Button Up incentive will pay a total payment of \$40 per thousand Btuh reduced to the member up to the maximum rebate incentive of \$750.

BUTTON UP LEVEL II

~~The Button Up Level II portion of this incentive will promote energy conservation through a whole house approach. This level of incentive is targeted at retail members/owners experiencing high energy bills as a result of excessive heat loss from multiple causes. The incentive promotes the member to address all of the problems in their home at one time. Retail members who reduce their home's energy needs by 26,500 Btuh are eligible for the full Button up Level I Air Seal incentive plus an additional \$310 for a total of \$1,060. To receive this incentive either an EKPC approved contractor or South Kentucky Rural Electric Cooperative Corporation representative must perform a "pre" and "post" inspection/blower door and duct leakage test of the home to measure actual Btuh reduced. Each home must meet minimum requirements as determined by South Kentucky Rural Electric Cooperative Corporation.~~

Button Up Level III

~~The Button Up Level III portion of this incentive will promote energy conservation through a whole house approach. This level of incentive is targeted at retail members/owners experiencing extremely high energy bills as a result of excessive heat loss from multiple causes. The incentive promotes the member to address all of the problems in their home at one time. Retail members who reduce their home's energy needs by 34,250 Btuh are eligible for the full Button up Level I Air Seal incentive plus an additional \$620 for a total of \$1,370. To receive this incentive either an EKPC approved contractor or South Kentucky Rural Electric Cooperative Corporation representative must perform a "pre" and "post" inspection/blower door and duct leakage test of the home to measure actual Btuh reduced. Each home must meet minimum requirements as determined by South Kentucky Rural Electric Cooperative Corporation.~~

BUTTON UP LEVEL I INCENTIVE

~~South Kentucky Rural Electric Cooperative Corporation will provide an incentive to residential members/owners of \$40 per one thousand Btuh reduced, up to \$520. A blower door test is not required to receive this incentive up to the maximum incentive of \$520.~~

BUTTON UP LEVEL I WITH AIR SEALING INCENTIVE

~~South Kentucky Rural Electric Cooperative Corporation will provide an incentive to residential members/owners of \$40 per one thousand Btuh reduced, up to \$750. To qualify for the increased maximum incentive of \$750 as noted herein, a blower door test is required.~~

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CLASSIFICATION OF SERVICE

BUTTON-UP WEATHERIZATION PROGRAM

SECTION DSM - 7(con't)

BUTTON UP LEVEL II INCENTIVE

~~South Kentucky Rural Electric Cooperative Corporation will provide an incentive of \$1,060 to residential members/owners who reduce their home's energy needs by 26,500 Btuh. To qualify for the increased maximum incentive as noted herein, the home must pass a blower door test, duct leakage test, and meet the minimum program requirements.~~

BUTTON UP LEVEL III INCENTIVE

~~South Kentucky Rural Electric Cooperative Corporation will provide an incentive of \$1,370 to residential members/owners who reduce their home's energy needs by 34,250 Btuh. To qualify for the increased maximum incentive as noted herein, the home must pass a blower door test, duct leakage test, and meet the minimum program requirements.~~

TERM

The program is an ongoing program.

DATE OF ISSUE: ~~November 30, 2012~~

January 30, 2019

DATE EFFECTIVE: ~~Service rendered on and after January 1, 2013~~

March 1, 2019

ISSUED BY:

President & Chief Executive Officer

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42503

Cancelling P.S.C. KY NO. 7, 1st REVISED SHEET NO. T-35

CLASSIFICATION OF SERVICE

HEAT PUMP RETROFIT PROGRAM

SECTION DSM-8

PURPOSE

The Heat Pump Retrofit Program provides incentives for residential members/~~owners~~ to replace their existing resistance heat source with a heat pump.

AVAILABILITY

This program is available to residential members/~~owners~~ served by South Kentucky Rural Electric Cooperative Corporation.

ELIGIBILITY

This program is targeted to ~~retail~~ members/~~owners~~ who currently heat their home with a resistance heat source; this program is targeted to site built homes, manufactured homes, and multi-family dwellings. Eligibility requirements are:

- Incentive only applies when homeowner's primary source of heat is an electric resistance heat furnace, ceiling cable heat, ~~or~~ baseboard heat, ~~or~~ *electric thermal storage*.
- Existing heat source must be at least 2 years old.
- New manufactured homes are eligible for the incentive.
- ~~Air-Conditioning, Heating, and Refrigeration Institute ("AHRI") ratings may range as follows: Seasonal Energy Efficiency Ratio ("SEER") minimum 13; Heating Seasonal Performance Factor ("HSPF") minimum 7.5.~~
- *Two (2) maximum incentive payments per location, per lifetime for centrally ducted systems.*
- *Ducted and Ductless mini-splits applying for the incentive will be incentivized at a rate of \$250 per indoor head unit up to a maximum of three head units per location, per lifetime.*
- *Participants in the Heat Pump Retrofit Program are not eligible for participation in the ENERGY STAR[®] Manufactured Home Program.*

INCENTIVES

Homeowners replacing their existing resistance heat source with a heat pump will qualify for the following incentive based on the AHRI ~~Rating~~ *equipment type*:

<u>Equipment Type</u>	<u>Rebate</u>
<i>Centrally Ducted Systems:</i>	
<i>Current Energy Conservation Standard established by the Federal Department of Energy "DOE"</i>	\$500
<i>Current ENERGY STAR[®] level equipment or greater</i>	\$750
<i>Mini Split System:</i>	
<i>Ducted or Ductless Mini-splits ENERGY STAR[®] Level equipment or greater</i>	\$250

<u>AHRI RATING</u>	<u>INCENTIVE TO MEMBER</u>
13 SEER 7.5 HSPF	\$500
14 SEER 8.0 HSPF	\$750
≥15 SEER ≥8.5 HSPF	\$1,000

TERM

The program is an ongoing program.

DATE OF ISSUE: ~~November 30, 2012~~ *January 30, 2019*

DATE EFFECTIVE: ~~Service rendered on and after January 1, 2013~~ *March 1, 2019*

ISSUED BY:
President & Chief Executive Officer

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42504

Canceling P.S.C. KY NO. 7, ORIGINAL SHEET NO. 36

CLASSIFICATION OF SERVICE

HVAC DUCT SEALING PROGRAM

SECTION DSM-9

PURPOSE

The HVAC Duct Sealing Program offers blower door tests to evaluate and identify costly duct leaks and an incentive to seal leaking ductwork either with traditional mastic sealers or with the *Aeroseal* duct-sealing program. Duct losses are to be reduced to 10% or less, and duct loss measurement requires the use of a blower door test and the blower door subtraction method—and / or by using a duct blaster.

AVAILABILITY

This program is available to residential members in all service territory served by South Kentucky RECC.

ELIGIBILITY

This program is targeted at any single-family or multi-family dwelling using an electric furnace or electric heat pump. Eligibility requirements are:

- Limited to homes that have centrally ducted heating systems in unconditioned areas, using only electricity as a fuel source.
- Duct system must be 2 years old or older.
- Initial duct leakage must test greater than 10% of the fan's rated capacity.
- Contractor or Co-op Representative are required to conduct a "pre" and "post" blower door test to verify reductions. Only contractors trained or approved by EKPC may be used.
- Duct leakage per system must be reduced to below 10% of the fan's rated capacity (assuming 400cfm per ton, ex. 2 ton system = 800 cfm, thus duct leakage must be reduced to 80cfm or less). If duct system cannot be reduced to 10% of fan's rated capacity, contractor is expected to provide a detailed justification.
- All joints in the duct system must be sealed with foil tape and mastic. Foil tape alone does not qualify as properly sealing the duct system.
- For homes that have two separately ducted heat systems, each system will qualify independently for the incentive.

INCENTIVE

South Kentucky RECC will provide a \$250 incentive to residential members (or contractor) that meets the Eligibility requirements listed above. The member will pay a \$75.00 fee at the time of request and will receive a \$75.00 credit if the appointment is kept and the work completed.

TERM

The program is an ongoing program.

DATE OF ISSUE: April 30, 2012

January 30, 2019

DATE EFFECTIVE: May 31, 2012

March 1, 2019

ISSUED BY:

President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE

COMMISSION IN CASE NO. 2011-00148

DATED NOVEMBER 29, 2011

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42504

Cancelling P.S.C. KY NO. 7, ORIGINAL SHEET NO. T-37.20

CLASSIFICATION OF SERVICE

**ENERGY STAR APPLIANCES
PROGRAM**

SECTION DSM-12

PURPOSE

The South Kentucky Rural Electric Cooperative Corporation ENERGY STAR® Appliances Program offers an incentive for reducing the energy consumed by household appliances. The end-use cooperative member ("end-use member") may qualify for this incentive (rebate) by purchasing an ENERGY STAR® qualifying appliance type listed in this tariff.

AVAILABILITY

This program is available in all territories served by South Kentucky Rural Electric Cooperative Corporation.

ELIGIBILITY

This program is targeted to new single or multi-family homes, existing single or multi-family homes or manufactured homes purchasing ENERGY STAR® appliances. Eligibility requirements are detailed below and are available at South Kentucky RECC and on South Kentucky's website.

- Product must be certified by EPA as an ENERGY STAR® Appliance. Eligible models can be found on ENERGYSTAR.GOV.
- Product must be purchased after January 2, 2015.
- Product must be fully installed and operational.
- Rebate application must be completed and original receipt or copy must be provided for verification.
- Receipt must include the following information:
 - Retailer's Name
 - Itemized listing of product(s), including description(s), manufacturer(s), model number(s) or other identifying information. The receipt information must match the product information from the rebate application.
 - Purchase price and proof that full payment was made
 - Purchase date and date of delivery or installment (if installed by a contractor)

DATE OF ISSUE: ~~JANUARY 2, 2015~~ *January 30, 2019*

DATE EFFECTIVE: ~~FEBRUARY 2, 2015~~ *March 1, 2019*

ISSUED BY:
President & Chief Executive Officer

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42504

Cancelling P.S.C. KY NO. 7, ORIGINAL SHEET NO. T-37.21

CLASSIFICATION OF SERVICE

ENERGY STAR APPLIANCES PROGRAM

SECTION DSM-12 (con't)

- ~~For new construction, a SKRECC energy advisor ("energy advisor") may enter the rebate application on behalf of the end-use member. For an application entered by the energy advisor, the application must be accompanied by a picture of the appliance model number and serial number. Rebate applications for new constructions without a receipt will only be accepted through an energy advisor.~~

Refrigerators & Freezers

- ~~Refrigerators must be greater than 7.75 cubic feet in capacity.~~
- ~~End-use members may apply for one ENERGY STAR® certified refrigerator and one ENERGY STAR® certified freezer rebate per calendar year per member metered account. A maximum of two rebates within this appliance category (Refrigerators and Freezers) will be allowed per metered account.~~

Dishwashers

- ~~End-use members may apply for one ENERGY STAR® certified dishwasher rebate per premise/location per calendar year. A maximum of two rebates within this appliance category (Dishwashers) will be allowed per premise/location.~~

Clothes Washers

- ~~End-use members may apply for one ENERGY STAR® certified clothes washer rebate per calendar year per metered account. A maximum of two rebates within this appliance category (Clothes Washers) will be allowed per metered account.~~

Heat Pump Water Heaters

- ~~End-use members may apply for two ENERGY STAR® certified heat pump water heater rebates per calendar year per premise/location. A maximum of four rebates within this appliance category (Heat Pump Water Heaters) will be allowed per premise/location.~~

DATE OF ISSUE: ~~JANUARY 2, 2015~~ *January 30, 2019*

DATE EFFECTIVE: ~~FEBRUARY 2, 2015~~ *March 1, 2019*

ISSUED BY:
President & Chief Executive Officer

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42504

Cancelling P.S.C. KY NO. 7, ORIGINAL SHEET NO. T-37.22

CLASSIFICATION OF SERVICE

ENERGY STAR APPLIANCES

SECTION DSM-12 (con't)

PROGRAM

Air Conditioners and Heat Pumps

- ~~Rebate application must be completed, signed and returned with an original or copy of the receipt and the AHRI certificate obtained from the HVAC installer.~~
 - ~~AHRI certificate must list model numbers for the condenser unit (outside unit) and evaporator coil (indoor unit).~~
- ~~End-use members may apply for up to three ENERGY STAR® certified heat pump or air conditioner rebates per calendar year per premise/location. A maximum of six (6) rebates within this appliance category (Air Conditioners and Heat Pumps) will be allowed per premise/location.~~

LANDLORD/TENANT RELATIONSHIPS:

~~Notwithstanding the forgoing, a landlord who rents to a tenant who is an end-use member of South Kentucky shall also be eligible to participate in the ESAP program regardless of whether said landlord is also an end-use member of South Kentucky. A landlord may be eligible for the same number of incentives per calendar year as a metered tenant end-use member.~~

PAYMENTS

~~South Kentucky will provide an incentive (rebate) payment to the end-use member as noted in the following table:~~

Appliances	End-Use Member Rebate
Refrigerator	\$100
Freezer	\$50
Dishwasher	\$50
Clothes Washer	\$75
Heat Pump Water Heater	\$300
Air Source Heat Pump	\$300
Air Conditioner (Central)	\$300

TERM

~~The program is an ongoing program.~~

DATE OF ISSUE: ~~JANUARY 2, 2015~~ *January 30, 2019*

DATE EFFECTIVE: ~~FEBRUARY 2, 2015~~ *March 1, 2019*

ISSUED BY:

President & Chief Executive Officer