

Demand Side Management and Renewable Energy Collaborative

*2013 Annual Report*



# Collaborative's Purpose

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“The purpose of the Collaborative shall be to evaluate and recommend actions to expand deployment of renewable energy and demand-side management, and to promote collaboration among the Parties in the implementation of those ideas. ... The Collaborative shall use [study results] to evaluate potential sources of renewable energy for use on EKPC's system along with demand-side management strategies, and recommend which would be commercially applicable, financially beneficial and viable for EKPC's customers.”

- *From the charter of the East Kentucky Power Cooperative  
Demand-Side Management and Renewable Energy Collaborative*

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# About the EKPC Demand Side Management and Renewable Energy Collaborative

*By Tona Barkley, Collaborative Vice Chairwoman  
& Nick Comer, EKPC*



The EKPC Demand Side Management and Renewable Energy Collaborative is a joint project of East Kentucky Power Cooperative (EKPC), its 16 owner-member distribution cooperatives, the Sierra Club, the Kentucky Environmental Foundation and Kentuckians For The Commonwealth.

The group met over a two-and-a-half year period to evaluate and recommend actions for EKPC to expand deployment of renewable energy and demand-side management, and to promote collaboration among participants in the implementation of those ideas. Demand-side management (DSM) refers to programs designed to encourage consumers to improve energy efficiency and modify their pattern of electricity usage.

The Collaborative was established following EKPC's decision in late 2010 to cancel plans to construct a coal-fueled power plant in Clark County, Ky., due to changing economic conditions. In cancelling the plant, EKPC entered a settlement agreement which set the framework for the Collaborative. The agreement also called for a group of environmentalist organizations to drop eight litigation matters and other regulatory challenges against EKPC targeting coal-fueled plants.

The Collaborative's DSM Work Group has reviewed: EKPC's current offerings and participation levels in DSM/direct load control programs; best practices in DSM; on-bill financing for DSM investments; revenue impact of DSM programs on distribution cooperatives; rate treatment of DSM programs, including rate design; job-creation potential of energy efficiency programs; and use of home-energy displays and emerging technologies to facilitate energy efficiency.

The Renewable Energy Work Group has reviewed: renewable technologies with the greatest economic viability; methods for

cost recovery; and impacts on ratepayers.

The Collaborative is made up of representatives of 17 electric cooperatives, three environmental advocacy organizations and other interested stakeholders. Members include:

- Appalachia - Science in the Public Interest – Andy McDonald
- Big Sandy RECC – Jeff Prater
- Blue Grass Energy Cooperative – Mike Williams
- Clark Energy Cooperative – Scott Sidwell
- Cumberland Valley Electric – Robert Tolliver
- East Kentucky Power Cooperative – Scott Drake
- Farmers RECC – Chuck Bishop
- Fleming-Mason Energy – Joni Hazelrigg
- Frontier Housing – Josh Trent
- Grayson RECC – Kim Bush
- Inter-County Energy Cooperative – David Phelps
- Jackson Energy Cooperative – Sharon Carson
- Kentuckians For The Commonwealth – Steve Wilkins
- Kentucky Environmental Foundation – Elizabeth Crowe
- Licking Valley RECC – Maudie Nickell
- Mountain Association for Community Economic Development – Carrie Ray



**COLLABORATIVE**

**Front row, from left:** Sara Pennington, Steve Wilkins, Candi Waford, Elizabeth Crowe, Josh Bills

**Middle row, from left:** Sharon Carson, Chuck Bishop, Vice-Chair Tona Barkley, Ginger Watkins, Kim Bush, Maudie Nickell, Ann Beard, Rick Ryan

**Back row, from left:** Mark Stallons, Chairman David Crews, Scott Drake, Mike Williams, Wallace McMullen, Larry Hicks, David Phelps, Alan Coffey

**Not pictured:** Tom Carew, Jay Hampton, Joni Hazelrigg, Jeff Prater, Scott Sidwell

- Nolin RECC – Rick Ryan
- Office of the Kentucky Attorney General – Dennis Howard/Larry Cook
- Owen Electric Cooperative – Mark Stallons
- Salt River Electric – Larry Hicks
- Shelby Energy Cooperative – Candi Waford
- Sierra Club – Wallace McMullen
- South Kentucky RECC – Alan Coffey
- Taylor County RECC – Ann Beard
- Member At Large – Ginger Watkins
- Gallatin Steel was invited to participate.

In addition to the above decision-making members, the following individuals were added to the work groups with the approval of the chair and vice chair:

- Renewables Work Group: David Kinloch-Brown (Soft Energy), Lauren McGrath (Sierra Club),
- Economics & Rates Work Group: Isaac Scott (EKPC) and Ann Wood (EKPC)
- DSM Work Group: Sara Pennington (KFTC)

The Collaborative chairman, named by EKPC, is David Crews, and the Vice Chair, named by the public interest groups, is Tona Barkley.

# Summary of 2nd Year Collaborative Meetings and Renewable Energy

*By Tona Barkley, Collaborative Vice Chairwoman*



The fifth meeting of the Collaborative was held April 17, 2012, at Eastern Kentucky University in Richmond, Ky. Following an update from the Renewable Energy (RE) Work Group, the attendees turned to a recommendation from the Demand Side Management (DSM) Work Group that had been sent back for rewrite by the Collaborative at its January meeting. The rewritten recommendation on Overcoming Barriers and Challenges was presented and approved by consensus.

The group then reviewed a draft of the first-year annual report and discussed steps to complete the Collaborative's work in the second year. Steve Wilkins gave a report on feedback received at the Collaborative's first public forum, which was held April 9, 2102 in Morehead, Ky. The topic of that forum was demand side management/energy efficiency. The group also heard an update on the progress of the market research being conducted for the Collaborative by the National Rural Electric Cooperative Association (NRECA) and formed a committee to work on the Collaborative's second public forum.

In August 2012, the Collaborative leadership team agreed to place Collaborative activity on hiatus until the Kentucky Public Service Commission's review of EKPC's Integrated Resource Plan (IRP) was completed. This action was in response to intervention by a Collaborative member, the Sierra Club, in the PSC's review of the IRP. It was agreed that discovery issues might make it difficult to conduct productive discussions while the IRP review was ongoing. The Collaborative remained on hiatus until the early months of 2013, at which time work group meetings resumed preparing for the sixth meeting.

The Collaborative convened again on March 26, 2013 in Lexington. The DSM Work Group presented four new recommendations, and the RE Work Group presented two recommendations. Both work groups received feedback from the full Collaborative in preparation for a consensus discussion at the next meeting.

Bruce Barlow of NRECA presented preliminary market research findings. This included video from the qualitative interviews conducted across the territories of selected distribution cooperatives deemed to be representative of the whole group.

Bill Blair and Chris Woolery of the Mountain Association for Community Economic Development gave a presentation on the success of the How\$martKY pilot conducted in four of the distribution co-ops. The program provides a funding mechanism whereby qualifying participants can pay for energy upgrades to their homes through savings on their electric bills.

At the seventh Collaborative meeting, held on July 22, 2013 in Lexington, four recommendations of the DSM Work Group and two recommendations of the RE Work Group were approved by consensus. A presentation on the cooperative's research into wind energy was delivered by EKPC's Jeff Brandt. Members then discussed a proposal to hold an additional event following the last Collaborative meeting, the goal of which would be to educate distribution co-op staff about the information the Collaborative explored and the recommendations it has made.

The final meeting of the Collaborative was held on Oct. 23, 2013 in Lexington. At this meeting, Barlow gave a presentation analyzing the results of the research conducted by NRECA into members' awareness, views and context associated with DSM programs offered by the co-ops. Barlow's analysis included suggestions for market segmentation and targeting of specific programs. This final meeting also included a report from Collaborative members Mike Williams and Elizabeth Crowe on the renewable energy public forum conducted in Danville in September and a presentation from EKPC's Scott Drake on actions taken by EKPC and its owner-members to address the Collaborative's previous recommendations. Information from both presentations is summarized elsewhere in this Annual Report.

At the end of the final meeting, Elizabeth Crowe presented a closing statement on behalf of the public interest groups,

applauding EKPC and the cooperatives for the progress made toward EE/DSM and RE so far, encouraging EKPC to set percentage goals for savings through energy efficiency, DSM, and renewable energy generation, and offering to continue the conversation and collaborate in the future to assist with implementation of the recommendations of the collaborative to increase participation in existing and future EE/DSM and RE programs. The public interest groups' closing statement is available at: [www.ekpc.coop/collaborative/closingstatement.pdf](http://www.ekpc.coop/collaborative/closingstatement.pdf).

Chairman David Crews closed the meeting with thanks to all participants for their hard work, good faith and significant progress. He said a meeting of the leadership would be planned to map out a format in which collaboration among the parties could continue.

# Report & Recommendations of DSM Work Group

*By Steve Wilkins & Mark Stallons  
Work Group co-chairs*



During its second year of work, the Demand Side Management (DSM) Work Group developed four new recommendations, which were approved by the Collaborative.

The DSM Work Group also collaborated with National Rural Electric Cooperative Association (NRECA) market research staff to develop a research instrument to gather information about cooperative members' perspectives on energy efficiency and preferences and barriers to adopting various energy efficiency/DSM strategies.

In addition, the work group gathered comparative information about on-bill financing strategies piloted by four EKPC owner-member cooperatives and by a group of South Carolina cooperatives.

## **New Recommendations**

Four new recommendations were approved by the full Collaborative to be passed on to EKPC for consideration. They are:

### **Recommendation 1**

The Collaborative recommends that EKPC, in concert with the CEO/Manager's Association, continue to investigate, develop and implement rate strategies that:

1. Promote energy efficiency/DSM and rate alignment among PJM, EKPC, Distribution Cooperatives, and Members;
2. Promote fair cost recovery; and
3. Resolve shared demand risk and customer charge risk.

Investigation will begin in June 2014 and be based on one year of experience with PJM and on energy and demand data collection on energy efficiency/DSM programs.

### **Recommendation 2**

The Collaborative recommends that EKPC and Owner Members work toward partnership and collaboration with public interest groups, utilities, and other agencies to market and promote energy efficiency, DSM and renewables.

### **Recommendation 3**

The Collaborative recommends that EKPC conduct a study of the How\$martKY on-bill financing program to quantify the energy savings and administrative costs. Should the results of the study prove to be positive we recommend that EKPC communicate the program benefits to all Owner-Members and promote How\$martKY by providing marketing and advertising support to the participating Owner-Members.

### **Recommendation 4**

The Collaborative recommends that EKPC work with Owner Members who choose to develop a member-to-member "energy ambassador" program to promote DSM efforts in the distribution cooperatives, including providing materials and training and certifying volunteer members.

These recommendations will be forwarded to EKPC's management for consideration.

## **Market Research on EE/DSM**

The DSM Work Group also collaborated with National Rural Electric Cooperative Association (NRECA) market research staff to develop research instruments to gather data about



### **DSM WORK GROUP**

**Front row, from left:** Co-Chair Mark Stallons, Co-Chair Steve Wilkins, Rick Ryan, Tona Barkley

**Back row, from left:** Scott Drake, Alan Coffey, Ann Beard, Maudie Nickell, Kim Bush, Sara Pennington

**Not pictured:** Tom Carew, Joni Hazelrigg, Jeff Prater, Scott Sidwell

cooperative members' perceptions of energy efficiency and preferences and barriers to adopting various energy efficiency/DSM strategies. The effort will include qualitative and quantitative research phases.

### **On-Bill Financing Pilots**

The work group also gathered comparative information about on-bill financing strategies being piloted by four EKPC owner-member cooperatives and by eight South Carolina cooperatives.

Over the past two years, four EKPC owner-member distribution cooperatives—Big Sandy RECC, Fleming-Mason Energy, Grayson RECC, and Jackson Energy—have partnered with the Mountain Association for Community Economic Development (MACED) for a local on-bill financing pilot called HouseSmartKY. The Kentucky Public Service Commission (PSC) has granted permanent on-bill financing tariffs for three EKPC owner-member cooperatives.

By the end of 2012, 116 homes had completed retrofits. There were still 14 homes to be completed when MACED reported to the DSM Work Group in March 2013. A final report from MACED will not be available until 12 months of post-retrofit consumption data can be collected on all participating homes.

Preliminary data indicated weather-normalized energy savings of approximately 20 percent.

In South Carolina, the Electric Cooperatives of South Carolina (ECSC) and Central Electric Power Cooperative, a generation and transmission cooperative like EKPC, have embarked on a two-year pilot of on-bill financing of energy efficiency improvements. Through the pilot, which involved 125 homes served by eight co-ops, ECSC found that the average home cut electricity usage 34 percent, with annual dollar savings averaging \$1,157.

The two projects featured some key differences. The ECSC program was loan-based while the Kentucky program used a tariffed approach. The Kentucky effort had a primary intent of piloting on-bill financed upgrades to determine the efficacy of pursuing such programs in a more robust way with more of EKPC's distribution cooperatives. The South Carolina cooperatives have set a goal of reducing energy use 10 percent over 10 years, and the pilot was aimed at testing whether that goal could be met in a region where income levels are 15 percent below the national average.

# Report & Recommendations of the Renewable Energy Work Group

*By Elizabeth Crowe & Mike Williams  
Work Group co-chairs*



In 2012-2013, the Renewable Energy Work Group investigated specific renewable energy projects, and drafted and approved two recommendations, which were approved by the Collaborative.

The work group reviewed and discussed a variety of renewable energy options that could meet the following attributes:

- Voluntary in nature;
- As financially accessible as possible for co-op members;
- Could drive demand for renewable energy;
- Scalable;
- Increase familiarity with renewable energy technologies; and
- Could lead to more local generation of renewable energy.

One focal point for the group was the expansion of EKPC's EnviroWatts program. While the program's structure is established and useful, the work group agreed that EnviroWatts could be strengthened and made more attractive with an expanded list of renewable energy options, such as solar, wind and hydro. It was noted that barriers to EnviroWatts participation include the current pricing structure and the perception of some people that landfill gas is not renewable. And, if modifications are made, it presents an opportunity to re-examine marketing strategies in order to increase program participation. Collaborative members pledged to work together to encourage participation among individuals and businesses.

The work group also examined the option for EKPC to establish a solar photovoltaic array. In March 2012 the work group met with Ed Fortner, Director of the Berea Municipal Utilities, and in May 2012 made a site visit to Berea to visit BMU's solar installation and meet with staff and partners. The work group also conducted a conference call with Sam Avery of Avery & Suns solar installation. The group identified implementation hurdles and potential solutions to increase participation in the program. Through the year, the work group worked to draft recommendations on pricing, location and configuration of the solar panels. The work group approved a set of recommendations in January 2013 and final recommendations were approved by the Collaborative in July.

The following two recommendations were approved by the Collaborative.

## **Recommendation 1: Enhance EnviroWatts**

- EKPC should revise its EnviroWatts program to add the option for cooperative members to voluntarily purchase 100-kilowatt-hour blocks of electricity generated by solar, wind or hydropower, individually. Block rates could be initially based on current renewable energy credit (REC) pricing, and reviewed at a minimum of once every two years to insure that pricing is appropriate. The goal is to make renewable energy accessible, reflect the changing costs of renewable energy and allow cost recovery for EKPC and its owner-member cooperatives.
- Available for residential and commercial members.



### **RENEWABLE ENERGY WORK GROUP**

**Front row, from left:** Sharon Carson, Ginger Watkins, Candi Waford, Co-Chair Elizabeth Crowe, Josh Bills

**Back row, from left:** Chuck Bishop, David Crews, Scott Drake, Co-Chair Mike Williams, Tona Barkley, Wallace McMullen, Larry Hicks, David Phelps

**Not pictured:** Jay Hampton

- EKPC should review opportunities for out-of-state wind power purchase agreements, particularly the options now available through its membership in PJM.
- Research low-impact hydro potential, prioritizing in-state generation.
- EKPC should rebrand the Envirowatts program; explore marketing strategies.
- EKPC and its owner-member cooperatives should track participation in Envirowatts and assess challenges and opportunities for participation, to enhance marketing and out-reach activities and best serve the needs of co-op members.
- Installation location criteria should include opportunities for interaction with co-op members, that could increase publicity and interest in participation; material and installation costs.
- Provide members and the general public with interactive informational materials and activities to familiarize solar technology and its benefits.
- EKPC should research grant and loan opportunities.
- EKPC and its owner members should track participation in renewable energy projects and ensure there are adequate renewable energy options to meet the demand.

### **Recommendation 2: Solar photovoltaic installation**

- Invest in installation and operation of a solar photovoltaic farm, with an initial target capacity of 25-30 kw. Panels can be leased by members at a one-time price through a 25-year agreement. Customers would receive a monthly credit for the amount of electricity generated by the panel.
- EKPC should offer energy from unsubscribed solar farm panels to co-op members through the Envirowatts program.

In addition to these topics, the Renewable Energy Work Group also created a scope of work for marketing research to determine the interest and potential market for renewable energy and energy efficiency programs recommended through the Collaborative. The research will be conducted by the National Renewables Cooperative Organization and its marketing consultants. Several workgroup participants were also interviewed by the marketing research team. The Collaborative also gather feedback on renewable energy at a September 2013 public forum in Danville at the offices of Inter-County Electric Cooperative. (That forum is discussed in more detail in this annual report.) The market research results, combined with

input received at the public forum, will aid discussion of outreach and education strategies before the end of 2013.

In summary, and in addition to generation and passage of the recommendations, Renewable Energy Work Group participants have accomplished their goals: learn from each others'

experiences and perspectives; develop greater understanding of renewable energy potential; and expand the potential for ongoing relationships between co-op utilities and public interest groups to work together in the best interest of co-op members.

# Report on the Sept. 19, 2013 Renewable Energy Public Forum

By Elizabeth Crowe



The results of more than two years of Collaborative conversation on renewable energy were brought to the public in September when the Collaborative organized a public forum on renewable energy. The forum was hosted by Inter-County Energy Cooperative at the co-op's offices in Danville, Ky.

About 40 people, including co-op members and citizens, joined Collaborative members to hear presentations on: the purpose and goal of the Collaborative by David Crews and Tona Barkley; a primer on renewable energy sources available in Kentucky; and about EKPC's existing renewable energy purchasing program, EnviroWatts, by Josh Bills and Scott Drake. In addition, Mike Williams and Elizabeth Crowe, who co-chaired the Renewable Energy Work Group, presented the Collaborative's renewable energy recommendations.

Following these presentations, participants divided into small groups. Collaborative members prompted discussion with a set of guiding questions to gain feedback on the recommendations and on renewable energy in general. They also gathered ideas and suggestions for how renewable energy projects could be successfully rolled out by EKPC and its owner-member co-ops. Discussion from the small groups included:

- Support for the recommendation for a subscribed solar farm and the belief that it would be fully subscribed;
- Support for including additional renewable energy options in the EnviroWatts program;

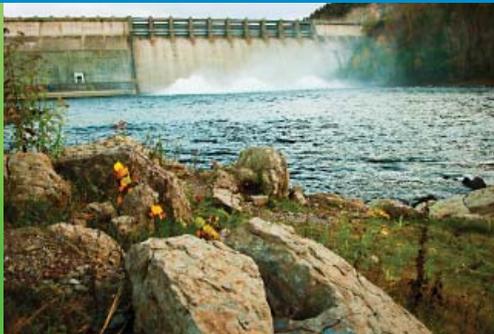
- Desire for more options to reduce the cost of renewable energy, and questions about how people can advocate for support of renewable energy among state leaders;
- Discussion of the future use of "smart grid" technology to capture return on investment and support decentralized power; and
- Interest in the cost comparison between solar and wind energy.

Some participants expressed concern that renewable energy can be perceived by utilities and others as accessible only to wealthy people, and a desire to avoid that division. Another felt that they were not getting as much support for renewable energy net metering from their co-ops as they wanted.

One feature of the forum was a solar energy trailer, loaned by Appalachian Science in the Public Interest and transported to the meeting by Josh Bills. Following adjournment of the forum, some participants toured the trailer to see how solar panels function.

From all participants there was appreciation for the opportunity for meaningful conversation between co-op leaders, EKPC staff, public interest groups and co-op members. Some participants specifically suggested that this type of forum be offered by each distribution co-op so that members can be more engaged in discussing co-op programs and activities.

# Summary of Recommendations to EKPC's Management



**1.** Partner with distribution member cooperatives and allocate resources for measurement and verification (M&V) of the cooperatives' existing and future DSM efforts. This includes developing a standardized, on-going process to collect data, investigate, and report on dynamic energy and demand impacts.

**2.** Offer generally accepted DSM quantitative and qualitative analytic services to member systems on an individual, group and/or system average basis using each member cooperative's unique market and cost structures.

**3.** Aggressively help member systems market those DSM programs with the optimal benefit-cost profiles.

**4.** Develop strong educational, marketing and training programs for member systems to promote DSM efforts considering all potential markets and channels for messaging.

**5.** Allocate resources toward becoming and serving as a consultant and expert for member systems in their DSM efforts. Identify best practices, provide research support, and explore partnerships to this end.

**6.** Continually evaluate new and on-going DSM programs, refining efforts to ensure optimal penetration of target markets.

**7.** In concert with the CEO/Manager's Association, continue to investigate, develop and implement rate strategies that:

- a.** Promote EE/DSM and rate alignment among PJM, EKPC, distribution cooperatives, and members.
- b.** Promote fair cost recovery
- c.** Resolve shared demand risk and customer charge risk

Investigation will begin in June 2014 and be based on one year of experience with PJM and on energy and demand data collection on EE/DSM programs.

**8.** With owner-member cooperatives, work toward partnership and collaboration with public interest groups, utilities, and other agencies to market and promote energy efficiency and DSM.

**9.** Conduct a study of the How\$martKY on-bill financing program to quantify the energy savings and administrative costs. Should the results of the study prove to be positive, we recommend that EKPC communicate the program benefits to all owner-member cooperatives and promote How\$martKY by providing marketing and advertising support to the participating owner-member cooperatives.

**10.** Work with owner-member cooperatives that choose to develop a member-to-member "energy ambassador" program to promote DSM efforts in the distribution cooperatives, including providing materials and training and certifying volunteer members.

## Renewable Energy Work Group

### 1. Enhance the EnviroWatts Program

- EKPC should revise its Envirowatts program to add the option for cooperative members to voluntarily purchase 100-kilowatt-hour blocks of electricity generated by solar, wind or hydropower, individually. Block rates could be initially based on current renewable energy credit (REC) pricing, and reviewed at a minimum of once every two years

to insure that pricing is appropriate. The goal is to make renewable energy accessible, reflect the changing costs of renewable energy and allow cost recovery for EKPC and its owner-member cooperatives.

- Available for residential and commercial members.
- EKPC should review opportunities for out-of-state wind power purchase agreements, particularly the options now available through its membership in PJM.
- Research low-impact hydro potential, prioritizing in-state generation.
- EKPC should rebrand the Envirowatts program; explore marketing strategies.
- EKPC and its owner-member cooperatives should track participation in Envirowatts and assess challenges and opportunities participation, to enhance marketing and outreach activities and best serve the needs of co-op members.

## **2. Solar Farm Project**

- Invest in installation and operation of a solar photovoltaic farm, with an initial target capacity of 25-30 kw. Panels can be leased by members at a one-time price through a 25-year agreement. Customers would receive a monthly credit for the amount of electricity generated by the panel.
- EKPC should offer energy from unsubscribed solar farm panels to co-op members through the Envirowatts program.
- Installation location criteria should include opportunities for interaction with co-op members, that could increase publicity and interest in participation; material and installation costs.
- Provide members and the general public with interactive informational materials and activities to familiarize solar technology and its benefits.
- EKPC should research grant and loan opportunities.
- EKPC and its owner members should track participation in renewable energy projects and ensure there are adequate renewable energy options to meet the demand.

# EKPC Actions On First-Year Recommendations

By Scott Drake, EKPC



## **DSM Work Group Recommendation #1:**

*Partner with distribution member cooperatives and allocate resources for measurement and verification of the cooperatives' existing and future DSM efforts. This includes developing a standardized, on-going process to collect data, investigate and report on energy and demand impacts.*

EKPC has contracted with DNV KEMA Energy & Sustainability to perform a thorough assessment of the cooperative's DSM evaluation, measurement and verification process. DNV KEMA interviewed EKPC staff, consultants and owner-members' staff. The consultant also compared EKPC's process to industry best practices and made recommendations for improvement. As a result, by the end of 2013, EKPC plans to purchase and begin using software to better track program implementation and assist with standardizing energy savings estimates and the California benefit/cost tests. For programs where such analysis is appropriate and there is sufficient participation, DNV KEMA also recommended EKPC conduct its own billing data analysis rather than use a deemed savings approach.

## **DSM Work Group Recommendation #2:**

*Offer generally accepted DSM quantitative and qualitative analytic services to member systems on an individual, group and/or system average basis using each member cooperative's unique market and cost structures.*

EKPC's consultant, John Farley, is available to provide the owner-member cooperatives with requested DSM program analytics. EKPC has allocated funding to pay for the consultant's time to respond to requests. Over the past year, Farley has performed evaluations for co-ops based on their own cost structures and demographics.

## **DSM Work Group Recommendation #3:**

*Aggressively help member systems market those DSM programs with the optimal benefit-cost profile.*

EKPC has partnered with owner-member cooperatives to implement outbound telemarketing for the \$impleSaver direct load control (DLC) program, which has the highest benefit-cost profile in the EKPC's portfolio. As a result of these efforts, EKPC and the owner-members installations are on a record pace, with more switches installed during the first half of 2013, than all of 2012. The DLC switch installation contractor has hired additional local licensed technicians to keep pace with the consumer response.

**DSM Work Group Recommendation #4:**

*Develop strong educational, marketing and training programs for member systems to promote DSM efforts considering all potential markets and channels for messaging.*

In 2012, EKPC developed a new marketing campaign to promote energy-efficiency programs. Called SAVE IT!, this approach can be used to promote all DSM programs collectively or individually. The strategy of the campaign is to create a dialogue between the local cooperative and end-consumers, and cultivate word-of-mouth marketing. More than 50 print and web advertisements have been provided to owner-member co-ops in 2013, and EKPC has produced and distributed two new television spots. The campaign includes print, radio, banners, brochures and Kentucky Living magazine. EKPC is also offering a SAVE IT! booth featuring brochures on DSM programs to each owner-member for its annual meeting. New energy advisor training is set for November 2013.

**DSM Work Group Recommendation #5:**

*Allocate resources to becoming and serving as a consultant and expert for member systems in their DSM efforts. Identify best practices, provide research support, and explore partnerships to this end.*

EKPC has dedicated staff to the development, implementation and ongoing improvement of DSM programs. Staff has participated in several industry meetings and conferences to identify DSM program best practices. EKPC has discussed with the owner-member co-ops the different DSM program types and designs that achieve higher energy efficiency per participant, such as whole-house envelope improvement, and those that achieve higher customer participation, such as direct install programs. EKPC, along with one owner-member, is conducting a research project to evaluate the impacts of weatherizing existing manufactured homes.

**DSM Work Group Recommendation #6:**

*Continually evaluate new and on-going DSM program, refining efforts to ensure optimal penetration of target markets.*

EKPC and its owner-member cooperatives made changes to four DSM programs in January 2013. The four program changes received PSC tariff approval January 1, 2013. Development of new residential programs is being delayed until measurement and verification software has been chose, as this will help to evaluate existing programs. Also, EKPC staff is working on a new Demand Response program that allows the commercial and industrial members who have backup generators to participate in the PJM Emergency Demand Response markets and be compensated for that participation.



EAST KENTUCKY POWER COOPERATIVE

A Touchstone Energy Cooperative 

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