



**Rural Development**  
Electric Programs  
Rural Utilities Service

1400 Independence Ave  
SW, Room 4121 Stop 1510  
Washington, DC 20250

Voice: 202.720.9540

February 19, 2026

Mr. Don Mosier  
President and Chief Executive Officer  
East Kentucky Power Cooperative, Inc.  
PO Box 707  
4775 Lexington Road  
Winchester, KY 40392-0707

Subject: KY0059 East Kentucky Power Cooperative, Inc.  
Community Benefit Plan for Funding under Section 22004 of the Inflation  
Reduction Act

Dear Mr. Mosier:

We are pleased to advise you that your Empowering Rural America (New ERA) Community Benefit Plan (CBP) has been approved for East Kentucky Power Cooperative, Inc. (EKPC) by the Rural Utilities Service (RUS).

RUS has approved the following CBP commitments. Implementation of these items will be reviewed when making decisions regarding grant disbursement under the New ERA program. As noted below (see **Implementation Report**), Awardees will have up to one (1) year after project completion to submit the CBP Implementation Report.

The following items will be incorporated into the loan and grant agreements, as applicable. The benefits must be provided for at least ten (10) years following the Award, unless otherwise specified below. Lack of implementation of any or all of the items below could be considered default under the loan and grant agreements:

1. EKPC's commitment to expanding demand side management (DSM) and energy efficiency (EE) programs from 2026 - 2029.
  - EKPC expects to implement approximately 3,500 measures (e.g. weatherization, heat pumps) per year associated with these residential DSM and EE programs by 2029, representing approximately \$4.9 million of annual investment. This represents an increase of approximately 3,000 measures and \$4 million per year over 2024 levels for these programs. EKPC has allocated approximately \$18.5 million from 2026 to 2029<sup>1</sup>. Funds will only be spent as EKPC's end use members participate in the programs. These programs are under KY

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<sup>1</sup> Numbers represent program participation estimates based upon participation rates from similar programs and program experiences. EKPC is budgeting these dollars for these years anticipating these levels of participation from end-use members. These funds will only be spent to these amounts if members participate at expected levels. If participation is higher than expected, EKPC will spend additional dollars beyond these estimates to support higher than anticipated participation. These are budgetary estimates. Actuals will vary.

Public Service Commission (PSC) oversight and control and will be offered through 2029 assuming continued approval by the PSC.

- EKPC commits to expanding its existing residential weatherization programming, including additional investments in the Button Up and CARES Low-Income programs.
- EKPC commits to launch a new residential weatherization offering within the Button Up program for HVAC duct sealing.
- EKPC commits to expanding the existing Heat Pump Retrofit Program with increased incentive due to the rising cost for participants to implement measures.
- EKPC commits to launching a new High Efficiency Heat Pump (HEHP) Program with 3 different offerings.
- EKPC commits to launch a new residential Back-up Generator Control Program that provides an annual incentive to end-use members for allowing EKPC to operate their permanently installed whole-home back-up generator during peak energy events.
- EKPC expects to implement over 1,000 measures (e.g., LEDs, thermostats) per year associated with new Commercial and Industrial (C&I) DSM and EE programs by 2029, representing approximately \$650,000 of annual investment. EKPC has allocated approximately \$2.5 million from 2026 to 2029<sup>2</sup>. Funds will only be spent as EKPC's end use members participate in the programs. These programs are subject to KY Public Service Commission oversight and control and will be offered through 2029 assuming continued approval by the PSC.
  - EKPC will launch a new Commercial Advanced Lighting program that provides an incentive for small non-residential businesses that replace older inefficient bulbs or light fixtures with LEDs.
  - EKPC will launch a new C&I Thermostat program that provides an incentive to qualifying businesses to replace traditional thermostats with new self-learning thermostats.

You are welcome to report other community benefits not listed above, but the implementation of these specific items is what will be reviewed when making decisions regarding grant disbursements under the New ERA program. Direct benefits of the New ERA project and general workplace policies do not need to be included in your CBP reporting.

**Adjustments.** If the awardee would like to adjust the CBP, the awardee must request approval from RUS via an email to the General Field Representative (GFR) point of contact. Written approval from RUS is required to update the CBP.

**CBP Implementation Report.** The awardee must submit a CBP Implementation Report that documents implementation of the approved benefits. The awardee will have up to one (1) year after project completion to submit the CBP Implementation Report. However, earlier submission

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<sup>2</sup> Numbers represent program participation estimates based upon participation rates from similar programs and program experiences. EKPC is budgeting these dollars for these years anticipating these levels of participation from end-use members. These funds will only be spent to these amounts if members participate at expected levels. If participation is higher than expected, EKPC will spend additional dollars beyond these estimates to support higher than anticipated participation. These are budgetary estimates. Actuals will vary.

is encouraged to expedite grant disbursements. The CBP Implementation Report must be submitted and approved before RUS makes final payments and grant disbursements. Please note that interim CBP Implementation Reports that include project-specific milestones can be submitted when seeking to advance grant funds. These are available on a proportional basis until the final project's CBP is completed. RUS may elect to make CBP Implementation Reports public and will retain that right unless the awardee specifically requests that it remain private when submitting the Report.

**Reports.** As part of the overall annual project reporting, awardees must submit documentation of CBP implementation and results for the period equal to the shorter of the original term of the Award, or ten (10) years from the date the Project was put in service. RUS will inform awardees of any further reporting requirements that may arise per the New ERA NOFO.

Sincerely,

KARL

ELMSHAEUSER

Karl L. Elmshaeuser  
Administrator  
Rural Utilities Service

Digitally signed by KARL  
ELMSHAEUSER  
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ACKNOWLEDGED AND ACCEPTED BY:

Name: Don Mosier  
Title: President & CEO  
Date: 2/26/2026