

COMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE DEMAND SIDE MANAGEMENT PROGRAMS)	
AND DEMAND SIDE MANAGEMENT COST)	CASE NO. 2000-410
RECOVERY FILING OF AMERICAN ELECTRIC)	
POWER D/B/A KENTUCKY POWER COMPANY)	

O R D E R

This matter comes before the Commission by the August 15, 2000 filing of American Electric Power d/b/a Kentucky Power Company ("AEP/Kentucky") on behalf of its Demand-Side Management Collaborative ("Collaborative"). The filing includes status reports of AEP/Kentucky's Demand-Side Management ("DSM") programs and a revised Experimental DSM Adjustment Tariff ("DSM Tariff"). The DSM tariff includes revised DSM surcharge factors for the residential and commercial customer classes effective September 27, 2000.

The status reports show the progress of individual DSM programs through the first six months of calendar year 2000, year-to-date and program-to-date costs of each program, the number of participants in each program, and the estimated demand and energy savings for each program. The filing did not contain proposals for any new DSM programs or modifications to any existing programs.

An informal conference was held in this matter on September 6, 2000, at which AEP/Kentucky discussed the lower-than-anticipated number of participants in several of the programs during the first half of 2000. AEP/Kentucky explained that programs

involving the purchase of high efficiency heat pumps or energy efficient new mobile home construction had been affected by the milder-than-normal weather, the sluggish economy in the company's service territory, and higher interest rates for financing new mobile home purchases. AEP/Kentucky also discussed the proposed DSM surcharge factors, the manner in which they were calculated, and the level of costs that formed the basis for the proposed increases in the factors.

IT IS THEREFORE ORDERED that:

1. The proposed surcharge factors \$.000555 per Kwh for the residential class and \$.000702 for the commercial class are approved.
2. The effective date of the revised DSM tariff shall be September 27, 2000.
3. Within 10 days from the date of this Order, AEP/Kentucky shall file a revised Experimental Demand-Side Management Adjustment Tariff showing the date of issue and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 25th day of September, 2000.

By the Commission

ATTEST:


Executive Director