

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY,)	
INC. FOR A DECLARATORY ORDER THAT)	
THE CONSTRUCTION OF A NEW LANDFILL)	CASE NO.
CONSTITUTES AN ORDINARY EXTENSION IN)	2015-00089
THE USUAL COURSE OF BUSINESS OR, IN)	
THE ALTERNATIVE, FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO DUKE ENERGY KENTUCKY, INC.

Duke Energy Kentucky, Inc. ("Duke Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due on or before April 24, 2015. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Duke Kentucky shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which Duke Kentucky fails or refuses to furnish all or part of the requested information, Duke Kentucky shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Duke Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, paragraph 20, where Duke Kentucky requests that the Commission render a decision within 90 days of the date the application was filed in this matter.

a. Explain in specific detail why Duke Kentucky has requested that the Commission render a decision within 90 days of date the application was filed.

b. How would the project be affected if the Commission were not to render a decision until 120 to 150 days after the date the application was filed?

2. Provide the following information for the existing East Bend Landfill:

- a. Original cost;
- b. Accumulated depreciation;
- c. Year in service;
- d. Depreciable life; and
- e. Capacity in terms of tons or cubic yards.

3. State whether there are Duke Ohio landfills that could be or are permitted to accept the waste material from the East Bend Generating Station, and whether Duke Kentucky explored that option.

a. If so, identify the landfills that could accommodate East Bend's waste material.

b. If so, provide the cost to transfer material to Duke Ohio landfills.

4. Refer to the Application, paragraph 9.

a. Explain why Duke Kentucky is proposing to construct the landfill in eight phases, rather than to complete the project in its entirety now.

b. Describe the criteria for determining when each of the proposed phases will be constructed.

c. Provide the capacity in terms of tons or cubic yards of each of the proposed phases of the West Landfill.

d. Provide the construction schedule for each proposed phase of the landfill.

5. Refer to the application, paragraph 15. Provide documentation of the market inquiries of third party landfill operators, including how the estimated costs of \$33–\$35 per ton were determined.

6. Refer to the Application, paragraph 16.

a. Provide a detailed construction-cost breakdown for each phase of the landfill that supports the fully loaded budgeted cost of \$159 million.

b. Provide a detailed cost breakdown of the on-site disposal expenses of \$3.5 million.

c. Does the budgeted cost of \$159 million include the cost of the land transferred to Duke Kentucky or a pro-rata portion of the cost?

7. State whether any permits in addition to those included in Exhibits 1 and 2 to the Application will be required for the project.

8. Refer to the Application, Exhibit 1, pages 4 and 6 of 15, which lists the facilities from which waste streams may be accepted. The name "Beckford Facility" is listed as one of the facilities. Confirm that this should be "Beckjord Station."

9. Refer to the Application, pages 1-2, which state that the "current landfill is projected to reach its capacity in the next three to four years," and to the Application, Exhibit 4, page 3, which contains Duke Kentucky's response to Commission Staff's Second Data Request in Case No. 2003-00252¹ and states that the "two landfills will provide the necessary capacity to accommodate an additional 38 years of operation of the East Bend Generating Station."

a. Confirm that the landfill referenced on page 2 of the Application is the same landfill referenced on page 3 of Exhibit 4 to the Application.

b. Explain the contradiction in the time period during which the landfill referenced on page 2 of the Application will reach capacity and the time period during

¹ Case No. 2003-00252, *Application of the Union Light, Heat And Power Company for a Certificate of Public Convenience and Necessity to Acquire Certain Generation Resources and Related Property; For Approval of Certain Purchase Power Agreements; For Approval of Certain Accounting Treatment; and For Approval of Deviation from Requirements of KRS 278.2207 and 278.2213(6)*, Responses to Staff's Second Request (filed Sept. 2, 2003).

which the landfill(s) referenced on page 3 of Exhibit 4 to the Application will reach capacity.

10. Refer to the Application, paragraph 5, which describes the material "Poz-o-tec" as a stable material that sets up much like concrete. Explain why it is necessary to produce this material from components from whatever source, and why its production is necessary for the station's handling of flue gas desulfurization materials.

11. Refer to the Application, Exhibit 2, page 5. Explain why the switch setting levels for the lift station pumps indicate a "N/A" for the lag pump.

12. Explain what role Duke Energy Business Services LLC has had and will have in engineering and constructing the proposed landfill.

13. Confirm that the life expectancy of the proposed landfill is 30 years.



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED APR 13 2015

cc: Parties of Record

*Rocco O D'Ascenzo
Duke Energy Kentucky, Inc.
139 East Fourth Street
P. O. Box 960
Cincinnati, OH 45201

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

*Gregory T Dutton
Assistant Attorney General
Office of the Attorney General Utility & Rate
1024 Capital Center Drive
Suite 200
Frankfort, KENTUCKY 40601-8204