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November 1, 2013

PARTIES OF RECORD

RE: Informal Conference for
Case No. 2013-00313

Enclosed is a memorandum that has been filed in the record of the above-referenced case. Any comments regarding the content of this memorandum should be submitted to the Commission within seven days of receipt of this letter. Questions regarding this memorandum should be directed to Bob Russell at (502) 782-2659.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

Enclosure

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File – Case No. 2013-00313
FROM: Bob Russell, Team Leader
DATE: November 1, 2013
SUBJECT: October 31, 2013 Informal Conference

A telephonic informal conference was held on October 31, 2013 at the request of Commission Staff ("Staff"). The attendance sheet is attached to this memorandum. The purpose of the informal conference was to discuss demand side management ("DSM") evaluation reports filed and how proposed incentives were determined as to newly proposed programs measures in the current proceeding.

Staff explained that because Duke Energy Kentucky, Inc.'s ("Duke Kentucky") current DSM programs were approved through 2016, Duke Kentucky would not be required to file any DSM program evaluation reports until 2016, unless the company is proposing a new program or to otherwise expand, modify, or change an existing program. Duke Kentucky noted that it had interpreted the Commission's Order in Case No. 2012-00495¹ differently, but has no issues with not submitting additional filings for unaltered existing programs until 2016. Duke Kentucky next noted that it expects to file a case on or about November 15, 2013 to true up the costs of its programs.

Staff queried Duke Kentucky personnel regarding how the DSM program incentives were determined for heat and pool pumps. Duke Kentucky explained its methodology and stated that the incentives were arrived at through examining at what level the program would remain cost effective for both Duke Kentucky and its customers.

Finally, Duke Kentucky questioned whether it would be permitted to recover costs incurred in 2015 for gathering information for the 2016 program evaluations. Staff indicated that the costs would generally be recoverable expenses incurred in the administration of the programs.

There being no further discussions, the conference was adjourned.

¹ Case No. 2012-00495, Application of Duke Energy Kentucky, Inc. for the Annual Cost Recovery Filing for Demand Side Management, (Ky. PSC Apr. 11, 2013).

Case No. 2013-00313 Duke Energy Kentucky, Inc.

October 31, 2013 Informal Conference

Name	Representing
	PSC - Legal
<i>Chang D. Ng</i>	PSC - Legal
<i>Enoch W. Womert</i>	PSC - Financial Analysis
<i>Matthew Baer</i>	PSC - Financial Analysis
<i>Bob Russek II</i>	PSC - Financial Analysis
<i>Jonathan Bayer</i>	PSC

Participating by teleconference -

Rocco D'Ascenzo	Duke Energy Kentucky, Inc.
Kristen Ryan	Duke Energy Kentucky, Inc.
Trisha Haemmerle	Duke Energy Kentucky, Inc.
Timothy Duff	Duke Energy Kentucky, Inc.
Tom Wiles	Duke Energy Kentucky, Inc.
Rick Mifflin	Duke Energy Kentucky, Inc.