

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY, INC. FOR AN	)	
ORDER APPROVING THE ESTABLISHMENT OF A	)	
REGULATORY ASSET FOR THE LIABILITIES ASSOCIATED	)	CASE NO.
WITH ASH POND ASSET RETIREMENT OBLIGATIONS	)	2015-00187

COMMISSION STAFF'S FOURTH 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 eight copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this request. 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 the 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, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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 document containing personal information, Duke Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the document so that personal information cannot be read.

1. Refer to the Application, page 4, paragraph 7, where it states the CCR Final Rule “may include ultimate closure of the existing ash pond. . . .” Provide details of any uncertainty regarding the ultimate closure of the East Bend ash pond.

2. Refer to the Application, page 8, paragraph 14, where it states that “the Company must begin analyzing the status of the East Bend ash pond. . . .”

a. Describe in detail the current condition of the East Bend ash ponds and whether there are any conditions that warrant accelerating the closing of the ponds.

b. Provide a list of the items being addressed in the analysis and the status of the analysis.

3. Refer to Duke Kentucky’s response to Staff’s Initial Request for Information (“Staff’s First Request”), Item 6.a., where it states that “\$155 thousand was planned for plugging the pipe beneath the ash pond.” Also consider that Duke Energy experienced an ash pond spill into the Dan River at the Dan River Steam Station in North Carolina in 2014 due to a failed underground pipe:

a. Provide details on the location, depth, amount of overburden, size, material, and construction of the pipe at East Bend, contrasting or illustrating similarities to the above referenced Dan River Steam Station pipe.

b. Explain whether the pipe at the East Bend ash pond discharges into surface water.

c. If the pipe at the East Bend ash pond does not discharge into surface water, would its failure result in ground water contamination, or any other problems?

4. Refer to attachment (a) in Duke Kentucky's response to Staff's First Request, Item 6.

a. Confirm that this report and the current cost estimates for the project taken from it are a decade old.

b. On page 3, it is stated, "No extraordinary environmental [*sic*] costs for demolition have been included. . . ." Is this the current assumption?

c. Also on page 3, it is stated, "Items buried in the ground are left in place." Is this statement currently correct for the ash pond area? If so, provide a list of the items buried under the ash pond and indicate the possible problems to be caused by leaving them buried in place.

d. On page 13, one description of the actions to be taken will be to "plug circulating water pipe with slurry & place concrete at ends."

(1) Provide details of the slurry, its components, ultimate consistency, and to what level it occupies/fills the pipe.

(2) Is the treatment description above accurate and complete, or are there other actions and/or precautions currently planned that would prevent a pipe failure and problems, such as, a possible ash pond spill?

5. Refer to Duke Kentucky's response to Staff's Second Request for Information, Item 2.a., which identifies the type and amount of the estimated costs of closing the East Bend Ash pond, including "storm water controls and dam breaching controls." Provide details of the activities included in storm water and dam-breaching controls and the level of assurance that these measures are anticipated to provide to prevent accidental environmental damage.

6. Has there been an assessment of the condition of the ash pond containment structure(s) and their viability for the term expected for reliable service? If so, provide the assessment.

7. What controls and/or assurances are in place, or being earnestly considered, to prevent ground water contamination from the ash pond site?

8. How often does Duke Kentucky inspect the structural integrity of the East Bend ash pond?

9. Provide a copy of the most recent inspection report conducted by Duke Kentucky concerning the structural integrity of the East Bend ash pond.

10. Have there been any violations, notices, or litigation filed or issued by any environmental agency regarding the ash ponds at the East Bend over the past ten years? If so, identify and explain each incident and provide any relevant information regarding each incident.

11. Refer to Duke Kentucky's response to Item 1 of Staff's Post Hearing Data Request in Case No. 2015-00089,<sup>1</sup> where it states, "Other portions of the plea agreement – such as the requirement that the Companies establish a National Environmental Compliance plan for the coal ash basins – will apply to the Kentucky facilities because those portions also include facilities 'operated' by employees of DEBS." Identify and explain the current and future ramifications of this provision on Duke Kentucky and DEBS.



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

DATED OCT 19 2015

cc: Parties of Record

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<sup>1</sup> Case No. 2015-00089, *Application of Duke Energy Kentucky, Inc. for a Declaratory Order that the Construction of a New Landfill Constitutes an Ordinary Extension in the Usual Course of Business or, in the Alternative, for a Certificate of Public Convenience and Necessity* (Ky. PSC July 24, 2015).

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