

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DUKE ENERGY	)	
KENTUCKY, INC. FOR APPROVAL OF A NEW	)	CASE NO.
GREEN POWER PILOT PROGRAM (DUKE	)	2009-00408
ENERGY'S GOGREEN KENTUCKY )	)	

COMMISSION STAFF'S SECOND DATA REQUEST

Pursuant to 807 KAR 5:001, Duke Energy Kentucky ("Duke Kentucky") is to file with the Commission the original and seven copies of the following information, with a copy to all parties of record. The information requested herein is due on or before December 21, 2009. 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 their 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to paragraph 7 of Duke Kentucky's application, which indicates that its GoGreen Kentucky program is a service option for residential customers. The most recent tariff for Rider GP, Duke Kentucky's existing green power rider, which went into effect January 2, 2007, states that it is applicable to all customers who want to contribute to a Company-sponsored "Green Power" fund.

a. Were customer classes other than residential customers eligible to participate in Rider GP? If no, explain why no customer class limitation is set out in Rider GP.

b. Explain why Duke Kentucky is limiting participation in its proposed GoGreen Kentucky program to residential customers.

2. Refer to Item 1.b. of Duke Kentucky's response to Commission Staff's First Data Request, which refers only to Renewable Energy Credits. Explain whether the customer or Duke Kentucky will own the tradeable commodity rights of the Carbon Credits.

3. Refer to Item 3.a. of Duke Kentucky's response to Commission Staff's First Data Request.

a. For 2010, Duke Kentucky projects that expenses will exceed revenues by \$113,895 for its Green Power program and \$160,920 for its Carbon Offset program. Explain Duke Kentucky's plans for recovering those expenses that exceed revenues under its GoGreen program. Include in the explanation whether any of the expenses will be shared by the company, or if all expenses are expected to be recovered through revenues within the first three years of the program.

b. Describe, generally, the activities to be included in the Customer Acquisition line item of the two budgets represented in the response. Include in the description the reason for the variance in the amounts between the Go Green Budget and the Carbon Offset Budget for the Customer Acquisition line item.

4. Refer to Item 7 of Duke Kentucky's response to Commission Staff's First Data Request. Duke Kentucky states that research gauging customer satisfaction and experience with the GoGreen Kentucky program will be performed by its Market Analytics group.

a. Is similar research conducted by Duke Energy Ohio ("Duke Ohio") and Duke Energy Indiana ("Duke Indiana")?

(1) If yes, explain whether the results of the research indicate whether customer experience with the green power programs in those states has been favorable.

(2) Provide copies of written or online survey forms, or telephone survey scripts used by Duke Ohio or Duke Indiana to measure customer satisfaction with their GoGreen programs.

b. Duke Kentucky indicates that the estimated cost of the market research is \$10,000 to \$15,000. Explain whether the estimate is an annual expense. Include in the explanation whether the research expense is expected to begin in the first year of the program, or if some period of time for data accumulation must occur before Duke Kentucky begins to incur research expenses.

5. Refer to Item 9.b.1. of Duke Kentucky's response to Commission Staff's First Data Request. 3Degrees Group, Inc. and Carbon Solutions Group, LLC have been selected by Duke Energy, Inc. as third-party brokers in other projects. Explain whether Duke Kentucky also intends to use the services of 3Degrees and Carbon Solutions Group. If the services of these brokers are to be used, explain the process used in selecting the brokers and identify the factors used by Duke Kentucky in making its selections.



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DATED DEC - 7 2009

cc: All parties

Case No. 2009-00408

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