

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY,	)	
INC. FOR A CERTIFICATE OF PUBLIC	)	CASE NO.
CONVENIENCE AND NECESSITY TO	)	2010-00151
CONSTRUCT GAS DISTRIBUTION FACILITIES	)	
WITHIN ITS SERVICE TERRITORY	)	

INITIAL DATA REQUEST OF COMMISSION STAFF  
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 five copies of the following information, with a copy to all parties of record. The information requested herein is due within 10 days of the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed and 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.

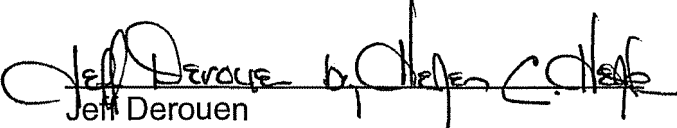
1. Refer to paragraphs 9 and 10 of Duke Kentucky's application, wherein it requests a deviation, to the extent that actual construction costs exceed the projected cost of \$8,358,924, in an amount up to 20 percent of the projected cost. It makes reference to six previous cases in which it was granted similar deviations for construction work under its Accelerated Main Replacement Program ("AMRP").

a. Provide, on an annual basis for the period from the beginning of its AMRP through the end of 2009, Duke Kentucky's estimated costs for AMRP projects and the actual costs of its AMRP projects. Include a breakdown of the actual costs by USoA account number.

b. Provide the total feet of (1) cast iron mains and (2) bare steel mains that have been replaced under the AMRP through 2009.

2. The annual reports Duke Kentucky has filed on its AMRP expenditures have reflected that some AMRP projects have continued beyond the calendar year in which they were scheduled. By what date does Duke Kentucky expect to have completed the final phase of AMRP construction for which it now seeks a Certificate of Public Convenience and Necessity?

3. In its original AMRP proposal, Duke Kentucky indicated that replacing its old cast iron and bare steel mains would lead to reduced operation and maintenance expenses, line losses, and safety and reliability risks. Provide the results of the most recent in-house studies or analyses performed by Duke Kentucky which indicate the extent of the benefits realized due to its AMRP.

A handwritten signature in black ink, appearing to read "Jeff Derouen", is written over a horizontal line. The signature is stylized and cursive.

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

DATED: JUN - 1 2010

cc: Parties of Record

Rocco O D'Ascenzo  
Duke Energy Kentucky, Inc.  
139 East 4th Street, R. 25 At II  
P. O. Box 960  
Cincinnati, OH 45201