

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY, )  
INC. TO CONTINUE AND AMEND THE HOME ) CASE NO.  
ENERGY ASSISTANCE PROGRAM ) 2011-00109

INITIAL INFORMATION REQUEST OF COMMISSION STAFF TO  
DUKE ENERGY KENTUCKY, INC.

Pursuant to 807 KAR 5:001, Duke Energy Kentucky, Inc. ("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 within 10 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 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Although not expressly stated in the instant application, the proposed tariff, Attachment B of the application, provides that the term of the Home Energy Assistance ("HEA") program be continued for another three-year period through September 2014. Confirm if Duke Kentucky is requesting Commission approval to continue the HEA program for another three-year period to begin October 2011 and run through September 2014.

2. Refer to Attachment B of the application, the proposed tariff for the HEA program. The tariff proposes a charge of \$0.10 to be applied to residential customers' bills through September 2014. In Case No. 2010-00445,<sup>1</sup> the Duke Kentucky Demand-Side Management ("DSM") application, the existing residential and commercial DSM programs are to continue until December 31, 2012 by Order dated March 22, 2010, in Case No. 2009-00444.<sup>2</sup> Also in Case No. 2010-00445, the request for proposed Residential Smart Saver Program is for an initial three-year term through December 31,

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<sup>1</sup> Annual Cost Recovery Filing for Demand-Side Management by Duke Energy Kentucky, Inc. (Ky. PSC Nov. 15, 2010).

<sup>2</sup> Annual Cost Recovery Filing for Demand-Side Management by Duke Energy Kentucky, Inc. (Ky. PSC Mar. 22, 2010).

2013. Explain why the proposed end or through date of September 2014 for the HEA is not consistent with the Demand-Side Management Rate ("Rider DSMR") in Case No. 2010-00445.

3. Refer to paragraph 8 of the application. Duke Kentucky provides a discussion of the number of gas customers and combination gas and electric customers who are charged \$0.10 per account per month.

a. Provide an explanation why there is no proposed Rider DSMR tariff pertaining to gas customers as part of the application. If this is an omission, provide the proposed Rider DSMR pertaining to gas customers as proposed and in strike-through format.

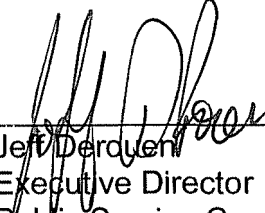
b. As to the HEA \$0.10 per-meter charge for gas customers, should the end or through date of the HEA be consistent with the gas DSM programs that continue until December 31, 2012 by Order dated March 22, 2010, in Case No. 2009-00444, and are part of the proposed DSM application in Case No. 2010-00445? Explain.

4. Does the administration of the HEA program still require a 15 percent level of cost? Explain.

5. Refer to page 37 of Duke Kentucky's application in Case No. 2010-00445, which provides a progress report for the HEA program. Duke Kentucky states that a total of \$247,845.50 was collected from customers through June 2010. Of that amount, \$201,263.52 was distributed to electric and gas accounts and \$30,189.53 was spent on administrative costs for the period 2009-2010, leaving a balance of \$16,392.45

(\$247,845.50-(\$201,263.52+ \$30,189.53) = \$16,392.45). Describe how the remaining funds were utilized.

6. In Case No. 2008-00100,<sup>3</sup> Duke Kentucky committed to contribute \$25,000 in shareholder funding in support of the HEA program through the duration of the three-year program period. Would Duke Kentucky be agreeable to continue this level of shareholder funding commitment as part of its request to continue the HEA program?

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

DATED:     **MAY 25 2011**    

cc: All Parties of Record

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<sup>3</sup> Application of Duke Energy Kentucky, Inc. to Reinstitute a Home Energy Assistance Program (Ky. PSC Sept. 25, 2008).

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