COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| APPLICATION OF DUKE ENERGY KENTUCKY, |) | Case No. |
|--------------------------------------|---|------------|
| INC. FOR THE ANNUAL COST RECOVERY |) | 2011-00448 |
| FILING FOR DEMAND-SIDE MANAGEMENT | j | |

ORDER

On November 15, 2011, Duke Energy Kentucky, Inc. ("Duke Kentucky") filed its annual Demand-Side Management ("DSM") application. In addition to filing its annual status report, Duke Kentucky requested a modification of its annual DSM recovery mechanisms to reflect reconciliation of planned and actual expenditures, lost revenues, and shared savings.

Duke Kentucky's application includes proposed gas and electric tariffs setting forth new DSM rates. Although the application states, at page 41, that the new rates are to take effect 30 days from the date of filing, the tariffs that were attached do not include the dates on which they were issued or the dates they are to become effective. Pursuant to 807 KAR 5:011, Section 9, a new tariff "will become effective on the date stated therein unless the operation thereof be suspended" Since Duke Kentucky's proposed tariffs do not state an effective date, they cannot become effective until 30 days after they have been re-filed with issue dates, effective dates, and appropriate signature.

The Commission further finds that an investigation will be necessary to determine the reasonableness of the proposed DSM rates and the modified DSM program, and that a procedural schedule should be established to conduct this investigation.

Although the proposed tariffs cannot become effective due to the deficiencies noted above, the Commission will process this case as expeditiously as possible.

IT IS THEREFORE ORDERED that:

- 1. Duke Kentucky's proposed gas and electric tariffs shall not become effective until the omission of the issue and effective dates and signature are cured.
- 2. The procedural schedule set forth in Appendix attached hereto and incorporated herein shall be followed.
- 3. a. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of witness responsible for responding to the questions related to the information provided, with copies to all parties of record and six copies to the Commission.
- b. Each response shall be under oath or, for representatives of a public or private corporation or a partnership or an 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.
- c. Any party 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.
- d. For any request to which a party fails or refuses to furnish all or part of the requested information that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.
 - 4. Any party filing testimony shall file an original and six copies.

- 5. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.
- 6. The Commission does not look favorably upon motions for continuance. Consequently, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.
- 7. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission

ENTERED

DEC 16 2011

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00448 DATED DEC 1 6 2011

| Any party may file for intervention no later than |
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| Intervenors and Commission Staff may serve interrogatories and requests for production of documents upon Duke Kentucky no later than |
| Duke Kentucky shall file with the Commission and serve upon all parties of record responses to interrogatories and requests for production of documents no later than |
| Intervenors and Commission Staff shall serve supplemental interrogatories and requests for production of documents upon Duke Kentucky no later than |
| Duke Kentucky shall file with the Commission and serve upon all parties of record responses to supplemental interrogatories and request for production of documents no later than |
| Any party may file a request for hearing, supported by a detailed statement of factual issues to be raised therein, or, in the alternative, may file written comments on Duke Kentucky's proposal no later than |
| Any party desiring to file responses to comments shall do so no later than |

Kristen Cocanougher Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201

Honorable Dennis G Howard II Assistant Attorney General Office of the Attorney General Utility & Rate 1024 Capital Center Drive Suite 200 Frankfort, KENTUCKY 40601-8204