

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR AN ORDER SEEKING)	
AN AMENDMENT TO ITS EXISTING)	
FINANCING AUTHORITY AUTHORIZING THE)	CASE NO.
ISSUANCE OF UNSECURED DEBT AND)	2019-00238
LONG-TERM NOTES, EXECUTION AND)	
DELIVERY OF LONG-TERM LOAN)	
AGREEMENTS, AND USE OF INTEREST)	
RATE MANAGEMENT INSTRUMENTS)	

COMMISSION STAFF'S FIRST 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 ten copies in paper medium of the following information, with a copy to all parties of record. The information requested herein is due on or before August 23, 2019. Responses to requests for information in paper medium 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 respond completely and precisely.

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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Duke Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. In the application, Duke Kentucky states that it expects to close on \$40,000,000 of securities that was authorized by the Commission in Case No. 2018-00323¹ on July 17, 2019.

- a. State whether the securities were issued.
- b. Provide the terms and costs associated with this issue.

2. Duke Kentucky also proposes in the application that an additional \$170,000,000 will be issued in September 2019, if granted the authority herein. Explain

¹ Case No. 2018-00323 *Electronic Application of Duke Energy Kentucky, Inc. for an Order Authorizing the Issuance of Unsecured Debt and Long-Term Notes, Execution and Delivery of Long-Term Loan Agreements, and Use of Interest Rate Management Instruments* (Ky. PSC Nov. 26, 2018)

whether this is still Duke Kentucky's expectation and whether any of the proposed terms or costs have changed since the filing of the application.

3. Confirm that Duke Kentucky has not entered into any other transaction authorized by the Commission's Order in Case No. 2018-00323.

4. Provide the expected cost of secured and unsecured borrowing represented by the authority requested in this application.

5. Explain whether the issuance of additional debt will affect Duke Kentucky's ability to secure additional financing in the future at competitive rates.

6. Explain how the issuance of additional debt will affect Duke Kentucky's equity position.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED **AUG 08 2019**

cc: Parties of Record

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

*Rocco O D'Ascenzo
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201