

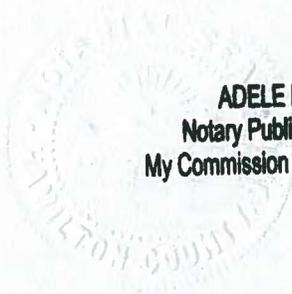
VERIFICATION

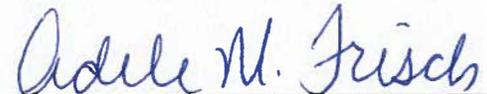
STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Trisha Haemmerle, Strategy & Collaboration Manager, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of her knowledge, information and belief.


Trisha Haemmerle, Affiant

Subscribed and sworn to before me by Trisha Haemmerle on this 8th day of April, 2015.


ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019


NOTARY PUBLIC

My Commission Expires: 1/5/2019

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, James Ziolkowski, Director of Rates & Regulatory Planning, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

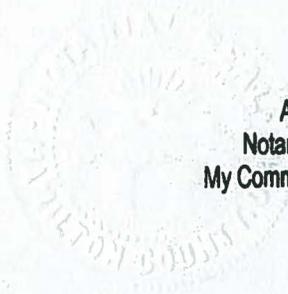
James E. Ziolkowski
James Ziolkowski, Affiant

Subscribed and sworn to before me by James Ziolkowski on this 6TH day of April, 2015.

ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019

Adele M. Frisch
NOTARY PUBLIC

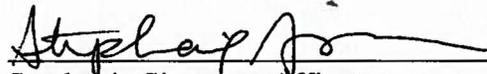
My Commission Expires: 1/5/2019



VERIFICATION

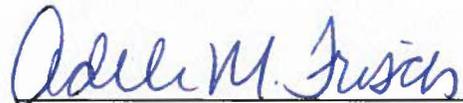
STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Stephanie Simpson, Senior Program Perform Analyst, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of her knowledge, information and belief.


Stephanie Simpson, Affiant

Subscribed and sworn to before me by Stephanie Simpson on this 6TH day of April, 2015.

ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019


NOTARY PUBLIC

My Commission Expires: 1/5/2019

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**Duke Energy Kentucky
Case No. 2014-00388
STAFF'S 3rd Set of Data Requests
Date Received: March 30, 2015**

STAFF-DR-03-001

REQUEST:

How many of Duke's residential gas customers are not Duke residential electric customers?

RESPONSE:

18,939 residential gas customers are not Duke Energy Kentucky residential electric customers as of March 30, 2015.

PERSON RESPONSIBLE: James E. Ziolkowski

STAFF-DR-03-002

REQUEST:

Refer to the Application, Appendix B, page 2; Duke's responses to Item 1.b. of Commission Staff's First Request for Information ("Staff's First Request"); and Item 2 of Commission Staff's Second Request for Information ("Staff's Second Request"). Using relative load impacts as cost allocation factors between electric and gas customers, provide a revised page 2 of Appendix B showing the effect of using this allocation method as opposed to Duke's current methodology based on 63.5 percent gas space heating saturation. If Duke believes the summary of load impacts for July 2013 through June 2014 as shown in the response to Item 1.b. of Staff's First Request is not representative of expected annual load impacts on a going-forward basis, also provide the effect of using the relative electric and gas load impacts based on projected Load Impacts Net of Free Riders at Meter as a cost allocator.

RESPONSE:

Please see Attachment STAFF-DR-03-002 – Page 2 w Actual.xlsx. Duke Energy Kentucky has also provided an attachment using the relative electric and gas load impacts based on projected Load Impacts Net of Free Riders at Meter; please see Attachment STAFF-DR-03-002 – Page 2 w Projected.xlsx.

PERSON RESPONSIBLE: Stephanie Simpson

Kentucky DSM Rider

Comparison of Revenue Requirement to Rider Recovery

| Residential Programs | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---|---|---|--|--|---------------------------------|---------------------|---------------------------------------|--|---------------------|---------------------|-----------------------------|---------------------|------------------------------------|---------------------|
| | Projected Program Costs 7/2013 to 6/2014 (A) | Projected Lost Revenues 7/2013 to 6/2014 (A) | Projected Shared Savings 7/2013 to 6/2014 (A) | Program Expenditures 7/2013 to 6/2014 (B) | Program Expenditures (C) Gas | Electric | Lost Revenues 7/2013 to 6/2014 (B) | Shared Savings 7/2013 to 6/2014 (B) | 2013 Reconciliation | | Rider Collection (F) Gas | Electric | (Over)/Under Collection Gas (G) | Electric (H) |
| Appliance Recycling Program | \$ 254,905 | \$ 25,383 | \$ 51,900 | \$ 188,563 | \$ - | \$ 188,563 | \$ 44,179 | \$ 37,058 | | | | | | |
| Energy Efficiency Education Program for Schools | \$ 180,841 | \$ 13,197 | \$ (7,028) | \$ 126,104 | \$ 81,980 | \$ 47,124 | \$ 11,050 | \$ (355) | | | | | | |
| Low Income Neighborhood | \$ 297,422 | \$ 40,038 | \$ 7,480 | \$ 138,684 | \$ - | \$ 138,684 | \$ 21,020 | \$ 31,662 | | | | | | |
| Low Income Services | \$ 869,888 | \$ 19,932 | \$ (28,790) | \$ 520,653 | \$ 330,814 | \$ 190,039 | \$ 35,227 | \$ (4,188) | | | | | | |
| My Home Energy Report | \$ 375,038 | \$ 402,499 | \$ 40,663 | \$ 605,663 | \$ - | \$ 605,663 | \$ 512,222 | \$ 46,907 | | | | | | |
| Residential Energy Assessments | \$ 167,774 | \$ 14,809 | \$ 12,819 | \$ 223,409 | \$ 141,864 | \$ 81,545 | \$ 34,080 | \$ 51,063 | | | | | | |
| Residential Smart Saver® | \$ 1,170,194 | \$ 1,376,347 | \$ 318,133 | \$ 1,511,814 | \$ 960,001 | \$ 551,813 | \$ 1,685,324 | \$ 511,105 | | | | | | |
| Power Manager | \$ 308,742 | \$ - | \$ 138,807 | \$ 776,700 | \$ - | \$ 776,700 | \$ - | \$ 85,821 | | | | | | |
| Personal Energy Report Program (I) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | |
| Home Energy Assistance Pilot Program (J) | \$ 250,556 | \$ - | \$ - | \$ 300,152 | \$ 126,224 | \$ 173,928 | \$ - | \$ - | | | \$ 106,253 | \$ 148,409 | \$ - | \$ - |
| Revenues collected except for HEA | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ (2,448,433) | \$ 3,250,988 | \$ - | \$ - |
| Total | \$ 3,655,362 | \$ 1,692,305 | \$ 533,964 | \$ 4,374,741 | \$ 1,840,683 | \$ 2,734,058 | \$ 2,467,637 | \$ 759,073 | \$ 1,748,966 | \$ (613,874) | \$ (2,340,181) | \$ 3,397,397 | \$ 5,726,820 | \$ 1,769,497 |

- (A) Amounts identified in report filed in Case No. 2012-00085.
- (B) Actual program expenditures, lost revenues (for this period and from prior period DSM measure installations), and shared savings for the period July 1, 2013 through June 30, 2014.
- (C) Allocation of program expenditures to gas and electric. Uses 63.5% gas based upon saturation of gas space heating.
- (D) Recovery allowed in accordance with the Commission's Order in Case No. 2012-00085.
- (E) Recovery allowed in accordance with the Commission's Order in Case No. 2012-00085.
- (F) Revenues collected through the DSM Rider between July 1, 2013 and June 30, 2014.
- (G) Column (5) + Column (9) - Column(11).
- (H) Column (8) + Column (7) + Column (8) + Column (10) - Column(12).
- (I) Personalized Energy Report is a legacy program which continues to collect lost revenues.
- (J) Revenues and expenses for the Home Energy Assistance Pilot Program.

| Commercial Programs | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|--|--|---------------------------------------|--|----------------------------|-------------------------|--------------------------------|
| | Projected Program Costs 7/2013 to 6/2014 (A) | Projected Lost Revenues 7/2013 to 6/2014 (A) | Projected Shared Savings 7/2013 to 6/2014 (A) | Program Expenditures 7/2013 to 6/2014 (B) | Lost Revenues 7/2013 to 6/2014 (B) | Shared Savings 7/2013 to 6/2014 (B) | 2013 Reconciliation (C) | Rider Collection (D) | (Over)/Under Collection (E) |
| Smart Saver® Custom | \$ 363,445 | \$ 91,418 | \$ 228,707 | \$ 141,233 | \$ 35,077 | \$ 36,875 | | | |
| Smart Saver® Prescriptive - Energy Star Food Service Proc | \$ 14,706 | \$ 8,868 | \$ 14,459 | \$ 89,720 | \$ 7,854 | \$ 64,099 | | | |
| Smart Saver® Prescriptive - HVAC | \$ 177,989 | \$ 96,300 | \$ 137,729 | \$ 90,262 | \$ 3,690 | \$ 11,467 | | | |
| Smart Saver® Prescriptive - Lighting | \$ 587,518 | \$ 311,187 | \$ 390,588 | \$ 588,419 | \$ 233,009 | \$ 267,504 | | | |
| Smart Saver® Prescriptive - Motors/Pumps/VFD | \$ 68,636 | \$ 59,009 | \$ 70,546 | \$ 81,743 | \$ 19,467 | \$ 41,259 | | | |
| Smart Saver® Prescriptive - Process Equipment | \$ 56 | \$ 119 | \$ 75 | \$ 21,657 | \$ 1,876 | \$ 9,458 | | | |
| Smart Saver® Prescriptive - IT | \$ - | \$ - | \$ - | \$ 95 | \$ - | \$ (8) | | | |
| Total | \$ 1,212,347 | \$ 536,898 | \$ 643,106 | \$ 973,129 | \$ 300,873 | \$ 430,650 | \$ (1,669,697) | \$ 195,330 | \$ (160,274) |
| Power Share® | \$ 815,415 | \$ - | \$ 261,322 | \$ 890,645 | \$ - | \$ 294,543 | \$ 801,314 | \$ 2,850,631 | \$ (664,126) |
| Energy Management and Information Services (F) | | | | \$ 1,883 | | | | | |

- (A) Amounts identified in report filed in Case No. 2012-00085.
- (B) Actual program expenditures, lost revenues (for this period and from prior period DSM measure installations), and shared savings for the period July 1, 2013 through June 30, 2014.
- (C) Recovery allowed in accordance with the Commission's Order in Case No. 2012-00085.
- (D) Revenues collected through the DSM Rider between July 1, 2013 and June 30, 2014.
- (E) Column (4) + Column (5) + Column (6) + Column (7) - Column (8)
- (F) Discontinued pilot program does not receive cost recovery

Kentucky DSM Rider

2015-2016 Projected Program Costs, Lost Revenues, and Shared Savings

Residential Program Summary (A)

| | Costs | Lost Revenues | Shared Savings | Total | Allocation of Costs | | Budget (Costs, Lost Revenues, & Shared Savings) | | |
|---|---------------------|---------------------|-------------------|---------------------|---------------------|-------|---|---------------------|-------------------|
| | | | | | Electric | Gas | Electric Costs | Electric | Gas Costs |
| Appliance Recycling Program | \$ 109,813 | \$ 177,379 | \$ (204) | \$ 286,789 | 100.0% | 0.0% | \$ 109,813 | \$ 286,789 | \$ - |
| Energy Efficiency Education Program for Schools | \$ 198,961 | \$ 40,057 | \$ 6,450 | \$ 243,468 | 59.1% | 40.9% | \$ 118,462 | \$ 162,969 | \$ 80,498 |
| Low Income Neighborhood | \$ 276,950 | \$ 101,284 | \$ 14,464 | \$ 392,698 | 100.0% | 0.0% | \$ 276,950 | \$ 392,698 | \$ - |
| Low Income Services | \$ 700,410 | \$ 54,819 | \$ (8,455) | \$ 746,774 | 80.5% | 39.5% | \$ 423,411 | \$ 469,776 | \$ 276,998 |
| My Home Energy Report(B) | \$ 625,156 | \$ 542,833 | \$ 84,254 | \$ 1,252,044 | 100.0% | 0.0% | \$ 625,156 | \$ 1,252,044 | \$ - |
| Residential Energy Assessments | \$ 193,881 | \$ 55,486 | \$ 66,796 | \$ 316,164 | 64.2% | 35.8% | \$ 124,398 | \$ 246,680 | \$ 69,484 |
| Residential Smart Saver® (B) | \$ 1,085,896 | \$ 1,567,646 | \$ 110,953 | \$ 2,764,495 | 100.0% | 0.0% | \$ 1,085,818 | \$ 2,784,418 | \$ 68 |
| Power Manager | \$ 437,796 | \$ - | \$ 149,597 | \$ 587,393 | 100.0% | 0.0% | \$ 437,796 | \$ 587,393 | \$ - |
| Total Costs, Net Lost Revenues, Shared Savings | \$ 3,626,654 | \$ 2,539,305 | \$ 423,856 | \$ 6,589,814 | | | \$ 3,199,606 | \$ 6,162,766 | \$ 427,048 |
| Home Energy Assistance Pilot Program | \$ 252,236 | | | | | | | \$ 146,417 | \$ 105,820 |

NonResidential Program Summary (A)

| | Costs | Lost Revenues | Shared Savings | Total | Allocations | | Budget (Costs, Lost Revenues, & Shared Savings) | | |
|---|---------------------|---------------------|---------------------|----------------------|-------------|------|---|---------------------|-----------|
| | | | | | Electric | Gas | Electric Costs | Electric | Gas |
| Smart Saver® Custom | \$ 512,160 | \$ 97,430 | \$ 91,979 | \$ 701,570 | 100.0% | 0.0% | \$ 512,160 | \$ 701,570 | NA |
| Smart Saver® Prescriptive - Energy Star Food Service Products (B) | \$ 19,997 | \$ 21,798 | \$ 15,832 | \$ 57,628 | 100.0% | 0.0% | \$ 19,997 | \$ 57,628 | NA |
| Smart Saver® Prescriptive - HVAC | \$ 137,089 | \$ 30,552 | \$ 79,234 | \$ 246,876 | 100.0% | 0.0% | \$ 137,089 | \$ 246,876 | NA |
| Smart Saver® Prescriptive - Lighting | \$ 889,001 | \$ 302,730 | \$ 470,352 | \$ 1,662,084 | 100.0% | 0.0% | \$ 889,001 | \$ 1,662,084 | NA |
| Smart Saver® Prescriptive - Motors/Pumps/VFD | \$ 56,722 | \$ 23,435 | \$ 20,324 | \$ 100,481 | 100.0% | 0.0% | \$ 56,722 | \$ 100,481 | NA |
| Smart Saver® Prescriptive - Process Equipment | \$ 2,031 | \$ 2,201 | \$ 1,488 | \$ 5,699 | 100.0% | 0.0% | \$ 2,031 | \$ 5,699 | NA |
| Smart Saver® Prescriptive - IT | \$ 16,253 | \$ 4,056 | \$ 6,035 | \$ 26,344 | 100.0% | 0.0% | \$ 16,253 | \$ 26,344 | NA |
| Small Business Energy Saver(C) | \$ 757,668 | \$ 27,556 | \$ 161,764 | \$ 946,988 | 100.0% | 0.0% | \$ 757,668 | \$ 946,988 | NA |
| Power Share® | \$ 924,747 | \$ - | \$ 186,874 | \$ 1,091,621 | 100.0% | 0.0% | \$ 924,747 | \$ 1,091,621 | NA |
| Total Costs, Net Lost Revenues, Shared Savings | \$ 3,315,689 | \$ 509,759 | \$ 1,013,862 | \$ 4,839,290 | | | \$ 3,315,689 | \$ 4,839,290 | NA |
| Total Program | \$ 6,942,322 | \$ 3,049,063 | \$ 1,437,718 | \$ 11,429,104 | | | | | |

(A) Costs, Lost Revenues (for this period and from prior period DSM measure installations), and Shared Savings for Year 3 of portfolio approved in Case No. 2012-00085
 (B) Includes new measures filed in Case No. 2014-00280
 (C) New program filed in Case No. 2014-00280

Kentucky DSM Rider

Duke Energy Kentucky
Demand Side Management Cost Recovery Rider (DSMR)
Summary of Calculations for Programs

July 2015 to June 2016

| | Program Costs (A) |
|---|----------------------|
| <u>Electric Rider DSM</u> | |
| Residential Rate RS | \$ 6,162,786 |
| Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP | \$ 3,747,689 |
| Transmission Level Rates & Distribution Level Rates Part B | \$ 1,091,621 |
| <u>Gas Rider DSM</u> | |
| Residential Rate RS | \$ 427,048 |

(A) See Appendix B, page 2 of 5.

Kentucky DSM Rider

Duke Energy Kentucky
Demand Side Management Cost Recovery Rider (DSMR)
Summary of Billing Determinants

| | |
|--|---------------|
| Year | 2015 |
| Projected Annual Electric Sales KWH | |
| Rates RS | 1,500,287,137 |
| Rates DS, DP, DT, GS-FL, EH, & SP | 2,403,218,077 |
| Rates DS, DP, DT, GS-FL, EH, SP, & TT | 2,843,552,077 |
| Projected Annual Gas Sales CCF | |
| Rate RS | 63,687,723 |

Kentucky DSM Rider

Duke Energy Kentucky
 Demand Side Management Cost Recovery Rider (DSMR)
 Summary of Calculations

July 2014 to June 2015

| Rate Schedule Riders | True-Up Amount (A) | Expected Program Costs (B) | Total DSM Revenue Requirements | Estimated Billing Determinants (C) | DSM Cost Recovery Rider (DSMR) |
|---|--------------------|----------------------------|--------------------------------|------------------------------------|--------------------------------|
| Electric Rider DSM | | | | | |
| Residential Rate RS | \$ 1,771,266 | \$ 6,162,766 | \$ 7,934,032 | 1,500,287,137 kWh | \$ 0.005288 \$/kWh |
| Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP | \$ (160,435) | \$ 3,747,669 | \$ 3,587,234 | 2,403,218,077 kWh | \$ 0.001493 \$/kWh |
| Transmission Level Rates & Distribution Level Rates Part B TT | \$ (664,793) | \$ 1,091,621 | \$ 426,828 | 2,643,552,077 kWh | \$ 0.000161 \$/kWh |
| Distribution Level Rates Total DS, DP, DT, GS-FL, EH & SP | | | | | \$ 0.001854 \$/kWh |
| Gas Rider DSM | | | | | |
| Residential Rate RS | \$ 5,735,549 | \$ 427,048 | \$ 6,162,597 | 63,687,723 CCF | \$ 0.096793 \$/CCF |
| Total Rider Recovery | | | \$ 18,110,692 | | |
| Customer Charge for HEA Program | | | | | |
| Electric No. 4 | | | Annual Revenues | Number of Customers | Monthly Customer Charge |
| Residential Rate RS | | | \$ 146,417 | 122,014 | \$ 0.10 |
| Gas No. 5 | | | | | |
| Residential Rate RS | | | \$ 105,820 | 86,183 | \$ 0.10 |
| Total Customer Charge Revenues | | | \$ 252,236 | | |
| Total Recovery | | | \$ 18,362,928 | | |

(A) (Over)/Under of Appendix B page 1 multiplied by the average three-month commercial paper rate for 2013 to include interest on over or under-recovery in accordance with the Commission's order in Case No. 95-312. Value is:
 (B) Appendix B, page 2.
 (C) Appendix B, page 4.

1.001000

Allocation Factors Based on Response to Staff-DR-01-001b and Staff-DR-02-002

Summary of Load Impacts July 2013 Through June 2014*

| Residential Programs | Load Impacts Net of Free Riders at Meter | | | |
|--|--|-----------------------|-------------------|-----------------------|
| | kWh | % of Total Res. Sales | cwt | % of Total Res. Sales |
| Appliance Recycling Program | 657,793 | 0.0433% | - | 0.0000% |
| Energy Efficiency Education Program for Schools | 225,486 | 0.0148% | 7,368 | 0.0103% |
| Low Income Neighborhood | 634,158 | 0.0417% | - | 0.0000% |
| Low Income Services | 251,243 | 0.0165% | 7,771 | 0.0108% |
| My Home Energy Report** | 11,325,468 | 0.7449% | - | 0.0000% |
| Residential Energy Assessments | 411,489 | 0.0271% | 10,866 | 0.0151% |
| Residential Smart Saver* | 13,428,091 | 0.8831% | 40 | 0.0001% |
| Power Manager*** | - | 0.0000% | - | 0.0000% |
| Total Residential | 26,933,728 | 1.7714% | 26,044 | 0.0362% |
| Total Residential (Rate RS) Sales For July 2013 Through June 2014 | 1,520,477,786 | 100% | 71,881,990 | 100% |

Allocation Factors based on July 2013-June 2014

| Elec % of Total | % of Sales | Gas % of Total | % of Sales |
|-----------------|------------|----------------|------------|
| 100% | | 0% | |
| 59% | | 41% | |
| 100% | | 0% | |
| 80% | | 40% | |
| 100% | | 0% | |
| 84% | | 38% | |
| 100% | | 0% | |
| 100% | | 0% | |

Kentucky DSM Rider

Comparison of Revenue Requirement to Rider Recovery

| Residential Programs | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---|---|---|--|--|---------------------------------|---------------------|---------------------------------------|--|--------------------------------|---------------------|-----------------------------|---------------------|-------------------------|---------------------|
| | Projected Program Costs 7/2013 to 6/2014 (A) | Projected Lost Revenues 7/2013 to 6/2014 (A) | Projected Shared Savings 7/2013 to 6/2014 (A) | Program Expenditures 7/2013 to 6/2014 (B) | Program Expenditures (C) Gas | Electric | Lost Revenues 7/2013 to 6/2014 (B) | Shared Savings 7/2013 to 6/2014 (B) | 2013 Reconciliation Gas (D) | Electric (E) | Rider Collection (F) Gas | Electric | (Over)/Under Gas (G) | Electric (H) |
| Appliance Recycling Program | \$ 254,905 | \$ 25,383 | \$ 51,900 | \$ 188,563 | | \$ 188,563 | \$ 44,179 | \$ 37,058 | | | | | | |
| Energy Efficiency Education Program for Schools | \$ 180,841 | \$ 13,197 | \$ (7,028) | \$ 129,104 | \$ 81,980 | \$ 47,124 | \$ 11,050 | \$ (355) | | | | | | |
| Low Income Neighborhood | \$ 297,422 | \$ 40,038 | \$ 7,460 | \$ 138,984 | | \$ 138,984 | \$ 21,020 | \$ 31,962 | | | | | | |
| Low Income Services | \$ 869,888 | \$ 19,832 | \$ (29,790) | \$ 520,853 | \$ 330,614 | \$ 180,039 | \$ 35,227 | \$ (4,188) | | | | | | |
| My Home Energy Report | \$ 375,038 | \$ 402,498 | \$ 40,863 | \$ 605,863 | | \$ 605,863 | \$ 512,222 | \$ 48,907 | | | | | | |
| Residential Energy Assessments | \$ 167,774 | \$ 14,808 | \$ 12,819 | \$ 223,409 | \$ 141,864 | \$ 81,545 | \$ 34,080 | \$ 51,063 | | | | | | |
| Residential Smart Saver® | \$ 1,170,194 | \$ 1,376,347 | \$ 319,133 | \$ 1,511,814 | \$ 960,001 | \$ 551,813 | \$ 1,685,324 | \$ 511,105 | | | | | | |
| Power Manager | \$ 308,742 | \$ - | \$ 138,807 | \$ 776,700 | | \$ 776,700 | \$ - | \$ 85,821 | | | | | | |
| Personal Energy Report Program (I) | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 144,535 | \$ - | | | | | | |
| Home Energy Assistance Pilot Program (J) | \$ 250,556 | \$ - | \$ - | \$ 300,152 | \$ 126,224 | \$ 173,828 | \$ - | \$ - | | | \$ 106,253 | \$ 146,409 | \$ (2,446,433) | \$ 3,250,988 |
| Revenues collected except for HEA | | | | | | | | | | | | | | |
| Total | \$ 3,655,362 | \$ 1,892,305 | \$ 533,964 | \$ 4,374,741 | \$ 1,640,683 | \$ 2,734,058 | \$ 2,487,637 | \$ 758,073 | \$ 1,748,956 | \$ (813,874) | \$ (2,340,181) | \$ 3,397,397 | \$ 5,729,820 | \$ 1,769,497 |

(A) Amounts identified in report filed in Case No. 2012-00085.

(B) Actual program expenditures, lost revenues (for this period and from prior period DSM measure installations), and shared savings for the period July 1, 2013 through June 30, 2014.

(C) Allocation of program expenditures to gas and electric. Uses 63.5% gas based upon saturation of gas space heating.

(D) Recovery allowed in accordance with the Commission's Order in Case No. 2012-00085.

(E) Recovery allowed in accordance with the Commission's Order in Case No. 2012-00085.

(F) Revenues collected through the DSM Rider between July 1, 2013 and June 30, 2014.

(G) Column (5) + Column (9) - Column(11).

(H) Column (6) + Column (7) + Column (8) + Column (10) - Column(12).

(I) Personalized Energy Report is a legacy program which continues to collect lost revenues.

(J) Revenues and expenses for the Home Energy Assistance Pilot Program.

| Commercial Programs | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|--|--|---------------------------------------|--|----------------------------|-------------------------|--------------------------------|
| | Projected Program Costs 7/2013 to 6/2014 (A) | Projected Lost Revenues 7/2013 to 6/2014 (A) | Projected Shared Savings 7/2013 to 6/2014 (A) | Program Expenditures 7/2013 to 6/2014 (B) | Lost Revenues 7/2013 to 6/2014 (B) | Shared Savings 7/2013 to 6/2014 (B) | 2013 Reconciliation (C) | Rider Collection (D) | (Over)/Under Collection (E) |
| Smart Saver® Custom | \$ 363,445 | \$ 81,418 | \$ 228,707 | \$ 141,233 | \$ 35,077 | \$ 36,875 | | | |
| Smart Saver® Prescriptive - Energy Star Food Service Proc | \$ 14,706 | \$ 8,868 | \$ 14,459 | \$ 89,720 | \$ 7,854 | \$ 84,099 | | | |
| Smart Saver® Prescriptive - HVAC | \$ 177,989 | \$ 66,300 | \$ 137,729 | \$ 90,262 | \$ 3,890 | \$ 11,467 | | | |
| Smart Saver® Prescriptive - Lighting | \$ 587,516 | \$ 311,187 | \$ 390,588 | \$ 568,419 | \$ 233,009 | \$ 287,504 | | | |
| Smart Saver® Prescriptive - Motors/Pumps/VFD | \$ 68,836 | \$ 59,009 | \$ 70,546 | \$ 81,743 | \$ 19,487 | \$ 41,259 | | | |
| Smart Saver® Prescriptive - Process Equipment | \$ 56 | \$ 119 | \$ 75 | \$ 21,857 | \$ 1,876 | \$ 9,456 | | | |
| Smart Saver® Prescriptive - IT | | | | \$ 95 | \$ - | \$ (9) | | | |
| Total | \$ 1,212,347 | \$ 536,898 | \$ 843,106 | \$ 973,129 | \$ 300,973 | \$ 430,650 | \$ (1,889,897) | \$ 195,330 | \$ (160,274) |
| Power Share® | \$ 815,415 | \$ - | \$ 261,322 | \$ 880,645 | \$ - | \$ 294,543 | \$ 801,314 | \$ 2,850,631 | \$ (664,126) |
| Energy Management and Information Services (F) | | | | \$ 1,883 | | | | | |

(A) Amounts identified in report filed in Case No. 2012-00085.

(B) Actual program expenditures, lost revenues (for this period and from prior period DSM measure installations), and shared savings for the period July 1, 2013 through June 30, 2014.

(C) Recovery allowed in accordance with the Commission's Order in Case No. 2012-00085.

(D) Revenues collected through the DSM Rider between July 1, 2013 and June 30, 2014.

(E) Column (4) + Column (5) + Column (6) + Column (7) - Column (8)

(F) Discontinued pilot program does not receive cost recovery

Kentucky DSM Rider

2015-2016 Projected Program Costs, Lost Revenues, and Shared Savings

Residential Program Summary (A)

| | Costs | Lost Revenues | Shared Savings | Total | Allocation of Costs | | Budget (Costs, Lost Revenues, & Shared Savings) | | |
|---|---------------------|---------------------|-------------------|---------------------|---------------------|-------|---|---------------------|-------------------|
| | | | | | Electric | Gas | Electric Costs | Electric | Gas Costs |
| Appliance Recycling Program | \$ 109,813 | \$ 177,379 | \$ (204) | \$ 286,789 | 100.0% | 0.0% | \$ 109,813 | \$ 286,789 | \$ - |
| Energy Efficiency Education Program for Schools | \$ 196,981 | \$ 40,057 | \$ 6,450 | \$ 243,488 | 54.8% | 45.2% | \$ 107,853 | \$ 154,360 | \$ 89,108 |
| Low Income Neighborhood | \$ 276,950 | \$ 101,284 | \$ 14,484 | \$ 392,698 | 100.0% | 0.0% | \$ 276,950 | \$ 392,698 | \$ - |
| Low Income Services | \$ 700,410 | \$ 54,819 | \$ (8,455) | \$ 746,774 | 43.5% | 56.5% | \$ 304,394 | \$ 350,758 | \$ 396,016 |
| My Home Energy Report(B) | \$ 625,156 | \$ 542,633 | \$ 84,254 | \$ 1,252,044 | 100.0% | 0.0% | \$ 625,156 | \$ 1,252,044 | \$ - |
| Residential Energy Assessments | \$ 193,881 | \$ 55,486 | \$ 66,796 | \$ 316,164 | 45.7% | 54.3% | \$ 88,680 | \$ 210,962 | \$ 105,201 |
| Residential Smart Saver® (B) | \$ 1,085,886 | \$ 1,567,646 | \$ 110,853 | \$ 2,764,485 | 97.2% | 2.8% | \$ 1,055,467 | \$ 2,734,067 | \$ 30,419 |
| Power Manager | \$ 437,796 | \$ - | \$ 148,597 | \$ 587,393 | 100.0% | 0.0% | \$ 437,796 | \$ 587,393 | \$ - |
| Total Costs, Net Lost Revenues, Shared Savings | \$ 3,626,654 | \$ 2,539,305 | \$ 423,856 | \$ 6,589,814 | | | \$ 3,005,910 | \$ 5,969,071 | \$ 620,744 |
| Home Energy Assistance Pilot Program | \$ 252,236 | | | | | | | \$ 146,417 | \$ 105,820 |

NonResidential Program Summary (A)

| | Costs | Lost Revenues | Shared Savings | Total | Allocations | | Budget (Costs, Lost Revenues, & Shared Savings) | | |
|---|---------------------|---------------------|---------------------|----------------------|-------------|------|---|---------------------|-----------|
| | | | | | Electric | Gas | Electric Costs | Electric | Gas |
| Smart Saver® Custom | \$ 512,160 | \$ 97,430 | \$ 91,679 | \$ 701,570 | 100.0% | 0.0% | \$ 512,160 | \$ 701,570 | NA |
| Smart Saver® Prescriptive - Energy Star Food Service Products (B) | \$ 19,987 | \$ 21,798 | \$ 15,832 | \$ 57,628 | 100.0% | 0.0% | \$ 19,987 | \$ 57,628 | NA |
| Smart Saver® Prescriptive - HVAC | \$ 137,089 | \$ 30,552 | \$ 78,234 | \$ 246,876 | 100.0% | 0.0% | \$ 137,089 | \$ 246,876 | NA |
| Smart Saver® Prescriptive - Lighting | \$ 889,001 | \$ 302,730 | \$ 470,352 | \$ 1,662,084 | 100.0% | 0.0% | \$ 889,001 | \$ 1,662,084 | NA |
| Smart Saver® Prescriptive - Motors/Pumps/VFD | \$ 56,722 | \$ 23,435 | \$ 20,324 | \$ 100,481 | 100.0% | 0.0% | \$ 56,722 | \$ 100,481 | NA |
| Smart Saver® Prescriptive - Process Equipment | \$ 2,031 | \$ 2,201 | \$ 1,488 | \$ 5,899 | 100.0% | 0.0% | \$ 2,031 | \$ 5,899 | NA |
| Smart Saver® Prescriptive - IT | \$ 16,253 | \$ 4,056 | \$ 8,035 | \$ 28,344 | 100.0% | 0.0% | \$ 16,253 | \$ 28,344 | NA |
| Small Business Energy Saver(C) | \$ 757,668 | \$ 27,556 | \$ 161,764 | \$ 946,988 | 100.0% | 0.0% | \$ 757,668 | \$ 946,988 | NA |
| Power Share® | \$ 924,747 | \$ - | \$ 166,874 | \$ 1,091,621 | 100.0% | 0.0% | \$ 924,747 | \$ 1,091,621 | NA |
| Total Costs, Net Lost Revenues, Shared Savings | \$ 3,315,669 | \$ 509,759 | \$ 1,013,882 | \$ 4,839,290 | | | \$ 3,315,669 | \$ 4,839,290 | NA |
| Total Program | \$ 6,942,322 | \$ 3,049,063 | \$ 1,437,718 | \$ 11,429,104 | | | | | |

(A) Costs, Lost Revenues (for this period and from prior period DSM measure installations), and Shared Savings for Year 3 of portfolio approved in Case No. 2012-00085
 (B) Includes new measures filed in Case No. 2014-00280
 (C) New program filed in Case No. 2014-00280

Kentucky DSM Rider

Duke Energy Kentucky
Demand Side Management Cost Recovery Rider (DSMR)
Summary of Calculations for Programs

July 2015 to June 2016

| | Program Costs (A) |
|---|----------------------|
| <u>Electric Rider DSM</u> | |
| Residential Rate RS | \$ 5,969,071 |
| Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP | \$ 3,747,669 |
| Transmission Level Rates & Distribution Level Rates Part B | \$ 1,091,621 |
| <u>Gas Rider DSM</u> | |
| Residential Rate RS | \$ 620,744 |

(A) See Appendix B, page 2 of 5.

Kentucky DSM Rider

Duke Energy Kentucky
Demand Side Management Cost Recovery Rider (DSMR)
Summary of Billing Determinants

| | |
|--|---------------|
| Year | 2015 |
| Projected Annual Electric Sales KWH | |
| Rates RS | 1,500,287,137 |
| Rates DS, DP, DT, GS-FL, EH, & SP | 2,403,218,077 |
| Rates DS, DP, DT, GS-FL, EH, SP, & TT | 2,843,552,077 |
| Projected Annual Gas Sales CCF | |
| Rate RS | 63,667,723 |

Kentucky DSM Rider

Duke Energy Kentucky
 Demand Side Management Cost Recovery Rider (DSMR)
 Summary of Calculations

July 2014 to June 2015

| Rate Schedule Riders | True-Up Amount (A) | Expected Program Costs (B) | Total DSM Revenue Requirements | Estimated Billing Determinants (C) | DSM Cost Recovery Rider (DSMR) |
|---|--------------------|----------------------------|--------------------------------|------------------------------------|------------------------------------|
| <u>Electric Rider DSM</u> Residential Rate RS | \$ 1,771,266 | \$ 5,969,071 | \$ 7,740,337 | 1,500,287,137 kWh | \$ 0.005159 \$/kWh |
| Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP | \$ (160,435) | \$ 3,747,689 | \$ 3,587,234 | 2,403,218,077 kWh | \$ 0.001493 \$/kWh |
| Transmission Level Rates & Distribution Level Rates Part B TT | \$ (664,793) | \$ 1,091,621 | \$ 426,828 | 2,643,552,077 kWh | \$ 0.000161 \$/kWh |
| Distribution Level Rates Total DS, DP, DT, GS-FL, EH & SP | | | | | \$ 0.001654 \$/kWh |
| <u>Gas Rider DSM</u> Residential Rate RS | \$ 5,735,549 | \$ 620,744 | \$ 6,356,293 | 63,667,723 CCF | \$ 0.099835 \$/CCF |
| Total Rider Recovery | | | \$ 18,110,692 | | |
| Customer Charge for HEA Program <u>Electric No. 4</u> Residential Rate RS | | | Annual Revenues \$ 146,417 | Number of Customers 122,014 | Monthly Customer Charge \$ 0.10 |
| <u>Gas No. 5</u> Residential Rate RS | | | \$ 105,820 | 88,183 | \$ 0.10 |
| Total Customer Charge Revenues | | | \$ 252,236 | | |
| Total Recovery | | | \$ 18,362,928 | | |

(A) (Over)/Under of Appendix B page 1 multiplied by the average three-month commercial paper rate for 2013 to include interest on over or under-recovery in accordance with the Commission's order in Case No. 95-312. Value is:
 (B) Appendix B, page 2.
 (C) Appendix B, page 4.

1.001000

Allocation Factors Based on 2015-2016 Projection

Summary of Load Impacts July 2015 Through June 2016

| Residential Programs | Load Impacts Net of Free Riders at Meter | | | |
|--|--|----------------------|-------------------|----------------------|
| | kWh | % of Total Res Sales | ccf | % of Total Res Sales |
| Appliance Recycling Program | 225,426 | 0.0150% | - | 0.0000% |
| Energy Efficiency Education Program for Schools | 325,145 | 0.0217% | 11,400 | 0.0179% |
| Low Income Neighborhood | 529,200 | 0.0353% | - | 0.0000% |
| Low Income Services | 346,183 | 0.0231% | 19,113 | 0.0300% |
| My Home Energy Report** | 10,914,000 | 0.7275% | - | 0.0000% |
| Residential Energy Assessments | 444,850 | 0.0297% | 22,395 | 0.0352% |
| Residential Smart Saver* | 2,384,108 | 0.1589% | 2,916 | 0.0046% |
| Power Manager*** | - | 0.0000% | - | 0.0000% |
| Total Residential | 15,168,911 | 1.0111% | 55,824 | 0.0877% |
| Total Residential (Rate R5) Sales Projected | 1,500,287,137 | 100% | 63,667,723 | 100% |

| Allocation Factors based on July 2015-16 Proj | | |
|---|----------------------------|---------------------------|
| | Elec % of Total % of Sales | Gas % of Total % of Sales |
| | 100% | 0% |
| | 55% | 45% |
| | 100% | 0% |
| | 43% | 57% |
| | 100% | 0% |
| | 46% | 54% |
| | 97% | 3% |
| | 100% | 0% |