COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APR 01 2008

PUBLIC SERVICE COMMISSION

APPLICATION OF DUKE ENERGY KENTUCKY, INC. TO RE-INSTITUTE A HOME ENERGY ASSISTANCE PROGRAM

CASE NO. 2008-00100

ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR INFORMATION

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Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits his Supplemental Requests for Information to Duke Energy Kentucky, Inc., to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information. (6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

Respectfully submitted, JACK/CONWA NTUCKY ATTØRNEY GENERA -Oł

DÉNNIS HOWARD II PAUL D. ADAMS ASSISTANT ATTORNEYS GENERAL 1024 CAPITAL CENTER DRIVE FRANKFORT KY 40601-8204 (502) 696-5453 FAX: (502) 573-8315 dennis.howard@ag.ky.gov paul.adams@ag.ky.gov

CERTIFICATE OF SERVICE AND NOTICE OF FILING

I hereby give notice that this the 1st day of April, 2008, I have filed the original and ten copies of the foregoing with the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to those listed below.

Honorable John J. Finnigan, Jr. Associate General Counsel Duke Energy Kentucky, Inc. Room 25ATII P.O. Box 960 Cincinnati, OH 45201-0960

Florence W. Tandy Northern Kentucky Community Action Commission P.O. Box 193 Covington, Kentucky 41012

Carl Melcher Northern Kentucky Legal Aid, Inc. 302 Greenup Covington, Kentucky 41011

→ Assistant Attorney General

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ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR INFORMATION Case No. 2008-00100

1. Please reference the Company's Responses to the Supplemental Data Requests of Commission Staff in case 2007-00369, Question 3, Part f. With reference to the administration of the program by the Northern Kentucky Community Action Council (NKCAC), please provide a breakdown of the proposed administrative costs, which are stated to be approximately \$41,000.00.

2. Please reference the Company's Responses to the Supplemental Data Requests of Commission Staff in case 2007-00369, Question 3, Part f. With reference to the administration of the program by the Northern Kentucky Community Action Council (NKCAC), please explain in detail why additional administration funds are appropriate in light of the fact that the Company's existing low-income programs are already being administered by NKCAC.

3. Please reference the Company's Responses to the Supplemental Data Requests of Commission Staff in case 2007-00369, Question 3, please explain in detail all funding sources, including the provider of the funds, that the Company references in the statement "emergency assistance funding was expected to be depleted by the end of January 2008."

4. Please reference the Motion to Amend in case 2007-00369, Paragraph 4. The Company states that approximately 24,700 customers could be eligible for benefits under the proposed program. Of that number, please provide an estimate of the number of customers that are already eligible for assistance under the Company's existing low-income programs (i.e. of the 24,700, how many are eligible under existing programs?).

5. Please reference the Company's Responses to the Supplemental Data Requests of Commission Staff in case 2007-00369, Question 5, please provide the formula used by NKCAC in calculating LIHEAP assistance. Will the formula to be used by NKCAC to qualify customers under this program include in its income calculations the cash value of benefits received by the customer from any public or private agency? If not, why?

6. Please reference the Company's Responses to the Supplemental Data Requests of the Attorney General in case 2007-00369, Question 2, in its responses, the Company notes that customers at the 150%-200% federal poverty guidelines are not eligible for assistance under existing financial aid programs. Please explain in detail the basis the Company relies upon for its assertions that customers at the 150%-200% federal poverty guidelines require assistance?

7. Please reference the Company's Responses to the Supplemental Data Requests of the Attorney General in case 2007-00369, Question 7, please provide a breakdown of the number of participants in the Company's existing low income programs by percentage of the federal poverty income level. (i.e. xx number of customers at 125% of the federal poverty level). For the purposes of this question, the Attorney General assumes that rounding to the nearest 10% increment will provide the level of accuracy sought by the question.

8. Please reference the Company's Responses to the Supplemental Data Requests of the Attorney General in case 2007-00369, Question 7, given the Company's response, please explain in detail why the Company choose an income level that has the opportunity for overlap with other programs. Did the Company consider making the program available for customers earning over 150% but less than or equal to 200% of the federal poverty level? If not, why?

9. Please reference the Company's Responses to the Supplemental Data Requests of the Attorney General in case 2007-00369, Question 7, has the Company estimated the number of overlap customers who could potentially qualify for benefits under the proposed and existing programs? If not, why? If so, then please provide the total.

10. Please reference the Company's Responses to the Supplemental Data Requests of the Attorney General in case 2007-00369, Question 7, will the Company allow those overlap customers to obtain benefits under the existing programs and the proposed program? If so, why? If not, then please describe in detail how the Company will prevent customers from obtaining benefits under multiple programs.

11. Please describe in detail what other options, other than the proposed program, the Company offers those customers who profess difficulty in paying their utility bills (i.e. does the Company offer budget payment plans? Installment payment plans?).

12. Please reference the Motion to Amend in case 2007-00369, Paragraph 2. Is the Company proposing that the level of benefits available under the proposed program is capped at maximum of \$300.00?

- a) If so, please describe why the Company feels it is appropriate to utilize ratepayer funds to subsidize this class of customers rather than offering other options.
- b) If not, please describe in detail the maximum dollar amount available to customers under the program.
- c) Please state the reason(s) the proposed program would be preferable to merely providing customers the option to make up a maximum of \$300.00 in bill arrearage payments over a 12 month period (\$25.00 per month).