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MAY 14 2015

PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF DUKE ENERGY KENTUCKY, INC.	)	
FOR AN ORDER APPROVING THE ESTABLISHMENT OF	)	CASE NO.
A REGULATORY ASSET FOR THE DEPRECIATION EXPENSE	)	2015-00120
OF ITS EAST BEND UNIT 2 GENERATION STATION	)	

ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Initial Requests for Information to Duke Energy Kentucky, Inc. [hereinafter referred to as "Duke" or "DEK" or "the company"] 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) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for DEK with an electronic version of these questions, upon request.

(4) 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.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, 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.

(6) If you believe any request appears confusing, please request clarification directly from Counsel for the Office of Attorney General.

(7) 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.

(8) 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.

(9) 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.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts

thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other

forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

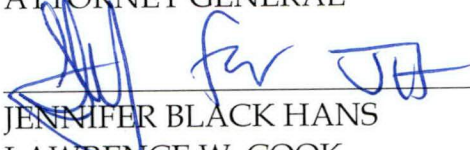
(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) 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.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) The Attorney General reserves the right to pose additional data requests on or before the due date specified in the Commission's procedural schedule or by motion and upon further order of the Commission.

Respectfully submitted,  
JACK CONWAY  
ATTORNEY GENERAL

  
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*Certificate of Service and Filing*

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Rocco D'Ascenzo  
Duke Energy Kentucky, Inc.  
PO Box 960  
Cincinnati, OH 45201

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

this 14 day of May, 2015.



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Assistant Attorney General

APPLICATION OF DUKE ENERGY KENTUCKY, INC.  
FOR AN ORDER APPROVING THE ESTABLISHMENT OF A  
REGULATORY ASSET FOR THE DEPRECIATION EXPENSE  
OF ITS EAST BEND UNIT 2 GENERATION STATION  
CASE NO. 2015-00120

Attorney General's Initial Requests for Information

1. Reference the Stipulation, Settlement Agreement and Recommendation filed in Case No. 2014-00201, Paragraph 1, subparagraph (c), which states: "The purchase price of \$12.4 million should be used for establishing the net book value of the 31% interest in East Bend for rate making purposes." Does any of the terms of the Application for a regulatory asset sought in the current proceeding change this term of the settlement in Case No. 2014-00201?
2. Reference paragraphs 8 and 9 of the Application. What is the total FERC mandated annual depreciation expense that DEK is seeking to record as a regulatory asset in this matter?
3. Reference paragraph 9 of the Application. What is the estimated annual cost for rate making purposes of this regulatory asset if amortized, as proposed, over twenty-three years?
4. Based on DEK's proposal in this Application, how much more or less than \$222,000 annual depreciation expense will DEK be committing to pay annually?