## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

## ELECTRONIC APPLICATION OF DUKE ENERGY ) KENTUCKY, INC. TO CONTINUE HOME ENERGY ) CASE NO. ASSISTANCE PROGRAM ) 2017-00189

## ORDER

On May 24, 2017, Duke Energy Kentucky, Inc. ("Duke Kentucky") filed an application seeking approval to continue its Home Energy Assistance ("HEA") program for a period beginning January 1, 2018, through December 31, 2020. The final Order in Case No. 2014-00094<sup>1</sup> directed Duke Kentucky to file an application no later than six months prior to the December 31, 2017 expiration date, if it intended to continue the HEA program. The instant application is submitted by Duke Kentucky in compliance with that directive. On June 7, 2017, an informal teleconference ("IC") was held to clarify certain issues in this case. Duke Energy filed responses to the IC on June 13, 2017. There are no interveners in this case. The matter is now submitted to the Commission for a decision based upon the evidentiary record.

The existing HEA program is administered under Duke Kentucky's Wintercare program, which provides assistance to low-income customers to help pay their gas or electric bills. The Wintercare program is funded by Duke Kentucky employees, customers, and shareholders and is administered by the Northern Kentucky Community

<sup>&</sup>lt;sup>1</sup> Case No. 2014-000094, Application of Duke Energy Kentucky, Inc. to Continue the Home Energy Assistance Program, (Ky. PSC June 4, 2014).

Action Commission. Duke Kentucky has and will continue to contribute \$25,000 in shareholder funding through the duration of the HEA program. The balance of the program costs is paid for by a surcharge on residential electric and gas customers.

To qualify for assistance via the HEA program, a customer of Duke Kentucky must have an income level at or below 150 percent of the federal poverty level. While other assistance programs are available at time of need, such as the Low Income Home Energy Assistance Program or Wintercare, HEA program funds are available to incomequalifying Duke Kentucky customers only after these other low-income program funds are depleted. The assistance period for the proposed HEA program is July 1 to June 30, and eligible Duke Kentucky customers may receive up to \$300 per assistance period. Duke Kentucky notes that the HEA funds have assisted approximately 3,364 families from January 2014 through December 2016.<sup>2</sup>

Currently, Duke Kentucky charges residential electric service and residential gas customers \$0.10 per account per month. Customers who receive both electric and gas service pay \$0.20 per month, or \$0.10 per account. This results in a total annual bill impact of \$1.20 for gas- and electric-only customers and \$2.40 for combined gas and electric customers. Duke Kentucky proposes no change to this surcharge.

In addition to the surcharge, additional funds are received through voluntary customer and employee contributions and shareholder funding.<sup>3</sup> In case No. 2014-00094, Duke Kentucky committed \$25,000 in shareholder funding in support of the HEA program. Duke Kentucky pledges to continue this level of shareholder funding through

<sup>&</sup>lt;sup>2</sup> Application at 9.

<sup>&</sup>lt;sup>3</sup> Case No 2008-00100, *The Application of Duke Energy Kentucky, Inc. To Reinstitute a Home Energy Assistance Program,* (Ky. PSC Sept. 25, 2008).

the duration of the proposed continuation of the HEA program.<sup>4</sup>

Pursuant to the Commission's final Order in Case No. 2014-00094, Duke Kentucky files an annual progress report for the HEA program with its annual Demand-Side Management filing. Among other things, Duke Kentucky is required to report the number of clients serviced by the program, the number of clients not serviced due to exhaustion of funds, the date the funds were depleted for the 12-month assistance period, the total amounts collected under the program with a breakdown between gas accounts and electric accounts, the total number of disbursements, and the actual administrative costs associated with implementing the program.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that Duke Kentucky's request to continue the HEA program through December 31, 2020, is reasonable and should be approved. Duke Kentucky will be allowed to continue the imposition of its HEA surcharge on a per-account, per-month basis following the expiration of the current three-year period on December 31, 2017, through December 31, 2020.

IT IS THEREFORE ORDERED that:

1. Duke Kentucky's request to continue its HEA program following the expiration of its current HEA program through December 31, 2020, is approved.

2. Within 20 days of the date of this Order, Duke Kentucky shall file with this Commission, using the Commission's electronic Tariff Filing System, revised HEA program tariff sheets as approved herein reflecting that the HEA program tariff was approved pursuant to this Order.

<sup>&</sup>lt;sup>4</sup> Application at 6.

3. Duke Kentucky shall continue filing an annual progress report for the HEA program along with its annual DSM filing as consistent with Case No. 2014-00094.

 Duke Kentucky's application to continue or terminate the HEA program shall be filed with the Commission no later than six months prior to the December 31, 2020 expiration of the program.

By the Commission

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ATTEST:

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