

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE)	
ENERGY KENTUCKY, INC. TO AMEND ITS)	CASE NO.
DEMAND SIDE MANAGEMENT PROGRAMS)	2017-00324

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 an original and six copies in paper medium and an electronic version of the following information. The information requested herein is due October 8, 2017. Responses to requests for information 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 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 amendments 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 completely and precisely respond.

Careful attention should 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 document 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. Refer to the Application, paragraph 7.
 - a. Refer to page 4. Explain in detail what constitutes an “acceptable incentive.”
 - b. Refer to page 5. Explain why the total energy impacts for the current fiscal year non-residential Customer Incentive Program projects are approximately three times higher than historical values.
 - c. Refer to page 6. Explain why the projected forecast costs are four times greater than the projected costs for Case No. 2016-00382.¹
2. Refer to the Application, paragraph 13, page 7.
 - a. Provide Duke Kentucky’s billing cycles.

¹ Case No. 2016-00382, *Electronic Annual Cost Recovery Filing for Demand Side Management by Duke Energy Kentucky, Inc.*, (Ky. PSC Mar. 28, 2017).

b. Confirm that Duke Kentucky is requesting that an Order be issued at least five business days prior to the beginning of a billing cycle, and that the effective date of the tariff revisions be postdated to the first day of the same billing cycle.

3. Refer to the Application, Appendix A. Explain why the modification should be approved given a Total Resource Cost score of 0.74 when a score of less than 1.0 implies that the costs outweigh the benefits.

4. Refer to the Application, Appendix B.

a. Provide all schedules in electronic Excel spreadsheet format, with formulas intact and cells unprotected.

b. Refer to page 2 of 7. Explain why lost revenues for the Appliance Recycling Program are included, given that Duke Kentucky discontinued the Appliance Recycling Program.

5. Refer to the Application, Appendix D, The Energy Education in Schools Program Year 2014–2015 Evaluation Report dated October 26, 2016.

a. In Case No. 2016-00382, Duke Kentucky filed the Energy Education in Schools Program Year 2014–2015 Evaluation Report dated November 1st, 2016, as Appendix E. Explain why the report filed in this instant case is an earlier-dated report.

b. Provide any differences between these two reports.

6. Refer to Appendix E.

a. Refer to page 3 of 19. Explain how the reduced load is predetermined during an Emergency Curtailment event.

b. Refer to page 6 of 19. Confirm that only Call Option Events were test events during the 2016 Program year.

c. Refer to page 17 of 19. Navigant recommended several opportunities to improve functionality and consistency. Explain if Duke Kentucky is considering implementing any of these suggestions.

d. Provide the number of Duke Kentucky customers that participate in the PowerShare Program.

7. Refer to the Application, Appendix F.

a. Refer to page 4 of 44. The first paragraph of the report states that the program provides incentives towards lighting and refrigeration equipment. The second paragraph states that the program provides incentives towards lighting, refrigeration, and HVAC equipment. Reconcile these two statements.

b. Refer to page 5 of 44, Table 1-1. Explain if the differences between what was claimed and what was realized in the energy and demand impacts are applied to the projected program Costs, Lost Revenues, and Shared Savings on page 2 of Appendix B.

c. Refer to page 7 of 44. Navigant recommended ten discrete actions for improving the Small Business Energy Saver Program. Explain if Duke Kentucky is considering implementing any of these suggestions.

d. Refer to pages 35, 36, 37, 38, and 39 of 44. Each page contains the following phrase: Error! Reference source not found. Explain that phrase and provide an updated Appendix F with any necessary updates or corrections.

8. Duke Kentucky, in Case No. 2016-00152², committed to filing for a Pilot Peak Time Rebate tariff as part of a future Demand-Side Management (“DSM”) filing. Explain why this tariff is not part of the instant case.

9. Refer to Case No. 2016-00289.³

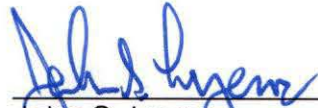
a. Duke Kentucky informed the Commission that the Appliance Recycling Program was no longer being offered because the recycling contractor had discontinued operations. Explain if Duke Kentucky has further analyzed the program for resubmittal.

b. Duke Kentucky received approval to expand the Residential Smart Saver Energy Efficient Products program by adding retail stores as an additional marketing referral channel. Explain if Duke Kentucky has any studies to date addressing participation in the program by non-Duke Kentucky customers.

c. In finding number 6, the Commission found that “Duke Kentucky should continue to scrutinize the results of each existing DSM program measures’ cost-effectiveness test and provide those results in future DSM cases, along with detailed support for future DSM program expansion and additions.” Explain what steps Duke Kentucky has taken to comply with this directive.

² Case No. 2016-00152, *Application of Duke Energy Kentucky, Inc. for (1) A Certificate of Public Convenience and Necessity Authorizing the Construction of an Advanced Metering Infrastructure; (2) Request for Accounting Treatment; and (3) All Other Necessary Waivers, Approvals, and Relief* (Ky. PSC May 25, 2017).

³ Case No. 2016-00289, *Electronic Application of Duke Energy Kentucky, Inc. to Amend Its Demand Side Management Programs* (Ky. PSC Jan. 24, 2017).



John S. Lyons
Acting Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED SEP 22 2017

cc: Parties of Record

Case No. 2017-00324

*Adele Frisch
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Debbie Gates
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

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

*E. Minna Rolfes-Adkins
Paralegal
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

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