



Mailing Address:
139 East Fourth Street
1303-Main
Cincinnati, Ohio 45202
o 513-287-4320
f 513-287-4385

Rocco.D'Ascenzo@duke-energy.com
Rocco D'Ascenzo
Deputy General Counsel

VIA OVERNIGHT DELIVERY

RECEIVED

July 22, 2019

JUL 23 2019

Ms. Gwen R. Pinson
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

**PUBLIC SERVICE
COMMISSION**

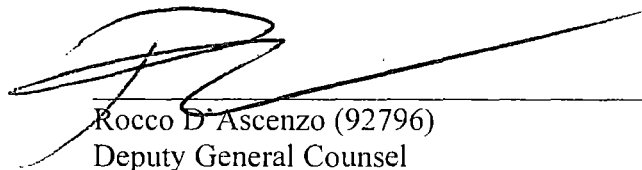
**Re: Case No. 2019-00195
In the Matter of: Petition of Duke Energy Kentucky, Inc. and Duke Energy
One, Inc. for Authorization to Deviate from 807 KAR 5:080, Section 6
Requirements**

Dear Ms. Pinson:

Duke Energy Kentucky, Inc. hereby submits the original and five (5) copies of its Responses to Commission Staff's First Request for Information pursuant to 807 KAR 5:001.

Please date-stamp the extra two copies of this letter and return to me in the enclosed envelope.

Respectfully submitted,



Rocco D'Ascenzo (92796)
Deputy General Counsel
Duke Energy Kentucky, Inc.
139 East Fourth Street, 1303-Main
Cincinnati, Ohio 45202
Phone: (513) 287-4320
Facsimile: (513) 287-4385
Rocco.D'ascenzo@duke-energy.com
Counsel for Duke Energy Kentucky, Inc.

Enclosures: As stated

KyPSC Case No. 2019-00195
TABLE OF CONTENTS

<u>DATA REQUEST</u>	<u>WITNESS</u>	<u>TAB NO.</u>
STAFF-DR-01-001	Mark E. Hollis.....	1
STAFF-DR-01-002	Mark E. Hollis.....	2
STAFF-DR-01-003	Mark E. Hollis.....	3
STAFF-DR-01-004	Mark E. Hollis.....	4

**Duke Energy Kentucky
Case No. 2019-00195
Staff First Set Data Requests
Date Received: July 9, 2019**

STAFF-DR-01-001

REQUEST:

Refer to the application on page 3, paragraph 7. State whether DEOne and Duke Energy Corporation's other regulated utilities are or will be requesting similar relief from the applicable state regulatory commissions of Florida, Indiana, North Carolina, Ohio, and South Carolina. If confirmed, provide the status of each such application.

RESPONSE:

North Carolina, South Carolina, and Kentucky require a waiver in order to alter the disclaimer language required when an affiliate of the regulated utility offers non-regulated products and services in jurisdictions where the regulated utility also operates and in situations where the entities have similar entity names. In this case, "Duke Energy One" uses the portion of the name "Duke Energy," thus is seeking a waiver to modify the language of the non-regulated affiliate disclaimer for DEOne in those three jurisdictions. The remaining jurisdictions do not require a waiver of the language.

PERSON RESPONSIBLE: Mark E. Hollis

REQUEST:

Refer to the application on page 3, paragraph 7. The proposed disclaimer states, in part, that “a customer does not have to buy products or services from DEOne in order to continue to receive the same safe and reliable *electric service* from the Regulated Utilities” and “Nonpayment for these products or services may result in removal from the program, but will not result in disconnection of *electric service* by the Regulated Utilities.” (Emphasis added). State whether Duke Kentucky’s natural gas service was intentionally excluded from these statements.

- a. If so, explain why this exclusion is appropriate.
- b. If not, state whether Joint Applicants will revise the proposed disclaimer to correct the unintentional exclusion and provide revised language if necessary.

RESPONSE:

The natural gas service was inadvertently excluded. DEOne will revise the language to state “electric or gas service.” Please see proposed revision to the disclaimer below: (Note - this includes other changes as requested in these data requests.)

Revised Proposed Disclaimer:

Duke Energy One ("DEOne") is not the same company as Duke Energy Corporation’s regulated utilities, including Duke Energy Carolinas, Duke Energy Florida, Duke Energy Kentucky, Duke Energy Indiana, Duke Energy Ohio and Duke Energy Progress ("Regulated Utilities"); DEOne is not in any way sanctioned by the state utility commissions regulating the Regulated Utilities; Purchasers of products or services from DEOne will

receive no preference or special treatment from the Regulated Utilities; and a customer does not have to buy products or services from DEOne in order to continue to receive the same safe and reliable electric or gas service from the Regulated Utilities. Nonpayment for these products or services may result in removal from the program, but will not result in disconnection of electric or gas service by the Regulated Utilities. THIS MESSAGE IS PAID FOR BY THE SHAREHOLDERS OF DUKE ENERGY CORPORATION.

PERSON RESPONSIBLE: Mark E. Hollis

STAFF-DR-01-003

REQUEST:

Refer to the application on page 3, paragraph 7. The proposed disclaimer states in part, that “THIS MESSAGE IS PAID FOR BY THE SHAREHOLDERS OF DUKE ENERGY.” Confirm that the “Duke Energy” referenced in this sentence is “Duke Energy Corporation.”

- a. If this can be confirmed, state whether Joint Applicants will revise the proposed disclaimer to state, in part, “THIS MESSAGE IS PAID FOR BY THE SHAREHOLDERS OF DUKE ENERGY CORPORATION.” (Emphasis added.)
- b. If this cannot be confirmed, provide the correct entity.

RESPONSE:

The reference to Duke Energy is to Duke Energy Corporation. DEOne will revise the language to state “DUKE ENERGY CORPORATION.” Please refer to Revised Proposed Disclaimer included in response to STAFF-DR-01-002.

PERSON RESPONSIBLE: Mark E. Hollis

REQUEST:

Refer to the application on page 4, paragraph 10, and KRS 278.2219.

- a. State whether any analysis has been performed regarding the costs and benefits of the requested deviation. If so, provide the analysis.
- b. Explain whether it is the Joint Applicants' assertion that compliance with 807 KAR 5:080, Section 5, is impracticable or unreasonable.

RESPONSE:

- a. As stated in the petition, "Allowing DEOne to develop a single disclaimer that it can use in all jurisdictions provides the DEOne with administrative efficiencies so it does not have to maintain multiple disclaimers throughout the country. It will allow DEOne to avoid unnecessary expense and ensure the conformity of the disclaimer across all jurisdictions."

DEOne has not performed a specific cost benefit analysis, as we know the labor and printed materials expenses are not significant. The administrative efficiencies referred to by consolidating six disclaimers into one, enable labor, as well as materials for printing, to be reduced from six variations of a single piece of collateral to a single version.

- b. DEOne is not asserting that compliance with 807 KAR 5:080 is impracticable or unreasonable. In fact, DEOne believes its proposed disclaimer complies with 807

KAR 5:080 in all material respects. DEOne does assert that it is more efficient, practical, and reasonable for customers to develop a single appropriate disclaimer that can be used in all jurisdictions. For example, DEOne has experienced customer confusion first hand in instances when a customer of DEOne operates in multiple states within Duke Energy Corporation's regulated utility operation footprint. These customers are oftentimes confused as to why they must be provided multiple copies of DEOne collateral, with the only difference being the disclaimer at the bottom of the collateral.

Maintaining multiple versions of printed material with the only difference being a state-specific disclaimer is unnecessary and more confusing to customers. In addition, in many use cases of nationally promoted digital collateral, it is not possible to digitally fit each regulated utility's required disclaimer resulting in listing six independent disclaimers.

PERSON RESPONSIBLE: Mark E. Hollis