

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR A CERTIFICATE OF)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY)	2022-00084
AUTHORIZING THE PHASE ONE)	
REPLACEMENT OF THE AM07 PIPELINE)	

COMMISSION STAFF'S SECOND 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 electronic version of the following information. The information requested is due on July 8, 2022. The Commission directs Duke Kentucky to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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 the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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 amendment to any prior response if Duke Kentucky obtains information that indicates 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, Duke Kentucky shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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 paper 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 Duke Kentucky's response to Commission Staff's First Request for Information (Staff's First Request), Item 1.
 - a. Explain why Duke Kentucky decided not to fully replace more of the AM07 pipeline as part of the first phase of replacement.
 - b. Provide any documents used or generated in making the decision not to replace more of the AM07 pipeline as part of the first phase of replacement.

c. Provide any documents used in determining the projected cost of replacing 4.5 miles of the AM07 pipeline in the first phase of construction. Where applicable, provide the documents in Excel spreadsheet format with formulas, columns, and rows unprotected and fully accessible.

2. Refer to Duke Kentucky's response to Staff's First Request, Item 2.

a. Explain whether there are other pipeline types or materials Duke Kentucky considered or that could be used, and, if so, provide a list of the other materials and an explanation why that material was not chosen.

b. Provide the material grade of the pipeline being replaced, and the "higher grade" material proposed for this project.

c. If there is not a pre-determined life expectancy of the new pipeline, explain how Duke Kentucky determined that the cost per useful life of the selected pipeline type or material was greater than that of other considered or useable types or material.

d. Additionally refer to the Application, Exhibit 6, Direct Testimony of Jay P. Brown, pages 4–5, which states that, when the assets are placed in service, the assets will be depreciated like any other asset that is used and useful. The response to Staff's First Request, Item 2a states that there is not a pre-determined life expectancy of the new pipeline. Provide the depreciation rates that will be used for the assets placed into service.

3. Refer to Duke Kentucky's response to Staff's First Request, Item 3b. Provide the expected cost of in-line inspection work that is done every seven years on the pipeline.

4. Refer to Duke Kentucky's response to Staff's First Request, Item 7c.
 - a. Provide the expected cost of environmental testing of abandoned pipeline for contaminants.
 - b. Provide the expected cost of grouting contaminated abandoned pipeline.
 - c. Provide the number of occurrences of discovering contaminants in Duke Kentucky's abandoned pipelines over the past ten years.



Linda C. Bridwell, PE
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Public Service Commission
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DATED JUN 23 2022

cc: Parties of Record

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