

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF DUKE ENERGY KENTUCKY, INC.	)	2022-00267
FROM NOVEMBER 1, 2021 THROUGH	)	
APRIL 30, 2022	)	

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 October 28, 2022. The Commission directs Duke Kentucky to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> 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

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<sup>1</sup> 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 the Direct Testimony of Kimberly Hughes (Hughes Testimony), page 7, lines 17–19. Explain what industries are expanding their demand for metallurgical coal.

2. Refer to the Direct Testimony of Jim McClay (McClay Testimony), page 5, lines 18–23, and page 6, lines 1–8.

a. Explain whether the DEOK delivery zone being separated as a “constrained zone” means that transmission capacity into or out of the zone is constrained.

b. Explain how the DEOK zone separation could affect market liquidity for capacity.

c. Explain whether the higher zone capacity clearing prices are insufficient to induce either additional transmission capacity or generation capacity that would alleviate current constraints.

d. If Duke Kentucky were to need additional capacity and assuming it were available, explain whether there is sufficient transmission capacity with its neighboring Kentucky utilities to acquire that capacity.

3. Refer to Duke Kentucky’s response to Commission Staff’s First Request for Information (Staff’s First Request), Item 3. Explain whether at any point during the period under review, the coal inventory level for Duke Kentucky’s generating units fell below the units’ target range. If so, provide the coal inventory level for the generating units when they fell below the target coal inventory.

4. Refer to Duke Kentucky’s Response to Staff’s First Request, Item 23, Attachment, page 1 of 1. Billing Line Item 2340 is listed twice, once as Reg. Supply and again as Lost Opp. Cost. Explain whether one of these is mislabeled, and if so, provide the correct labelling.

5. Refer to Duke Kentucky’s Response to Staff’s First Request, Item 28, in which it states, “In circumstances when the market price of power drops below the unit offer and the generators’ market costs are expected to exceed the forecasted market

revenues over an appropriate time period, the unit could be offered to PJM with an Economic status.”

a. If the unit were to be offered to PJM Interconnection, Inc. (PJM) in Economic status, explain how the unit would operate over the appropriate time period.

b. Explain what other options Duke Kentucky has as alternatives to offering the unit to PJM in Economic status. Include in the response whether there would be any unit operational differences under this alternative offer.

6. Explain whether Duke Kentucky was subjected to any performance penalties by PJM during the period under review.

7. For each month of the review period, provide the total amount of fuel related cost that occurred during a forced outage that was disallowed pursuant to 807 KAR 5:056, or that Duke Kentucky was unable to collect via any other means.



Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED     OCT 14 2022    

cc: Parties of Record

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