

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR AN ADJUSTMENT TO)	CASE NO.
RIDER NM RATES AND FOR TARIFF)	2023-00413
APPROVAL)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO DUKE ENERGY KENTUCKY, INC.

Duke Energy Kentucky, Inc. (Duke Kentucky), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on February 2, 2024. 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 or incomplete when made or, though correct or complete when made, is now incorrect or incomplete 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 and scanned 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. Provide the number of customers who have submitted an application to take service under Rider NM I but whose eligible generating facility has not yet been put into service as of the date of the response to this request.

2. Refer to the Direct Testimony of Bruce L. Sailors (Sailors Direct Testimony), page 13, line 4 through page 14, line 10.

a. Explain whether a potential net metering customer must have submitted its application for net metering prior to the effective date of Rider NM II to take service under Rider NM I, or whether their eligible generating facility must be in service prior to the effective date of Rider NM II to take service under Rider NM I.

b. Confirm that, during the 25-year period following the effective date of Rider NM II, a customer with an eligible generating facility served under Rider NM I that has a rated capacity of 10 kW can replace a non-functioning solar panel and increase the system's capacity by up to 10 kW without being removed from Rider NM I. If not confirmed, explain why not.

3. Refer Sailer's Direct Testimony, page 14, lines 21–22. Explain why Duke Kentucky is proposing to make customers ineligible for Rider NM II if they are taking service under Rider AMO or temporary service.

4. Refer to Sailer's Direct Testimony, page 18, lines 8–9.

a. Explain why a 25-year cost recovery period was utilized. Include in the response how Duke Kentucky estimates the useful life of a CT.

b. Provide the net present value calculation that was used to discount the avoided capacity costs. Include in the response how the net present value calculation was derived.

c. Provide the PJM Effective Load Carrying Contribution (ELCC) sheet used by Duke Kentucky for fixed tilt solar resources.

5. Refer to the Direct Testimony of Matthew Kalemba (Kalemba Direct Testimony), pages 4–5, lines 15–8. Explain whether there is a difference between the forecasted Locational Marginal Prices (LMP) energy costs and the real time energy costs.

If so, then explain why Duke Kentucky would rather utilize forecasted LMP energy prices rather than real-time LMP energy prices.

6. Refer to the Kalemba Direct Testimony, page 7, lines 5–14.

a. Explain why Duke Kentucky used a natural gas fired CT as the avoided resource. Include in the explanation any work papers or modeling that indicated when or whether Duke Kentucky intends to construct a natural gas fired CT.

b. Explain whether Duke Kentucky's third-party consultants utilized a publicly available source, such as the National Renewable Energy Laboratory (NREL), to calculate the avoided capacity costs for a CT. If not, then explain why not.

7. Refer to Attachment BLS-3 CONF, Avoided Capacity tab. [REDACTED]

[REDACTED]

8. Refer to Attachment BLS-3 CONF, Avoided T and D tab.

a. [REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED] Include any workpapers in unlocked Excel format, if necessary.

c. [REDACTED]

[REDACTED] Include any workpapers in unlocked Excel format, if necessary.

9. Refer to Attachment BLS-3 CONF, Res Rate Calculation tab.

a. [REDACTED]

[REDACTED]

b. [REDACTED]



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DATED JAN 19 2024

cc: Parties of Record

Case No. 2023-00413

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