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Anita M. Schafer Sr. Paralegal

VIA HAND DELIVERY

April 3, 2008

Ms. Stephanie Stumbo Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602-0615

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APR 0 3 2008 PUBLIC SERVICE COMMISSION

Re: Case No. 2008- 20127 In the Matter of Duke Energy Kentucky, Inc.'s Integrated Resource Plan

Dear Ms. Stumbo:

Enclosed please find an original and twelve copies of the Request for Waiver in the above captioned case.

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

Sincerely,

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Anita M. Schafer Senior Paralegal

cc: Hon. Larry Cook (with enclosures)

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COMMON WEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of Duke Energy Kentucky, Inc.'s Integrated Resource Plan

DUKE ENERGY KENTUCKY, INC'S REQUEST FOR WAIVER AND REQUEST TO ACCEPT THE REQUEST FOR WAIVER OUT OF TIME OR IN THE ALTERNATIVE EXTEND DUKE ENERGY KENTUCKY'S INTEGRATED RESOURCE PLAN FILING DATE

Now comes Duke Energy Kentucky, Inc. ("DE-Kentucky"), pursuant to 807 KAR 5:058 Section 3, and respectfully requests the Kentucky Public Service Commission ("Commission") grant waivers from the certain filing requirements ("Request for Waivers") for Integrated Resource Plans ("IRPs") and to accept such request although filed out of time. Pursuant to 807 KAR 5:058 Section 3, requests for waivers must be filed ninety (90) days prior to the date established for the IRP filing. DE-Kentucky's 2008 IRP is scheduled to be filed on July 1, 2008, resulting in a request for waiver to be filed by April 2, 2008. On the afternoon of April 2, 2008, DE-Kentucky discovered the need to file a Request for Waiver as set forth below, but was unable to file such request prior to the Commission's close of business. Wherefore, DE-Kentucky requests that the Commission accept and consider this Request for Waiver filed out of time. In the alternative, DE-Kentucky respectfully requests that the Commission extend DE-Kentucky's IRP filing date by seven (7) days to July 8, 2008 so that the Request for Waiver may be deemed as timely filed. In support of this Petition, DE-Kentucky respectfully states:

1. DE-Kentucky is a Kentucky corporation with its principal office and principal place of business at 1697A Monmouth Street, Newport Shopping Center, Newport, Kentucky 41071. Its mailing address is P.O. Box 960, Cincinnati, Ohio 45201.

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2. DE-Kentucky is a utility engaged in the gas and electric business. DE-Kentucky purchases, sells, stores and transports natural gas in Boone, Campbell, Gallatin, Grant, Kenton and Pendleton Counties, Kentucky. DE-Kentucky also generates electricity, which it distributes and sells in Boone, Campbell, Grant, Kenton and Pendleton counties and is subject to the jurisdiction of the Commission.

3. A copy of DE-Kentucky's Articles of Incorporation are on file with this Commission in Case Number 2006-00563 and are hereby incorporated herein by reference.

Pursuant to the Commission's December 16, 2005 Order in Case No. 2005-0370,
DE-Kentucky plans to file its stand alone IRP by July 1, 2008.

5. Pursuant to 807 KAR 5:058 Section 3, requests for waivers must be filed ninety (90) days prior to the date established for the IRP filing, resulting in a request for waiver to be filed by April 2, 3008.

6. DE-Kentucky became aware of its need to seek waiver of certain IRP filing requirements on the afternoon of April 2, 2008, but following the close of the Commission's business day.

7. Although it is untimely filed, DE-Kentucky submits that good cause exists for the Commission to accept this Request for Waiver. DE-Kentucky requests waivers of the following IRP requirements, in accordance with 807 KAR 5:058, Section 3, for the reasons stated herein:

a. DE-Kentucky requests a waiver of the IRP filing requirement embodied in 807
KAR 5:058, Section 7(5) and 807 KAR 5:58 Section 8(3), to the extent they require the filing of information related to the integrated Duke Energy system.
The utility operating companies owned by Duke Energy Corporation do not participate in or engage in joint planning for their generation resources on an

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integrated system-wide basis. DE-Kentucky is the only Duke Energy affiliated electric utility subject to the jurisdiction of the Kentucky Public Service Commission and operating in the Commonwealth of Kentucky. Because DE-Kentucky is filing a stand alone IRP, information regarding all affiliated utility operating companies across five states would not provide the Commission with any useful information in determining DE-Kentucky's ability to serve its retail load. Additionally, providing information related to Duke Energy's integrated system would be an unreasonably time-consuming and burdensome process. DE-Kentucky's affiliate, Duke Energy Ohio, Inc., no longer produces an IRP addressing generation capabilities and plans.¹ DE-Kentucky's utility affiliate Duke Energy Carolinas, LLC operates in North and South Carolina and its system is geographically separate from DE-Kentucky. DE-Kentucky would incur great expense in terms of man hours to create such integrated system-wide information because such information currently does not exist. For these reasons, and in the interest of administrative economy, DE-Kentucky requests a waiver of these IRP filing requirements to the extent they require reporting of Duke Energy-wide integrated system information.

8. DE-Kentucky submits that good cause exists to accepting its Request for Waiver although filed one day out of time and that no prejudice will arise. If DE-Kentucky's Request for Waiver is granted and accepted as timely filed, DE-Kentucky will still meet its July 1, 2008 IRP filing deadline. Since DE-Kentucky has not filed its IRP plan, the case was not initiated

¹ See Ohio Rev. Code Ann. §§4928.05 and 4935.04(a)(1) (Anderson 2008); Duke Energy Ohio, Inc., is no longer required to file an IRP addressing generating capabilities and plans since the inception of Ohio's electric deregulation law. Under R.C. 4928.05 the Public Utilities Commission of Ohio's jurisdiction over generation has been limited. The definition of "Major utility facility" was amended to remove the reference to "electric generating plant and associated facilities designed for and capable of, operation at a capacity of fifty megawatts or more."

until this filing. There are no Intervening Parties so no party can claim to be prejudiced by permitting and accepting the untimely filing of this Request for Waiver. Lastly, this Commission as well as any intervening party to DE-Kentucky's IRP proceeding would be free to conduct discovery on the relevant issues including how DE-Kentucky conducts its resource planning separate and apart from its affiliated utility operating companies.

9. In the alternative, if the Commission does not accept the Request for Waiver as filed, DE-Kentucky requests the Commission amend and postpone the filing date for DE-Kentucky's IRP by seven (7) days, until July 8, 2008, such that the above styled Request for Waiver would be considered as timely filed.

WHEREFORE, for the reasons stated herein, DE-Kentucky respectfully requests the Commission accept for filing out of time a waiver of the IRP filing requirements as described herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

Michael J. Pahutski (88630) Assistant General Counsel Duke Energy Kentucky, Inc. 139 East Fourth Street, Rm 25 ATII Cincinnati, Ohio 45201-0960 Phone: (513) 419-1803 /Fax: (513) 419-1846 e-mail:michael.pahutski@duke-energy.com

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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Request For Waiver of Duke

Energy Kentucky, Inc. has been served via overnight mail to the following party on this

<u>3 RO</u> day of April, 2008:

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Michael J. Pahutski

Hon. Larry Cook Office of the Attorney General Utility Intervention and Rate Division 1024 Capital Center Drive Frankfort, Kentucky 40601

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