

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF DUKE)
ENERGY KENTUCKY, INC. FOR APPROVAL OF)
ENERGY EFFICIENCY PLAN, INCLUDING AN ENERGY) CASE NO. 2008-00495
EFFICIENCY RIDER AND PORTFOLIO OF ENERGY)
EFFICIENCY PROGRAMS)

SUPPLEMENTAL REQUESTS FOR INFORMATION
OF THE ATTORNEY GENERAL

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Supplemental Request for Information to Duke Energy Kentucky, Inc., to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

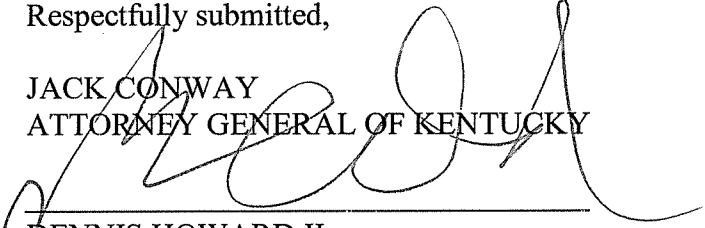
(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

Respectfully submitted,

JACK CONWAY
ATTORNEY GENERAL OF KENTUCKY



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CERTIFICATE OF SERVICE AND NOTICE OF FILING

I hereby give notice that this the 8th day of September, 2009, I have filed the original and ten copies of the foregoing Attorney General's Request for Information with the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to those listed below.

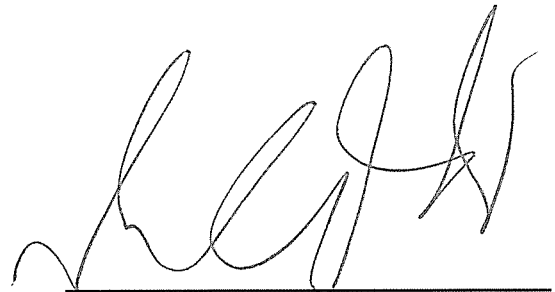
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**THE APPLICATION OF DUKE ENERGY KENTUCY, INC. FOR APPROVAL
OF ENERGY EFFICIENCY PLAN, INCLUDING AN ENERGY EFFICIENCY
RIDER AND PORTFOLIO OF ENERGY EFFICIENCY PROGRAMS**

Case No.: 2009-00495

Supplemental Requests For Information of the Attorney General

1. Please refer to page 5 of your testimony, beginning at line 6. In your testimony, you state that the Company's Applicability section as initially filed stated that "[a] non-residential customer, whose total aggregate load in the Company's certified service territory exceeds 25MW, may opt out of the tariff" and that the inclusion of this language was in error. Your testimony and attachments modify this language to purportedly comply with KRS 278.285(3) such that the tariff now provides that industrial customers with an energy intensive process may opt out of the tariff.
 - a. Does Duke interpret the statute to provide an "opt out" option to its commercial customers or only its industrial customers?
 - b. With regard to electric or gas services, how does Duke define the term "industrial customers?"
 - c. How many customers does Duke have that it classifies as "industrial customers?"
 - d. Of those customers that Duke defines as "industrial customers", how many have total aggregate loads exceeding 25MW?
 - e. With regard to electric or gas services, how does Duke define the term "commercial customers?"
 - f. How many customers does Duke have that it classifies as "commercial customers?"
 - g. Of those customers that Duke defines as "commercial customers," how many have total aggregate loads exceeding 25MW?
 - h. Under the original tariff language as filed in the Application, how many customers would qualify to opt out of the tariff?
 - i. Under the modified tariff language, how many customers will be eligible to opt out of the tariff?
 - j. Does the Company have commercial and/or industrial customers who take both electric and gas services?
 - k. Please indicate how many commercial customers take both electric and gas services.
 - l. Please indicate how many industrial customers take both electric and gas services.
 - m. How does Duke interpret the "opt out" provision of KRS 278.285(3) to apply to customers who take both electric and gas services from the Company?
 - n. Will a customer who opts out of the electric DSM tariff be required to pay the gas DSM tariff or vice versa? If so, please explain in detail the conditions in which this would be applicable.

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2. Please refer to Attachments DLS-1, DLS-2 and DLS-3.
 - a. In each of the attached tariffs, there is reference in numerous of the variable descriptions to the “life of the measure,” please explain how this term is defined.
 - b. Please indicate where in the application the projected lives of each of the measures proposed by the company may be referenced.
 - c. Please provide a table indicating the proposed lives for each of the measures proposed by the Company as part of this recovery method.
 - d. Please provide a table indicating the estimated cost of each of the measure proposed by the Company as part of this application (This should be interpreted to require the Company to provide a cost per fixture or cost per item for each measure).
 - e. Please provide a table indicating the estimated amount to be recovered by the company for each measure identified in part c and/or part d. (This should be interpreted to require the Company to identify the total for each measure to be recovered each year and the total for the life of each measure identified).
3. Please refer to Attachments DLS-1, DLS-2 and DLS-3. The variable ACE is defined to be the marginal energy cost rate and references that this variable is determined from the IRP analysis for each year (e.g., page 3 of 5 in DLS-2). Please confirm that this is correct. If this is correct, please explain whether this value is to be trued up from the estimated values in the Company’s IRP to actual values.
4. Please refer to page 5 of your testimony, beginning at line 17. In your testimony you indicate that the term “Market-Based” rates should be deleted. Should this term be replaced with the “cogeneration rate for power producers with a demand of 100kW or less” to be consistent with other language of the Application? If not, why?
5. Please refer to page 12 of the application, paragraph P. With the deletion of the term “Market-Based” rates in the proposed tariffs, please indicate whether the tariff referenced in the paragraph refers to the Company’s “Purchase Rate” of \$0.03078/kWh as referenced in the Company’s “Cogeneration And Small Power Production Sale And Purchase Tariff - 100kW Or Less” and that this “Purchase Rate” is the rate at which the Company expects to be reimbursed by ratepayers under the proposed tariffs. Please indicate where in the proposed tariffs this rate is identified.