



139 East Fourth Street, R. 25 At II  
P.O. Box 960  
Cincinnati, Ohio 45201-0960  
Tel: 513-419-1837  
Fax: 513-419-1846  
[dianne.kuhnell@duke-energy.com](mailto:dianne.kuhnell@duke-energy.com)

Dianne B. Kuhnell.  
Senior Paralegal

**VIA OVERNIGHT DELIVERY**

September 17, 2009

**RECEIVED**

**SEP 18 2009**

**PUBLIC SERVICE  
COMMISSION**

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd  
Frankfort, KY 40601

Re: Case No. 2008-00495

Dear Mr. Derouen:

Enclosed please find for filing an original and eight copies of Duke Energy Kentucky's Responses to Commission Staff's Supplemental Data Request and Duke Energy Kentucky's Responses to Attorney General's Supplemental Requests for Information.

Please date-stamp the extra two copies of the letter and face sheet from the Responses and return to me in the enclosed envelope.

Sincerely,

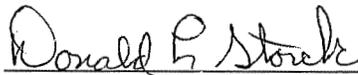
Dianne B. Kuhnell  
Senior Paralegal

cc: Dennis Howard II  
Michael L. Kurtz

VERIFICATION

State of Ohio            )  
                                  )  
County of Hamilton    )

The undersigned, Donald L. Storck being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Director of Rate Services; that on behalf of Duke Energy Kentucky, Inc., I have supervised the preparation of the responses to the foregoing responses to information requests; and that the matters set forth in the foregoing response to information requests are true and accurate to the best of my knowledge, information and belief after reasonable inquire.

  
\_\_\_\_\_  
Donald L. Storck, Affiant

Subscribed and sworn to before me by Donald L. Storck on this 15<sup>th</sup> day of September, 2009.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:



**ANITA M. SCHAFER**  
Notary Public, State of Ohio  
My Commission Expires  
November 4, 2009



## TABLE OF CONTENTS

<u>DATA REQUEST</u>	<u>WITNESS</u>	<u>TAB NO.</u>
STAFF-DR-SUPP-02-001	Donald L. Storck .....	1
STAFF-DR-SUPP-02-002	Donald L. Storck .....	2
STAFF-DR-SUPP-02-003	Donald L. Storck .....	3



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**First Set Attorney General Data Requests**  
**Date Received: September 8, 2009**

**STAFF-DR-SUPP-02-001**

**REQUEST:**

Refer to page 2 of the Direct Testimony of Donald L. Storck (“Storck Testimony”) where it states that he is employed “as Director, Rates Services.” (Emphasis added).

- a. Explain whether Mr. Storck is the only Director, Rates Services, employed by Duke Energy Business Services, Inc. (“Business Services”) or if there are multiple people with that title.
- b. If there are other persons employed by Business Services as a Director, Rates Services, provide those individuals’ names and a brief summary of their education and employment histories.
- c. If other Rates Services directors are identified in the response to part b. of this request, explain how Mr. Storck was selected as the director to file testimony at this stage of this proceeding and adopt the Direct Testimony of Paul G. Smith filed herein on December 1, 2008.

**RESPONSE:**

- a. Mr. Storck is the only Director, Rates Services employed by Duke Energy Business Services, Inc.
- b. Not Applicable.
- c. Not Applicable.

**PERSON RESPONSIBLE:** Donald L. Storck



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**First Set Attorney General Data Requests**  
**Date Received: September 8, 2009**

**STAFF-DR-SUPP-02-002**

**REQUEST:**

Refer to page 3 of the Storck Testimony which indicates that Mr. Storck has not previously testified before the Kentucky Commission. Identify the commissions before which Mr. Storck has testified and the specific dockets in which he has testified from 2005 to the present.

**RESPONSE:**

While Mr. Storck has not previously testified before the Kentucky Commission, he has submitted written direct testimony on behalf of Duke Energy Kentucky in Case No. 2009-00202. Since 2005, Mr. Storck has testified before the Public Utilities Commission of Ohio in the following dockets:

- Case No. 08-709-EL-AIR
- Case No. 08-710-EL-ATA
- Case No. 08-711-EL-AAM
- Case No. 07-589-GA-AIR
- Case No. 07-590-GA-ALT
- Case No. 07-591-GA-AAM

**PERSON RESPONSIBLE:** Donald L. Storck



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**First Set Attorney General Data Requests**  
**Date Received: September 8, 2009**

**STAFF-DR-SUPP-02-003**

**REQUEST:**

Refer to page 5 of the Storck Testimony, Attachments DLS-1 and DLS-2, regarding the opt-out provision for industrial customers with energy-intensive loads, and KRS 278.285(3) which provides in pertinent part: “[t]he commission shall allow individual industrial customers with energy intensive processes to implement costeffective energy efficiency measures in lieu of measures approved as part of the utility’s demand-side management programs if the alternative measures by these customers are not subsidized by other customer classes. Such individual industrial customers shall not be assigned the cost of demand-side management programs.”

- a. Explain how, under Rider SAW, Duke Kentucky intends to verify that customers choosing to opt out have “energy intensive loads.”
- b. Explain whether Duke Kentucky is proposing to allow all individual industrial customers with energy intensive processes to opt out or only those that have implemented cost-effective energy efficiency measures.
- c. If Duke Kentucky is proposing to allow all individual industrial customers with energy intensive processes to opt out, explain how this is consistent with the statute.
- d. If Duke Kentucky is proposing to allow only those individual industrial customers with energy intensive processes that have implemented costeffective energy efficiency measures to opt out, explain, how Duke Kentucky intends to verify that customers choosing to opt out have implemented cost-effective energy efficiency measures.

**RESPONSE:**

- a. KRS 278.285 states that the “*Commission shall allow individual industrial customers*” the ability to opt out of utility sponsored DSM. The KRS 278.285(3) statute doesn’t define “energy intensive processes” or “cost-effective energy efficiency measures.” The statute doesn’t require a utility to verify whether an industrial customer has an “energy intensive load” or that a customer has implemented “cost-effective energy efficiency measures.”

Absent clear statutory definitions; the Company proposes all industrial customers on Rate TT (transmission service) be considered to have “energy intensive processes” and thus are eligible to opt out of Rider SAW. This will provide a clear definition of which customers are eligible to opt out. These customers will have to attest or certify to the Commission that they have or will implement cost-effective energy efficiency measures. With an approved tariff as a threshold, the Company and the Commisison

will not need to verify customers have energy intensive processes or have or will implement cost-effective energy efficiency measures. The Company believes its proposal is consistent with the statute.

The Commission has recognized the ambiguous nature of the industrial opt out in its July 1, 2008 report to the General Assembly “Electric Utility Regulation and Energy Policy in Kentucky, A Report to the Kentucky General Assembly Prepared Pursuant to Section 50 of the 2007 Energy Act.” On page 3 of the report, the Commission states that it will enact a regulation to clarify the standards regarding customer exculsion. Duke Energy Kentucky proposes to include the precise language set forth under Kentucky law as part of the SAW tariff so customers become aware of their ability to opt out of utility sponsored energy efficiency. The Company presumes the Commission’s forthcoming regulation will be consistent with the statute. Therefore, including the exact statutory language as part of the tariff ensures future compliance with both law and regulation. This will allow sufficient flexibility to allow industrial opt out according to whatever factors the Commission may determine as relevant in the future. Once the Commission provides clarity on what constitutes an energy intensive process, Duke Energy Kentucky will abide by that.

- b. See response to item a above.
- c. See response to item a above.
- d. See response to item a above.

**PERSON RESPONSIBLE:** Donald L. Storck

RECEIVED

SEP 18 2009

PUBLIC SERVICE  
COMMISSION

VERIFICATION

State of Ohio            )  
                                  )  
County of Hamilton    )

SS:

The undersigned, Richard G. Stevie, being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Managing Director, Customer Market Analysis; that on behalf of Duke Energy Kentucky, Inc., I have supervised the preparation of the responses to the foregoing responses to information requests; and that the matters set forth in the foregoing response to information requests are true and accurate to the best of my knowledge, information and belief after reasonable inquire.



Richard G. Stevie, Affiant

Subscribed and sworn to before me by Richard Stevie on this 15<sup>th</sup> day of September, 2009.

  
NOTARY PUBLIC

My Commission Expires:



**ANITA M. SCHAFER**  
Notary Public, State of Ohio  
My Commission Expires  
November 4, 2009

VERIFICATION

State of Ohio            )  
                                  )  
County of Hamilton     )

The undersigned, Donald L. Storck being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Director of Rate Services; that on behalf of Duke Energy Kentucky, Inc., I have supervised the preparation of the responses to the foregoing responses to information requests; and that the matters set forth in the foregoing response to information requests are true and accurate to the best of my knowledge, information and belief after reasonable inquire.

  
\_\_\_\_\_  
Donald L. Storck, Affiant

Subscribed and sworn to before me by Donald L. Storck on this 15<sup>th</sup> day of September, 2009.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:



**ANITA M. SCHAFER**  
Notary Public, State of Ohio  
My Commission Expires  
November 4, 2009



80000 SERIES  
30% P.C.W.

## TABLE OF CONTENTS

<u>DATA REQUEST</u>	<u>WITNESS</u>	<u>TAB NO.</u>
AG-DR-02-001	Donald L. Storck .....	1
AG-DR-02-002	Richard G. Stevie .....	2
AG-DR-02-003	Richard G. Stevie .....	3
AG-DR-02-004	Richard G. Stevie .....	4
AG-DR-02-005	Richard G. Stevie .....	5



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**Attorney General Supplemental Data Request**  
**Date Received: September 8, 2009**

**AG-DR-02-001**

**REQUEST:**

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.

**RESPONSE:**

- a. Duke Energy Kentucky interprets the statutory language referring to “industrial customers with energy intensive processes” to mean only industrial customers may opt out.
- b. For revenue classification purposes, Duke Energy Kentucky classifies customers as a industrial customer if they are assigned a Standard Industrial Classification (SIC) code of 01 through 49. The Standard Industrial Classification is a system used by various agencies of the United States Government to classify industries.
- c. As of August 2009, Duke Energy Kentucky had 384 electric customers classified as industrial and 245 gas customers classified as industrial. These are not necessarily accounts with both gas and electric service.
- d. Duke Energy Kentucky has no individual accounts with a load exceeding 25 MW. Duke Energy Kentucky has not aggregated all accounts of individual customers with multiple accounts to determine if any one customer has an aggregate load of 25 MW.
- e. For revenue classification purposes, Duke Energy Kentucky classifies customers as a commercial customer if they are assigned a SIC code of 50 or more. The Standard Industrial Classification is a system used by various agencies of the United States Government to classify industries.
- f. As of August 2009, Duke Energy Kentucky had 13,287 commercial electric customers and 7,017 commercial gas customers. These are not necessarily accounts with both gas and electric service.
- g. Duke Energy Kentucky has no individual accounts with a load exceeding 25 MW. Duke Energy Kentucky has not aggregated all accounts of individual customers with multiple accounts to determine if any one customer has an aggregate load of 25 MW.
- h. None.
- i. Duke Energy Kentucky proposes that industrial customers served under Rate TT (transmission service) be eligible for opt out. Currently, there are 13 industrial customers on Rate TT (transmission service) who would be able to opt out of Rider SAW.
- j. Yes.
- k. 4,765
- l. 143
- m. Duke Energy Kentucky believes it applies to customers who take both electric and gas services.
- n. The opt out provision is not applicable to Duke Energy Kentucky’s gas DSM tariff as it applies only to residential customers.

**PERSON RESPONSIBLE:** Donald L. Storck



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**Attorney General Supplemental Data Request**  
**Date Received: September 8, 2009**

**AG-DR-02-002**

**REQUEST:**

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).

**RESPONSE:**

- a. This refers to the expected useful life of an energy efficiency technology.
- b. The projected lives for each of the proposed measures is not provided explicitly in the Company's application. However, measure life is referenced on page 16, line 10 of the testimony of Dr. Stevie.
- c. The measure life for each of the proposed measures are provided on Attachment AG-DR-02-002c.
- d. See Attachment AG-DR-02-002c.
- e. This information is not available. Information on revenues by program may be found on attachment RGS 3 to Dr. Stevie's testimony.

**PERSON RESPONSIBLE:** Richard G. Stevie

Program / Measure Name	Measure life	Cost/Measure First Vintage
1!5 Horse Power High Efficiency Pumps	15	\$ 209.1
10 Horse Power High Efficiency Pumps	15	\$ 248.0
125-250 Horse Power Motors - Incentives per participant	15	\$ 1,083.1
15 Horse Power High Efficiency Pumps	15	\$ 437.0
1-5 Horse Power Motors - Incentives per participant	15	\$ 37.3
2 High Bay 6L T-5 High Output replacing 1000W HID	10	\$ 179.3
2 High Bay Fluorescent 8LF32T8 - Replacing 1000W HID	10	\$ 179.3
2 Horse Power High Efficiency Pumps	15	\$ 261.4
20 Horse Power High Efficiency Pumps	15	\$ 597.6
25-100 Horse Power Motors - Incentives per participant	15	\$ 404.8
3 Horse Power High Efficiency Pumps	15	\$ 261.4
42W 8 Lamp High Bay Compact Fluorescent	10	\$ 74.7
5 Horse Power High Efficiency Pumps	15	\$ 254.7
7!5 Horse Power High Efficiency Pumps	15	\$ 372.0
7!5-20 Horse Power Motors - Incentives per participant	15	\$ 156.9
Anti-sweat Heater Controls	15	\$ 59.8
Barrel Wraps (Inj Mold & Extruders)	5	\$ 1.5
Combination Oven (90 lbs_hr)	12	\$ 1,493.9
Compact Fluorescent Fixture	12	\$ 14.9
Compact Fluorescent Screw in	2	\$ 2.2
Convection Oven	12	\$ 373.5
Custom Rebate	12	\$ 59,824.5
Engineered Nozzles - COMPRESS AIR	15	\$ 29.9
Fryer	12	\$ 298.8
Griddles	12	\$ 298.8
High Bay 2L T-5 High Output	10	\$ 44.8
High Bay 3L T-5 High Output	10	\$ 59.8
High Bay 4L T-5 High Output	10	\$ 74.7
High Bay 6L T-5 High Output	10	\$ 59.8
High Bay 8L T-5 High Output	10	\$ 112.0
High Bay Fluorescent 4 Lamp (F32 Watt T8)	10	\$ 59.8
High Bay Fluorescent 6 Lamp (F32 Watt T8)	10	\$ 74.7
High Bay Fluorescent 8 Lamp (F32 Watt T8)	10	\$ 59.8
High Performance Low Watt T8 4ft 1 lamp, replacing standard T8	10	\$ 6.0
High Performance Low Watt T8 4ft 2 lamp, replacing standard T8	10	\$ 9.0
High Performance Low Watt T8 4ft 3 lamp, replacing standard T8	10	\$ 14.9
High Performance Low Watt T8 4ft 4 lamp, replacing standard T8	10	\$ 17.9
High Performance T8 4ft 1 lamp, replacing standard T8	10	\$ 6.0
High Performance T8 4ft 1 lamp, replacing T12-HPT8	10	\$ 9.0
High Performance T-8 4ft 2 lamp replacing T-12 8ft 1 lamp	10	\$ 14.9
High Performance T-8 4ft 2 lamp replacing T-12 High Output 8ft 1 lamp	10	\$ 29.9
High Performance T8 4ft 2 lamp, replacing standard T8	10	\$ 9.0
High Performance T8 4ft 2 lamp, replacing T12-HPT8	10	\$ 12.0
High Performance T8 4ft 3 lamp, replacing standard T8	10	\$ 9.3
High Performance T8 4ft 3 lamp, replacing T12-HPT8	10	\$ 17.9
High Performance T-8 4ft 4 lamp replacing T-12 8ft 2 lamp	10	\$ 22.4
High Performance T-8 4ft 4 lamp replacing T-12 High Output 8ft 2 lamp	10	\$ 37.3
High Performance T8 4ft 4 lamp, replacing standard T8	10	\$ 17.9
High Performance T8 4ft 4 lamp, replacing T12-HPT8	10	\$ 23.9
Holding Cabinet Full Size Insulated	12	\$ 373.5
Holding Cabinet Half Size Insulated	12	\$ 224.1
Holding Cabinet Three Quarter Size Insulated	12	\$ 298.8
HP Water Heater 100-300 MBH	15	\$ 7,469.4

HP Water Heater 10-50 MBH	15 \$	2,987.8
HP Water Heater 300-500 MBH	15 \$	10,457.2
HP Water Heater 50-100 MBH	15 \$	5,228.6
HP Water Heater greater than 500 MBH	15 \$	13,444.9
Icemaker (100 to 500 lbs_day)	12 \$	224.1
Icemaker (500 to 1000 lbs_day)	12 \$	373.5
Icemaker (Greater Than 1000 lbs_day)	12 \$	746.9
LED Auto Traffic Signals	6 \$	18.7
LED Exit Signs Electronic Fixtures (Retrofit Only)	15 \$	14.9
LED Pedestrian Signals	8 \$	37.3
Light Tube	14 \$	112.0
Low Watt T8 lamps replacing standard 32 Watt T-8's	5 \$	0.7
Night covers for displays	15 \$	14.9
Occupancy Sensors over 500 Watts	12 \$	59.8
Occupancy Sensors under 500 Watts	12 \$	29.9
Pellet Dryer Tanks & Ducts 3in dia	5 \$	22.4
Pellet Dryer Tanks & Ducts 4in dia	5 \$	29.9
Pellet Dryer Tanks & Ducts 5in dia	5 \$	37.3
Pellet Dryer Tanks & Ducts 6in dia	5 \$	44.8
Pellet Dryer Tanks & Ducts 8in dia	5 \$	59.8
Plug Load Occupancy Sensors Document Stations	5 \$	37.3
Pulse Start Metal Halide (retrofit only)	7 \$	37.3
Setback Programmable Thermostat	9 \$	74.7
Solid Door Reach-in Freezer (21 to 48 cu ft) Avg 30	12 \$	104.6
Solid Door Reach-in Freezer (Greater Than 48cu ft) Avg 63	12 \$	104.6
Solid Door Reach-in Freezer (Less Than 20 cu ft) avg 12	12 \$	104.6
Solid Door Reach-in Refrig (21 to 48 cu ft) Avg 30	12 \$	104.6
Solid Door Reach-in Refrig (Greater Than 48cu ft) Avg 63	12 \$	104.6
Solid Door Reach-in Refrig (Less Than 20 cu ft) Avg 12	12 \$	104.6
Steamer	10 \$	896.3
T-5 1 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	7.5
T-5 2 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	12.0
T-5 3 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	14.9
T-5 4 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	17.9
T-5 High Output 1 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	9.0
T-5 High Output 2 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	13.4
T-5 High Output 3 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	16.4
T-5 High Output 4 Lamp with Electronic Ballast (replacing T-12 fixture)	10 \$	19.4
T-8 2ft 1 lamp	10 \$	4.5
T-8 2ft 2 lamp	10 \$	6.0
T-8 2ft 3 lamp	10 \$	6.3
T-8 2ft 4 lamp	10 \$	9.0
T-8 3ft 1 lamp	10 \$	4.5
T-8 3ft 2 lamp	10 \$	6.0
T-8 3ft 3 lamp	10 \$	9.7
T-8 3ft 4 lamp	10 \$	14.9
T-8 4ft 1 lamp	10 \$	4.5
T-8 4ft 2 lamp	10 \$	6.0
T-8 4ft 3 lamp	10 \$	13.4
T-8 4ft 4 lamp	10 \$	16.4
T-8 8ft 1 lamp	10 \$	7.5
T-8 8ft 2 lamp	10 \$	10.5
T-8 High Output 8 ft 1 Lamp	10 \$	14.9
T-8 High Output 8 ft 2 Lamp	10 \$	20.9
Variable Frequency Drive 1!5 Horse Power Pumps	15 \$	89.6

Variable Frequency Drive 10 Horse Power - Process Pumping	15	\$	597.6
Variable Frequency Drive 10 Horse Power Pumps	15	\$	597.6
Variable Frequency Drive 15 Horse Power - Process Pumping	15	\$	896.3
Variable Frequency Drive 15 Horse Power Pumps	15	\$	896.3
Variable Frequency Drive 2 Horse Power Pumps	15	\$	119.5
Variable Frequency Drive 20 Horse Power - Process Pumping	15	\$	1,195.1
Variable Frequency Drive 20 Horse Power Pumps	15	\$	1,195.1
Variable Frequency Drive 25 Horse Power - Process Pumping	15	\$	1,493.9
Variable Frequency Drive 25 Horse Power Pumps	15	\$	1,493.9
Variable Frequency Drive 3 Horse Power Pumps	15	\$	179.3
Variable Frequency Drive 30 Horse Power - Process Pumping	15	\$	1,792.7
Variable Frequency Drive 30 Horse Power Pumps	15	\$	1,792.7
Variable Frequency Drive 40 Horse Power - Process Pumping	15	\$	2,390.2
Variable Frequency Drive 40 Horse Power Pumps	15	\$	2,390.2
Variable Frequency Drive 5 Horse Power - Process Pumping	15	\$	298.8
Variable Frequency Drive 5 Horse Power Pumps	15	\$	298.8
Variable Frequency Drive 50 Horse Power - Process Pumping	15	\$	2,987.8
Variable Frequency Drive 50 Horse Power Pumps	15	\$	2,987.8
Variable Frequency Drive 7½ Horse Power - Process Pumping	15	\$	448.2
Variable Frequency Drive 7½ Horse Power Pumps	15	\$	448.2
Vending Equipment Controller	5	\$	74.7
Window Film	10	\$	3.0
Chilled Water Reset Air Cooled 0-100 tons	5	\$	373.5
Chilled Water Reset Air Cooled 100-200 tons	5	\$	672.2
Chilled Water Reset Air Cooled 200-300 tons	5	\$	821.6
Chilled Water Reset Air Cooled 300-400 tons	5	\$	821.6
Chilled Water Reset Air Cooled 400-500 tons	5	\$	821.6
Chilled Water Reset Water Cooled 0-1000 tons	5	\$	746.9
Chilled Water Reset Water Cooled 1000-2000 tons	5	\$	821.6
Chilled Water Reset Water Cooled 2000-3000 tons	5	\$	821.6
HP 135,000 - 240,000	15	\$	1,117.4
HP 65,000 - 135,000	15	\$	597.6
HP greater than 240,000	15	\$	1,344.5
HP less than 65,000 1 Ph	15	\$	201.7
HP less than 65,000 3 Ph	15	\$	161.3
AC 135,000 - 240,000	15	\$	1,195.1
AC 240,000 - 760,000	15	\$	801.1
AC 65,000 - 135,000	15	\$	437.1
AC greater than 760,000	15	\$	2,905.3
AC less than 65,000 1 Ph	15	\$	199.9
AC less than 65,000 3 Ph	15	\$	133.3
Chilled Air EE Cooled Chillers	15	\$	7,469.4
Chilled Water EE Cooled Chillers 150 - 300 ton	15	\$	8,589.8
Chilled Water EE Cooled Chillers greater than 300 ton	15	\$	37,347.0
Chilled Water EE Cooled Chillers less than 150 ton	15	\$	2,390.2
Energy Star Sleeve AC over 14,000 Btu hr	11	\$	74.7
Energy Star Sleeve AC under 14,000 Btu hr	11	\$	37.3
Energy Star Window AC over 14,000 Btu hr	11	\$	74.7
Energy Star Window AC under 14,000 Btu hr	11	\$	37.3
Packaged Terminal AC	15	\$	29.9
Thermal Storage lrg C&I	15	\$	71,893.0
Thermal Storage med C&I	15	\$	67,224.6
Thermal Storage sm C&I	15	\$	10,457.2

<u>Program/Measure Name</u>	<u>Measure life</u>	<u>Cost/Measure First Vintage</u>
Agency Kit and Compact Fluorescent Lights	5	\$ 27.52
Home Energy House Call - Energy Efficiency Starter KIT	7	\$ 275.07
K-12 Education Program- Compact Fluorescent Distribution	5	\$ 37.05
K-12 Education Program- Curriculum	7	\$ 81.05
Refrigerator Replacement	15	\$ 600.48
Low Income Weatherization	15	\$ 1,050.86
Online Audit with Energy Efficiency Starter Kit	5	\$ 50.68
Personalized Energy Report	5	\$ 25.51
Smart Saver - Central Air Conditioner	15	\$ 460.37
Smart Saver - Heat Pump	15	\$ 438.14
Smart Saver - Residential Compact Fluorescent Light Promo	5	\$ 4.13



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**Attorney General Supplemental Data Request**  
**Date Received: September 8, 2009**

**AG-DR-02-003**

**REQUEST:**

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.

**RESPONSE:**

As indicated in the testimony of Dr. Stevie, the ultimate test of energy efficiency cost-effectiveness lies in the IRP model run comparisons with and without the energy efficiency programs inserted as resource options. The Company completed such an analysis of the energy efficiency programs within the IRP. This analysis was conducted to ensure that the estimation and valuation of avoided (marginal) energy costs is consistent with the Company's alternative supply side resources, and with forward expectations of market-based avoided (marginal) energy costs. For purposes of the true-up, the Company will rely upon the projection of avoided (marginal) energy and capital costs utilized in the preparation of the application.

**PERSON RESPONSIBLE:** Richard G. Stevie



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**Attorney General Supplemental Data Request**  
**Date Received: September 8, 2009**

**AG-DR-02-004**

**REQUEST:**

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?

**RESPONSE:**

No. It is not necessary since that applies to the load shape for energy production of a power producer. The applicable load shape for energy efficiency is the load shape of the energy efficiency programs. Therefore, the cogeneration rate for power producers is not applicable.

**PERSON RESPONSIBLE:** Richard G. Stevie



**Duke Energy Kentucky, Inc.**  
**Case No. 2008-00495**  
**Attorney General Supplemental Data Request**  
**Date Received: September 8, 2009**

**AG-DR-02-005**

**REQUEST:**

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.

**RESPONSE:**

The proposed tariff does not refer 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 is not the rate at which the Company expects to be reimbursed by ratepayers under the proposed tariffs. Information on avoided costs and revenues at the program level may be found on Attachment RGS 3 to Dr. Stevie’s testimony.

**PERSON RESPONSIBLE:** Richard G. Stevie