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Dianne B. Kuhnell. Senior Paralegal

### VIA OVERNIGHT DELIVERY

February 12, 2010

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

RECEIVED

FEB 1 5 2010

PUBLIC SERVICE COMMISSION

Re: Case No. 2009-444

Kuhrell

Dear Mr. Derouen:

Enclosed please find an original and eight copies of Duke Energy Kentucky Inc.'s Responses to Staff's Second Set of Data Requests in the above captioned case.

Please date-stamp the two copies of the letter and the filing and return to me in the enclosed envelope.

Sincerely,

Dianne B. Kuhnell Senior Paralegal

### **VERIFICATION**

RECEVED

FEB 1 5 2010

State of Ohio
)
SS:

County of Hamilton
)

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 inquiry.

Richard G. Stevie, Affiant

Subscribed and sworn to before me by Richard Stevie on this 5 1/2 day of February, 2010.

My Commission Expires:

ANITA M. SCHAFER Notary Public, State of Ohio My Commission Expires November 4, 2014

Schafe

### **VERIFICATION**

State of North Carolina )

SS:

County of Mecklenburg)

The undersigned, Theodore E. Schultz, being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Vice-President Marketing & Energy Efficiency; 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 inquiry.

Theodore E. Schultz, Affiant

Subscribed and sworn to before me by Theodore E. Schultz on this gth day of February 2010.

DIANE M. WILKINSON
Notary Public
North Carolina
Lincoln County

NOTARY PUBLIC

My Commission Expires: 12 July 2014

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**STAFF-DR-01-001** 

### **REQUEST:**

Refer to Appendix B of Duke Kentucky's application, page 1 of 5. In Column (10), 2008 Reconcilliation, Electric the over-collection amount of \$15,724 does not agree with the prior period under-collection carry-forward amount of \$49,448 from Case No. 2008-00473<sup>1</sup>. Provide an explanation for this discrepancy. Include all workpapers, spreadsheets, calculations, etc. necessary to support the explanation. Provide a revised Appendix B as well as revised versions of any other affected appendices.

### **RESPONSE:**

In the process of preparing Appendix B, the Company reviewed Appendix I from the 2008 filing of the reconciliation. It is correct that the under-collection carry-forward amount of \$49,448 was changed to an over-collection of \$15,724. This change is the result of finding an error in the 2008 filing associated with the calculation of the shared savings for the Power Manager program. In computing the total savings, the value for the number of participants was incorrectly entered. This error inadvertently raised the value of the total savings per participant, and hence the shared savings. Attachment STAFF-DR-01-001 (a) provides calculations showing the difference. In addition, a revised Appendix I Reconciliation 2008 is provided in Attachment STAFF-DR-01-001(b). The net effect is to reduce the revenue requirements for the residential class by \$65,162.

PERSON RESPONSIBLE: Richard G. Stevie

<sup>&</sup>lt;sup>1</sup> Case No. 2008-00473, Annual Cost Recovery Filing for Demand Side Management By Duke Energy Kentucky, Appendix I, page 1 of 6, Column (14).

### Correction to the 2008 Shared Savings for the Power Manager Program

	Number of	S	avings Per	Total	1	0% Shared
	Participants	Р	articipant	Savings		Savings
Original Vaue	919	\$	1,813.19	\$ 1,666,320	\$	166,632
Revised Value	919	\$	1,104.03	\$ 1,014,600	\$	101,460
Change in Revenue	e Requirements				\$	(65,172)

Page 1 of 6

Appendix I Kentucky DSM Rider

# Comparison of Revenue Requirement to Rider Recovery

Total	Res. Conservation & Energy Education Refigerator Replacement Res. Comprehensive Energy Education Res. Comprehensive Energy Education Payment Plus Power Manager Power Manager Program Development Funds Energy Star Products Personalized Energy Report Pilot Program Home Energy Assistance Pilot Program () Revenues collected excent for HEA		Residential Programs	
\$ 2,423,410 S	100,000 S 150,000 S 150,000 S 150,000 S 81,500 S 87,500 S 140,000 S 243,000 S 243,000 S 153,000 S	"	Projected Program Costs Projected	(A)
911,033 \$	6.145 S 6.145 S 49,910 S -	٨	Revenues	(2)
346.040 S	3770 S 35,700 S 35,700 S 174,000 S 63,450 S 2,955 S 73,134 S	7/2007 to 6/2008 (A) 7/07 through 6/08 (B)	Projected Shared Savings Program Expenditures	(3)
1,540,798 S	86,642.58 120,904.77 48,446.05 48,446.05 5 144,671.03 98,520.59 165,204.89 111,189.61 5 106,204.89 5 111,189.61 5 165,000.00) 5	334.533.90 S	Expenditures	(4)
529,150 \$	76,049 S 30,472 S 31,0472 S 30,472 S 104,389 S 104,555 S 7,038 S (3,774) S	210,421 \$	Program Exp	(5)
1.011.548	96,643 S 44,856 S 17,974 144,671 S 486,225 S 61,572 S 61,572 S 4,152 S 7,226) S		7/07 1	
32),149	7.704 S (1.763) S 	15,049 \$	17 through 6/08 (B) 7/07 through 6/08 (B)	
	(61,954) (61,954) 101,460 101,460 24,016 5,898 5,898	- 1	-	(B)
1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	456 707) S (867 B		Gas (D) Electric (E)	(9) (10)
	7.704 S (77)  (1.783) S (61.954)  NA NA NA NA NA  (1.783) S (61.954)  NA NA NA NA  NA NA NA  501.222 S 24.016  NA NA NA NA  4.937 S 5.898  NA NA NA NA  4.937 S 5.898  NA NA NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA	NA	1	(11) (12) Rider Collection (F)
	NA NA NA NA NA NA 795.562	NA	C	
	NA NA NA NA NA NA NA NA NA NA NA NA NA	NA	Gas (G)	(13) (14) (Over)/Under Collectio
	NA NA NA NA NA NA NA NA NA NA NA	N	Electric (H)	ollection

Total

(A) Amounts identified in report filed on November 15, 2007.
(B) Actual program expenditures, lost revenues, and shared savings for the period July 1, 2007 through June 30, 2008 and lost revenues for this period and from prior period DSM measure installations.
(C) Allocation of program expenditures to gas and electric. Uses 62.9% gas based upon saturation of gas space heating.
(D) Recovery allowed in accordance with the Commission's Order in Case No. 2004-00389.
(E) Recovery allowed in accordance with the Commission's Order in Case No. 2004-00389.
(E) Recovery allowed in accordance with the Commission's Order in Case No. 2004-00389.
(F) Revenues collected through the DSM Rider between July 1, 2007 and June 30, 2008.
(G) Column (5) + Column (7) - Column(11).
(H) Column (6) + Column (8) + Column (10) - Column(12).
(H) Revenues and expenses for the Home Energy Assistance Prior Program. This was reinstated September 2008, but no revenues or expenses for this report period.

PowerShare®	Total for High Efficiency Program	Lighting HVAC Motors	Commercial Programs
s	S	พพพพ	(1) Projected Program Costs 7/2007 to 6/2008 (A)
265,000	903,772	209,520 142,760 100,678 450,814	am Costs 2008 (A)
\$	\$ 657,466	\$ 308,352 \$ 29,247 \$ 21,031 \$ 298,836	(1) (2) (3) (4) (5) Projected Program Costs Projected Lost Revenues Projected Shared Savings Program Expenditure: Lost Revenues 7/2007 to 6/2005 (A) 7/2007 to 6/2005 (A) 7/2007 to 6/2005 (A) 7/2007 to 6/2005 (A) 7/2007 to 6/2005 (B) 7/2007 (B)
S 107.641 S	6	5 10,698 5 14,588 5 25,718 6 448,830	(3) (4) (5) (6) Projected Shared Savings Program Expenditure: Lost Revenues Shared Savings 7/2007 (o 6/2008 (A) 7/07 through 6/08 (B) 7/07 through 6/08 (B
s	S	σ	Program E 7/07 throug
95,436 S	441,956 \$	, w w w w	4) xpenditure: L jh 6/08 (B) 7/07
	390,951	2,073	(5) ost Revenues through 6/08 (B) 7
			(6) Shared Saving 107 through 6/08
4,308 \$	40,900	153	igs 08 (B) Reco
13,207	43 297	050 878	(7) 2007 Inciliation (C)
000.	350 4	"	(8) Rider Collection (D)
4 (60)	350 453 \$ (237 422)	2 619 408 S (184 637)	(8) (9) Rider ((Over)/Under Collection (D) Collection (E)

(A) Amounts identified in report filed on November 15, 2007.

(B) Actual program expenditures, lost revenues, and shared savings for the period July 1, 2007 through June 30, 2008 and lost revenues for this period and from prior period DSM measure installations. (C) Recovery allowed in accordance with the Commissions's Order in Case No. 2004-00389.

(C) Recovery allowed in accordance with the Commissions's Order in Case No. 2004-00389.

(D) Revenues collected through the DSM Rider between July 1, 2007 and June 30, 2008.

(E) Column (4) + Column (5) + Column (6) + Column (7) - Column (7)

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Appendix I

2009 Projected Program Costs, Lost Revenues, and Shared Savings

## Residential Program Summary

Total C&I DSM Program Total Program	PowerShare® Program	High Efficiency School Incentive Program Lighting HVAC Motors Other Total for the High Efficiency School Incentive Program	High Efficiency Program Lighting HVAC Motors Other Total for the High Efficiency Program		Home Energy Assistance Pilot Program	CFL's (Compact Fluorescent Lights) Torchieres (Floor lamps) Energy Efficiency Web Site Personalized Energy Report Pilot Program Total Costs, Net Lost Revenues, Shared Savings	Energy Star Products	Residential - Current Programs/Measures Residential Conservation & Energy Education Refrigerator Replacement Home Energy House Call Residential Comprehensive Energy Education Home Energy Assistance Plus (continuing) Power Manager Program Development Funds
<b>⇔</b> ↔	€9	Costs	<b>សសសស</b>	C &	en.	୫ ୫ ୫	લ્બ	***
1,168,771 3,592,181	Costs 265,000	ts 104,760 71,380 50,339 225,407 451,885	<u>Costs</u> 104,760 71,380 50,339 225,407 451,885	C&I DSM Program Summary	247,369	31,110 153,000 2,423,410	243,000	Costs 499,800 100,000 150,000 81,500 150,000 875,000 1740,000
es es			& & & & & & \\ \\ \\ \\ \\ \\ \\ \\ \\ \	am Su		မေ မေ မ	မာ	<del></del>
657,466 1,568,499	Lost Revenues	anues 34,963 13,323 10,421 149,418 208,125	Lost <u>Revenues</u> 273,388 15,925 10,610 149,418 449,341	mmary		26,781 121,547 911,033	690,225	Lost Revenues 16,525 6,145 49,810
<b>⇔ ⇔</b>	\$ Sa Sa Sa Sa	Shared Savings \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	& & & & & & & & & & & & & & & & & & &			64 64 64 CA	₩	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
607,474 953,514	Shared Savings 107,641	5,349 5,349 7,294 12,859 24,415 19,916	Shared Savings 5,349 \$ 7,294 \$ 12,859 \$ 224,415 \$ 249,916 \$			2,955 \$ 73,134 \$ 346,040 \$	63,450 \$	Shared Savings (3,499) \$ 300 \$ 35,700 \$ - \$ 174,000 \$
\$ \$ 6 2	<i></i>	s s s s s s	<del></del>			ω		
2,433,710 6,114,193	Total 372,641	145,072 91,996 73,619 599,240 909,927	Total 383,497 94,598 73,808 599,240 1,151,143			60,846 347,681 3,680,483	996,675	Total 512,826 106,445 235,510 81,500 150,000 1,049,000 1,049,000
	Allocations Electric G 100.0%	Allocations Electric G 100.0% 100.0% 100.0% 100.0% 100.0%	Allocations <u>Electric</u> <u>G:</u> 100.0% 100.0% 100.0% 100.0%			37.1% 37.1%	100.0%	Allocation of Costs  Electric Gas  37.1% 62.99 100.0% 0.09 37.1% 62.99 37.1% 62.99 37.1% 62.99 37.1% 62.99 37.1% 62.99
	Gas 0.0	Gas 0.0% 0.0% 0.0% 0.0%	ons <u>Gas</u> 0.0% 0.0% 0.0%			62.9% 62.9%	0.0%	Gas Gas 62.9% 0.0% 62.9% 62.9% 62.9% 62.9%
	0.0% S	& & & & & EII				\$ %8 \$ %8	% &	***
	Electric Costs \$ 265,000	Electric Costs \$ 104,760 \$ 71,380 \$ 50,339 \$ 225,407 \$ 451,885	Electric Costs  104,760  71,380  50,339  5225,407  451,885			11,542 56,763 1,665,207	243,000	Electric Costs  185,426  100,000  55,650  30,237  5,650  875,650  875,000
& 2			% % % % % % % % % % % % % % % % % % %		↔	γ γ γ γ γ γ	છ	֍֍֍֍֍֍ \ <u>\Π</u> \€
2,433,710	get (Costs, tric 372,641	get (Costs, tric 145,072 91,996 73,619 599,240 909,927	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas \$ 383,497 NA \$ 94,598 NA \$ 73,808 NA \$ 599,240 NA \$ 1,151,143		143,120	41,278 251,444 2,922,280	996,675	Budget (Costs, Lost Revenues, & Shared Savings)  Electric Gas Costs  \$ 198,452 \$ 314,374 \$ 106,445 \$ 94,350 \$ 141,160 \$ 94,350 \$ 30,237 \$ 51,264 \$ 55,650 \$ 94,350 \$ 1,049,000 \$ 9,350 \$ 1,049,000 \$ 88,060
	s, Lost I Gas NA	Gas Gas NA NA NA	) osts, hared		€9	<del>и и и</del>	G	Section Section Control Contro
	Revenues, & S	Revenues, & S	Lost I Savings) Gas NA NA NA NA		104,249	19,568 96,237 758,203	ı	sts, Lost red Savings) Gas Costs 314,374 94,350 51,264 94,350 94,350 88,060
	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas \$ 372,641 NA	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas \$ 145,072 NA \$ 91,996 NA \$ 73,619 NA \$ 599,240 NA \$ 909,927						

### Appendix I Page 3 of 6

Duke Energy Kentucky Demand Side Management Cost Recovery Rider (DSMR) Summary of Calculations for 2006 Programs

January, 2008 through December, 2008

Electric Rider DSM	Progr Costs	
Electric Mider DSIM		
Residential Rate RS	\$	2,922,280
Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP	\$	2,061,069
Transmission Level Rates & Distribution Level Rates Part B	\$	372,641
Gas Rider DSM Residential Rate RS	\$	758,203

<sup>(</sup>A) See Appendix I, page 2 of 5.

Appendix I

Page 4 of 6

Duke Energy Kentucky Demand Side Management Cost Recovery Rider (DSMR) Summary of Billing Determinants

Year 2009

Projected Annual Electric Sales kWH

Rates RS 1,460,230,000

Rates DS, DP, DT,

GS-FL, EH, & SP 2,362,842,000

Rates DS, DP, DT,

GS-FL, EH, SP, & TT 2,559,959,000

Projected Annual Gas Sales CCF

Rate RS 53,671,760

Case No. 2009-444
Staff-DR-01-001 (b) attachment
Page 5 of 6 Page 5 of 6

Duke Energy Kentucky
Demand Side Management Cost Recovery Rider (DSMR)
Summary of Calculations

Appendix I

January, 2009 through December, 2009

Total Recovery	Total Customer Charge Revenues	Gas No. 5 Residential Rate RS	Customer Charge for HEA Program <u>Electric No.4</u> Residential Rate RS	Total Rider Recovery	Gas Rider DSM Residential Rate RS	Distribution Level Rates Total DS, DP, DT, GS-FL, EH & SP	Transmission Level Rates & Distribution Level Rates Part B TT	Distribution Level Rates Part A DS, DP, DT. GS-FL, EH & SP	Electric Rider DSM Residential Rate RS	Rate Schedule
					€9		€	G	↔	⊳
					2,832,667		(246,847) \$	(191,967) \$	(16,348) \$ 2,922,280	True-Up Amount (A)
					49			\$ 2,0	\$ 2,0	Exp Pro Cos
					758,203		372,641 \$	2,061,069	322,280	Expected Program Costs (B)
€9	ક્ક	↔	Ann \$	↔	S		↔	€	S	ZD
8,739,066	247,369	104,249	Annual Revenues \$ 143,120	8,491,697	3,590,870		125,794	1,869,102	2,905,932	Total DSM Revenue Requirements
		86,874	Number of Customers 119,267		53,671,760		2,559,959,000	2,362,842,000	1,460,230,000	Estimated Billing Determinants (C)
			mers		CCF		kWh	kWh	kWh	
		↔	Monthly Customer Charge \$ 0.10		€	€9	↔	€	€9	DSM Cost Recovery Rider (DSMR)
		0.10	mer Charge 0.10		0.066904 \$/CCF	0.000840 \$/kWh	0.000049 \$/kWh	0.000791 \$/kWh	0.001990 \$/kWh	(DSMR)
			-		\$/CCF	\$/kWh	\$/kWh	\$/kWh	\$/kWh	

<sup>(</sup>A) (Over)/Under of Appendix J page 1 multiplied by 1.0397 for 2008 for the average three-month commercial paper rate to include interest on over or under-recovery. (B) Appendix I, page 2. (C) Appendix I, page 4.

Appendix I	Reconcili	ation of L	ost revenues a	ind Sha	red Savii	ngs Ba	sed Upo	Reconciliation of Lost revenues and Shared Savings Based Upon Impact Evaluation Studies	on Studies	Page 6 of 6	of 6
	Case 2006-00426 As Filed & Adjuste	Case 2006-00426 As Filed & Adjusted	ă.	New Values	/alues			Increase (Decrease)	se) ın values		
Applicable Programs	Lost Revenues	ites	Shared Savings	Rev	Lost Revenues	န္မ	Shared Savings	Lost Revenues	Savings	Comments	
Decidential Concentration and Energy Education	s 3,9	3,931.00	(1,885.00)							No new values	
Deficerator Penlacement	s 1.9	1,932.00 S		S		S	,			No new values	
Retrigetator Repracement	S 15.4	15.426.00 S	34	S	6,969	S	4,022	S (8,457) S	(30,904)	(30,904) Based upon evaluation	
Kesidennai Hollic Elicigy mouse can	s ·			S		S	,			No new values	
Power Manager	s 95.6	95.594.00 S		S		S				No new values	
Energy Star Froducts	\$ 45.0		72	S	,	S				No new values	
Energy Efficiency website	,			S	,	s	,			No new values	
Personal Energy Report of the Businesses and Schools)				S	,	S	,			No new values	
C&I right Efficiency incentive (for pasitiveses and periods)	\$ 49.4	49,461.00	s 79,233	S		S				No new values	
TIVAC Lightning	0	1,221.00	5 3,476	တ	,	£5	,			No new values	
Motors				s		S	,			No new values	
PowerShare											
	Case 20	Case 2007-00369 As Filed	w.	New	New Values			Increase (Decrease) in values	ase) in value:		
	Lost	st	Shared	_	Lost	S	Shared	Lost	Shared		
Applicable Programs	Revenues	nues	Savings	Re	Revenues	S	Savings	Revenues	Savings	Comments	
Residential Conservation and Energy Education	s	7,107	S (1,710)	s	,	S	,			No new values	
Refrigerator Replacement	s	2,840	S 123	S		S				Based upon evaluation	
Residential Home Energy House Call	s	25,180	\$ 39,446	s	11.466.63	S	4,626.07	s (13,713) s	(34,820)	(34,820) No new values	
Power Manager			\$ 164,569	s		S				No new values	
Financy Star Products	s 3	366,355	S 134,399	s	,	W	ı			No new values	
Energy Efficiency Website	s	1,448	\$ 1,086	s		w	,			No new values	
Darsonal Energy Renort (PER)	s	•	S	s		s				No new values	
C&I High Efficiency Incentive (for Businesses and Schools)				S		s	,			No new values	
I cohing	s 1	74,459	\$ 115,659	S	,	s	,			No new values	
HVAC	s	2,173	S 1,038	S	,	(A)	1			No new values	
Motors	s	136	\$ 95	S		s	,			No new values	
DownerShara	s	1	\$ 5,569	s		s				No new values	
Chelbine											

Revenues a
nd
Shared
Sa
vings
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Appendix
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of 6

FOST INCIDENCE WITH CHIMPE CHI THE	Reconciliation	Reconciliation of 2006 & 2007	7	Case No. 2008-00	. 2008	90				
	increase (Dec	Increase (Decrease) in values	۰, ا				_	Total		Total
	Lost	Shared		Lost	S	Shared		Lost		Shared
	Revenues	Savings	-#1	Revenues	Ś	Savings	Re	Revenues		Savings
endential Conservation and Energy Education	εn	s	s	15,049	S	39,588	S	15,049	S	39,588
Nesidelitial Conservation and Eucley Euconom	S	s .	s	7,704	S	(77) S	S	7,704	S	(77)
Reingeralor Replacement	\$ (22 170)	0) S (65,724)	724) S	20,407	S	3,770 S	S	(1.763) S	S	(61,954)
Residential Home Energy Flouse Call	s (	s ·	•		(A)	166,632	S		S	166,632
rower Manager	S	S	Ś	501,222	S	24,016	S	501,222	S	24,016
Energy Star Froducts	S	S	' S	4,937	S	5,898	S	4.937	S	5,898
Energy Editionally website Personal Energy Report (PER)	S	S	s	,	S		S	,	S	,
C&I High Efficiency Incentive (for Businesses and Schools)								1	,	1
Lighting	S	s	s	388,727 S		740,833 \$		388,727	v	740,833
Lighting	S	en	s	2,073	s		S	2,073	S	,
HVAC	so.	<b>6</b> 9	S	151	S	153	S	151	S	153
NICIONS	so :	s	s		S	4,308	S		S	4,308

STAFF-DR-01-002

### **REQUEST:**

Refer to Appendix B of Duke Kentucky's application, page 3 of 5. Footnote A references Appendix I, page 2; however, there is no Appendix I in the application. Provide the referenced appendix or other revision needed to correct this inconsistency.

### **RESPONSE:**

This is a typographical error. It should have referred to Appendix B.

A corrected version of the Appendix B is provided in the file labeled as Attachment STAFF-DR-01-002 - Appendix B Reconciliation 2009 Final Corrected.

PERSON RESPONSIBLE: Richard G. Stevie

Appendix B Kentucky DSM Rider

Revenues collected except for HEA  Total	Residential Programs  Res Conservation & Energy Education Refigerator Replacement Residential Home Energy House Call Residential Home Energy Education Payment Palus Power Manager Program Development Funds Energy Star Poducts Energy Star Poducts Energy Efficiency Website Personalized Energy Report Pilot Program 19 Home Energy Assistance Plot Program 19
s 2.423.410 s	(1) Projected Program Costs Projected L 7/2008 to 6/2009 (A) 7/2009 to 6
911,033 S	(2) Projected Lost Revenues Projected Shar 7/2008 to 6/2009 (A) 7/2008 t
346,040 \$	(3) (4) (4) (5) (6) (6) (7) (8) (8) (9) (9) (9) (9) (9) (9) (9) (9) (9) (9
1,988.417 S	S S S S S Requi
669,440 \$	rement to Rider Recovery (5) (6) (8) (8) (8) (9) (9) (9) (9) (9) (10) (10) (10) (10) (10) (10) (10) (10
1,318.977 5	res (C) 7/102.167 75.037 8 43.683 9 29.906 8 32.046 29.218 1 3.800 27.00 1 61.558
/90,004	(7) (8) (9) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1
	(8) (9) (10) (11) (12) (13) (14) (15) (18) (19) (10) (11) (12) (13) (14) (15) (15) (16) (16) (17) (18) (18) (19) (19) (19) (19) (19) (19) (19) (19
	Rider Collection (F)  Gas Election  NA NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA NA  NA
	11) (12) (13) (13) (13) (13) (13) (13) (13) (13
	(14) (Over)/Under Collection Gas (G) Electric NA N
	(14) Collection Electric (+) NA

(A) Amounts identified in report filed on November 15, 2008.

(B) Actual program expenditures, lost revenues, and shared savings for the period July 1, 2008 through June 30, 2009 and lost revenues for this period and from prior period DSM measure installations.

(C) Allocation of program expenditures to gas and electric. Uses 62.5% gas based upon saturation of gas space healing.

(C) Recovery allowed in accordance with the Commission's Order in Case No. 2004-00389.

(E) Recovery allowed in accordance with the Commission's Order in Case No. 2004-00389.

(F) Revenues collected through the DSM Rider between July 1, 2008 and June 30, 2009.

(F) Revenues and expenses to Column (9) - Column (10) - Column (11).

(A) Column (6) + Column (9) - Column (10) - Column (10) - Column (11).

(2) (3) (4) (5) (6) (7) (7) (8) (9) (7) (8) (9) (7) (8) (9) (10) (10) (10) (10) (10) (10) (10) (10	PowerShare®	Total for High Efficiency Program	Motors	Lighting	High Efficiency Program	Commercial Programs		(I) Revenues and expenses to the notice checkly restaurant and expenses to the notice checkly restaurant and the second s
(2) (2) (3) (4) (5) (6) (6) (7) (8) (8) (9) (9) (9) (10) (10) (10) (10) (10) (10) (10) (10	S	v	65 GS	so so		Projected Progra 7/2008 to 6/2	(3)	is theigh variations
(2) (2) (3) (4) (5) (6) (6) (7) (8) (8) (9) (9) (9) (10) (10) (10) (10) (10) (10) (10) (10	265,000	903,772	100,678 450,814	142,760	500	am Costs 009 (A)		
Shared Savings 2,1 Shared Savings 2,1 ) 7/08 through 6/09 (B) Recondi S 792,148 S 177,666 S 38,605 S 282,775 S 1,291,194 S S 66,127 S	S	S	SS	<b>ω</b> (	s 308 352	7/2008 to 6/2009 (A)	(2)	
Shared Savings 2,1 Shared Savings 2,1 ) 7/08 through 6/09 (B) Recondi S 792,148 S 177,666 S 38,605 S 282,775 S 1,291,194 S S 66,127 S	S	v	s s	ι (σ.	n	7/2008 1	Draighted S	
Shared Savings 2,1 Shared Savings 2,1 ) 7/08 through 6/09 (B) Recondi S 792,148 S 177,666 S 38,605 S 282,775 S 1,291,194 S S 66,127 S	107.641 \$	100.884	448,830 \$	14,588 \$	10,698 \$	o 6/2009 (A) 7/6	(3) Chared Savinos Pro	
Shared Savings 2,1 Shared Savings 2,1 ) 7/08 through 6/09 (B) Recondi S 792,148 S 177,666 S 38,605 S 282,775 S 1,291,194 S S 66,127 S	283,807 \$		857 531 \$	· ·		08 through 6/09 (B) 7/08 t	(4) ogram Expenditure: Lo	
1 10 22 -		n	19,699 \$ 712,068 \$	17,422 S 3,027 S	671,921 S	hrough 6/09 (B) 7/08	(5) st Revenues S	
1 10 22 -		66 127	282,775 1,291,194	38,605	792,148	through 6/09 (B)	(6) hared Savings	•
Collectiv						ciliation (C)	2008	9
er (D)		\$ 296,046	5 2,909.726			Collection (P)	Rider	(8)
(b) (Cover)/Under (Collection (E) Collection (E) Collection (E) (233,569)  3 5 2,909.726 \$ (233,569)  3 296.046 \$ (183,533)		5 S (183,533)	s (233,569)			Conscion (c)	((Over)/Under	(9)

(A) Amounts identified in report filed on November 15, 2008

(B) Actual program expenditures, lost revenues, and shared savings for the period July 1, 2008 through June 30, 2009 and lost revenues for this period and from prior period DSM measure installations.

(C) Recovery allowed in accordance with the Commission's Order in Case No. 2004-00389. Corrected for error in last year's reconciliation.

(D) Revenues collected through the DSM Rider between July 1, 2008 and June 30, 2009

(D) Revenues collected through the DSM Rider between July 1, 2008 and June 30, 2009

(E) Column (4) + Column (5) + Column (7) - Column (8)

Appendix B

2009 Projected Program Costs, Lost Revenues, and Shared Savings

## Residential Program Summary

Total C&I DSM Program Total Program	PowerShare® Program	High Efficiency School Incentive Program Lighting HVAC Motors Other Total for the High Efficiency School Incentive Program	High Efficiency Program Lighting HVAC Motors Other Total for the High Efficiency Program		Home Energy Assistance Pilot Program	CFL's (Compact Fluorescent Lights) Torchieres (Floor lamps) Energy Efficiency Web Site Personalized Energy Report Pilot Program Total Costs, Net Lost Revenues, Shared Savings	Energy Star Products	Power Manager Program Development Funds	Residential Comprehensive Energy Education  Residential Comprehensive Energy Education	Home Energy House Call	Residential - Current Programs/Measures Residential Conservation & Energy Education	
es es	€	Costs \$ \$	60 60 60 60 F	C&I [	€9	୫ <del>୫</del> ୫	69	<b>⇔</b> ↔	69 G	€9 €	A GO	
1,168,771 3,592,181	<u>Costs</u> 265,000	s 104,760 71,380 50,339 225,407 451,885	Costs 104,760 71,380 50,339 225,407 451,885	C&I DSM Program Summary	247,886	31,110 153,000 2,423,410	243,000	875,000 140,000	150,000	150,000	499,800	Costs
& <b>€</b>	Re	Lost Revenues \$ 34,9 \$ 13,3 \$ 10,4 \$ 149,4 \$ 208,5	88888 Re	m Sun		60 60 60 60 10	G)	en en	en e	69 (	en en	Rev
657,466 1,568,499	Lost	963 323 323 418 418	Lost Revenues 273,388 \$ 15,925 \$ 10,610 \$ 149,418 \$	ımary		26,781 \$ 121,547 \$ 911,033 \$	690,225 \$	· ·	, ,		16,525 \$	Lost
\$ 60	Shared Savings \$ 107,64	Shared Savings \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	Sa									Shared Savings
607,474 953,514	hared <u>avings</u> 107,641	ed 1gs 5,349 7,294 12,859 224,415 249,916	hared 5,349 7,294 12,859 224,415 249,916			2,955 73,134 346,040	63,450	174,000	1 1	35,700	(3,499) 300	ed
en en	ь	Total s	<b>666666</b>			<b>⇔</b> ↔	<del>()</del>	es es	€9 €	9 <b>6</b> 9 ·	GP GP	
2.433,710 6,114,193	<u>Total</u> 372,641	145,072 91,996 73,619 599,240 909,927	Total 383,497 94,598 73,808 73,808 599,240 1,151,143			60,846 347,681 3,680,483	996,675	1,049,000 140,000	150,000	235,510	512,826 106.445	Total
	Allocations Electric G 100.0%	Allocations Electric G 100.0% 100.0% 100.0% 100.0%	Allocations <u>Electric</u> <u>G</u> 100.0% 100.0% 100.0% 100.0%			37.1% 37.1%	100.0%	100.0% 37.1%	37.1%	37.1% 37.1%	37.1% 100.0%	Allocation of Costs Electric Gas
	Gas EI	Gas 0.0% \$ 0.0% \$ 0.0% \$ \$	as 0.0% 0.0% 0.0% 0.0%			62.9% \$ 62.9% \$	0.0% \$	0.0% \$ 62.9% \$			62.9% \$ 0.0% \$	
	Electric Costs \$ 265,000	Electric Costs \$ 104,760 \$ 71,380 \$ 50,339 \$ 225,407 \$ 451,885	Electric Costs \$ 104,760 \$ 71,380 \$ 50,339 \$ 225,407 \$ 451,885			11,542 56,763 1,665,207	243,000	875,000 51,940			185,426 100,000	Electric Costs
<b>⊕</b> ,2		Budget Electric \$ 14 \$ 9 \$ 9 \$ 7 \$ 59 \$ 59	Reve		φ,	8 8 8 2 8 8 8	es es	\$ 1,0			4 4 4 4	Rever
2,433,710	get (Costs, Lo tric Gai 372,641 NA	get (Costs tric 145,072 91,996 93,619 599,240 909,927	Budget (Costs, Lost Revenues, & Shared Sav Electric Gas S 383,497 NA S 94,598 NA S 599,240 NA S 1,151,143		143,360	41,278 251,444 2,922,280	996,675	1,049,000 51,940	55,650	141,160 30 237	198,452 106,445	Budget (Costs, Lost yvenues, & Shared Sav Electric Gas Co
O	ts, Lost Gas 1 NA	Gas NA NA NA	(Costs		εn	60 60 60	69	ស ស	<b>6</b> 9 ·	э <b>6</b> 9	မှာ မှာ	(Costs Share
	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas \$ 372,641 NA	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas \$ 145,072 NA \$ 91,996 NA \$ 73,619 NA \$ 599,240 NA \$ 909,927	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas S 383,497 NA S 94,598 NA S 73,808 NA S 599,240 NA S 1,151,143		104,526	19,568 96,237 758,203	1	88,060	94,350	94,350 51 264	314,374	Budget (Costs, Lost Revenues, & Shared Savings) Electric Gas Costs
	ared Savings)	ared Savings)										

### Appendix B

Duke Energy Kentucky Demand Side Management Cost Recovery Rider (DSMR) Summary of Calculations for Programs

January, 2010 through December, 2010

Electric Rider DSM	Progr Costs	
Electric Maer Down		
Residential Rate RS	\$	2,922,280
Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP	\$	2,061,069
Transmission Level Rates & Distribution Level Rates Part B	\$	372,641
Gas Rider DSM Residential Rate RS	\$	758,203

<sup>(</sup>A) See Appendix B, page 2 of 5.

### Appendix B

Duke Energy Kentucky Demand Side Management Cost Recovery Rider (DSMR) Summary of Billing Determinants

Year 2009

Projected Annual Electric Sales kWH

Rates RS 1,454,008,000

Rates DS, DP, DT,

GS-FL, EH, & SP 2,174,110,000

Rates DS, DP, DT,

GS-FL, EH, SP, & TT 2,387,338,000

Projected Annual Gas Sales CCF

Rate RS 62,445,060

Appendix B

Duke Energy Kentucky Demand Side Management Cost Recovery Rider (DSMR) Summary of Calculations

January, 2009 through December, 2009

Rate Schedule Riders	Ā	True-Up Amount (A)	Expected Program Costs (B)	T Rec	Total DSM Revenue Requirements	Estimated Billing Determinants (C)		DSM Cost Recovery Rider (DSMR)	DSMR)
Electric Rider DSM Residential Rate RS	↔	(261,774) \$ 2,922,280	2,922,280	₩	2,660,506	1,454,008,000	kWh	₩	0.001830 \$/kWh
Distribution Level Rates Part A DS, DP, DT, GS-FL, EH & SP	↔	(237,026) \$	2,061,069	↔	1,824,043	2,174,110,000	kWh	€	0.000839 \$/kWh
Transmission Level Rates & Distribution Level Rates Part B TT	₩	(186,250) \$	372,641	↔	186,391	2,387,338,000	kWh	₩	0.000078 \$/kWh
Distribution Level Rates Total DS, DP, DT, GS-FL, EH & SP								↔	0.000917 \$/kWh
Gas Rider DSM Residential Rate RS	↔	3,909,719 \$	758,203	€	4,667,922	62,445,060	CCF	<del>65</del>	0.074752 \$/CCF
Total Rider Recovery				↔	9,338,862				
Customer Charge for HEA Program <u>Electric No.4</u> Residential Rate RS				Annua \$	Annual Revenues \$ 143,360	Number of Customers 119,467	ners	Monthly Customer Charge \$ 0.10	ner Charge 0.10
Gas No. 5 Residential Rate RS				₩	104,526	87,105		<del>(s)</del>	0.10
Total Customer Charge Revenues				69	247,886				
Total Recovery				↔	9,586,748				

<sup>(</sup>A) (Over)/Under of Appendix J page 1multiplied by 1.0148 for 2009 for the average three-month commercial paper rate to include interest on over or under-recovery.(B) Appendix B, page 2.(C) Appendix B, page 4.

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Duke Energy Kentucky, Inc. Case No. 2009-00444 First Set Staff Data Requests

Date Received: February 1, 2010

**STAFF-DR-01-003** 

**REQUEST:** 

Refer to Appendix B of Duke Kentucky's application, page 5 of 5. Footnote A references Appendix J, page 1; however, there is no Appendix J in the application. Provide the referenced appendix or other revision needed to correct this inconsistency.

**RESPONSE:** 

This is a typographical error. It should have referred to Appendix B.

A corrected version of the Appendix B is provided in response to STAFF-DR-01-002.

PERSON RESPONSIBLE: Richard G. Stevie

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		,	

**STAFF-DR-01-004** 

### **REQUEST:**

Refer to page 24–25 of Duke Kentucky's application concerning the new online efficiency website vndor, ACLARA. Provide the status of the transition to ACLARA and update the impact of this transition to the Energy Efficient Website and to the Personalized Energy Report Programs.

### **RESPONSE:**

The transition to Aclara, the new supplier to Duke Energy Kentucky for its customer energy survey was completed in 2009. The Aclara analytics model is now used in our online survey, Personalized Energy Report, Home Energy House Call survey and Call Center Agent desktop tools. This integration across all customer channels provides a consistent platform and provision of data to the customer no matter how they choose to interact with the company.

PERSON RESPONSIBLE: Theodore E. Schultz

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				·

**STAFF-DR-01-005** 

### **REQUEST:**

Refer to page 11 of Duke Kentucky's application concerning the additional opportunities for the refrigerator replacement program. Provide any additional information regarding possible modifications to the program. Include discussion of perspective increase in benefits, potential cost savings, and customer participation.

### RESPONSE:

Duke Energy Kentucky has evaluated implementing a sliding scale incentive to cover a portion of refrigerator replacement cost. After reviewing this option, it was determined that the funding to implement this type of incentive is not available in the current budget. The Company also had conversations with the service provider regarding the potential to reduce the cost of the refrigerators but it was determine that there was no opportunity to do so. Duke Energy Kentucky will continue to evaluate opportunities to reduce costs and improve cost effectiveness and build participation.

PERSON RESPONSIBLE: Theodore E. Schultz

**STAFF-DR-01-006** 

### **REQUEST:**

Refer to page 20 of Duke Kentucky's application concerning the Power Manager program. Provide all workpapers, spreadsheets, calculations, etc. associated with the computation of the Variable Daily Event Incentive.

### **RESPONSE:**

To participate in Power Manager, customers sign up for a kW reduction control option. The two Control Options are:

Control Option	KW Reduction
Option A	1.0
Option B	1.5

The Variable Daily Event Incentive for any given day will be based on the kW reduction selected by the customer, the number of hours that the A/C system is cycled on any given day, and the average of the day ahead and real time Location Marginal Prices (LMP), published by MISO for the event hours. For any given control season, the total payments to the customer for the Variable Daily Event Incentives will be at least \$5.00 for Option A and \$8.00 for Option B.

The following illustrates how the Variable Daily Event Incentive will be calculated assuming a \$0.10 incentive.

Control Option	Variable Daily Event Incentive
Option A	$1.0 \text{ kW } \times 8 \text{ Hours } \times \$0.10 = \$0.80$
Option B	1.5  kW   X 8 Hours  X  \$0.10 = \$1.20

PERSON RESPONSIBLE: Theodore E. Schultz