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JUN 10 2019

PUBLIC SERVICE COMMISSION

VIA OVERNIGHT DELIVERY

June 7, 2019

Ms. Gwen R. Pinson Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

Re: Case No. 2019- 00195

In the Matter of: The Petition of Duke Energy Kentucky, Inc. and Duke Energy One, Inc. for Authorization to Deviate from 807 KAR 5:080, Section 6

Dear Ms. Pinson:

Duke Energy Kentucky, Inc. and Duke Energy One, Inc. hereby submit its *Application for Authorization to Deviate from 807 KAR 5:080, Section 6* pursuant to 807 KAR 5:001 and 807 KAR 5:080. The original application in paper medium and five (5) copies are enclosed.

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

Respectfully_submitted.

Rocco D'Ascenzo (92796) Deputy General Counsel Duke Energy Kentucky, Inc. 139 East Fourth Street, 1303-Main Cincinnati, Ohio 45202 Phone: (513) 287-4320 Fax: (513) 287-4385 Rocco.D'Ascenzo@duke-energy.com *Counsel for Duke Energy Kentucky, Inc.*

Enclosures: As stated

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE PETITION OF DUKE ENERGY KENTUCKY, INC. AND DUKE ENERGY ONE, INC. FOR AUTHORIZATION TO DEVIATE FROM 807 KAR 5:080, SECTION 6

CASE NO. 2019-00195

JOINT PETITION FOR DEVIATION

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) and its nonregulated affiliate, Duke Energy One, Inc. (DEOne), (Collectively Petitioners) pursuant to 807 KAR 5:001 Section 14, 807 KAR 5:080 Section 5, KRS 278.2219, and other applicable law, hereby jointly petition the Kentucky Public Service Commission (Commission) for authority to deviate from 807 KAR 5:080 Section 6 so to permit DEOne to use a disclaimer with similar, but not verbatim to, language specified in Section 6(1). The purpose of the requested deviation is to allow DEOne to use a single disclaimer for its operations across the United States and to maintain conformity with affiliate requirements for non-regulated affiliates operating in jurisdictions where Duke Energy Corp's regulated utilities also operate.

In support of this Petition, the Petitioners respectfully state as follows:

Introduction

1. Duke Energy Kentucky is an investor-owned utility engaged in the business of furnishing natural gas and electric services to various municipalities and unincorporated areas in Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in the Commonwealth of Kentucky.

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PUBLIC SERVICE COMMISSION 2. Pursuant to 807 KAR 5:001, Section 14(2), Duke Energy Kentucky is a Kentucky corporation originally incorporated on March 20, 1901, in good standing, and a public utility as that term is defined in KRS 278.010(3), and, therefore, is subject to the Commission's jurisdiction.

3. Pursuant to 807 KAR 5:001, Section 14(1), Duke Energy Kentucky's business address is 139 East Fourth Street, Cincinnati, Ohio 45202.

4. DEOne is a non-regulated energy services company that offers a wide variety of energy services to residences and businesses through the United States, including but not limited to, home energy protection services, digital messaging, security cameras, and back-up power systems.

5. Copies of all orders, pleadings, and other communications related to this proceeding should be sent to:

Rocco O. D'Ascenzo Deputy General Counsel Duke Energy Kentucky, Inc. 139 E. 4th St., Cincinnati, OH 45202 <u>Rocco.D'Ascenzo@duke-energy.com</u> <u>KYfilings@duke-energy.com</u>

Request for Authority to Deviate from 807 KAR 5:080 Section 6

6. Under 807 KAR 5:080 Section 6, the disclaimer used by an affiliate of an affected utility shall comply with the following requirements: (1) The disclaimer shall state that "(affiliates' s name) is not the same company as (utility's name). (Affiliate's name) is not regulated by the Kentucky Public Service Commission. You do not have to buy (the affiliate's) (products or services, as applicable) in order to continue to receive quality regulated services from the utility.", (2) If an affiliate of an affected utility uses the utility's name, trademark, brand, or logo in a print format, the disclaimer shall appear in capital letters on the first page or at the first point where the utility's name, trademark, logo or brand appears; (3) If an affiliate of an affected utility uses the

utility's name, trademark, brand, or logo in a televised format, the disclaimer shall appear at the first point at which the utility's name, trademark, logo, or brand appears; and (4) If an affiliate of an affected utility uses the utility's name in an audio format, the disclaimer shall be spoken at the close of the advertisement.

7. To maintain conformity with Duke Energy Corporation's other regulated utilities located in Florida, Indiana, North Carolina, Ohio, and South Carolina, and to establish a single disclaimer to use in all jurisdictions, as well as nationally, DEOne is intending to utilize the proposed disclaimer:

Duke Energy One ("DEOne") is not the same company as Duke Energy Corporation's regulated utilities, including Duke Energy Carolinas, Duke Energy Florida, Duke Energy Kentucky, Duke Energy Indiana, Duke Energy Ohio and Duke Energy Progress ("Regulated Utilities"); DEOne is not in any way sanctioned by the state utility commissions regulating the Regulated Utilities; Purchasers of products or services from DEOne will receive no preference or special treatment from the Regulated Utilities; and a customer does not have to buy products or services from DEOne in order to continue to receive the same safe and reliable electric service from the Regulated Utilities. Nonpayment for these products or services may result in removal from the program, but will not result in disconnection of electric service by the Regulated Utilities. THIS MESSAGE IS PAID FOR BY THE SHAREHOLDERS OF DUKE ENERGY.

8. The Petitioners respectfully request that the Commission grant a deviation and waiver of 807 KAR 5:080 Section 6 so to permit DEOne to use the aforementioned disclaimer for its operations in the Commonwealth of Kentucky.

9. The requested deviation neither impairs nor degrades the quality of the proposed disclaimer or the intent of requiring such a disclaimer under 807 KAR 5:080 Section 6. The requested disclaimer is substantially identical to what is otherwise required under 807 KAR 5:080 Section 6. The disclaimer will state that DEOne is not the same company as Duke Energy Kentucky (along with other Duke Energy regulated utility companies) and will state it is not

regulated by the state utility commissions regulating such utilities. The disclaimer affirms that purchasers of DEOne products will not receive any preference or special treatment and they are not obligated to buy products or services. The proposed disclaimer goes further as it relates to Kentucky regulations by further clarifying that non-payment of DEOne products will not result in disconnection of regulated utility service and that the costs of this disclaimer are paid for by shareholders of Duke Energy. These statements will ensure there is no customer confusion as to the identity of DEOne.

10. Allowing DEOne to develop a single disclaimer that it can use in all jurisdictions provides the DEOne with administrative efficiencies so it does not have to maintain multiple disclaimers throughout the country. It will allow DEOne to avoid unnecessary expense and ensure the conformity of the disclaimer across all jurisdictions. In addition, DEOne's customers who span multiple state geographies will not be confused by having to receive numerous different disclaimers solely based on geographic location of a facility.

WHEREFORE, Duke Energy Kentucky and DEOne respectfully request the Commission grant a deviation to allow affiliate, DEOne, use the proposed disclaimer in Kentucky to replace the verbatim language otherwise required in 807 KAR 5:080 Section 6.

Respectfully submitted,

Rocco O. D'Ascenzo Deputy General Counsel Duke Energy Business Services LLC 139 East Fourth Street, 1303-Main Cincinnati, Ohio 45201-0960 Phone: (513) 287-4359 Fax: (513) 287-4385 E-mail: <u>rocco.d'ascenzo@duke-energy.com</u> Counsel for Duke Energy Kentucky, Inc.