# VIA ELECTRONIC MAIL

December 14, 2022

Ms. Linda Bridwell Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

# Re: <u>Case No. 2022-00289</u>

In the Matter of: Elizabeth L. Eichelberger v. Duke Energy Kentucky, Inc.

Dear Ms. Bridwell:

Duke Energy Kentucky, Inc. hereby submits its Responses to Staff's First Request for Information. I certify that the electronic documents are true and accurate copies of the original documents.

In addition, please find enclose Duke Energy Kentucky, Inc.'s Petition for Confidential Treatment. The confidential information is being filed under seal.

The Company will retain the original filing in paper medium as the requirement to file it with the Commission was permanently granted a deviation in Case No. 2020-00085.

Respectfully submitted,

/s/ Larisa Vaysman

Larisa Vaysman (98944) Senior Counsel Duke Energy Kentucky, Inc. 139 East Fourth Street, 1313 Main Cincinnati, Ohio 45201-0960 Phone: (513) 287-4010 Fax: (513) 287-4385 Larisa.Vaysman@duke-energy.com Counsel for Duke Energy Kentucky, Inc.

Enclosures: As stated



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PUBLIC SERVICE COMMISSION

### **COMMONWEALTH OF KENTUCKY**

### **BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELIZABETH L. EICHELBERGER COMPLAINANT v. DUKE ENERGY KENTUCKY, INC. DEFENDANT

Case No. 2022-00289

## PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSES TO COMMISSION STAFF'S FIRST SET OF DATA REQUESTS ISSUED NOVEMBER 29, 2022

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 13, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in its responses to requests for information, as requested by Commission Staff (Staff) in this case on November 29, 2022. Specifically, the Company requests confidential treatment for Confidential Attachments 1 and 2 in response to Data Request No. 1. The information that Duke Energy Kentucky seeks confidential treatment on generally includes customer account information.

In support of this Petition, Duke Energy Kentucky states:

1. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party. Public disclosure of

the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. The information contained in STAFF-DR-01-001 Confidential Attachments 1 and 2 contain specific customer account information, including specific energy usage and certain other customer billing information. This information is generally recognized as confidential in the energy industry. To protect the customer identified in these attachments, the Company recommends this information be considered confidential.

3. The Confidential Information is distributed within Duke Energy Kentucky, only to those who must have access for business reasons and is generally recognized as confidential and proprietary in the energy industry.

4. The Confidential Information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.

5. Duke Energy Kentucky does not object to limited disclosure of the Confidential Information described herein, pursuant to an acceptable protective agreement, with the Attorney General or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

6. In accordance with the provisions of 807 KAR 5:001, Section 13(3), the Company is filing one copy of the Confidential Information separately under seal.

7. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure indefinitely to preserve the confidential personal information for customers. Information such as names, and addresses, and specific billing and usage information for the period in question may remain unchanged as long as the individual is a customer of the Company. Therefore, an indefinite preservation of confidential information for this personal identification information is reasonable.

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8. To the extent the Confidential Information becomes generally available to the public, whether through filings required by other agencies or otherwise, Duke Energy Kentucky will notify the Commission and have its confidential status removed, pursuant to 807 KAR 5:001 Section 13(10)(a).

WHEREFORE, Duke Energy Kentucky, Inc., respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

/s/ Larisa M. Vaysman Larisa M. Vaysman (98944) Senior Counsel Duke Energy Business Services LLC 139 East Fourth Street, 1303 Main Cincinnati, Ohio 45202 Phone: (513) 287-4010 Fax: (513) 370-5720 E-mail: larisa.vaysman@duke-energy.com Counsel for Duke Energy Kentucky, Inc.

# **CERTIFICATE OF SERVICE**

This is to certify that a true and accurate copy of the foregoing has been emailed to the Kentucky Public Service Commission at <u>PSCED@ky.gov</u>. In addition, a true and accurate copy of the foregoing was placed in the U.S. mail, postage prepaid, on December 14, 2022 addressed to the following:

Elizabeth Eichelberger 6258 Taylor Mill Road Latonia, KY 41015

> <u>/s/Larisa M. Vaysman</u> Counsel, Duke Energy Kentucky, Inc.

#### VERIFICATION

STATE OF INDIANA	)	
	)	SS:
COUNTY OF HENDRICKS	)	

The undersigned, Amber Kaufman, Consumer Affairs Specialist, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

Amber Kaufman, Affiant

Subscribed and sworn to before me by Amber Kaufman on this  $5^{\pm}$  day of <u>December</u>,  $5^{\pm}$ , 2022.

My Commission Expires: (Lugust 10, 202)

1948-0846-022222222222 Amanda J. Harris Notary Public, State of Indiana Putnam County Commission Number 0728144 My Commission Expires August 10

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CONFIDENTIAL STAFF-DR-01-001 (As to Attachments only)

### **REQUEST:**

Refer to Duke Kentucky's Answer and Motion to Dismiss (Duke Kentucky's Answer), paragraph 11(c) in which Duke Kentucky states its algorithm used January 2022 rates to calculate Ms. Eichelberger's budget bill amount. Also refer to Duke Kentucky's Answer, Confidential Exhibit A.

a. Explain why Duke Kentucky uses a single month's rates to calculate budget bill amounts and explain why that is reasonable given the volatility of certain rate components such as the Fuel Adjustment Clause (FAC).

b. Provide the detailed calculation used to arrive at the total gas and electric charges based on Ms. Eichelberger's historical usage. The response should include each individual rate (customer charge, per kwh charge, per ccf charge, FAC rate, etc.) used to calculate the budget bill amount.

#### **RESPONSE:**

#### **CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachments only)**

a. Duke performed the BBP review with the latest rate information available at that time with the rate currently in effect at the time of the review. Future rates are not available for us to determine future charges.

b. Please see STAFF-DR-01-001 Confidential Attachment 1. The first tab, "Detailed Calculation," shows the record of the BBP calculation preserved by the Company's legacy billing system, which performed the January 2022 BBP review and was replaced in April 2022. The "Detailed Calculation" tab depicts a "Projected" charge for each month for natural gas and electric service respectively. Columns AD and AE on this tab depict the amount, rounded to the nearest dollar, of the total of 12 months' projections for each commodity, divided by 11. Column AG represents the total of columns AD and AE, and the new budget billing payment set for the coming year.

The legacy system did not preserve the elements used in January 2022 to calculate each month's projected payment. However, in STAFF-DR-01-001 Confidential Attachment 2, the Company produces a reconstruction of this. The monthly-updated elements used are ascertainable, based on the legacy system's algorithm. These monthlyupdated elements, along with a daily-updated Weather Normalization Adjustment from the approximate time-frame, are provided in Row 2 of the "Gas" and "Elec" tabs of STAFF-DR-01-001 Confidential Attachment 2, and the Projected amounts manually calculated in this manner for each month (Column L of the "Gas" and "Elec" tabs) are very close to the Projected amounts in the Detailed Calculation tab of STAFF-DR-01-001 Confidential Attachment 1, which was preserved by the legacy system. Insofar as it might aid the Commission's review, the Company has also provided additional rate, account, and usage information in STAFF-DR-01-001 Confidential Attachment 1.

#### **PERSON RESPONSIBLE:** Amber Kaufman

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# CONFIDENTIAL PROPRIETARY TRADE SECRET

# STAFF-DR-01-001 CONFIDENTIAL ATTACHMENT 1

# **FILED UNDER SEAL**

# CONFIDENTIAL PROPRIETARY TRADE SECRET

# STAFF-DR-01-001 CONFIDENTIAL ATTACHMENT 2

# **FILED UNDER SEAL**

#### **STAFF-DR-01-002**

### **REQUEST:**

Refer to Duke Kentucky's Answer, paragraph 12, in which Duke Kentucky states that Confidential Exhibit A depicts an approximation of the real-time calculation that was performed in January 2022. Explain whether Duke Kentucky maintains a record of the calculation of budget bill amounts. If so, explain why the specific calculation was not provided. If not, explain why Duke Kentucky does not maintain these records.

### **RESPONSE:**

The January 2022 calculation was performed by Duke Energy Kentucky's legacy billing system, CMS, which was replaced in April 2022. The record of the January 2022 budget bill calculation preserved by the legacy system is provided in the tab titled "Detailed Calculation" of STAFF-DR-01-001 Confidential Attachment 1, the level of detail is explained in the Company's response to STAFF-DR-01-001. In the November 7, 2022, Order in this case, the Company was asked to provide "an explanation of how the Complainant's budget bill was calculated for the year at issue with supporting documentation for the values used to calculate it," and the Company provided an explanation in its Answer with an illustration in the accompanying Exhibit A and also the supporting usage data.

### PERSON RESPONSIBLE: Amber Kaufman

### STAFF-DR-01-003

## **REQUEST:**

Refer to Duke Kentucky's Answer, paragraph 12, in which Duke Kentucky states that Ms. Eichelberger's budget bill amount was recently adjusted to \$212 in September 2022.

a. Explain what precipitated the revision to the budget bill amount in September 2022.

b. Provide the detailed calculation used to arrive at the new budget bill amount in the same detail requested in Item 1(b) above.

## **RESPONSE:**

a. This Budget Billing plan adjustment was initiated due to the customer's request.

b. The Budget Billing Plan was calculated as follows:

Current Budget Bill Amount + (accumulators / number remaining months in plan)

Gas	Elec	Calculation: Budget Billing Plan Adjustment September 2022	
(\$6.48)	(\$355.72)	Determine delta between total billed amount and customer payments	
(\$2.16)	(\$118.57)	Divide delta by remaining 3 months to determine monthly average over or under payment	
(\$2.00)	(\$119.00)	Round monthly average delta to nearest whole dollar value	
\$37.00	\$296.00	Current Budget Billing Plan Amount	
(\$2.00)	(\$119.00)	Subtract delta from existing Budget Billing Amount	
\$35.00	\$177.00	New Quarterly Budget Billing Amount in effect until next review	
\$212		New BBP Amount	

Duke Energy Kentucky respectfully reserves the right to supplement this response.

PERSON RESPONSIBLE:

Amber Kaufman