COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)KENTUCKY, INC. FOR A CERTIFICATE OF)CASE NO.PUBLIC CONVENIENCE AND NECESSITY)2025-00057AUTHORIZING THE PHASE FOUR)REPLACEMENT OF THE AM07 PIPELINE)

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO DUKE ENERGY KENTUCKY, INC.

Duke Energy Kentucky, Inc. (Duke Kentucky), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on May 9, 2025. The Commission directs Duke Kentucky to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Duke Kentucky shall make timely amendment to any prior response if Duke Kentucky obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Duke Kentucky fails or refuses to furnish all or part of the requested information, Duke Kentucky shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Duke Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

- 1. Refer to Application, page 4, paragraph 4.
 - a. State the size of the existing AM07 pipeline.
 - b. Explain why 24-inch pipeline was selected for the proposed project.

2. Refer to Application, Exhibit 3(e), plans and specifications.

a. Provide the useful lives of all infrastructure or equipment to be constructed according to the plans.

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b. Identify any alternative designs or materials that could be used to comply with federal regulations.

c. Provide the estimated costs and useful lives of alternative pipeline designs or materials identified in the response to 2(b).

3. Refer to Application, pages 8-9, paragraph 13. Explain why the cost of remedying deficiencies found during pressure testing or retrofitting cannot be estimated.

4. If Duke Kentucky has pressure tested or retrofitted A.O. Smith pipe, in any jurisdiction since January 1, 2020, provide cost per mile tested or retrofit information for remedying deficiencies and identify the year the replacement pipeline was installed.

5. Refer to the Application, page 12, paragraph 20.

a. Provide support for the annual ongoing cost of operation of Phase Four of less than \$10,000, after its completion.

b. Provide the expected annual cost of the required periodic inspections or testing that were excluded from the annual ongoing cost of operation for Phase Four, including descriptions and specific amounts.

6. Refer to Direct Testimony of Melton A. Huey, page 10. Explain why the estimated cost of Phase Four is greater per mile than that of Phase Three.

7. Provide the expected annual depreciation amount of Phase Four. Include a breakdown of the costs by different useful lives. Provide the National Association of Regulatory Utility Commissioners (NARUC) depreciable life for each component.

8. State when the first full year of depreciation is expected.

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9. Provide the expected useful life used to calculate the depreciation rate for the existing segment of the AM07 Pipeline that Duke Kentucky proposes to replace as part of Phase Four of its pipe replacement project.

10. Explain any changes to Duke Kentucky's analysis of pipeline testing changes based on the current Presidential administration's PHMSA policies.

RP

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DATED APR 21 2025

cc: Parties of Record

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