



Mailing Address:
139 East Fourth Street
1303-Main / P.O. Box 960
Cincinnati, Ohio 45202
o: 513-287-4320
f: 513-287-4385

Rocco.O.D'Ascenzo@duke-energy.com
Rocco O. D'Ascenzo
Associate General Counsel

VIA OVERNIGHT DELIVERY

June 10, 2016

Aaron Greenwell
Acting Executive Director
Kentucky Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUN 13 2016

PUBLIC SERVICE
COMMISSION

**Re: Case No. 2012-00428
In the Matter of Consideration of the Implementation of Smart Grid and Smart
Meter Technologies**

Dear Mr. Greenwell:

Enclosed please find for filing the original and ten copies of Duke Energy Kentucky's certification that we have developed internal cybersecurity procedures in compliance with the Commission's April 13, 2016 Order in Case No. 2012-00428.

Please feel free to contact me should you have any questions.

Sincerely,

Rocco D'Ascenzo
Associate General Counsel
Rocco.D'Ascenzo@duke-energy.com

AFFIDAVIT
OF
TERRELL GARREN

COMES NOW Terrell Garren being duly sworn, deposes and says:

1. My name is Terrell Garren. I am employed by Duke Energy Business Services, LLC., as VP & Chief Security Officer in Duke Energy Corp's Business Transformation & Technology Department.
2. As VP & Chief Security Officer, I have responsibility for developing, implementing, and maintaining IT Security and Compliance for all of Duke Energy Corp.'s operations including Duke Energy Kentucky, Inc., (Duke Energy Kentucky).
3. As part of my professional responsibilities I am deeply involved with all aspects of the security of Duke Energy Corp's IT infrastructure, including, but not limited to, Critical Infrastructure (CIP) standards developed by the North American Electric Reliability Corporation (NERC).
4. I hereby certify that Duke Energy Corp., on behalf of all of its affiliated companies, including Duke Energy Kentucky, has developed, maintains, and enforces policies and procedures addressing cybersecurity across the enterprise.
5. The cyber security policies and procedures include, but are not limited to, identification of essential elements of each of Duke Energy Corp's franchised utility gas and electric systems that are susceptible to threats, plans for hazard mitigation, emergency response, business continuity and systems recovery.

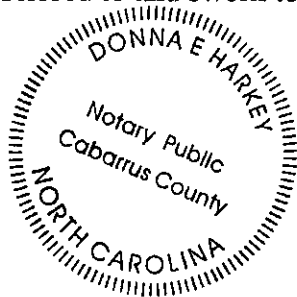
FURTHER AFFIANT SAITH NOT.

Terrell Garren
Terrell Garren

State of NC)
County of Mecklenburg)

SS:

Subscribed to and sworn to before me this 3 day of June, 2016.



Donna E Harkey
Notary Public

my commission expires: 03/01/19



Mailing Address:
139 East Fourth Street
1303-Main / P.O. Box 960
Cincinnati, Ohio 45202
o: 513-287-4320
f: 513-287-4385

Rocco.O.D'Ascenzo@duke-energy.com
Rocco O. D'Ascenzo
Associate General Counsel

VIA OVERNIGHT DELIVERY

June 10, 2016

Aaron Greenwell
Acting Executive Director
Kentucky Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUN 13 2016

PUBLIC SERVICE
COMMISSION

**Re: Case No. 2012-00428
In the Matter of Consideration of the Implementation of Smart Grid and
Smart Meter Technologies**

Dear Mr. Greenwell:

Enclosed please find for filing the original and ten copies of Duke Energy Kentucky's internal procedures governing customer privacy and customer education, in compliance with the Commission's April 13, 2016 Order in Case No. 2012-00428.

Please feel free to contact me should you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to be "R. Ascenzo", with a long horizontal flourish extending to the right.

Rocco D'Ascenzo
Associate General Counsel
Rocco.D'Ascenzo@duke-energy.com

**COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

Consideration of the Implementation)	
of Smart Grid and Smart Meter)	Case No. 2012-00428
Technologies)	

**DUKE ENERGY KENTUCKY, INC.'S PROCEDURES GOVERNING
CUSTOMER PRIVACY AND CUSTOMER EDUCATION**

I. Introduction

In its Order in Case No. 2012-00428 entered on April 13, 2016, the Kentucky Public Service Commission required that each utility shall file within 60 days of the Order, "their internal procedures governing customer privacy and customer education."

These documents shall constitute Duke Energy Kentucky's procedures for customer privacy and customer education as it relates to any significant smart grid or grid modernization investment in its territory. These procedures apply to both Duke Energy Kentucky's electric and gas businesses.

II. Customer Privacy Procedures for Smart Grid/ Grid Modernization Investments

Customer Privacy Documents - Summary

**1. Data Privacy Program/Data Privacy Policy/Data Privacy and Identity Theft Protection
Standard**

Duke Energy maintains a Data Privacy Policy (attached hereto as Appendix 1) that establishes an internal Data Privacy Program. The Data Privacy Program is designed to ensure proper control, reasonable to the size and complexity of the function/business, regarding the protection of information, pertaining to an individual, which is collected through normal business

operations. The Policy is designed to support Duke Energy's business functions. The requirements of the Data Privacy Program are explained in the Data Privacy and Identity Theft Protection Standard (attached hereto as Appendix 2). The Standard establishes requirements to ensure consistent measures are implemented to protect Duke Energy, its workforce, customers, shareholders, and other third parties with which it does business from unlawful disclosure or transmission of Personal Information.

Additionally, Duke Energy has a public web Privacy Policy posted on the [www.duke-energy.com](http://www.duke-energy.com/privacy.asp) Internet page, available at <http://www.duke-energy.com/privacy.asp>. This Policy is customer facing and sets forth how Duke Energy collects, uses, and protects and uses customer information received online.

2. Data Privacy Training

Duke Energy has established an eLearning training that is deployed to all workforce who collect, use, store, or have access to Personal Information. The purpose of the training is to communicate how to comply with the requirements of the Data Privacy Program. Duke Energy has established Privacy Coordinators across the enterprise that assist in defining his/her respective target audience for the Data Privacy Training. Corporate Compliance then administers the training, at least annually, to those identified as have access to Personal Information.

3. Customer Information Training

Duke Energy has developed a separate eLearning training to communicate the requirements and rules around Customer Information. Customer Information is non-public information or data specific to a customer or group of customers, including, but not limited to, account numbers, load profile, billing history, or credit history that has been obtained or compiled in connection with the supplying of electric services to that customer or group of

customers. This training is deployed to those individuals that have or may have access to Customer Information in the scope of their employment.

4. Clearinghouse Process

Duke Energy has established the “Clearinghouse Process” designed to facilitate all requests for Customer Information from third parties. The Process outlines that Duke Energy is not permitted to disclose Customer Information to any person or company (other than those acting as agent for, or providing services to, Duke Energy) without the customer’s consent, and only then to the extent specified by the customer. Once the request for Customer Information is submitted, the requester will receive a confirmation email that includes a Customer Data Release Form (Consent Form). This release must be signed by the customer of record for each account for which data has been requested. Once the completed forms have been received, Duke Energy will issue a billing invoice (charges are not applicable to DEO, DEK or DEF) to the requester. Data is provided within 30 days of receipt of all consent forms, or upon receipt of payment in full for those jurisdictions that require payment.

III. Customer Education Procedures for Smart Grid/ Grid Modernization Investments

Duke Energy Kentucky shall take a proactive approach to communications with customers around significant smart grid investments and deployments. The specific actions will vary depending upon the nature of the investment, the scope of the deployment (e.g., limited or whole system) and the customer groups that will be directly impacted. The actions that may be appropriate prior to and during a full system wide deployments shall include as follows:

- Sending postcards ahead of installation or having account managers reach out to large business customers;

- Canvassing neighborhoods to arrange for installation appointments if customer interaction is necessary to exchange meters or install gas modules, and leaving door hangers for customers that are not then available, so the customers can call to schedule an appointment;
- Making outbound calls to schedule installation appointments (when necessary) if prior attempts to schedule an appointment were unsuccessful;
- Sending letters for customers that still are unreachable to set-up meter exchange or gas module installation appointments;
- Sending a certification letter around 30-60 days after a smart meter was successfully installed and certified; and
- Sending a post-certification postcard two weeks after certification to direct customers to their Duke Energy web portal (different from general grid modernization webpage), so they can monitor their energy usage online.

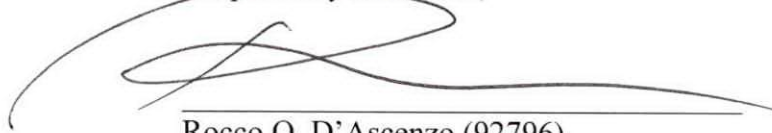
During any smart grid or grid modernization deployment, initial questions are to be fielded or directed to the deployment team. A deployment team contact shall be identified for each deployment for initial fielding of questions. Appendix 3 demonstrates the AMI Customer Engagement process for Duke Energy Kentucky's proposed AMI and AMR deployment.

After deployment, support for customer questions is handled through standard customer outreach methods. Duke Energy Kentucky call center and corporate communications personnel will be informed of any significant smart grid or grid modernization efforts.

Duke Energy maintains an enterprise-wide smart grid website at the following URL: <http://www.duke-energy.com/about-us/smart-grid.asp>. That website is used to provide general information about smart grid as a whole and how it affects Duke Energy's customers. There is

also a subpage – <http://www.duke-energy.com/about-us/in-your-area.asp> – that provides an overview of what technologies are deployed in each Duke Energy jurisdiction, including Duke Energy Kentucky. Customer inquiries about smart meters or smart grid that are outside a deployment are fielded by the Customer Call Center, and can be directed to appropriate Company experts when needed. For a “hands-on” demonstration of smart grid technologies, Duke Energy runs the Envision Center in Erlanger, Kentucky.

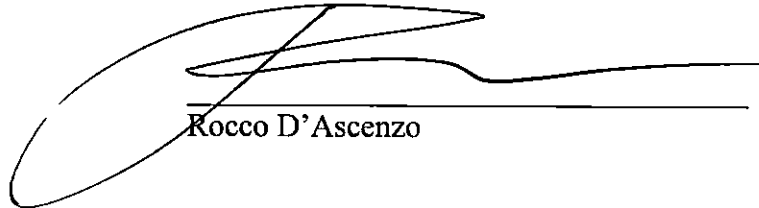
Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Rocco O. D'Ascenzo', with a long horizontal flourish extending to the right.

Rocco O. D'Ascenzo (92796)
Associate General Counsel
Duke Energy Business Services, LLC
139 East Fourth Street, 1313 Main
Cincinnati, Ohio 45201-0960
Phone: (513) 287-4320
Fax: (513) 287-4385
Rocco.D'Ascenzo@duke-energy.com
Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal, or electronic mail, on this 10th day of June, 2016, to the following parties.



Rocco D'Ascenzo

Allen Anderson
President & CEO
South Kentucky R.E.C.C.
925-929 N. Main Street
P.O. Box 910
Somerset, KY 42502-0910

John B. Brown
Chief Financial Officer
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391

Anthony S. Campbell
President & CEO
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P.O. Box 707
Winchester, KY 40392-0707

Judy Cooper
Manager, Regulatory Services
Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P.O. Box 14241
Lexington, KY 40512-4241

Gregory T. Dutton
Assistant Attorney General
Office of the Attorney General Utility
& Rate
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Paul G. Embs
President & CEO
Clark Energy Cooperative, Inc.
2640 Ironworks Road
P.O. Box 748
Winchester, KY 40392-0748

David Estepp
President & General Manager
Big Sandy R.E.C.C.
504 11th Street
Paintsville, KY 41240-1422

Carol Ann Fraley
President & CEO
Grayson R.E.C.C.
109 Bagby Park
Grayson, KY 41143

Mark David Goss
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504

Ted Hampton
Manager
Cumberland Valley Electric, Inc.
Highway 25E
P.O. Box 440
Gray, KY 40734

Rebecca Goodman
Executive Director
Office of the Attorney General Utility
& Rate
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Joni K. Hazelrigg
CEO
Fleming-Mason Energy Cooperative,
Inc.
1449 Elizaville Road
P.O. Box 328
Flemingsburg, KY 41041

Roger Hickman
Regulatory Affairs Manager
Big Rivers Electric Corporation
201 Third Street
P.O. Box 24
Henderson, KY 42420

Larry Hicks
President & CEO
Salt River Electric Cooperative Corp.
111 West Brashear Avenue
P.O. Box 609
Bardstown, KY 40004

Kerry K. Howard
CEO
Licking Valley R.E.C.C.
P.O. Box 605
271 Main Street
West Liberty, KY 41472

James L. Jacobus
President & CEO
Inter-County Energy Cooperative Corp.
1009 Hustonville Road
P.O. Box 87
Danville, KY 40423-0087

Honorable Michael L. Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Mark Martin
VP Rates & Regulatory Affairs
Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, KY 42303

Debbie J. Martin
President & CEO
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

Burns E. Mercer
President & CEO
Meade County R.E.C.C.
P.O. Box 489
Brandenburg, KY 40108-0489

Michael L. Miller
President & CEO
Nolin R.E.C.C.
411 Ring Road
Elizabethtown, KY 42701-6767

G. Kelly Nuckols
President & CEO
Jackson Purchase Energy Corporation
2900 Irvin Cobb Drive
P.O. Box 4030
Paducah, KY 42002-4030

David S. Samford
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504

Donald Smothers
Blue Grass Energy Cooperative Corp
1201 Lexington Road
P.O. Box 990
Nicholasville, KY 40340-0990

Gregory Starheim
President & CEO
Kenergy Corp
6402 Old Carydon Road
P.O. Box 18
Henderson, KY 42419

Ranie Wohnhas
Managing Director, Reg & Finance
Kentucky Power Company
101 A Enterprise Drive
P.O. Box 5190
Frankfort, KY 40602

Barry L. Myers
Manager
Taylor County R.E.C.C.
625 West Main Street
P.O. Box 100
Campbellsville, KY 42719

Bill T. Prather
President & CEO
Farmers R.E.C.C.
504 South Broadway
P.O. Box 1298
Glasgow, KY 42141-1298

Honorable Iris G. Skidmore
415 W. Main Street, Suite 2
Frankfort, KY 40601

Mark Stallons
President & CEO
Owen Electric Cooperative, Inc.
8205 Highway 127 North
P.O. Box 400
Owenton, KY 40359

Ed Staton
VP – State Regulation & Rates
Kentucky Utility Company
220 W. Main Street
P.O. Box 32010
Louisville, KY 40202

Carol Wright
President & CEO
Jackson Energy Cooperative Corp
115 Jackson Energy Lane
McKee, KY 40447

Duke Energy Policy

Data Privacy Policy

Applicability:	Enterprise
Originator:	Corporate Compliance
Approval:	Chief Compliance Officer
Effective Date:	10/01/2006
Revision Date:	06/26/2013
Revision No:	3

Statement of Purpose and Philosophy:

Duke Energy intends to comply with applicable federal, state, and local laws, regulations, ordinances, and internal policies, including, but not limited to, the Code of Business Ethics (all collectively referred to as "Rules") including those that protect information regarding an individual from unlawful disclosure or transmission. Failure to do so may result in legal penalties, adverse regulatory action, restriction or prohibition from conducting business with certain countries and irreparable damage to Duke Energy's brand.

Scope:

This policy is applicable to all workforce of the new Duke Energy located within the United States. Employees and agents of Duke Energy located outside the United States should refer to their in-country legal counsel and compliance personnel for data privacy requirements at their locations.

1. Policy Expectations

This policy establishes requirements regarding the protection of information about an individual in a manner consistent with the applicable Rules. This policy is designed to support Duke Energy's business functions as Duke Energy seeks to be a leader in considering and addressing privacy-related concerns of individuals.

2. Roles and Responsibilities

Chief Compliance Officer will be responsible for:

- Establishing and providing oversight for a Data Privacy Program to ensure adequate policy and standards are implemented to reasonably ensure compliance with Rules that are applicable to Duke Energy regarding information about individuals.

Functional/business units will be responsible for:

- Ensuring that the expectations of this policy are achieved for their respective function/business unit and that the applicable processes or mechanisms are sustained.

The workforce will be responsible for:

- Ensuring their daily practices comply with this policy.

Data Privacy Policy

- Considering and addressing privacy-related concerns associated with any information about an individual within their possession and/or control.
- Reporting privacy-related concerns appropriately and in a timely manner.

3. Definitions/Key Terms:

Data Privacy Program: Duke Energy's governance model that will ensure proper control, reasonable to the size and complexity of the function/business, regarding the protection of information, pertaining to an individual, which is collected through normal business operations. The Program is established by this policy. The Data Privacy and Identity Theft Protection Standard is the supplemental document that explains the requirements of the Program.

4. Related Documents

[Web Privacy Policy](#)

[Data Privacy and Identity Theft Protection Standard](#)

[IT 200 Information Technology Asset Management Policy](#)

[IT 201 Information Management Standard](#)

[IT 500 Cyber Security Policy](#)

[Purchasing Controls Policy](#)



Data Privacy and Identity Theft Protection Standard

Applicability:	Enterprise
Originator:	Corporate Compliance
Approval:	Chief Compliance Officer

Effective Date:	08/01/2009
Revision Date:	09/01/2015
Revision No:	4

Scope

Compliance with this Data Privacy and Identity Theft Protection Standard ("Standard") is the responsibility of the Duke Energy workforce performing work or services for, or on behalf of, Duke Energy who process Personal Information.

The Duke Energy workforce performing work or services for, or on behalf of, Duke Energy outside of the United States should refer to their in-country legal counsel and compliance personnel for data privacy and identity theft protection standards requirements at their locations.

Statement of Purpose

This Standard defines the requirements under the Data Privacy Program established in the Data Privacy Policy. The requirements will ensure consistent measures are implemented to protect Duke Energy, its workforce, customers, shareholders and other third parties with which it does business from unlawful disclosure or transmission of Personal Information.

Note: The respective state utility commissions may establish requirements in regard to Customer Information that are not included in the scope of this Standard regarding Personal Information. Those requirements are listed in the respective links below. In addition, the Clearinghouse document explains the enterprise process to manage requests to use Customer Information.

North and South Carolina: http://www.duke-energy.com/pdfs/NC_Code_of_Conduct_07-02-2012.pdf

Ohio: <http://codes.ohio.gov/orc/4928.17>

Kentucky: <http://www.lrc.ky.gov/KRS/278-00/2213.PDF>

Indiana: <http://www.duke-energy.com/pdfs/DE-IN-Affiliate-Standards.pdf>

Florida: [Rule No. 25-6.014](#) and [Rule No. 25-6.015](#)

Clearinghouse: [Customer Data Request Form](#)

Related Documents

[Data Privacy Policy](#)

[Web Privacy Policy](#)

[Guidelines for Protecting Personal Information](#)

[IT 200 Information Technology Asset Management](#)

[IT 201 Information Management Standard](#)

[IT 500 Cyber Security Policy](#)



Data Privacy and Identity Theft Protection Standard

Glossary of Terms

Breach – any substantiated Exposure that requires notification to impacted individual(s) due to the reasonably likely risk of identity theft or identity fraud, or that creates a material risk of harm to the impacted individual(s).

Customer Information (CI) – Nonpublic smart or legacy data that can be used to identify a Customer or a group of Customers, including but not limited to electricity or natural gas consumption otherwise known as energy usage information, load profile, billing history, credit history, survey responses or other research and analysis that is or has been obtained or compiled by Duke Energy in connection with supplying electric or natural gas services.

Data Privacy Program – Duke Energy's governance model that will ensure proper control, reasonable to the size and complexity of the function/business, regarding the protection of information collected through normal business operations that pertains to an individual.

Data Sponsor – The manager responsible for maintaining the confidentiality, integrity and availability of company information within his/her business unit per the IT Glossary referred to in IT 200 – Information Technology Asset Management Policy.

Exposure – Any event, disclosure or transmission that has allowed any group(s) or individual(s) to obtain, or potentially obtain, access to Personal Information without a legitimate business reason that may lead to identity theft or identity fraud.

Identity theft or identity fraud – A crime committed when a person uses another person's Personal Information without authorization to commit fraud.

Information Owner – The Information Owner is accountable for one or more information systems and is responsible for administering security classifications and access authorization in accordance with criteria established by data stewards, applying defined standards and business rules, applying controls and measures, and retaining information according to retention standards.

Legitimate Business Reason – A reason that is necessary to perform a business function or operation and is not prohibited by applicable rules. Legitimate business, services or administrative needs include but are not limited to:

- employment administration
- investor relations activities
- business requests
- providing natural gas or electric services to customers
- acquisition, divestiture or reorganization activities
- financing activities
- others as required by law, judicial processes or administrative federal, state or local agency

Person – Any individual, partnership, corporation, trust, estate, cooperative, association, government, government subdivision or agency, or other entity.



Data Privacy and Identity Theft Protection Standard

Personal Information (PI) – Any information collected by Duke Energy or its subsidiaries and affiliates that uniquely identifies a person, or from which a person can be reasonably identified, and the collection, use or disclosure of which is governed by applicable law or regulation. Personal Information includes but is not limited to:

- a. health information
- b. Social Security number or national ID (or equivalent)
- c. consumer report information
- d. a person's first name or first initial and last name in combination with:
 - Social Security or employer taxpayer ID numbers
 - driver's license, state identification card or passport numbers
 - date of birth
 - banking information
 - credit card numbers
 - PIN codes
 - electronic ID numbers
 - private electronic mail names or addresses
 - private phone numbers
 - Internet account numbers
 - identification names
 - digital signatures
 - any information that can be used to access a person's financial resources
 - biometric data
 - fingerprints
 - passwords
 - parent's legal surname prior to marriage or
- e. any other information protected by Duke Energy's Policies, Standards, Procedures or applicable Rules.

Privacy Coordinator – Individual responsible for overseeing compliance with the Data Privacy Program relative to his/her respective business function/unit.

Process – With respect to information, means to automatically or manually collect, record, organize, store, adapt or alter, retrieve, consult on, use, disclose, disseminate or otherwise make available, align or combine, block, erase or destroy.

Third Party – Individual or entity other than Duke Energy and its subsidiaries and affiliates.



Data Privacy and Identity Theft Protection Standard

Requirements

The functional/business units listed below are required to designate a Privacy Coordinator:

- Law Department
- Corporate Compliance
- Human Resources
- Customer Operations
- Nuclear Generation
- Investor Relations
- Information Technology
- Other business functions/units as necessary

Duke Energy will:

- Implement reasonable and appropriate processes or mechanisms to assure PI is:
 - Accurate, complete and timely for the purposes for which it is being used, and accessible to fulfill a Legitimate Business Reason.
 - Protected from loss, misuse or alteration, to the extent required by law.
 - Encrypted when stored on laptops or other portable devices, transmitted wirelessly or transmitted across public networks, to the extent required by law and to the extent technically feasible.
 - Disposed of properly when the Legitimate Business Reason for maintaining the PI ends.
- Create, access, copy, delete, modify or maintain customer accounts or other similar Company records, only when there is a Legitimate Business Reason for doing so.
- To the extent required by law, provide notice to persons regarding the intended use of PI, and in the event of a breach of PI.
- Give persons the opportunity to exercise a choice regarding how PI collected by Duke Energy may be used, to the extent required by law.
- Include Social Security numbers in mailed correspondence only when required by law and only if the Social Security number is not visible during mailing.

Duke Energy will NOT, unless permitted by law:

- Communicate PI to any third party unless there is a Legitimate Business Reason and the proper due diligence has been conducted to ensure compliance with this Standard.
- Print or embed a Social Security number on a card required to access products or services.
- Require an individual to transmit a Social Security number over the Internet unless either the Social Security number is encrypted or the Internet connection is secure.
- Require an individual to use a Social Security number to access an Internet site unless an authentication device such as a password is also used.
- Authorize employees or contingent workers to create, access, copy, delete, modify or maintain company records, employee records or customer accounts on behalf of themselves or to assist family, friends or acquaintances, etc. without prior written approval from the employee's or contingent worker's supervisor.

Duke Energy may, pursuant to a court order, subpoena, other legal process or government request, share PI. The Duke Energy Ethics and Compliance attorney should be consulted before any such requests are fulfilled.



Data Privacy and Identity Theft Protection Standard

Objectives

The objectives of this Standard are to mitigate the risks of unlawful disclosure or transmission of PI and prevent identity theft as described in the framework below:



I. Identify and Mitigate Risks

Each Privacy Coordinator shall develop and maintain a process to perform an annual Privacy Impact Assessment (PIA). The PIA will help the business discover and understand what PI it processes and how well it is protected. The PIA will be conducted by:

1. Documenting an inventory of PI the business function/unit processes and the systems, interfaces, procedures or practices, automated or manual, that are impacted. The inventory should include but is not limited to items such as:
 - Data description (e.g., SSN, checking account or credit card numbers, etc.)
 - Business requirement for processing the data
 - Information Owner/Data Steward
 - Responsible department
 - Impacted electronic systems or non-electronic processes
 - Third parties or other business functions that have access
 - Existing mitigating factors
2. Identifying the risks associated with the inventory of PI including ensuring a Legitimate Business Reason exists for processing the PI
3. Determining if adequate mitigating controls are implemented
4. Enhancing mitigation where necessary

II. Train

Training is required for all workforce who collect, use, store or have access to PI in order to communicate how to comply with the requirements of the Data Privacy Program.

Each Privacy Coordinator shall coordinate with Corporate Compliance to define his/her respective target audience for the training.

Corporate Compliance will administer data privacy and identity theft training, at least annually, to individuals who have physical or electronic access to PI in the following business functions:

- Customer Operations
- Human Resources
- Investor Relations



Data Privacy and Identity Theft Protection Standard

- Nuclear Generation
- Information Technology
- Other functional areas as needed

III. Monitor

Corporate Compliance and/or the Ethics and Compliance attorney shall monitor:

- New or updated legislation that impacts Duke Energy, its policies, standards or procedures
- Compliance with this Standard by confirming and documenting:
 - PIAs are conducted annually
 - Training is completed annually
 - Periodic Privacy Coordinator meetings occur
 - Presentations to the chief legal officer and board of directors, or appropriate committee thereof, are provided as necessary

IV. Respond

Exposures may have a significant impact to Duke Energy and may harm the individuals whose PI has been released or breached. All Exposures that may impact Duke Energy or others shall be identified and handled in accordance with this Standard.

When an Exposure occurs and is discovered, the Ethics and Compliance attorney must be consulted prior to any discussions internally, with the media or with potentially impacted individuals.

Any Exposure that has or may result in identity theft or identity fraud must be handled in accordance with the Exposure Response Plan (refer to Exhibit A for a decision matrix of the Plan) as described below:

Identify and Report

Identified Exposures shall be reported immediately as follows:

Lost/Stolen Assets

When Duke Energy assets (laptops, desktops, BlackBerrys, handheld devices, etc.) have been lost or stolen, the loss or theft shall be reported to the Enterprise Help Desk at 704.382.7762 as soon as possible. The reported device will be processed according to the IT Asset Lost/Stolen Process.

Other Exposures

Any Duke Energy employee, contingent worker or third party performing work or services for, or on behalf of, Duke Energy who suspects or witnesses an Exposure of PI shall immediately contact his/her manager, supervisor or Duke Energy contact. The notified person shall then contact one of the following to report the event:

- Respective Privacy Coordinator
- Corporate Compliance (phone or email: <mailto:ComplianceReporting@Duke-Energy.com>)
- Ethics and Compliance attorney
- Enterprise Protective Services (EPS)
- EthicsLine (allows for anonymous tips): 800.525.3783

Assess

Corporate Compliance, with legal counsel, will determine if the reported event warrants an investigation by collecting and assessing initial facts. If an investigation is not warranted, Corporate Compliance will document and communicate, when feasible, to the reporting party and no further actions will be taken. If an investigation is warranted, the Ethics and Compliance attorney will determine if the investigation will be conducted under attorney-client privilege.



Data Privacy and Identity Theft Protection Standard

Investigate

Corporate Compliance will lead a timely investigation, working with the Privacy Coordinator, to determine if a breach occurred.

The Privacy Coordinator or designee for the respective business function will:

1. Facilitate completion of the Corporate Data Privacy and Identity Theft Exposure Checklist provided by Corporate Compliance.
2. Assist with the discovery and documentation of facts related to the Exposure in the Exposure Investigation Form provided by Corporate Compliance.
3. Coordinate investigation activities and findings with Corporate Compliance, who will facilitate discussions with legal counsel.

The Ethics and Compliance attorney, Corporate Compliance and the business function will evaluate the findings to determine if a breach occurred. If a breach was substantiated, all breached data must be identified and documented down to the potential victim names, mailing addresses, what data was breached, etc. If a Breach was not substantiated, skip to the Document section.

Mitigate

The responsible information owner or designee, Privacy Coordinator and Corporate Compliance will review the events related to the Exposure or breach to determine if additional or enhanced mitigating controls are necessary to prevent similar incidents from occurring in the future. Corporate Compliance will assist the responsible functional/business unit with the design and implementation of any mitigating controls or procedures determined to be necessary. Mitigation shall be implemented in a timely manner.

Notify

Duke Energy may have a legal obligation to notify individuals and/or governing bodies that certain breaches have occurred. Notifications are time sensitive and shall be performed with advice from the Ethics and Compliance attorney.

Required notifications shall be provided, in accordance with applicable law, by the functional/business unit responsible for the data.

Expenses associated with the notification and risk mitigation process are the responsibility of the Data Sponsor's designated department or other parties as agreed to with the Data Sponsor.

Document

The Ethics and Compliance attorney, with assistance from Corporate Compliance, will consolidate and retain documentation regarding each breach in accordance with the applicable statute of limitations and the Duke Energy Records Management policy.

Communicate

The Ethics and Compliance attorney will advise Corporate Compliance and the Privacy Coordinator when to communicate any potentially material breach to management as the investigation is conducted.



Data Privacy and Identity Theft Protection Standard

V. Review

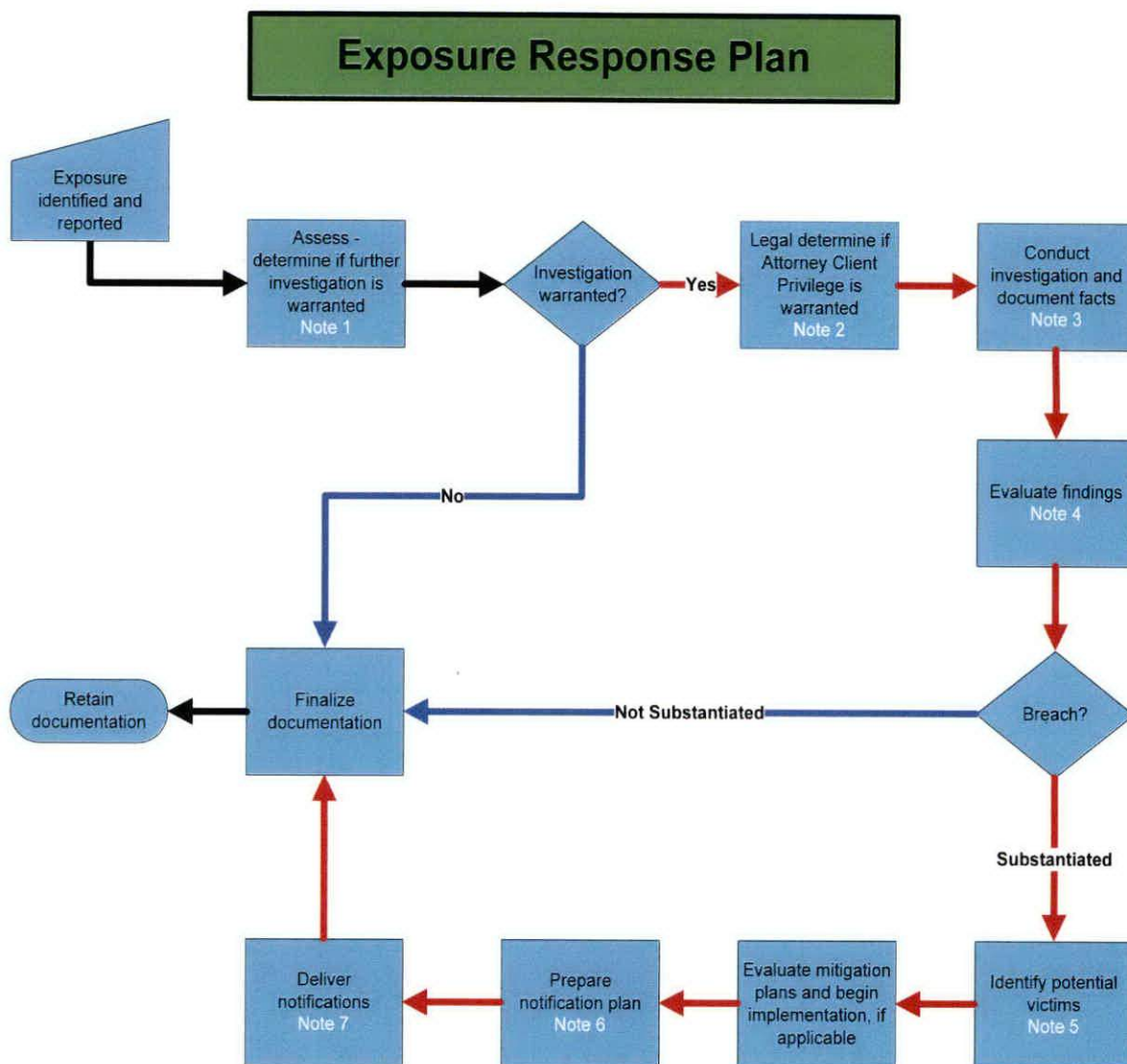
This Standard shall be reviewed by the Ethics and Compliance attorney, Corporate Compliance and the Privacy Coordinators at least annually to evaluate its continued effectiveness in assisting Duke Energy to:

- Maintain compliance with new or changing applicable laws, regulations and policies
- Mitigate new risks or methods of committing identity theft or identity fraud
- Enhance processes or controls as necessary



Data Privacy and Identity Theft Protection Standard

Exhibit A

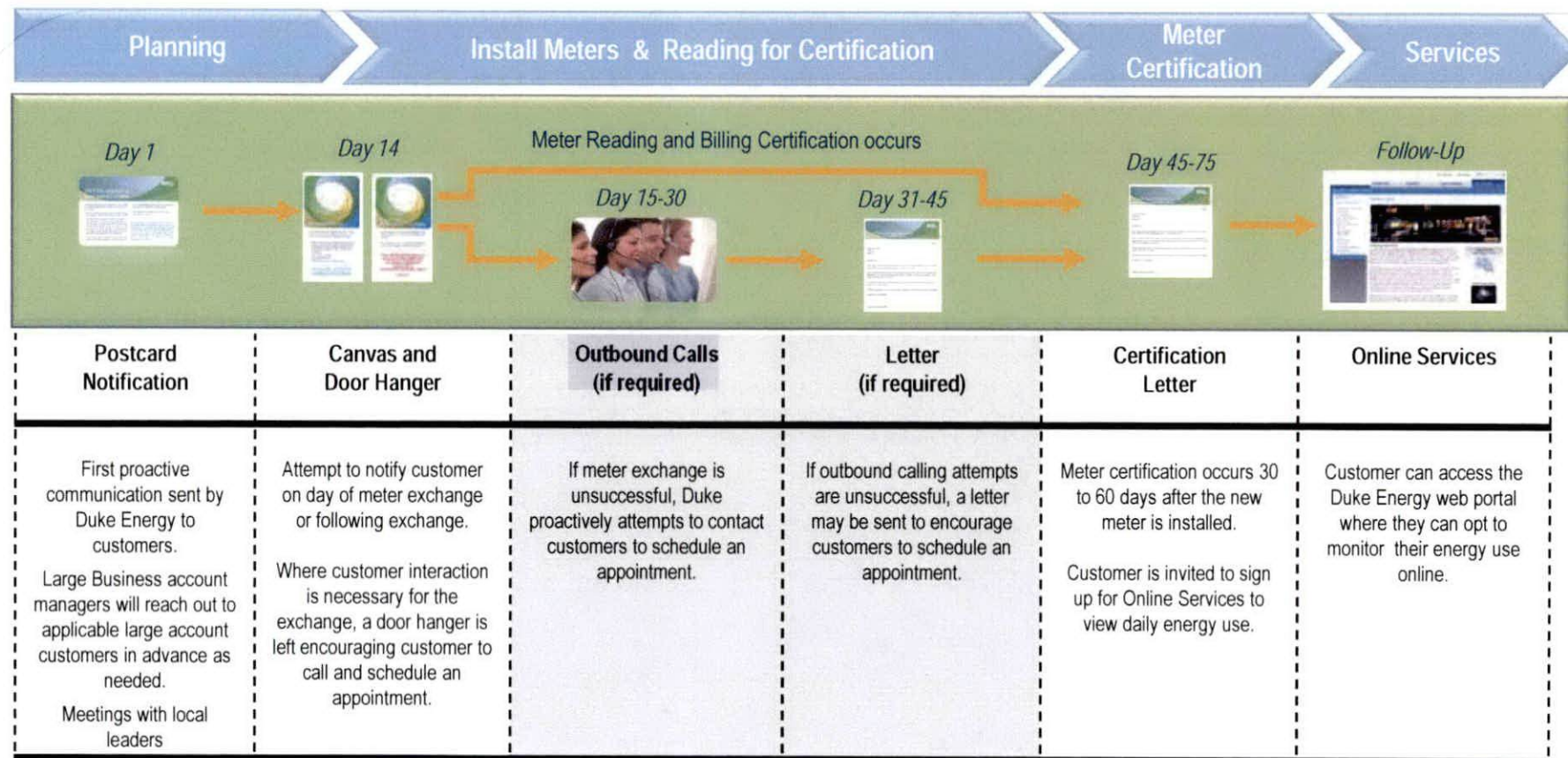


Notes:

- 1 Corporate Compliance will consult with Legal and the business as necessary.
- 2 Various internal and/or external parties may be consulted as needed depending on significance, matter and business unit.
- 3 Privacy Coordinators will use the appropriate documentation provided by Corporate Compliance.
- 4 Applicable law may depend on various factors such as data type, location of exposure or potential victims, etc. Ethics and Compliance with Legal will assist with determining all applicable laws, rules and regulations and obligations in accordance with them.
- 5 All breached data must be identified and documented. Include the potential victim names, mailing addresses, what data was breached, etc.
- 6 Notification plan will include drafting notification letters and/or other media to be distributed.
- 7 Notifications may have to be delivered to the potential victims, various governing bodies, affected third parties or others.



AMI Customer Engagement





Mailing Address:
139 East Fourth Street
1303-Main / P.O. Box 960
Cincinnati, Ohio 45202
o: 513-287-4320
f: 513-287-4385

Rocco.O.D'Ascenzo@duke-energy.com
Rocco O. D'Ascenzo
Associate General Counsel

VIA OVERNIGHT DELIVERY

June 10, 2016

Aaron Greenwell
Acting Executive Director
Kentucky Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUN 13 2016

PUBLIC SERVICE
COMMISSION

**Re: Case No. 2012-00428
In the Matter of Consideration of the Implementation of Smart Grid and
Smart Meter Technologies**

Dear Mr. Greenwell:

Enclosed please find for filing the original and ten copies of Duke Energy Kentucky's internal procedures regarding Smart Grid Investments, in compliance with the Commission's April 13, 2016 Order in Case No. 2012-00428.

Please feel free to contact me should you have any questions.

Sincerely,

Rocco D'Ascenzo
Associate General Counsel
Rocco.D'Ascenzo@duke-energy.com

**COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

Consideration of the Implementation)	
of Smart Grid and Smart Meter)	Case No. 2012-00428
Technologies)	

**DUKE ENERGY KENTUCKY, INC.'S PROCEDURES
REGARDING SMART GRID INVESTMENTS**

I. Introduction

In its Order in Case No. 2012-00428 entered on April 13, 2016, the Kentucky Public Service Commission required that each utility shall file within 60 days of the Order, “their internal procedures regarding Smart Grid investments.”

This document shall constitute Duke Energy Kentucky’s procedures for smart grid investments as it relates to any significant smart grid or grid modernization investment in its territory.

II. Description of Current Smart Grid Systems

A. Metering

Duke Energy Kentucky currently has some smart metering and smart grid infrastructure and systems deployed in Kentucky. In terms of smart metering, Duke Energy Kentucky began deploying an early-generation AMI solution based on Power Line Carrier (PLC) technology in 2007. The PLC technology the Company deployed uses the electrical distribution system as the communication medium for a Two-Way Automatic Communication System (TWACS) between the meter and the utility’s back office systems, allowing the Company to read meters remotely. Rather than proceed with a full system-wide rollout, Duke Energy Kentucky decided to conduct

this PLC system installation as a pilot program, limiting the installations, to gain information about the technology before proceeding with a full scale, system-wide roll out. The technologies deployed under the PLC metering pilot are still in use today.

In 2015, Duke Energy Kentucky upgraded some existing Large Commercial and Industrial (C&I) advanced metering accounts with AMI technology. Those meters were installed as normal course of business technology change outs for a limited number of customers, as opposed to the full-scale rollout. As of April 30, 2016, about 200 Large C&I meters had been exchanged.

B. Distribution System Upgrades

As of December 31, 2015, Duke Energy Kentucky has installed eight self-healing teams in its normal course of business for improving customer reliability. Self-healing teams operate through two-way communications with distribution-system devices allowing for remote operations, although its functions are typically performed automatically. Duke Energy Kentucky has a distribution supervisory control and data acquisition (DSCADA) system in its service territory, which is used to control, coordinate, and monitor self-healing team devices. The Company has also implemented a distribution management system (DMS) to automate and control devices, including those used in the self-healing teams.

III. Smart Grid Planning Goals

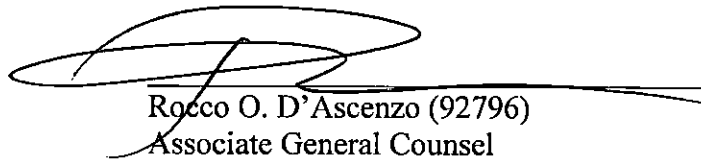
Duke Energy Kentucky plans to deploy an AMI and AMR metering upgrade throughout its electric and gas service territory over the next two years. The new AMI technology offers greater communication bandwidth, functionality, and enables customer programs that are not possible with the existing technology. The Company intends to continue its normal course of business upgrades of advanced metering to Large C&I customers, as a separate program from the

broader AMI deployment. By the end of 2016, around 800 of these customers will have AMI meters. At this time, Duke Energy Kentucky also intends to continue installing self-healing teams on distribution circuits in its normal course of business, rather than through a large-scale deployment. Similarly, enhancements to the DSCADA system and DMS would be handled as normal course of business system updates.

IV. How Smart Grid Investments are Considered

Duke Energy Kentucky has an investment policy that evaluates potential projects for future investment. Appendix 1 to this document depicts this investment policy through a project lifecycle process through which smart grid investments are considered and selected for deployment across the Duke Energy Corporate enterprise.

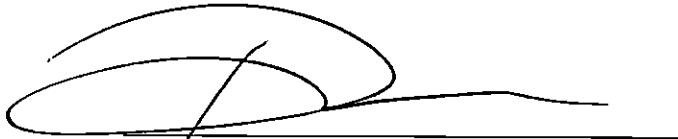
Respectfully submitted,



Rocco O. D'Ascenzo (92796)
Associate General Counsel
Duke Energy Business Services, LLC
139 East Fourth Street, 1313 Main
Cincinnati, Ohio 45201-0960
Phone: (513) 287-4320
Fax: (513) 287-4385
Rocco.D'Ascenzo@duke-energy.com
Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal, or electronic mail, on this 10th day of June, 2016, to the following parties.


Rocco D'Ascenzo

Allen Anderson
President & CEO
South Kentucky R.E.C.C.
925-929 N. Main Street
P.O. Box 910
Somerset, KY 42502-0910

John B. Brown
Chief Financial Officer
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391

Anthony S. Campbell
President & CEO
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P.O. Box 707
Winchester, KY 40392-0707

Judy Cooper
Manager, Regulatory Services
Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P.O. Box 14241
Lexington, KY 40512-4241

Gregory T. Dutton
Assistant Attorney General
Office of the Attorney General Utility
& Rate
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Paul G. Embs
President & CEO
Clark Energy Cooperative, Inc.
2640 Ironworks Road
P.O. Box 748
Winchester, KY 40392-0748

David Estepp
President & General Manager
Big Sandy R.E.C.C.
504 11th Street
Paintsville, KY 41240-1422

Carol Ann Fraley
President & CEO
Grayson R.E.C.C.
109 Bagby Park
Grayson, KY 41143

Mark David Goss
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504

Ted Hampton
Manager
Cumberland Valley Electric, Inc.
Highway 25E
P.O. Box 440
Gray, KY 40734

Rebecca Goodman
Executive Director
Office of the Attorney General Utility
& Rate
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Joni K. Hazelrigg
CEO
Fleming-Mason Energy Cooperative,
Inc.
1449 Elizaville Road
P.O. Box 328
Flemingsburg, KY 41041

Roger Hickman
Regulatory Affairs Manager
Big Rivers Electric Corporation
201 Third Street
P.O. Box 24
Henderson, KY 42420

Larry Hicks
President & CEO
Salt River Electric Cooperative Corp.
111 West Brashear Avenue
P.O. Box 609
Bardstown, KY 40004

Kerry K. Howard
CEO
Licking Valley R.E.C.C.
P.O. Box 605
271 Main Street
West Liberty, KY 41472

James L. Jacobus
President & CEO
Inter-County Energy Cooperative Corp.
1009 Hustonville Road
P.O. Box 87
Danville, KY 40423-0087

Honorable Michael L. Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Mark Martin
VP Rates & Regulatory Affairs
Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, KY 42303

Debbie J. Martin
President & CEO
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

Burns E. Mercer
President & CEO
Meade County R.E.C.C.
P.O. Box 489
Brandenburg, KY 40108-0489

Michael L. Miller
President & CEO
Nolin R.E.C.C.
411 Ring Road
Elizabethtown, KY 42701-6767

Barry L. Myers
Manager
Taylor County R.E.C.C.
625 West Main Street
P.O. Box 100
Campbellsville, KY 42719

G. Kelly Nuckols
President & CEO
Jackson Purchase Energy Corporation
2900 Irvin Cobb Drive
P.O. Box 4030
Paducah, KY 42002-4030

Bill T. Prather
President & CEO
Farmers R.E.C.C.
504 South Broadway
P.O. Box 1298
Glasgow, KY 42141-1298

David S. Samford
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504

Honorable Iris G. Skidmore
415 W. Main Street, Suite 2
Frankfort, KY 40601

Donald Smothers
Blue Grass Energy Cooperative Corp
1201 Lexington Road
P.O. Box 990
Nicholasville, KY 40340-0990

Mark Stallons
President & CEO
Owen Electric Cooperative, Inc.
8205 Highway 127 North
P.O. Box 400
Owenton, KY 40359

Gregory Starheim
President & CEO
Kenergy Corp
6402 Old Carydon Road
P.O. Box 18
Henderson, KY 42419

Ed Staton
VP – State Regulation & Rates
Kentucky Utility Company
220 W. Main Street
P.O. Box 32010
Louisville, KY 40202

Ranie Wohnhas
Managing Director, Reg & Finance
Kentucky Power Company
101 A Enterprise Drive
P.O. Box 5190
Frankfort, KY 40602

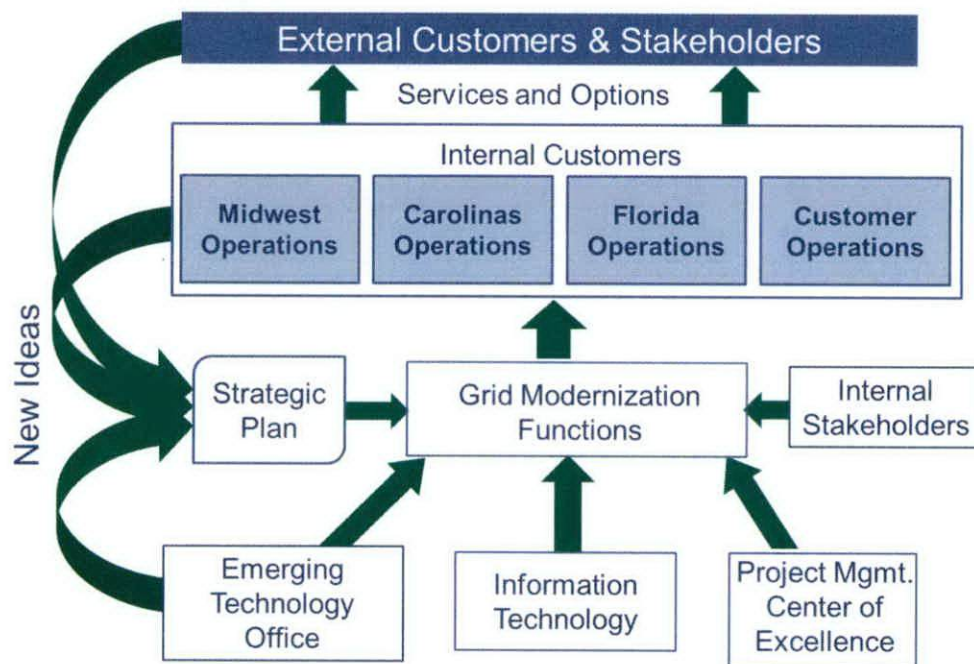
Carol Wright
President & CEO
Jackson Energy Cooperative Corp
115 Jackson Energy Lane
McKee, KY 40447

Technology Planning & Evaluation

Planning and Executing on the Strategy



While the Company believes its strategic planning process will help it effectively allocate capital and resources to the right priorities, it also feels it maintains the organizational functions and development processes required to plan and execute against the 3-5 year Strategic Plan in an efficient, effective, low-risk manner. The figure below describes how front line business operations and corporate functions work together to accomplish the goals and manage the portfolio of initiatives established by the strategic planning process to create value. Duke Energy's Grid Solutions department charged with strategic grid modernization efforts plays a central role in converting capital and resources into customer benefits.



The grid modernization functions at Duke Energy use a six step Stage-Gate process as pictured in the figure below to drive ideas and projects through the project lifecycle. Each Gate is governed by a cross-functional team (either the Grid Investment Development Team or the Project Management Team) to review ideas and make the decisions on whether or not they support the strategic plan and monitor projects to ensure they are implemented successfully.

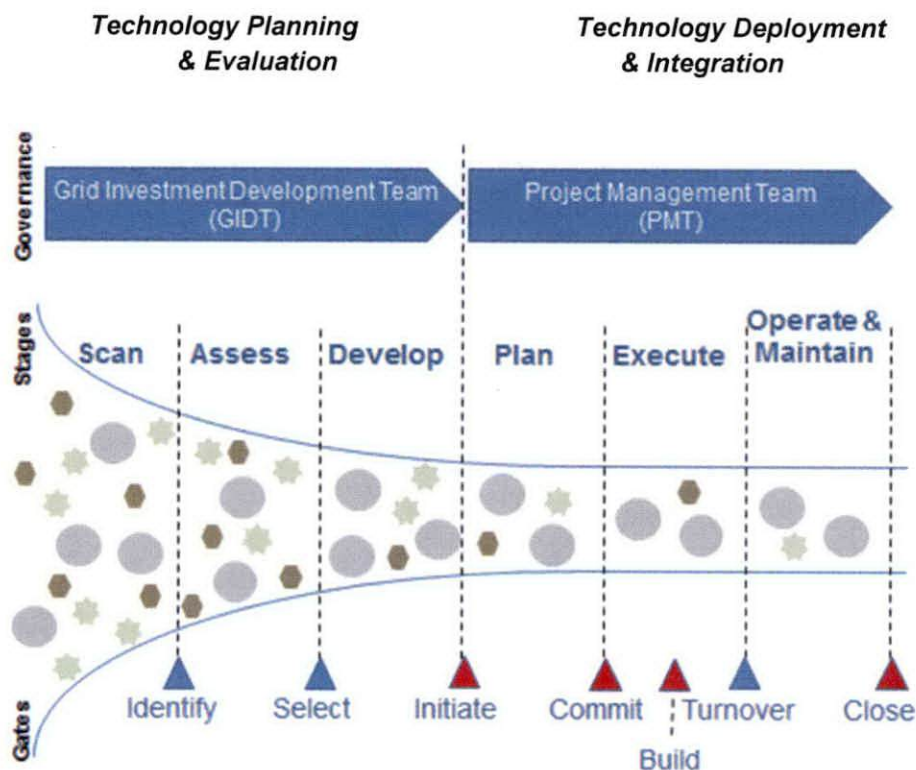
The project lifecycle is a recognized best practice for:

- Creating a portfolio of new ideas
- Assessing the ideas at a high level to identify those with the greatest promise
- Developing selected ideas into full business cases
- Planning and executing the projects selected for deployment
- Operating and maintaining the new assets and business processes

The Project Lifecycle: A Portfolio Management Tool

The Project Management Center of Excellence (PMCoE) project lifecycle methodology, built from the Project Management Institute (PMI) best practices, is a proven approach to idea evaluation and project management designed to reduce the cost and risk of developing a portfolio of initiatives and maximizing the value created per unit of resource input.

Grid Solutions Project Lifecycle



Scan Stage

The Scan Stage is designed to identify ideas available to help accomplish the Strategic Plan. It involves the clarification and synthesis of ideas presented to the grid modernization teams.

Identify Gate

The Grid Investment Development Team (“GIDT”) regularly reviews potential projects to clarify ideas, approving some for more rigorous evaluation in the Assess Stage. Ideas are prioritized for the Assess Stage based on the degree to which each helps accomplish grid modernization strategy objectives relative to preliminary estimates of implementation effort. The Scan Stage is designed to generate and clarify many ideas and identify those worthy of additional evaluation.

Assess Stage

The Assess Stage can consist of different components for different project types. For example, not all technologies or concepts approved for the Assess Stage will require feasibility or market testing, though many, or perhaps even most, will.

Select Gate

The GIDT was formed to oversee the grid modernization project portfolio. The GIDT consists of a select group of key internal cross-functional stakeholders, each supported by subject matter experts, and has the following duties and responsibilities:

- Guide allocation of resources and funding within the project portfolio
- Develop, review, provide guidance on, and approve project, portfolio, or policy changes in support of the annual planning and budgeting process and as needed due to emergent issues and/or changing priorities
- Assure project portfolio alignment with corporate and Grid Solutions strategies
- Review information at the Select and Initiate Gates and choose to advance (to Develop and Plan/Execute Stages, respectively) or archive ideas

In prioritizing ideas for the Develop Stage, the GIDT takes into account value creation relative to costs. Value creation is defined by the Strategic Plan, which has identified four priorities for investment as identified below.

- Reduce costs
- Improve reliability
- Increase efficiency

- Enhance customer offerings

Assuming a proposed solution passes feasibility and technology and/or market tests, the information is summarized for the GIDT to review. The GIDT may move a concept design to the Develop Stage, archive it for future consideration, or recommend additional evaluation in the Assess Stage for subsequent reconsideration.

Develop Stage

The primary objective of the Develop Stage is to select assessed ideas for full development and implementation. The stage involves the transformation of ideas into projects and the development of a full business case and business plan (the Project Authorization Package).

Initiate Gate

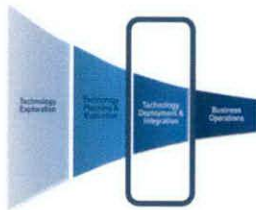
The GIDT described in the Assess Stage above must approve ideas refined in the Develop Stage for advancement into the Plan/Execute Stages. At the Initiate Gate, the GIDT must review the information below as it considers whether or not to approve an idea for the Plan/Execute Stages:

- Project charter (goals, performance measures, and approach)
- Project team (employees leading particular aspects of project planning and execution)
- Business case (including estimates of project cost, scope & schedule)
- Lessons learned (a review of other utilities' experiences implementing the idea)
- Risk register (major events, associated probabilities, impacts, preventative measures, and recovery controls)

Once a fully-developed idea is approved for the Plan and Execute Stages, it becomes a project. Responsibility for the management of approved projects from this point in the project lifecycle through completion falls to the Project Management Team ("PMT") described in the Plan & Execute section.

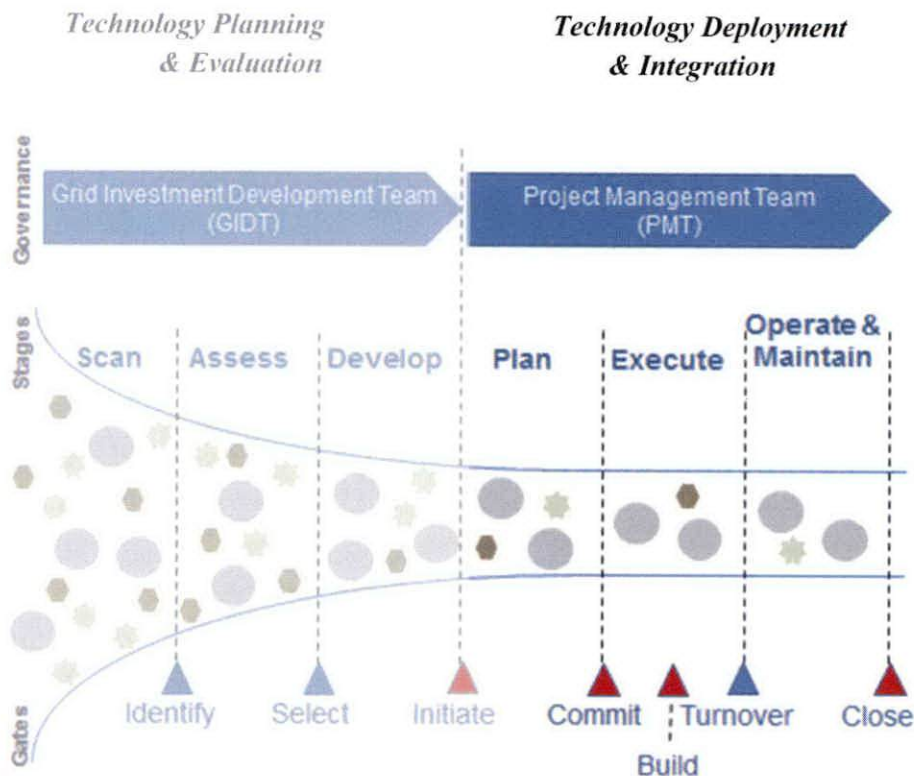
These materials are summarized into a Project Authorization Package for GIDT review. The objective is to include in the Package all the information the GIDT might need to make an informed decision. The GIDT can approve the project for the Plan/Execute Stage, archive it for future consideration, or recommend additional development efforts for subsequent reconsideration. Once a project is approved for the Plan/Execute Stage, responsibility transitions from the GIDT to the PMT.

Technology Deployment & Integration



Duke Energy's program management function is responsible for driving ideas and projects through the project lifecycle and for maintaining development process discipline. The technology deployment and integration functions – with review and input from the technology planning and evaluation functions – plan and execute projects approved for implementation and transition projects to operating organizations. As depicted in the graphic below, technology deployment and integration is aligned with the second half of the project lifecycle.

The Grid Solutions Project Lifecycle



The Plan and Execute Stages can best be summarized as, “Plan the work, work the plan, and monitor progress.” Though the Plan and Execute Stages are technically two distinct stages separated by an approval gate (the Commit Gate) and incorporating an extra check step (the Build Gate), all are presented together here as they are so closely inter-related.

The Commit Gate is one of the most critical steps in the Lifecycle, as the costs of failing to proceed with a project past this point can become significant. Projects approved through the Initiate Gate become the responsibility of the PMT, which is comprised of representatives from the cross-functional stakeholders across the enterprise.

Plan Stage

In the Plan Stage, the Project Team begins with the Project Authorization Package as a starting point and adds the additional detail the team will use to guide their work if the Project is approved for Execution. The package is sufficiently detailed regarding scope, schedule, and budget, such that it can be used as a control document to measure progress during the Execute Stage. Full Work Breakdown Structures for all primary Project components are developed and presented to the PMT at the Commit Gate as part of the package.

In addition, an Organizational Readiness Assessment is added in the Plan Stage. This is a prescribed process for ensuring that the organizations with roles to play in the Work Breakdown Structure are available and prepared to execute their respective components according to the schedule and work breakdown structure.

Commit Gate

At the Commit Gate, a Project Team presents an updated Project Authorization Package to the PMT. If the PMT approves a project through the Commit Gate to the Execute Stage, its Project Team is allowed to publicly announce a project and enter into contracts with suppliers. The Project Team artifacts reviewed by the PMT when considering approval for Execution include:

- Detailed Project Implementation Plan
- Updated Project Authorization Package
- Project Readiness Assessment
- Project Maturity (vendors, technology, organization, regulatory)
- Vendor contract legal review
- Independent Review trigger assessment

If the PMT is not satisfied with each document, it assigns re-works to the Project Team and asks them to return to PMT for reconsideration upon completion. It can also recommend the Project be archived for future consideration or approve the Project for execution.

Execute Stage

With Commit Gate approval of the Project Authorization Package, the Project Team begins to implement the extensive plans it had established for itself in the Plan Stage. The Project Team must submit monthly status reports in a prescribed format regarding project scope, schedule, costs, and operational readiness (for next steps), relative to the Project Authorization Package. Project Teams must request approvals for variances from the approved Project Authorization Package, as summarized below:

- Scope Change Requests
- Schedule Change Requests
- Cost Change Requests

When a Project proceeds to the point where fixed assets are ready to be installed, the Project Team must request authorization from the PMT to do so through an additional check step – the Build Gate.

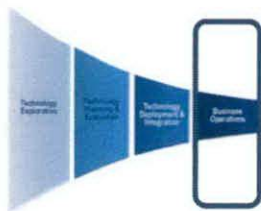
Build Gate

Build Gate is somewhat unique in that it is an interim approval within a stage (the Execute Stage). Duke Energy employs the Build Gate as a final check before assets are installed. At the Build Gate, a Project Team presents a final update to all components of the Project Authorization Package. As may be required anywhere within the Plan/Execute Stage, independent review of the Project Authorization Package and cost estimates may be triggered when variances in costs from the Plan Stage to the Build Gate update are observed.

Once the PMT is satisfied, asset installation may proceed according to the approved Package. Monthly project status reporting and change request requirements continue as described above. Operational readiness is then ensured through Business Process Management and Change Management services (see the next section on the Turnover Gate and the Operate and Maintain Stage for more information).

Business Operations

Operate/Maintain Stage



Parts of the Execute Stage, the Turnover Gate, and the Operate/Maintain Stage are presented together in this section as they are so closely related:

- Business Process Management and Change Management
- Turnover (also known as Commissioning) Gate requirements
- Performance measurement and review as part of the Operate/Maintain Stage

Business Process Management and Change Management

Though technically part of the Execute Stage, Business Process Management and Change Management are presented as part of the Operate and Maintain Stage as they are a critical part of ongoing capability operation and maintenance. The objective of both Business Process Management and Change Management is to maximize the use and value of new capabilities through operational readiness.

Business Process Management is a service offered by the Grid Solutions Technology Deployment & Integration functions to help operating units maximize the value of new capabilities. Business Process Management helps operating functions (like Carolinas Operations or Customer Care) design the optimum work flows associated with new capabilities. This is accomplished through a formal approach to plan, build and deploy new processes.

Change Management helps operating functions transition from old processes to new processes. Working in collaboration with the operating units, the Change Management team prepares, manages, and implements the changes necessary to incorporate the new technology and systems.

Turnover (also known as Commissioning) Gate Requirements

For a project to be approved for the Operate/Maintain Stage, the operating function responsible for delivering upon a new capability made available through Grid Solutions investment must sign off on its capability to operate and maintain the new capability.

Performance Measurement and Review as Part of the Operate/Maintain Stage

The Grid Solutions Program Management Office measures the performance of a new capability after the Turnover Gate. Actual benefits generated and performance are compared to the criteria

established in the Assess Stage and the benefits expectations described in the approved Develop Stage Project Authorization Package. Project costs are compared to those approved in the Develop Stage Project Authorization Package. Post-project performance measurement and review frequently yields great new ideas for input into the Scan Stage.