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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

MAR 31 2017

PUBLIC SERVICE
COMMISSION

A Review of The Adequacy of)
Kentucky's Generation Capacity and) Administrative
Transmission System) Case No. 387

**DUKE ENERGY KENTUCKY, INC.'S
PETITION FOR THE CONFIDENTIAL TREATMENT OF INFORMATION FILED
FOR CALENDAR YEAR 2017**

1. 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 response to Data Request No. 11, as requested by Commission Staff (Staff). The information that Staff seeks, and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information), includes planned outage and retirement schedules by plant. In support of this Motion, Duke Energy Kentucky further 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 list of projected outages, as contained in response to Data Request No. 11, will grant vendors a distinct advantage in that they would be able to anticipate Duke Energy

Kentucky's maintenance schedules. Duke Energy Kentucky submits that the following information, if openly disclosed, could present antitrust issues by giving its competitors access to competitively sensitive, confidential information, which in turn could cause energy prices to consumers to be above competitive rates, and would permit competitors of Duke Energy Kentucky to gain an unfair competitive advantage in the marketplace:

- a. Scheduled outages or retirements of generating capacity during the current year and the following four years.

3. The information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.

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

5. This information was, and remains, integral to Duke Energy Kentucky's effective execution of business decisions. And such information is generally regarded as confidential or proprietary. Indeed, as the Kentucky Supreme Court has found, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary.'" *Hoy v. Kentucky Industrial Revitalization Authority*, 904 S.W.2d 766, 768 (Ky. 1995).

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, and one copy without the confidential information included.

7. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of ten years. This will assure that the Confidential

Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests of the Company or its customers if publicly disclosed.

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,

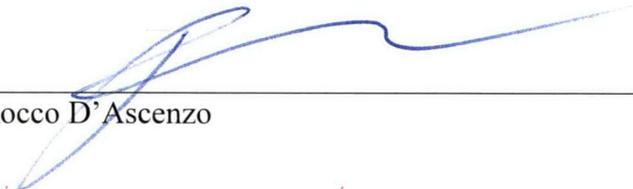
DUKE ENERGY KENTUCKY, INC.



Rocco D'Ascenzo (92796)
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via overnight mail, this 50 day of March 2017.



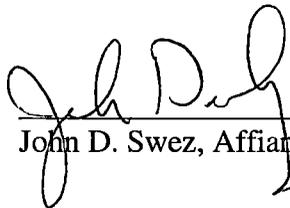
Rocco D'Ascenzo

Rebecca W. Goodman
The Office of the Attorney General
Utility Intervention and Rate Division
700 Capital Avenue, Suite 20
Frankfort, Kentucky 40601

VERIFICATION

STATE OF NORTH CAROLINA)
) SS:
COUNTY OF MECKLENBURG)

The undersigned, John D. Swez, Director of General Dispatch & Operations, Power Trading and Dispatch, 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.



John D. Swez, Affiant

Subscribed and sworn to before me by John D. Swez on this 2 day of March 2017.

KATIE JAMIESON
Notary Public, North Carolina
Gaston County
My Commission Expires



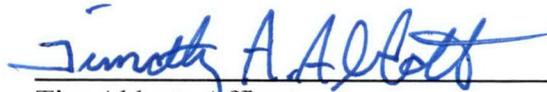
NOTARY PUBLIC

My Commission Expires: June 14, 2021

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

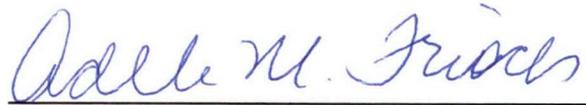
The undersigned, Tim Abbott, being duly sworn, deposes and says that he is the Director of System Operations Services, and that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.



Tim Abbott, Affiant

Subscribed and sworn to before me by Tim Abbott, on this 6 day of March, 2017.

ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019



NOTARY PUBLIC

My Commission Expires: 1/5/2019

VERIFICATION

STATE OF INDIANA)
) **SS:**
COUNTY OF HENDRICKS)

The undersigned, Ed Kirschner, Director Transmission Planning, 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.



Ed Kirschner, Affiant

Subscribed and sworn to before me by Ed Kirschner on this 7th day of March, 2017.



NOTARY PUBLIC

My Commission Expires: 10/7/2022

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**Duke Energy Kentucky
Administrative Case No. 387
March 31, 2017**

STAFF-DR-01-003

REQUEST:

Actual and weather-normalized monthly coincident peak demands for the just completed calendar year. Demands should be disaggregated into (a) native load demand (firm and non-firm) and (b) off-system demand (firm and non-firm).

RESPONSE:

| Duke Energy Kentucky Electric Energy Demands - MW | | | | | | |
|---|-------------|------------------------------|---------------|------------------------------|---------------------|-----------|
| | 1 | 2 | 3 = 1 + 2 | 4 | 5 | 6 = 3 + 5 |
| | Native Peak | Demand Response ¹ | Internal Peak | Weather Normal Internal Peak | Off-System Non-Firm | Total |
| Jan-16 | 739 | | 739 | 694 | | 694 |
| Feb-16 | 705 | | 705 | 698 | | 698 |
| Mar-16 | 642 | | 642 | 640 | | 640 |
| Apr-16 | 620 | | 620 | 562 | | 562 |
| May-16 | 743 | | 743 | 770 | | 770 |
| Jun-16 | 816 | | 816 | 838 | | 838 |
| Jul-16 | 877 | | 877 | 861 | | 861 |
| Aug-16 | 875 | | 875 | 864 | | 864 |
| Sep-16 | 846 | | 846 | 852 | | 852 |
| Oct-16 | 658 | | 658 | 598 | | 598 |
| Nov-16 | 575 | | 575 | 652 | | 652 |
| Dec-16 | 733 | | 733 | 632 | | 632 |

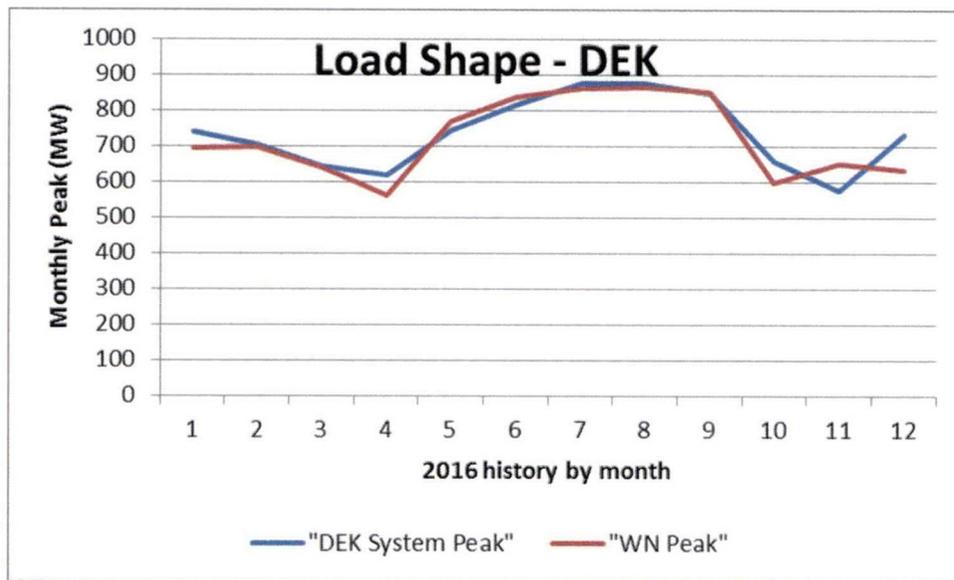
PERSON RESPONSIBLE: Benjamin Passty

STAFF-DR-01-004

REQUEST:

Load shape curves that show actual peak demands and weather-normalized peak demands (native load demand and total demand) on a monthly basis for the just completed calendar year.

RESPONSE:



PERSON RESPONSIBLE: Benjamin Passty

REQUEST:

Based on the most recent demand forecast, the base case demand and energy forecasts and high case demand and energy forecasts and high case demand and energy forecasts for the current year and the following four years. The information should be disaggregated into (a) native load (firm and non-firm demand) and (b) off-system load (both firm and non-firm demand).

RESPONSE:

| Duke Energy Kentucky – Native Load Forecast | | | | |
|--|--------------------|-------------|---------------------|------------------|
| | Demand – MW | | Energy - MWH | |
| | Base | High | Base | High |
| 2017 | 845 | 930 | 4,056,669 | 4,388,994 |
| 2018 | 842 | 926 | 4,077,811 | 4,435,970 |
| 2019 | 843 | 927 | 4,087,481 | 4,463,377 |
| 2020 | 843 | 927 | 4,081,266 | 4,464,419 |
| 2021 | 842 | 926 | 4,063,929 | 4,451,687 |

| Duke Energy Kentucky – Non-Firm Electric Forecast | | | | |
|--|--------------------|-------------|---------------------|-------------|
| | Demand – MW | | Energy - MWH | |
| | Base | High | Base | High |
| 2017 | n/a | n/a | n/a | n/a |
| 2018 | n/a | n/a | n/a | n/a |
| 2019 | n/a | n/a | n/a | n/a |
| 2020 | n/a | n/a | n/a | n/a |
| 2021 | n/a | n/a | n/a | n/a |

PERSON RESPONSIBLE: Benjamin Passty

STAFF-DR-01-007

REQUEST:

The target reserve margin currently used for planning purposes, stated as a percentage of demand. If changed from what was in use in 2001, include a detailed explanation for the change.

RESPONSE:

The planning reserve margin used for 2017 resource planning is 14.5%. The IRP models utilize the full capacity of the unit ratings to perform dispatch, so the reserve margin needs to be developed on an installed capacity rating, calculated as follows:

1. The PJM Forecast Pool Requirement (FPR_{UCAP}) is calculated using the PJM equivalent demand forced outage rate ($EFOR_d^{PJM}$) and the PJM installed reserve margin (RM_{ICAP}^{PJM}). The FPR_{UCAP} is 8.92%.
2. FPR_{UCAP} is translated to a Duke Energy Kentucky (DEK) installed-capacity-basis reserve margin ($RM_{ICAP}^{COINCIDENT}$) using the 5-year average $EFOR_d^{DEK}$ (8.92%). Based on this calculation, $RM_{ICAP}^{COINCIDENT}$ is 19.6%.
3. For long range planning, PJM's forecast assumes that the Duke Energy Ohio-Kentucky zone is 95.8% coincident with the PJM peak. Applying this coincidence factor to DEK's 19.6% $RM_{ICAP}^{COINCIDENT}$ results in a planning reserve margin of 14.5%.

PERSON RESPONSIBLE: Scott Park

**Duke Energy Kentucky
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STAFF-DR-01-008

REQUEST:

Projected reserve margins stated in megawatts and as a percentage of demand for the current year and the following 4 years. Identify projected deficits and current plans for addressing these. For each year identify the level of firm capacity purchases projected to meet native load demand.

RESPONSE:

The projected reserve margins for Duke Energy Kentucky (DEK) are shown below:

| Year | Projected Reserves (MW) | Projected Reserve Margin (%) |
|------|-------------------------|------------------------------|
| 2017 | 250 | 31 |
| 2018 | 247 | 30 |
| 2019 | 246 | 30 |
| 2020 | 240 | 29 |
| 2021 | 243 | 30 |

This plan reflects no changes to the current DEK generating fleet. The current fleet consists of the 600MW East Bend 2 and 462MW Woodsdale generating stations.

PERSON RESPONSIBLE: Scott Park

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PERSON RESPONSIBLE: John Swez

STAFF-DR-01-012

REQUEST:

Identify all planned base load or peaking capacity additions to meet native load requirements over the next 10 years. Show the expected in-service date, size and site for all planned additions. Include additions planned by the utility, as well as those by affiliates, if constructed in Kentucky or intended to meet load in Kentucky.

RESPONSE:

There are currently no planned base load or peaking capacity additions needed to meet native load requirements over the next 10 years.

PERSON RESPONSIBLE: Scott Park

**Duke Energy Kentucky
Administrative Case No. 387
March 31, 2017**

STAFF-DR-01-013

REQUEST:

The following transmission energy data for the just completed calendar year and the forecast for the current year and the following four years:

- a. Total energy received from all interconnections and generation sources connected to the transmission system.
- b. Total energy delivered to all interconnections on the transmission system.
- c. Peak load capacity of the transmission system.
- d. Peak demand for summer and winter seasons on the transmission system.

RESPONSE:

a.

| Net Mwh | | Collection Name | Member Name | |
|-------------|-----------|-----------------------|----------------------------|-------------|
| | | Duke Energy Kentucky | Duke Energy Kentucky Total | Grand Total |
| Year | Month | Total Energy Received | | |
| 2016 | January | 406,854 | 406,854 | 406,854 |
| | February | 363,217 | 363,217 | 363,217 |
| | March | 342,342 | 342,342 | 342,342 |
| | April | 325,468 | 325,468 | 325,468 |
| | May | 342,754 | 342,754 | 342,754 |
| | June | 414,500 | 414,500 | 414,500 |
| | July | 451,410 | 451,410 | 451,410 |
| | August | 473,885 | 473,885 | 473,885 |
| | September | 398,319 | 398,319 | 398,319 |
| | October | 335,767 | 335,767 | 335,767 |
| | November | 324,528 | 324,528 | 324,528 |
| | December | 390,523 | 390,523 | 390,523 |
| 2016 Total | | 4,569,567 | 4,569,567 | 4,569,567 |
| Grand Total | | 4,569,567 | 4,569,567 | 4,569,567 |

STAFF-DR-01-014

REQUEST:

Identify all planned transmission capacity additions for the next 10 years. Include the expected in-service date, size and site for all planned additions and identify the transmission need each addition is intended to address.

RESPONSE:

There are no transmission capacity additions planned at this time.

PERSON RESPONSIBLE: Ed Kirschner