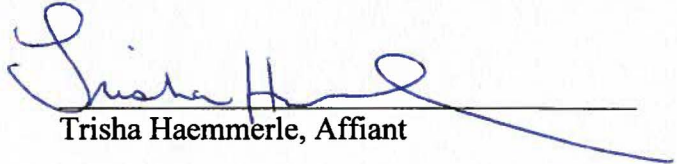


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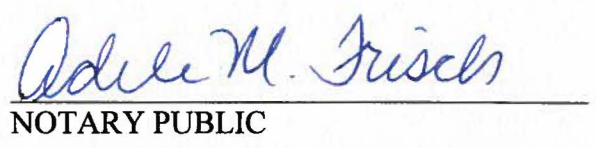
STATE OF OHIO )  
 ) SS:  
COUNTY OF HAMILTON )

The undersigned, Trisha Haemmerle, Strategy & Collaboration Manager, being duly sworn, deposes and says that she 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 her knowledge, information and belief.

  
Trisha Haemmerle, Affiant

Subscribed and sworn to before me by Trisha Haemmerle on this 8<sup>TH</sup> day of October, 2014.

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 OHIO )  
 ) SS:  
COUNTY OF HAMILTON )

The undersigned, Carol Burwick, Senior Product & Services Manager, being duly sworn, deposes and says that she 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 her knowledge, information and belief.



\_\_\_\_\_  
Carol Burwick, Affiant

Subscribed and sworn to before me by Carol Burwick on this 8<sup>th</sup> day of  
October, 2014.

  
NOTARY PUBLIC

My Commission Expires: 3-19-16



Sherry L. Smith  
Notary Public, State of Ohio  
My Commission Expires 03-19-2016

VERIFICATION

STATE OF OHIO )  
 ) SS:  
COUNTY OF HAMILTON )

The undersigned, Rose Stoeckle, Manager of Measure & Verification Ops, being duly sworn, deposes and says that she 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 her knowledge, information and belief.

Rose Stoeckle  
Rose Stoeckle, Affiant

Subscribed and sworn to before me by Rose Stoeckle on this 8<sup>TH</sup> day of October, 2014.

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

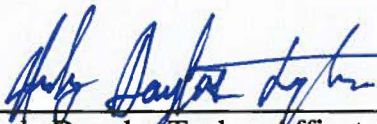
Adèle M. Frisch  
NOTARY PUBLIC

My Commission Expires: 1/5/2019


**VERIFICATION**

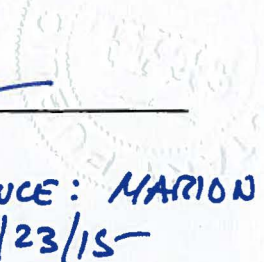
**STATE OF INDIANA** )  
 ) **SS:**  
**COUNTY OF HENDRICKS** )

The undersigned, Andy Douglas Taylor, Product & Services 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.

  
\_\_\_\_\_  
Andy Douglas Taylor, Affiant

Subscribed and sworn to before me by Andy Douglas Taylor on this 6 day of October, 2014.

  
\_\_\_\_\_  
NOTARY PUBLIC  
STEVEN J. MOSS  
MY COUNTY OF RESIDENCE: MARION  
My Commission Expires: 3/23/15






VERIFICATION

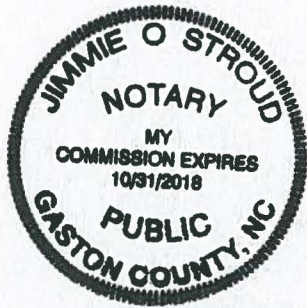
STATE OF NORTH CAROLINA        )  
  )    SS:  
COUNTY OF MECKLENBURG        )

The undersigned, Nathan Lewis, Product & Services Manager, 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.

  
\_\_\_\_\_  
Nathan Lewis, Affiant

Subscribed and sworn to before me by Nathan Lewis on this 6 day of October, 2014.

  
\_\_\_\_\_  
NOTARY PUBLIC



My Commission Expires:  
October 31, 2018

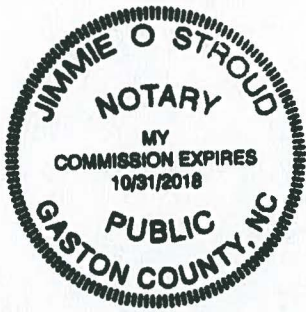
**VERIFICATION**

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

The undersigned, Roshena Ham, Manager Measure & Verification Ops – Planning & Analytics, being duly sworn, deposes and says that she 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 her knowledge, information and belief.

Roshena Ham  
Roshena Ham, Affiant

Subscribed and sworn to before me by Roshena Ham on this 6 day of October, 2014.



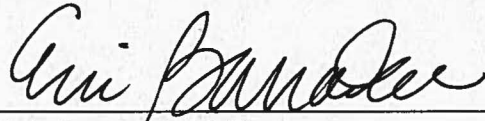
Jimmie O. Stroud  
NOTARY PUBLIC

My Commission Expires:  
October 31, 2018

**VERIFICATION**

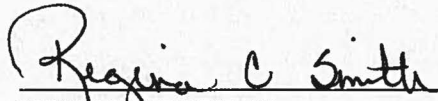
**STATE OF NORTH CAROLINA** )  
 ) **SS:**  
**COUNTY OF MECKLENBURG** )

The undersigned, Eric Barradale, Lead Product Developer, 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.



Eric Barradale, Affiant

Subscribed and sworn to before me by Eric Barradale on this 6<sup>th</sup> day of October, 2014.

  
NOTARY PUBLIC

My Commission Expires: 8/12/19

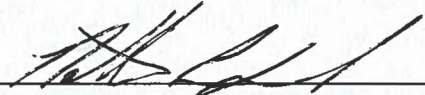




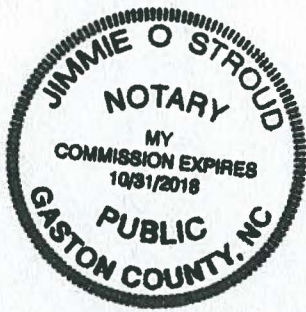
**VERIFICATION**

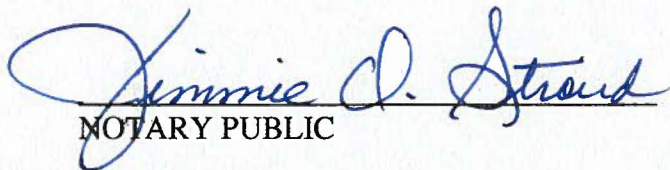
STATE OF NORTH CAROLINA        )  
  )  
COUNTY OF MECKLENBURG        )        SS:

The undersigned, Nathan Cranford, Senior Product & Services Manager, 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.

  
\_\_\_\_\_  
Nathan Cranford, Affiant

Subscribed and sworn to before me by Nathan Cranford on this 6 day of October, 2014.



  
\_\_\_\_\_  
NOTARY PUBLIC

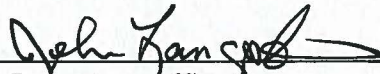
My Commission Expires:  
October 31, 2018



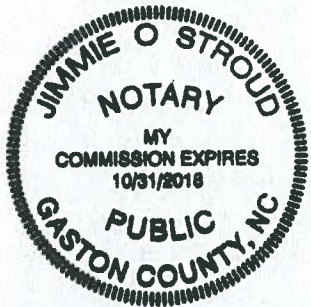
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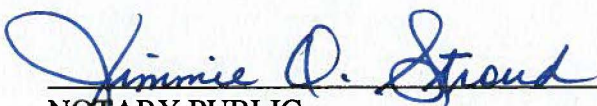
STATE OF NORTH CAROLINA        )  
  )  
  )        SS:  
COUNTY OF MECKLENBURG        )

The undersigned, John Langston, Senior Product & Services Manager, 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 Langston, Affiant

Subscribed and sworn to before me by John Langston on this 6<sup>th</sup> day of October, 2014.



  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
October 31, 2018

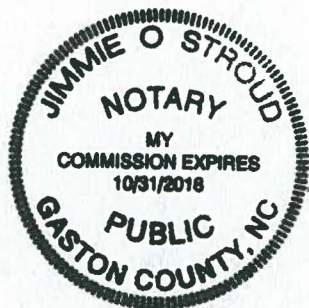
VERIFICATION

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

The undersigned, Lari D. Granger, Senior Product & Services Manager, being duly sworn, deposes and says that she 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 her knowledge, information and belief.

*Lari D. Granger*  
\_\_\_\_\_  
Lari D. Granger, Affiant

Subscribed and sworn to before me by Lari D. Granger on this 6<sup>th</sup> day of October, 2014.



*Jimmie O. Stroud*  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
*October 31, 2018*



VERIFICATION

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

The undersigned, Melissa Adams, Manager Program Performance, being duly sworn, deposes and says that she 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 her knowledge, information and belief.

Melissa Adams  
Melissa Adams, Affiant

Subscribed and sworn to before me by Melissa Adams on this 7<sup>th</sup> day of October, 2014.



Maria Edwards  
NOTARY PUBLIC

My Commission Expires: 3/2/2018



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**STAFF-DR-01-001**

**REQUEST:**

Refer to the last line on page 3 of the Application continuing to the first line on page 4 where there appears to be some text missing.

- a. Provide the missing text, beginning with the last partial sentence of paragraph 6 on page 3, which contains only the two words "The Residential."
- b. Provide the remainder of the partial footnote, which appears to be footnote 5, at the bottom of page 4.
- c. Provide the reference for footnote 6 within the body of the text on page 4.

**RESPONSE:**

- a. The Residential Collaborative<sup>1</sup> and the Commercial and Industrial Collaborative<sup>2</sup> have reviewed the Company's proposed new measures. With the exception of the Office of the Kentucky Attorney General, which will indicate its opinion at a later date, the

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<sup>1</sup> The Residential Collaborative members receiving the information: Jennifer Black Hans and Heather Napier (Office of the Kentucky Attorney General), Jock Pitts (People Working Cooperatively), Florence Tandy (Northern Kentucky Community Action Commission), Laura Pleiman (Boone County), Carl Melcher and Peter Nienaber (Northern Kentucky Legal Aid), Karen Reagor and Pam Proctor (Kentucky NEED Project), Lee Colten, John Davies, and Greg Guess (Department of Energy Development and Independence), Jeremy Faust, Andy Holzhauser and Chris Jones (Greater Cincinnati Energy Alliance), Pat Dressman (Campbell County) and Tim Duff and Trisha Haemmerle (Duke Energy).

<sup>2</sup> The Commercial & Industrial Collaborative members in attendance were: Jennifer Black Hans and Heather Napier (Office of the Kentucky Attorney General), Jock Pitts (People Working Cooperatively), Karen Reagor and Pam Proctor (Kentucky NEED Project), Lee Colten, John Davies, and Greg Guess (Department of Energy Development and Independence), Pat Dressman (Campbell County), Chris Baker (Kenton County Schools) and Tim Duff and Trisha Haemmerle (Duke Energy).



voting members of both the Residential Collaborative and the Commercial & Industrial Collaborative agreed with this Application.

- b. The Residential Collaborative members receiving the information: Jennifer Black Hans and Heather Napier (Office of the Kentucky Attorney General), Jock Pitts (People Working Cooperatively), Florence Tandy (Northern Kentucky Community Action Commission), Laura Pleiman (Boone County), Carl Melcher and Peter Nienaber (Northern Kentucky Legal Aid), Karen Reagor and Pam Proctor (Kentucky NEED Project), Lee Colten, John Davies, and Greg Guess (Department of Energy Development and Independence), Jeremy Faust, Andy Holzhauser and Chris Jones (Greater Cincinnati Energy Alliance), Pat Dressman (Campbell County) and Tim Duff and Trisha Haemmerle (Duke Energy).

This is the same footnote as noted in above response a, footnote 1.

- c. The footnote is describing the Commercial and Industrial Collaborative members.

This is the same footnote and reference in above response a, footnote 2.

**PERSON RESPONSIBLE: Trisha A. Haemmerle**

**Duke Energy Kentucky**  
**Case No. 2014-00280**  
**Staff's First Set Data Requests**  
**Date Received: September 29, 2014**

**STAFF-DR-01-002**

**REQUEST:**

Refer to the Application at page 4, which states, "The proposed new Residential Smart Saver measures are LED Candelabras and Recessed Outdoor LEDs. Duke Energy Kentucky expanded its lighting offer to include specialty CFL and LED bulbs such as recessed lights, candelabras, globe, three-way bulbs, capsules and dimmable bulbs." Provide the projected annual kWh savings and incentive for each new proposed measure.

**RESPONSE:**

The projected annual kWh savings for each bulb is shown below and the incentive for each bulb is \$7.00.

<b>Measure</b>	<b>Total Projected kWh</b>	<b>Incentive Amount / per bulb</b>
Candelabra LED	13,359	\$7.00
Recessed Outdoor LED	33,050	\$7.00

**PERSON RESPONSIBLE: Lari Granger**

**STAFF-DR-01-003**

**REQUEST:**

Refer to the Application at page 5 which states:

Customers who choose to shop at the Savings Store will see a wide variety of discounted CFL and LED bulbs for different fixtures around their home. Bulbs are available in single and multi-pack sizes and various wattages. Purchase limits vary by category but customers may purchase additional bulbs without incentives if they choose. Several new items will be added to the Saving Store; LED Candelabras and LED Outdoor PAR38 Reflectors.

- a. Provide the purchase limits by category and associated incentives.
- b. Provide the projected annual kWh savings and incentive for the LED Outdoor PAR38 Reflectors.

**RESPONSE:**

a.

<b>Family</b>	<b>Category</b>	<b>Incentive Amount</b>	<b>Maximum Purchase Limit</b>
CFL Reflector	Reflector	\$2.52	15
	Reflector/Outdoor	\$3.34	6
	Reflector/Dimmable	\$5.00	12

LED Reflector	Reflector	\$7.00	15
CFL Globe	Globe	\$1.70	12
CFL Candelabra	Candelabra	\$2.11	12
CFL Bare Spiral	3 Way	\$3.67	6
	Dimmable	\$4.40	6
CFL (Capsule)	A-Line	\$1.94	15
LED (Capsules)	A-Line	\$7.00	15

b.

Measure	Total Projected kWh
Recessed Outdoor LED	33,050

**PERSON RESPONSIBLE: Lari Granger**



**STAFF-DR-01-004**

**REQUEST:**

Refer to the Application at page 7, which states, "This portal, MyHER Interactive, will be available online and through mobile channels. MyHER Interactive will be available and marketed to all MyHER customers."

- a. Provide the projected cost of the My Home Energy Report ("MyHER") Interactive portal and the projected annual kWh savings.
- b. Explain how customers will be made aware of the MyHER Interactive portal.

**RESPONSE:**

- a. There are no additional costs for the MyHER Interactive portal. Based on a re-negotiated contract with Tendril, customers will have access to the paper reports, email reports and MyHER Interactive all for one price which is less than what Duke Energy was paying for paper reports only. The projected annual kWh savings for MyHER Interactive is:

<b>Region</b>	<b>kWh Savings for MyHER Interactive</b>
KY	373,116

- b. If we have email addresses for customers, we will start with an email campaign. There will also be a message in the paper report informing customers of the benefits of MyHER Interactive. If these approaches are not successful in achieving customer

acquisition for MyHER Interactive, a separate “bill insert” type of marketing piece will be inserted with the MyHER paper report.

**PERSON RESPONSIBLE: Kelly Griffin**

STAFF-DR-01-005

**REQUEST:**

Refer to the Application, pages 7-10.

- a. Provide the projected annual kWh savings of the Non-Residential Small Business Energy Saver Program ("SBES").
- b. Describe the required criteria for the SBES program administrator discussed on page 7 and how long Duke Kentucky projects it will take to secure a program administrator for this program.

**RESPONSE:**

a.

	Total Projected kWh
Small Business Energy Saver	646,474

- b. Duke Energy Kentucky requires that the SBES program administrator meets the following criteria:
  1. Program Administrator must have experience with the implementation and administration of energy efficiency programs that utilize the direct install program model targeting small non-residential customers.
  2. Program administrator must agree to operate with fixed unit pricing that is approved by Duke Energy Kentucky and is consistent for all participants.

3. Program administrator must operate using a performance-based delivery and incentive cost model that is approved by Duke Energy Kentucky.
4. Program administrator must meet all contractual requirements within the Duke Energy Kentucky Small Business Energy Saver Statement of Work.

Duke Energy Kentucky has already secured a program administrator (SmartWatt Energy Inc.) and has a fully executed contract in place with the planned program administrator. SmartWatt Energy Inc. will be managing the Duke Energy Ohio Small Business Energy Saver program that received approval from the Public Utilities Commission of Ohio (PUCO) on September 12<sup>th</sup>, 2014. It is planned that SmartWatt Energy Inc. will begin implementing the Duke Energy Kentucky Small Business Energy Saver program should Duke Energy Kentucky receive program approval from the Kentucky Public Service Commission.

**PERSON RESPONSIBLE: Nathan Lewis**



**STAFF-DR-01-006**

**REQUEST:**

Refer to the discussion of the Smart Saver Prescription program on page 10 of the Application, which state, "The recommendation is based upon the fact that free ridership for these measures is increasing significantly as determined in other jurisdictions where the programs are offered whereby eroding the cost-effectiveness."

- a. Explain whether the two measures in Kentucky are no longer cost-effective due to free ridership.
- b. Provide when Duke Kentucky last received an application for either of the chiller measures.

**RESPONSE:**

- a. The chiller tune-ups were not re-evaluated for cost-effectiveness. The chiller tune-up measures were implemented in the same manner in Ohio, Kentucky, and Indiana. The conclusions of a third party evaluation of chiller tune-ups conducted for the Smart Saver program in Indiana, concluded that participants would conduct the same chiller maintenance activities on the same schedule without an incentive. The study recommended that chiller tune-ups be suspended until further research could be conducted about standard tune-up practices and how to target customers who were not already performing chiller maintenance.

b. Duke Energy received only one chiller tune-up application in 2014 for Kentucky customers. The application was received on 8/25/2014 during the 90 day grace period after the measure was removed from the portfolio. Payment for this application is under review due to missing information from the applicant. Prior to this, the last application was paid on 9/17/2013. Only 20 chiller tune-up applications were paid historically for Kentucky customers.

**PERSON RESPONSIBLE: Carol Burwick**

**STAFF-DR-01-007**

**REQUEST:**

Refer to the discussion of the Smart Saver Custom program on page 10 of the Application, which states, "In order to make the Smart Saver Custom program more accessible to a wider range of projects as well as to enhance program efficiency, the Smart Saver Custom program is considering several functional enhancements."

- a. Provide the cost of the proposed enhancements.
- b. Provide the projected annual kWh savings of each enhancement.

**RESPONSE:**

- a.-b. Concerning the functional enhancements, no increase to the as-filed budget is anticipated for the calculation tools. These calculation tools are intended to assist the program in meeting current impact goals. All other enhancements are still in need of additional investigation before they can be effectively presented.

**PERSON RESPONSIBLE: Andrew Taylor**

**STAFF-DR-01-008**

**REQUEST:**

Refer to the discussion of the Energy Management and Information Services (“EMIS”) Pilot program on page 11 of the Application, and to the notification letter dated April 21, 2014, filed in response to the Final Order in Case No. 2012-00085,<sup>1</sup> which states, “The Company plans to initiate the EMIS Pilot on or about May 5, 2014.” Provide the progress to date on the two building projects, the cost to date for each building, and the projected energy savings of each building.

**RESPONSE:**

The Company began the customer acquisition process on May 5, 2014 after notifying the Commission. The acquisition process included the channels of email, direct mail, website, product video and telephone calls by the Company’s Large Account Managers (LAMs). After several marketing campaigns and customer recruitment efforts, a limited number of customers expressed interest in moving forward with the pilot. The pilot costs and cost effectiveness tests were calculated based on acquiring 53 pilot buildings in 5 states. Based on the limited number of interested potential customers (15), we expect the final number of participants in 5 states to be in the single digits therefore, the EMIS team is discontinuing the EMIS pilot. Moving forward with a lesser number of participants does not make fiduciary sense, due to the fixed cost burden and difficulty in going to commercialization.

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<sup>1</sup> Case No. 2012-00085, Application of Duke Energy Kentucky, Inc. for an Energy Efficiency Cost Recovery Mechanism and for Approval of Additional Programs for Inclusion in its Existing Portfolio (Ky, PSC June 29, 2012).

The reasons given by customers for not participating in the pilot include: (1) some customers do not have working controls/ Building Automation System which adds to their cost to participate in the pilot; (2) some customers thought the cost to implement was too high (\$10,646 spread over 4 years); (3) several customers were looking for a “freebie” and did not want to pay anything for the service; (4) there are many vendors and offers on the market and customers are sometimes confused on what EMIS is versus other products; (5) some customers, especially national accounts customers, already have some type of software in place to track energy information and usage at the portfolio level; and (6) oftentimes, the offer requires one-on-one selling due to the complexity of the offer, which is not a scalable solution.

Some positive outcomes and learnings from the Pilot include: (1) click rates and open rates were higher than other campaigns which indicates the marketing collateral (emails, direct mail, video and web site) and program design were compelling to some extent; and (2) EMIS phone conversations with customers have resulted in strong customer interest for other energy efficiency or demand response products/services. (i.e. Smart Saver Prescriptive incentives). This pilot opened the door for discussions with customers about energy efficiency and sustainability that may not have occurred otherwise.

The EMIS Pilot costs accrued to Kentucky through 8/31/2014 were \$2,250.

**PERSON RESPONSIBLE: Eric Barradale**



**Duke Energy Kentucky  
Case No. 2014-00280  
Staff's First Set Data Requests  
Date Received: September 29, 2014**

**STAFF-DR-01-009**

**REQUEST:**

Refer to the Cost Effective Measure Inclusion on pages 11-12 of the Application. Explain, by program, what measures Duke Kentucky might consider adding and removing, and the associated reasons.

**RESPONSE:**

Duke Energy Kentucky would like to add cost effective measures as needed to address changing market conditions, such as the new lighting measures described within this application, on a timelier basis so the customer can benefit from the additional options in the program. Equally important is being able to remove measures that are no longer a value to the customer.

**PERSON RESPONSIBLE: Trisha Haemmerle**

**STAFF-DR-01-010**

**REQUEST:**

- a. Provide the total cost of the TecMarket Works ("TecMarket") evaluation reports and how the costs were allocated between Duke Energy Ohio, Inc. ("Duke Ohio") and Duke Kentucky.
- b. By program, provide the cost of the TecMarket evaluation reports filed in this proceeding.
- c. Provide the cost of the evaluation reports prepared by TecMarket and filed with the Commission on August 7, 2014, as Attachments B and C to the annual status report. State which reports were required to be filed pursuant to the Final Order in Case no. 2012-00085,<sup>1</sup> and explain why there are evaluation reports provided for years 2013 and 2014.

---

<sup>1</sup> *Id.*

**RESPONSE:**

The table below provides the costs as requested in items a and b:

Evaluation	Exhibit	TecMarket cost for KY	TecMarket cost for Ohio
Ky Weatherization and Payment Plus Impact 7/31/13	D	\$ 31,272.21	N/A
Ohio Kentucky Appliance Recycling 5/16/14	E	\$ 41,850.41	\$ 125,805.82
KY MyHER Process 11/21/13	F	\$ 100,757.08	N/A
Oh KY Non Residential Smart \$aver Impact 11/21/13	G	\$ 6,118.59	\$ 123,066.15
KY MyHER Impact 2/12/14	H	\$ 7,636.58	N/A
KY Res Smart \$aver EE Product CFLS Process & Impact 5/16/14	I	\$ 46,904.71	N/A
OH KY Res Smart \$aver HVAC Final Process 5/16/14	J	\$ 28,541.31	\$ 186,751.63

The table below provides the costs as requested in items c:

Evaluation	TecMarket cost for KY
Ky EE for Schools -NTC -Final Process Evaluation July 31,2013	\$ 20,981.82
Ky EE for Schools -NTC -Final Process Impact Evaluation July 14,2014	\$ 24,511.35

Case No 2012-00085 states Duke Kentucky shall file with the Commission following the end of each academic year a “process evaluation status report that assesses program operations and student family surveys as to program awareness, satisfaction, and compliance with installations and recommendations. The process evaluation status report shall also include interviews with school administrators and a review of the theatrical presentation that monitors program operations as to the partnership with NTC. The status report shall include an evaluation of engineering estimates and billing analysis...”

At the end of the 2013 School Year, participation and usage data were not sufficient to complete an impact analysis for the program and the 2013 process evaluation was not completed in time to

be internally reviewed before the August due date. Therefore both completed evaluations were filed August 7, 2014.

**PERSON RESPONSIBLE: Rose Stoeckle**

**Duke Energy Kentucky  
Case No. 2014-00280  
Staff's First Set Data Requests  
Date Received: September 29, 2014**

**STAFF-DR-01-011**

**REQUEST:**

By program, provide the incremental participation for both electric and gas, kW savings and ccf or therm savings for 2013, 2014, and 2015.

**RESPONSE:**

For 2013, 2014, and 2015 program values, refer to Attachment STAFF-DR-01-011.

**PERSON RESPONSIBLE: Melissa Adams**



**Summary of Load Impacts July 2012 Through June 2013  
 Net Free Rider at Plant**

	<b>Incremental Participation</b>	<b>kW</b>	<b>ccf****</b>
<b>Residential Programs</b>			
Appliance Recycling Program	526	134	-
Energy Efficiency Education Program for Schools	773	8	3,020
Low Income Neighborhood	109	26	-
Low Income Services	297	52	13,048
My Home Energy Report**	44,372	2,659	-
Residential Energy Assessments	504	140	10,109
Residential Smart Saver®	539,465	3,656	357
Power Manager***	8,956	10,907	-
<b>Total Residential</b>	<b>595,002</b>	<b>17,582</b>	<b>26,534</b>
<b>Non-Residential Programs</b>			
Smart Saver® Prescriptive - Energy Star Food Service Products	3	1	-
Smart Saver® Prescriptive - HVAC	15,436	207	-
Smart Saver® Prescriptive - Lighting	24,476	856	-
Smart Saver® Prescriptive - Motors/Pumps/VFD	361	52	-
Smart Saver® Prescriptive - Process Equipment	140	16	-
Smart Saver® Custom	1,408	121	-
Power Share****	20	27,985	-
<b>Total Non-Residential</b>	<b>41,844</b>	<b>29,238</b>	<b>-</b>
<b>Total</b>	<b>636,846</b>	<b>46,820</b>	<b>26,534</b>

\*\*Actual participants are shown as the June 2013 mailings. Impacts reflect additions due to incremental program participation

\*\*\*Cumulative number of controlled devices installed

\*\*\*\*See response to DR-01-12a

**Summary of Load Impacts July 2014 Through June 2015  
 Net Free Rider at Plant**

		<b>Incremental Participation</b>	<b>kW</b>	<b>ccf*</b>
<b>Residential Programs</b>				
Appliance Recycling Program		1,300	338	-
Energy Efficiency Education Program for Schools		1,500	15	3,020
Low Income Neighborhood		600	145	-
Low Income Services		303	48	13,048
My Home Energy Report	1	43,000	2,576	-
Residential Energy Assessments		500	139	10,109
Residential Smart \$aver®		44,459	660	357
Power Manager	2		12,050	-
Residential Smart Saver® - New Measures		1,131	3	-
My Home Energy Report - New Measures		1,338	110	-
<b>Total Residential</b>		<b>94,130</b>	<b>16,085</b>	<b>26,534</b>

		<b>Incremental Participation</b>	<b>kW</b>	<b>ccf</b>
<b>Non-Residential Programs</b>				
Smart \$aver® Prescriptive - Energy Star Food Service Products		225	16	-
Smart \$aver® Prescriptive - HVAC		10,300	230	-
Smart \$aver® Prescriptive - Lighting		19,073	804	-
Smart \$aver® Prescriptive - Motors/Pumps/VFD		337	54	-
Smart \$aver® Prescriptive - Process Equipment		23	2	-
Smart \$aver® Prescriptive - IT		436	0	-
Smart \$aver® Custom		1,551	229	-
Power Share®	2		28,099	-
SBES		688,763	139	-
<b>Total Non-Residential</b>		<b>720,707</b>	<b>29,574</b>	<b>-</b>

<b>Total</b>		<b>814,837</b>	<b>45,659</b>	<b>26,534</b>
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**Notes:**

**1 My Home Energy Report impacts represent cumulative capability, and does not reflect incremental program participation from the prior filing period.**

**2 Demand Response impacts reflect YTD average capability over the respective program contract period, not incremental impacts or actual events. Participants are KW Net FR @ Meter.**

\* See response to DR-01-12a

**STAFF-DR-01-012**

**REQUEST:**

Refer to Exhibit B of the Application.

- a. For each Residential Program listed on page 2 to which there is an allocation of Program Expenditures to gas, provide specific benefits to Duke Kentucky's gas customers that resulted from demand-side management ("DSM") programs. Benefits should include any measures of ccf or therm savings attributable to each program for which cost is assigned to gas customers. For any program with multiple components, such as the Residential Smart Saver Program, provide a breakdown of specific benefits among the multiple components, including proposed new measures.
- b. Footnote (C) under Residential Programs on page 1 explains that 63.5 percent of program expenditures are allocated to gas based upon saturation of space heating, which has consistently been Duke Kentucky's method of allocating costs between gas and electric operations. Describe how Duke Kentucky initially developed this allocation methodology and whether Duke Kentucky continues to believe this methodology to be reasonable, based on the structure and goals of its residential programs as well as its measures of energy savings and lost sales.

- c. Explain why it is reasonable to allocate 63.5 percent of cost related to the proposed new lighting measures for the Residential Smart Saver program to gas customers, as shown on page 2.<sup>1</sup>
- d. Identify any Residential DSM Program that now has or previously had as a component the repair or replacement of gas-burning appliances. To the extent that Duke Kentucky has discontinued such a component, explain the circumstances surrounding that decision. If Duke Kentucky has never offered such programs, explain why not.
- e. Identify any Residential DSM Program that now has or previously had as a component communication to customers regarding their natural gas use and education on how to reduce their gas use. To the extent that Duke Kentucky has discontinued such a component, explain the circumstances surrounding that decision. If Duke Kentucky has never offered such programs, explain why not.
- f. Confirm that the Personal Energy Report Program is the same as the MyHER program described on pages 6 and 7 of the application, and explain why the program as revised and as described does not appear to include information targeted to gas customers.
- g. Confirm that the Payment Plus Program previously had natural gas savings and arrearage reduction as a goal, the success of which is described on page 21 of the

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<sup>1</sup> New measures for the Residential Smart Saver program were filed in Case No. 2013-00313, *Application of Duke Energy Kentucky, Inc. to Amend Its Demand Side Management Programs* (Ky, PSC filed Aug. 15, 2013), in which the application indicates all such measures were residential lighting measures.

Application in Case No. 2008-00473.<sup>2</sup> Explain whether that program continues to include natural gas, and if not, why that change occurred.

**RESPONSE:**

a.

Program	Benefits
Energy Efficiency Education Program	The Energy Education Program for Schools offers in class learning about energy efficiency through the NEED program as well as the National Theatre for Children. These programs offer an energy efficiency kit to student families that includes measures such as CFLs, low-flow shower heads, and outlet insulation pads. These measures, along with the energy efficiency tips passed on through classroom instruction, theatrical performances and take home materials, help to reduce overall energy usage for both gas and electric heating customers. For example, a previous evaluation of the NEED program showed that the program saves 3.8 ccf per participant (Case No. 2012-085, Staff Data Request 1, Q25).
Low Income Services	The Low Income Services program includes various components that help income qualified customers save energy in their homes. One component of this program is the weatherization service, that provides various measures such as furnace tune ups, pipe wrap, cleaning of refrigerator coils, and in some cases additional building envelope measures identified as a result of NEAT audit. Measures such as these will realize savings for electric and gas heating customers. For example, a prior evaluation for this program showed a ccf savings between 4% and 8% per participant (Case No. 2012-085, Staff Data Request 1, Q25). The Low Income Services program also offers Payment Plus, which in addition to the weatherization, also offers customers energy and budget counseling, which is designed in part to help customers understand how to control their energy usage. This program also results in savings for gas and electric customers.
Residential Energy Assessments	This program provides a comprehensive walk through in-home analysis by a Building Performance Institute (BPI) Building Analyst certified home energy specialist to identify energy savings opportunities in homes, such as reviewing total home energy usage, checking the home for air infiltration, and examining insulation levels in different areas of the home, and checks appliances and heating/cooling systems. Measures such as these that improve the energy efficiency of the home will realize savings for both electric and gas heating customers. For example, a measurement and verification study of the program found that the program saved 20 ccf per participant (Case No. 2012-085, Staff Data Request 1, Q25).
Residential Smart Saver <sup>®</sup>	The Residential Smart Saver <sup>®</sup> Program offers customers a variety of energy conservation measures designed to increase energy efficiency in their homes. Some of the measures offered through this program include installation of high efficiency air conditioning (AC) and heat pump (HP) systems, performance of AC and HP tune-up maintenance services, implementation of attic insulation and air sealing services, implementation of duct sealing services. Measures such as these that improve the building envelope of the home will result in savings for electric and gas heating customers. For example, initial estimates for the attic and insulation and air sealing measure are 28.25 ccf per participant, and 21.6 ccf per participant for the duct sealing measure (Case No. 2012-085, Staff Data Request 1, Q25).

<sup>2</sup> Case No. 2008-00473, Annual Cost Recovery Filing for Demand Side Management by Duke Energy Kentucky, Inc. (Ky. PSC May 12, 2009).

- b. The methodology was originally developed between Duke Energy Kentucky (previously ULH&P) and the Collaborative in 1995. Duke Energy Kentucky believes this is still a reasonable methodology and the voting Collaborative members have approved this methodology as part of the annual status update each year.
- c. Historically, the allocation of program costs has been performed at the overall program level and Residential Smart Saver includes gas saving measures. Therefore a portion of the program costs for all measures within this program are allocated to gas customers. The new lighting measures were shown separately on Exhibit B to demonstrate the costs, lost revenue and shared savings specifically related to these measures.
- d. The DSM Residential Conservation and Energy Education program<sup>3</sup> is available to customers with household incomes up to 150% of poverty levels. This program provides up to \$6,000 per qualified home for gas furnace replacements. The gas furnace replacement funds come from “Furnace Replacement” budget that is included in base rates.
- e. There are several programs that provide information about energy savings that would include gas usage when applicable. Those programs include the following:
- Residential and Energy Education
  - Residential Home Energy House Call
  - Residential Smart Saver – from trade allies for attic insulation, duct sealing and duct insulation
  - Energy Efficiency Website

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<sup>3</sup> Included in the Low Income Services Program



- f. The MyHER replaced the Personalized Energy Report (PER<sup>®</sup>) providing customers with feedback on their electricity usage and how they compare to similar homes as well as personalized energy tips. The Duke Kentucky MyHER report does include natural gas customers who also receive their electricity from Duke Kentucky. The program does not offer tips specific to gas savings, however, there could be possible gas savings for tips about thermostat settings, sealing and insulation, etc.
- g. Yes

**PERSON RESPONSIBLE:** a. – e. Trisha Haemmerle  
f. – Kelly Griffin  
g. – Trisha Haemmerle