

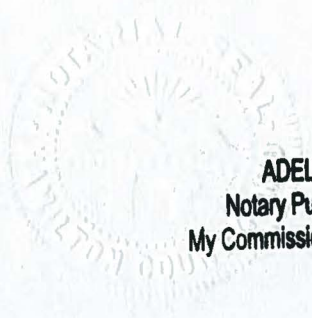
VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Gary J. Hebbeler, GM, Gas & Field Systems, 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.

Gary J. Hebbeler
Gary J. Hebbeler, Affiant

Subscribed and sworn to before me by Gary J. Hebbeler on this 10TH day of
September 2015.



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

Adele M. Frisch
NOTARY PUBLIC

My Commission Expires: 1/5/2019

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Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015

AG-DR-01-001

REQUEST:

Please confirm that if DEK's Accelerated Service Line Replacement Program (ASRP) is approved, it will own all service lines that are to be replaced under the ASRP.

- a. Please confirm that under the ASRP, if approved, for services qualifying for the program, the company will replace that segment of the line from curb to meter, and where necessary, from main to curb, as well.
- b. With regard to the service lines that were replaced under the company's now-completed AMRP program, please state who owns those lines.
- c. With regard to service lines not falling under the proposed ASRP, does the company plan on assuming ownership and if so, when?

RESPONSE:

If the ASRP is approved, Duke Energy Kentucky will own all the main to curb services and the curb to meter services that are replaced under the ASRP.

- a. Under the ASRP, if approved, the Company will replace the main to curb and the curb to meter portions of the service qualifying for the program.
- b. With regard to the service lines that were replaced under the Company's now-completed AMRP program, the Company owns the main to curb for all service lines and curb to meter replaced under the approved program.

- c. With regard to service lines not falling under the proposed ASRP, the Company owns the main to curb for all service lines. The Company will assume ownership of other curb to meter services if and when the Company replaces that portion of the service line in the future. The need for future replacement could occur due to construction breaches (homeowner/ 3rd party excavation) or age of the system, providing the Company is aware of the need for replacement.

PERSON RESPONSIBLE: Gary Hebbeler

Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015

AG-DR-01-002

REQUEST:

Please confirm that regardless of whether DEK's proposed ASRP is approved, DEK owns all service line risers in its gas service territory.

RESPONSE:

Duke Energy Kentucky owns all risers replaced as part of the AMRP. Duke Energy Kentucky also owns all of the curb to meter service line risers installed in its service territory after 2007.

PERSON RESPONSIBLE: Gary Hebbeler

Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015

AG-DR-01-003

REQUEST:

Please confirm that DEK's proposed ASRP, if approved, would not involve either inspection or replacement of service line risers.

RESPONSE:

Duke Energy Kentucky will replace risers as part of the ASRP. However, if a riser was previously replaced as part of the Company's Riser Optimization Program, the Company will not replace that riser.

PERSON RESPONSIBLE: John A. Hill Jr.

**Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015**

AG-DR-01-004

REQUEST:

If DEK's proposed ASRP is approved, please state whether inspection of all service lines and risers will occur on the same schedule. If not, please identify the inspection schedule(s).

RESPONSE:

Yes, inspection of services lines and risers will occur on the same schedule.

PERSON RESPONSIBLE: John A. Hill, Jr.

Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015

AG-DR-01-005

REQUEST:

Please confirm that DEK does not intend that the ASRP, if approved, will replace all service lines not already replaced under the now-completed AMRP.

RESPONSE:

Objection. This question is vague, ambiguous and confusing. Without waiving said objection, Duke Energy Kentucky does not intend to replace service lines previously replaced as part of the AMRP.

PERSON RESPONSIBLE: Legal (As to Objection)
Gary Hebbeler

**Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015**

AG-DR-01-006

REQUEST:

Reference the application, p. 3, footnote 2. The hyperlink provided therein does not appear to be working, or may be inaccurate. Please provide an accurate and working hyperlink.

RESPONSE:

The hyperlink is correct. The Company verified the link was valid on September 8, 2015.

PERSON RESPONSIBLE: John A. Hill, Jr.

AG-DR-01-007

REQUEST:

Reference the application, p. 3, numerical paragraph 5. Please identify the “detailed data analysis” DEK intends to use to identify and prioritize risks on its gas service system.

- a. Please identify at what point a risk becomes “elevated,” as stated in this same paragraph, and the criteria, if any, that make a risk “elevated.”

RESPONSE:

As explained on pages 4 and 5 of the Direct Testimony of John Hill, and summarized in attachment JH-1, Duke Energy Kentucky uses a relative risk model that takes into consideration the requirements of CFR 192.1007 to prioritize gas system risks. While the regulations do not identify specifically the term “elevated” risk, 192.1007(d) requires an operator to “identify and implement measures to address risk.”

[NOTE: The reference notes (3 & 4) on page 3 of the Application are incorrect. They reference TIMP, not DIMP. The correct reference for note 3 should be CFR 192.1007(c) and note 4 should be CFR 192.1007(d)]

PERSON RESPONSIBLE: John A. Hill, Jr.

AG-DR-01-008

REQUEST:

Reference the application, numerical paragraph 9, wherein DEK states that through the proposed ASRP, the company proposes to address pre-1971 vintage services not cathodically protected.

- a. If DEK, whether through the inspection process or otherwise, should learn that slightly newer vintage services, regardless of whether they are cathodically protected, are also in need of replacement, will it replace those lines under the ASRP?
- b. Will the primary criteria used to determine whether to replace a service be whether the company learns of the need during the anticipated 5-year lifespan of the program?

RESPONSE:

- a. As stated in the Company's Application, Duke Energy Kentucky is targeting service lines of a vintage earlier than 1971 that are not cathodically protected, along with those comprised of other, unprotected metallic material, such as copper. Service lines that are replaced but do not qualify per the ASRP criteria will not be considered part of the ASRP program.
- b. Please see response to Staff-DR-01-005.

PERSON RESPONSIBLE: John A. Hill, Jr.

**Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015**

AG-DR-01-009

REQUEST:

Reference the application, numerical paragraph 16. With regard to interior meters, will there be a higher incidence of service line replacement? Is the company aware of any correlation between customers having interior meters and the need for service line replacement under the ASRP?

RESPONSE:

The Company is not aware of any correlation between customers having interior meters and the need for service line replacement under the ASRP.

PERSON RESPONSIBLE: Gary Hebbeler

**Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015**

AG-DR-01-010

REQUEST:

Has DEK conducted any studies on the amount of savings, if any, it anticipates that will result from fewer interior meter readings, mandatory atmospheric corrosion inspections and leak surveys if the ASRP is approved? If so, please provide the results of those studies.

RESPONSE:

See response to Staff DR-01-17(b).

PERSON RESPONSIBLE: Gary Hebbeler

**Duke Energy Kentucky
Case No. 2015-00210
Attorney General's First Set Data Requests
Date Received: September 3, 2015**

AG-DR-01-011

REQUEST:

Has DEK conducted any studies on the amount of savings, if any, it anticipates that will result from fewer service line leaks if the ASRP is approved? If so, please provide the results of those studies.

RESPONSE:

See response to Staff DR-01-17(b).

PERSON RESPONSIBLE: Gary Hebbeler