

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

In the Matter of:

The Application of Duke Energy Kentucky,)
Inc., for (1) a Certificate of Public)
Convenience and Necessity Authorizing)
the Construction of an Advanced Metering) Case No. 2016-00152
Infrastructure; (2) Request for Accounting)
Treatment; and (3) All Other Necessary)
Waivers, Approvals, and Relief.)

**DUKE ENERGY KENTUCKY, INC.'S MOTION TO AMEND THE PROCEDURAL
SCHEDULE AND FOR LEAVE
TO FILE SUPPLEMENTAL/REBUTTAL TESTIMONY**

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company) hereby respectfully moves the Kentucky Public Service Commission (Commission) for leave to file supplemental/rebuttal testimony to respond to claims and issues raised for the first time by the recently filed testimony of Attorney General's witness, Paul Alvarez, and as further expanded upon during recently filed responses to Company and Commission Staff-issued discovery.

On May 5, 2016, the Commission issued its Order in the above-styled proceeding setting forth a procedural schedule (Order). All dates listed in the Order have now passed and a hearing date has yet to be established. Absent an amendment to the Order, there is no opportunity to supplement and clarify the record absent the yet to be scheduled evidentiary hearing. The Order, in relevant part, provided the following opportunities for submitting Intervenor testimony and requests for information to Intervenors:

- Intervenor testimony, if any, in verified prepared form shall be filed no later than 07/18/2016

- Requests for information to Intervenors shall be filed no later than..... 08/01/2016
- Intervenors shall file responses to requests for information no later than 08/15/2016

Thus, the Order provided intervening Parties an opportunity to file testimony in response to the Company's Application in the above-styled proceeding after conducting discovery. However, the Order did not afford the Company a reciprocal opportunity to respond directly to any testimony filed by a Party.

On July 18, 2016, the Attorney General for the Commonwealth of Kentucky, the only intervenor in the proceeding, filed the direct testimony Mr. Alvarez. In his testimony, Mr. Alvarez makes several recommendations in opposition to the Company's application, which, among other things, questions approval of the Company's application outside of a base rate case, the validity of the Company's cost-benefit analysis and seeks introduction of evidence regarding regulatory proceedings in other jurisdictions outside of the Commonwealth that involve an affiliate of the Company. Duke Energy Kentucky could neither foresee nor predict all of the recommendations, issues and concerns that would be raised by Mr. Alvarez as part of its initial application. These recommendations and statements merit response and clarification on the record. Duke Energy Kentucky requests the Commission modify the now concluded procedural schedule to allow the Company an opportunity to submit supplemental/rebuttal testimony in response to Mr. Alvarez's statements and recommendations.

The Commission has not yet scheduled the evidentiary hearing for this matter, so no party will be prejudiced by the addition of supplemental/rebuttal testimony as no delay will be caused. The submittal additional testimony will afford the Commission the ability to review a complete

record as it evaluates the Company's application, and will serve to expedite the evidentiary hearing by addressing these newly-raised issues through pre-filed testimony. Accordingly, Duke Energy Kentucky requests a reasonable period for the opportunity to file rebuttal testimony. If the Commission grants the Duke Energy Kentucky's request, the Company suggests that it will file its supplemental/rebuttal testimony within fifteen days from the date of the Commission's Order granting the amendment to the procedural schedule. The Company would not object to an additional round of discovery based upon the additional testimony submitted by the Company, if so desired.

WHEREFORE, Duke Energy Kentucky respectfully requests that the Commission amend the current procedural schedule so to allow the Company an opportunity to file supplemental/rebuttal testimony in this proceeding within fifteen days of the Order granting this request.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

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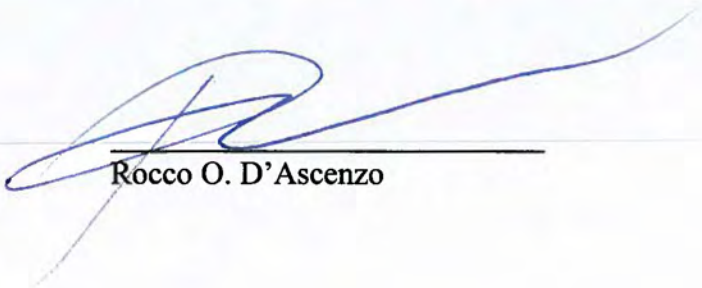
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Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing has been served via electronic mail to the following party on this 19th day of August, 2016.

Hon. Rebecca Goodman
Hon. Lawrence Cook
Office of the Attorney General
Utility Intervention and Rate Division
1024 Capital Center Drive
Frankfort, Kentucky 40601



Rocco O. D'Ascenzo