

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

The Electronic Application of Duke Energy)
Kentucky, Inc., for: 1) An Adjustment of the)
Electric Rates; 2) Approval of an) Case No. 2017-00321
Environmental Compliance Plan and)
Surcharge Mechanism; 3) Approval of New)
Tariffs; 4) Approval of Accounting Practices to)
Establish Regulatory Assets and Liabilities;)
and 5) All Other Required Approvals and)
Relief.)

MOTION OF DUKE ENERGY KENTUCKY, INC.
FOR SUPPLEMENTAL RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

Comes now Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), by counsel, pursuant to 807 KAR 5:001, Section 13 and other law, and respectfully requests the Commission to classify and protect certain information provided by the Company in its Supplemental Responses to Commission Staff's First Request for Information issued on August 25, 2017, respectfully stating as follows:

1. On August 2, 2017 Duke Energy Kentucky filed a Notice of Intent to File an Application seeking adjustment of its electric rates and other approvals.
2. On September 1, 2017 Duke Energy Kentucky filed an Application seeking an adjustment of its electric rates and other approvals.
3. On August 25, 2017 Commission Staff issued its First Request for Information to Duke Energy Kentucky.
4. In response to Commission Staff's First Request for Information, Duke Energy

Kentucky is providing certain information, which is referred to herein as the “Confidential Information,” for which it requests confidential treatment.

5. The Kentucky Open Records Act and applicable precedent exempts the Confidential Information from disclosure. *See* KRS 61.878(1)(a); KRS 61.878(1)(c)(1); *Zink v. Department of Workers Claims, Labor Cabinet*, 902 S.W.2d 825 (Ky. App. 1994); *Hoy v. Kentucky Industrial Revitalization Authority*, 907 S.W.2d 766, 768 (Ky. 1995). 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.

6. The Confidential Information for which Duke Energy Kentucky seeks confidential treatment is contained in its 1st Supplemental Response to Request No. 59. In its response to Request No. 59, Duke Energy Kentucky is providing invoices related to the ongoing expenses for the preparation of this case. As part of the initial request to Staff 01-059, the Company was asked to provide continued updates throughout this proceeding. These invoices and contracts are pursuant to negotiated rates and fees charged by its vendors, consultants, and experts. Releasing this information would place both the Company and its vendors at a competitive disadvantage. In the future, such vendors may be unwilling to offer the same pricing levels out of concern competitors would have access to such information.

7. Furthermore, some of the information for which Duke Energy Kentucky is seeking confidential treatment was either developed internally, or acquired on a proprietary basis, by Duke Energy Corporation and Duke Energy Kentucky personnel, is not on file publicly with any public agency, and is not publicly available from any commercial or other source. The

aforementioned information is distributed within Duke Energy Kentucky only to those employees who must have access for business reasons, and is generally recognized as confidential and proprietary in the utility industry.

8. Duke Energy Kentucky does not object to limited disclosure of the Confidential Information described herein, pursuant to an acceptable protective agreement entered into with any intervenors with a legitimate interest in reviewing the same for the sole purpose of participating in this case.

9. In accordance with the provisions of 807 KAR 5:001, Section 13(2)(e), the Company is filing one copy of the Confidential Information separately under seal, and the appropriate number of copies with the Confidential Information redacted.

10. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of twenty 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 if publicly disclosed.

11. 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,



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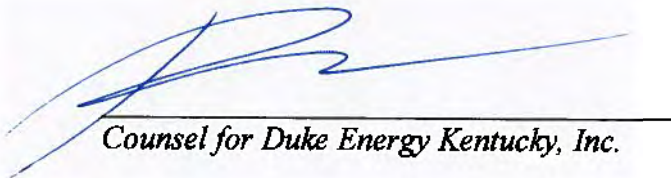
Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on November 20, 2017; that a copy of the filing in paper medium is being delivered to the Commission via 2 day delivery; and a copy of the filing is also being emailed to the following:

Hon. Rebecca W. Goodman
Hon. Larry Cook
Hon. Kent Chandler
Hon. Michael Kurtz
Hon. Jody Kyler Cohn

Hon. Kurt Boehm
Hon. Matthew Malone
Hon. William May, III
Hon. Dennis Howard, II



Counsel for Duke Energy Kentucky, Inc.

KYPSC CASE NO. 2017-00321
STAFF SUPPLEMENTAL
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VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Sarah E. Lawler, Utility Strategy Director, 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.



Sarah E. Lawler Affiant

Subscribed and sworn to before me by Sarah E. Lawler on this 20th day of November, 2017.



NOTARY PUBLIC

My Commission Expires:



ROCCO O. D'ASCENZO
ATTORNEY AT LAW
Notary Public, State of Ohio
My Commission Has No Expiration Date
Section 147.03 H

**Duke Energy Kentucky
Case No. 2017-00321
Staff First Set Data Requests
Date Received: August 25, 2017**

FIRST SUPPLEMENTAL STAFF-DR-01-046

REQUEST:

As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period including the month in which the Commission hears this case.

RESPONSE:

STAFF-DR-01-046 1st Supp Attachment includes detailed revenue and expenses for the actual months of December 2016 through October 2017 and for the forecasted month of November 2017. The forecasted month of November 2017 will be updated as the actual information becomes available.

PERSON RESPONSIBLE: Sarah E. Lawler

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2017-00321
MONTHLY REVENUES AND EXPENSES BY ACCOUNT
BASE PERIOD

KYPSC CASE No. 2017-00321
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Page 3 of 5

DATA: 'X' BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: 'X' ORIGINAL UPDATED REVISED

Account	Description	Code	FERC	Total	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
					Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	
570100	Maint. Slat Equip-Other-Trans	TM	570	255,589	(4,600)	5,786	9,852	40,202	20,820	14,311	24,878	3,801	14,507	68,488	51,988	8,048	
570200	Main-Cir Brkr/Trmsf Mins-Trans	TM	570	73,539	0	0	6,667	2,333	7,457	8,709	3,388	4,867	5,698	8,284	11,736	18,821	
571000	Maint of Overhead Lines-Trans	TM	571	249,836	28,170	(9,309)	13,888	30,274	5,874	54,577	20,004	24,487	28,154	12,748	3,013	28,945	
575700	Market Facilitation-MinrdComp	RMC	575	1,189,495	162,874	168,543	139,882	181,428	142,700	32,287	28,317	25,810	24,270	24,337	142,256	138,801	
580000	Supervsn and Engrng-Dist Oper	DO	580	57,443	5,448	3,077	3,483	7,342	4,132	3,818	4,034	3,404	3,053	2,804	4,478	12,474	
581004	Load Dispatch-Dist of Elec	DO	581	414,571	28,916	34,357	32,154	40,547	32,013	32,253	33,327	40,133	32,531	32,087	36,174	38,089	
582100	Station Expenses-Other-Dist	DO	582	194,800	7,535	20,481	18,778	20,273	17,882	20,178	19,587	15,448	23,572	17,042	7,050	9,008	
583100	Overhead Line Exps-Other-Dist	DO	583	37,420	(22,821)	8,300	2,721	(8,214)	3,375	2,143	6,853	5,727	3,880	8,038	4,308	22,830	
583200	Transf Set Rem Reset Test-Dist	DO	583	89,019	10,885	8,212	8,064	11,087	8,893	7,528	8,885	7,149	7,489	10,017	7,782	6,388	
584000	Underground Line Expenses-Dist	DO	584	375,053	22,408	37,890	31,451	38,880	35,286	4,848	38,387	23,374	31,247	33,084	34,424	27,738	
586000	Meter Expenses-Dist	DO	586	785,489	73,202	88,930	81,309	81,633	57,809	58,189	71,008	79,198	85,248	101,839	85,172	1,853	
587000	Cust Install Exp-Other Dist	DO	587	888,139	85,790	80,557	48,019	8,338	32,222	32,224	48,239	48,598	51,524	78,840	85,872	134,176	
588100	Misc. Distribution Exp-Other	DO	588	2,528,945	229,803	198,198	221,882	222,700	425,822	149,987	198,798	190,383	225,888	148,049	189,313	203,082	
589000	Revs-Dist Oper	DO	589	(9,237)	8,450	3,370	13,182	(23,683)	4,991	6,573	5,446	5,150	9,685	(24,071)	(21,841)	3,523	
591000	Maintenance of Structures-Dist	DM	591	2,824	488	0	0	142	0	1,815	0	481	0	0	0	0	
592100	Main Station Equip-Other-Dist	DM	592	230,078	14,114	28,402	15,885	23,778	20,187	30,845	21,438	12,281	7,641	28,420	21,588	7,898	
592200	Cir Brkr/Trmsf Meters Rety-Dist	DM	592	102,443	0	0	0	8,196	4,333	4,333	0	8,887	5,242	22,732	18,780	30,160	
593000	Maint Overhd Lines-Other-Dist	DM	593	8,818,082	455,910	307,484	247,181	1,747,839	481,836	790,846	972,116	887,943	842,478	925,285	818,117	349,374	
593100	Right-of-Way Maintenance-Dist	DM	593	1,155	0	0	0	0	0	0	0	0	0	0	12	1,143	
594000	Maint-Underground Lines-Dist	DM	594	388,610	14,430	17,860	20,898	15,558	18,278	42,785	22,212	85,788	27,290	72,699	15,511	37,499	
595100	Maint Line Transfrs-Other-Dist	DM	595	443,088	108	778	1,189	828	470	191,338	134,728	52,689	14,378	4,379	38,057	6,965	
598000	Maint-StreetLighting/Sign-Dist	DM	598	506,483	69,734	40,108	31,987	27,763	29,228	43,473	30,287	43,878	18,251	58,531	38,785	73,851	
597000	Maintenance of Meters-Dist	DM	597	336,873	25,519	28,348	21,281	33,155	25,837	28,314	20,555	25,547	27,981	42,358	33,819	24,389	
901000	Supervision-Cust Accts	CO	901	308,891	18,281	22,044	18,728	26,180	23,299	22,578	22,788	20,180	22,928	32,286	21,887	57,558	
902000	Meter Reading Expense	CO	902	882,086	65,008	58,441	61,828	85,880	78,904	44,737	108,564	83,389	67,488	82,959	80,930	85,194	
903000	Cust Records & Collection Exp	CO	903	3,041,288	159,588	290,243	248,045	338,748	225,033	273,838	234,448	208,889	281,184	284,417	324,204	192,588	
903100	Cust Contracts & Orders-Local	CO	903	238,152	28,921	22,422	8,014	19,538	13,570	16,218	18,753	8,704	20,388	20,972	14,187	48,488	
903200	Cust Billing & Acct	CO	903	1,033,182	73,103	75,475	193,688	86,883	72,872	71,275	75,758	85,597	80,550	91,030	77,255	69,658	
903250	Cust Billing - Common	CO	903	78,208	148,809	0	0	0	0	0	0	0	0	0	0	(73,700)	
903300	Cust CoBilling-Local	CO	903	288,218	22,220	22,388	18,811	22,087	15,874	21,084	19,888	15,988	21,080	25,082	20,218	42,010	
903400	Cust Receiv & Colled Exp-Edp	CO	903	47,343	5,728	3,132	2,803	3,012	3,117	3,347	4,388	2,938	3,815	3,087	4,318	7,718	
903891	IC Collection Agent Revenue	CO	903	(361,737)	(188,883)	(17,585)	(14,980)	(14,184)	(11,548)	(11,457)	(12,815)	(14,872)	(13,389)	(12,305)	(11,931)	0	
904000	Uncollectible Expense	CO	904	(182,175)	0	0	0	0	0	0	0	0	0	(182,175)	0	0	
904001	BAD DEBT EXPENSE	CO	904	(4,874)	(114,140)	9,320	(12,108)	(2,728)	(289)	32,854	44,108	(7,570)	5,488	33,998	(288)	4,900	
904003	Cust Acctg-Loss On Sale A/R	CO	904	251,818	0	0	0	0	0	0	0	0	0	0	0	251,818	
904881	IC Loss on Sale of AR VIE	CO	904	881,208	881,208	0	0	0	0	0	0	0	0	0	0	0	
905000	Misc Customer Accts Expenses	CO	905	474	83	32	20	15	125	48	21	82	31	13	44	0	
908000	Cust Asst Exp-Conservation Pro	CSI	908	9,387	3	0	1	0	0	3	0	0	3	0	0	9,387	
909850	Misc Advertising Expenses	CSI	909	5,272	643	1,192	0	482	0	0	0	4	1,087	0	1,844	0	
910000	Misc Cust Serv/Inform Exp	CSI	910	263,988	33,578	36,853	49,442	25,591	20,318	42,832	10,578	34,935	21,348	30,878	27,521	30,514	

DUKE ENERGY KENTUCKY, INC.
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BASE PERIOD

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DATA: *X* BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: *X* ORIGINAL UPDATED REVISED

Account	Description	Code	FERC	Total	ACTUAL												BUDGET
					Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	
910100	Exp-Rs Reg Prod/ Svcs-CstAccts	CSI	910	362,746	41,563	18,031	15,190	19,453	23,974	32,223	22,802	18,065	20,226	94,100	15,543	41,773	
912000	Demonstrating & Selling Exp	SE	912	630,244	90,487	64,069	64,375	65,375	63,184	42,848	60,093	61,451	78,814	68,369	65,171	88,223	
913001	Advertising Expense	SE	913	59,261	19,556	1,436	1,729	1,779	3,810	8,590	(2,847)	8,679	10,939	3,870	3,595	155	
920000	A & G Salaries	AGO	920	6,048,002	1,191,335	437,118	439,971	295,770	462,305	486,238	578,705	444,822	438,684	281,588	507,371	480,917	
920100	A & G Salaries - Project Suppl	AGO	920	68	0	0	0	0	0	0	8	4	9	42	7	0	
921100	Employee Expenses	AGO	921	273,905	(15,331)	44,316	27,264	36,372	27,869	18,289	15,122	27,757	32,437	59,459	(23,578)	23,910	
921101	Employee Exp - NC	AGO	921	3	3	0	0	0	0	0	0	0	0	0	0	0	
921110	Relocation Expenses	AGO	921	37	3	0	5	0	0	5	0	18	2	0	0	0	
921200	Office Expenses	AGO	921	529,111	88,587	39,743	39,819	51,125	50,441	44,215	65,773	38,003	64,313	(78,723)	34,569	65,049	
921300	Telephone And Telegraph Exp	AGO	921	203	2	0	0	1	0	0	90	0	50	50	50	0	
921400	Computer Services Expenses	AGO	921	318,344	119,226	34,848	18,101	16,592	11,479	3,212	11,449	(19,037)	35,114	1,532	75,029	8,007	
921540	Computer Rent (Go Only)	AGO	921	45,573	2,113	3,630	4,096	3,774	2,931	4,804	4,919	4,795	5,134	4,721	4,652	44	
921600	Other	AGO	921	1,238	70	2	24	19	73	106	23	5	28	650	235	0	
921980	Office Supplies & Expenses	AGO	921	1,259,472	109,204	81,479	82,939	90,572	83,206	82,807	85,823	79,714	115,226	79,055	261,681	108,986	
922000	Admin Expense Transfer	AGO	922	23	0	23	0	0	0	0	0	0	0	0	0	0	
923000	Outside Services Employed	AGO	923	1,611,296	229,444	80,138	150,887	146,760	115,234	128,012	203,111	142,039	84,562	281,435	173,411	192,413	
923980	Outside Services Employee &	AGO	923	(24,286)	(217)	(1,366)	(1,098)	(3,648)	(1,997)	(4,030)	739	(2,551)	(3,554)	(3,560)	(2,780)	0	
924000	Property Insurance	AGO	924	3,094	(486)	403	361	(60)	403	(232)	516	2,322	(241)	319	0	0	
924000	Inter-Co Prop Ins Exp	AGO	924	187,549	15,328	15,781	15,781	15,781	15,781	15,781	15,781	15,781	15,781	15,781	15,781	14,408	
924980	Property Insurance For Corp.	AGO	924	164,690	14,213	13,553	13,553	13,553	13,553	13,553	13,553	13,553	13,553	13,553	13,553	14,947	
925000	Injuries & Damages	AGO	925	242,070	13,643	15,828	17,260	16,634	15,188	28,342	16,964	17,064	49,264	16,503	21,045	11,317	
925051	INTER-CO GEN LIAB EXP	AGO	925	725,135	54,925	60,268	60,268	60,268	60,268	60,268	60,268	60,268	60,268	60,268	60,268	67,550	
925200	Injuries And Damages-Other	AGO	925	7,200	600	889	519	666	630	651	606	615	844	615	985	0	
925880	Injuries And Damages For Corp.	AGO	925	15,694	1,078	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	4,378	
928000	EMPL PENSIONS AND BENEFITS	AGO	928	4,354,577	396,955	264,723	336,818	326,413	551,285	307,970	328,854	308,276	531,988	385,519	305,355	322,143	
928420	Employees' Tuition Refund	AGO	928	32	0	0	0	0	0	0	0	32	0	0	0	0	
928430	Employees' Recreation Expense	AGO	928	163	21	0	0	0	0	0	0	0	1	0	141		
928600	Employee Benefits-Transferred	AGO	928	2,032,502	38,101	235,089	190,713	154,791	187,247	164,479	299,763	185,128	258,297	61,192	101,003	199,730	
928606	State Reg Comm Proceeding	AGO	928	700,818	58,602	58,602	58,602	58,602	58,602	58,602	58,602	57,846	57,846	57,846	57,846	59,220	
928600	Duplicate Chrgs-Entry To Exp	AGO	929	(48,594)	(3,281)	(4,416)	(4,247)	(3,825)	(3,815)	(3,847)	(3,281)	(4,631)	(5,090)	(4,812)	0		
928500	Admin Exp Transf	AGO	929	(682,006)	(31,499)	(26,046)	(26,757)	(59,220)	(33,576)	(37,886)	(50,854)	(43,749)	(61,537)	(208,044)	(92,965)	(27,273)	
930150	Miscellaneous Advertising Exp	AGO	930	18,849	1,266	1,713	1,850	1,153	2,166	3,202	323	2,088	1,211	400	3,511	0	
930200	Misc General Expenses	AGO	930	452,878	29,185	24,148	32,109	43,449	34,386	38,274	30,220	35,983	31,509	66,184	36,211	49,035	
930210	Industry Association Dues	AGO	930	40,462	0	47,702	0	(7,240)	0	0	0	0	0	0	0	0	
930220	Exp of Servicing Securities	AGO	930	22,965	(41)	0	0	12,040	5,000	6,505	(340)	3	0	(147)	(95)	0	
930230	Dues To Various Organizations	AGO	930	25,691	10,399	947	82	958	1,671	35	767	0	0	152	4,534	6,166	
930240	Director's Expenses	AGO	930	54,051	6,826	7,167	13	488	5,174	22,645	98	3,985	1,828	1,079	4,751	0	
930250	Buy/Sell Transf Employee Homes	AGO	930	32,853	3,347	2,978	(238)	1,125	1,154	1,785	1,214	8,899	3,571	2,292	8,243	301	
930600	Leased Circuit Charges - Other	AGO	930	37	0	0	12	15	0	0	0	0	10	0	0	0	
930700	Research & Development	AGO	930	4,183	501	45	495	71	496	258	117	437	878	314	561	0	
930940	General Expenses	AGO	930	1,431	280	88	457	53	43	101	33	136	203	34	25	0	
921001	Rents-A&G	AGO	931	205,978	18,892	18,418	17,180	18,188	18,562	17,020	18,121	17,174	17,069	13,724	12,518	18,975	
931008	A&G Rents-IC	AGO	931	842,116	53,131	51,259	80,709	88,016	57,304	58,073	55,704	57,244	56,889	59,681	55,697	81,301	
935100	Maint General Plant-Elec	AGM	935	7,274	49	1,465	(541)	549	2,011	145	134	353	(1,155)	474	450	3,340	
935200	Cust Infor & Computer Control	AGM	935	27	14	3	0	(4)	0	1	2	1	8	1	1	0	
				630,445,493	80,810,924	52,854,795	48,488,632	53,650,277	45,331,678	46,356,646	55,287,768	60,740,289	51,462,781	58,358,327	49,560,966	47,552,448	

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TYPE OF FILING: 'X' ORIGINAL UPDATED REVISED

Account	Description	Code	FISC	Total	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
					Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Revenues		REV		332,884,178	30,880,945	28,730,753	25,025,715	27,158,951	24,090,881	24,041,038	28,893,845	33,124,206	29,833,066	28,711,740	25,834,046	24,738,307
Operating Expenses																
Fuel Expense		FUEL		86,022,500	5,882,068	9,577,791	7,298,704	9,180,826	7,052,898	3,876,801	8,278,284	5,841,881	6,057,389	9,382,747	8,819,101	7,008,730
Purchased Power		PP		33,213,257	7,312,042	428,721	848,578	1,478,722	838,754	3,913,264	2,574,893	5,847,174	1,343,574	5,213,378	2,018,830	1,487,511
Other Power Supply		OPS		11,778,540	972,820	888,589	938,941	1,144,706	1,571,271	1,481,842	881,719	944,523	858,748	1,027,374	834,370	812,739
Emission Allowances		EA		20,757	2,682	2,368	1,088	752	678	582	2,851	2,881	2,258	2,745	1,822	82
Operation																
Production		PO		21,813,005	2,494,111	1,837,733	1,880,419	1,980,881	1,658,457	1,585,414	1,672,804	1,971,478	1,457,513	1,763,482	1,852,023	1,888,887
Customer Accounts		CO		5,878,827	(84,065)	555,874	588,811	685,338	430,515	511,093	947,929	999,498	508,427	449,375	547,887	588,141
Customer Service & Information		CSI		741,401	75,788	55,878	84,633	45,538	44,290	74,858	33,178	53,007	42,875	124,975	44,908	81,874
Sales Expense		SE		889,505	110,043	85,492	86,104	87,154	88,994	51,408	57,248	88,130	89,553	82,239	88,788	88,378
Transmission		TO		20,935,408	2,919,800	1,525,913	1,408,388	1,898,801	1,542,052	1,441,831	1,989,504	1,805,873	1,811,881	1,838,232	1,678,102	1,889,242
Regional Marketing		RMO		1,189,485	162,974	198,543	139,892	161,428	142,700	32,287	28,817	25,910	24,270	24,337	142,288	138,801
Distribution		DO		5,168,982	449,554	381,482	437,831	398,881	840,005	317,518	428,874	418,585	454,075	395,789	389,530	459,077
A&G		AGO		19,818,288	2,412,127	1,545,488	1,551,503	1,385,110	1,784,118	1,518,287	1,800,179	1,435,009	1,836,882	1,174,177	1,878,208	1,700,542
Other		OTH		(2,264,358)	(184,951)	180,221	(193,828)	(988,278)	(1,205,623)	(808,247)	81,790	723,370	84,080	(87,174)	(277,828)	5,100
Maintenance																
Production		PM		19,513,179	2,508,041	1,351,783	1,280,173	1,739,188	1,233,808	3,185,382	778,050	1,974,183	1,145,781	1,438,528	1,874,787	1,527,479
Transmission		TM		880,882	30,588	6,411	37,848	88,434	43,331	82,241	83,988	41,041	54,508	137,915	34,690	61,788
Regional Marketing		RMM		0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution		DM		10,807,858	580,279	422,778	338,181	1,858,858	588,073	1,131,532	1,203,160	1,078,809	943,845	1,152,374	683,850	530,519
A&G		AGM		7,301	83	1,468	(541)	545	2,011	148	138	354	(1,147)	475	451	3,340
Operation & Maintenance Expense				105,077,555	11,482,332	8,083,088	7,385,327	8,819,883	8,070,728	9,120,519	8,895,485	9,881,606	8,251,811	8,800,728	8,815,429	8,100,758
Total Operating Expense				238,110,609	25,412,054	18,989,557	18,450,814	21,634,489	18,234,130	18,382,828	20,240,812	22,428,125	18,813,878	24,206,970	18,289,852	17,217,820
Depreciation Expense		DEPR		33,911,151	2,414,052	2,710,782	2,704,519	2,885,277	2,700,280	2,702,182	2,720,468	2,878,440	2,780,543	3,128,692	3,181,727	3,284,189
Amortization of Deferred Expenses																
Taxes Other Than Income Taxes		OTHX		10,733,604	888,588	966,354	880,505	744,301	889,128	803,339	895,354	892,238	1,008,015	893,648	888,264	893,894
Income Taxes		FIT		16,825,653	1,235,575	1,417,279	1,417,279	1,417,279	1,417,279	1,417,279	1,417,279	1,417,279	1,417,279	1,417,279	1,417,279	1,417,288
Operating Income				33,282,858	850,368	4,829,771	3,582,796	887,825	2,850,044	1,525,430	4,719,802	5,508,129	7,803,351	(934,847)	2,077,124	1,928,188

**FIRST SUPPLEMENTAL STAFF-DR-01-059
PUBLIC**

REQUEST:

Provide the following information concerning the costs for the preparation of this case:

- a. A detailed schedule of expenses incurred to date for the following categories:
 - 1) Accounting;
 - 2) Engineering;
 - 3) Legal;
 - 4) Consultants; and
 - 5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting work papers and calculations.

- c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when the utility files its monthly financial statements with the Commission, through the month of the public hearing.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachment B Only)

Objection to the extent this request includes information that is protected under the doctrine of attorney client privilege. Without waiving said objection, please see STAFF DR-01-059 1st Supplemental Attachment (A) for a schedule of rate case expenses and CONFIDENTIAL STAFF-DR-01-059 1st Supplemental Attachment (B) for the associated supporting invoice documentation of non-privileged expenses recorded by Duke Energy Kentucky for September and October 2017.

PERSON RESPONSIBLE: Sarah E. Lawler

Document/ Journal Entry No.	Invoice Date	Payment Date	Vendor Name / Description	Hours Worked	Rate Per Hour	Consultants							Misc.	Total	
						Accounting	Engineering	Legal	Depreciation Study	Rate of Return	Demolition Study	Publish Legal Notices			Transport/ Lodging/Meals
EXPENSES INCURRED TO DATE FOR SEPTEMBER AND OCTOBER															
September 2017															
EXACT4183	12-Aug-17	21-Sep-17	Faison Office Products Office Supplies	N/A	N/A								1,177.00	1,177.00	
APACR90588	28-Aug-17	11-Sep-17	Burns McDonnell Consulting Work	10.00	276.00					2,760.00				2,760.00	
APACR93009	11-Sep-17	18-Sep-17	Goss Samford Professional Legal Services	0.30	320.00			91.20						91.20	
APACR93009	11-Sep-17	18-Sep-17	Goss Samford Professional Legal Services	54.50	175.00			9,060.59						9,060.59	
APACR93009	11-Sep-17	18-Sep-17	Goss Samford Professional Legal Services	36.70	245.00			8,541.96						8,541.96	
APACR93009	11-Sep-17	18-Sep-17	Goss Samford Professional Legal Services	N/A	N/A			209.10						209.10	
APACR93009	11-Sep-17	18-Sep-17	Goss Samford Professional Legal Services	N/A - Travel	N/A - Travel			130.48						130.48	
APACR96601	18-Sep-17	25-Sep-17	Kentucky Press Service Published Legal Notices	N/A	N/A						211,634.06			211,634.06	
Total September 2017						0.00	0.00	18,033.33	0.00	0.00	2,760.00	211,634.06	0.00	1,177.00	233,604.39
October 2017															
APACR98601	23-Sep-17	31-Oct-17	City Dash Delivery Services	N/A	N/A								169.88	169.88	
APACR00935	9-Oct-17	8-Nov-17	Goss Samford Professional Legal Services	0.90	320.00			273.60						273.60	
APACR00935	9-Oct-17	8-Nov-17	Goss Samford Professional Legal Services	24.70	175.00			4,106.25						4,106.25	
APACR00935	9-Oct-17	8-Nov-17	Goss Samford Professional Legal Services	19.00	245.00			4,422.38						4,422.38	
APACR00935	9-Oct-17	8-Nov-17	Goss Samford Professional Legal Services	N/A - Travel	N/A - Travel			26.88						26.88	
Total October 2017						0.00	0.00	8,829.10	0.00	0.00	0.00	0.00	0.00	169.88	5,988.88

**FIRST SUPPLEMENTAL
STAFF-DR-01-059
CONFIDENTIAL
ATTACHMENT B IS BEING
FILED UNDER SEAL OF A
MOTION FOR
CONFIDENTIAL
TREATMENT**