

KyPSC Case No. 2017-00321
NORTHERN KENTUCKY UNIVERSITY'S SECOND SET
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VERIFICATION

STATE OF OHIO)
)
COUNTY OF HAMILTON) SS:

The undersigned, William Don Wathen, Jr., Director of Rates & Regulatory Strategy, 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.



William Don Wathen Jr., Affiant

Subscribed and sworn to before me by William Don Wathen, Jr., on this 7TH day of DECEMBER, 2017.



NOTARY PUBLIC

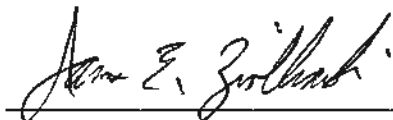
ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019

My Commission Expires: 1/5/2019

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, James E. Ziolkowski, Director, Rates & Regulatory 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.



James E. Ziolkowski Affiant

Subscribed and sworn to before me by James E. Ziolkowski on this 7TH day of DECEMBER 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 OHIO)
)
COUNTY OF HAMILTON) **SS:**

The undersigned, Bruce L. Sailers, Pricing and Regulatory Solutions 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.

Bruce L. Sailers
Bruce L. Sailers, Affiant

Subscribed and sworn to before me by Bruce L. Sailers, on this 6TH day of DECEMBER, 2017.

Adele M. Frisch
NOTARY PUBLIC

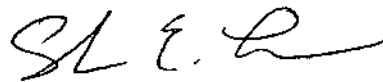
ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019

My Commission Expires: 1/5/2019

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 1ST day of DECEMBER, 2017.



NOTARY PUBLIC

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

My Commission Expires: 1/5/2019

Duke Energy Kentucky
Case No. 2017-00321
Northern Kentucky University's Second Set Data Requests
Date Received: November 29, 2017

NKU-DR-02-001

REQUEST:

With respect to the Company's response to NKU-DR-01-006, please provide the following information:

- a. Confirmation that the Company will correct the proposed charges for Rate DT primary in its proposed tariff sheets.
- b. Corrected proposed tariff sheets for Rate DT primary into the record containing the accurate charges.

RESPONSE:

- a. The Company will correct the proposed charges for Rate DT in its proposed tariff sheet.
- b. See NKU-DR-02-001 Attachment for the proposed corrected tariff sheet for Rate DT.

PERSON RESPONSIBLE: Bruce L. Sailors

Duke Energy Kentucky, Inc.
 4580 Olympic Blvd.
 Erlanger, Kentucky 41018

KY.P.S.C. Electric No. 2
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RATE DT

TIME-OF-DAY RATE FOR SERVICE AT DISTRIBUTION VOLTAGE

APPLICABILITY

Applicable to electric service for customers with an average monthly demand of 500 kilowatts or greater where the Company specifies service at a nominal distribution system voltage of 34,500 volts or lower, and the Company determines that facilities of adequate capacity are available and adjacent to the premises to be served. Electric service must be supplied at one point of delivery and is not applicable for resale service.

TYPE OF SERVICE

Alternating current 60 Hz, single phase or three phase at Company's standard distribution voltage of 34,500 volts or lower.

NET MONTHLY BILL

Computed in accordance with the following charges (kilowatt of demand abbreviated as kW and kilowatt-hours are abbreviated as kWh):

1. Base Rate

(a) Customer Charge			
Single Phase	\$ 66.50	per month	(T)
Three Phase	\$133.00	per month	(T)
Primary Voltage Service	\$155.00	per month	(T)
(b) Demand Charge			
Summer			
On Peak kW	\$ 14.49	per kW	(T)
Off Peak kW	\$ 1.31	per kW	(T)
Winter			
On Peak kW	\$ 13.72	per kW	(T)
Off Peak kW	\$ 1.31	per kW	(T)
(c) Energy Charge			
Summer On Peak kWh	\$0.050237	per kWh	(T)
Winter On Peak kWh	\$0.047968	per kWh	(T)
Off Peak kWh	\$0.041147	per kWh	(T)

Issued by authority of an Order of the Kentucky Public Service
 Commission dated _____, 2017 in Case No. 2017-00321. (T)

Issued: September 1, 2017 (T)
 Effective: October 1, 2017 (T)
 Issued by James P. Henning, President (T)

Duke Energy Kentucky, Inc.
4580 Olympic Blvd.
Erlanger, Kentucky 41018

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2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:

- Sheet No. 76, Rider ESM, Environmental Surcharge Mechanism Rider (N)
- Sheet No. 78, Rider DSMR, Demand Side Management Rider
- Sheet No. 80, Rider FAC, Fuel Adjustment Clause
- Sheet No. 82, Rider PSM, Profit Sharing Mechanism
- Sheet No. 125, Rider DCI, Distribution Capital Investment Rider (N)
- Sheet No. 126, Rider FTR, FERC Transmission Cost Reconciliation Rider (N)

The minimum charge shall be the Customer Charge, as stated above.

When both single and three phase secondary voltage services are required by a customer, the monthly kilowatt-hour usage and kilowatt demands shall be the respective arithmetical sums of both services.

For purposes of administration of the above Base Rate charges, the summer period is defined as that period represented by the Company's billing for the four (4) revenue months of June through September. The winter period is defined as that period represented by the Company's billing for the eight (8) revenue months of January through May and October through December.

RATING PERIODS

The rating periods applicable to the demand charge shall be as follows:

- a) On Peak Period
 - Summer - 11 a.m. to 8 p.m. Monday through Friday, excluding holidays.
 - Winter - 9 a.m. to 2 p.m. and 5 p.m. to 9 p.m., Monday through Friday, excluding holidays.
- b) Off Peak Period - All hours Monday through Friday not included above plus all day Saturday and Sunday, as well as New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day and Christmas Day on the day nationally designated to be celebrated as such.

METERING

The company may meter at secondary or primary voltage as circumstances warrant. If the Company elects to meter at primary voltage, kilowatt hours registered on the Company's meter will be reduced one and one-half percent (1.5%) for billing purposes.

If the customer furnishes primary voltage transformers and appurtenances, in accordance with the Company's specified design and maintenance criteria, the Demand Charge, as stated above, shall be reduced as follows:

First 1,000 kW of On Peak billing demand at \$0.74 per kW. (I)
Additional kW of On Peak billing demand at \$0.57 per kW. (I)

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DEMAND

The On Peak billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the on peak rating period adjusted for power factor as provided herein. The Off Peak billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the off peak rating period adjusted for power factor minus the On Peak billing demand. In no case shall the Off Peak billing demand be less than zero.

POWER FACTOR ADJUSTMENT

The power factor to be maintained shall be not less than 90% lagging. If the Company determines the customer's power factor to be less than 90%, the on peak and off peak billing demands will be the number of kilowatts equal to the respective on peak and off peak kilovolt amperes multiplied by 0.90.

The power factor, as determined by continuous measurement, will be derived from the intervals in which the maximum on peak and off peak kW demands are established.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERMS AND CONDITIONS

The initial term of contract shall be for a period of three (3) years for secondary voltage service and five (5) years for primary voltage service terminable thereafter by a minimum notice of either the customer or the Company as follows:

- (1) For secondary voltage service customers, as prescribed by the Company's Service Regulations.
- (2) For primary voltage service customers with a most recent twelve month average demand of less than 10,000 kVA or greater than 10,000 kVA, written notice of thirty (30) days or twelve (12) months respectively, after receipt of the written notice.

The Company is not obligated to extend, expand or rearrange its transmission system if it determines that existing distribution and/or transmission facilities are of adequate capacity to serve the customer's load.

If the Company offers to provide the necessary facilities for transmission service, in accordance with its Service Regulations, an annual facilities charge, applicable to such additional facilities, is established at twenty (20) percent of actual cost. The annual facilities charge shall be billed in twelve monthly installments to be added to the demand charge.

For purposes of the administration of this rate, the Company will determine the customer's average monthly demand based upon the twelve months ending December of each year after the applicable term of service has been fulfilled by the customer. If the customer's demand is less than 500 kilowatts and the Company expects the customer's demand to remain below 500 kilowatts, then the Company will notify the customer prior to May of the succeeding year that the provisions of Rate DS, Service at Secondary

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TERMS AND CONDITIONS (Cont.)

Distribution Voltage or Rate DP, Service at Primary Distribution Voltage shall be applicable initiating with the June revenue month billing and shall continue until the term of service of that rate is fulfilled. In the case where a customer's average demand is estimated by the Company to be significantly greater than 500 kilowatts, the Company may, at its discretion, waive the twelve month demand history requirement in the determination of the applicability of this rate.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

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(T)

Issued: September 1, 2017

(T)

Effective: October 1, 2017

(T)

Issued by James P. Henning, President

(T)

Duke Energy Kentucky
Case No. 2017-00321
Northern Kentucky University's Second Set Data Requests
Date Received: November 29, 2017

NKU-DR-02-002

REQUEST:

With respect to the Company's response to NKU-DR-01-007, please provide the following information:

- a. An explanation as to how the Company's proposal to allocate the costs recovered under Rider ESM to classes based on average monthly revenue as a percentage of total revenue best reflects class cost causation.
- b. A description of alternative class cost allocations considered by the Company for the allocation of costs recovered under Rider ESM.
- c. With respect to the response to part b. above, if no alternatives were considered, please explain why not.

RESPONSE:

- a. In order to minimize a discrepancy related to implementing Rider ESM, the Company sought to design its version of this rider in a manner that most closely mirrored similar riders of other electric utilities. Reasonable people may disagree over the allocation that 'best' reflects class causation but the Commission has clearly found the Company's proposed allocation methodology to be reasonable insofar as it has approved this design in other Rider ESM cases.

- b. For the reasons stated in NKU-DR-02-002(a), the Company did not consider alternative class cost allocation methods.
- c. See response to NKU-DR-02-002(b).

PERSON RESPONSIBLE: Sarah E. Lawler

Duke Energy Kentucky
Case No. 2017-00321
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NKU-DR-02-003

REQUEST:

With respect to the Company's response to NKU-DR-01-008, please provide the following information:

- a. An explanation of how Rider FTR-related costs included in base rates are allocated to classes.
- b. An explanation as to how the Company's proposal to allocate the costs recovered under Rider FTR to classes best reflect class cost causation.
- c. A description of alternative class cost allocations considered by the Company for the allocation of costs recovered under Rider FTR.
- d. With respect to the response to part c. above, if no alternatives were considered, please explain why not.

RESPONSE:

- a. Rider FTR-related costs included in base rates are allocated to classes based on 12-month average coincident peak demand, with the exception of point-to-point transmission service, which was allocated to classes based on weighted net transmission plant.
- b. Because Rider FTR is only intended to recover the difference between certain transmission-related actual costs and amounts recovered for those costs in base rates, recovery based on a per kWh basis was deemed fair and efficient.

c. See response to NKU-DR-02-003(b).

d. See response to NKU-DR-02-003(b).

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky
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NKU-DR-02-004

REQUEST:

With respect to the Company's response to STAFF-DR-02-087, part a., please provide the following information:

- a. Indicate whether any other percentage decrease in subsidization proposals were considered by the Company for its filing.
- b. With respect to the response to part a. above, if other proposals were considered, please describe each of them.

RESPONSE:

- a. The Company looked at many scenarios, from zero subsidy elimination to one hundred percent subsidy elimination. The Company's goal is to reduce subsidies between rate classes while minimizing rate increases to some rate classes caused by reduction of the subsidy. The Company chose the ten percent figure because it removes some of the class subsidization while minimizing the rate increase to residential customers.
- b. Please see the response to part a.

PERSON RESPONSIBLE: James E. Ziolkowski