

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

ELECTRONIC 2018 INTEGRATED RESOURCE) Case No.
PLAN OF DUKE ENERGY KENTUCKY, INC.) 2018-00195

ATTORNEY GENERAL’S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Initial Data Requests to Duke Energy Kentucky, Inc. [hereinafter “DEK”] to be answered by the date specified in the Commission’s Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for DEK with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person’s knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words “document” or “documents” are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial

statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and

method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

ANDY BESHEAR
ATTORNEY GENERAL



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Certificate of Service and Filing

Counsel certifies that the foregoing is a true and accurate copy of the same document being filed in paper medium with the Commission within two business days; that the electronic filing has been transmitted to the Commission on February 4, 2019; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 4th day of February, 2019.



Assistant Attorney General

1. Provide the projected remaining lifespan of the Woodsdale CT units by unit, and of the East Bend facility.
2. As of the time of the filing of the instant IRP, does DEK foresee the need for any significant capital expenditures to achieve compliance with any state and/or federal environmental regulations at Woodsdale, East Bend or both stations? If so, explain.
 - a. If the response is “yes,” state whether any of the modelling presented in the current IRP should be re-modelled in light of the need for additional environmental capex.
3. Reference the application, p. 10, wherein DEK, citing an “increasing customer preference for renewable energy,” includes new solar and storage resources as early as 2019.
 - a. Explain whether DEK plans to self-build and operate its own solar and/or storage facilities, or if it plans to issue an RFP for the purchase of solar-generated power from existing non-owned resources.
 - b. If DEK chooses to issue an RFP, explain whether DEK will consider purchasing solar-generated power and/or storage from resources owned or utilized by affiliates Duke Energy (Indiana) and/or Duke Energy (Ohio)[“DEO”], if doing so would represent the least-cost solution.
 - c. Explain to what extent the IRP takes into consideration any additional transmission costs that will or may be associated with bringing on-line any additional solar and/or storage resources.
 - d. Explain whether the new solar and/or storage facilities would be placed into the general ratebase, or whether some or all of the anticipated new resources could be procured through green contracts purchased by individual customers.
 - e. Update figure 1.1 with DEK’s plan following the Commission’s investigation of DEK’s DSM programs.
 - f. State whether DEK has offered demand response programs such as air conditioning cycling devices. If not, why not? If so, identify which DSM/DR programs these are included under and briefly explain each.
4. Explain whether the addition of dual-fueling capability at Woodsdale will:

- a. affect the PJM LMP from what it would have been without dual-fueling, and if so, how;
 - b. cause PJM to dispatch the units for longer or shorter run times.
5. In the event of a scenario for high costs of low-sulfur diesel fuel, explain whether any of your responses to question 4, above, would change and if so, how.
6. Explain how DEK proposes to re-supply the diesel fuel it will use as its dual-fuel source for Woodsdale station.
7. Explain to what extent, if any, DEK has examined hydro and wind resources in lieu of or in addition to solar sources.
 - a. If DEK has considered such other resources, explain to what extent the IRP takes into consideration any additional transmission costs that will or may be associated with bringing such resources on-line.
 - b. Include in your response whether DEK, either for itself or in conjunction with other affiliates, has examined hydro power sourced from Canada.
8. Confirm that DSM is a profit center for DEK.
9. Reference the IRP, p. 11, the paragraph discussing emerging interest from new and existing customers for additional renewable energy. Discuss whether DEK will continue to analyze its resource needs in light of the Commission's least-cost resource mandates.
10. Reference the IRP, p. 11, the last paragraph wherein DEK states it anticipates it will remain as an FRR entity in PJM for the foreseeable future. State whether PJM's proposed changes to the capacity performance construct have caused, or may cause DEK to change this assessment.
11. Reference the IRP, pp. 11-12, wherein DEK discusses what actions the company may take if its load obligation to PJM was to increase sharply over a short period of time.
 - a. State the extent to which DEK has considered pursuing actions jointly with DEO designed to address any potential increased load obligation to PJM. Provide copies of any and all studies that may have been produced in this regard.

12. State to what effect the Commission's order in Case No. 2017-00427,¹ which restored most of DEK's DSM programs, will affect this IRP, especially given that DEK references the suspension of the programs in numerous places throughout the document.
 - a. Reference the IRP document, p. 13, paragraph 1. Does the Company believe it should provide a third case based on the programs which the Commission has now actually approved?
13. Explain whether any recent increases in commercial and/or industrial load will have any material impact on the assumptions, methodologies, or conclusions drawn in the IRP filing, and if so, describe in detail.
14. Reference the IRP document, Table B.1, "Duke Energy Kentucky Electric Customers by Major Classifications, Annual Averages."
 - a. Explain why the number of industrial customers steadily decreases through the period.
 - b. Explain the source for the assumptions used to produce this table.
15. Reference the IRP document, Staff Recommendations based on the 2014 IRP, the Response to "Integration and Plan Optimization." Provide an update on the extended planned outage of East Bend 2, which is described as the longest outage in the station's history.
 - a. Provide an update since the date of the IRP's filing on the impact of the financial hedges.
 - b. Provide the date that East Bend 2 was placed back into service.
 - c. State whether the unit has experienced any improvements in performance since the outage, and if so provide quantifications.
16. Confirm that the IRP and the methodologies used therein are the same that DEK uses to plan its system, including supply-side resources.
17. Provide each unit's EFOR for each year from 2014 to present and the planning EFOR from present until 2023.

¹ Order dated Sept. 13, 2018.

18. Refer to page 50 of the IRP, Appendix A, Table A.2. Provide historical capacity factor for each of the units, if available since 2014.
19. Refer to page 20 of the IRP wherein DEK states that its 2018 planning reserve margin is 13.7%. Provide support for and the calculation of DEK's 13.7% planning reserve margin.
20. Refer to the Application, p. 11, wherein it states "The Company has included the addition of 10MW of solar and 2MW of battery storage resources in each year of the plan, starting in 2019."
 - a. Does DEK believe each year's 10MW of solar and 2MW of battery storage resources are exempt from CPCN requirements?
 - b. Provide any and all studies or assessments that indicate or prove that the annual solar and storage resources are either necessary or cost-effective.