

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Sarah E. Lawler, Director Rates & Regulatory Planning, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing supplemental 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 3rd day of December, 2019.



NOTARY PUBLIC

My Commission Expires: July 8, 2022



E. MINNA ROLFES-ADKINS
Notary Public, State of Ohio
My Commission Expires
July 8, 2022

KyPSC Case No. 2019-00271
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SECOND SUPPLEMENTAL STAFF-DR-01-003

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:

See STAFF-DR-01-003 2nd Supp Attachment which includes detailed revenue and expense for the actual months of December 2018 through October 2019 and the forecasted of November 2019. The forecasted month of November will be updated as the actual information becomes available.

PERSON RESPONSIBLE: Sarah E. Lawler

DUKE ENERGY KENTUCKY, INC.
 CASE NO. 2019-00271
 MONTHLY REVENUES AND EXPENSES BY ACCOUNT
 BASE PERIOD

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

Account	Description	Code	FERC	Total	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	
					Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	
926000	EMPL PENSIONS AND BENEFITS	AGO	926	3,718,456	474,788	374,291	355,204	225,473	289,801	293,709	241,483	324,612	350,329	112,381	333,089	343,296	0	0	0	0	0
926430	Employee's Recreation Expense	AGO	926	160	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926600	Employee Benefits-Transferred	AGO	926	2,082,817	(123,881)	254,385	233,644	11,093	219,553	232,683	350,983	274,585	83,110	83,110	203,578	141	0	0	0	0	0
926999	Non Serv Pension (ASU 2017-07)	AGO	926	(844,788)	(63,226)	(63,226)	(91,095)	(91,095)	(91,095)	(91,095)	(91,095)	(64,335)	(64,335)	(64,335)	(54,943)	(82,189)	0	0	0	0	0
928006	State Reg Comm Proceeding	AGO	928	807,424	66,775	66,775	66,775	66,775	66,775	66,775	66,775	67,798	67,798	67,798	67,798	68,803	0	0	0	0	0
928053	Travel Expense	AGO	928	(55)	(76)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928000	Duplicate Chrgs-Energy To Exp	AGO	928	(49,703)	(4,836)	(3,730)	(5,320)	(5,424)	(3,690)	(3,648)	(4,140)	(4,590)	(4,286)	(4,286)	(4,512)	0	0	0	0	0	0
928500	Admin Exp Transf	AGO	929	(684,485)	(79,117)	(52,074)	(54,249)	(66,369)	(38,966)	(35,181)	(45,369)	(78,774)	(78,774)	(70,226)	(60,551)	(71,350)	0	0	0	0	0
930150	Miscellaneous Advertising Exp	AGO	930	49,548	15,188	(3,225)	607	13,088	2,889	4,061	2,837	3,210	4,984	3,591	2,467	(259)	0	0	0	0	0
930200	Misc General Expenses	AGO	930	768,983	41,340	54,696	79,368	67,757	62,936	66,890	65,163	78,915	48,205	48,205	68,554	73,887	0	0	0	0	0
930210	Industry Association Dues	AGO	930	36,489	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
930220	Exp of Servicing Securities	AGO	930	61,065	(108)	(108)	(51)	11,943	11,385	(49)	(41)	43	2,000	2,000	35,943	0	0	0	0	0	0
930230	Dues To Various Organizations	AGO	930	21,570	76	2,784	285	8,200	2,220	168	157	6,386	0	0	0	0	0	0	0	0	0
930240	Director'S Expenses	AGO	930	59,872	7,073	6,371	(1,113)	392	6,026	23,622	215	8,974	36	15	5,763	2,986	0	0	0	0	0
930700	Buy/Sell Transf Employee Homes	AGO	930	6,271	1,253	(412)	438	376	2,039	2,039	(171)	1,008	(332)	(332)	293	143	0	0	0	0	0
930940	Research & Development	AGO	930	3,113	389	1,249	143	309	407	28	39	255	122	25	147	0	0	0	0	0	0
931001	General Expenses	AGO	930	1,443	223	86	134	119	101	31	282	171	194	60	32	0	0	0	0	0	0
931001	Rents-A&G	AGO	931	92,722	8,621	7,724	9,783	8,216	5,469	7,277	9,039	7,247	6,380	6,380	7,515	5,938	0	0	0	0	0
931003	Lease Amortization Expense	AGO	931	9,447	0	9,429	9,429	(9,387)	0	0	0	0	0	0	0	(24)	0	0	0	0	0
931008	AG Rentis-IC	AGO	931	1,002,256	80,020	84,181	85,130	85,276	87,352	87,242	86,750	84,656	86,022	89,130	71,870	74,627	0	0	0	0	0
935100	Maint General Plant-Elec	AGM	935	10,967	1,302	5	6	5	7	18	(6)	0	5,241	8	4,356	17	0	0	0	0	0
935200	Cust Infor & Computer Control	AGM	935	2,025	2,023	9	0	0	0	(1)	0	(2)	13	(9)	(9)	0	0	0	0	0	0

DUKE ENERGY KENTUCKY, INC.
 CASE NO. 2019-00271
 MONTHLY REVENUES AND EXPENSES BY ACCOUNT
 BASE PERIOD

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

Account	Description	Code	FERC	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget
				Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	
				Total												
Revenues				375,377,142	33,843,100	28,884,673	30,528,967	25,672,091	30,845,371	34,480,224	35,831,053	31,564,882	34,178,017	27,010,614	27,393,483	
Operating Expenses																
Fuel Expense				8,347,945	9,550,313	6,596,714	6,027,063	(1,261,404)	8,292,519	10,738,802	8,933,490	7,457,363	8,812,422	(3,264,731)	6,417,999	
Purchased Power				4,210,968	2,269,980	1,767,880	1,714,100	8,417,289	1,780,479	1,059,119	2,715,779	2,179,411	3,624,486	9,990,783	1,280,026	
Other Power Supply				3,489,398	1,841,829	829,338	(1,758,187)	1,594,814	1,036,617	842,114	(1,430,430)	(993,645)	(773,319)	1,304,203	605,781	
Emission Allowances				1,593	252	153	0	105	115	153	129	153	138	134	76	
Operation																
Production				2,952,607	2,063,741	1,701,430	1,825,682	944,788	1,793,684	1,386,321	1,916,287	2,250,451	1,980,366	1,065,622	1,835,867	
Customer Accounts				464,317	503,899	457,370	605,913	370,369	451,122	386,656	352,630	462,289	371,756	427,888	600,854	
Customer Service & Information				511,178	51,653	33,993	50,773	49,632	38,183	36,842	47,624	35,504	41,416	36,020	47,059	
Sales Expense				1,285,648	1,018,819	86,454	94,382	109,215	116,070	103,089	95,795	87,901	90,878	146,238	136,517	
Transmission				21,893,240	1,992,519	1,438,381	2,006,860	1,805,309	1,657,209	1,890,198	1,832,826	1,849,201	1,951,348	1,836,192	1,677,394	
Regional Marketing				1,878,806	113,961	161,724	150,269	122,723	128,706	153,176	186,238	197,480	174,470	140,447	148,188	
Distribution				5,095,641	432,107	393,960	391,003	438,098	241,201	687,582	155,618	608,859	305,136	314,333	484,406	
A&G				21,171,970	1,687,833	1,528,156	1,097,242	1,466,549	1,549,715	1,980,982	1,600,387	1,985,999	1,542,180	3,015,115	1,473,580	
Other				2,878,149	734,744	718,546	681,414	530,583	347,070	(600,529)	166,969	(97,808)	17,025	(148,144)	0	
Maintenance																
Production				30,220,047	2,725,883	1,985,120	2,299,828	4,418,447	2,429,746	1,886,112	1,886,759	2,389,641	2,405,223	3,593,649	1,846,425	
Transmission				687,236	10,002	46,991	74,337	102,858	111,860	13,938	81,511	79,168	24,815	20,323	71,887	
Regional Marketing				0	0	0	0	0	0	0	0	0	0	0	0	
Distribution				10,208,787	830,808	809,504	1,242,146	881,754	819,405	975,317	687,781	966,285	777,014	891,148	589,021	
A&G				12,992	3,325	21	6	7	17	(6)	(2)	5,232	21	4,347	17	
Operation & Maintenance Expense				122,705,634	10,485,934	9,365,050	10,618,835	11,240,342	9,683,988	8,883,788	9,108,364	10,428,602	9,681,648	11,342,178	8,823,215	
Depreciation Expense				245,865,688	25,952,901	24,148,308	18,601,811	19,961,226	20,803,728	21,433,976	19,327,332	19,072,884	21,405,325	19,372,567	17,226,697	
Amortization of Defined Expenses				46,767,161	3,756,673	3,760,414	3,284,766	4,198,628	3,407,850	4,032,439	3,880,248	3,861,993	4,374,724	3,787,770	4,101,630	
Taxes Other Than Income Taxes				16,852,073	855,081	852,987	978,930	840,810	1,086,568	2,329,076	2,318,347	2,101,071	2,162,406	1,204,258	1,082,201	
Income Taxes				12,466,409	1,189,942	1,075,774	1,057,863	1,060,807	1,074,097	1,041,722	1,063,131	1,077,258	1,006,814	1,048,244	1,062,423	
Operating Income				5,387,908	448,992	448,992	448,992	448,992	448,992	448,992	448,992	448,992	448,992	448,992	448,992	
Operating Income - Before Income Taxes				48,037,905	1,307,736	3,873,505	6,146,485	(858,373)	4,012,136	5,204,079	8,893,003	4,972,684	4,779,756	1,147,783	3,471,548	
				53,425,811	1,756,728	4,322,487	6,595,477	(409,381)	4,461,128	5,653,071	9,341,985	5,421,676	5,228,748	1,586,775	3,920,542	

SECOND SUPPLEMENTAL STAFF-DR-01-014

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).
- b. For each category identified in part (a) above, 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.
- c. 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 workpapers and calculations.

- d. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in parts (a) and (b) above, and a cumulative total of cost incurred to date for each category. Updates will be due when the utility files its monthly financial statements with the Commission, through the month of public hearing.

RESPONSE:

- a. Please see STAFF-DR-01-014 2nd Supplemental Attachment (Section A: Expenses incurred to date) for a detailed schedule of actual expenses incurred to date in the categories prescribed in the data request.
- b. 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-01-014 2nd Supplemental Attachment (Section A: Expenses incurred to date) for the requested details of actual rate case expenses incurred to date. There have been no new supporting contracts and letters of arrangement since the original data request response. All actual costs incurred to date have occurred during the base period.
- c. STAFF-DR-01-014 2nd Supplemental Attachment also includes estimated remaining costs to be incurred (Section B: Itemized estimates of total costs to be incurred) with a total estimated cost to be incurred for this case. Estimates for the depreciation study, demolition study and rate of return were based on information received from the expert witnesses. The other expenses were estimated by

reviewing the actual expenses incurred in the Company's most recent two rate cases filed with this Commission and applying professional judgement and knowledge of the issues involved in this case. A comparison of the current case estimate with the actual and estimated expenses of the prior two cases is included in the filing on Schedule F-6.

- d. Monthly updates of actual costs incurred in conjunction with this rate case will be included along with the monthly financial statements filed with the Commission through the month of the public hearing.

PERSON RESPONSIBLE: Sarah E. Lawler

Document/ Journal Entry No.	Invoice Date	Payment Date	Vendor Name / Description	Hours Worked	Rate Per Hour	Accounting		Legal	Consultants		Demolition Study	Publish Legal Notices	Transport/ Lodging/Meals	Misc.	Total
						Accounting	Engineering		Rate of Return	Depreciation Study					
A) EXPENSES INCURRED TO DATE															
Total Actual Costs to Date															
October 2019						0.00	0.00	19,643.69	36,845.03	31,000.00	0.00	0.00	0.00	0.00	87,488.72
APACR53460	11-Sep-19	12-Sep-19	Goss Samford Professional Legal Services	10.80	\$245.00			2,513.76							2,513.76
APACR53460	11-Sep-19	12-Sep-19	Goss Samford Professional Legal Services	10.30	\$175.00			1,712.31							1,712.31
Total October 2019															
Total Actual Costs to Date															
						0.00	0.00	4,226.07	0.00	0.00	0.00	0.00	0.00	0.00	4,226.07
						0.00	0.00	23,889.76	36,845.03	31,000.00	0.00	0.00	0.00	0.00	91,714.79
B) ITEMIZED ESTIMATE OF TOTAL COSTS TO BE INCURRED															
Professional Legal Services															
Depreciation Study / Consulting Work															
Non Hour Based Costs															
Total Estimate Costs to be Incurred															
				1,203.83	210.00			252,805.24	23,154.97	39,000.00	0.00	210,000.00	50,000.00	10,000.00	252,805.24
				136.21	170.00										23,154.97
				N/A	N/A										309,000.00
TOTAL PROJECTED EXPENSES ASSOCIATED WITH THE RATE CASE															
						0.00	0.00	276,676.00	60,000.00	70,000.00	0.00	210,000.00	60,000.00	10,000.00	676,676.00