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**VIA ELECTRONIC FILING**

March 17, 2021

Ms. Linda Bridwell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615

**Re: Case No. 2020-00375**

In the Matter of: Electronic Tariff Filing of Duke Energy Kentucky, Inc. of a Written Consent of Sub-metering with Skypoint Condominium Owners Association, Inc.

Dear Ms. Bridwell:

After careful consideration and evaluation of the Commission's February 25, 2021 Order, Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) is unable to accept the Commission's condition that the Company agree to audit Skypoint Condominium Owners Association, Inc.'s (Skypoint) sub-metering three times a year.<sup>1</sup>

Duke Energy Kentucky was willing to enter into the contract with Skypoint, provided the Commission approved it and there would be no additional ongoing costs or processes for the Company. Duke Energy Kentucky proposed the contract in an attempt to find a mutually acceptable process to enable the customer to install their desired sub-metering equipment in a reasonable manner. Additionally, the Company thought that a special contract might be a way to balance interests in providing a path for developers to install this equipment and protect tenants without creating an ongoing obligation to audit the developer. Additionally, the Company viewed this contract as a potential process that could be repeated for other similar developments going forward. In response to data requests posed by the Commission regarding the handling of customer concerns, the Company noted its willingness to implement an ad hoc process including investigation. But the Company consistently stated it would not and could not audit these billings on a regular basis.<sup>2</sup>

Duke Energy Kentucky does not wish to get into the business of auditing third-party billings. The Company will not test the sub-meters for accuracy and had no input into the type of sub-meters

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<sup>1</sup> Order, Paragraph 2.

<sup>2</sup> STAFF-DR-01-001

installed, of the billing systems used by the developers, or their third-party billing agents. Moreover, the Company does not wish to establish a precedent where if it agreed to this billing audit for Skypoint, it would then be asked to conduct similar audits for future installations.

Duke Energy Kentucky does not have the resources or processes available to implement a tri-annual audit of third-party billings for sub-metering into perpetuity. Moreover, it would be unreasonable to implement such a process on either a one-off or ongoing basis that would be repeatable for other similarly situated customers going forward. For the Company to establish a process going forward, the Company would not only have to devote time, personnel, and resources, including appropriate training protocols, but would have to develop processes to acquire this information regularly, update contact information, and program its systems to generate the reminders to ensure compliance with the tri-annual audit of third-party billings. Finally, implementing this process may require re-writing of existing billing agent job descriptions to accommodate auditing of non-Duke Energy billing data. Based upon the aforementioned concerns and constraints, Duke Energy Kentucky is unable to accept the Commission's condition for approval of this special sub-metering contract.

Duke Energy Kentucky thanks the Commission for its time and consideration of this matter, and respectfully withdraws its request for approval of this contract. Duke Energy Kentucky has notified Skypoint of its decision and has directed them not to install and/or remove any sub-metering equipment in accordance with the Company's tariffs.

Please date-stamp the extra two copies of this letter and return to me in the enclosed envelope.

Respectfully submitted,

/s/Rocco D'Ascenzo

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