

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)
KENTUCKY, INC. TO AMEND ITS DEMAND SIDE) Case No. 2022-00251
MANAGEMENT PROGRAMS)

**DUKE ENERGY KENTUCKY, INC.'S FIRST REQUEST FOR
INFORMATION PROPOUNDED UPON THE ATTORNEY GENERAL**

Comes now Duke Energy Kentucky, Inc. (Duke Energy Kentucky), and addresses the following First Set of Data Requests to the Attorney General of the Commonwealth of Kentucky, Office of Rate Intervention (Attorney General) to be answered by the date specified in the Commission's Order of Procedure, and in accordance with the following instructions:

I. DEFINITIONS AND INSTRUCTIONS

1. With respect to each discovery request, all information is to be divulged that is within the knowledge, possession, or control of the parties to whom it is addressed, including their agents, employees, attorneys and/or investigators.
2. Please identify the witness(es) who will be prepared to answer questions concerning each request.
3. 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.
4. All answers must be separately and fully stated in writing under oath.

5. Where a data request calls for an answer in more than one part, each part should be separated in the answer so that the answer is clearly understandable.

6. For purpose of these discovery requests, the following terms shall have meanings set forth below:

(a) As used herein, “document,” “documentation” and/or “record,” whether stated as the singular or the plural, means any course of binders, book, pamphlet, periodical, letter, correspondence, memoranda, including but not limited to, any memorandum or report of a meeting or telephone or other conversation, invoice, account, credit memo, debit memo, financial statement, general ledger, ledger, journal, work papers, account work papers, report, diary, telegram, record, contract, agreement, study, draft, telex, handwritten or other note, sketch, picture, photograph, plan, chart, paper, graph, index, tape, data processing card, data processing disc, data cells or sheet, check acceptance draft, e-mail, studies, analyses, contracts, estimates, summaries, statistical statements, analytical records, reports and/or summaries of investigations, opinions or reports of consultants, opinions or reports of accountants, trade letters, comparisons, brochures, pamphlets, circulars, bulletins, notices, forecasts, electronic communication, printouts, all other data compilations from which information can be obtained (translated if necessary by defendants into usable form), any preliminary versions, drafts or revisions of any of the foregoing, and/or any other written, recorded, transcribed, punched, taped, filmed or graphic matter, however produced or reproduced and regardless of origin or location, in the possession, custody and/or control of the defendant and/or their agents, accountants, employees, representatives and/or attorneys. “Document” and “record” also mean all copies of documents by whatever means made, if the copy bears any other markings or

notations not found on the original.

(b) The terms “relating to,” “referring to,” “referred to,” “pertaining to,” “pertained to” and “relates to” means referring to, reporting, embodying, establishing, evidencing, comprising, connected with, commenting on, responding to, showing, describing, analyzing, reflecting, presenting and/or constituting and/or in any way involving.

(c) The terms “and,” “or,” and “and/or” within the meaning of this document shall include each other and shall be both inclusive and disjunctive and shall be construed to require production of all documents, as above-described, in the broadest possible fashion and manner.

(d) The term “Attorney General” shall mean Attorney General of the Commonwealth of Kentucky, Office of Rate Intervention, and shall include, but is not limited to, each and every agent, employee, servant, insurer and/or attorney of the Attorney General. The term “you” shall be deemed to refer to the Attorney General.

(e) The term “Commission” shall mean the Kentucky Public Service Commission.

(f) The term “Duke Energy Kentucky” shall mean Duke Energy Kentucky, Inc., its employees, agents, officers, directors, and representatives.

(g) To “identify” shall mean:

(1) With respect to a document, to state its date, its author, its type (for example, letter, memorandum, chart, photograph, sound reproduction, etc.), its subject matter, its present location, and the name of its present custodian. The document may be produced in lieu of supplying the foregoing information. For each document which

contains information as privileged or otherwise excludable from discovery, there shall be included a statement as to the basis for such claim of privilege or other grounds for exclusion.

(2) With regard to a natural person, to state his or her full name, last known employer or business affiliation, title, and last known home address.

(3) With regard to a person other than a natural person, state the title of that person, any trade name, or corporate name or partnership name used by that person, and the principal business address of that person.

(h) To “produce” or to “identify and produce,” shall mean that the Attorney General shall produce each document or other requested tangible thing. For each tangible thing which the Attorney General contends are privileged or otherwise excludable from discovery, there shall be included a statement as to the basis for such claim of privilege or other grounds for exclusion.

(i) The terms “Party or Parties” shall mean any organization, person, corporation, entity, etc., which intervened in the above-captioned proceeding and shall further include the Kentucky Public Service Commission Staff.

(j) The term “EE” shall mean energy efficiency and the term “DSM” shall mean demand-side management.

II. REQUESTS FOR INFORMATION

1. Other than Mr. Alvarez, please identify any persons, including experts whom the Attorney General has consulted, retained, or is in the process of retaining with regard to evaluating the Company’s Application in this proceeding.

2. For each person identified in (prior) response to Data Request No. 1 above,

please state (1) the subject matter of the discussions/consultations/evaluations; (2) the written opinions of such persons regarding the Company's Application; (3) the facts to which each person relied upon; and (4) a summary of the person's qualifications to render such discussions/consultations/evaluations.

3. For each person identified in response to Data Request No. 1 above, please identify all proceedings in all jurisdictions in which the witnesses/persons have offered evidence, including but not limited to, pre-filed testimony, sworn statements, and live testimony. For each response, please provide the following:

(a) The jurisdiction in which the testimony or statement was pre-filed, offered, given, or admitted into the record;

(b) The administrative agency and/or court in which the testimony or statement was pre-filed, offered, admitted, or given;

(c) The date(s) the testimony or statement was pre-filed, offered, admitted, or given;

(d) The identifying number for the case or proceeding in which the testimony or statement was pre-filed, offered, admitted, or given; and,

(e) Whether the person was cross-examined.

4. Identify and provide all documents or other evidence that the Attorney General may seek to introduce as exhibits or for purposes of witness examination in the above-captioned matter.

5. Please provide copies of any and all presentations made by Mr. Alvarez within the last three years involving or relating to the following: 1) demand side management (DSM); 2) costs of participating in PJM, including capacity and energy

market evaluations; 3) peak-time rebate programs; and 4) time-of-use rates.

6. Please confirm that Mr. Alvarez is not offering any opinions regarding any of the other aspects of the Company's Application in these proceedings, besides the Peak Time Rebate (PTR) Program Pilot.

(a) If the response is in the negative, please state Mr. Alvarez's position.

7. Please confirm that, other than the opinions offered by Mr. Alvarez, the Attorney General is not taking a position on any of the other aspects of the Company's filing in these proceedings.

(a) If the response is in the negative, please explain the Attorney General's position.

8. Please identify all proceedings in all jurisdictions in which Paul Alvarez has offered evidence, including but not limited to, pre-filed testimony, sworn statements, and live testimony and analysis for the last three years. For each response, please provide the following:

(a) the jurisdiction in which the testimony, statement or analysis was pre-filed, offered, given, or admitted into the record;

(b) the dockets by name and number; and,

(c) whether a final commission decision order was issued and what date.

9. Please provide copies of any and all documents, analysis, summaries, white papers, work papers, spreadsheets (electronic versions with cells intact), including drafts thereof, as well as any underlying supporting materials created by Mr. Alvarez:

(a) as part of his evaluation of the Company's PTR-Pilot Program, and

(b) any other aspect of the Company's Application in the above-styled proceeding reviewed by Mr. Alvarez.

10. Please provide copies of any and all documents not created by Mr. Alvarez, including but not limited to, analysis, summaries, cases, reports, evaluations, *etc.*, that Mr. Alvarez relied upon, referred to, or used in the development of his testimony.

11. Please clarify if it is Mr. Alvarez's position that "universal PTR" (see pg. 35 of Mr. Alvarez's testimony) is the same things as "full PTR" (see pg. 36 of Mr. Alvarez's testimony). If the answer is in the negative, please provide Mr. Alvarez's definitions of both terms.

12. Please clarify if it is Mr. Alvarez's position that a PTR program should be part of the default rate/services for all Duke Energy Kentucky's residential and small commercial customers?

(a) Has Mr. Alvarez performed any analysis of how a default PTR rate design for residential and small commercial customers would impact any of the Company's other customer classes?

(b) If Mr. Alvarez's opinion is that the PTR should be an element of the default rate for all residential and small commercial customers, has Mr. Alvarez performed any analysis or study to determine what the impacts of such a default rate design would be to the customer rates that would also pay for such a credit?

13. Is Mr. Alvarez aware of any jurisdictions that have approved a default, mandatory, universal, full, or otherwise non-voluntary peak time rebate rate design for utility residential customers?

(a) If the response is in the affirmative, please provide all such jurisdictions, utilities names, dates of such regulatory order(s), case numbers where such designs were approved/ordered, and a copy of such an order.

14. Has Mr. Alvarez performed any study, besides that in Exhibit B to Alvarez testimony, to determine the costs of implementing a default PTR program for Duke Energy Kentucky's electric customers?

(a) If the response is in the affirmative, please provide such study.

15. Please state if Mr. Alvarez is aware of the Kentucky Public Service Commission (KYPSC) approving either: 1) a non-voluntary, full, universal, or default time of use rate for a utility's residential or small commercial customers; or 2) a non-voluntary, full, universal, or default peak time rebate for a utility's residential or small commercial customers.

(a) If the answer is in the affirmative to either of items 1 or 2 above, please provide the date, Case No. and a copy of the Order approving the rate design.

16. Is Mr. Alvarez aware if the KYPSC has either: 1) previously rejected a non-voluntary, universal, full, or default time of use rate or a peak time rebate as a default for residential customers; or 2) previously offered an opinion on establishing a non-voluntary, universal, full, or default time of use rate or a peak time rebate as a default for the residential customer class?

(a) If the answer is in the affirmative to either of items 1 or 2 above, please provide the date, Case No. and a copy of the Order approving the rate design.

17. On page 5 of his testimony, Mr. Alvarez acknowledges that the Peak Time Rebate program being proposed in this application was the result of a settlement with the

Attorney General in Case No. 2016-00152. Does Mr. Alvarez believe the stipulation and recommendation in Case No. 2016-00152 was negotiated in good faith? If not, explain the reason(s) for your response.

18. Please identify any specific sections of the stipulation and recommendation in Case No. 2016-00152 where the Company's proposed PTR pilot program deviates from the agreed pilot parameters?

19. Do the Kentucky Attorney General and/or Mr. Alvarez agree that the following excerpts from page 9 and 10 of the stipulation and recommendation in Case No. 2016-00152 confirm that customers must elect, voluntarily, to participate in the PTR Pilot program?

(a) Page 9: "The intent of the PTR Pilot will be to collect the information from **voluntary participants** (*emphasis added*) needed to properly evaluate the potential addition of a Peak Time Rebate program that could be made available to all eligible residential customers."

(b) Page 10: "The initial PTR Pilot shall be conducted for a two-year period and will be limited to the first one thousand (1,000) eligible residential customers **that enroll** (emp. added) in the program...."

(c) Page 10: "As part of the registration/application process for **interested residential customers** (emp added),"

20. Does the Kentucky Attorney General and/or Mr. Alvarez believe that over payment of load reduction incentives in a PTR program that is subject to DSM cost effectiveness testing such as those used for evaluating Duke Energy Kentucky's energy

efficiency and demand side management programs could lead to negative impacts on cost effectiveness scores for the program?

21. Please confirm whether any representative of the Kentucky Attorney General attended any of the Company's DSM Collaborative meetings during 2019 or 2020 or 2021?

22. Referring to Alvarez testimony page 9, lines 19 & 20 "a utility like DEK is unlikely to maximize the demand response and energy efficiency value of smart meters absent Commission Orders to do so." Please provide all supporting documents for this statement.

23. Regarding Alvarez's suggestion of an eventual default standard PTR program, please provide any and all cost benefit analyses performed to demonstrate the value associated with making this a standard rebate program for all Duke Energy Kentucky's residential customers.

24. Is the Kentucky Attorney General and/or Mr. Alvarez aware of a Kentucky DSM program that relied on secondary, out of state data inputs or a consultant's "financial projection" for cost-effectiveness analysis instead of relying on actual data from a recent 2-year pilot program run in the service area where the DSM program intends to be launched?

25. Does Mr. Alvarez agree that Duke Energy Kentucky has operated a PTR pilot for over 2 years?

26. Do the Kentucky Attorney General and/or Mr. Alvarez agree that Duke Energy Kentucky has met the enrollment target established by the EM&V vendor to obtain statistically significant results from the pilot?

27. Does Mr. Alvarez agree that Duke Energy Kentucky has met the enrollment target established by the EM&V vendor to obtain statistically significant results from the pilot?

28. Does Mr. Alvarez agree that Duke Energy Kentucky sent at least 1 email to all eligible customers who have shared an email address with the Company either in the original pilot group or the summer 2022 incentive test effort?

29. Does Mr. Alvarez agree that the total number of customers enrolled, divided by the total number of customers who received emails represents the percentage of customers who enrolled in one of the PTR pilot groups?

30. Does Mr. Alvarez agree that the EM&V report in the Company's Appendix E was performed by an independent, qualified vendor?

31. Have the Kentucky Attorney General and/or Mr. Alvarez performed a study in the Duke Energy Kentucky service area to determine the percentage of smart meter benefits related to EE and demand response?

(a) If yes, please provide all such studies and all supporting papers and calculations.

32. What circumstances would enable a full PTR program to fully maximize the EE and DR benefits of smart meters?

(a) Would personalized power-saving recommendations based on smart-meter data improve customers' ability to benefit from a full PTR program?

(b) Would a detailed report on their energy usage improve customers' ability to benefit from a full PTR program?

33. Referring to Alvarez testimony page 13, please define "belated."

34. Referring to Alvarez testimony page 13, lines 6-10, have the Kentucky Attorney General and/or Mr. Alvarez performed any study comparing the busy daily lives of Duke Energy Kentucky service area customers to Mr. Alvarez's daily life?

(a) If yes, please provide all such studies and any supporting papers and calculations.

35. Referring to Alvarez testimony, page 13, lines 6-8, is Mr. Alvarez suggesting that, after enrolling in a program that provides notifications via email, he would then ignore his email account despite knowing that this is a method of notification?

(a) Have the Kentucky Attorney General and/or Mr. Alvarez performed any study demonstrating that Duke Energy Kentucky customers would similarly ignore email notifications?

(b) If yes, please provide all such studies and any supporting papers and calculations.

36. Have the Kentucky Attorney General and/or Mr. Alvarez performed any study on the impacts of offering text participation during enrollment versus the Company's process of offering text participation immediately after enrollment? If yes, please provide all such studies and any supporting papers and calculations.

37. Do the Kentucky Attorney General and/or Mr. Alvarez disagree with the EM&V report statement that "[t]he results from the Duke Energy Peak Time Credit program were in line with the results seen in other programs."? Refer to Appendix E, page 75.

38. Referring to Alvarez testimony pages 14-15 and 26, are the Kentucky Attorney General and/or Mr. Alvarez aware that Ohio eliminated all energy efficiency and demand response programs?

(a) If yes, is Mr. Alvarez suggesting that Duke Energy Kentucky should pay for and accept the costs and benefits of promoting PTR in Duke Energy Ohio territory?

39. Referring to Alvarez testimony, page 15, lines 4-12, does Mr. Alvarez believe that co-promotion can increase the impacts of co-promoted EE and DR programs?

(a) If yes, is Mr. Alvarez aware that the Duke Energy Kentucky MyHER program was previously an opt-out program and that the Company was ordered to make it an opt-in program?

40. Referring to Alvarez testimony, page 15, lines 5-7, does Mr. Alvarez and/or the Kentucky Attorney General have any evidence that combining PTR with Power Manager will improve the impacts and the cost effectiveness of that program?

(a) If yes, please provide such evidence.

41. Does Mr. Alvarez agree that in economic terms, sending price signals to customers based on the cost of providing energy at the time it is consumed, is economically efficient and a driver of technology and innovation during high cost periods?

42. Referring to Alvarez testimony, from page 16 line 19 to page 17, line 10, is it the AG's position that customer technology adoption such as solar rooftop and smart thermostats do not provide any benefit to customers and would not benefit from a TOU rate?

43. Referring to Alvarez testimony, page 17, lines 16 to page 18, line 4, does the Kentucky Attorney General and/or Mr. Alvarez have any studies, analysis, or other evidence to support the assertions made regarding low-income customers?

(a) If yes, please provide all such studies, analysis, or evidence.

44. Referring to Alvarez testimony on page 32, lines 2-10, have the Kentucky Attorney General and/or Mr. Alvarez performed or obtained any studies or analysis quantifying PJM price decreases resulting from PTR program participation in Kentucky?

(a) If yes, please provide all such studies or analysis.

45. Referring to Alvarez testimony on page 32, lines 2-10, does Mr. Alvarez also believe that PJM prices increase when a customer increases demand for electricity during peak times?

(a) If yes, does Mr. Alvarez believe the customers should be required to bear the costs of such an increase?

46. Does Mr. Alvarez believe that PJM price decreases attributable to PTR program participants decreased peak demand will be sufficient to make the PTR program cost-effective?

(a) If yes, please provide any analysis or study performed to support this assertion.

47. Referring to Alvarez testimony, page 29, lines 3 to 7, does Mr. Alvarez believe that a 20% participation rate is a better estimate than Duke Energy Kentucky specific results from contacting all eligible customers requesting participation?

48. Referring to Alvarez testimony, page 29, lines 3 to 7, Mr. Alvarez states that his 20% participation rate assumption is “based on experience from other PTR

programs.” Please provide a list of all such PTR programs, and any reports or analysis from such programs.

49. Does Mr. Alvarez include any free ridership assumption in his cost-benefit analysis in Appendix B to his testimony? If not, why?

50. Does Mr. Alvarez’s analysis in Appendix B include diminishing load impacts over a 5 year period?

51. Referring to Alvarez testimony, page 29, lines 3 to 7, please provide the load impact estimates per participant per hour for all other programs over the last 5 years that the Mr. Alvarez uses as comparison to Duke Energy Kentucky participants? Provide the information separately identifying each program.

52. Referring to Alvarez testimony, page 29, lines 3 to 7, Mr. Alvarez states that his 20% participation rate assumption is “based on experience from other PTR programs.” Does the Mr. Alvarez believe that the Duke Energy Kentucky service area customers areas are identical in their behavior to customers in other jurisdictions?

53. Referring to Alvarez testimony, page 23, line 19 to page 24, line 3, what was the range of conservation impacts in the 24 studies of TOU rates reviewed by Mr. Alvarez?

(a) Please provide all 24 studies reviewed and any supporting papers or calculations.

54. Referring to Mr. Alvarez’s analysis in Exhibit B, does Mr. Alvarez assume that the average usage of incremental participants will be the same as the current program participants?

(a) If so, why?

55. Referring to Alvarez testimony pages 14-15 and 26, does Mr. Alvarez and/or the Kentucky Attorney General believe that this proceeding has relevance to and is binding with regard to Duke Energy Ohio's service area?

56. Does Mr. Alvarez believe that the elevated LMP prices related to the current energy environment will endure over the next 5 years?

57. Referring to Alvarez testimony, page 31, lines 1-2, please provide all natural gas price forecasts on which Mr. Alvarez relies for his statement that natural gas prices will grow.

Respectfully submitted,

/s/Larisa Vaysman

Larisa Vaysman (98944)

Senior Counsel

Duke Energy Business Services LLC

139 East Fourth Street, 1303-Main

Cincinnati, Ohio 45202

(513) 287-4010

(513) 370-5720 (f)

Larisa.Vaysman@duke-energy.com

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 in paper medium; that the electronic filing was transmitted to the Commission on November 23, 2022; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that submitting the original filing to the Commission in paper medium is no longer required as it has been granted a permanent deviation.¹

John G. Horne, II
The Office of the Attorney General
Utility Intervention and Rate Division
700 Capital Avenue, Ste 118
Frankfort, Kentucky 40601
John.Horne@ky.gov

/s/Larisa M. Vaysman

Larisa M. Vaysman

¹*In the Matter of Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, Order, Case No. 2020-00085 (Ky. P.S.C. July 22, 2021).