

**KyPSC Case No. 2022-00372**  
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VERIFICATION

STATE OF NORTH CAROLINA )  
 ) SS:  
COUNTY OF MECKLENBURG )

The undersigned, Huyen C. Dang, Director of Accounting, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing rehearing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

*[Handwritten Signature]*  
\_\_\_\_\_  
Huyen C. Dang Affiant

Subscribed and sworn to before me by Huyen C. Dang on this 6 day of Dec.,  
2023.

*Virginia M. Adams*  
\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: 10/2/26

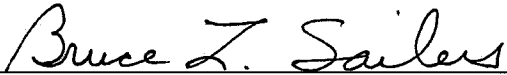





**VERIFICATION**

STATE OF OHIO                    )  
  )  
COUNTY OF HAMILTON        )        **SS:**

The undersigned, Bruce Sailers, Director Jurisdictional Rate Administration, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing rehearing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
Bruce Sailers Affiant

Subscribed and sworn to before me by Bruce Sailers on this 6<sup>th</sup> day of December, 2023.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: July 8, 2027



EMILIE SUNDERMAN  
Notary Public  
State of Ohio  
My Comm. Expires  
July 8, 2027

**Duke Energy Kentucky**  
**Case No. 2022-00372**  
**STAFF First Set Rehearing Data Requests**  
**Date Received: December 5, 2023**

**STAFF-RHDR-01-001**

**REQUEST:**

Refer to the Petition for Rehearing, page 8, in which Duke Kentucky states that in order to offer Rate RS-TOU-CPP without the waiver from 807 KAR 5:006, Section 7(1)(a)(3), the billing system will need to undergo significant redesign and reprogramming.

a. Given that Duke Kentucky's billing system should already have the ability to include the beginning and ending meter readings on customer bills, explain why it is not already possible to display the beginning and ending meter readings along with the usage during the relevant billing periods on bills of customers served under Rate RS-TOU-CPP.

b. Provide a detailed explanation of the redesign and reprogramming that must occur in order to be able to include the beginning and ending meter readings on bills of customers served under Rate RS-TOU-CPP.

**RESPONSE:**

a. Currently, Duke Energy Kentucky's billing system includes beginning and end meter readings on customer bills on scalar billed rates (e.g., Rate RS).

It is a common industry practice, one which all Duke Energy utilities employ (as shown below), to not display starting and end meter reads for TOU rates. For interval billed rates, like Rate RS-TOU-CPP, there are not tangible benefits to participating customers to have start/end meter read data. The data is not needed and thus not captured

to be utilized in the billing calculation. Billing is calculated based on usage during designated time periods and not on the difference between the start and ending meter read.

Below is an image that shows the meter data captured and used for billing. There is no beginning read and end read. Captured is the usage within the time period. The SAP billing system takes that data and calculates the amount of consumption for each TOU billing period.

	A	B	C	D	E	F
1	12/06/23 Dynamic List Display					1
2						
3						
4		Day	Int. time	Value	Status	
5						
6		11/2/2023	0:00:00	0.958	IU012	
7		11/2/2023	0:30:00	1.401	IU012	
8		11/2/2023	1:00:00	2.401	IU012	
9		11/2/2023	1:30:00	1.598	IU012	
10		11/2/2023	2:00:00	1.596	IU012	
11		11/2/2023	2:30:00	2.522	IU012	
12		11/2/2023	3:00:00	1.827	IU012	
13		11/2/2023	3:30:00	1.463	IU012	
1442		12/1/2023	21:00:00	0.7	IU012	
1443		12/1/2023	21:30:00	0.342	IU012	
1444		12/1/2023	22:00:00	0.676	IU012	
1445		12/1/2023	22:30:00	0.349	IU012	
1446		12/1/2023	23:00:00	1.023	IU012	
1447		12/1/2023	23:30:00	0.667	IU012	
1448				1580.919		

Additionally, on the following page is an image of a TOU rate from Duke Energy’s affiliate in South Carolina. The customer is provided ample meter read data on their monthly bill to understand how their bill is calculated, which includes total kWh and on- and off- peak usage.

**Your usage snapshot - Continued**

<b>Current Electric Usage</b>		
<b>Meter Number</b>	<b>Usage Type</b>	<b>Billing Period</b>
██████████	Actual	Oct 3 - Nov 1
<b>Usage Values</b>		
Billed kWh		393.454 kWh
Billed kWh On Peak		10.668 kWh
Billed kWh On-Peak Non-Sum		10.668 kWh
Billed kWh Off-Peak Non-Sum		225.182 kWh
Billed kWh Off Peak		225.182 kWh
kWh Discount Pk		157.604 kWh
kWh Discount Pk Non-Sum		157.604 kWh
Billed kWh Discount Pk		157.604 kWh
Billed kWh Discount Pk Win		157.604 kWh

**Billing details - Electric**

<b>Billing Period - Oct 03 23 to Nov 01 23</b>	
<b>Meter - ██████████</b>	
Basic Customer Charge	\$14.63
Energy Charge On-Peak	
10.668 kWh @ \$0.31063000	3.31
Energy Charge Discount Peak	
157.604 kWh @ \$0.08973000	14.14
Energy Charge Off-Peak	
225.182 kWh @ \$0.12853000	28.94
Fixed Monthly Rider 39	1.00
Summary of Rider Adjustments	2.53
<b>Total Current Charges</b>	<b>\$64.55</b>

b. The integration between the meter data management (MDM) system and billing system (SAP) is designed to either send readings or interval data for billing, but not both. This is based on the billing system design to only use one for billing purposes. Modifying both systems and integration layers to accommodate this new requirement would require significant system changes and testing.

The reprogramming and redesign would include:

- Over \$1,000,000 of costs not accounted for in current rates
- Technical project team spending 12-18 months to scope, design, test, and implement. Impacted areas include:
  - o Changes to rate configuration
  - o Changes to standard billing presentation
  - o Changes to the MDM to send both readings and interval data



- Changes to billing system to request readings for an account that is setup to bill on intervals
- The project team would require pulling employees performing daily operational duties from typical jobs to provide subject matter expertise to the technical teams.

**PERSON RESPONSIBLE:**      Jacob C. Colley

**Duke Energy Kentucky**  
**Case No. 2022-00372**  
**STAFF First Set Rehearing Data Requests**  
**Date Received: December 5, 2023**

**STAFF-RHDR-01-002**

**REQUEST:**

Refer to the Petition for Rehearing, page 9, in which Duke Kentucky cites to the Direct Testimony of Bruce L. Sailors, page 18, where Mr. Sailors stated that customer bills will continue to provide information regarding usage that occurred during relevant billing periods and that customers will still be able to access the beginning and ending meter reading information via Duke Kentucky's website.

a. Provide a sample bill showing how usage information will be displayed if the Commission were to approve the requested waiver from 807 KAR 5:006, Section 7(1)(a)(3) for customers served under Tariff RS-TOU-CPP.

b. Provide screenshots of Duke Kentucky's website showing how the beginning and ending meter reading information will be displayed on the website for customers served under Tariff RS-TOU-CPP.

**RESPONSE:**

a. The Direct Testimony of Mr. Sailors discusses beginning and ending meter read dates as well as the detailed, metered, interval usage information available to customers on the Company's website. The testimony intends to state that customers will continue to see their metered, interval usage information on the website after enrolling in Rate RS-TOU-CPP. This provides the customer with detail information on how they use energy throughout the month. The customer also receives the time-of-use period summarized monthly usage information on their bill. However, the Company confirms that

meter reads, beginning and ending, for customers on Rate RS-TOU-CPP are not available on the Company's website or on the Company's bills. A sample bill for Rate RS-TOU-CPP from the Company's testing system is provided as STAFF-RHDR-01-002(a) Attachment.

b. The beginning and ending meter reads are not available on the Company's website for customers served under Rate RS-TOU-CPP. For customers not billed through interval data, the meter reads are available on the customer's printed bill and the customer's bill images online. For additional information, see the Company's response to 2(a) above.

**PERSON RESPONSIBLE:** Jacob C. Colley



QA Test  
 Do not print

Your Energy Bill

Service address

Test User  
 123 Tester Trail  
 LATONIA KY 41015

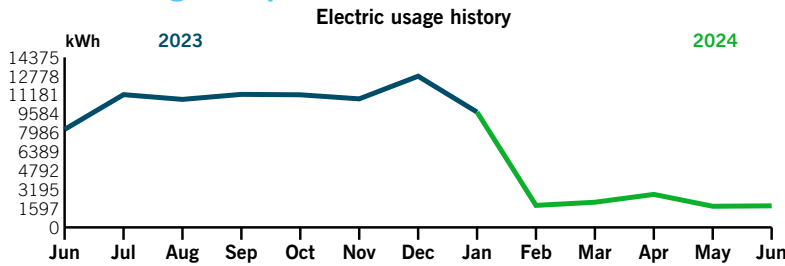
Bill date Oct 13, 2023  
 For service May 22 - Jun 19  
 29 days

Account number XXXX XXXX XXXX

Billing summary

Previous Amount Due	\$7,579.42
Payment Received	0.00
Current Electric Charges	247.91
Taxes	22.76
<b>Total Amount Due Nov 03</b>	<b>\$7,850.09</b>

Your usage snapshot



Average temperature in degrees

70° 76° 75° 74° 0° 0° 0° 0° 0° 0° 0° 0°

	Current Month	Jun 2023	12-Month Usage	Avg Monthly Usage
Electric (kWh)	1,821	8,282	88,255	7,355
12-month usage based on most recent history				

Mail your payment at least 7 days before the due date or pay instantly at duke-energy.com/billing. Late payments are subject to a 2.3% late charge.

Please return this portion with your payment. Thank you for your business.



Duke Energy Return Mail  
 PO Box 1090  
 Charlotte, NC 28201-1090

Account number  
 XXXX XXXX XXXX

Amount due

**\$7,850.09**  
 by Nov 3

After Nov 3, the amount due will increase to \$7,856.32.

\$ \_\_\_\_\_ \$ \_\_\_\_\_  
 Add here, to help others with a contribution to Share the Light **Amount enclosed**

Test User  
 123 Tester Trail  
 LATONIA KY 41015-4408

Duke Energy Payment Processing  
 PO Box 1094  
 Charlotte, NC 28201-1094

8800000000000000000000330000757942000002706700007850091



## We're here for you

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### Report an emergency

Electric/Gas outage		duke-energy.com/outages
	Electric	800.543.5599
	Gas	800.634.4300

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### Convenient ways to pay your bill

Online	duke-energy.com/billing
Automatically from your bank account	duke-energy.com/autodraft
Speedpay (fee applies)	duke-energy.com/pay-now 800.544.6900
By mail payable to Duke Energy	P.O. Box 1094 Charlotte, NC 28201-1094
In person	duke-energy.com/location

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### Help managing your account (not applicable for all customers)

Register for free paperless billing	duke-energy.com/paperless
Home	duke-energy.com/manage-home
Business	duke-energy.com/manage-bus

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### Correspond with Duke Energy (not for payment)

P.O. Box 1326  
Charlotte, NC 28201

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### General questions or concerns

Online	duke-energy.com
Home: Mon - Fri (7 a.m. to 7 p.m.)	800.544.6900
Business: Mon - Fri (7 a.m. to 6 p.m.)	800.774.1202
For hearing impaired TDD/TTY	711
International	1.407.629.1010

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### Request the condensed or detailed bill format

Call (7a.m. to 7 p.m.)	800.544.6900
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### Important to know

#### Your next meter reading: Nov 10

Please be sure we can safely access your meter for actual readings. Don't worry if your digital meter flashes eights from time to time. That's a normal part of the energy measuring process.

#### Your service(s) may be disconnected if your payment is past due

If payment for your service(s) is past due, we may begin disconnection procedures. If your service is disconnected because of a missed payment, you must pay the amount specified in the **Important Disconnect Information** section on your bill, as well as, a reconnection fee, before your service will be reconnected. The reconnection fee is \$5.88 for electric service that may be reconnected remotely, \$60 for electric service that is not eligible to be reconnected remotely, \$125 for electric service that was disconnected at the pole and \$90 for gas service. There is an additional fee of \$40 to reconnect electric service after normal business hours if not eligible to be reconnected remotely. A security deposit may also be required.

#### Electric service does not depend on payment for other products or services

Non-payment for non-regulated products or services (such as surge protection or equipment service contracts) may result in removal from the program but will not result in disconnection of electric service.

#### When you pay by check

We may process the payment as a regular check or convert it into a one-time electronic check payment.

#### Para nuestros clientes que hablan Español

Representantes bilingües están disponibles para asistirle de lunes a viernes de 7 a.m. - 7 p.m. Para obtener más información o reportar problemas con su servicio eléctrico, favor de llamar al 800.544.6900.



## Your usage snapshot - Continued

<b>Current Electric Usage</b>		
<u>Meter Number</u>	<u>Usage Type</u>	<u>Billing Period</u>
xxxxxxx	Actual	May 22 - Jun 19
<u>Usage Values</u>		
Actual kWh		1,820.736 kWh
Actual kWh On Pk		313.920 kWh
Actual kWh On Pk Sum		313.920 kWh
Actual kWh Off Pk		1,127.496 kWh
Actual kWh Off Pk Sum		1,127.496 kWh
Actual kWh Discount		379.320 kWh
Actual kWh Disc Sum		379.320 kWh
Billed kWh		1,820.736 kWh
Billed kWh On Pk		313.920 kWh
Billed kWh On Pk Sum		313.920 kWh
Billed kWh Off Pk		1,127.496 kWh
Billed kWh Off Pk Sum		1,127.496 kWh
Billed kWh Discount		379.320 kWh
Billed kWh Disc Sum		379.320 kWh

## Billing details - Electric

<b>Billing Period - May 22 24 to Jun 19 24</b>	
<b>Meter - xxxxxx</b>	
Customer Charge	\$13.00
Energy Charge On-Peak Sum	
313.920 kWh @ \$0.14912600	46.81
Energy Charge Off-Peak Sum	
1,127.496 kWh @ \$0.09941700	112.09
Home Energy Assistance Prgm	0.30
Energy Charge Sum Disc Pk	
379.320 kWh @ \$0.07953400	30.17
Demand Side Management Cost Recovery Program Rider (DSM)	
1,820.736 kWh @ \$0.00349700	6.37
Off-System Sales Profit Sharing Mechanism Rider (PSM)	
1,820.736 kWh @ \$0.00259600	4.73
Electric Fuel Adjustment	
1,820.736 kWh @ \$0.00909100	16.55
Environmental Surcharge Mechanism Rider (ESM)	17.89
<b>Total Current Charges</b>	<b>\$247.91</b>

## Billing details - Taxes

Franchise Fee	\$7.44
Kentucky Sales Tax	15.32



Page 4 of 4  
Account number xxxx xxxx xxxx

### Billing details - Taxes continued

Total Taxes	\$22.76
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**Duke Energy Kentucky**  
**Case No. 2022-00372**  
**STAFF First Set Rehearing Data Requests**  
**Date Received: December 5, 2023**

**STAFF-RHDR-01-003**

**REQUEST:**

Refer to the Petition for Rehearing, page 20.

a. Provide the calculation of Duke Kentucky's proposed revenue requirement increase of \$0.141 million in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.

b. Provide the test-year depreciation expense related to decommissioning costs for solar energy generation facilities. Provide all supporting calculations and documentation in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.

c. Provide the rate base impact, including accumulated depreciation and accumulated deferred income taxes, of increasing depreciation rates to include decommissioning costs for solar energy generation facilities. Provide all supporting calculations and documentation in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.

**RESPONSE:**

a. Please see STAFF-RHDR-01-003 Attachment, Tab 1 – SCH B-3.2 for the calculation of the proposed revenue requirement increase of \$0.141 million.

b. Please see STAFF-RHDR-01-003 Attachment, Tab 1 – SCH B-3.2 for the test-year depreciation expense related to the decommissioning costs.



c. Please see STAFF-RHDR-01-003 Attachment, Tab 1 – SCH B-3.2 for the rate base impact of the increase of depreciation expense due to including decommissioning costs for the solar generation facilities.

**PERSON RESPONSIBLE:** Huyen C. Dang  
Lisa D. Steinkuhl

DUKE ENERGY KENTUCKY, INC.  
 CASE NO. 2022-00372  
 DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND  
 JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,  
 FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP  
 THIRTEEN MONTH AVERAGE AS OF JUNE 30, 2024

SCHEDULE B-3.2

Line No.	FERC Acct. No.	Company Acct. No.	Account Title or Major Property Grouping	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate		Calculated Depr/Amort Expense (G=DxF)	% Net Salvage	Average Service Life	Curve Form	
				Plant Investment	Accumulated Balance							
(A)	(B-1)	(B-2)	(C)	(D)	(E)	(F)		(G=DxF)	(H)	(I)	(J)	
<b>Including Terminal Net Salvage</b>												
1	344	3446	Solar Generators	15,778,050	2,785,944	5.17%	(1)	815,725	-20.00%	(1)	25	S2.5
2	345	3456	Solar Accessory Electric Equipment	1,729,695	358,981	5.46%	(1)	94,441	-20.00%	(1)	25	S2.5
3								<u>910,166</u>				
<b>Excluding Terminal Net Salvage</b>												
5	344	3446	Solar Generators	15,778,050	2,785,944	4.35%	(2)	686,345	-4.00%	(2)	25	S2.5
6	345	3456	Solar Accessory Electric Equipment	1,729,695	358,981	4.64%	(2)	80,258	-4.00%	(2)	25	S2.5
7								<u>766,603</u>				
6	(1) Per Application filed by Duke Energy Kentucky on December 1, 2022											
7	Volume 15, John Spanos Direct Testimony, Attachment JS-1, page 52 of 382											
8												
9	(2) Per Excel Schedule filed by the Office of the Attorney General on March 10, 2023											
10	Duke_Energy_KY_Rev_Req-AG Recommendations.xlsx, tab Adj #2 Study-No TNS											
11												
12												
13												
14												
15												
16			Increase in Depreciation Expense due to including Terminal Net Salvage for Solar Assets					<u>143,563</u>				(Column G Line 3 - Column G Line 7)
17			Adjustment to Depreciation Expense with Expense Gross Up for KPSC Maint Fees		1.00168			<u>143,804</u>				(Column G Line 16 * Column E Line 18)
18			(1.00168 from Tab 3 - Sch H)									
19												
20												
21			Change to A/D		(143,563)		50%	(71,782)				(Column D Line 21 * Column E Line 21)
22			Change to ADIT		143,563			35,783				(Column D Line 22 * Column F Line 22)
23												
24			Change in Rate Base					(35,998)				(Column G Line 21 + Column G Line 22)
25			Grossed Up Cost of Capital (Tab 2 - Sch J1 Per Order)					8.895%				
26												
27			Return on Changes to Rate Base					(3,202)				(Column G Line 24 * Column G Line 25)
28												
29			Increase in Revenue Requirement					<u>140,602</u>				(Column G Line 18 + Column G Line 27)

DUKE ENERGY KENTUCKY, INC.  
 CASE NO. 2022-00372  
 COST OF CAPITAL SUMMARY  
 THIRTEEN MONTH AVERAGE BALANCE ENDING JUNE 30, 2024

SCHEDULE J-1 per Order  
 PAGE 1 OF 1

LINE NO.	CLASS OF CAPITAL	REFERENCE	13 MONTH AVG. BALANCE	% OF TOTAL	COST %	WEIGHTED COST %	PRETAX WEIGHTED COST %
1	Common Equity		\$ 951,750,195 (1)	52.145%	9.750% (2)	5.084%	6.783%
2	Long-Term Debt	J-3	804,442,968 (1)	44.075%	4.377%	1.929%	1.932%
3	Short-Term Debt	J-2	<u>68,990,481 (1)</u>	<u>3.780%</u>	4.739%	<u>0.179%</u>	<u>0.179%</u>
4							
5	Total Capital		\$ <u>1,825,183,644</u>	<u>100.000%</u>		<u>7.192%</u>	<u>8.895%</u>
6							
7							
8	Accumulated Deferred Investment Tax Credit						
9	Account 255	WPB-6	\$ <u>3,239,205</u>				
10							
11							
12	<u>Investment Tax Credit Included in Total Capital</u>						
13							
14	Common Equity		\$ 953,439,278	52.145%	9.750%	5.084%	
15	Long-Term Debt		805,870,648	44.075%	4.377%	1.929%	
16	Short-Term Debt		<u>69,112,923</u>	<u>3.780%</u>	4.739%	<u>0.179%</u>	
17							
18	Total Capital Including Investment Tax Credit		\$ <u>1,828,422,849</u>	<u>100.000%</u>		<u>7.192%</u>	

(1) Per October 12, 2023 Commission Order page 33

(2) Per October 12, 2023 Commission Order page 41

DUKE ENERGY KENTUCKY, INC.  
 CASE NO. 2022-00372  
 COMPUTATION OF GROSS REVENUE CONVERSION FACTOR  
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2024

SCHEDULE H  
 PAGE 1 OF 1

LINE NO.	DESCRIPTION		PERCENT OF INCREMENTAL GROSS REVENUE	INCOME TAX ONLY
1	Operating Revenues		100.0000%	100.0000%
2				
3				
4	Less: Uncollectible Accounts Expenses	0.0182%		
5	Kpsc Maintenance Tax	0.1493%		
6	Subtotal		<u>0.1675%</u>	<u>0.0000%</u>
7				
8	Income before Income Tax (Line 1 - Line 6)		99.8325%	100.0000%
9				
10	Income Taxes - State of Kentucky			
11	(5.00% * 99.8325% * 99.37%)		<u>4.9602%</u>	<u>4.9685%</u>
12				
13	Income before Federal Income Tax (Line 8 - Line 11)		94.8723%	95.0315%
14				
15	Federal Income Tax (21% x 94.8723%)		<u>19.9232%</u>	<u>19.9566%</u>
16				
17	Operating Income Percentage (Line 13 - Line 15)		<u>74.949130%</u>	<u>75.074880%</u>
18				
19	Gross Revenue Conversion Factor (100% / 74.9491%)		<u>1.3342383</u>	<u>1.3320035</u>

Expense Factor Excluding Tax	1.0016778
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Duke Energy Kentucky, Inc.  
 Electric Rate Case Expense - Outside Legal Counsel  
 Case No. 2022-00372  
 Account 0186107

Document/ Journal Entry No.	Invoice Date	Payment Date	Vendor Name / Description	Invoice Time Period	Work Performed	Hours Worked	Rate Per Hour	Legal
<b>Total Actual Legal Costs as of filing of STAFF-DR-01-014 5th Supplemental on June 2, 2023. Taft legal expenses billed through 4/30/2023 for services rendered through 3/31/2023.</b>								<u>27,891.93</u>
<b>June 2023</b>								
APACR57788	25-May-23	23-Jun-23	Taft Stettinius & Hollister LLP   Professional Legal Services	04/02/2023 - 04/30/2023	Discovery, Rebuttal and Prehearing work	33.00	\$ 265.00	8,745.00
APACR57788	25-May-23	23-Jun-23	Taft Stettinius & Hollister LLP   Professional Legal Services	04/02/2023 - 04/30/2023	Discovery, Rebuttal and Prehearing work	20.20	\$ 452.00	9,130.40
APACR57788	25-May-23	23-Jun-23	Taft Stettinius & Hollister LLP   Professional Legal Services	04/02/2023 - 04/30/2023	Discovery, Rebuttal and Prehearing work	22.60	\$ 392.00	8,859.20
APACR67084	22-Jun-23	21-Jul-23	Taft Stettinius & Hollister LLP   Professional Legal Services	05/01/2023 - 05/31/2023	Pre-hearing, Hearing, and Post-hearing Brief	104.40	\$ 265.00	27,666.00
APACR67084	22-Jun-23	21-Jul-23	Taft Stettinius & Hollister LLP   Professional Legal Services	05/01/2023 - 05/31/2023	Pre-hearing, Hearing, and Post-hearing Brief	69.90	\$ 452.00	31,594.80
APACR67084	22-Jun-23	21-Jul-23	Taft Stettinius & Hollister LLP   Professional Legal Services	05/01/2023 - 05/31/2023	Pre-hearing, Hearing, and Post-hearing Brief	84.00	\$ 392.00	32,928.00
APACR67084	22-Jun-23	21-Jul-23	Taft Stettinius & Hollister LLP   Professional Legal Services	05/01/2023 - 05/31/2023	Rate case hearing travel, meals, and printing	N/A	N/A	6,134.12
<b>Total June 2023</b>								<u>125,057.52</u>
<b>Total Actual Costs to Date</b>								<u>152,949.45</u>
<b>August 2023</b>								
APACR84098	28-Jul-23	8-Aug-23	Taft Stettinius & Hollister LLP   Professional Legal Services	06/01/2023 - 06/30/2023	Prepare Post-hearing Brief, review Intervenor Briefs, and prepare Reply Brief	27.60	\$ 265.00	7,314.00
APACR84098	28-Jul-23	8-Aug-23	Taft Stettinius & Hollister LLP   Professional Legal Services	06/01/2023 - 06/30/2023	Prepare Post-hearing Brief, review Intervenor Briefs, and prepare Reply Brief	8.30	\$ 452.00	3,751.60
APACR84098	28-Jul-23	8-Aug-23	Taft Stettinius & Hollister LLP   Professional Legal Services	06/01/2023 - 06/30/2023	Prepare Post-hearing Brief, review Intervenor Briefs, and prepare Reply Brief	15.50	\$ 392.00	6,076.00
APACR84098	28-Jul-23	8-Aug-23	Taft Stettinius & Hollister LLP   Professional Legal Services	06/01/2023 - 06/30/2023	Fee discount per agreement	N/A	N/A	(514.25)
<b>Total August 2023</b>								<u>16,627.35</u>
<b>Total Actual Costs to Date</b>								<u>169,576.80</u>
<b>November 2023</b>								
APACR23220	7-Nov-23	9-Nov-23	Taft Stettinius & Hollister LLP   Professional Legal Services	10/11/2023 - 10/31/2023	Review Order, prepare Rehearing Petition	24.10	\$ 260.30	6,273.23
APACR23220	7-Nov-23	9-Nov-23	Taft Stettinius & Hollister LLP   Professional Legal Services	10/11/2023 - 10/31/2023	Review Order, prepare Rehearing Petition	4.40	\$ 460.27	2,025.18
APACR23220	7-Nov-23	9-Nov-23	Taft Stettinius & Hollister LLP   Professional Legal Services	10/11/2023 - 10/31/2023	Review Order, prepare Rehearing Petition	2.20	\$ 406.12	893.46
APACR23220	7-Nov-23	9-Nov-23	Taft Stettinius & Hollister LLP   Professional Legal Services	10/11/2023 - 10/31/2023	Fee discount per agreement	N/A	N/A	(967.57)
<b>Total November 2023</b>								<u>8,224.30</u>
<b>Total Actual Costs to Date</b>								<u>177,801.11</u>
<b>December 2023</b>								
APACR34612	4-Dec-23	7-Dec-23	Taft Stettinius & Hollister LLP   Professional Legal Services	11/01/2023 - 12/01/2023	Prepare Rehearing Petition and Support of the Petition for Rehearing	23.90	\$ 277.40	6,629.86
APACR34612	4-Dec-23	7-Dec-23	Taft Stettinius & Hollister LLP   Professional Legal Services	11/01/2023 - 12/01/2023	Prepare Rehearing Petition and Support of the Petition for Rehearing	6.40	\$ 510.00	3,264.00
APACR34612	4-Dec-23	7-Dec-23	Taft Stettinius & Hollister LLP   Professional Legal Services	11/01/2023 - 12/01/2023	Prepare Rehearing Petition and Support of the Petition for Rehearing	2.50	\$ 450.00	1,125.00
APACR34612	4-Dec-23	7-Dec-23	Taft Stettinius & Hollister LLP   Professional Legal Services	11/01/2023 - 12/01/2023	Fee discount per agreement	N/A	N/A	(1,101.89)
<b>Total December 2023</b>								<u>9,916.97</u>
<b>Total Actual Costs to Date</b>								<u>187,718.08</u>

**Duke Energy Kentucky**  
**Case No. 2022-00372**  
**STAFF First Set Rehearing Data Requests**  
**Date Received: December 5, 2023**

**STAFF-RHDR-01-005**

**REQUEST:**

Refer to the Petition for Rehearing, pages 2-3, in which Duke Kentucky states that the rates prescribed in Appendix B of the Commission's October 12, 2023 final Order may have included the roll in the of Environmental Surcharge Mechanism Rider (ESM Rider). Provide the responses in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

a. Provide an updated version of Schedule M using the revenue requirement total ordered by the Commission in its October 12, 2023 final Order without the roll in of the ESM Rider, including the Duke Kentucky's proposed rates using the approved revenue requirement.

b. Provide a version of Schedule M using the revenue requirement total as adjusted using the terms of the rehearing as being petition by Duke Kentucky without the roll in of the ESM Rider, including the Duke Kentucky's proposed rates using the approved revenue requirement.

**RESPONSE:**

a. In the Commission's October 12, 2023 Order, approved rates are provided in Appendix B. The approved revenue requirement increase in Appendix A of the Order is \$47,498,000. Please see STAFF-RHDR-01-005(a) Attachment which is a revised Schedule M with the Appendix B rates directly entered into the appropriate cells of Schedule M that

are used to calculate proposed revenues. As shown on Schedule M in the Total Revenue row, the Appendix B rates produce revenues of \$475,769,147.

The current and proposed revenues do not include any adjustment for the “roll in” of dollars (\$) from Rider ESM. Note in this case, proposed revenues are the revenues generated from the Commission’s approved rates in Appendix B. To keep Rider ESM dollars consistent between current revenues and proposed revenues since the ESM Rider is a percentage design, different Rider ESM percentages must be calculated for use with current and proposed revenues. Appropriate percentages maintain the Rider ESM collection of \$21,165,856 under both the current and proposed revenue columns. Current revenues equal \$421,477,696. Therefore, the increase represented by the approved rates in Appendix B is equal to Proposed revenues less Current revenues = \$54,291,451. This value is higher than the Commission’s approved increase of \$47,498,000. The Company provides alternative rates to adjust for this discrepancy in the attachment to item (b) below.

b. In the October 12, 2023 Order, the revenue requirement approved by the Commission for each rate class is not specifically displayed. However, the Commission ordered rates in Appendix B result in revenues by rate class in Schedule M. Therefore, the Company uses the distribution of revenues from the attachment in item (a) above, STAFF-RHDR-01-005(a) Attachment, to allocate the approved revenue requirement increase for use in this response. The specific rate class revenue requirements are calculated in STAFF-RHDR-01-005(b) Attachment 1 and adjusted slightly for Rate DT on the Revenue Requirements tab of STAFF-RHDR-01-005(b) Attachment 2. To assist in review of STAFF-RHDR-01-005(b) Attachment 2, Schedule M, the Company provides the following information.



- First, the Commission's ordered Appendix B rates approve several of the Company's proposed rates from the application. These rates include revenue producing rates for Rate RTP and Rate LED.
  - For Rate LED, see the Company's response to STAFF-RHDR-01-006 for details.
  - Rates RTP and GSS charges are adjusted consistent with the overall change in the associated base rate revenues in the RTP Worksheet tab of STAFF-RHDR-01-005(b) Attachment 2.
- Second, the adjustments the Commission's Order makes to Other Revenues are not changed from STAFF-RHDR-01-005(a) Attachment.
- Finally, Rate RS-TOU-CPP rates are adjusted appropriately to remain revenue neutral with the revised Rate RS revenue requirement. See STAFF-RHDR-01-005(b) Attachment 3. This revision is appropriate for Rate RS-TOU-CPP even though it does not produce revenue in the Schedule M.

Continuing, once individual rate class revenue requirements are calculated, new rates are calculated to produce the Commission approved \$47,498,000 increase in revenue requirements. No customer charges are changed from the Commission approved customer charges in the Order's Appendix B. In addition, the Rider ESM proposed percentage is adjusted to maintain the same Rider ESM revenue collection, \$21,165,856. See STAFF-RHDR-01-005(b) Attachment 2 for the revised Schedule M detail. This Schedule M does not reflect adjustments to the Company's revenue requirements that the Commission may approve through other rehearing items. It only adjusts the Commission ordered Appendix

B rates to remove the effect of the roll in of ESM revenues and to obtain the Commission's ordered revenue requirement increase of \$47,498,000.

**PERSON RESPONSIBLE:** Bruce L. Sailors

**STAFF-RHDR-01-005(a) ATTACHMENT**

**UPLOADED ELECTRONICALLY**

**DUE TO SIZE**

Duke Energy Kentucky, Inc.  
 Case No. 2022-00372  
 Revenue Requirement Allocation Consistent with Appendix B Ordered Rates

Page 1 of 1

	Revenue Change from STAFF-RHDR-01-005A Attachment - No Riders (\$)	Percentage (%)	Revised Revenue Change (\$)	
<b>RESIDENTIAL</b>				
1	RESIDENTIAL SERVICE (RS)	28,495,287	52.48%	24,930,350
2	RESIDENTIAL - TIME OF USE - CRITICAL PEAK PRICING (RS-TOU-CPP)	-		
<b>DISTRIBUTION (Including RTP)</b>				
4	DISTRIBUTION SERVICE (DS)	13,368,395	24.62%	11,695,927
5	DT PRIMARY TIME OF DAY (DT-PRI)	4,556,779	8.39%	3,986,698
6	DT SECONDARY TIME OF DAY (DT-SEC)	5,956,736	10.97%	5,211,512
7	ELECTRIC SPACE HEATING (EH)	180,544	0.33%	157,957
8	SPORTS SERVICE (SP)	3,061	0.01%	2,678
9	SMALL FIXED LOADS (GSFL)	90,534	0.17%	79,208
10	PRIMARY VOLTAGE (DP)	96,237	0.18%	84,197
<b>TRANSMISSION (Including RTP)</b>				
12	TIME OF DAY (TT)	832,796	1.53%	728,608
<b>LIGHTING</b>				
19	STREET LIGHTING (SL)	359,311	0.66%	314,359
20	TRAFFIC LIGHTING (TL)	4,061	0.01%	3,553
21	UNMETERED OUTDOOR LIGHTING (UOLS)	102,941	0.19%	90,062
22	NON STANDARD STREET LIGHTING (NSU)	22,095	0.04%	19,331
23	CUST OWNED STREET LIGHTING SERVICE (SC)	1,293	0.00%	1,131
24	OVERHEAD EQUIV STREET LIGHTING SERVICE (SE)	66,969	0.12%	58,591
25	LED OUTDOOR LIGHTING (LED)	387	0.00%	339
<i>Only Energy Here</i>				
27	INTERDEPARTMENTAL	7,176	0.01%	6,278
28	SPECIAL CONTRACTS	155,620	0.29%	136,151
<b>OTHER MISCELLANEOUS REVENUE</b>				
30	PJM AND TRANSMISSION	-		-
31	BAD CHECK CHARGES	-		-
32	RECONNECTION CHARGES	(2,766)		(2,766)
33	POLE AND LINE ATTACHMENTS	-		-
34	RENTS	-		-
35	OTHER MISCELLANEOUS	-		-
37	<b>TOTAL REVENUE - not including LED Equipment Revenue</b>	54,297,456		
	<b>LESS OTHER MISCELLANEOUS REVENUE</b>	(2,766)		
	<b>TOTAL LIGHTING INCLUDING CHANGE IN LED EQUIPMENT</b>	551,052		481,202
	<i>Remove Only Change from Equipment - Not Energy</i>			
	<b>TOTAL REVENUE FOR ALLOCATION PERCENTAGE CALCULATION</b>	54,300,222	100.00%	47,506,930
	<b>TOTAL REVISED REVENUE REQUIREMENT</b>			47,498,000
	<i>Difference from reduction in revenues from Rate LED</i>			

**STAFF-RHDR-01-005(b) ATTACHMENT 2**

**UPLOADED ELECTRONICALLY**

**DUE TO SIZE**

## Revenue Neutral Rate Calc for Rate RS-TOU-CPP

From COSS Results:

Residential Revenue Requirement - No Riders	\$	166,223,832
Neutral Rate Target Revenue:	\$	166,223,832
Residential Customer Bills		1,620,224
Neutral Rate Customer Bills:		1,620,224
Residential Class Total kWh		1,492,427,084
Neutral Rate kWh		1,492,427,084
Customer Charge	\$	13.00
Customer Charge Revenues	\$	21,062,912
Remaining Neutral Rate Revenues	\$	145,160,920

kWh Periods	Allocation Factors	Allocated kWh	LMP Ratio Guide	Preferred Ratios	Proposed kWh Rates
Critical Peak	0.71%	10,587,560	228%	250%	\$ 0.225030
Summer On-Peak	10.06%	150,182,004	128%	150%	\$ 0.135018
Winter On-Peak	10.34%	154,246,110	137%	150%	\$ 0.135018
Off-Peak	62.87%	938,215,221	100%	100%	\$ 0.090012
Discount	16.03%	239,196,189	78%	80%	\$ 0.072010
Proposed kWh Revenues					\$ 145,160,940
Check to Neutral Rate Revenue:					\$ (20)

**Duke Energy Kentucky**  
**Case No. 2022-00372**  
**STAFF First Set Rehearing Data Requests**  
**Date Received: December 5, 2023**

**CONFIDENTIAL STAFF-RHDR-01-006**  
**(As to Attachment 2 only)**

**REQUEST:**

Refer to the Petition for Rehearing, page 26. Provide in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible a version of Attachment BLS-2 using the changes to the weighted cost in capital ordered by the Commission in its October 12, 2023 final Order.

**RESPONSE:**

**CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachment 2 only)**

Please see STAFF-RHDR-01-006 Attachment 1. The WACC, Weighted Average Cost of Capital, inputs are updated. The file requires the user to input the useful life values of interest. A tab has been added to the attachment, tab VALUES NEEDED, to capture the LFCR values for various expected life inputs. Several of these values are needed as inputs in the Rate LED price calculations found in Confidential Attachment BLS-3 as well as input directly onto Rate LED related to excess distribution facilities. Confidential Attachment BLS-3 has also been revised and attached as STAFF-RHDR-01-006 Confidential Attachment 2. The revised Rate LED equipment values are used in the response to STAFF-RHDR-01-005.

**PERSON RESPONSIBLE:**      Bruce L. Sailors





**Duke Energy Kentucky, Inc.**  
**Case No. 2022-00372 - Rehearing**  
**STAFF-RHDR-01-006a**  
**LFCR Values of Interest**  
**Page 1 of 1**

	Annual	Monthly	
Service Life	LFCR	LFCR	
5	26.58%	2.2150%	
10	16.39%	1.3658%	
15	13.17%	1.0975%	
20	11.67%	0.9725%	
30	10.37%	0.8642%	
38.25	9.95%	0.8292%	Average Depreciable Life of Distribution Equipment

**CONFIDENTIAL PROPRIETARY TRADE  
SECRET**

**STAFF-RHDR-001-006  
CONFIDENTIAL ATTACHMENT 2**

**FILED UNDER SEAL**

**Duke Energy Kentucky**  
**Case No. 2022-00372**  
**STAFF First Set Rehearing Data Requests**  
**Date Received: December 5, 2023**

**CONFIDENTIAL STAFF-RHDR-01-007**  
**(As to Attachment only)**

**REQUEST:**

Refer to the Petition for Rehearing, page 4.

- a. Provide the number of Kroger fee free payment locations;
- b. Provide the address for each location; and
- c. Provide the contract or written document memorializing the agreement

regarding payment locations between Kroger and Duke Kentucky.

**RESPONSE:**

**CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachment only)**

a. As of December 5, 2023, there are sixteen Kroger locations available to accept and remit payments to Duke Energy. These locations will be converted to fee-free locations upon approval by the Commission and necessary steps with the vendor, as outlined in response (c) below.

- b. Please see the list of Kroger payment locations below:

<b>Agent Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>
Kroger #364	9950 Berberich Dr.	Florence	KY
Kroger #381	1525 Madison Ave	Covington	KY
Kroger #901	3158 Dixie Hwy	Erlanger	KY
Kroger #466	7685 Mall Rd	Florence	KY
Kroger #423	103 Pavilion Pkwy	Newport	KY
Kroger #392	4303 Winston Ave	Covington	KY
Kroger #477	2150 Dixie Hwy	Fort Mitchell	KY
Kroger #420	381 Market Square Dr	Maysville	KY
Kroger #359	53 Donnermeyer Dr	Bellevue	KY
Kroger #367	635 Chestnut Dr	Walton	KY
Kroger #946	70 Martha Layne Collins Blvd	Cold Spring	KY

Kroger #409	3105 North Bend Rd	Hebron	KY
Kroger #475	1700 Declaration Dr	Independence	KY
Kroger #434	1751 Patrick Dr	Burlington	KY
Kroger #424	8825 US Highway 42	Union	KY
Kroger #410	375 Crossroads Blvd	Cold Spring	KY

c. The Company contracts with Fiserv, on behalf of its affiliate CheckFreePay Corporation, to manage and provide walk-in services at its network of payment outlets and/or agents. The contract, attached as STAFF-RHDR-001-007 Confidential Attachment, service includes acceptance of payments on behalf of the Company, processing customer payment data and reporting and remitting customer payment funds to the Company.

The contract allows for three fee payment models: (1) Model A – Customer-paid and CheckFreePay-paid Convenience Fee; (2) Model B – Customer-paid and Client-paid Convenience Fee; and (3) Model C – Client-paid processing fee. The Company will transition from Model A where the customer is charged the convenience fee at the walk-in location to Model B where the Company will pay the convenience fee on behalf of the customer at Kroger locations in Northern Kentucky, as discussed on page 28-30 of the attached Fiserv contract, excerpt provided below.

The Company must provide CheckfreePay with at least 60 days written notice of its intention to switch to the Customer-paid and Client-paid Convenience Fee model (Model B) and the change in the fee structure will become effective on the first of the calendar month following the 60 day written notice period. The 60 day notice will be provided to CheckfreePay upon approval of this petition by the Commission.

**PERSON RESPONSIBLE:** Jacob C. Colley

**CONFIDENTIAL PROPRIETARY TRADE  
SECRET**

**STAFF-RHDR-001-007  
CONFIDENTIAL ATTACHMENT**

**FILED UNDER SEAL**