

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY, INC. )  
FOR AN ADJUSTMENT TO RIDER NM RATES AND ) CASE NO.  
FOR TARIFF APPROVAL ) 2023-00413

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**DUKE ENERGY KENTUCKY, INC.’S FIRST REQUEST FOR INFORMATION  
PROPOUNDED UPON KENTUCKY SOLAR ENERGY SOCIETY AND  
KENTUCKIANS FOR THE COMMONWEALTH**

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Comes now Duke Energy Kentucky, Inc. (Duke Energy Kentucky), and addresses the following First Set of Data Requests to Kentucky Solar Energy Society and Kentuckians for the Commonwealth (collectively, KSES) 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 “Kentucky Solar Energy Society and Kentuckians for the Commonwealth” shall mean Kentucky Solar Energy Society and Kentuckians for the Commonwealth, and shall include, but is not limited to, each and every agent, employee, servant, insurer and/or attorney of Kentucky Solar Energy Society and Kentuckians for the Commonwealth. The term “you” shall be deemed to refer to Kentucky Solar Energy Society and Kentuckians for the Commonwealth.

(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 KSES shall produce each document or other requested tangible thing. For each tangible thing which KSES 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.

## **II. REQUESTS FOR INFORMATION**

1. Other than Mr. McCann, please identify any persons, including experts whom KSES 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 KSES 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. McCann within the last three years involving or relating to the following: 1) net metering (NEM);

2) cogeneration; 3) power purchase agreements; and 4) demand response programs.

6. Please confirm that Mr. McCann is not offering any opinions regarding any of the other aspects of the Company's Application in these proceedings, besides the principles for setting the appropriate compensation and retail rates for customers who self-generate to serve part of their load, and quantifying the level of that compensation.

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

7. Please confirm that, other than the opinions offered by Mr. McCann, KSES 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 KSES's position.

8. Please identify all proceedings in all jurisdictions in which Mr. McCann 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 docket 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, workpapers, spreadsheets (electronic versions with cells and formulas intact), including drafts thereof, as well as any underlying supporting materials created by Mr.

McCann:

(a) as part of his evaluation of the Company's proposed compensation and retail rates in this proceeding;

(b) as part of calculating the credit amounts recommended on page 3, lines 4-5 of his testimony;

(c) as part of calculating the avoided cost benefit discussed on page 20, lines 6-7 of his testimony;

(d) as part of calculating the avoided capacity value discussed on page 22, lines 8-9, of his testimony;

(e) as part of calculating the value on page 25, line 6 of his testimony;

(f) as part of calculating the avoided cost for distribution on page 26, line 13 of his testimony;

(g) as part of calculating the value of \$0.0466 per kilowatt-hour on page 28, line 8 of his testimony;

(h) as part of calculating the \$0.90 cents per kilowatt-hour value on page 28, line 12 of his testimony;

(i) as part of producing Figure JI-2 on page 19, and any other figure or table in his testimony; and

(j) as part of evaluating any other aspect of the Company's Application in the above-styled proceeding reviewed by Mr. McCann.

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

11. Referring to Mr. McCann's testimony on pages 21 to 22, how would Mr. McCann's methodology change if PJM switched to a seasonal capacity auction process?

12. Referring to Mr. McCann's testimony on pages 21 to 22, how would Mr. McCann's recommended avoided capacity value change if PJM switched to a seasonal capacity auction process.

13. Referring to Mr. McCann's testimony on pages 21 to 22, does Mr. McCann use an incremental value or average value methodology to calculate the capacity value of solar energy?

14. Please confirm whether Mr. McCann agrees that solar capacity has a significantly lower value during the winter time (defined for purposes of this question as December through February). If Mr. McCann disagrees, please explain the reasoning.

15. Is Mr. McCann aware of the 2024-2025 PJM ELCC capacity class ratings for Fixed-Tilt Solar and Tracking Solar of 9% and 14% respectively, available at <https://www.pjm.com/-/media/planning/res-adeq/elcc/2025-26-bra-elcc-class-ratings.ashx>?

16. Does Mr. McCann believe that all of his avoided cost calculations are applicable equally to utility-owned solar generation?

(a) If not, please explain which components of his calculated avoided costs are applicable and which are not.

(b) If not, please give the reasons on which any distinctions are based.

(c) Please provide all data and workpapers supporting the responses to 16(a) and 16(b) above.

17. Referring to Mr. McCann's testimony on page 35, recommending "that residential generator-customers receive a credit of \$0.1627 [per] kilowatt-hour and commercial/non-residential a credit of \$0.1630 per kilowatt-hour," would Mr. McCann recommend the same amount in compensation per kilowatt-hour for utility-owned solar generation?

(a) If not, please describe how the calculation methodology would be modified from the methodology recommended in Mr. McCann's testimony in this proceeding.

18. Referring to Mr. McCann's testimony on page 1, line 10, please confirm that "Case No. 202-00174" refers to Kentucky Public Service Commission (KyPSC) Case No. 2020-00174. If not confirmed, please clarify the precise number of the case referenced.

19. Referring to KyPSC Case No. 2020-00174, to page 27 and footnote 80 of the Order issued on May 14, 2021, does Mr. McCann confirm that the Commission omitted 2020 locational marginal price (LMP) data from its avoided cost calculation "because the unprecedented COVID-19 pandemic likely impacted load in uncommon ways"? If not, please explain.

20. Referring to Mr. McCann's testimony on page 17, line 2, that "[t]he average cost of wholesale power in 2023 was half of what it was in 2022," does Mr. McCann agree that 2022 LMP values were "uncommon"? If not, please explain.

21. Referring to Mr. McCann's testimony on pages 10-11 advocating for "equitable treatment" for customer-generators and stating that "There is no reason why other resource owners should be treated differently than the utility":

(a) Is it Mr. McCann's position that customer-generators should be subject to capacity requirements, as a utility is?

(b) Is it Mr. McCann's position that customer-generators should be subject to performance assessments, as utilities are?

(c) Is it Mr. McCann's position that customer-generators should be subject to penalties for non-performance, as utilities are?

22. Referring to Mr. McCann's testimony on page 9, lines 15-17, what percentage of Duke Energy Kentucky customers "fully escape reliance on the centralized utility grid" through their ownership of distributed generation?

23. Referring to Mr. McCann's testimony on page 9, lines 15-17, what percentage of owners of distributed generation resources in Kentucky remain connected to the electric utility grid?

24. Referring to Mr. McCann's testimony on page 10, mentioning "Winter Storm Elliott in 2022 that ... caused widespread outage across Kentucky and many other states,":

(a) How much total energy was provided to the utility grid by Duke Energy Kentucky net metering customer-generators during Winter Storm Elliott, *i.e.*, on December 23 and 24, 2022? Please provide the data by hour.

25. Referring to Mr. McCann's testimony on page 12, line 20, regarding RTO markets not creating new resource investment, are RTOs the only entities impacting new resource investment? If not, please describe other entities who impact new resource investment.

26. Does Mr. McCann confirm that the amount of energy produced by solar generation facilities owned by customer-generators is not equivalent to the amount exported to the utility grid by those same solar facilities?

27. Regarding Mr. McCann's testimony on page 17, lines 11-13, please identify all stakeholders who requested an opportunity to develop alternative forecasts.

28. Referring to Mr. McCann's testimony on page 2, lines 6-9, that "Importantly, these customers have made long-term commitments by investing in capital-intensive generation equipment with an expectation that retail rates will be relatively stable over a couple of decades," please provide any survey results or other supporting evidence for this statement.

29. Referring to Mr. McCann's testimony on page 37, line 1, that "any transition should be done gradually," is it Mr. McCann's position that providing a \$0.1627 credit for excess generation would constitute a gradual transition?

Respectfully submitted,

/s/ Larisa M. Vaysman

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*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 March 22, 2024; 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.<sup>1</sup>

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*/s/ Larisa M. Vaysman*  
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<sup>1</sup>*In the Matter of Electronic Emergency Docket Related to the Novel Coronavirus COVID-19, Order, Case No. 2020-00085 (Ky. PSC July 22, 2021).*