KyPSC Case No. 2024-00354
TABLE OF CONTENTS

VERIFICATION

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

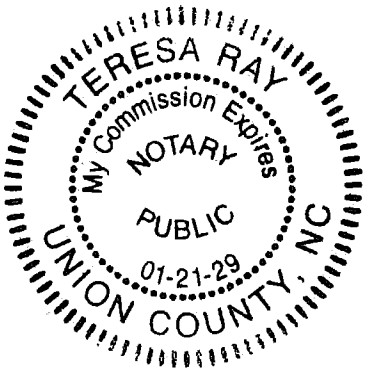
The undersigned, Grady S. Carpenter III, Director Regional Financial Forecasting, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

Grady S. Carpenter III Affiant

Subscribed and sworn to before me by Grady S. Carpenter III on this 19th day of February, 2025.

NOTARY PUBLIC

My Commission Expires: 01/21/29



VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG)

SS:

The undersigned, Jacob Colley, Director Customer Reg. Planning, Support & Compliance, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

Jacob S Colley
Jacob Colley, Affiant

Subscribed and sworn to before me by Jacob Colley on this 25th day of February, 2025.

TIFFANY ROBINSON NOTARY PUBLIC MECKLENBURG COUNTY, NC

Tiffany Robinson
NOTARY PUBLIC

My Commission Expires: Feb. 4, 2026

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF CUMBERLAND)

The undersigned, John J. Spanos, President of Gannett Fleming Valuation and Rate Consultants, LLC, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

John J. Spanos Affiant

Subscribed and sworn to before me by John J. Spanos on this 21st day of February, 2025.

Commonwealth of Pennsylvania - Notary Seal
MEGAN LYNN ECKRICH - Notary Public
Cumberland County
My Commission Expires September 16, 2027
Commission Number 1264513

NOTARY PUBLIC

My Commission Expires: September 16, 2027

VERIFICATION

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

The undersigned, John Swez, Managing Director Trading & Dispatch, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information, and belief.

John Swez Affiant

Subscribed and sworn to before me by John Swez on this 25th day of February 2025.

NOTARY PUBLIC

My Commission Expires:

SHAMELL M WILSON NOTARY PUBLIC MECKLENBURG COUNTY, NC My Comm. Expires July 06, 2026

VERIFICATION

STATE OF OHIO)
)
COUNTY OF HAMILTON)

SS:

The undersigned, Lisa D. Steinkuhl, Director Rates & Regulatory Planning, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained therein are true and correct to the best of her knowledge, information and belief.

Lisa D. Steinkuhl

Lisa D. Steinkuhl Affiant

Subscribed and sworn to before me by Lisa D. Steinkuhl on this 20th day of February, 2025.

Emilie Sunderman

NOTARY PUBLIC

My Commission Expires: July 8, 2027

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

VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG)

SS:

The undersigned, Mathew Kalemba, VP Integrated Resource Planning, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that it is true and correct to the best of his knowledge, information and belief.

Matthew Kalemba Affiant

Subscribed and sworn to before me by Matthew Kalemba on this 24 day of February 2025.

SHEILA LEMOINE
Notary Public, North Carolina
Lincoln County
My Commission Expires
July 21, 2029

Sheila Lemoine
NOTARY PUBLIC

My Commission Expires: July 21, 2029

VERIFICATION

STATE OF Massachusetts)
) **SS:**
COUNTY OF Middlesex)

The undersigned, Michael Adams, Assistant Vice President, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data request and that it is true and correct to the best of his knowledge, information and belief.

Michael Adams
Michael Adams Affiant

Subscribed and sworn to before me by Michael Adams on this 19th day of February, 2025.

NOTARY PUBLIC

My Commission Expires:
April 13, 2029

VERIFICATION

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

The undersigned, Sarah Lawler, VP Rates & Regulatory Strategy, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of her knowledge, information and belief.

Sarah Lawler Affiant

Subscribed and sworn to before me by Sarah Lawler on this 20th day of February, 2025.

NOTARY PUBLIC

My Commission Expires: July 8, 2027

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

VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG)

SS:

The undersigned, Sharif S. Mitchell, Manager of Asset Accounting, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

Sharif S. Mitchell Affiant

Subscribed and sworn to before me by Sharif S. Mitchell on this 20th day of February 2025.

NOTARY PUBLIC

My Commission Expires: 01/21/29

TERESA RAY NOTARY PUBLIC My Commission Expires 01-21-29 UNION COUNTY, NC

VERIFICATION

STATE OF INDIANA)
) **SS:**
COUNTY OF HENDRICKS)

The undersigned, William C. Luke, VP Midwest Generation, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained therein are true and correct to the best of his knowledge, information and belief.

William C. Luke, Affiant

Subscribed and sworn to before me by William C. Luke on this 24th day of February, 2025.

NOTARY PUBLIC

TAMMY SUE ROBERTS
Hendricks County
NOTARY PUBLIC
Commission Number
NP0655013
NOTARY SEAL
My Commission Expires
OCTOBER 7, 2030
STATE OF INDIANA

My Commission Expires: 10/7/2030

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-001

REQUEST:

Refer to the Direct Testimony of Joshua Nowak (Nowak Direct Testimony). Confirm that Duke Kentucky did not exclude any outliers in the return on equity evaluation. If Duke Kentucky did exclude an outlier, identify all excluded outliers and explain why they were excluded.

RESPONSE:

In one of two estimates of the Market Risk Premium Mr. Nowak considered in his CAPM analysis, Mr. Nowak excluded S&P 500 companies with growth rates less than 0 percent and greater than 20 percent. However, Mr. Nowak did not exclude any proxy company values from his cost of equity analyses as outliers. Rather, Mr. Nowak applied his informed judgment of the analytical results, as well as economic and capital market conditions, in developing his recommended ROE.

PERSON RESPONSIBLE: Joshua C. Nowak

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-002

REQUEST:

Refer to the Nowak Direct Testimony, pages 35-36. Refer also to Duke Kentucky's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 22c. Explain what company growth rates are being limited by the Federal Energy Regulatory Commission (FERC) methodology of only considering growth rates between 0 and 20 percent, and the rationale for the limitation.

RESPONSE:

Mr. Nowak's Attachment JCN-5 contains growth rates for all constituent companies of the S&P 500 Index. On pages 1 to 7 of Attachment JCN-5, Mr. Nowak estimates the required market return for these companies based on, amongst other inputs, long-term estimates of earnings per share growth for each company. On pages 8 to 14 of Attachment JCN-5, Mr. Nowak performs the same analysis, but instead of including all growth rates, he applies FERC's convention to exclude any company with a growth rate that is less than 0 percent or greater than 20 percent. These companies are noted as excluded in column [7] of the attachment by the notation "Excl."

FERC has consistently excluded companies with a growth rate that is either less than 0 percent or greater than 20 percent from its estimates of the required market return in CAPM analyses (*see e.g.*, FERC Opinion 569-A) on the basis that such high or low growth rates are highly unsustainable. Nonetheless, it is Mr. Nowak's view that this is a conservative estimate of the required market return. The purpose of the required market

return is to estimate the total return that investors would require for an investment in the broad market, as measured by the S&P 500 Index. If an investor were to purchase an investment that tracks the S&P 500 Index, the return that the investor would receive includes companies with high, low, or negative growth rates. Further, while a growth rate for an individual company may be unsustainable, the composition of the S&P 500 is always changing, and it is quite common for companies to have growth rates that are less than 0 percent or greater than 20 percent. As such, the FERC convention produces a reasonable, albeit conservative, estimate of the required market return.

PERSON RESPONSIBLE: Joshua C. Nowak

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-003

REQUEST:

Refer to Duke Kentucky's response to Staff's Second Request, Item 20.

a. Provide documentation to support the following statement: "the only forward-looking growth rates that are available on a consensus basis are analysts' earnings per share (EPS) growth rates."

b. Provide an update to the DCF analyses including dividend per share growth rates.

RESPONSE:

a. Please see AG-DR-01-132 Attachment 1 and AG-DR-01-132 Attachment 2 which provide the source documents for Mr. Nowak's two sources of consensus growth estimates – Yahoo! Finance and Zacks Investment Research. The source documents demonstrate that analysts' earnings per share (EPS) growth rates are available for the proxy companies, but there are no comparable dividend per share growth estimates on these pages. Mr. Nowak is not aware of any consensus estimate of dividend per share growth rates.

b. Please see response to (a) above. Mr. Nowak is not aware of any consensus estimate of dividend per share growth rates.

PERSON RESPONSIBLE: Joshua C. Nowak

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-004

REQUEST:

Refer to Duke Kentucky's response to Staff's Second Request, Items 21a and 21b.

a. Provide documentation, if any, that supports the following statement: "Mr. Nowak is aware that Yahoo! Finance Beta estimates are based on five years of monthly returns. Five years of monthly returns, or 60 total observations, may not produce a statistically robust relationship for estimating Beta so they should not be included in the CAPM analysis."

b. Provide an update to all analyses that, in addition to Value Line and Bloomberg beta values, include Yahoo! Finance adjusted beta values.

RESPONSE:

a. Please see STAFF-DR-03-004 Attachment 1, which provides an example of a Yahoo! Finance's Beta estimate for one of Mr. Nowak's proxy companies – Alliant Energy Corporation. On this page, Beta is describes as "Beta (5Y Monthly)," which suggests that Yahoo! Finance Beta estimates are based on five years of monthly returns. However, it is not clear what reference index is applied, if a Blume adjustment is applied, or any other parameters of the calculation. In addition, prior publications from Yahoo! Finance offers conflicting information. STAFF-DR-03-004 Attachment 2 indicates that Yahoo! Finance Beta estimates have previously been based on three years of monthly returns, rather than five years of monthly returns. This only exacerbates the concern raised in response to Staff's Second

Request, Item 21(a) that 36 total observations may not produce a statistically robust relationship for estimating Beta so they should not be included in the CAPM analysis. However, more concerning is that Mr. Nowak was not able to replicate Yahoo! Finance's Beta estimate calculations to confirm that they are based on either three years of monthly returns or five years of monthly returns. As such, Mr. Nowak does not support the application of Yahoo! Finance Beta coefficients in the estimate of the CAPM as he has found no evidence that they are consistent and reliable estimates.

b. Mr. Nowak maintains a process to capture Value Line and Bloomberg Beta coefficient estimates on a monthly basis at the end of each month, with the most recent data as of January 31, 2025, which preceded this request. Given the concerns cited in subpart (a) above, Mr. Nowak does not capture Yahoo! Finance Beta coefficients with any regularity. Therefore, Mr. Nowak does not possess the requested Yahoo! Finance data on the same basis as his other ROE analytical components.

PERSON RESPONSIBLE: Joshua C. Nowak

NasdaqGS - Delayed Quote • USD

Alliant Energy Corporation (LNT)

Follow Compare

61.67 +0.34 +(0.55%)

At close: February 18 at 4:00:00 PM EST

61.02 -0.65 (-1.05%)

After hours: February 18 at 4:43:55 PM EST

1D 5D 1M 6M YTD 1Y 5Y All

Previous Close 61.33	Market Cap (intraday) 15.824B
Open 61.29	Beta (5Y Monthly) 0.60
Bid 56.53 x 200	PE Ratio (TTM) 24.00
Ask 66.40 x 200	EPS (TTM) 2.57
Day's Range 61.02 - 62.04	Earnings Date Feb 20, 2025
52 Week Range 46.80 - 64.19	Forward Dividend & Yield 2.03 (3.29%)
Volume 2,194,128	Ex-Dividend Date Jan 31, 2025
Avg. Volume 1,409,855	1y Target Est 62.24

Alliant Energy Corporation Overview - Utilities - Regulated Electric / Utilities

Alliant Energy Corporation operates as a utility holding company that provides regulated electricity and natural gas services in the United States. It operates in three segments: Utility Electric Operations, Utility Gas Operations, and Utility Other. The company, through its subsidiary, Interstate Power and Light Company (IPL), primarily generates and distributes electricity, and distributes and transports natural gas to retail customers in Iowa; sells electricity to wholesale customers in Minnesota, Illinois, and Iowa; and generates and distributes steam in Cedar Rapids, Iowa. Alliant Energy Corporation, through its other subsidiary, Wisconsin Power and Light Company (WPL), generates and distributes electricity, and distribut...

3,281 Full Time Employees

Utilities Sector

December 31 Fiscal Year Ends

Over 1 Year

Utilities - Regulated Electric Industry

More about Alliant Energy Corporation

Recent News: LNT

All News Press Releases SEC Filings

Alliant Energy to Release Q4 Earnings: Here's What to Expect
Zacks • 4 days ago

Alliant Energy's (NASDAQ:LNT) investors will be pleased with their decent 32% return over the last year
Simply Wall St. • 5 days ago

Calculating The Fair Value Of Alliant Energy Corporation (NASDAQ:LNT)
Simply Wall St. • 22 days ago

Alliant Energy's 317-Quarter Dividend Streak Continues--Is This the Ultimate Recession-Proof Stock?
GuruFocus.com • 29 days ago

Alliant Energy Corporation Announces Fourth Quarter and Year-End 2024 Earnings Release and Conference Call
Business Wire • last month

Alliant Energy Corporation Declares Quarterly Common Stock Dividend
Business Wire • last month

Alliant Energy Corporation (NASDAQ:LNT) is a favorite amongst institutional investors who own 82%
Simply Wall St. • last month

How State Street, Alliant Energy And Trinity Industries Can Put Cash In Your Pocket
Benzinga • last month

Ameren (AEE) Up 6.6% Since Last Earnings Report: Can It Continue?
Zacks • 2 months ago

Eversource (ES) Down 1.2% Since Last Earnings Report: Can It Rebound?
Zacks • 2 months ago

Returns At Alliant Energy (NASDAQ:LNT) Appear To Be Weighed Down
Simply Wall St. • 2 months ago

View More →

Performance Overview: LNT

Trailing total returns as of 2/18/2025, which may include dividends or other distributions. Benchmark is S&P 500.

YTD Return		1-Year Return	
LNT	+ 5.18%	LNT	+ 32.10%
S&P 500	+ 4.22%	S&P 500	+ 22.46%

3-Year Return		5-Year Return	
LNT	+ 19.60%	LNT	+ 20.30%

S&P 500
+ 40.95%

S&P 500
+ 81.87%

Compare To: LNT

Compare

Select to analyze similar companies using key performance metrics; select up to 4 stocks.

LNT	PNW	CMS	OGE	WEC	MGEE
Alliant Energy Corpor...	Pinnacle West Capita...	CMS Energy Corporat...	OGE Energy Corp.	WEC Energy Group, I...	MGE Energy, Inc.
61.67 +0.55%	89.89 +0.71%	69.54 +1.06%	43.86 +0.76%	103.11 +0.14%	90.44 +1.12%
Mkt Cap 15.824B	Mkt Cap 10.22B	Mkt Cap 20.778B	Mkt Cap 8.814B	Mkt Cap 32.756B	Mkt Cap
Industry Utilities—Regulated Ele...	Industry Utilities—Regulated Ele...	Industry Utilities—Regulated Ele...	Industry Utilities—Regulated Ele...	Industry Utilities—Regulated Ele...	Industry Utilities—Regul

Statistics: LNT

Valuation Measures

Current Quarterly Annual

	As of 2/18/2025
Market Cap	15.82B
Enterprise Value	25.68B
Trailing P/E	24.00
Forward P/E	19.27
PEG Ratio (5yr expected)	2.47
Price/Sales (ttm)	3.99
Price/Book (mrq)	2.27
Enterprise Value/Revenue	6.47
Enterprise Value/EBITDA	14.57

Financial Highlights

Profitability and Income Statement	
Profit Margin	16.67%
Return on Assets (ttm)	2.55%
Return on Equity (ttm)	9.65%
Revenue (ttm)	3.97B
Net Income Avi to Common (ttm)	661M
Diluted EPS (ttm)	2.57
Balance Sheet and Cash Flow	
Total Cash (mrq)	827M
Total Debt/Equity (mrq)	153.26%
Levered Free Cash Flow (ttm)	-1.1B

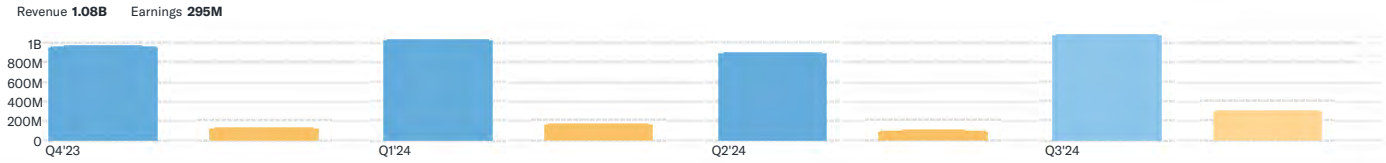
View More →

Research Analysis: LNT

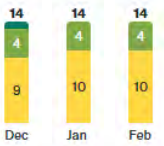
Earnings Per Share

+0.68 Estimate

Revenue vs. Earnings

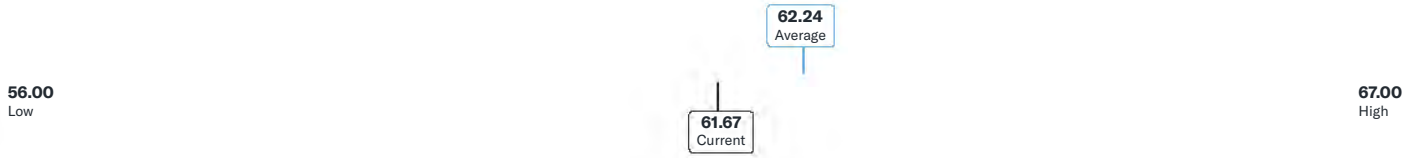


Analyst Recommendations



Strong Buy
Buy
Hold
Underperform
Sell

Analyst Price Targets

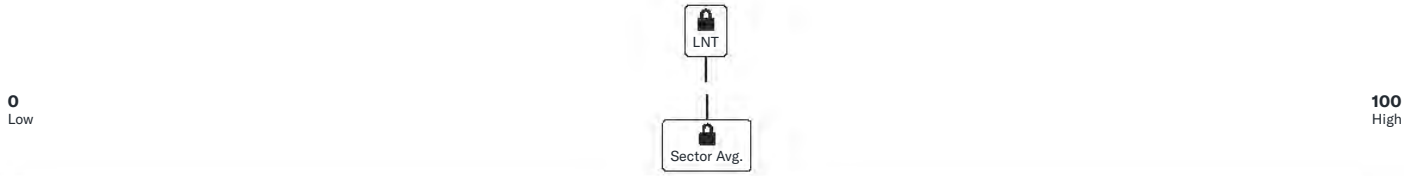


View More →

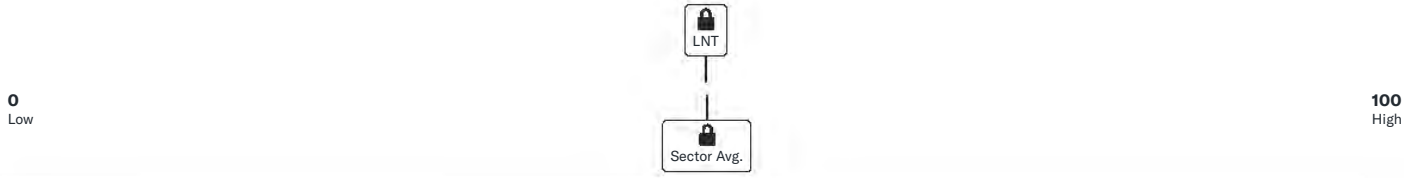
Company Insights: LNT

Fair Value

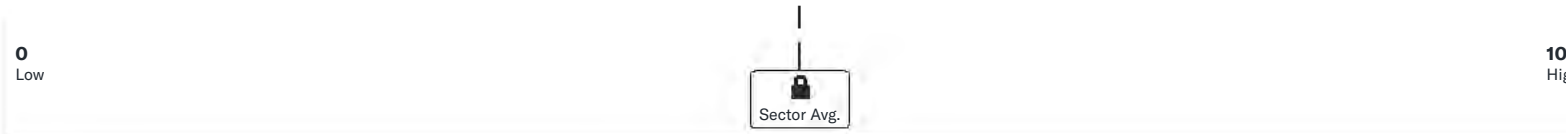
Dividend Score



Hiring Score



Insider Sentiment Score



Research Reports: LNT

Stocks had another good day on...

Stocks had another good day on Wednesday, with leadership from small- and mid-cap issues. The S&P 500 (SPX)...

Argus • 12 days ago

Morningstar | A Weekly Summary o...

In this edition, a look at the utilities 2025 outlook; Federal Realty's stock pitch; and BorgWarner's EV strategy holds promise...

Morningstar • 24 days ago

If the stock market deteriorates...

If the stock market deteriorates (price, breadth, momentum) too much more, we might have to pull our bullish...

Argus • last month

Raising price target

Alliant Energy is the parent company of...

Rating: Price Target:

Argus • 2 months ago

View More →

People Also Watch

WEC	CMS	PNW	AEE	NI	XEL	EVRG	DTE
WEC Energy Group, Inc.	CMS Energy Corporation	Pinnacle West Capital ...	Ameren Corporation	NiSource Inc.	Xcel Energy Inc.	Evergy, Inc.	DTE Energy Company
103.11 +0.14%	69.54 +1.06%	89.89 +0.71%	98.34 +0.28%	39.86 +0.45%	68.54 -0.10%	67.07 +0.62%	129.55 +0.40%

Definitions of key statistics

With statistics pages on Yahoo Finance, you can see valuation measures, financial highlights, and trading statistics for public companies.

Expand the sections below to read definitions of key statistical terms.

Valuation Measures

Market Cap

Enterprise Value

Price Ratios

Enterprise Value/Revenue

Enterprise Value/EBITDA

Financial Highlights

Fiscal Year

Profitability

Management Effectiveness

Income Statement

Balance Sheet

Cash Flow Statement

Trading Information

Stock Price History

Beta

The Beta used is Beta of Equity. Beta is the monthly price change of a particular company relative to the monthly price change of the S&P500.; The time period for Beta is 3 years (36 months) when available.

52-Week Change

The percentage change in price from 52 weeks ago.

S&P500; 52-Week Change

The S&P; 500 Index's percentage change in price from 52 weeks ago.

52-Week High

This price is the highest Price the stock traded at in the last 12 months. This could be an intraday high.

52-Week Low

This price is the lowest Price the stock traded at in the last 12 months. This could be an intraday low.

50-Day Moving Average

A simple moving average that is calculated by dividing the sum of the closing prices in the last 50 trading days by 50.

200-Day Moving Average

A simple moving average that is calculated by dividing the sum of the closing prices in the last 200 trading days by 200.

Share Statistics

Dividends and splits

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-005

REQUEST:

Refer to Duke Kentucky's response to Staff's Second Request, Item 27. Supplement the response with discussion, including specific reasons for each project, related to the projects incurring costs materially above their anticipated budgets.

RESPONSE:

Please see STAFF-03-005 Attachment 1. The attachment includes the project listing with a mapping to further explanations below. Each of these projects are related to the distribution grid. Due to the nature of the distribution grid there is a high volume of lower dollar value assets. The budget is often maintained at a higher level than the individual project ID level reflected in the response to Staff's Second Request, Item 27. There is, however, a required budget field in PowerPlan for each project ID, though budget is not always established at the project ID in practice. In STAFF-03-005 Attachment 1, each project has been grouped and explained below.

- SG601SW – The budget of $42,090 from the system is not a correct representation of expected spend. STAFF-DR-03-005 Attachment 2 is a project change request showing the expected capital spend at the enterprise level is $36,704,587. While the amount is for all Duke Energy, it demonstrates that Duke Energy Kentucky spend of $880,809 is not materially in excess of budget.

- STORMS – These projects relate to storm restoration. There is no budget for capital for storm restorations. Duke Energy Kentucky installs assets and performs the work needed for restoration. The budget shown in STAFF-DR-02-027 was input to satisfy PowerPlan requirement that the field be populated.
- SURVEY – Survey costs are sometimes incurred in the planning stage of the project. The survey project ID is a holding bucket until the assets are installed and the survey costs can be allocated to the various construction project IDs. The budget for survey work is included with the budget of the larger overall project (which may include many PowerPlan IDs). The budget shown in STAFF-DR-02-027 was input to satisfy PowerPlan requirement that the field be populated.
- BLANKET – Blanket projects are used in distribution capital for a large volume of similar work such as pole installation, stub pole removal, outdoor lighting replacements, etc. The Duke Energy Kentucky budget for such work is established programmatically on an annual basis at a higher level. The budget shown in STAFF-DR-02-027 was input to satisfy PowerPlan requirement that the field be populated.
- MX – MX projects are specific capital project IDs. Duke Energy Kentucky performs planned projects each year defined by system need. These projects include governance and stage gates; however, there may be several MX project IDs to capture the different assets installed in different locations. The budget for the overall project is not pushed down to individual

PowerPlan project ID. The budget shown in STAFF-DR-02-027 was input to satisfy PowerPlan requirement that the field be populated.

Also, please refer to STAFF-DR-01-027(b) Attachment for comparison of actual construction costs and budgeted construction costs for 2019 through 2023.

PERSON RESPONSIBLE: Sharif S. Mitchell
Grady “Tripp” S. Carpenter

The following is the same data delivered with STAFF-DR-02-027, except that a grouping column has been added. See additional documentation of groupings in the written response

Line No. (A)	Project No. (B)	Grouping	Original Budget Estimate (F)	Most Recent Budget Estimate (G)	Total Project Expenditures (H)	Percent of Total Expenditures (I) = (H/G)	Explanation
14	SG601SW	SG601SW	42,090	42,090	880,809	2093%	This project is apart of a larger scale body of work and the estimate is managed at the funding account level
53	DUKTKYE23	BLANKET	50,000	2,920	181,018	6199%	This is a transportation blanket project that do not set up to have an actual estimate. The existing estimate is a generic estimate to allow capital charge
65	MX0006935	MX	269	269	58,837	21905%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
75	MX0006936	MX	269	269	50,185	18684%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
159	MX6277290	MX	269	269	41,770	15551%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
170	MX0000704	MX	269	269	14,027	5222%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
179	MX0000780	MX	269	269	6,360	2368%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
183	MX0000782	MX	269	269	5,576	2076%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
193	MX0006937	MX	269	269	5,281	1966%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
205	MX0000778	MX	269	269	5,258	1958%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
215	SKY2301DC	STORMS	100	100	147,703	147703%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
216	KSTMOH	STORMS	100	100	123,521	123521%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
220	SKY2210DC	STORMS	100	100	54,594	54594%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
222	KPPL	BLANKET	100	100	52,989	52989%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
230	SKY2201DC	STORMS	100	100	48,072	48072%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
234	SKY2206DC	STORMS	100	100	43,493	43493%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
245	KSLNOLE	BLANKET	100	100	42,401	42401%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
265	SKY2203DC	STORMS	100	100	39,678	39678%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
320	SKY2302DC	STORMS	100	100	37,626	37626%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
333	SKY2307DC	STORMS	100	100	26,211	26211%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
338	SKY2207DC	STORMS	100	100	15,723	15723%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
351	SKY2309DC	STORMS	100	100	10,894	10894%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
352	SKY2305DC	STORMS	100	100	10,824	10824%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
360	SKY2304DC	STORMS	100	100	9,237	9237%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
367	KCTRLSL	BLANKET	100	100	8,762	8762%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
385	SKY2205DC	STORMS	100	100	7,513	7513%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
405	SKY2308DC	STORMS	100	100	6,113	6113%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
407	SKY2209DC	STORMS	100	100	4,247	4247%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
415	SKY2204DC	STORMS	100	100	3,724	3724%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
418	SKY2007DC	STORMS	100	100	2,935	2935%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
419	CAPAUTOKY	BLANKET	100	100	2,610	2610%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
421	K2241SURK	SURVEY	91	91	56,669	62001%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
432	K2152SURK	SURVEY	91	91	43,734	47849%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
440	K2055SURK	SURVEY	91	91	31,605	34579%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
456	KK0078S22	SURVEY	91	91	14,831	16227%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
465	KK0299S22	SURVEY	91	91	5,109	5590%	This is a generic estimate, entered by a Template. This generic estimate is sent over via interface to allow the project preliminary capital spend (engine
Total:					2,099,941		

DUKE ENERGY – CUSTOMER DELIVERY
PROJECT/PROGRAM CHANGE REQUEST (PCR) FORM
PJM-001.04-CDTEMPLATE

Date of Submission: October 27, 2022

Project/Program Name	DEE Advanced Distribution Planning Tool		
PCR Number	10272022 *** Designated by Project Team*	**Project ID** *(project unique identifier, ex. IPRS No., Funding ID)*	601
PM's Contact Info	Name: Eugene Moore	Email: Eugene.Moore@duke-energy.com	
Cost Analyst Contact Info	Name: Nicholas Sciotti	Email: Nicholas.Sciotti@duke-energy.com	
Scheduler Contact Info	Name: Lisa Tully	Email: Lisa.Tully@duke-energy.com	
Impact of Change	☒ Scope ☐ Schedule ☐ Cost		

DESCRIPTION OF CHANGE

Describe the impacts to the project including new deliverables.

The ADP Phase 3 project will be de-scoping the effort to migrate the on-premise application (Adapt) to AWS (the cloud) with the current team. Migration to AWS will no longer be included in the ADP Phase 3 scope of work. The migration will be parallel effort with shared resources but funded separately and managed by Digital Transformation. Schedule dependencies remain unchanged. Once the Migration to AWS milestone is met, the project will accept Adapt on AWS and complete project deployment.

Reason for Change and Proposed Organizational Benefits (include justification, alternatives evaluated and assumptions)

The de-scoping is necessary to remain on budget for the existing project work. IT will fund the migration to the cloud effort in parallel so as to not impact existing milestones on the ADP Phase 3 project, but also to accelerate the migration to the cloud which will increase efficiency and decrease long-term infrastructure costs for the project. The migration will be funded and managed by Digital Transformation as a parallel but separate effort.

COST ESTIMATE ($) FOR THE CHANGE

Description	Capital	O&M	Total
A) Original Project Baseline from Commit Gate (Initiate Gate for White projects)	$37,236,558	$4,210,223	$41,446,781
B) Total Cost of Previously Approved Baseline PCRs	$48,000	$0	$48,000
C) Amount for Change in this PCR[2]	$(1,068,067)	$(148,209)	$(1,216,275)
D) Revised Project Baseline (A + B + C)	**$36,216,492**	**$4,062,015**	**$40,278,506**

[2] *Note: For Project Change Requests >= **10%** of the Original Approved Project Cost Estimate or **$1,000,000** (whichever is higher) an Estimate must be submitted as an attachment to this document.*

SEPTEMBER actuals
OCTOBER forecast -

CHANGE REQUEST CASH FLOW (Specific to Amount for this PCR, row [C] above)

Is the allocated current year fiscal budget sufficient to cover this PCR: ☒ Yes ☐ No

If no, the project will need to obtain authorization from Financial Governance for additional fiscal budget spend.

Monetary Type	Prior Years	Current Year	Current Year + 1	Out Years	Total
A) Project Capital[3]			$(1,068,067)		$(1,068,067)
B) Project O&M			$(148,209)		$(148,209)
Total:			$(1,216,275)		$(1,216,275)

[3] *Note: Capital should reflect All-in Project costs including AFUDC and cost of removal, if applicable.*

*All budget changes should attach or embed a **monthly** Cash Flow file for reference.*

ADP Cashflow
10.27.2022.xlsx

PROJECT EAC[4] (Actuals plus Forecast, Total Project, *including* this PCR)

Monetary Type	Prior Years	Current Year	Current Year + 1	Out Years	Total
A) Project Capital[3]	$16,468,044	$5,738,473	$7,769,434	$6,728,636	$36,704,587
B) Project O&M	$2,548,307	$858,871	$842,394	$485,979	$4,735,551

Total:	$19,016,351	$6,597,344	$8,611,828	$7,214,615	$41,440,137

☐ *YES* ☒ *NO* ☐ *N/A* *Was this change included in the most recent cost forecast submittal?*

[4] Note: For Projects entered into IPRS, this will be the current IPRS forecast if the scope change was included in the last IPRS submittal.

Project Funding Authorization (PFA)

Description	Capital	O&M	Total
A) Current Approved Project Funding Authorization (PFA) (prior to this PCR)	$37,284,558	$4,210,223	$41,494,781
B: PFA increase for this Change (if required)[5]	$0	$0	$0
C. Revised PFA amount (A + B)	**$37,284,558**	**$4,210,223**	**$41,494,781**

[5] Note: A PFA revision is required if the EAC exceeds current approved total PFA. The threshold applies to the total PFA amount, not to Capital or O&M separately.

CHANGE IMPACT TO PROJECT SCHEDULE

The dependency indicated by the milestone remains unchanged. The migration to the cloud effort is in parallel so as to not impact existing milestones on the ADP Phase 3 project. The resources executing are the same but it is funded separately.

From	To	Number of Workdays
[Select a Date]	*[Select a Date]*	N/A

If project schedule is impacted, embed a schedule file here.

ARE OTHER PROJECTS, INCLUDING CD, IMPACTED

☒ **No** ☐ **Yes** *(Explain Here)* ☐ **Undetermined**	

IMPACT ASSESSMENT

Stakeholder	Impacted (Yes / No)	Stakeholder	Impacted (Yes / No)
Project Review Board	Yes	Executive Sponsor(s)	No
Project Sponsor(s)	Yes	Supply Chain	No
Customer Delivery (Zone Leadership)	No	Transmission	No
Customer Delivery (Asset Management/Grid Strategy & Asset Management Gov)	No	Digital Transformation	Yes
Information Technology	No	Corporate Communications	No
Regulatory	No	Customer Billing Systems	No
Retail Customer Services	No	Other(s)	No

☒ Check here to Confirm Impacted Groups have been notified. Consider inclusion of impacted groups in development of change where necessary.

Impact(s) to Business Stakeholders, Including Ongoing Cost(s)

In March of 2022 we discovered some discrepancies with the rates used by project controls. This impacted the IT labor rates significantly resulting in a cumulative impact to the project EAC of $1,947,023 for IT labor. John Pressley agreed that he would cover the IT rate increase impact on the project EAC. The ADP Phase 3 change request to pull the AWS migration out of the project's scope will be completed by IT and funded by IT. As you can see this reduced the expected variance significantly. As John Pressley previously noted, if we are unable to reduce the remaining variance (overage) throughout 2023 then we will journal the expected overage off of the project in December of 2023. In Q4 of 2023 IT will perform the same analysis (if needed) to assess 2024 forecast and budget. The planned software delivery to the business is unaffected by this change since this plan involves Adapt migrated to AWS. Ongoing business costs are judged unaffected by this scope change.

*** Note: Indicate financial, schedule, Ongoing Costs, and other change factors here. Insert table, chart, graph as needed and/or attach CD Estimate Template or other detail documentation, including quotes, product/service data, etc., as necessary to validate projected impacts.*

REVIEWS AND APPROVALS

Reviews and Approvals are noted and documented through the appropriate Project Review Board (PRB) or Management Team Minutes.

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-006

REQUEST:

Refer to the Application at 6. Duke Kentucky is seeking to recover certain regulatory assets through amortization, including but not limited to incremental planned outage O&M expense and incremental purchased power expense for forced outages.

a. Identify whether each regulatory asset or deferral sought in the application is recurring or nonrecurring.

b. Provide an estimate of the amount of each regulatory asset.

c. If there is not an estimate for a regulatory asset, cite to Commission precedent that allows for recovery through a regulatory asset of an unknown amount.

RESPONSE:

Page 5 and 6 of the Application states that the Company is proposing to re-establish the Company's previously authorized planned outage O&M deferral and forced outage purchased power deferral. In addition, the Company is requesting changes to accounting methods to establish and implement deferrals for regulatory assets and liabilities related to the aforementioned mechanisms and to continue all other existing deferrals.

This proposal is not seeking to recover certain regulatory assets through amortization. This proposal is *only* seeking approval to defer planned outage O&M expenses and purchased power for forced outage not recovered in the FAC over the amounts included in base rates. Page 16 and 17 of the Application goes into more details of the proposal and states that deferral authority will allow the Company to debit or credit

regulatory asset accounts when actual expenses for these costs in a year are under or over the amount established in base rates in this proceeding. It also states that the Company proposes that any regulatory asset or liability created be reviewed for recovery through amortization as part of the Company's ***next*** electric base rate case.

The Company's proposal is to re-establish deferral mechanisms the Commission has approved in the past. The approved deferral mechanism will give the Company authority to create a regulatory asset or liability. The recovery of those regulatory assets or liabilities will be addressed by the Commission in the Company's next base rate case.

a. The costs associated with the proposed deferral mechanisms represent incremental costs or savings compared to normalized levels, and as such they effectively constitute extraordinary non-recurring expenses (or savings) that could not have reasonably been anticipated or included in the utility's planning.
b. An estimate of the proposed deferral mechanisms is not known.
c. The Company is not requesting recovery of an unknown amount of a regulatory asset in this proceeding.

PERSON RESPONSIBLE: Sarah E. Lawler

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-007

REQUEST:

Refer to the Direct Testimony of Sarah Lawler, pages 10-13.

a. Provide the annual operating and maintenance (O&M) expenses related to planned outages and the base rate amount for the last 10 years. State the drivers of any change in the expenses from year to year.

b. Explain why these expenses for planned outages could not have reasonably been anticipated or included in Duke Kentucky's planning.

c. Provide the annual forced outage purchased power expense, the amount recovered through the Fuel Adjustment Clause, and the base rate amount for the last 10 years. State the drivers of any change in the expense from year to year.

RESPONSE:

a. Please see table below for the annual operating and maintenance (O&M) expenses related to planned outages and the base rate amount for the last 10 years.

Year	Description	East Bend ($)	Woodsdale ($)	Total ($)	Base Rates ($)	
2015	Planned Outage O&M	2,868,053	-	2,868,053		(1)
2016	Planned Outage O&M	8,897,520	2,271,112	11,168,632		(1)
2017	Planned Outage O&M	1,311,909	1,925,645	3,237,554		(1)
2018	Planned Outage O&M	15,414,462	83,104	15,497,567	5,151,956	(2)
2019	Planned Outage O&M	7,176,643	1,788,691	8,965,334	7,177,425	
2020	Planned Outage O&M	6,916,095	845,490	7,761,585	7,177,425	
2021	Planned Outage O&M	10,409,808	638,725	11,048,533	7,177,425	
2022	Planned Outage O&M	7,960,822	464,577	8,425,399	7,177,425	
2023	Planned Outage O&M	11,408,243	716,017	12,124,260	7,177,425	
2024	Planned Outage O&M	1,868,416	14,153	1,882,568	7,177,425	

(1) Planned Outage O&M is not identified separately in Case No. 2006-00172
(2) Case No. 2017-00321 Order received 4/13/2018: $7,177,425 * 262/365 days

Outage and project scopes are determined utilizing various sources and techniques such as condition assessments, operational data, and Original Equipment Manufacturer (OEM) recommendations. Periodically, generating assets require larger maintenance scopes to be executed due to the normal lifecycle wear of larger components or systems. These variations in scale of maintenance activities are normal and are driven by several factors including the operating profile of the equipment, online monitoring, offline condition inspections, fleet operating experience, and OEM recommendations. These periods of large scope activities drive significant year-over-year variations in maintenance costs for the Company.

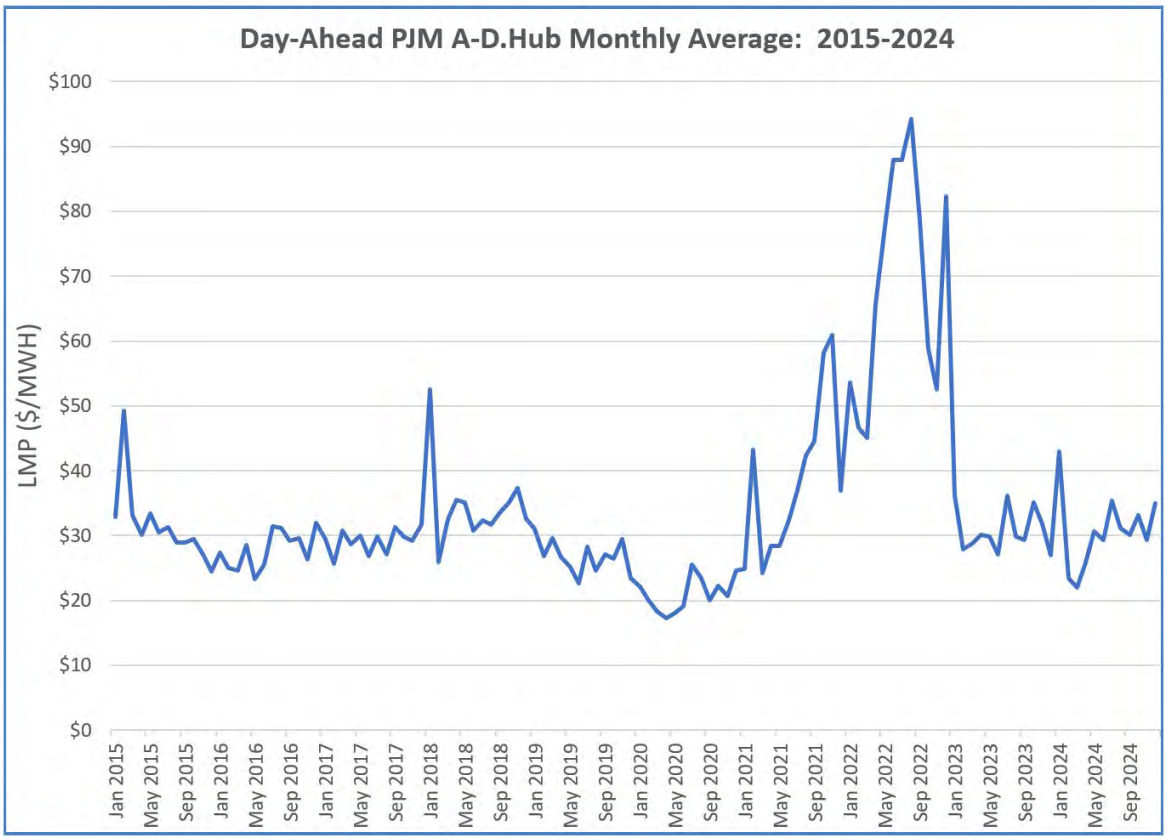
b. Planned outages are anticipated and included in the Company's planning. However, the costs for planned outages incurred year-to-year can vary dramatically as shown in the table above. In addition to anticipated planned outage scope, there may be some degree of planning uncertainty due to emergent equipment issues that can occur after the normal planning cycle. The Company includes a normalized level of planned outages in base rates. For any particular year, the actual amount can be significantly higher or lower than the normalized amount included in base rates.

c. Please see table below for the annual forced outage purchased power expense, the amount recovered through the Fuel Adjustment Clause and the base rate amount for the last 10 years.

Year	Annual Forced Outage Purchased Power ($)	Recovered in FAC ($)	Disallowed in FAC ($)	Base Amount ($)	
2015	5,040,885	3,043,148	1,997,737	0	
2016	5,230,849	3,483,162	1,747,687	0	
2017	6,360,716	4,395,898	1,964,818	0	
2018	3,906,625	2,182,885	1,723,740	1,155,631	(1)
2019	2,394,367	1,380,541	1,013,826	1,609,963	
2020	1,109,911	1,093,463	16,448	1,609,963	
2021	8,138,454	4,547,914	3,590,540	1,609,963	
2022	9,302,115	2,079,890	7,222,225	1,609,963	
2023	3,621,507	3,621,507	-	1,609,963	
2024	1,766,987	1,430,585	336,402	1,609,963	

(1) Order received in Case No. 2017-00321 on 4/13/2018;
$1,609,963 * 262/365 days

Drivers to the change in the expense from year to year include many factors, mainly the amount or customer demand (load), amount and timing of forced outages, PJM Locational Marginal Pricing (LMP), and unit fuel cost. Perhaps the single largest driver is the LMP at the time when outages occur. The sensitivity to LMP can be seen in the monthly average of PJM LMP between 2015 and 2024, with the spike in LMP occurring in 2021-2022 corresponding to the spike in forced outage purchased power shown in the table above.



PERSON RESPONSIBLE: William C. Luke / Lisa D. Steinkuhl – a.
William C. Luke – b.
John D. Swez / Lisa D. Steinkuhl – c.

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-008

REQUEST:

Explain, in detail, how Duke Kentucky proposes to recover its requested deferrals if approved.

RESPONSE:

As the Company proposed in the Application, page 17, any new regulatory asset or liability that the Company is requesting deferral authority for in this proceeding for planned maintenance outage O&M expense and forced outage purchased power expense, if such deferral authority is granted in this proceeding, would be reviewed by the Commission for recovery through amortization expense as part of the Company's next electric base rate case.

PERSON RESPONSIBLE: Sarah E. Lawler

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-009

REQUEST:

Refer to Duke Kentucky's response to Staff's Second Request, Item 3.

a. Provide the latest possible date that East Bend, as currently operated, can generate under current law.

b. Provide Duke Kentucky's expected timeline for filing applications seeking Commission approval to retire East Bend and replace its capacity and energy; the retirement or conversion of East Bend; and the construction or acquisition of replacement generation.

RESPONSE:

a. The latest possible date that East Bend, as currently operated (i.e., on 100% coal) can generate under the EPA Clean Air Act CAA Section 111 April 2024 Updates, which is current law, is 1/1/2032.

b. The anticipated timeline for approval to convert East Bend to Dual Fuel Operation (DFO) is expected to take 4-5 years to convert East Bend to dual fuel operations. The onsite work scope includes a detailed boiler study, design engineering, air permit modification application, procurement of equipment, construction, and commissioning. The offsite work scope includes construction of a new natural gas lateral connecting the plant to an interstate mainline and the completion of any required mainline expansion projects. Additionally, the timeline includes

applications and approvals for all of the necessary regulatory filings.[1] The conversion to DFO will not constitute a retirement of the Company's coal asset as it will continue to be able to burn coal, at least in part, through 2038. The Company anticipates filing a CPCN for the conversion as early as the latter half of 2025.

For the presumed retirement of East Bend, currently estimated to occur in 2038, the EPIC commission under KY SB349 requires 180 days and the PSC has 8 months to approve a CPCN following its acceptance (KRS 278.019). After receiving the CPCN order, it is currently taking 5+ years for long lead time equipment deliver and construction and commissioning of a CC. Prior to filing the CPCN there is approximately 2-3 years of development activities required. Total timeline then from the time project development starts to unit in service is 8+ years.[2]

PERSON RESPONSIBLE: Matthew Kalemba – a.
Legal – b.

[1] *See In the Matter of the Electronic 2024 Integrated Resource Plan of Duke Energy Kentucky, Inc.*, Case No. 2024-00197, Response to STAFF-DR-01-022 (Sept. 4, 2024).
[2] *Id.*, Response to STAFF-DR-01-024 (Sept. 4, 2024).

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-010

REQUEST:

Refer to the Direct Testimony of Matthew Kalemba. Provide the effect on Duke Kentucky's depreciation expense if East Bend is retired in 2035 and in the alternative, 2038, with and without net terminal salvage.

RESPONSE:

Please see STAFF-DR-03-010 Attachment 1, page 1, for the depreciation rates with East Bend retiring in 2035 with terminal net salvage (TNS). Please see STAFF-DR-03-010 Attachment 1, page 2, for the depreciation rates with East Bend retiring in 2035 without TNS. Please see STAFF-DR-03-010 Attachment 1, page 3, for the depreciation rates with East Bend retiring in 2038 without TNS.

Please see STAFF-DR-03-010 Attachment 2 comparing the depreciation expense proposed by the Company and included in its requested revenue requirement that assumes a 12/31/38 retirement date of East Bend to the depreciation expense that would need to be included in the revenue requirement if East Bend were retired as of 12/31/35. The depreciation expense that would be included in the revenue requirement would increase by $8,065,282 with a 12/31/2035 retirement date including TNS vs. a 12/31/2038 retirement date including TNS (as the Company has requested in its application).

Also included on STAFF-DR-03-010 Attachment 2 is a comparison of the depreciation expense that would be included in the revenue requirement between a retirement date of 12/31/38 without TNS and 12/31/35 without TNS.

PERSON RESPONSIBLE: John J. Spanos, as to Attachment 1
Sharif S. Mitchell

DUKE ENERGY KENTUCKY

SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET SALVAGE PERCENT *	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
	STEAM PRODUCTION PLANT									
311.00	STRUCTURES AND IMPROVEMENTS	12-2035	65-S1	(9)	187,522,084.98	57,208,047	147,191,025	12,452,014	6.64	11.8
312.00	BOILER PLANT EQUIPMENT	12-2035	50-S0	(9)	564,246,027.93	314,969,264	300,058,907	26,367,320	4.67	11.4
312.30	BOILER PLANT EQUIPMENT - SCR CATALYST	12-2035	15-R3	0	8,575,295.96	4,914,052	3,661,244	390,772	4.56	9.4
314.00	TURBOGENERATOR UNITS	12-2035	35-S0.5	(9)	118,642,288.46	50,324,279	78,995,815	7,407,625	6.24	10.7
315.00	ACCESSORY ELECTRIC EQUIPMENT	12-2035	60-R2	(9)	49,973,658.19	32,168,139	22,303,149	1,919,541	3.84	11.6
316.00	MISCELLANEOUS POWER PLANT EQUIPMENT	12-2035	55-S0	(9)	25,098,630.37	12,694,713	14,662,794	1,280,113	5.10	11.5
	TOTAL STEAM PRODUCTION PLANT				**954,057,985.89**	**472,278,494**	**566,872,934**	**49,817,385**	**5.22**	**11.4**

* RETIREMENT OF EAST BEND DECEMBER 2035 AND INCLUDES TERMINAL NET SALVAGE

DUKE ENERGY KENTUCKY
SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET SALVAGE PERCENT *	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
	STEAM PRODUCTION PLANT									
311.00	STRUCTURES AND IMPROVEMENTS	12-2035	65-S1	(2)	187,522,084.98	57,208,047	134,064,479	11,336,667	6.05	11.8
312.00	BOILER PLANT EQUIPMENT	12-2035	50-S0	(2)	564,246,027.93	314,969,264	260,561,685	22,830,986	4.05	11.4
312.30	BOILER PLANT EQUIPMENT - SCR CATALYST	12-2035	15-R3	0	8,575,295.96	4,914,052	3,661,244	390,772	4.56	9.4
314.00	TURBOGENERATOR UNITS	12-2035	35-S0.5	(2)	118,642,288.46	50,324,279	70,690,855	6,593,245	5.56	10.7
315.00	ACCESSORY ELECTRIC EQUIPMENT	12-2035	60-R2	(2)	49,973,658.19	32,168,139	18,804,993	1,611,604	3.22	11.7
316.00	MISCELLANEOUS POWER PLANT EQUIPMENT	12-2035	55-S0	(2)	25,098,630.37	12,694,713	12,905,890	1,125,489	4.48	11.5
	TOTAL STEAM PRODUCTION PLANT				**954,057,985.89**	**472,278,494**	**500,689,146**	**43,888,763**	**4.60**	**11.4**

* RETIREMENT OF EAST BEND DECEMBER 2035 AND EXCLUDES TERMINAL NET SALVAGE

DUKE ENERGY KENTUCKY
SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE		NET SALVAGE PERCENT *	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
	STEAM PRODUCTION PLANT										
311.00	STRUCTURES AND IMPROVEMENTS	12-2038	65-S1	*	(3)	187,522,084.98	57,208,047	135,939,700	9,243,601	4.93	14.7
312.00	BOILER PLANT EQUIPMENT	12-2038	50-S0	*	(3)	564,246,027.93	314,969,264	266,204,145	18,921,258	3.35	14.1
312.30	BOILER PLANT EQUIPMENT - SCR CATALYST	12-2038	15-R3	*	0	8,575,295.96	4,914,052	3,661,244	358,322	4.18	10.2
314.00	TURBOGENERATOR UNITS	12-2038	35-S0.5	*	(3)	118,642,288.46	50,324,279	71,877,278	5,534,717	4.67	13.0
315.00	ACCESSORY ELECTRIC EQUIPMENT	12-2038	60-R2	*	(3)	49,973,658.19	32,168,139	19,304,729	1,332,208	2.67	14.5
316.00	MISCELLANEOUS POWER PLANT EQUIPMENT	12-2038	55-S0	*	(3)	25,098,630.37	12,694,713	13,156,876	930,104	3.71	14.1
	TOTAL STEAM PRODUCTION PLANT					**954,057,985.89**	**472,278,494**	**510,143,972**	**36,320,210**	**3.81**	**14.0**

* RETIREMENT OF EAST BEND DECEMBER 2038 AND EXCLUDES TERMINAL NET SALVAGE

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2024-00354
DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND
JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,
FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP
THIRTEEN MONTH AVERAGE AS OF JUNE 30, 2026

STEAM PRODUCTION PLANT

*** RETIREMENT OF EAST BEND 2038 VS. 2035 INCLUDING TERMINAL NET SALVAGE**

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average Plant Investment (1) (D)	Accumulated Balance (E)	**2038 Retirement w/ TNS** Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF)	**2035 Retirement w/ TNS** Accrual Rate (H)	Calculated Depr/Amort Expense (I=DxH)	Difference (J=G-I)
				$	$		$			
1	310	3100	Land and Land Rights	7,270,233	105,677					
2	311	3110	Structures & Improvements	130,360,214	62,866,643	5.41%	7,052,488	6.64%	8,655,918	1,603,430
3	312	3120	Boiler Plant Equipment	580,229,539	334,171,765	3.87%	22,454,883	4.67%	27,096,719	4,641,836
4	312	3123	Boiler Plant Equip - SCR Catalyst	8,054,003	6,967,253	4.18%	336,657	4.56%	367,263	30,606
5	314	3140	Turbogenerator Equipment	122,525,657	50,650,221	5.24%	6,420,344	6.24%	7,645,601	1,225,257
6	315	3150	Accessory Electric Equipment	49,741,207	32,120,886	3.17%	1,576,796	3.84%	1,910,062	333,266
7	316	3160	Miscellaneous Powerplant Equipment	25,942,235	14,087,996	4.21%	1,092,168	5.10%	1,323,054	230,886
8	317	3170	AROs	0	0	Various		Various		
9			Case 2015-120 Acq of DPL Share of East Bend	7,695,137	0	-	591,934		591,934	-
10			Completed Construction Not Classified	0	0		0			
11		108	Retirement Work in Progress	0	(29,021,875)		0			
12			Total Steam Production Plant	931,818,225	471,948,566		39,525,270		47,590,552	8,065,282

STEAM PRODUCTION PLANT

*** RETIREMENT OF EAST BEND 2038 VS. 2035 EXCLUDING TERMINAL NET SALVAGE**

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-011

REQUEST:

Refer to the Application, Volume 11, Schedule B-1.

a. Provide the case number approving all regulatory assets included in rate base that are not deferred expenses for a rate case filing.

b. Explain why regulatory assets for deferred expenses for a rate case filing should be included in rate base.

RESPONSE:

a. The Company is not aware of any cases where the Commission approved including regulatory assets in rate base that are not deferred expenses for a rate case filing.

b. It is reasonable to include regulatory assets in rate base to ensure that the Company receives the time value of money for its cash outlay. Just like the Company includes accumulated deferred income taxes (ADITs) and excess deferred income taxes (EDITs) as a reduction in rate base (liability) to ensure that customers receive the time value of money. In this instance, customers are receiving the benefit of the Company's lower cash outlay related to tax depreciation by the Company including these ADITs and EDITs as a reduction to rate base. Including regulatory assets in rate base allows the Company to maintain financial stability and earn at its allowed ROE. These regulatory assets represent cash outlays by the Company for which no cash has been recovered by customers. As a result, these cash outlays must be

financed either through debt or shareholders. Including the regulatory assets in rate base ensures recovery of these financing costs.

PERSON RESPONSIBLE: Sarah E. Lawler

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-012

REQUEST:

Refer to the Application, Volume 11, Schedule C-1. Confirm that the depreciation expense is based on Duke Kentucky's proposed depreciation rates. If so, provide the depreciation expense for the forecasted test year at Duke Kentucky's current depreciation rates.

RESPONSE:

Confirmed. The depreciation expense on Schedule C-1 is based on Duke Kentucky's proposed depreciation rates.

Schedule C-2 and C-2.1 show the depreciation expense for the forecasted test year at Duke Energy Kentucky's current depreciation rates of $73,446,048.

PERSON RESPONSIBLE: Lisa D. Steinkuhl

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-013

REQUEST:

Refer to Duke Kentucky's response to the Attorney General's First Request for Information, Item 53, Attachment AG-DR-01-053 for the lead/lag workpaper and refer to Case No. 2022-00372.[1]

a. Explain the substantial reduction in the cash working capital requirement from Case No. 2022-00372 considering the proximity in time between cases.

b. Confirm that Duke Kentucky still receives for its receivables through a receivable sales agreement. If confirmed, provide the agreement. If not, explain if Duke Kentucky has a lag in those receivables that has increased since the last general rate base adjustment.

RESPONSE:

a. The amount of Cash Working Capital (CWC) approved in Case No. 2022-00372 was $506,078 (Original Application $5,424,742 – AG Adjustment $4,918,664), per the response in Case No. 2022-00372 AG-DR-01-096 Attach 3 and October 12, 2023, Order at page 9. The increase in the cash working capital requirement from Case No. 2022-00372 to the current proceeding is primarily attributable to a decrease in the expense lag days, which increased the net lag days. The increase in net lag days will result in a greater cash working capital requirement because the

[1] Case No. 2022-00372, *Electronic Application of Duke Energy Kentucky, Inc. for (1) An Adjustment of Electric Rates; (2) Approval of New Tariffs; (3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; and (4) All Other Required Approvals and Relief.*

net lag days are multiplied by the Company's average daily expenses, which also increased from Case No. 2022-00372, to determine the cash working capital requirement.

b. No. The accounts receivable financing program was terminated in March 2024. With respect to Duke Energy Kentucky's collection lag, please refer to the table below containing the calculated collection lag for calendar years 2021 and 2023. As demonstrated in the collection lag calculations presented below, there has not been a substantial increase in the lag time associated with payments for outstanding receivables.

12 Months Ending	Collection Lag
December 31, 2021	27.02
December 31, 2023	26.66

PERSON RESPONSIBLE: Michael J. Adams

Duke Energy Kentucky
Case No. 2024-00354
STAFF Third Set Data Requests
Date Received: February 11, 2025

STAFF-DR-03-014

REQUEST:

Provide an update to the fee free payment locations approved by the Commission in the Order issued July 1, 2024.[1] Include in the update the number of fee free payment locations, the physical location for each one, any customer feedback commenting upon the new option as well as a detailed description as to how Duke Kentucky made customers aware of the new option.

RESPONSE:

Please see STAFF-DR-03-014 Attachment for a list of fee-free Kroger payment locations. Customers were made aware of these fee-free payment locations through a variety of communication channels including a bill message on September invoices, IVR message during the month of October, web banners on the Company's website from August 19, 2024 through October 2, 2024, and signage placed at the Company's Erlanger, KY facility. The Company reviewed its survey responses from 2024 and 2025 and has not received any customer comments directly related to the new fee-free walk-in locations.

PERSON RESPONSIBLE: Jacob S. Colley

[1] Case No. 2022-00372, July 1, 2024, final Order.

Kentucky FEE FREE Pay Agent Locations

Kroger #946	70 Martha Layne Collins Blvd	Cold Spring	KY	41076
Kroger #359	53 Donnermeyer Dr	Bellevue	KY	41073
Kroger #364	9950 Berberich Dr.	Florence	KY	41042
Kroger #367	635 Chestnut Dr	Walton	KY	41094
Kroger #392	4303 Winston Ave	Covington	KY	41015
Kroger #409	3105 North Bend Rd	Hebron	KY	41048
Kroger #410	375 Crossroads Blvd	Cold Spring	KY	41076
Kroger #420	381 Market Square Dr	Maysville	KY	41056
Kroger #423	103 Pavilion Pkwy	Newport	KY	41071
Kroger #434	1751 Patrick Dr	Burlington	KY	41005
Kroger #466	7685 Mall Rd	Florence	KY	41042
Kroger #475	1700 Declaration Dr	Independence	KY	41051
Kroger #477	2150 Dixie Hwy	Fort Mitchell	KY	41017
Kroger #901	3158 Dixie Hwy	Erlanger	KY	41018
Kroger #381	1525 Madison Ave	Covington	KY	41011
Kroger #454	9001 US Hwy 42	Union	KY	41091