## COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

The Electronic Application of Duke Energy Kentucky, Inc., for: 1) An Adjustment of the 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.

Case No. 2024-00354

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## **REPLY BRIEF OF THE KROGER CO.**

The Kroger Co. ("Kroger") submits this Reply Brief in support of its recommendations with respect to Duke Energy Kentucky, Inc.'s ("Duke" or "Company") Application for an adjustment of its electric rates.

## 1. Kroger and Duke Are In Agreement That The Alternative Proposal Contained In Duke's Rebuttal Testimony Represents A Reasonable Rate Design For Rate DS.

As explained in their respective initial briefs, both Kroger and Duke recommend

that the Commission approve the rate design for Rate DS described on page 7 of Duke

witness Bruce Sailers' Rebuttal Testimony. Duke summarized this proposal in its Initial

Brief stating:

"Company witness Mr. Sailers testified that the Company would be agreeable to reduce the Block 3 energy charge for Rate DS to an energy charge calculated by taking the total energy revenue requirement for Rate DS from the cost of service divided by total Rate DS kWh as long as there is a corresponding revenue increase in the Block 2 demand charge for Rate DS customers. During the hearing, Company witness Mr. Sailers testified that the Company would be agreeable to reduce the Block 3 energy charge for Rate DS to an energy charge calculated by taking the total energy revenue requirement for Rate DS from the cost of service divided by total Rate DS kWh as long as there is a corresponding revenue increase in the Block 2 demand charge for Rate DS to an energy charge calculated by taking the total energy revenue requirement for Rate DS from the cost of service divided by total Rate DS kWh as long as there is a corresponding revenue increase in the Block 2 demand charge for Rate DS customers witness Mr. Bieber agreed with the Company's proposed changes to Rate DS. The Commission should adopt

changes to Rate DS consistent with the proposal made by the Company during the hearing."  $^{\prime\prime}$ 

Kroger agrees with Duke's above summary of positions and recommends that the Commission approve the rate design for Rate DS contained in Mr. Sailers' Rebuttal Testimony. Kroger and Duke are the only parties to this proceeding that have taken a position on the design of Rate DS, and therefore, no party has objected to this recommendation.

Respectfully submitted,

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COUNSEL FOR THE KROGER CO.

June 23, 2025

<sup>&</sup>lt;sup>1</sup> Initial Post-Hearing Duke Brief, pp. 74-75.