


KyPSC Case No. 2025-00125
TABLE OF CONTENTS

| <u>DATA REQUEST</u> | <u>WITNESS</u> | <u>TAB NO.</u> |
|----------------------------|---|-----------------------|
| STAFF-PHDR-01-001 | Bruce L. Sailers..... | 1 |
| STAFF-PHDR-01-002 | Jefferson “Jay” P. Brown Linda L. Miller | 2 |
| STAFF-PHDR-01-003 | Lindsay B. Philemon..... | 3 |
| STAFF-PHDR-01-004 | John R. Panizza..... | 4 |
| STAFF-PHDR-01-005 | Jefferson “Jay” P. Brown Bruce L. Sailers..... | 5 |
| STAFF-PHDR-01-006 | Jefferson “Jay” P. Brown..... | 6 |
| STAFF-PHDR-01-007 | Jefferson “Jay” P. Brown..... | 7 |
| STAFF-PHDR-01-008 | Daniel S. Dane Lindsay B. Philemon..... | 8 |
| STAFF-PHDR-01-009 | Bruce L. Sailers..... | 9 |
| STAFF-PHDR-01-010 | Bruce L. Sailers..... | 10 |
| STAFF-PHDR-01-011 | Bruce L. Sailers..... | 11 |

VERIFICATION

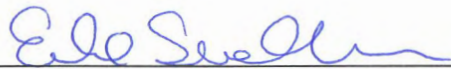
STATE OF OHIO)
)
COUNTY OF HAMILTON) **SS:**

The undersigned, Bruce L. Sailors, Director Jurisdictional Rate Administration, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing post-hearing data requests, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.



Bruce L. Sailors, Affiant

Subscribed and sworn to before me by Bruce L. Sailors on this 13th day of November, 2025.



NOTARY PUBLIC

My Commission Expires: July 8, 2027

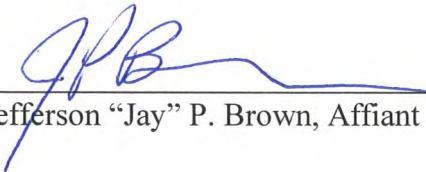


EMILIE SUNDERMAN
Notary Public
State of Ohio
My Comm. Expires
July 8, 2027

VERIFICATION

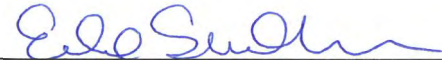
STATE OF OHIO)
)
COUNTY OF HAMILTON) **SS:**

The undersigned, Jefferson “Jay” P. Brown, Director Rates and Regulatory Planning, duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing post-hearing data requests, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.



Jefferson “Jay” P. Brown, Affiant

Subscribed and sworn to before me by Jefferson “Jay” P. Brown on this 13th day of November 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)
) **SS:**
COUNTY OF MECKLENBURG)

The undersigned, Linda L Miller, Director Gas and Fuel Accounting, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing post-hearing data requests, and that the information contained therein is true and correct to the best of her knowledge, information, and belief.



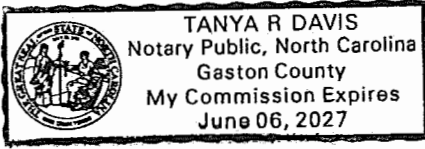
Linda L Miller, Affiant

Subscribed and sworn to before me by Linda L Miller on this 4TH day of November, 2025.

Tanya R. Davis

NOTARY PUBLIC

My Commission Expires:



VERIFICATION

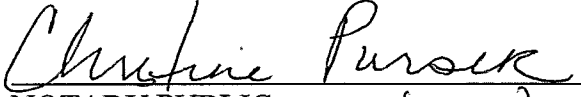
STATE OF NORTH CAROLINA)
) **SS:**
COUNTY OF MECKLENBURG)

The undersigned, Lindsay B. Philemon, Manager Customer Governance and Compliance, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing post-hearing data requests, and that the information contained therein is true and correct to the best of her knowledge, information, and belief.



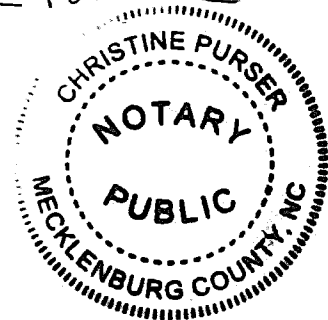
Lindsay B. Philemon, Affiant

Subscribed and sworn to before me by Lindsay B. Philemon on this 10 day of November, 2025.



NOTARY PUBLIC Christine Purser

My Commission Expires:
 7-24-30



VERIFICATION

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

The undersigned, John R. Panizza, Director Tax Operations, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing post-hearing data requests, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.

John R. Panizza

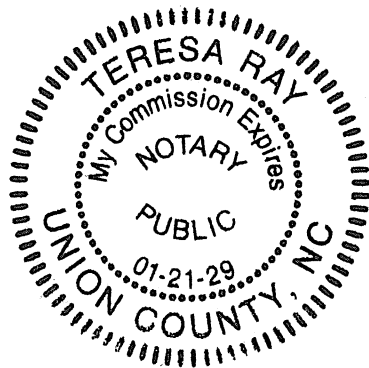
John R. Panizza, Affiant

Subscribed and sworn to before me by John R. Panizza on this 6th day of
 November, 2025.

Teresa Ray

NOTARY PUBLIC

My Commission Expires: 01/21/29



VERIFICATION

STATE OF MASSACHUSETTS)
)
COUNTY OF MIDDLESEX) SS:

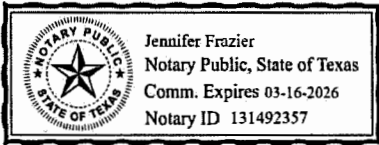
The undersigned, Daniel S. Dane, President, Concentric Energy Advisors, Inc., being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing post-hearing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information, and belief.

Daniel Dane

Daniel S. Dane, Affiant

State of Texas, County of Dallas

Subscribed and sworn to before me by Daniel S. Dane this 06 day of
November, 2025.



Notarized Online with NotaryLive.com

JF

NOTARY PUBLIC

My Commission Expires: 03/16/2026



Notarized by: Jennifer Frazier
Time: 2025-11-06 20:26:28 UTC
URL: <https://notarylive.com/tu/cdp/3YW8Q4>
Access ID: 3YW8Q4
Pin: T4XJ3K

**Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025**

STAFF-PHDR-01-001

REQUEST:

Refer to the Stipulation Agreement. Provide a version of Attachment C to the Stipulation Agreement in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE:

Please see STAFF-PHDR-01-001 Attachment.

PERSON RESPONSIBLE: Bruce L. Sailors

STAFF-PHDR-01-001 ATTACHMENT
UPLOADED ELECTRONICALLY ONLY
DUE TO SIZE

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-002

REQUEST:

Refer to the Hearing Testimony from Amy Spiller. Provide the current amount of deposits held for customer accounts.

RESPONSE:

Please see STAFF-PHDR-01-002 Attachment for the allocated amount of natural gas deposits for Duke Energy Kentucky. The Company collects and tracks customer deposits in total and does not distinguish between electric and natural gas deposits, therefore total deposits are allocated based on customer counts. Please note that the question posed to Mrs. Spiller was in relation to cash working capital and the Company would like to clarify that per 807 KAR 5:006, Section 14 the Company accrues and pays interest to customers on the balance of the deposit held by the Company. Therefore, it would be inappropriate to include the balance of the customer deposits in cash working capital. The Company did properly include the lead on interest on customer deposits in cash working capital.

PERSON RESPONSIBLE: As to response, Jefferson "Jay" P. Brown
As to attachment, Linda L. Miller

| | |
|---|-----------|
| Deposits on GL; 09/30/2025 (Gas + Electric) | 9,425,789 |
| Interest on GL; 09/30/2025 (Gas + Electric) | 321,809 |

| Retail Customers as of September 30, 2025 | <u>CUSTOMERS</u> | <u>ALLOC</u> | Allocated Deposits |
|---|------------------|--------------|--------------------|
| Gas | 105,676 | 39.89% | 3,759,586 |
| Electric | 159,268 | 60.11% | 5,666,203 |
| Total | <u>264,944</u> | 100.00% | <u>9,425,789</u> |

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-003

REQUEST:

Provide the percentage of customers that receive Low Income Home Energy Assistance Program (LIHEAP) funds.

RESPONSE:

In 2025, approximately 2% of all Duke Energy Kentucky natural gas and electric residential customers have received Low Income Home Energy Assistance Program (LIHEAP) funds.

PERSON RESPONSIBLE: Lindsay B. Philemon

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-004

REQUEST:

Refer to the Hearing Testimony of Daniel Dane. Explain why Duke Kentucky was allocated property tax expenses from North Carolina.

RESPONSE:

These expenses are not allocated to Duke Energy Kentucky. Duke Energy Kentucky actually pays property tax expense to North Carolina for Duke Energy Kentucky's owned office equipment assets (such as IT equipment, servers) that are located in North Carolina. These assets are used in Duke Energy Kentucky's normal course of business. For property tax purposes, North Carolina applies an ad valorem tax to assets located in the state as of 12/31.

PERSON RESPONSIBLE: John. R. Panizza

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-005

REQUEST:

Provide a calculation of the rates, as proposed in the Stipulation, including an updated rate case expense in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. Consider this an ongoing request until such time as the requested rate case expense is final.

RESPONSE:

Please see STAFF-PHDR-01-005 Attachment 1 which contains an updated Stipulation Attachment A and STAFF-PHDR-01-005 Attachment 2 which contains an updated Stipulation Attachment C as proposed in the Stipulation but updated for rate case expense through month end October 2025.

Total actual rate case expenses through October 2025 are \$597,570.75. Details on the rate case expenses and the associated invoices through October 31, 2025 have been updated as part of STAFF-DR-01-012 3rd Supplemental filed concurrently.

Original rate case expenses included in the Company's revenue requirement were \$889,000. Updating the proposed revenue requirement for the amortization of these actual rate case expenses, applying the gross up factor and accounting for Schedule M rounding differences in the rate design process produces a revised revenue requirement increase of \$21,526,586.

The Company intends to file a final monthly update of rate case expenses in early December through a supplemental data request to STAFF-DR-01-012. This data request

will also be updated concurrently to increase the revenue requirement increase for the actual rate case expenses incurred through the pendency of the case.

PERSON RESPONSIBLE: Jefferson “Jay” P. Brown
Bruce L. Sailors

Duke Energy Kentucky Initial Request

| | Revenue Requirement Adjustment |
|--|--------------------------------------|
| | \$ 26,387,365 |
| Correct Error for the Amount of ADIT Applicable to Regulatory Assets | (9,185) |
| Remove Deferred Rate Case Expense, Net of ADIT | (58,173) |
| Reduce Cash Working Capital to Remove Prepaid Expenses | (10,849) |
| Reduce Cash Working Capital to Include Long Term Debt Interest Expense | (126,164) |
| Remove CAMT Deferred Tax Asset | (281,195) |
| Reduce Mains and Services Expense to Correct Filing Error | (261,346) |
| Reduce Mains and Services Expense to Reflect Lower Leak and Locate Costs | (335,647) |
| Reflect Reduction of Return on Equity from 10.75% to 9.8% | (3,680,353) |
| Adjust rate case expense to actuals through October 2025 | (97,867) |
| Total Adjustments to Company's Proposed Revenue Requirement | \$ (4,860,779) |
| Total Revenue Requirement Increase Agreed To in Settlement and Adjusted For Actual Rate Case Expenses | \$ 21,526,586 |

STAFF-PHDR-01-005 ATTACHMENT 2

UPLOADED ELECTRONICALLY ONLY

DUE TO SIZE

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-006

REQUEST:

Refer to Daniel Dane's rebuttal testimony, page 16; Stipulation, page 4, Item 6; and the Direct Testimony of Lane Kollen, pages 3-4.

- a. Explain whether prepayments of Kentucky Regulatory Fees are included in the rate base.
- b. Explain whether Duke Kentucky's practices have changed concerning the inclusion of prepayments of Kentucky Regulatory Fees in the rate base.

RESPONSE:

- a. No, the Kentucky regulatory fees are not included in rate base. Please see workpaper WPB-5.1d lines 12 and 13.
- b. No, the Company has excluded Kentucky regulatory fees from rate base in all of its rate cases in at least the last three decades consistently per Commission precedent in Case No.'s 2001-00092, 1990-00041, 1991-00370, and 1992-00346. Mr. Kollen's testimony in this proceeding incorrectly asserted that the Company included Kentucky regulatory fees as a separate line item in rate base and also as part of the cash working capital line item in rate base. In addition, he argued that the Company should not include any prepayments in cash working capital based upon the assertion that it was not a cash expense. The Company only included Kentucky regulatory fees in the cash working capital line item in rate base in this proceeding.

Mr. Kollen also incorrectly argued in Case No. 2024-00354 that the Company included Kentucky regulatory fees as a separate line item in rate base and in the cash working capital line item in rate base, conflating Kentucky regulatory fees with prepaid expenses related to insurance. In that case, the Company included prepaid insurance costs as a separate line item in rate base and in the cash working capital line item in rate base which was ultimately disallowed by the Commission. However, the Company did not include Kentucky regulatory fees as a separate line item in rate base per Commission precedent yet the Commission removed the fees from the cash working capital line item in rate base as well based on the statements from Mr. Kollen that they were also included as a separate line item in rate base (see page 11 of the Finding and Order in Case No. 2024-00354).

The Company did exclude prepaid insurance costs from its cash working line item in rate base in this proceeding because it was included as a separate line item in rate base. That has been the only change in Company practices related to prepayments.

Although the Company believes that the annual cash disbursements related to Kentucky regulatory fees should be included in the cash working capital in rate base, the Company did agree to remove these costs from cash working capital as part of the overall settlement process.

PERSON RESPONSIBLE: Jefferson “Jay” P. Brown

Duke Energy Kentucky
Case No. 2025-00125
STAFF’s Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-007

REQUEST:

Refer to the Stipulation, paragraph 12 and Hearing Testimony of Amy Spiller. Provide a specific breakdown of the contributions to be made for bill assistance.

RESPONSE:

Under the Stipulation, the Company will provide up to \$140,000 in annual shareholder contributions for bill assistance per year for three years:

| | |
|--|-----------------|
| Current Share the Light program contribution | \$25,000 |
| Current Share the Light dollar for dollar matching | up to \$25,000 |
| Incremental Share the Light program contribution per stipulation | \$20,000 |
| Current HEA program contribution | \$50,000 |
| Incremental HEA program contribution per stipulation | \$20,000 |
| <hr/> | |
| Total Shareholder Contributions | up to \$140,000 |

To recap, the Company currently contributes up to \$100,000 annually (up to \$50,000 for the Share the Light program and \$50,000 for the HEA program). The Stipulation adds an incremental \$40,000 to the annual contributions for three years (\$20,000 to the Share the Light program and \$20,000 to the HEA program).

PERSON RESPONSIBLE: Jefferson “Jay” P. Brown

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-008

REQUEST:

Refer to Daniel Dane's Direct Testimony, page 7 and Hearing Testimony of Daniel Dane. Explain what factors contribute to Duke Kentucky's 34.8 collection lag day average and what steps Duke Kentucky is taking to lower that average.

RESPONSE:

The lead-lag study conducted by Concentric Energy Advisors, Inc. on behalf of Duke Energy Kentucky identified a collection lag of 34.0 days and a payment processing lag of 0.8 days. The collection lag reflects the average time between when customers are billed and when payments are received. The payment processing lag represents the time required to process those payments and for Duke Energy Kentucky to receive the funds.

To calculate the collection lag, Mr. Dane analyzed monthly accounts receivable aging data across the full calendar year. A weighted average was applied to this data to determine the 34.0-day collection lag.

A lead-lag study quantifies the timing differences between when service is rendered and when payment is received, but does not determine the specific factors that may cause the collection lag to increase or decrease. By using actual historical data, the lead-lag study reflects an accurate and representative accounting of the funds needed due to net timing differences between when a utility expends cash for the costs required to provide utility service and when it receives payment from customers for that service. Further, the revenue and expense leads and lags in a lead-lag study are typically measured over the same time

period, consistent with the matching principle, the basic premise of which from a ratemaking perspective is that all items of the revenue requirement are measured over a contemporaneous period in order to provide an accurate matching of revenues and costs. That is consistent with the Commission’s findings in Case No. 2024-00354, where the Commission found that “the revenue and expense periods for the lead/lag study should match.”¹

Notwithstanding the fact that a lead-lag study does not determine the specific factors that may cause the collection lag to increase or decrease, as Mr. Dane noted in his rebuttal testimony, there are many factors in addition to gas prices that can impact the level of accounts receivables and the time it takes to collect them. Those factors include cyclical macroeconomic events.

The Company has processes in place that aim to minimize collection lag day average. The Company’s communications are designed to drive customers towards payment completion. These communications include reminding customers of their upcoming and missed payment due dates. The Company also continues to engage with customers through various channels to ensure they are aware of available assistance opportunities. Additionally, the dedicated Agency Team and the Agency Portal are leveraged in making the pledge process efficient and in securing assistance for customers. Another way the Company works to collect payment is by offering customers convenient fee-free methods to pay their bills, including the proposed fee-free card payment program, which includes the recently added Apple Pay and Google Pay payment options, as well as

¹ *In the Matter of 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, Order, p. 10 (Ky. P.S.C. Oct. 2, 2025).

payments through check, money order, cash (via some walk-in payment locations), automated bank drafts, and Electronic Funds Transfer.

PERSON RESPONSIBLE: Daniel S. Dane
Lindsay B. Philemon

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-009

REQUEST:

Refer to the Hearing Testimony of Bruce Sailers. Explain the procedure Duke Kentucky uses when issuing Operational Flow Orders.

RESPONSE:

The Company typically initiates an Operational Flow Order (OFO) in response to an OFO issued by a pipeline operator. An OFO is called by a pipeline operator when there is an imbalance between supply and demand, which may be caused by extreme temperatures, current storage levels, or operational issues such as a pipeline rupture or maintenance. Additionally, the Company may independently call an OFO if managing imbalances becomes unmanageable due to similar factors as listed above.

To communicate an OFO to brokers operating in the Company's service area, the Company takes the following steps, usually providing at least 24 hours' notice before the OFO is set to begin:

- Posting the information on the Electronic Bulletin Board (EBB),
- Sending direct emails to the brokers.

PERSON RESPONSIBLE: Bruce L. Sailers

Duke Energy Kentucky
Case No. 2025-00125
STAFF's Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-010

REQUEST:

Refer to the Hearing Testimony of Bruce Sailers and Duke Kentucky's response to Commission Staff's Second Request for Information, Item 6. Provide the penalty amounts, by month, Duke Kentucky has paid as a result of both over and under deliveries for the years 2023 and 2024. Include in that response whether those penalty amounts were recovered from the supplier.

RESPONSE:

The Company has not received and therefore has not paid any pipeline penalties in 2023 and 2024. No pipeline penalty amounts have been recovered from customers or suppliers since no pipeline penalties have been received. There are no pipeline penalty amounts embedded in the values in STAFF-DR-02-006.

PERSON RESPONSIBLE: Bruce L. Sailers

Duke Energy Kentucky
Case No. 2025-00125
STAFF’s Post-Hearing Request for Information
Date Received: October 31, 2025

STAFF-PHDR-01-011

REQUEST:

Refer to the Interruptible Service Rider currently on file. Identify the specific provision that allows costs to flow through the gas cost adjustment (GCA) mechanism. Identify the specific amount(s) that have flowed through or are currently proposed to flow through the GCA, by month for the years 2023, 2024, and year to date 2025.

RESPONSE:

Duke Energy Kentucky does not have an Interruptible Service Rider. The rate with the most similar name is Rate IT – Interruptible Transportation Service, Sheet No. 50. Under certain specific circumstances, Rate IT authorizes the Company to bill customers at Rate GS, whose rate structure incorporates the GCA mechanism. See “CHARGES FOR UNAUTHORIZED DELIVERIES” section on page 3 of 6.¹ The Company has not had to invoke this provision in 2023, 2024, and 2025, and therefore there are no amounts responsive to this request.

PERSON RESPONSIBLE: Bruce L. Sailors

¹ This section states in relevant part (emphasis added): “Any customer taking unauthorized deliveries shall be billed: (1) an amount reflective of the general service delivery rate, *Rate GS*, Sheet No. 31; plus [additional amounts].”