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July 13, 2006

Via Overnight Mail

REGENVED

JUL 1 & 2006

PUBLIC SERVICE COMMISSION

Beth A. O'Donnell, Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602

Re: <u>Case No. 2006-00172</u>

Dear Ms. O'Donnell:

We are re-submitting the original and twelve (12) copies of the First Set of Data Requests of The Kroger Co. and St. Elizabeth Medical Center to ULH&P Company dba Duke Energy Kentucky in the above-referenced matter due to a printing error. Please replace the old copies with these. By copy of this letter, all parties listed on the Certificate of Service have been served.

Please place this document of file.

Very Truly Yours,

Michael L. Kurtz, Esq. Kurt J. Boehm, Esq.

BOEHM, KURTZ & LOWRY

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MLKkew Attachment

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by mailing a true and correct copy, via electronic mail and by first-class postage prepaid mail to all parties on the 13th day of July, 2006.

Honorable Elizabeth E. Blackford Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601-8204 betsy.blackford@ag.ky.gov

Honorable John J. Finnigan, Jr.
Senior Counsel
The Union Light, Heat and Power Company
139 East Fourth Street
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Sandra P. Meyer, President Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45202 spmeyer@duke-energy.com

Michael L. Kurtz, Esq. Kurt J. Boehm, Esq.



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COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In The Matter Of Notice of ULH&P Company dba Duke Energy Kentucky's Intent to File A General Electric Rate Case

Case No.2006-00172

FIRST SET OF DATA REQUEST OF THE KROGER CO. AND ST. ELIZABETH MEDICAL CENTER TO ULH&P COMPANY DBA DUKE ENERGY KENTUCKY

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COUNSEL FOR THE KROGER CO. AND ST. ELIZABETH MEDICAL CENTER

Dated:

July 12, 2006

DEFINITIONS

- 1. "Document" means the original and all copies (regardless of origin and whether or not including additional writing thereon or attached thereto) of memoranda, reports, books, manuals, instructions, directives, records, forms, notes, letters, notices, confirmations, telegrams, pamphlets, notations of any sort concerning conversations, telephone calls, meetings or other communications, bulletins, transcripts, diaries, analyses, summaries, correspondence investigations, questionnaires, surveys, worksheets, and all drafts, preliminary versions, alterations, modifications, revisions, changes, amendments and written comments concerning the foregoing, in whatever form, stored or contained in or on whatever medium, including computerized memory or magnetic media.
- 2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion.
- 3. "Person" means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
- 4. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.
- 5. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Company's possession or subject to its control, state what disposition was made of it.
- 6. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
- 7. "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
- 8. "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.
- 9. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.
- 10. "You" or "your" means the person whose filed testimony is the subject of these interrogatories and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.
- 11. "Duke" or "Company" means ULH&P Company dba Duke Energy Kentucky, and/or any of their officers, directors, employees or agents who may have knowledge of the particular matter addressed.

INSTRUCTIONS

- 1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.
- 2. These interrogatories are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to the Kroger Co. and St. Elizabeth Medical Center. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.
- 3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.
- 4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.
- 5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.
- 6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.
- 7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.
- 8. Responses to requests for revenue, expense and rate base data should provide data on the basis of Total Company as well as Intrastate data, unless otherwise requested.

FIRST SET OF DATA REQUEST OF THE KROGER CO. AND ST. ELIZABETH MEDICAL CENTER TO

ULH&P COMPANY DBA DUKE ENERGY KENTUCKY PSC CASE NO. 2006-00172

Referring to the Testimony of Paul F. Ochsner

- 1. Page 8, Line 12 Please provide an electronic copy with formulas intact, preferably in MS Excel format, of FR 10(9)(v)-1, the class cost of service study using the average of the 12 Coincident Peak (12 CP) allocation methodology for the test period ending December 31, 2007.
- 2. Page 9, Lines 9-10 Please provide an electronic copy with formulas intact, preferably in MS Excel format, of FR 10(9)(v)-4 through FR 10(9)(v)-18 the functionalized class cost of service study using the average of the 12 Coincident Peak (12 CP) allocation methodology for each rate schedule for the test period ending December 31, 2007.
- 3. Page 5, Lines 20-21 Please provide an electronic copy with formulas intact, preferably in MS Excel format, of FR 10(9)(v)-2, the class cost of service study using the Average and Excess allocation methodology for the test period ending December 31, 2007.
- 4. Page 5, Lines 20-21 Please provide an electronic copy with formulas intact, preferably in MS Excel format, of FR 10(9)(v)-3, the class cost of service study using the Summer/Non-Summer allocation methodology for the test period ending December 31, 2007.
- 5. Please fully explain the distinction between the "Total Rate Base" for each rate class and the allocation of "Capitalization" for each rate class shown in the various cost of service studies.
- 6. Page 21, Line 2 Please provide an electronic copy with formulas intact, preferably in MS Excel format, of Attachment PFO-4, the computation of the rate increase by rate class proposed by Duke Energy Kentucky.

Referring to the Testimony of Jeffrey R. Bailey

- 7. Page 4, Line 10 Please provide an electronic copy with formulas intact, preferably in MS Excel format, of Schedule M including M-2.1, M -2.2, and M 2.3), the comparison of present and proposed revenue by rate schedule for the test period ending December 31, 2007.
- 8. Please provide an electronic copy with formulas intact, preferably in MS Excel format, of all rate design work papers.
- 9. Why has Duke Energy Kentucky chosen to design its time-of-day rates by price-differentiating only the demand charge with respect to peak and off-peak usage and not the energy charge?

- 10. Please provide the Test Period kWh for DT in the following categories:
 - a. Summer On-Peak
 - b. Winter On-Peak
 - c. Off-Peak
- 11. Please provide Test Period system average energy costs for the following categories:
 - a. Summer On-Peak
 - b. Winter On-Peak
 - c. Off-Peak
- 12. If the information requested in #11 above is not readily available and Duke Energy Kentucky is not willing to make the calculations necessary to answer the question, please provide the data necessary to make the calculation.
- 13. Please provide Test Period system marginal energy costs for the following categories:
 - a. Summer On-Peak
 - b. Winter On-Peak
 - c. Off-Peak
- 14. If the information requested in #13 above is not readily available and Duke Energy Kentucky is not willing to make the calculations necessary to answer the question, please provide the data necessary to make the calculation.

With respect to the Company's proposed PowerShare Call Option program, please provide the following:

- 15. Please provide the calculation and basis for the proposed avoided cost-based demand and energy rates. If your proposed buy-back rates do not reflect full avoided cost, then please provide the calculation for and amount of your full avoided demand and energy costs.
- 16. Please provide the number of customers and amount of load currently on the program.
- 17. If Duke has any similar programs in other jurisdictions, please provide program details including the level of any demand and energy credits.
- 18. Under which section of the fuel adjustment clause regulation do you rely on to support your proposal that PowerShare costs be subject to FAC recovery? If FAC recovery is not available, do you have any alternative cost recovery plan?

Please provide the following information for each of the Woodsdale CTs:

- 19. Over the most recent 12 months, how many hours did each unit actually operate?
- 20. Over the last 12 months what was the total dispatch cost of each unit? Please provide a breakdown into fuel, variable O&M, etc.
- 21. How quickly can each of the units be started?

Respectfully submitted,

Michael L. Kurtz, Esq. Kurt J. Boehm, Esq.

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COUNSEL FOR THE KROGER CO. AND ST. ELIZABETH MEDICAL CENTER

July 12, 2006