



DUKE ENERGY CORPORATION

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VIA OVERNIGHT DELIVERY

January 19, 2012

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

RECEIVED

JAN 20 2012

PUBLIC SERVICE
COMMISSION

**Re: Case No. 2011-448
In the Matter of the Application of Duke Energy Kentucky, Inc. for the Annual
Cost Recovery Filing for Demand-Side Management**

Dear Mr. Derouen:

Enclosed please find an original and twelve copies each of *Duke Energy Kentucky, Inc.'s Responses to Attorney General's First Set of Data Requests* in the above captioned case.

Please note a *copy* of the verification form of Rick Mifflin is included with these responses. An original of this form will be filed separately.

Please date-stamp the extra two copies of the filing and return to me in the enclosed envelope.

Sincerely,

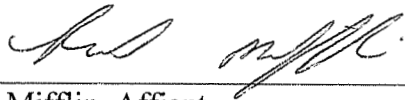
Kristen Cocanougher

cc: Larry Cook
Richard Raff
Florence W. Tandy
Carl Melcher

VERIFICATION

State of North Carolina)
)
County of Mecklenburg) SS:

The undersigned, Rick Mifflin, being duly sworn, deposes and says that he is the Sr. Manager, Marketing, that he has supervised the preparation of the responses to the foregoing information requests; and that the matters set forth in the foregoing responses to information requests are true and accurate to the best of his knowledge, information and belief, after reasonable inquiry.



Rick Mifflin, Affiant

Subscribed and sworn to before me by Rick Mifflin on this 13th day of January 2012.



NOTARY PUBLIC Elaine Falcone

My Commission Expires: 2/07/16

AG-DR-01-001

REQUEST:

Regarding the Residential Comprehensive Energy Education Program (NEED), please consider the following questions:

- a. What explanation does Duke Kentucky have for maintaining the same projected program costs for the Residential Comprehensive Energy Education Program (NEED), since the program had lower enrollment than anticipated and scored lower than other programs on cost-effective tests (see Exhibit A)?
- b. Would Duke Kentucky, NEED and the Collaborative generally consider revising the NEED program to include interaction with adult customers through current or expanded marketing programs, advertisements, etc.?

RESPONSE:

- a. Duke Energy Kentucky believes that it is preferable to use projected program costs. Duke Energy Kentucky had continued to use information from the past filing to remain consistent with the filing. Actual expenditures are driven by the projected cost of the vendor as previously adopted by the Collaborative and approved by the Commission. Projected costs will be adjusted in the new portfolio application to be filed in the first quarter of 2012.
- b. Currently, NEED is not in the adult education market place, however; Duke Energy offers programs for adults through our low income programs of Conservation and Energy Education and through the Payment Plus program. For all customers regardless of income level, the Home Energy House Call program is an onsite assessment that is performed by a Building Performance Institute (BPI) specialist and provides direct install measures. The energy specialist will pinpoint potential energy problems, explain how to improve the heating and cooling comfort levels of the home, and through the Energy Specialist's observations, a customized report is prepared detailing steps the customer can take for increasing efficiency and reduce the energy bill.

PERSON RESPONSIBLE: Rick Mifflin