

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF	)	
DUKE ENERGY KENTUCKY, INC. TO	)	CASE NO.
AMEND ITS DEMAND SIDE MANAGEMENT	)	2016-00289
PROGRAMS	)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO  
DUKE ENERGY KENTUCKY, INC.

Duke Energy Kentucky, Inc. ("Duke Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies in paper medium and an electronic version of the following information. The information requested herein is due on or before October 10, 2016. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Duke Kentucky shall make timely amendments to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Duke Kentucky fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a document containing personal information, Duke Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, page 5. Duke Kentucky proposes to add retail stores as an additional marketing channel for the Residential Smart Saver Energy Efficient Products Program.

a. Explain how Duke Kentucky and non-Duke Kentucky customers will be identified by the retail store.

b. Explain how the rebate will be issued.

2. Refer to the Application, page 9.

a. For water heaters, provide the bill credit participating customers will receive for each Power Manager event.

b. For water heaters, explain how the program year will be determined for the purposes of the minimum annual bill credit.

c. Confirm that customers participating in the Power Manager program will receive the minimum event bill credit even if there are no control events in the control season/year.

3. Refer to the Application, page 11.

a. Explain how the tenant will be made aware of the load control device on the air conditioning unit and water heater. Provide any marketing or informational materials that the tenant will receive.

b. Explain whether each new tenant will be given the opportunity to opt out if a load control device has been previously installed, regardless of the participation of the previous tenant(s).

4. Refer to the Application, page 13. Provide the building size that will be able to access the Small/Medium Business – New Construction Smart Saver Program.

5. Refer to the Application, pages 15–6. Explain how customers who select the “switch” device option will participate in the Power Manager program.

6. Refer to the Application, page 17.

a. In reference to the recycling vendor, JACO Environmental, Inc. (“JACO”), explain how Duke Kentucky remedied the issues caused by JACO’s discontinuing operations, specifically the bounced incentive payments and canceled appointments for appliance pick up.

b. Explain how Duke Kentucky is analyzing the future of the program.

7. Refer to the Application, page 18.

- a. Provide Duke Kentucky's billing cycles.
- b. Confirm that Duke Kentucky is requesting that an Order be issued at least five business days prior to the beginning of a billing cycle, and that the effective date of the tariff revisions be postdated to the first day of the same billing cycle.

8. Refer to the Application, Appendix A. Explain why all of the cost-effectiveness test results are expected to decrease as a result of the modification in the Residential Smart Saver program, in comparison to the test results of all the other programs which are proposed to be modified which have improved test results.

9. Refer to the Application, Appendix B.

- a. Provide all schedules in electronic Excel spreadsheet format, with formulas intact and cells unprotected.

- b. Refer to page 3 of 7. Explain why program cost, lost revenues and shared savings are included for the residential Appliance Recycling Program, which Duke Energy is proposing to withdraw.

- c. Provide a comparison of the proposed Demand Side Management ("DSM") rates to the current DSM rates. Provide an explanation if there is no difference between the proposed and current rates.

- d. Refer to page 5 of 7. Provide an explanation for each True-Up Amount.

10. Refer to Exhibit C, pages 1–4 of 4. Explain why the margin notations for gas residential customer bills and electric transmission service customer bills are (N), and state whether Duke Kentucky is aware that the margin notation (N) signifies a new rate or requirement pursuant to 807 KAR 5:011, Section 6.

11. Refer to the Application, Appendix D.

a. Refer to page 6 of 33.

(1) Explain why the economic option for the PowerShare program has been discontinued.

(2) Explain whether Duke Kentucky is considering the recommendation to develop additional ways to reinforce customers' knowledge of current and upcoming PowerShare program features.

b. Refer to page 11 of 33. Provide the incentive payment for Duke Kentucky for 2016.

c. Provide any PowerShare emergency events that occurred in Duke Kentucky's territory to date for the year 2016.

d. Explain whether the participant is notified that his or her energy curtailment during an event is sufficient and how this notification occurs.

e. Provide the penalty for customer's that do not curtail their loads when called upon to do so.

f. Explain whether Duke Kentucky is investigating an interruptible program that would benefit Duke and not PJM.

12. Refer to the Application Appendix E.

a. Refer to page 7 of 585. Explain why only one Kentucky participant had a completed site visit and Measurement and Verification report.

b. Refer to page 7 of 585. Confirm that the Ohio evaluation results were used to extrapolate findings for all of the 55 Kentucky projects. If confirmed,

explain whether Cadmus plans to initiate impact evaluation results for Kentucky projects.

c. Describe the steps that were taken to ensure that the extrapolated realization rates from Ohio were representative for the Kentucky projects.

d. Explain why process projects underperformed relative to program estimates and how Duke Kentucky plans to improve the program estimates.

13. Refer to Appendix E, pages 46–585 of 585.

a. Confirm that the evaluations from pages 46 to 585 are for only Duke Energy Ohio (“Duke Ohio”) and not Duke Kentucky.

b. If the answer to part a. is yes, explain why the Duke Ohio evaluations are a part of this filing.

c. If the answer to part a. is yes, explain whether Duke Kentucky or Duke Ohio is paying for the cost of the evaluations, Duke Kentucky or Duke Ohio.

d. Provide the cost of the evaluations that pertain to Duke Kentucky broken down by evaluation.

14. Refer to Exhibit F, pages 4 and 18 of 21.

a. Confirm that participating dealers and trade allies offer incentives through the Residential Smart Saver HVAC program only to Duke Kentucky’s customers. Explain how this is corroborated and what process the dealers and trade allies use to ensure that only Duke Kentucky’s customers are receiving the incentive payments.

b. Explain why “many customers” would be unaware that the incentive was provided through a Duke Kentucky program.

15. Refer to Exhibit G, page 17 of 76. Cadmus reports that customers and trade allies can fail to make the distinction between the Smart Saver Prescriptive Program and the Smart Saver Customer Program. Explain whether Duke Kentucky has considered combining these two programs.



Talina R. Mathews  
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DATED SEP 27 2016

cc: Parties of Record

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