COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ANNUAL COST RECOVERY) FILING FOR DEMAND SIDE MANAGEMENT BY) CASE NO. DUKE ENERGY KENTUCKY, INC.) 2016-00382

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 January 11, 2017. 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 amendment 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 7, the table in numbered paragraph 17.

a. Provide similar information for electric load impacts for July 2016 through December 2016.

b. Provide similar information regarding natural gas load impacts for demand-side management ("DSM") programs for July 2015 through December 2016.

2. Refer to the Application, numbered paragraph 22. Duke Kentucky states that the Residential Smart Saver services are jointly implemented with the Duke Energy Indiana, Duke Energy Ohio, and Duke Energy Carolinas territories. Explain how the administrative costs are allocated among the territories.

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Refer to the Application, page 20, the table in numbered paragraph 50.
Explain the decline in participation in the Low Income Services Program in 2015–2016 from 2014–2015.

4. Refer to the Application, numbered paragraph 54. Explain the decline in the number of refrigerators tested and replaced in Years 2013–2014, 2014–2015, and 2015–2016.

5. Refer to the Application, numbered paragraph 60. For the Power Manager Program, the pro-rated credit amount for each Power Manager event was changed from applying the credit to the month in which the event occurred to applying equal amounts of the minimal event credit to the first five months of the event season.

a. If the participating customer is to receive more than the minimal credit, explain how this bill credit is applied.

b. Explain why the credit method was changed.

6. Refer to the Application, numbered paragraph 87. Duke Kentucky states that the Smart Saver Custom Program services are jointly implemented with the Duke Energy Indiana, Duke Energy Ohio, and Duke Energy Carolinas territories. Explain how the administrative costs are allocated among the territories.

7. Refer to the Application, Appendix A, and to Case No. 2016-00289,¹ Application, Appendix A. In those instances where the cost-effectiveness test results change by 50 percent or more in the current proceeding, explain why.

8. Refer to the Application, Appendix B, page 1 of 7.

¹ Case No. 2016-00289, Electronic Application of Duke Energy Kentucky, Inc. to Amend Its Demand Side Management Programs (filed Aug. 15, 2016).

a. Provide the percentage difference between the actual program expenditures (column 4) and projected program costs (column 1) for each residential and commercial program. If the difference is greater than 20 percent, explain why.

b. Refer to the projected Program Costs (column 1) of the Commercial Smart Saver Prescriptive Programs. Footnote A indicates that the amounts were identified in a report filed in Case No. 2015-00277.² Explain why the projected Program Costs for the Smart Saver Prescriptive Programs are not the same as the projected program costs found on page 2 of 7 of Appendix B in Case No. 2015-00277.

9. Refer to the Application, Appendix B, page 2 of 7. Provide the source of the 2017–2018 projected program costs, lost revenues, and shared savings.

10. Refer to the Application, Appendix B. Provide a copy of this exhibit in Excel spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.

11. Refer to the Application, Appendix E.

a. Refer to pages 10–11 of 89. For each conclusion and recommendation, explain how Duke Energy plans to incorporate these findings into the future of the National Energy Education in Schools Program ("NEED").

b. Refer to page 14 of 89. In Table 2-3, the achievement level is only49 percent of the target. Explain what Duke Kentucky is doing to increase participation.

c. Refer to pages 40–41 of 89.

² Case No. 2015-00277, Application of Duke Energy Kentucky, Inc. to Amend Its Demand Side Management Programs (Ky. PSC Feb. 12, 2016).

(1) There seems to be confusion between the NEED program and the Duke-sponsored performance by the National Theatre for Children ("NTC"). Explain how Duke Kentucky plans to remedy this.

(2) There seems to be confusion over the kits provided by the NEED program and the NTC. Explain how Duke Kentucky plans to remedy this.

R. Masheurs

Talina R. Mathews Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED DEC 2 7 2016

cc: Parties of Record

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*Adele Frisch Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45201

*Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45202

*Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45202

*E. Minna Rolfes-Adkins Paralegal Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45201

*Rocco O D'Ascenzo Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45201