

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| ELECTRONIC APPLICATION OF DUKE |) | |
| ENERGY KENTUCKY, INC. FOR AN ORDER |) | |
| DECLARING THE CONSTRUCT OF SOLAR |) | CASE NO. |
| FACILITIES IS AN ORDINARY EXTENSION OF |) | 2017-00155 |
| EXISTING SYSTEMS IN THE USUAL COURSE |) | |
| OF BUSINESS |) | |

COMMISSION STAFF'S FIRST 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 with six copies in paper medium and an electronic version of the following information. The information requested herein is due within 14 days of the date of this request. 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 the 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 shall 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 filing a paper 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, paragraph 6(b), regarding net proceeds from the sale of renewable energy certificates (“RECs”) derived from the proposed Solar Facilities flowing back to customers through Duke Kentucky’s profit-sharing mechanism Rider PSM. Explain whether Duke Kentucky is referring to a potential future option for net proceeds to flow to Duke Kentucky’s customers if Kentucky implements a renewable portfolio standard or whether Duke Kentucky has current plans to sell RECs derived from the proposed Solar Facilities in the market and flow net proceeds received to Duke Kentucky customers.

2. Refer to the Application, paragraph 6(b), regarding the possibility of dispatching generation from proposed Solar Facilities into PJM Interconnection LLC (“PJM”). Describe the circumstances or timeline under which Duke Kentucky

anticipates that energy generated by the proposed Solar Facilities could be dispatched into PJM.

3. Confirm that Duke Kentucky's current plan is to serve only its native load with the energy generated by the proposed Solar Facilities.

4. Refer to the Application, paragraph 6(d). Explain what Duke Kentucky means when it states that it "will not seek to recover the costs of this construction outside of base rates."

5. Refer to the Application, paragraph 8, regarding Walton 1 Solar Facility.

a. Provide the basis for the estimated \$4.38 million in construction costs.

b. Explain whether the \$4.38 million in construction costs includes anticipated upgrade/rebuild of 0.5 miles of distribution lines to support the proposed Walton 1 facility.

6. Refer to the Application, paragraph 9, regarding Walton 2 Solar Facility.

a. Provide the basis for the estimated \$4.5 million in construction costs.

b. Explain whether the \$4.5 million in construction costs includes anticipated upgrade/rebuild of 0.75 miles of distribution lines to support the proposed Walton 2 facility.

7. Refer to the Application, paragraph 10, regarding the proposed Crittenden Solar Facility.

a. Provide the basis for the estimated \$5.94 million in construction costs.

b. Explain whether Duke Kentucky anticipates the need to upgrade/rebuild any of the distribution lines to support the proposed Crittenden facility.

8. Provide the basis for the estimated \$44,000 annual operation and maintenance costs for each of the proposed Solar Facilities.

9. Refer to the Application, Attachment 1, page 1 of 1, regarding land purchases.

a. State whether the land for each of the three proposed Solar Facilities has been purchased, and, if not, provide the status for each of the proposed land purchases.

b. State whether any notice has been provided to persons who own property in close proximity to or adjacent to each of the proposed Solar Facility sites. If notice has been provided, provide a copy of all notices.

c. State whether any meetings were held with persons who own property in close proximity or adjacent to each of the proposed Solar Facility sites. If meetings were held, provide a list of persons invited, attendees, and meeting notes.

d. Provide a description of the mitigation plans, if any, for each of the proposed Solar Facility sites.

10. Provide a copy of public comments, if any, that Duke Kentucky has received regarding the proposed project.

11. Provide the site selection criteria Duke Kentucky considered for each of the Solar Facility sites.

12. Explain whether Duke Kentucky has selected a vendor to construct the proposed Solar Facilities or whether Duke Kentucky will utilize its own, or a related

entity's, staff to construct the proposed Solar Facilities. If a vendor will construct the proposed Solar Facilities, explain the process Duke Kentucky used to select the vendor, a list of bidders, and a copy of any report prepared in order to evaluate and select the vendor.



Talina R. Mathews
Executive Director
Public Service Commission
P.O. Box 615
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DATED APR 27 2017

cc: Parties of Record

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