

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR AUTHORITY TO 1) ADJUST)	CASE NO.
NATURAL GAS RATES 2) APPROVAL OF A)	2018-00261
DECOUPLING MECHANISM 3) APPROVAL OF NEW)	
TARIFFS 4) AND FOR ALL OTHER REQUIRED)	
APPROVALS, WAIVERS, AND RELIEF)	

ORDER

On August 31, 2018, Duke Energy Kentucky, Inc. (Duke Kentucky), tendered for filing an application that requests, among other things: an adjustment of its natural gas rates based on a forecasted test period; approval and establishment of a decoupling mechanism through a weather normalization adjustment; approval of new tariffs; and for all other required approvals, waivers, and relief. The application proposes that the new rates become effective on October 1, 2018.

The Commission notified Duke Kentucky by letter dated September 10, 2018, that its application had been accepted for filing on August 31, 2018. Pursuant to KRS 278.180(1), no change in utility rates is permitted except upon 30 days' notice to the Commission. Therefore, since the application was accepted for filing as of August 31, 2018, the earliest date that Duke Kentucky's proposed rates can be effective is September 30, 2018. However, Duke Kentucky did not propose for the new rates to become effective until October 1, 2018.

Having reviewed Duke Kentucky's application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that an investigation cannot be completed by October 1, 2018. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for six months, up to and including, March 31, 2019.

The Commission further finds that a procedural schedule, which allocates additional time for deadlines occurring on or around the 2018 and 2019 holidays, should be established to review the reasonableness of the proposed rates. The procedural schedule is attached hereto as an Appendix to this Order and is incorporated herein.

IT IS THEREFORE ORDERED that:

1. Duke Kentucky's proposed rates are suspended for six months, up to and including, March 31, 2019.
2. The procedural schedule set forth in the Appendix to this Order shall be followed.
3. a. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed and shall include the name of the witness who will be responsible for responding to questions related to the information provided, with one original in paper medium and an electronic version to the Commission.
b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an 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.

c. A party 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.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to respond completely and precisely.

e. 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.

f. Any party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

4. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8, and shall also file the original in paper medium. The original in paper medium shall be appropriately bound, tabbed, and indexed.

5. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding which is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or

develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Further, KRS 278.040(2) requires that a person seeking intervention must have an interest in the rates or service of a utility, as those are the only matters that are subject to the Commission's jurisdiction. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene filed after September 26, 2018, shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

6. Duke Kentucky shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov." At the time publication is requested, Duke Kentucky shall forward a duplicate of the notice and request to the Commission.

7. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

8. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video recording shall be made of the hearing.

9. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

10. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



ATTEST:

A handwritten signature in blue ink, appearing to read "Glenn R. Purnell". The signature is written in a cursive style and is positioned above a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00261 DATED **SEP 17 2018**

Last day for intervention requests to be accepted.....09/26/18

All initial requests for information to Duke Kentucky shall
be filed no later than 10/10/18

Duke Kentucky shall file responses to initial requests for
information no later than.....10/24/18

All supplemental requests for information to Duke Kentucky
shall be filed no later than..... 11/07/18

Duke Kentucky shall file responses to supplemental requests
for information no later than..... 11/21/18

Intervenor testimony, if any, in verified prepared
form shall be filed no later than..... 12/07/18

All requests for information to Intervenors shall
be filed no later than 12/21/18

Intervenors shall file responses to requests for
information no later than01/07/19

Duke Kentucky shall file, in verified form, its rebuttal
testimony no later than01/22/19

Last day for Duke Kentucky to publish notice of hearing To be scheduled

Public Hearing to be held in Hearing Room 1
of the Commission's offices at 211 Sower Boulevard,
Frankfort, Kentucky, for the purpose of cross-examination
of witnesses of Duke Kentucky and Intervenors To be scheduled

Post-Hearing Briefs, if any To be scheduled

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