COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ANNUAL COST RECOVERY FILING) CASE NO. FOR DEMAND SIDE MANAGEMENT BY DUKE) 2018-00370 ENERGY KENTUCKY, INC.)

ORDER

On July 2, 2019, Duke Energy Kentucky, Inc. (Duke Kentucky), filed a motion to amend its pending demand-side management (DSM) application by revising the terms, conditions, and rates of its Home Energy Assistance (HEA) program. Attached to the motion were revised electric and gas tariff sheets with an effective date of August 1, 2019, proposing to increase the HEA rate from 10 cents per meter to 20 cents per meter for residential customers.

Having reviewed the proposed tariffs and being otherwise sufficiently advised, the Commission finds that an investigation is necessary in order to determine whether good cause exists to grant the motion to amend and, if good cause is found, to determine the reasonableness of the proposed tariffs and that such investigation cannot be completed by August 1, 2019. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for five months, up to and including December 31, 2019. In addition, the Commission notes that, pursuant to 807 KAR 5:001, Section 4(5), amendments to applications do not typically relate back to the date of the original application. Due to the time needed to investigate Duke Kentucky's proposed amendment if its motion to amend is granted, the amendment will not relate back to the

original application but will be deemed a new notice of rates under KRS 278.180 and 278.190.

Pursuant to Commission regulation 807 KAR 5:011, Section 8, a utility is required to provide notice to not only the Commission but also to customers when a change is proposed that will affect the amount that customers pay. Duke Kentucky's motion to amend does not state whether customer notice of the proposed increase in HEA rates has been given. Therefore, Duke Kentucky should file within seven days a statement indicating whether or not customer notice has been given. If notice was given, the statement should include the manner, dates, and content of that notice. If notice was not given, the statement should include a copy of customer notice to be mailed or published and followed up with proof of notice as required by 807 KAR 5:011, Section 8(3).

The Commission recognizes that by Order entered on May 16, 2019, a hearing was scheduled to be held on July 31, 2019. That hearing will proceed as scheduled to take evidence on Duke Kentucky's pending DSM application, including its existing HEA program, the changes proposed to the HEA program, whether good cause exists to grant the pending motion to amend, and to question the representatives of the Northern Kentucky Community Action Commission who administer Duke Kentucky's HEA program.

IT IS THEREFORE ORDERED that:

1. Duke Kentucky's proposed tariff sheets to revise its residential electric and gas HEA program are suspended for five months, up to and including December 31, 2019.

2. Duke Kentucky shall file within seven days of the date of this Order a statement indicating whether customer notice has been given. If notice was given, the

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statement shall include the manner, dates, and content of that notice or, if notice was not given, the statement shall include a copy of customer notice to be mailed or published, and shall be followed up with proof of notice as required by 807 KAR 5:011, Section 8(3).

3. The hearing previously scheduled on July 31, 2019, shall be held as scheduled for the purposes discussed in the findings above.

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By the Commission



ATTEST:

R. 8. ing

Executive Director

Case No. 2018-00370

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