COMMISSION STAFF NOTICE OF CORRECTION

Commission Staff notes that its second request for information to Duke Energy Kentucky, Inc. (Duke Kentucky), issued on October 11, 2019, contained two errors in Item 168. The first error is that the third sentence and all subsequent text should have been a new question. The second error is that the reference in the third sentence to “Attachment - JLK2.xlsx” should have been a reference to “Attachment – JLK3xlsx.”

Item 168 should be revised as follows:

168. a. Confirm that Duke Kentucky has not included any penalty payments, as recorded in FERC account 426.3, in the operating expenses included in its forecasted test year. If this cannot be confirmed, provide the location and amounts of any penalty payments, as recorded in FERC account 426.3, in the operating expenses included in its forecasted test year.

b. Refer to Duke Kentucky’s response to Staff’s First Data Request, Item 54, Staff-DR-01-054_Attachment-_JLK3.xlsx.

   (1) Provide support for the real discount rate of 5.18 percent.
   (2) Provide support for the After-Tax WACC of 6.52 percent.
   (3) Provide support for the 2.50 percent inflation rate.
(4) Regarding the LFCR (EOY Convention):
   (a) Explain what LFCR represents.
   (b) Provide support for the Nominal LFCR calculation of 8.47 percent.
(5) Provide support for the LFCR (EOY Convention) calculation of 7.23 percent.
(6) Provide support for the 2018 CT Direct and AFUDC costs of $614.20.
(7) Provide support for the Fixed O&M of $3.59.
(8) Provide a revised Excel spreadsheet with supporting calculations and all formulas unprotected and all rows and columns fully accessible.

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