

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR 1) AN ADJUSTMENT OF)	CASE NO.
THE NATURAL GAS RATES; 2) APPROVAL OF)	2025-00125
NEW TARIFFS; AND 3) ALL OTHER REQUIRED)	
APPROVALS, WAIVERS, AND RELIEF)	

ORDER

On April 17, 2025, Duke Energy Kentucky, Inc. (Duke Kentucky) filed notice of intent to file an application pursuant to 807 KAR 5:001 Section 16 for an adjustment of the natural gas rates, approval of new tariffs, and all other required approvals, waivers, and relief. Duke Kentucky also filed a motion, application to use abbreviated notice procedures (Abbreviated Notice Motion), requesting a deviation from the requirements in 807 KAR 5:001, Section 17 and authorizing Duke Kentucky to publish an abbreviated notice of its proposed rate adjustment.¹

LEGAL STANDARD

Commission regulation 807 KAR 5:001, Section 16(2) permits a utility to file a request to the Commission to allow abbreviated newspaper notice after a notice of intent for an application of an adjustment of rates has been filed.² Commission regulation 807 KAR 5:001, Section 17(2) outlines the methods for a utility to provide notice to its customers of an application for an adjustment of rates. Commission regulation 807 KAR

¹ Abbreviated Notice Motion(filed Apr. 17, 2025).

² 807 KAR 5:001, Section 16(2)(b).

5:001, Section 17(2)(b)(3) permits a utility to satisfy the notice requirement by publishing the notice in a newspaper of general circulation in the utility's service area once a week for three weeks.³ Commission regulation 807 KAR 5:001, Section 22 allows the Commission to grant deviation from the regulations for good cause shown.⁴

DUKE KENTUCKY'S MOTION

Duke Kentucky requested the Commission allow it to publish an abbreviated newspaper notice of the upcoming application for a rate adjustment. Duke Kentucky asserted that the regulations setting forth the requirements of what must be included in the notice of an application for a rate adjustment result in a lengthy newspaper notice.⁵ Duke Kentucky maintained that the notice would be approximately nine single spaced pages.⁶ Furthermore, Duke Kentucky stated to publish the full notice in five newspapers of general circulation in its service territory for three consecutive weeks would cost approximately \$50,000.⁷ Duke Kentucky claimed that the use of an abbreviated notice in the five newspapers in its service area for three consecutive weeks would cost approximately \$10,000.⁸ Duke Kentucky asserted that the cost of publishing the notice constitutes a rate case expense that may be recovered through the newly established rates.⁹

³ 807 KAR 5:001, Section 17(2)(b)(3).

⁴ 807 KAR 5:001, Section 22.

⁵ Abbreviated Notice Motion at 3.

⁶ Abbreviated Notice Motion at 3.

⁷ Abbreviated Notice Motion at 3.

⁸ Abbreviated Notice Motion at 3.

⁹ Abbreviated Notice Motion at 3.

Duke Kentucky stated that, if approved, the abbreviated notice would contain the complete notice required by the Commission's regulation for its proposed residential natural gas rate, as well as the additional information required for residential customers by the Commission's regulations.¹⁰ However, the notice would contain an abbreviated notice of the adjustments to non-residential rates identifying each non-residential rate schedule Duke Kentucky proposed to adjust and indicate the availability of further information concerning the proposed adjustment(s) on its websites, as well as its local office.¹¹ Lastly, Duke Kentucky provided that the abbreviated notice will indicate a printed or electronic copy of the complete notice may be obtained by written or electronic mail request to Duke Kentucky.¹²

In addition to publishing the abbreviated notice, Duke Kentucky proposed the following public awareness measures designed to reasonably inform customers of the rate adjustment:

- A copy of the complete notice will be posted at Duke Kentucky's local office coincident with the first newspaper publication and remain posted until completion of the rate case.¹³
- A copy of the complete notice will be posted on Duke Kentucky's website along with a hyperlink to the location on the Public Service Commission's website where case documents and tariff filing are available. The posting and hyperlink will be posted to the website coincident with the first newspaper publication of its abbreviated notice and remain posted until completion of the rate case.¹⁴

¹⁰ Abbreviated Notice Motion at 4.

¹¹ Abbreviated Notice Motion at 4.

¹² Abbreviated Notice Motion at 4.

¹³ Abbreviated Notice Motion at 4.

¹⁴ Abbreviated Notice Motion at 4-5.

- A copy of the complete public version of Duke Kentucky's application to adjust rates will be posted on Duke Kentucky's website. The application will be posted coincident with the filing of Duke Kentucky's application to adjust its rates.¹⁵
- A separate, electronic copy of the notice will be uploaded and titled "Customer Notice of Rate Adjustment." The uploaded separate copy would be intended to enable customers reviewing the Commission's website to locate the notice without difficulty.¹⁶

With its motion, Duke Kentucky provided a copy of its proposed abbreviated notice.¹⁷

DISCUSSION AND FINDINGS

Having reviewed the Abbreviated Notice Motion and being otherwise sufficiently advised, the Commission finds that Duke Kentucky's request to publish an abbreviated customer notice lacks key components required by KAR 5:001, Section 17(4) and therefore denied.

The abbreviated notice does not include a method for customers to know that the gas cost adjustment is a quarterly adjustment, indicating that the rates could be different than proposed, due to changes in that mechanism. Furthermore, if there are any planned tariff changes, they are not reflected in proposed notice.

The Commission further finds the abbreviated notice, as proposed, reduces the transparency of the rate application. If Duke Kentucky wishes to refile a request for an abbreviated notice, the Commission notes Duke Kentucky should ensure that the abbreviated notice include any changes to tariffs affecting rates and services, all of the residential rate changes, including any changes to the nonrecurring charges, as well as

¹⁵ Abbreviated Notice Motion at 5.

¹⁶ Abbreviated Notice Motion at 5.

¹⁷ See Motion, Exhibit 2.

a redline copy of the proposed tariff changes. Duke Kentucky should provide enough information for the Commission to evaluate whether a customer of any rate class would have enough information to identify possible changes to their rates and services.

IT IS THEREFORE ORDERED that:


1. Duke Kentucky's request to file an abbreviated newspaper notice in the newspapers of general circulation in its service territory as proposed in its Abbreviated Notice Motion is denied.

2. If Duke Kentucky wishes to file a revised request, the abbreviated notice shall include any changes to the tariffs affecting rates and services, all of the residential rate changes, including any changes to the nonrecurring charges, as well as a redline copy of the proposed tariff changes.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman


Commissioner

ATTEST:


Executive Director



*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Minna Sunderman
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Elizabeth Brama
Taft Stettinius & Hollister LLP
1717 Dixie Highway, Suite 340
Covington, KY 41011-4707

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

*John Horne
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Tammy Meyer
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

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

*Tolad Lacy
Office of the Attorney General
700 Capital Avenue
Frankfort, KY 40601

*Larisa Vaysman
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Lawrence W Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204