COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR AN ORDER APPROVING)	
THE ESTABLISHMENT OF A REGULATORY)	CASE NO.
ASSET FOR THE ENGINEERING COSTS)	2025-00281
INCURRED ASSOCIATED WITH ITS)	
WITHDRAWN LIMESTONE CONVERSION AND)	
MATS COMPLIANCE STRATEGIES)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO DUKE ENERGY KENTUCKY, INC.

Duke Energy Kentucky, Inc. (Duke Kentucky), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on December 1, 2025. The Commission directs Duke Kentucky to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-* 19 (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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 Duke Kentucky obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

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

Careful attention shall be given to copied and scanned 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filling 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.

 Refer to Duke Kentucky's Response to Commission Staff's First Request for Information (Staff's First Request), Item 4a and STAFF-DR-01-004(a) CONF Attachment.

- a. Refer to the tab labeled "Notes," which references three studies. For each of the three studies, explain the basis for the study and the assumptions, and the scenario in which the study would materialize.
- b. Provide a narrative description of each of the analyses performed in the workbook, as well as the results of each analysis.
- c. Explain whether the least-cost analysis took into account the approximate \$6 million in expenses for the Limestone Conversion Project Certificate of Public Convenience and Necessity (CPCN) Applications. If not, provide the support and/or least-cost analysis performed by Duke Kentucky in determining the longer-term contract and, in turn, withdrawing the CPCN Application was the least-cost option.
- 2. Quantify the total cost-savings projected to be secured by choosing to move forward with the magnesium enhanced hydrated lime (MEL) Supplier contract rather than the Limestone Conversion Project.
- 3. Provide the present value revenue requirement (PVRR) (on an absolute and relative basis) for the Limestone Conversion Project compared to the option of choosing the MEL Supplier contract.
 - 4. Refer to Application, paragraph 21a.
- a. Explain how Duke Kentucky would have financed the CPCN if approved, including application expenses.
- b. Explain why the planned financing for the CPCN is no longer an option to cover application expenses for Duke Kentucky.
 - 5. Refer to Duke Kentucky's response to Staff's First Request, Item 1.

-3-

- a. Provide the general ledger for all accounts, which highlights the breakdown of each expense associated with the expenses Duke Kentucky proposed to defer in the Application filed on July 25, 2024. Provide the requested information in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.
- b. Provide the general ledger, for all accounts, which highlights a breakdown of each expense associated with the expenses Duke Kentucky proposed to defer for the Application filed on January 28, 2025. Provide the requested information in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.
- 6. Refer to the Application, page 20. Explain how failure to defer these costs would materially impact Duke Kentucky's financial condition.
- 7. Provide the amount of regulatory expense embedded in Duke Kentucky's base rates from Case No. 2024-00354.² Given that the CPCN Applications were filed during Duke Kentucky's base period in that case, confirm and explain whether the CPCN Application expense was included in Duke Kentucky's forecast for regulatory expense.

² Case No. 2024-00354, Electronic Application of Duke Energy Kentucky, Inc. For: 1) An Adjustment of the Electric Rates; 2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; And 4) All Other Required Approvals and Relief (Ky. PSC Oct. 2, 2025), Order.

Linde Bridwell RP

Linda C. Bridwell, PE Executive Director Public Service Commission P.O. Box 615

Frankfort, KY 40602

DATED _____ NOV 18 2025

cc: Parties of Record

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