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COMMISSION

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Rocco O. D'Ascenzo
Associate General Counsel

VIA OVERNIGHT DELIVERY

March 21, 2016

Chairman James W. Gardner
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Duke Energy Kentucky, Inc. Notice of Its Intent to Start Offering a Change in Bulb Type within the Energy Efficiency Education for Schools Program Kit.

Dear Chairman Gardner:

In accordance with the Automatic Approval Process for Demand Side Management/ Energy Efficiency Program (Collectively DSM Measures) Measures approved by the Kentucky Public Service Commission's (Commission) January 28, 2014, Order in Case No. 2014-00280 (Order), Duke Energy Kentucky, Inc., (Duke Energy Kentucky or the Company) hereby provides notice of its intent to start offering a change in bulb type within the Energy Efficiency Education for Schools Program kit. The Energy Efficiency Education for Schools program is targeted to eligible residential customers in the Company's service territory. The program provides participating customers with an energy efficiency kit that currently contains Compact Fluorescent Lights (CFLs). The Company plans to replace the CFLs with Light Emitting Diode Lamps (LEDs) starting in April 2016.

The Order provides, in relevant part, that "Duke Kentucky's request that the Commission approve adding additional cost effective measures to existing programs is approved with the following parameters:

- 1) the additional measures cost is not to be greater than \$75,000;
- 2) Duke Kentucky must notify the Commission at least 10 days prior to the launch of the new measures;
- 3) the measures inclusion is cost effective and the cost/benefit analysis and rate change is provided, on an annual basis within the annual amendment filing.

The Company reviewed the change to LEDs within existing programs with the Collaborative during the November 5, 2015 meeting. In compliance with the terms of the Commission's approval of the automatic approval process, the Company hereby states as follows:

Chairman James W. Gardner
March 21, 2016
Page 2 of 2

- 1) The total incremental cost for the change in measures is projected to be about \$19,600 from 2016-2018, which is less than the \$75,000 threshold;
- 2) As Duke Energy Kentucky intends to implement the program effective April 4, 2016, the Company is providing the Commission at least 10 days-notice; and

The Company will report progress on the Energy Efficiency Education for Schools program annually in its cost recovery filing. No action is requested by the Commission at this time. Please contact me if you have any questions.

Sincerely,



Rocco D'Ascenzo
Associate General Counsel