



February 11, 2014

Kentucky Public Service Commission
Attn: Mr. Jeff Derouen, Executive Director
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

FEB 11 2014

PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen:

Enclosed for filing are an original and ten (10) conformed copies of Duke Energy Kentucky's ("Duke") "Monthly Report of Gas Cost Calculations and Tariff Schedules," for the month commencing with the March 2014 revenue month in accordance with KPSC order dated November 6, 2003 in Case No. 2003-00386. This filing is based on supplier tariff rates expected to be in effect on March 3, 2014 and the NYMEX close on February 6, 2014 for the month of March 2014. Also included is a 3 page section summarizing the calculation of the Prior Period Adjustment amount on Schedule III.

The above described schedules and GCA are effective with the final meter readings of District 1, March 2014 revenue month (i.e., final meter readings on and after March 3, 2014).

Duke's proposed GCA is \$5.891 per Mcf. This rate represents an increase of \$0.703 per Mcf from the rate currently in effect for February 2014.

Very truly yours,

Susan Miller

Enclosure

cc: L. Schmidt

R:/tariffs/gcr/ulhp/gca monthly filing.doc

1st Quarter

DUKE ENERGY KENTUCKY, INC
GAS COST ADJUSTMENT CLAUSE

QUARTERLY REPORT

GAS COST RECOVERY RATES EFFECTIVE FROM March 3, 2014 THROUGH March 31, 2014

DESCRIPTION	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.678
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	0.000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.201
BALANCE ADJUSTMENT (BA)	\$/MCF	0.012
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	5.891

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	5.678

SUPPLIER REFUND ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER SUPPLIER REFUND ADJ.	\$/MCF	0.000
PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	0.000
SECOND PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	0.000
THIRD PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	0.000
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	0.000

ACTUAL ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER ACTUAL ADJUSTMENT	\$/MCF	0.377
PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.100
SECOND PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.277)
THIRD PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.001
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.201

BALANCE ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	0.002
PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	(0.008)
SECOND PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	(0.008)
THIRD PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	0.026
BALANCE ADJUSTMENT (BA)	\$/MCF	0.012

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 8373 OF THE KENTUCKY PUBLIC SERVICE COMMISSION DATED APRIL 16, 1982.

DATE FILED: February 11, 2014

BY: DON WATHEN

TITLE: DIRECTOR,
Rates & Regulatory Strategy - OH/KY

**GAS COST ADJUSTMENT
DUKE ENERGY KENTUCKY
EXPECTED GAS COST RATE CALCULATION (EGC)**

"SUMMARY" FOR THE EGC RATE IN EFFECT AS OF MARCH 3, 2014

<u>DEMAND (FIXED) COSTS:</u>	<u>\$</u>
Columbia Gas Transmission Corp.	2,780,149
Columbia Gulf Transmission Corp.	1,940,261
KO Transmission Company	307,584
Gas Marketers	<u>737,326</u>
TOTAL DEMAND COST:	5,765,320
 PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:	 9,684,230 MCF
DEMAND (FIXED) COMPONENT OF EGC RATE:	\$5,765,320 / 9,684,230 MCF \$0.595 /MCF
 <u>COMMODITY COSTS:</u>	
Gas Marketers	\$4.509 /MCF
Gas Storage	
Columbia Gas Transmission	\$0.554 /MCF
Propane	<u>\$0.009 /MCF</u>
COMMODITY COMPONENT OF EGC RATE:	\$5.072 /MCF
 Other Costs:	
Net Charge Off ⁽¹⁾	\$17,952 / 1,604,900 \$0.011 /MCF
 TOTAL EXPECTED GAS COST:	 \$5.678 /MCF

GAS COST ADJUSTMENT
DUKE ENERGY KENTUCKY

DETAILS FOR THE EGC RATE IN EFFECT AS OF : MARCH 3, 2014

	RATE (\$ DTH)	CONTRACT VOLUME (DTH)	NUMBER OF DAYS/MTHS	EXPECTED GAS COST (\$)
INTERSTATE PIPELINE : COLUMBIA GAS TRANSMISSION, LLC				
TARIFF RATE EFFECTIVE DATE : FSS: 2/1/2013				
SST: 2/1/2014				
<u>BILLING DEMAND - TARIFF RATE - FSS</u>				
Max. Daily Withdrawl Quan.	1.5090	39,656	12	718,091
Seasonal Contract Quantity	0.0289	1,365,276	12	473,478
<u>BILLING DEMAND - TARIFF RATE - SST</u>				
Maximum Daily Quantity	4.4510	19,828	6	529,527
Maximum Daily Quantity	4.4510	39,656	6	1,059,053
CAPACITY RELEASE CREDIT				0
TOTAL COLUMBIA GAS TRANSMISSION, LLC - DEMAND CHARGES				2,780,149

Currently Effective Rates
 Applicable to Rate Schedule FSS
 Rate Per Dth

		Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current Surcharge		Electric Power Costs Adjustment Current Surcharge		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FSS									
Reservation Charge 3/	\$	1.509	-	-	-	-	-	1.509	0.0496
Capacity 3/	¢	2.89	-	-	-	-	-	2.89	2.89
Injection	¢	1.53	-	-	-	-	-	1.53	1.53
Withdrawal	¢	1.53	-	-	-	-	-	1.53	1.53
Overrun 3/	¢	10.91	-	-	-	-	-	10.91	10.91

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.

2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.

3/ Shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay a total FSS MDSQ reservation charge of \$4.130 and a total FSS SCQ capacity rate of 6.80 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay a total FSS overrun rate of 23.44 cents. The additional EME demand charges and EME overrun charges can be added to the applicable surcharges above to develop the EME Total Effective Rate.

Currently Effective Rates
 Applicable to Rate Schedule SST
 Rate Per Dth

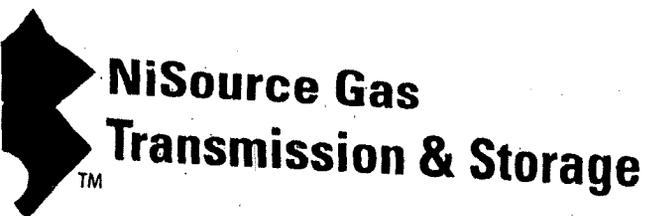
	Base Tariff Rate 1/ 2/	TCRA Rates	EPCA Rates	OTRA Rates	CCRM Rates	Total Effective Rate 2/	Daily Rate 2/
Rate Schedule SST							
Reservation Charge 3/4/	\$ 4.830	0.335	0.065	0.121	0.393	5.744	0.1888
Commodity	<i>.0102 + 0</i>	<i>+ 0</i>	<i>+ .0068</i>	<i>+ 0 =</i>	<i>.017</i>		
Maximum	¢ 1.02	0.00	0.68	0.00	0.00	1.70	1.70
Minimum	¢ 1.02	0.00	0.68	0.00	0.00	1.70	1.70
Overrun 4/							
Maximum	¢ 16.90	1.10	0.89	0.40	1.29	20.58	20.58
Minimum	¢ 1.02	0.00	0.68	0.00	0.00	1.70	1.70

discounted to 4.451

- 1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.
- 2/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 34 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.
- 3/ Minimum reservation charge is \$0.00.
- 4/ Shippers utilizing the Eastern Market Expansion (EME) facilities for Rate Schedule SST service will pay a total SST reservation charge of \$17.625. If EME customers incur an overrun for SST services that is provided under their EME Project service agreements, they will pay a total overrun rate of 58.97 cents. The applicable EME demand charge and EME overrun charge can be added to the applicable surcharges above to calculate the EME Total Effective Rates.

.017 withdrawal
+ .0012 ACA

.0182 injection rate



5151 San Felipe, Suite 2500
Houston, Texas 77056

August 18, 2009

James L. Turner
Vice President, President & COO
100 East Fourth Street
Suite 2500
Cincinnati, OH 45202

Revision 1 to SST Service Agreement No. 79977
Discount Letter Agreement

Dear Mr. Turner:

This letter shall serve as an amendment to the SST Service Agreement between Columbia Gas Transmission, LLC (Transporter) and Duke Energy Kentucky, Inc. (Shipper) designated as Shipper's Contract No. 79977.

A) Transporter and Shipper hereby agree that Section 3 of the above-referenced contract number shall be amended to include the following additional language:

- 1) The rate for service, for the period from 11/01/09 to 3/31/10, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$3.963 for deliveries to the primary delivery points: KOT DEK MLI (834696) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.
- 2) The rate for service, for the period from 4/01/10 to 3/31/15, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$4.451 for deliveries to the primary delivery points: KOT DEK MLI (834696) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.

- 3) The discounted rate provided in paragraph one and two above is limited to the primary receipt/delivery point combinations set forth in Appendix A of the above-referenced service agreement. Except to the extent Federal Energy Regulatory Commission ("FERC") policies, rules and/or regulations, and/or Transporter's FERC Gas Tariff provide otherwise, for service under the above-referenced Service Agreement from secondary receipt points or to secondary delivery points, in lieu of the rates set forth in Paragraph 1 above, Transporter shall charge and Shipper shall pay the then existing maximum Recourse Rate set forth in Transporter's FERC Gas Tariff from time to time.
- 4) Notwithstanding the foregoing, the charge to be paid by Shipper and Transporter shall be no lower than the applicable total effective minimum charges or higher than the applicable total effective maximum charges as set forth in Transporter's FERC Gas Tariff from time to time. Rates provided for in this Discount Letter Agreement will be adjusted as necessary so that the rate will be no lower than the total effective minimum charges nor higher than the applicable total effective maximum charges as set forth in Transporter's FERC Gas Tariff from time to time. In the event that a rate component which was at or below the applicable maximum rate at the time this Discount Letter Agreement was executed subsequently exceeds the applicable maximum rate due to a change in Transporter's maximum rate so that such rate component must be adjusted downward to equal the new applicable maximum rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate applicable to that rate component. In the event the monthly Recourse Rate applicable to SST service is reduced to a level below \$3.963 or \$4.451 per Dth of Transportation Demand during the term of the above-referenced individual Service Agreement, the rates under the SST Service Agreement referenced above will be adjusted to the new monthly Recourse Rate.
- 5) This discounted transportation rate shall be apportioned in accordance with Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 6) Shipper shall pay all then existing maximum overrun charges, if incurred, as set forth in Transporter's FERC Gas Tariff from time to time.

you are in agreement with the above amendment, please execute both originals of this letter and return them to the Transporter at the address above, Attention: Sandra Dibello.

terms agreed to this 16 day of September, 2009.

COLUMBIA GAS TRANSMISSION, LLC

By: [Signature]
S: Director, Commercial Services



PTB
DEF

Duke Energy Kentucky, Inc.

By: [Signature]
Its: Group Executive, President and COO
USFE+G

As To Form



RETAINAGE PERCENTAGES

Transportation Retainage	1.957%	<i>SST fuel %</i>
Gathering Retainage	1.234%	
Storage Gas Loss Retainage	0.120%	<i>Ass fuel %</i>
Ohio Storage Gas Lost Retainage	0.110%	
Columbia Processing Retainage/1	0.000%	

1/ The Columbia Processing Retainage shall be assessed separately from the processing retainage applicable to third party processing plants set forth in Section 25.3 (f) of the General Terms and Conditions.

**GAS COST ADJUSTMENT
DUKE ENERGY KENTUCKY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : MARCH 3, 2014

	RATE (\$ DTH)	CONTRACT VOLUME (DTH)	NUMBER OF DAYS/MTHS	EXPECTED GAS COST (\$)
INTERSTATE PIPELINE : COLUMBIA GULF TRANSMISSION CORP.				
TARIFF RATE EFFECTIVE DATE : FTS-1: 10/1/2013				
<u>BILLING DEMAND - TARIFF RATE - FTS-1</u>				
Maximum Daily Quantity	4.2917	22,782	5	488,868
Maximum Daily Quantity	4.2917	17,598	7	528,677
Maximum Daily Quantity	4.2917	18,000	5	386,253
Maximum Daily Quantity	4.2917	25,000	5	536,463
CAPACITY RELEASE CREDIT FOR FTS-1				0
TOTAL COLUMBIA GULF TRANSMISSION CORP. DEMAND CHARGES				1,940,261
INTERSTATE PIPELINE : KO TRANSMISSION COMPANY				
TARIFF RATE EFFECTIVE DATE : 10/1/2013				
<u>BILLING DEMAND - TARIFF RATE - FT</u>				
Maximum Daily Quantity	0.3560	72,000	12	307,584
CAPACITY RELEASE CREDIT				0
TOTAL KO TRANSMISSION CO. DEMAND CHARGES				307,584
VARIOUS GAS MARKETERS FIXED (RESERVATION) CHARGES :				
	November - March	0.0025	12,810,689	31,926
	December - February	0.018	300,000	5,400
National Energy & Trade, LP (NET)	November - March		1,000,000	700,000
TOTAL GAS MARKETERS FIXED CHARGES				737,326

Currently Effective Rates
 Applicable to Rate Schedule FTS-1
 Rates in Dollars per Dth

Rate Schedule FTS-1	<u>Base Rate</u>	<u>Total Effective</u>	
		<u>Rate</u>	<u>Daily Rate</u>
	(1)	(2)	(3)
	1/	1/	1/
<u>Market Zone</u>			
Reservation Charge			
Maximum	4.2917	4.2917	0.1411
Minimum	0.000	0.000	0.000
Commodity			
Maximum	0.0109	0.0109	0.0109
Minimum	0.0109	0.0109	0.0109
Overrun			
Maximum	0.1520	0.1520	0.1520
Minimum	0.0109	0.0109	0.0109

1/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 31 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

.0109
 + .0012 ACA

 .0121

KO Transmission Company
Effective Date: 10/01/2013
FERC Docket: RP13-01183-000
FERC Order: Delegated Letter Order
Part 3, Currently Effective Rates, 7.0.0

Status: Effective
Order Date: 09/17/2013

**CURRENTLY EFFECTIVE RATES
APPLICABLE TO RATE SCHEDULES FTS AND ITS**

RATE LEVELS - RATE PER DTH

	Base Tariff Rate^{1/}
RATE SCHEDULE FTS	
Reservation Charge ^{2/}	
Maximum 1	\$0.3560
Maximum 2	\$0.3560
Daily Rate - Maximum 1	\$0.0117
Daily Rate - Maximum 2	\$0.0117
Commodity	
Maximum	\$0.0000
Minimum	\$0.0000
Overrun	\$0.0117
RATE SCHEDULE ITS	
Commodity	
Maximum	\$0.0117
Minimum	\$0.0000

^{1/} ACA assessed where applicable pursuant to Section 154.402 of the Commission's regulations and will be charged pursuant to Section 23 of the General Terms and Conditions at such time that initial and successive annual ACA assessments applicable to Transporter are made and posted on the Commission's website (<<http://www.ferc.gov>>).

^{2/} Minimum reservation charge is \$0.00.

Transportation Retainage Adjustment 0.92%

NOTE: Utilizing GISB standards 5.3.22 and 5.3.23, Transporter's Rate Schedule FTS Reservation Charge can be converted to an applicable daily rate by dividing the above monthly rate by 30.4 days.

**DUKE ENERGY KENTUCKY
TOTAL RESERVATION COSTS FROM FIRM SUPPLIERS
ESTIMATED FOR EGC EFFECTIVE 3/1/2014**

TOTAL ANNUAL RESERVATION COST:

TOTAL DOLLARS \$ 31,926 (1)

TOTAL ANNUAL COVERAGE:

CITY GATE VOLUMES 12,810,689 Dth (2)

CALCULATED RATE: \$ 0.0025 per Dth

(1) Reservation charges billed by firm suppliers for 2013 - 2014.

(2) Contracted volumes for the 2013 - 2014 winter season.

**DUKE ENERGY KENTUCKY
TOTAL RESERVATION COSTS FROM NEEDLE PEAKING SUPPLIERS
ESTIMATED FOR EGC EFFECTIVE 3/1/2014**

TOTAL ANNUAL RESERVATION COST:

TOTAL DOLLARS \$ \$5,400.00 (1)

TOTAL ANNUAL COVERAGE:

CITY GATE VOLUMES 300,000 Dth (2)

CALCULATED RATE: \$ 0.0180 per Dth

(1) Reservation charges billed by needle peaking suppliers for 2013 - 2014

(2) Contracted volumes for the 2013 - 2014 winter season.

**Duke Energy Kentucky
Gas Resources
Supply Portfolio - November 2013 - March 2014
Reservation Fees**

			Dth per Day					Total Volume	Reserv. Fee	Total Cost
			Nov	Dec	Jan	Feb	Mar			
Chevron										
Columbia (Mainline)	Base	Fixed	3,000	3,000	3,000	3,000	3,000	453,000	\$0.0000	\$0.00
Columbia (Mainline)	Swing	GD +.0025	18,500	18,000	15,500	15,000	18,500	2,587,000	\$0.0025	\$6,467.50
Total								3,040,000		\$6,467.50
Energy America										
Columbia Backhaul (Leach)	Swing	GD +.1400	18,000	18,000	18,000	18,000	18,000	2,718,000	\$0.0050	\$13,590.00
Total								2,718,000		\$13,590.00
Conoco										
Columbia (Mainline)	Base	Fixed	2,000	2,000	2,000	2,000	2,000	302,000	\$0.0000	\$0.00
Total								302,000		\$0.00
J. P. Morgan										
Columbia (Mainline)	Base	FOMI	2,600	3,200	5,900	6,600	2,600	625,500	\$0.0000	\$0.00
Columbia (Mainline)	Swing	GD	18,500	18,000	15,500	15,000	18,500	2,587,000	\$0.0000	\$0.00
Total								3,212,500		\$0.00
Southwestern Energy										
Columbia (Mainline)	Base	FOMI	2,600	2,950	5,850	6,550	2,500	611,700	\$0.0000	\$0.00
Total								611,700		\$0.00
Sequent										
Columbia (Mainline)	Swing	GD	17,039	16,489	14,089	13,689	17,139	2,373,689	\$0.0050	\$11,868.45
Total								2,373,689		\$11,868.45
NextEra										
Columbia (Mainline)	Base	FOMI	2,600	3,200	5,000	5,000	2,600	552,800	\$0.0000	\$0.00
Total								552,800		\$0.00
Total Firm Supply								12,810,689		\$ 31,925.95
25 Day Peaking Service (North)										
Twin Eagle (Lebanon)		GD+\$0.2000		12,000	12,000	12,000		1,080,000	\$0.0050	\$5,400.00
								1,080,000		\$5,400.00
Kentucky "Faux" Storage										
NET (1)		Fixed	20,000	20,000	20,000	20,000	20,000	1,000,000		\$0.00
Total Duke Energy Kentucky								14,890,689		\$37,325.95

(1) Must take a total of 1,000,000 Dths. Price based on average of Mich Con FOMI for Apr 13--Oct 13.
Reservation fee of \$100,000/month to be paid each month beginning April 2013 through October 2013.



Date: February 19, 2013

Transaction Confirmation #: 181831

Transaction Confirmation for Immediate Delivery

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated April 26, 2004. The terms of the Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract. For any issues regarding the confirmations, please contact Contract Administration at (713) 800-1961, (713) 800-1985 or via email at confirmations@netmidstream.com.

BUYER:

SELLER:

Duke Energy Kentucky, Inc.
139 East Fourth St.
EX 460
Cincinnati, OH 45202

National Energy & Trade, LP
5847 San Felipe Street
Suite 1910
Houston, TX 77057

Attn: Steve Niederbaumer
Phone: 513-287-3076
Fax: 513-287-2423 - 287-4212

Attn: Greg Trefz
Phone: 713-800-1912
Fax: 713-871-0510

Commodity Price: The average of the *Inside FERC's Gas Market Report* price located under the heading "Upper Midwest", the row titled "Mich Con city-gate", and the column heading "Index" for the 7 months beginning April 2013 through October 2013.

Payment Terms: Duke shall pay Commodity Price for the full SQ as per the terms of the NAESB agreement when the gas is called upon and delivered during period beginning November 1, 2013 and ending March 31, 2014.

Delivery Period: Begin: November 01, 2013 End: March 31, 2014

Maximum Daily Quantity (Max DQ): 20,000 MMBtu/day

Minimum Daily Quantity (Min DQ): 0 MMBtu/day, however, any volume greater than 0 must be dispatched in increments of 1,000 MMBtu/day

Seasonal Quantity (SQ): 1,000,000 MMBtus

Delivery Point(s): Duke's Springboro inter-connect with ANR or TETCO

Scheduling: Duke shall notify NET of its election by 8:00 a.m. Central Time on the business day prior to flow. Duke shall not be required to take gas on a ratable basis over weekends and holidays.

Buyer: Duke Energy Kentucky, Inc.
Signature:
Title: Manager, Gas Resources
Date: 2/20/13

Seller: National Energy & Trade, LP *645 68*
By:
Title: VICE PRESIDENT - NET GENERAL PARTNERS LLC
Date: February 19, 2013



Date: February 19, 2013

Transaction Confirmation #: 181832

Transaction Confirmation for Immediate Delivery

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated April 26, 2004. The terms of the Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract. For any issues regarding the confirmations, please contact Contract Administration at (713) 800-1961, (713) 800-1985 or via email at confirmations@netmidstream.com.

BUYER:

Duke Energy Kentucky, Inc.
139 East Fourth St.
EX 460
Cincinnati, OH 45202

Attn: Steve Niederbaumer
Phone: 513-287-3076
Fax: 513-267-2428 ~~287-4212~~

SELLER:

National Energy & Trade, LP
5847 San Felipe Street
Suite 1910
Houston, TX 77057

Attn: Greg Trefz
Phone: 713-800-1912
Fax: 713-871-0510

Delivery Period: Begin: April 01, 2013 End: October 31, 2013

Associated with supply deal under confirm #181831.

Monthly Demand Charge: \$0.10 times the SQ (\$100,000/month) to be paid each month beginning April 2013 through October 2013.

Buyer: Duke Energy Kentucky, Inc.
SN
By: [Signature]
Title: Manager, Gas Resources
Date: 2/20/13

Seller: National Energy & Trade, LP *Get it*
By: [Signature]
Title: VICE PRESIDENT - NET GENERAL PARTNERS LLC
Date: February 19, 2013

GAS COST ADJUSTMENT
DUKE ENERGY KENTUCKY

DETAILS FOR THE EGC RATE IN EFFECT AS OF : MARCH 3, 2014

GAS COMMODITY RATE FOR MARCH, 2014:

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$4.9334	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.500%	\$0.0740	\$5.0074	\$/Dth
DTH TO MCF CONVERSION	1.0279	\$0.1397	\$5.1471	\$/Mcf
ESTIMATED WEIGHTING FACTOR	87.600%		\$4.5089	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$4.509	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$4.2027	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$4.2180	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.957%	\$0.0825	\$4.3005	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0170	\$4.3175	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0012	\$4.3187	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.500%	\$0.0648	\$4.3835	\$/Dth
DTH TO MCF CONVERSION	1.0279	\$0.1223	\$4.5058	\$/Mcf
ESTIMATED WEIGHTING FACTOR	12.300%		\$0.5542	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.554	\$/Mcf

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$0.57186	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$8.2233	\$8.7952	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.100%		\$0.0088	\$/Mcf
PROPANE COMMODITY RATE			\$0.009	\$/Mcf

(1) Weighted average cost of gas based on NYMEX prices on 2/6/14 and contracted hedging prices.

GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
ACTUAL ADJUSTMENT
DETAILS FOR THE THREE MONTH PERIOD ENDED November 30, 2013

DESCRIPTION	UNIT	SEPTEMBER	OCTOBER	NOVEMBER
<u>SUPPLY VOLUME PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	MCF	185,425	464,705	1,179,910
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	0	0	70
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	4,007	(4,137)	(4,335)
TOTAL SUPPLY VOLUMES	MCF	<u>189,432</u>	<u>460,568</u>	<u>1,175,645</u>
<u>SUPPLY COST PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	\$	1,096,229	2,534,397	5,308,385
SPECIAL PURCHASES CREDIT	\$	0	0	0
INCLUDABLE PROPANE	\$	0	0	594
OTHER COSTS (SPECIFY):		0	0	0
GAS COST UNCOLLECTIBLE	\$	3,127	499	3,228
MANAGEMENT FEE	\$	(13,862)	(13,862)	(21,658)
X-5 TARIFF	\$	0	0	0
TRANSPORTATION SERVICE "UNACCOUNTED FOR"	\$	0	0	0
GAS COST CREDIT	\$	0	0	0
LOSSES - DAMAGED LINES	\$	0	0	(31)
TRANSPORTATION TAKE-OR-PAY RECOVERY	\$	0	0	0
SALES TO REMARKETERS	\$	0	0	0
TOTAL SUPPLY COSTS	\$	<u>1,085,494</u>	<u>2,521,034</u>	<u>5,290,518</u>
<u>SALES VOLUMES</u>				
JURISDICTIONAL	MCF	191,205.4	233,852.5	708,949.2
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	<u>191,205.4</u>	<u>233,852.5</u>	<u>708,949.2</u>
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	5.677	10.780	7.462
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	<u>4.562</u>	<u>4.649</u>	<u>4.559</u>
DIFFERENCE	\$/MCF	1.115	6.131	2.903
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	<u>191,205.4</u>	<u>233,852.5</u>	<u>708,949.2</u>
EQUALS MONTHLY COST DIFFERENCE	\$	<u>213,194.02</u>	<u>1,433,749.68</u>	<u>2,058,079.53</u>
NET COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$			<u>3,705,023.23</u>
PRIOR PERIOD ADJUSTMENT - AUGUST 2013	\$			(58,285.88)
TOTAL COST USED IN THE CURRENT AA CALCULATION	\$			<u>3,646,737.35</u>
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED <u>February 28, 2015</u>	MCF			9,684,230
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			<u>0.377</u>
AAU				

**GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
BALANCE ADJUSTMENT
DETAILS FOR THE TWELVE MONTH PERIOD ENDED November 30, 2013**

DESCRIPTION	UNIT	AMOUNT
<u>RECONCILIATION OF A PREVIOUS GAS COST VARIANCE</u>		
GAS COST DIFFERENCE TO BE RECOVERED FROM OR (RETURNED TO) CUSTOMERS WHICH WAS USED TO COMPUTE THE "AA" EFFECTIVE DECEMBER 1, 2012	\$	912,633.37
LESS: AMOUNT RECOVERED (RETURNED) BY THE AA OF \$ 0.088 /MCF APPLIED TO TOTAL SALES OF 9,889,076 MCF (TWELVE MONTHS ENDED November 30, 2013)	\$	<u>870,238.73</u>
BALANCE ADJUSTMENT FOR THE "AA"	\$	<u>42,394.64</u>
<u>RECONCILIATION OF A PREVIOUS SUPPLIER REFUND</u>		
SUPPLIER REFUND AMOUNT TO BE DISTRIBUTED TO CUSTOMERS WHICH WAS USED TO COMPUTE THE "RA" EFFECTIVE DECEMBER 1, 2012	\$	(6,415.92)
LESS: AMOUNT DISTRIBUTED BY THE "RA" OF \$ (0.001) /MCF APPLIED TO TOTAL SALES OF 9,889,076 MCF (TWELVE MONTHS ENDED November 30, 2013)	\$	<u>(9,889.07)</u>
BALANCE ADJUSTMENT FOR THE "RA"		<u>3,473.15</u>
<u>RECONCILIATION OF A PREVIOUS BALANCE ADJUSTMENT</u>		
AMOUNT TO BE RECOVERED FROM OR (RETURNED TO) CUSTOMERS WHICH WAS USED TO COMPUTE THE "BA" EFFECTIVE DECEMBER 1, 2012	\$	(612,132.87)
LESS: AMOUNT RECOVERED (RETURNED) BY THE "BA" OF \$ (0.059) /MCF APPLIED TO TOTAL SALES OF 9,889,076 MCF (TWELVE MONTHS ENDED November 30, 2013)	\$	<u>(583,455.52)</u>
BALANCE ADJUSTMENT FOR THE "BA"	\$	<u>(28,677.35)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>17,190.44</u>
DIVIDED BY: 12 MONTHS PROJECTED SALES ENDED February 28, 2015	MCF	<u>9,684,230</u>
EQUALS: CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	<u>0.002</u>

Revised Tariff Schedules

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED

	<u>Sheet</u> <u>No.</u>	<u>Billing</u> <u>Effective</u> <u>Date</u>	<u>Effective Date</u> <u>per Order</u>	
<u>SERVICE REGULATIONS</u>				
Service Agreements.....	20	01/04/10	01/04/10	
Supplying and Taking of Service.....	21	01/04/10	01/04/10	
Customer's Installation.....	22	01/04/10	01/04/10	
Company's Installation.....	23	01/04/10	01/04/10	
Metering.....	24	01/04/10	01/04/10	
Billing and Payment.....	25	01/04/10	01/04/10	
Deposits.....	26	01/04/10	01/04/10	
Application.....	27	01/04/10	01/04/10	
Gas Space Heating Regulations.....	28	01/04/10	01/04/10	
Availability of Gas Service.....	29	01/04/10	01/04/10	
<u>FIRM SERVICE TARIFF SCHEDULES</u>				
Rate RS, Residential Service.....	30	03/03/14	03/03/14	(T)
Rate GS, General Service.....	31	03/03/14	03/03/14	(T)
Reserved for Future Use.....	32			
Reserved for Future Use.....	33			
Reserved for Future Use.....	34			
Reserved for Future Use.....	35			
Reserved for Future Use.....	36			
Reserved for Future Use.....	37			
Reserved for Future Use.....	38			
Reserved for Future Use.....	39			
Reserved for Future Use.....	40			
Reserved for Future Use.....	41			
Reserved for Future Use.....	42			
Reserved for Future Use.....	43			
Rate FRAS, Full Requirements Aggregation Service.....	44	01/04/10	01/04/10	
Reserved for Future Use.....	45			
Reserved for Future Use.....	46			
Reserved for Future Use.....	47			
Reserved for Future Use.....	48			
Reserved for Future use.....	49			
<u>TRANSPORTATION TARIFF SCHEDULE</u>				
Rate IT, Interruptible Transportation Service.....	50	01/04/10	01/04/10	
Rate FT-L, Firm Transportation Service.....	51	01/04/10	01/04/10	
Reserved for Future Use.....	52			
Rate SSIT, Spark Spread Interruptible Transportation Rate.....	53	01/04/10	01/04/10	
Reserved for Future Use.....	54			
Rate AS, Pooling Service for Interruptible Transportation.....	55	01/04/10	01/04/10	
Reserved for Future Use.....	56			
Rate GTS, Gas Trading Service.....	57	01/04/10	01/04/10	
Rate IMBS, Interruptible Monthly Balancing Service.....	58	01/04/10	01/04/10	
Rate DGS, Distributed Generation Service.....	59	01/04/10	01/04/10	

Issued by authority of an Order of the Kentucky Public Service
 Commission dated _____, 2014 in Case No. 2014-00 ____

Issued: _____, 2014

Effective: March 3, 2014

Issued by James P. Henning, President

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

	<u>Sheet No.</u>	<u>Billing Effective Date</u>	<u>Effective Date per Order</u>	
<u>RIDERS</u>				
Rider X, Main Extension Policy.....	60	01/04/10	01/04/10	
Rider DSM, Demand Side Management Cost Recovery Program	61	01/04/10	01/04/10	
Rider DSMR, Demand Side Management Rate.....	62	05/01/13	05/01/13	
Reserved for Future Use.....	63			
Reserved for Future Use.....	64			
Reserved for Future Use.....	65			
Reserved for Future Use.....	66			
Reserved for Future Use.....	67			
Reserved for Future Use.....	68			
Reserved for Future Use.....	69			
<u>GAS COST RECOVERY RIDERS</u>				
Gas Cost Adjustment Clause.....	70	01/04/10	01/04/10	
Reserved for Future Use.....	71			
Reserved for Future Use.....	72			
Reserved for Future Use.....	73			
Reserved for Future Use.....	74			
Reserved for Future Use.....	75			
Reserved for Future Use.....	76			
Rider GCAT, Gas Cost Adjustment Transition Rider.....	77	03/03/14	03/03/14	(T)
Reserved for Future Use.....	78			
Reserved for Future Use.....	79			
<u>MISCELLANEOUS</u>				
Bad Check Charge.....	80	01/04/10	01/04/10	
Charge for Reconnection of Service.....	81	01/04/10	01/04/10	
Local Franchise Fee.....	82	01/04/10	01/04/10	
Curtailment Plan.....	83	01/04/10	01/04/10	
Rate MPS, Meter Pulse Service.....	84	01/04/10	01/04/10	
Reserved for Future Use.....	85			
Reserved for Future Use.....	86			
Reserved for Future Use.....	87			
Reserved for Future Use.....	88			
Reserved for Future Use.....	89			

Issued by authority of an Order of the Kentucky Public Service
 Commission dated _____, 2014 in Case No. 2014-00 ____

Issued: _____, 2014

Effective: March 3, 2014

Issued by James P. Henning, President

Duke Energy Kentucky, Inc.
4580 Olympic Blvd.
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Ninetieth Revised Sheet No. 30
Cancelling and Superseding
Eighty-Ninth Revised Sheet No. 30
Page 1 of 1

**RATE RS
RESIDENTIAL SERVICE**

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for all domestic purposes in private residences, single occupancy apartments, and common use areas of multi-occupancy buildings, when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF).

Customer Charge per month: \$16.00

	<u>Delivery Rate</u>		<u>Gas Cost Adjustment</u>		<u>Total Rate</u>	
Plus a commodity Charge for						
all CCF at	\$0.37213	plus	\$0.5891	Equals	\$0.96123	(I)

Plus, all delivered gas shall be subject to an adjustment per CCF as set forth on Sheet No. 62, Rider DSMR, Demand Side Management Rate.

The "Customer Charge" shown above shall be the minimum amount billed each month.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 70 of this tariff.

When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Issued by authority of an Order of the Kentucky Public Service
Commission dated _____, 2014 in Case No. 2014-000_____
Issued: _____, 2014
Effective: March 3, 2014
Issued by James P. Henning, President

RATE GS

GENERAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for any purpose by an individual non-residential customer at one location when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. This schedule is also applicable to non-metered natural gas commodity supplies and local delivery service for street lighting to such entities as certificated homeowners associations, businesses, and federal, state, and local governments. The Company may decline requests for service under this tariff due to gas supply limitations.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF)

Customer Charge per month: \$47.50

	<u>Delivery Rate</u>		<u>Gas Cost Adjustment</u>		<u>Total Rate</u>	
Plus a Commodity Charge for all CCF at	\$0.20530	Plus	\$0.5891	Equals	\$0.7944	(I)

Plus all delivered gas shall be subject to an adjustment per CCF as set forth on:
Sheet No. 62, Rider DSMR, Demand Side Management Rate for non-residential service

The "Customer Charge" shown above shall be the minimum amount billed per month.

The "Gas Cost Adjustment," as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 70 of this tariff.

When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum bills or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

One year, terminable thereafter on ten (10) days written notice by either customer or Company.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____, 2014 in Case No. 2014-000 _____

Issued: _____, 2014
Effective: March 3, 2014
Issued by James P. Henning, President

Duke Energy Kentucky, Inc.
4580 Olympic Blvd.
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Thirty-First Revised Sheet No. 77
Cancelling and Superseding
Thirtieth Revised Sheet No. 77
Page 1 of 1

RIDER GCAT
GAS COST ADJUSTMENT TRANSITION RIDER

APPLICABILITY

Applicable to all customers served under Rate FT-L after the effective date of this tariff who paid gas supply costs through the Company's Gas Cost Adjustment (GCA) mechanism during the twelve month period immediately preceding the date on which the customer began receiving service under Rate FT-L.

GCA TRANSITION RIDER

A charge or credit shall be applied to all volumes transported pursuant to Rate FT-L in order to pass through to former GCA customers the Company's quarterly Actual Adjustment (AA), Balance Adjustment (BA), and Supplier Refund and Reconciliation Adjustment (RA) costs or credits during the first twelve months that the former sales customer participates in the Company's firm transportation program.

The amount of this charge or (credit) shall be \$0.0213 per 100 cubic feet. This rate shall be in effect during the month of March 2014 through May 2014 and shall be updated quarterly, concurrent with the Company's GCA filings.

(I)
(T)

Issued by authority of an Order of the Kentucky Public Service
Commission dated _____ in Case No. 201_____

Issued: _____
Effective: March 3, 2014
Issued by James P. Henning, President

DUKE ENERGY KENTUCKY
SUPPLEMENTAL INFORMATION
FOR THE EXPECTED GAS COST (EGC) RATE CALCULATION
OF THE GAS COST RECOVERY RATE
IN EFFECT AS OF MARCH 3, 2014

1st Quarter

DUKE ENERGY Kentucky, Inc.
 USED FOR GCA EFFECTIVE March 3, 2014

COMPUTATION OF THE INTEREST FACTOR
 FOR THE GCA CALCULATION ON SCHEDULE II

TWELVE MONTHS ENDED December 31, 2013
 BLOOMBERG REPORT (90-DAY COMMERCIAL PAPER RATES)

INTEREST RATE	-0.0037
PAYMENT	0.083166
ANNUAL TOTAL	0.9980
MONTHLY INTEREST AMOUNT	(0.000308) 1

DECEMBER	2012	0.17	
JANUARY	2013	0.17	
FEBRUARY	2013	0.15	
MARCH	2013	0.17	
APRIL	2013	0.15	
MAY	2013	0.11	
JUNE	2013	0.15	
JULY	2013	0.11	
AUGUST	2013	0.09	
SEPTEMBER	2013	0.09	
OCTOBER	2013	0.10	
NOVEMBER	2013	0.12	1.58
DECEMBER	2013	0.14	1.72

PRIOR ANNUAL TOTAL	1.58
PLUS CURRENT MONTHLY F	0.14
LESS YEAR AGO RATE	0.17
NEW ANNUAL TOTAL	1.55
AVERAGE ANNUAL RATE	0.13
LESS 0.5% (ADMINISTRATIVE	(0.37)

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF September 2013

<u>DESCRIPTION</u>	<u>W/P</u>	<u>TOTAL AMOUNT ROUNDED</u>
<u>PRIMARY GAS SUPPLY COST</u>		\$
current month estimate	B1	1,104,091.44
adjustments from prior month	B2	(1,490.42)
Interruptible Transportation monthly charges by Gas Supply - PV	C	(6,371.91)
		1,096,229
 <u>LESS: RATE SCHEDULE CF CREDIT</u>		
current month		0.00
adjustments		0.00
		0
 PLUS: INCLUDABLE PROPANE		
a/c 728-3 Erlanger	D2	0.00
		0
 PLUS: GAS COST UNCOLLECTIBLE		
	E	3,127.00
		3,127
 <u>LESS: X-5 TARIFF</u>		0.00
		0
 LESS Tenaska MANAGEMENT FEE	F	13,862.00
		(13,862)
 LESS: TOP TRANSP. RECOVERIES		0.00
		0
 LESS: GAS LOSSES - DAMAGED LINES	G	0.00
		0
adjustments		0.00
		0.00
		0
 LESS: GAS COST CREDIT		0.00
		0
 <u>LESS: FIRM TRANSPORTATION ADJUSTMENTS</u>		
current month		0.00
adjustments		0.00
		0
 TOTAL SUPPLY COSTS		<u>1,085,494</u>

ACCOUNTING ENTRY FOR DEFERRAL ONLY

<u>ACCOUNTING ENTRY FOR DEFERRAL ONLY</u>	<u>AMOUNT</u>
ACCOUNT - 191990/191400	213,194.02
ACCOUNT 0805002	(213,194.02)

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH

September 2013

<u>PARTICULARS</u>	<u>UNIT</u>	<u>W/P</u>	<u>MONTH</u> <u>September 2013</u>
<u>SUPPLY VOLUME PER BOOKS</u>			
Primary Gas Suppliers	MCF	B1	185,425
Utility Production	MCF		0
Includable Propane	MCF	D1	0
Other Volumes (Specify) - Previous Month Adj.	MCF	B2	4,007
TOTAL SUPPLY VOLUMES	MCF		<u>189,432</u>
<u>SUPPLY COST PER BOOKS</u>			
Primary Gas Suppliers	\$	A1	1,096,229
Includable Propane	\$		0
Gas Cost Uncollectible	\$	A1	3,127
Other Cost (Specify) - Gas Cost Credit	\$		0
- Unacct'd for Transp.	\$		0
- CF Credit	\$		0
- X-5 Tariff	\$		0
- CMT Management Fee	\$	A1	(13,862)
- Losses-Damaged Lines	\$	A1	0
- Gas Sold to Remarketers	\$		0
- TOP Transp. Recoveries	\$		0
TOTAL SUPPLY COST	\$	A1	<u>1,085,494</u>
<u>SALES VOLUMES</u>			
Jurisdictional	MCF	H	191,205
Non-Jurisdictional	MCF		
Other Volumes (Specify) -	MCF		
TOTAL SALES VOLUME	MCF		<u>191,205.4</u>
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF		5.677
LESS: EGC IN EFFECT FOR MONTH	\$/MCF	H	<u>4.562</u>
DIFFERENCE	\$/MCF		1.115
TIMES: MONTHLY JURISDICTIONAL SALES	MCF		<u>191,205.4</u>
MONTHLY COST DIFFERENCE	\$		<u>213,194.02</u>

DUKE ENERGY COMPANY KENTUCKY

September 2013

	<u>Applied</u>		<u>Amount</u>	<u>\$/MCF</u>
	<u>MCF Sales</u>	<u>W/P</u>		
<u>GAS FUEL ADJUSTMENT BILLED</u>				
EGC	191,205.4	H	872,330	4.56226707
RA		H	(192)	
AA		H	16,618	
BA		H	(6,972)	
TOTAL GAS COST RECOVERY(GCR)			<u>881,783.75</u>	
TOTAL SALES VOLUME	191,205.4			
LESS: NON-JURISDICTIONAL SALES	<u>0.0</u>			
JURISDICTIONAL SALES	<u>191,205.4</u>			

PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY

SUPPLIER COST - CURRENT MONTH	191,205.4		1,085,494.00	5.67710954
UNRECOVERED PURCHASED GAS COST			(196,576.49)	
ROUNDING(ADD)/(DEDUCT))			<u>30.12</u>	
TOTAL GAS COST IN REVENUE			<u>888,947.63</u>	
TOTAL GAS COST RECOVERY(GCR)			881,783.75	
LESS: RA			(192.18)	
BA			<u>(6,971.70)</u>	
PLUS: COST OF NON-JURISDICTIONAL SALES			<u>874,619.87</u>	
UNRECOVERED PURCHASED GAS COST ENTRY			(196,576.49)	
LESS: AA			<u>16,617.53</u>	
MONTHLY COST DIFFERENCE			(213,194.02)	
EXTENDED MONTHLY COST DIFFERENCE			<u>(213,163.90)</u>	

ROUNDING

30.12

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF October 2013

<u>DESCRIPTION</u>	<u>W/P</u>	<u>TOTAL AMOUNT ROUNDED</u>
<u>PRIMARY GAS SUPPLY COST</u>		\$
current month estimate	B1	2,551,006.18
adjustments from prior month	B2	(17,094.99)
Interruptible Transportation monthly charges by Gas Supply - PV	C	<u>485.52</u>
		2,534,397
 <u>LESS: RATE SCHEDULE CF CREDIT</u>		
current month		0.00
adjustments		<u>0.00</u>
		0
 <u>PLUS: INCLUDABLE PROPANE</u>		
a/c 728-3 Erlanger	D2	<u>0.00</u>
		0
 <u>PLUS: GAS COST UNCOLLECTIBLE</u>		
	E	<u>499.00</u>
		499
 <u>LESS: X-5 TARIFF</u>		
		0.00
		0
 <u>LESS Tenaska MANAGEMENT FEE</u>		
	F	<u>13,862.00</u>
		(13,862)
 <u>LESS: TOP TRANSP. RECOVERIES</u>		
		0.00
		0
 <u>LESS: GAS LOSSES - DAMAGED LINES</u>		
	G	<u>0.00</u>
		0
adjustments		0.00
		<u>0.00</u>
		0
 <u>LESS: GAS COST CREDIT</u>		
		0.00
		0
 <u>LESS: FIRM TRANSPORTATION ADJUSTMENTS</u>		
current month		0.00
adjustments		<u>0.00</u>
		0
 TOTAL SUPPLY COSTS		<u><u>2,521,034</u></u>

ACCOUNTING ENTRY FOR DEFERRAL ONLY

<u>ACCOUNTING ENTRY FOR DEFERRAL ONLY</u>	<u>AMOUNT</u>
ACCOUNT - 191990/191400	1,433,749.68
ACCOUNT 0805002	(1,433,749.68)

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH

October 2013

<u>PARTICULARS</u>	<u>UNIT</u>	<u>W/P</u>	<u>MONTH</u> <u>October 2013</u>
<u>SUPPLY VOLUME PER BOOKS</u>			
Primary Gas Suppliers	MCF	B1	464,705
Utility Production	MCF		0
Includable Propane	MCF	D1	0
Other Volumes (Specify) - Previous Month Adj.	MCF	B2	(4,137)
TOTAL SUPPLY VOLUMES	MCF		460,568
<u>SUPPLY COST PER BOOKS</u>			
Primary Gas Suppliers	\$	A1	2,534,397
Includable Propane	\$		0
Gas Cost Uncollectible	\$	A1	499
Other Cost (Specify) - Gas Cost Credit	\$		0
- Unacct'd for Transp.	\$		0
- CF Credit	\$		0
- X-5 Tariff	\$		0
- CMT Management Fee	\$	A1	(13,862)
- Losses-Damaged Lines	\$	A1	0
- Gas Sold to Remarketers	\$		0
- TOP Transp. Recoveries	\$		0
TOTAL SUPPLY COST	\$	A1	2,521,034
<u>SALES VOLUMES</u>			
Jurisdictional	MCF	H	233,852.5
Non-Jurisdictional	MCF		
Other Volumes (Specify) -	MCF		
TOTAL SALES VOLUME	MCF		233,852.5
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF		10.780
LESS: EGC IN EFFECT FOR MONTH	\$/MCF	H	4.649
DIFFERENCE	\$/MCF		6.131
TIMES: MONTHLY JURISDICTIONAL SALES	MCF		233,852.5
MONTHLY COST DIFFERENCE	\$		1,433,749.68

DUKE ENERGY COMPANY KENTUCKY

October 2013

	<u>Applied</u> <u>MCF Sales</u>	<u>W/P</u>	<u>Amount</u>	<u>\$/MCF</u>
<u>GAS FUEL ADJUSTMENT BILLED</u>				
EGC	233,852.5	H	1,087,200	4.64908607
RA		H	(235)	
AA		H	21,337	
BA		H	(8,500)	
TOTAL GAS COST RECOVERY(GCR)			<u>1,099,802.76</u>	
TOTAL SALES VOLUME	233,852.5			
LESS: NON-JURISDICTIONAL SALES	<u>0.0</u>			
JURISDICTIONAL SALES	<u>233,852.5</u>			

PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY

SUPPLIER COST - CURRENT MONTH	233,852.5		2,521,034.00	10.78044494
UNRECOVERED PURCHASED GAS COST			(1,412,412.70)	
ROUNDING(ADD/(DEDUCT))			<u>(83.92)</u>	
TOTAL GAS COST IN REVENUE			<u>1,108,537.38</u>	
TOTAL GAS COST RECOVERY(GCR)			1,099,802.76	
LESS: RA			(234.57)	
BA			<u>(8,500.05)</u>	
PLUS: COST OF NON-JURISDICTIONAL SALES			<u>1,091,068.14</u>	
UNRECOVERED PURCHASED GAS COST ENTRY			(1,412,412.70)	
LESS: AA			<u>21,336.98</u>	
MONTHLY COST DIFFERENCE			(1,433,749.68)	
EXTENDED MONTHLY COST DIFFERENCE			<u>(1,433,833.60)</u>	
ROUNDING			<u>(83.92)</u>	

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF November 2013

<u>DESCRIPTION</u>	<u>W/P</u>	<u>TOTAL AMOUNT ROUNDED</u>
PRIMARY GAS SUPPLY COST		
current month estimate	B1	5,337,935.03
adjustments from prior month	B2	(33,808.81)
Interruptible Transportation monthly charges by Gas Supply - PM	C	<u>4,258.40</u>
		5,308,385
LESS: RATE SCHEDULE CF CREDIT		
current month		0.00
adjustments		<u>0.00</u>
		0
PLUS: INCLUDABLE PROPANE		
a/c 728-3 Erlanger	D2	<u>593.59</u>
		594
PLUS: GAS COST UNCOLLECTIBLE		
	E	<u>3,228.00</u>
		3,228
LESS: X-5 TARIFF		
		0.00
		0
LESS Tenaska MANAGEMENT FEE		
	F	<u>21,658.00</u>
		(21,658)
LESS: TOP TRANSP. RECOVERIES		
		0.00
		0
LESS: GAS LOSSES - DAMAGED LINES		
	G	<u>(31.40)</u>
		(31)
		0.00
adjustments		<u>0.00</u>
		0
LESS: GAS COST CREDIT		
		0.00
		0
LESS: FIRM TRANSPORTATION ADJUSTMENTS		
current month		0.00
adjustments		<u>0.00</u>
		0
TOTAL SUPPLY COSTS		<u><u>5,290,518</u></u>

ACCOUNTING ENTRY FOR DEFERRAL ONLY

	<u>AMOUNT</u>
ACCOUNT - 191990/191400	2,058,079.53
ACCOUNT 0805002	(2,058,079.53)

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH

November 2013

<u>PARTICULARS</u>	<u>UNIT</u>	<u>W/P</u>	<u>MONTH</u> <u>November 2013</u>
<u>SUPPLY VOLUME PER BOOKS</u>			
Primary Gas Suppliers	MCF	B1	1,179,910
Utility Production	MCF		0
Includable Propane	MCF	D1	70
Other Volumes (Specify) - Previous Month Adj.	MCF	B2	(4,335)
TOTAL SUPPLY VOLUMES	MCF		1,175,645
<u>SUPPLY COST PER BOOKS</u>			
Primary Gas Suppliers	\$	A1	5,308,385
Includable Propane	\$		594
Gas Cost Uncollectible	\$	A1	3,228
Other Cost (Specify) - Gas Cost Credit	\$		0
- Unacct'd for Transp.	\$		0
- CF Credit	\$		0
- X-5 Tariff	\$		0
- CMT Management Fee	\$	A1	(21,658)
- Losses-Damaged Lines	\$	A1	(31)
- Gas Sold to Remarketers	\$		0
- TOP Transp. Recoveries	\$		0
TOTAL SUPPLY COST	\$	A1	5,290,518
<u>SALES VOLUMES</u>			
Jurisdictional	MCF	H	708,949.2
Non-Jurisdictional	MCF		
Other Volumes (Specify) -	MCF		
TOTAL SALES VOLUME	MCF		708,949.2
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF		7.462
LESS: EGC IN EFFECT FOR MONTH	\$/MCF	H	4.559
DIFFERENCE	\$/MCF		2.903
TIMES: MONTHLY JURISDICTIONAL SALES	MCF		708,949.2
MONTHLY COST DIFFERENCE	\$		2,058,079.53

DUKE ENERGY COMPANY KENTUCKY

November 2013

	<u>Applied</u>			
	<u>MCF Sales</u>	<u>W/P</u>	<u>Amount</u>	<u>\$/MCF</u>
<u>GAS FUEL ADJUSTMENT BILLED</u>				
EGC	708,949.2	H	3,231,807	4.55858692
RA		H	(710)	
AA		H	64,275	
BA		H	<u>(25,593)</u>	
TOTAL GAS COST RECOVERY(GCR)			<u>3,269,778.79</u>	
TOTAL SALES VOLUME	708,949.2			
LESS: NON-JURISDICTIONAL SALES	<u>0.0</u>			
JURISDICTIONAL SALES	<u>708,949.2</u>			

PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY

SUPPLIER COST - CURRENT MONTH	708,949.2		5,290,518.00	7.46247827
UNRECOVERED PURCHASED GAS COST			(1,993,804.57)	
ROUNDING(ADD/(DEDUCT))			<u>(631.92)</u>	
TOTAL GAS COST IN REVENUE			<u>3,296,081.51</u>	
TOTAL GAS COST RECOVERY(GCR)			3,269,778.79	
LESS: RA			(709.99)	
BA			<u>(25,592.73)</u>	
PLUS: COST OF NON-JURISDICTIONAL SALES			<u>3,243,476.07</u>	
UNRECOVERED PURCHASED GAS COST ENTRY			(1,993,804.57)	
LESS: AA			<u>64,274.96</u>	
MONTHLY COST DIFFERENCE			(2,058,079.53)	
EXTENDED MONTHLY COST DIFFERENCE			<u>(2,058,711.45)</u>	
ROUNDING			<u>(631.92)</u>	

**DUKE ENERGY KENTUCKY
GAS SERVICE
SUMMARY OF GCA COMPONENTS
MDNTH: November 2813**

BILL CODE	REPORTED SALES	EGG	RECONCILIATION ADJUSTMENT					ACTUAL ADJUSTMENT					BALANCE ADJUSTMENT						
			CURRENT	PREVIOUS	SEC.PREV.	THRD.PREV.	TOTAL	CURRENT	PREVIOUS	SEC.PREV.	THRD.PREV.	TOTAL	CURRENT	PREVIOUS	SEC.PREV.	THRD.PREV.	TOTAL		
			0.000	0.000	0.000	0.001	NA	0.271	0.001	0.278	0.000	AA	0.000	0.026	0.000	0.000	BA		
121		5.804	0.00																
141		5.641	0.00																
151		5.262	0.00																
161	0.0	5.237	0.00																
012	0.0	5.241	0.00																
032	0.8	4.757	0.00																
042	0.0	4.333	0.00																
062	0.0	3.795	0.00																
072	2.5	4.150	10.36																
082	5.9	4.618	77.25																
102	4.7	4.653	21.87																
112	(0.3)	4.753	(1.43)																
122	7.8	4.682	36.52																
142	19.0	4.358	82.80																
152	72.8	4.594	334.44																
162	(851.0)	4.592	(3,907.79)			0.85	0.85			(74.89)	(74.89)				50.21	50.21			
013	1,517.0	4.281	6,494.28			(1.52)	(1.52)			133.50	133.50				(89.50)	(89.50)			
033	327.8	4.261	1,396.76			(8.33)	(8.33)			28.85	28.85				(19.34)	(19.34)			
043	(1,348.7)	4.361	(5,881.68)			0.00	1.35	1.35		(376.29)	(118.69)	(404.98)			(6.74)	79.57	72.83		
063	1,690.6	4.691	7,761.54			0.00	(1.69)	(1.69)		471.68	146.77	620.45			8.46	(69.75)	(61.30)		
073	(318.8)	5.077	(1,618.55)			0.00	0.32	0.32		(88.98)	(28.06)	(117.00)			(1.59)	18.81	17.22		
083	(296.5)	4.695	(1,481.02)			0.00	0.30	0.30	0.30	(82.72)	(28.09)	(109.11)			(7.71)	(1.48)	17.48	6.30	
103	(426.1)	5.115	(2,179.50)			0.00	0.43	0.43	0.43	(118.68)	(37.50)	(156.81)			(11.88)	(2.13)	25.14	11.93	
123	(496.6)	4.886	(2,425.90)			0.00	0.50	0.50	0.50	(138.52)	(43.69)	(162.71)			(12.91)	(2.48)	29.29	13.90	
143	(541.2)	4.570	(2,473.28)			0.00	0.54	0.54	149.91	(0.54)	(150.99)	(47.63)	(49.25)	4.33	(14.07)	(2.71)	31.83	19.46	
163	(833.8)	4.651	(3,876.61)			0.00	0.83	0.83	230.88	(8.83)	(232.55)	(73.35)	(75.85)	6.67	(21.67)	(4.17)	49.18	30.01	
173	710.413.7	4.560	3,239,466.47			0.00	(710.41)	(710.41)	(196,784.59)	710.41	198,205.42	62,516.41	64,647.85	(6,683.31)	18,470.76	3,552.07	(41,914.41)	(25,574.89)	
TOTAL	706,949.2	3,231,606.55	0.00	0.00	0.00	(708.63)	(708.63)	(196,403.60)	707.61	197,488.20	62,377.64	64,169.85	(5,672.31)	18,403.32	3,539.22	(41,821.38)	(25,551.15)		
TRANSPORTATION: IFT3																			
Customer Choice Program (GCAT):																			
171 & 022																			
052																			
092																			
132																			
172 & 023						0.00	0.00	0.00			0.00	0.00				0.00	0.00		
093, 113, 133						0.00	0.00	0.00			0.00	0.00			0.00	0.00	0.00		
153	1,155.0					0.00	0.00	(1.16)	(1.16)	(319.94)	1.16	322.25	101.64	105.11	(9.24)	30.03	5.76	(68.15)	(41.58)
FT CHOICE	1,155.0					0.00	0.00	(1.16)	(1.16)	(319.94)	1.16	322.25	101.64	105.11	(9.24)	30.03	5.76	(68.15)	(41.58)
TOTAL FOR CHOICE						0.00	0.00	(1.16)	(1.16)	(319.94)	1.16	322.25	101.64	105.11	(9.24)	30.03	5.76	(68.15)	(41.58)
TOTAL FOR GCR						0.00	0.00	(709.99)	(709.99)	(196,723.74)	708.97	197,610.45	62,479.28	64,274.96	(5,681.55)	18,433.35	3,545.00	(41,889.53)	(25,592.73)
						CONTROL CK	(709.99)	(709.99)		CONTROL CK	64,274.96	64,274.96		CONTROL CK	(25,592.73)	(25,592.73)			
						positive=received=cr 25313				positive=received=cr 19140				positive=received=cr 25313					
						negative=refund=dr 25313				negative=refund=dr 19140				negative=refund=dr 25313					

Patten, Dana:
709,800.00 + 96.4 + 444 + 73.3

Firm Transportation: IFT
139,071.5
0.0
0.0
FT 139,071.5
Interruptible Transportation: IT01
139,326.7
IT 139,326.7
Grand Total 888,502.4 ties to last pg of A
ADJUSTED EGG 4,559

JE ID -KUNBIL AMZ

Filing Periods
December - February
March - May
June - August
September - November

Adjustments for Stair Steps is REQUIRED in the month FOLLOWING the filings:
March
June
September
December

DEK
NOTE: Move the RA (0253130) to BA (0253130) & DEK - Reclass is AA (0191400) to BA (0253130) - Also DEK account 0253130 is for BOTH RA and BA utility
February
May
August
November

DUKE ENERGY KENTUCKY
SUMMARY OF GAS COST RECOVERY COMPONENTS
BY BILLING CODE

MON/YR	BILLING CODE	EST'D. GAS COST \$	QUARTERLY RECONCILIATION ADJUSTMENT				QUARTERLY ACTUAL ADJUSTMENT				BALANCE ADJUSTMENT				TOTAL GCR FACTOR \$
			CURRENT	PREVIOUS	2ND PREV	3RD PREV	CURRENT	PREVIOUS	2ND PREV	3RD PREV	CURRENT	PREVIOUS	2ND PREV	3RD PREV	
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Jan-12	012	5.241	(0.001)	(0.001)	(0.001)	(0.001)	0.038	(0.308)	(0.038)	0.372	(0.008)	0.001	0.011	(0.003)	5.302
Feb-12	032	4.757	(0.001)	(0.001)	(0.001)	(0.001)	0.038	(0.308)	(0.038)	0.372	(0.008)	0.001	0.011	(0.003)	4.818
Mar-12	042	4.333	(0.001)	(0.001)	(0.001)	(0.001)	0.174	0.038	(0.308)	(0.038)	0.000	(0.008)	0.001	0.011	4.199
Apr-12	062	3.795	(0.001)	(0.001)	(0.001)	(0.001)	0.174	0.038	(0.308)	(0.038)	0.000	(0.008)	0.001	0.011	3.661
May-12	072	4.150	(0.001)	(0.001)	(0.001)	(0.001)	0.174	0.038	(0.308)	(0.038)	0.000	(0.008)	0.001	0.011	4.016
Jun-12	082	4.618	(0.001)	(0.001)	(0.001)	(0.001) a	(0.233)	0.174	0.038	(0.308)	0.055	0.000	(0.008)	0.001	4.333
Jul-12	102	4.653	(0.001)	(0.001)	(0.001)	(0.001)	(0.233)	0.174	0.038	(0.308)	0.055	0.000	(0.008)	0.001	4.368
Aug-12	112	4.753	(0.001)	(0.001)	(0.001)	(0.001)	(0.233)	0.174	0.038	(0.308)	0.055	0.000	(0.008)	0.001	4.468
Sep-12	122	4.682	(0.014)	(0.001)	(0.001)	(0.001)	(0.161)	(0.233)	0.174	0.038	(0.005)	0.055	0.000	(0.008)	4.525
Oct-12	142	4.358	(0.014)	(0.001)	(0.001)	(0.001)	(0.161)	(0.233)	0.174	0.038	(0.005)	0.055	0.000	(0.008)	4.201
Nov-12	152	4.594	(0.014)	(0.001)	(0.001)	(0.001)	(0.161)	(0.233)	0.174	0.038	(0.005)	0.055	0.000	(0.008)	4.437
Dec-12	162	4.592	(0.001)	(0.014)	(0.001)	(0.001)	0.088	(0.161)	(0.233)	0.174	(0.059)	(0.005)	0.055	0.000	4.434
Jan-13	013	4.281	(0.001)	(0.014)	(0.001)	(0.001)	0.088	(0.161)	(0.233)	0.174	(0.059)	(0.005)	0.055	0.000	4.123
Feb-13	033	4.261	(0.001)	(0.014)	(0.001)	(0.001)	0.088	(0.161)	(0.233)	0.174	(0.059)	(0.005)	0.055	0.000	4.103
Mar-13	043	4.361	0.000	(0.001)	(0.014)	(0.001)	0.279	0.088	(0.161)	(0.233)	0.005	(0.059)	(0.005)	0.055	4.314
Apr-13	063	4.591	0.000	(0.001)	(0.014)	(0.001)	0.279	0.088	(0.161)	(0.233)	0.005	(0.059)	(0.005)	0.055	4.544
May-13	073	5.077	0.000	(0.001)	(0.014)	(0.001)	0.279	0.088	(0.161)	(0.233)	0.005	(0.059)	(0.005)	0.055	5.030
Jun-13	083	4.995	0.000	0.000	(0.001)	(0.014)	0.001	0.279	0.088	(0.161)	0.026	0.005	(0.059)	(0.005)	5.154
Jul-13	103	5.115	0.000	0.000	(0.001)	(0.014)	0.001	0.279	0.088	(0.161)	0.026	0.005	(0.059)	(0.005)	5.274
Aug-13	123	4.886	0.000	0.000	(0.001)	(0.014)	0.001	0.279	0.088	(0.161)	0.026	0.005	(0.059)	(0.005)	5.045
Sep-13	143	4.570	0.000	0.000	0.000	(0.001)	(0.277)	0.001	0.279	0.088	(0.008)	0.026	0.005	(0.059)	4.624
Oct-13	163	4.651	0.000	0.000	0.000	(0.001)	(0.277)	0.001	0.279	0.088	(0.008)	0.026	0.005	(0.059)	4.705
Nov-13	173	4.560	0.000	0.000	0.000	(0.001)	(0.277)	0.001	0.279	0.088	(0.008)	0.026	0.005	(0.059)	4.614
Dec-13	183	4.426	0.000	0.000	0.000	0.000	0.100	(0.277)	0.001	0.279	(0.008)	(0.008)	0.026	0.005	4.544

Summary of Prior Period Adjustments on Schedule III

DUKE ENERGY KENTUCKY
Summary of Prior Period Adjustment to Schedule III

Total Cost Used In The Current AA Calculation

Revised (page 2 of 3)	1,020,834.62
Originally filed (page 3 of 3)	<u>1,079,120.50</u>
Difference	-58,285.88

The EGC rate in effect for the month of August was originally calculated at \$4.495.
The correct rate should have been \$4.854 resulting in the difference above.

GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
ACTUAL ADJUSTMENT

DETAILS FOR THE THREE MONTH PERIOD ENDED

August 31, 2013

DESCRIPTION	UNIT	JUNE	JULY	AUGUST
<u>SUPPLY VOLUME PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	MCF	253,007	250,412	214,013
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	0	0	0
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	(788)	(2,962)	(1,391)
TOTAL SUPPLY VOLUMES	MCF	<u>252,219</u>	<u>247,450</u>	<u>212,622</u>
<u>SUPPLY COST PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	\$	1,455,521	1,416,828	1,237,878
SPECIAL PURCHASES CREDIT	\$	0	0	0
INCLUDABLE PROPANE	\$	0	0	0
OTHER COSTS (SPECIFY):				
GAS COST UNCOLLECTIBLE	\$	2,359	8,404	3,953
MANAGEMENT FEE	\$	(13,862)	(13,862)	(13,862)
X-5 TARIFF	\$	0	0	0
TRANSPORTATION SERVICE "UNACCOUNTED FOR"	\$	0	0	0
GAS COST CREDIT	\$	0	0	0
LOSSES - DAMAGED LINES	\$	0	0	(172)
TRANSPORTATION TAKE-OR-PAY RECOVERY	\$	0	0	0
SALES TO REMARKETERS	\$	0	0	0
TOTAL SUPPLY COSTS	\$	<u>1,444,018</u>	<u>1,411,370</u>	<u>1,227,797</u>
<u>SALES VOLUMES</u>				
JURISDICTIONAL	MCF	230,708.5	220,446.0	162,356.2
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	<u>230,708.5</u>	<u>220,446.0</u>	<u>162,356.2</u>
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	6.259	6.402	7.562
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	<u>4.984</u>	<u>5.100</u>	<u>4.854</u>
DIFFERENCE	\$/MCF	1.275	1.302	2.708
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	<u>230,708.5</u>	<u>220,446.0</u>	<u>162,356.2</u>
EQUALS MONTHLY COST DIFFERENCE	\$	<u>294,153.34</u>	<u>287,020.69</u>	<u>439,660.59</u>
NET COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$			<u>1,020,834.62</u>
TOTAL COST USED IN THE CURRENT AA CALCULATION	\$			<u>1,020,834.62</u>
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED <u>November 30, 2014</u>	MCF			10,767,398
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			<u>0.095</u>
AAU				

GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
ACTUAL ADJUSTMENT

DETAILS FOR THE THREE MONTH PERIOD ENDED

August 31, 2013

DESCRIPTION	UNIT	JUNE	JULY	AUGUST
<u>SUPPLY VOLUME PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	MCF	253,007	250,412	214,013
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	0	0	0
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	(788)	(2,962)	(1,391)
TOTAL SUPPLY VOLUMES	MCF	252,219	247,450	212,622
<u>SUPPLY COST PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	\$	1,455,521	1,416,828	1,237,878
SPECIAL PURCHASES CREDIT	\$	0	0	0
INCLUDABLE PROPANE	\$	0	0	0
OTHER COSTS (SPECIFY):				
GAS COST UNCOLLECTIBLE	\$	2,359	8,404	3,953
MANAGEMENT FEE	\$	(13,862)	(13,862)	(13,862)
X-5 TARIFF	\$	0	0	0
TRANSPORTATION SERVICE "UNACCOUNTED FOR"	\$	0	0	0
GAS COST CREDIT	\$	0	0	0
LOSSES - DAMAGED LINES	\$	0	0	(172)
TRANSPORTATION TAKE-OR-PAY RECOVERY	\$	0	0	0
SALES TO REMARKETERS	\$	0	0	0
TOTAL SUPPLY COSTS	\$	1,444,018	1,411,370	1,227,797
<u>SALES VOLUMES</u>				
JURISDICTIONAL	MCF	230,708.5	220,446.0	162,356.2
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	230,708.5	220,446.0	162,356.2
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	6.259	6.402	7.562
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	4.984	5.100	4.495
DIFFERENCE	\$/MCF	1.275	1.302	3.067
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	230,708.5	220,446.0	162,356.2
EQUALS MONTHLY COST DIFFERENCE	\$	294,153.34	287,020.69	497,946.47
NET COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$			1,079,120.50
TOTAL COST USED IN THE CURRENT AA CALCULATION	\$			1,079,120.50
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED <u>November 30, 2014</u>	MCF			10,767,398
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			0.100

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