

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF DUKE ENERGY)	CASE NO. 2010-00197
KENTUCKY, INC.)	

O R D E R

On December 29, 2009, in Case No. 2009-00202,¹ the Commission approved rates for Duke Energy Kentucky, Inc. ("Duke") and provided for their further adjustment in accordance with Duke's Gas Cost Adjustment ("GCA") clause.

On May 13, 2010, Duke filed its GCA to be effective June 2, 2010.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Duke's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Duke's Expected Gas Cost ("EGC") is \$6.402 per Mcf, which is an increase of \$.636 per Mcf from its previous EGC of \$5.766 per Mcf.
3. Duke's notice sets out a current quarter Refund Adjustment ("RA") of (\$.002) per Mcf. Duke's total RA is (\$.003) per Mcf, which is a decrease of \$.002 per Mcf from its previous total RA of (\$.001) per Mcf.

¹ Case No. 2009-00202, Application of Duke Energy Kentucky, Inc. for an Adjustment of Rates (Ky. PSC Dec. 29, 2009).

4. Duke's notice sets out a current quarter Actual Adjustment ("AA") of \$.104 per Mcf. Duke's total AA is \$.133 per Mcf, which is an increase of \$.138 per Mcf from its previous total AA of (\$.005) per Mcf.

5. Duke's notice sets out a current quarter Balancing Adjustment ("BA") of (\$.007) per Mcf. Duke's total BA is (\$.017) per Mcf, which is an increase of \$.025 per Mcf from its previous total BA of (\$.042) per Mcf.

6. Duke's Gas Cost Recovery ("GCR") rate is \$6.515 per Mcf, which is an increase of \$.797 per Mcf from its previous GCR of \$5.718 per Mcf.

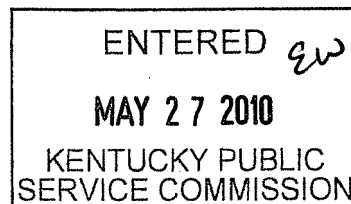
7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Duke on and after June 2, 2010.

IT IS THEREFORE ORDERED that:

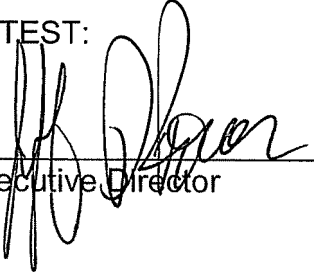
1. The rates in the Appendix to this Order are approved for final meter readings on and after June 2, 2010.

2. Within 20 days of the date of this Order, Duke shall file its revised tariffs with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00197 DATED **MAY 27, 2010**

The following rates and charges are prescribed for the customers served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.37213	plus	\$.6515	\$1.02363

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.20530		\$.6515	\$.8568

RIDER GCAT
GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be \$.0113 per 100 cubic feet. This rate shall be in effect during the months of June 2010 through August 2010 and shall be updated quarterly, concurrent with the Company's GCA filings.

Dana Patten
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