

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--------------------------|---|------------|
| PURCHASED GAS ADJUSTMENT |) | |
| FILING OF DUKE ENERGY |) | CASE NO. |
| KENTUCKY, INC. |) | 2016-00061 |

ORDER

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 February 10, 2016, Duke filed its GCA to be effective March 2, 2016.

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 \$3.600 per Mcf, which is a decrease of \$.086 per Mcf from its previous EGC of \$3.686 per Mcf.
3. Duke's notice sets out its current quarter Refund Adjustment ("RA") of \$.000 per Mcf. Duke's total RA is \$.000 per Mcf, which is no change from its previous total RA.

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 its current quarter Actual Adjustment ("AA") of \$.202 per Mcf. Duke's total AA is (\$.111) per Mcf, which is a decrease of \$.243 per Mcf from its previous total AA of \$.132 per Mcf.

5. Duke's notice sets out its current quarter Balance Adjustment ("BA") of \$.000 per Mcf. Duke's total BA is (\$.060) per Mcf, which is an increase of \$.004 per Mcf from its previous total BA of (\$.064) per Mcf.

6. Duke's GCA is \$3.429 per Mcf, which is a decrease of \$.325 per Mcf from its previous GCA of \$3.754 per Mcf.

7. Duke's notice sets out a Gas Cost Adjustment Transition ("GCAT") Rider rate of (\$.0171) per 100 cubic feet. This GCAT rate will be applicable to customers who begin receiving Rate FT-L transportation service after the effective date of this Order who paid gas supply costs through the GCA during the 12-month period before they began receiving FT-L service.

8. The rates as proposed by Duke and set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for final meter readings by Duke on and after March 2, 2016.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Duke and set forth in the Appendix to this Order are approved for final meter readings on and after March 2, 2016.

2. Within 20 days of the date of this Order, Duke shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED ^{OFF}
FEB 29 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Stephanie Bell

Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00061 DATED **FEB 29 2016**

The following rates and charges are prescribed for the customers in the area 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 | \$.3429 | \$.71503 |

RATE GS GENERAL SERVICE

| | <u>Base Rate</u> | | <u>Gas Cost Adjustment</u> | <u>Total Rate</u> |
|--|----------------------|------|--------------------------------|-----------------------|
| Commodity Charge for All Ccf Consumed | \$.20530 | plus | \$.3429 | \$.54820 |

RIDER GCAT GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be (\$.0171) per 100 cubic feet. This rate shall be in effect during the months of March 2016 through May 2016 and shall be updated quarterly, concurrent with the Company's GCA filings.

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