

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | |
|---|------------|
| ELECTRONIC APPLICATION OF DUKE ENERGY) | |
| KENTUCKY, INC. FOR AUTHORITY TO 1) ADJUST) | CASE NO. |
| NATURAL GAS RATES 2) APPROVAL OF A) | 2018-00261 |
| DECOUPLING MECHANISM 3) APPROVAL OF) | |
| NEW TARIFFS 4) AND FOR ALL OTHER) | |
| REQUIRED APPROVALS, WAIVERS, AND RELIEF) | |

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

Duke Energy Kentucky, Inc. (Duke Kentucky), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due on or before either 14 days after submission of the rate application or 21 days after the date of this request, whichever is later. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Each response 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 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 it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Duke Kentucky fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied 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 filing 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.

1. Provide a copy of the current bylaws. Indicate any changes made to the bylaws since Duke Kentucky's last general rate case.
2. Provide the current organization chart showing the relationship between Duke Kentucky and any affiliates, divisions, etc. Show the relative positions of all entities and affiliates with which Duke Kentucky routinely has business transactions.
3. Provide the capital structure at the end of the ten most recent calendar years and each of the other periods shown in Schedule 3a and Schedule 3b.
4. Provide the following:

a. A list of all outstanding issues of long-term debt as of the end of the latest calendar year together with the related information as shown in Schedule 4a.

b. An analysis of short-term debt as shown in Schedule 4b as of the end of the latest calendar year.

5. Provide a list of all outstanding issues of preferred stock as of the end of the latest calendar year as shown in Schedule 5.

6. Provide the following:

a. A list of all issues of common stock in the primary market during the ten most recent calendar years as shown in Schedule 6a.

b. The common stock information on a quarterly and yearly basis for the five most recent calendar years available, and through the latest available quarter as shown in Schedule 6b.

c. The market prices for common stock for each month during the five most recent calendar years and for succeeding months through the date the application is filed. List all stock splits and stock dividends by date and type.

7. Provide a computation of fixed-charge coverage ratios for the ten most recent calendar years as shown in Schedule 7.

8. Provide Duke Kentucky's internal accounting manuals, directives, and policies and procedures.

9. Provide Duke Kentucky's budget instructions, assumptions, directives, manuals, policies and procedures, timelines, and descriptions of budget procedures.

10. Provide the studies, including all applicable work papers, which are the basis for plant allocations and expense account allocations.

11. Describe the procedures Duke Kentucky uses to plan and approve construction projects.

12. Provide Duke Kentucky's long-term construction planning program.

13. Concerning Duke Kentucky's construction projects:

a. For each project started during the last ten calendar years, provide the information requested in the format contained in Schedule 13a. For each project, include the amount of any cost variance and delay encountered, and explain in detail the reasons for such variances and delays.

b. Using the data included in Schedule 13a, calculate the annual "Slippage Factor" associated with those construction projects. The Slippage Factor should be calculated as shown in Schedule 13b.

c. In determining the capital additions reflected in the base period and forecasted test period, explain whether Duke Kentucky recognized a Slippage Factor.

14. Provide the following monthly account balances and a calculation of the average (13-month) account balances for the most recent calendar year:

- a. Plant in service (Account No. 101);
- b. Plant purchased or sold (Account No. 102);
- c. Property held for future use (Account No. 105);
- d. Completed construction not classified (Account No. 106);
- e. Construction work in progress (Account No. 107);
- f. Depreciation reserve (Account No. 108);
- g. Materials and supplies (include all accounts and subaccounts);
- h. Computation and development of minimum cash requirements;

i. Balance in accounts payable applicable to amounts included in utility plant in service (If actual is indeterminable, give a reasonable estimate.);

j. Balance in accounts payable applicable to amounts included in plant under construction (If actual is indeterminable, give a reasonable estimate.); and

k. Balance in accounts payable applicable to prepayments by major category or subaccount.

15. Provide a reconciliation and detailed explanation of each difference, if any, in Duke Kentucky's capitalization and net investment rate base for the base period.

16. Provide a rate base, capital structure, and statement of income for Duke Kentucky for the most recent 12-month period for which information is available at the time it files its application and for the base period used in the application. Provide detailed explanations necessary to reconcile the data for the 12-month period with the filed base period information.

17. Provide the information shown in Schedule 17 for each construction project in progress, or planned to be in progress, during the 12 months preceding the base period, the base period, and the forecasted test period.

18. Provide, in the format provided in Schedule 18, an analysis of Duke Kentucky's Construction Work in Progress as defined in the Uniform System of Accounts for each project identified in Schedule 17.

19. Provide a calculation of the rate or rates used to capitalize interest during construction for the three most recent calendar years. Explain each component entering into the calculation of the rate(s).

20. Provide, in the format provided in Schedule 20, an analysis of the gross additions, retirements, and transfers for each major functional gas plant property group or account for Duke Kentucky occurring in the base period and forecasted test period. For any account in which transfers regularly occur in the normal course of business, include a general description of the nature of the transfers.

21. Provide the following information for each item of property or plant held for future use at the beginning of the base period:

- a. Description of property;
- b. Location;
- c. Date purchased;
- d. Cost;
- e. Estimated date to be placed in service;
- f. Brief description of the intended use; and
- g. Current status of each project.

22. List all properties leased to Duke Kentucky and all improvements to leased properties, together with annual lease payments which are capitalized, in the format provided in Schedule 22.

23. Provide a listing of all non-utility property and accounts in which amounts are recorded. Include a description of the property, the date purchased, and the cost.

24. Provide the journal entries relating to the purchase of gas utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since Duke Kentucky's, or its predecessor's, inception. Also, provide a schedule showing the calculation of the acquisition adjustment at the date of purchase or

each item of utility plant, the amortization period, and the unamortized balance at the beginning of the base period.

25. Provide a copy of Duke Kentucky's most recent depreciation study. If no such study exists, provide a copy of Duke Kentucky's most recent depreciation schedule. The schedule should include a list of all facilities by account number, service life, and accrual rate for each plant item, the methodology that supports the schedule, and the date the schedule was last updated.

26. Provide Duke Kentucky's cash account balances at the beginning of the most recent calendar year and at the end of each month since then.

27. Provide the average number of customers on Duke Kentucky's system (actual and projected), by rate schedule, for the base period and the three most recent calendar years.

28. Provide a schedule showing a comparison of the balance in the revenue accounts for each month of the most recent 12-month period for which information is available at the time Duke Kentucky files its application to the same month of the immediately preceding 12-month period for each revenue account or subaccount included in Duke Kentucky's chart of accounts. Include appropriate footnotes to show the month each rate change was approved and the month the full impact of the change was recorded in the accounts. See Schedule 28.

29. Provide a copy of each cost-of-service study and billing analysis filed with Duke Kentucky's rate application in Excel spreadsheet format with all formulas intact and unprotected and with all columns and rows accessible.

30. Provide the following expense-account data:

a. A schedule showing a comparison of the balance in Duke Kentucky's operating expense accounts for each month of the most recent 12 months for which information is available at the time the application is filed to the same month of the preceding 12-month period for each account or subaccount included in Duke Kentucky's chart of accounts. See Schedule 30.

b. A schedule, in comparative form, showing the operating expense account balance for the base period and each of the three most recent calendar years for each account or subaccount included in Duke Kentucky's annual report. Show the percentage of increase or decrease of each year over the prior year.

c. A listing, with descriptions, of all activities, initiatives or programs undertaken or continued by Duke Kentucky since its last general rate case for the purpose of minimizing costs or improving the efficiency of its operations or maintenance activities.

31. Provide a schedule of gas operations net income, per MCF sold, per company books for the base period and the three calendar years preceding the base period. This data should be provided as shown in Schedule 31.

32. Provide the comparative operating statistics for gas operations as shown in Schedule 32.

33. List separately the budgeted and actual numbers of full- and part-time employees by employee group, by month and by year, for the three most recent calendar years, the base period, and the forecasted test period.

34. Provide the information requested in Schedule 34 for budgeted and actual regular wages, overtime wages, and total wages by employee group, by month, for the

five most recent calendar years. Explain in detail any variance exceeding 5 percent in any one month.

35. Provide all wage, compensation, and employee benefits studies, analyses, or surveys conducted since Duke Kentucky's last rate case or that are currently utilized by Duke Kentucky.

36. For each employee group, state the amount, percentage increase, and effective dates for general wage increases and, separately, for merit increases granted or to be granted in the past two calendar years, the base period, and the forecasted test period.

37. Provide a schedule reflecting the salaries and other compensation of each executive officer for the base period and three most recent calendar years. Include the percentage annual increase and the effective date of each increase, the job title, duty and responsibility of each officer, the number of employees who report to each officer, and to whom each officer reports. For employees elected to executive officer status since the test year in Duke Kentucky's most recent rate case, provide the salaries for the persons they replaced.

a. Provide the account numbers to which the executive officers' salaries and other compensation were charged.

b. Provide an explanation of the amount and percentage of each of these employees' salaries and associated expenses that were recorded below the line for ratemaking purposes, along with how the methodology for doing so was determined.

38. Describe in detail how the base period capitalization rate was determined. If different rates were used for specific expenses (i.e., payroll, clearing accounts,

depreciation, etc.), indicate the rate and how it was determined. Indicate all proposed changes to the capitalization rate and how the changes were determined.

39. Provide all current labor contracts and the most recent labor contracts previously in effect.

40. Provide each group medical insurance policy that Duke Kentucky currently maintains.

41. Provide detailed descriptions of all early retirement plans or other staff reduction programs Duke Kentucky has offered or intends to offer its employees during either the base period or the forecasted test period. Include all cost-benefit analyses associated with these programs.

42. Concerning employee fringe benefits:

a. Provide a detailed list of all fringe benefits available to Duke Kentucky's employees and the expected cost of each benefit in the base period and the forecasted test period. Indicate any fringe benefits which are limited to management employees.

b. Provide comparative cost information for the 12 months preceding the base period and the base period. Explain any changes in fringe benefits occurring over this 24-month period.

43. Provide a complete description of Duke Kentucky's Other Post-Employment Benefits package(s) provided to its employees.

44. Provide a complete description of the financial reporting and ratemaking treatment of Duke Kentucky's pension costs.

45. For each of the following Statements of Financial Accounting Standards (SFAS), provide the information listed concerning implementation by Duke Kentucky.

a. SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions."

(1) The date Duke Kentucky adopted the SFAS.

(2) The effect on the financial statements.

(3) Whether the base period or forecasted test period includes any impact of the implementation. If so, provide a detailed description of the impact.

b. SFAS No. 112, "Employers' Accounting for Postretirement Benefits."

(1) The date Duke Kentucky adopted the SFAS.

(2) The effect on the financial statements.

(3) Whether the base period or forecasted test period includes any impact of the implementation. If so, provide a detailed description of the impact.

c. SFAS No. 143, "Accounting for Asset Retirement Obligations."

(1) The date that Duke Kentucky adopted the SFAS.

(2) The effect on the financial statements.

(3) Whether the base period or forecasted test period includes any impact of the implementation. If so, provide a detailed description of the impact.

d. A schedule comparing the depreciation rates utilized by Duke Kentucky prior to and after the adoption of SFAS No. 143. The schedule should identify the assets corresponding to the affected depreciation rates.

e. SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans."

- (1) The date Duke Kentucky adopted the SFAS.
- (2) The effect on the financial statements.
- (3) Whether the base period or forecasted test period includes any impact of the implementation. If so, provide a detailed description of the impact.

46. As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period including the month in which the Commission hears this case.

47. Provide the amount of excess deferred federal income taxes resulting from the reductions in the corporate tax rate in 1979 and 1986, as of the end of the most recent calendar year. Show the amounts associated with the 1979 reduction separately from the amounts associated with the 1986 reduction.

48. Provide the following tax data for the most recent calendar year:

- a. Income taxes:
 - (1) Federal operating income taxes deferred – accelerated tax depreciation.
 - (2) Federal operating income taxes deferred – other (explain).
 - (3) Federal income taxes – operating.
 - (4) Income credits resulting from prior deferrals of federal income taxes.
 - (5) Investment tax credit net.
 - (a) Investment credit realized.
 - (b) Investment credit amortized – Pre-Revenue Act of 1971.

(c) Investment credit amortized – Revenue Act of 1971.

(6) The information in Item 48a(1-4) for state income taxes.

(7) A reconciliation of book to federal taxable income as shown in Schedule 48a(1) and a calculation of the book federal income tax expense for the base period using book taxable income as the starting point.

(8) A reconciliation of book to state taxable income as shown in Schedule 48a(2) and a calculation of the book state income tax expense for the base period using book taxable income as the starting point.

(9) A copy of federal and state income tax returns for the most recent tax year, including supporting schedules.

(10) A schedule of franchise fees paid to cities, towns, or municipalities during the test year, including the basis of these fees.

b. An analysis of Kentucky Other Operating Taxes as shown in Schedule 48b.

49. Provide the following information with regard to uncollectible accounts for the three most recent calendar years for gas operations:

- a. Reserve account balance at the beginning of the year;
- b. Charges to the reserve account (accounts charged off);
- c. Credits to the reserve account;
- d. Current year provision;
- e. Reserve account balance at the end of the year; and
- f. Percent of the provision to total revenue.

50. Provide Duke Kentucky's written policies on the compensation of outside attorneys, auditors, consultants, and all other professional service providers. Include a schedule of fees, per diems, and other compensation in effect during the base period. Include all agreements, contracts, memoranda of understanding, and any other documentation that explains the nature and type of reimbursement paid for professional services. Indicate if any changes have occurred since the test year of Duke Kentucky's last base rate case, the effective date of these changes, and the reason for these changes.

51. Provide a detailed analysis of expenses for professional services during the most recent 12-month period for which information is available at the time the application is filed, as shown in Schedule 51, and all work papers supporting the analysis. At a minimum, the work papers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the services provided.

52. Provide the following information. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

a. A detailed analysis of charges booked for advertising expenditures during the most recent 12-month period for which information is available at the time the application is filed. Include a complete breakdown of Account No. 913 – Advertising Expenses, and any other advertising expenditures included in any other expense accounts, as shown in Schedule 52a. The analysis should specify the purpose of the expenditure and the expected benefit to be derived.

b. An analysis of Account No. 930 – Miscellaneous General Expenses for the most recent 12-month period for which information is available at the time the

application is filed. Include a complete breakdown of this account as shown in Format 52b and provide detailed work papers supporting this analysis. At a minimum, the analysis should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and a brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Schedule 52b.

c. An analysis of Account No. 426 – Other Income Deductions for the most recent 12-month period for which information is available at the time the application is filed. Include a complete breakdown of this account as shown in Schedule 52c, and provide detailed work papers supporting this analysis. At a minimum, the analysis should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and a brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Schedule 52c.

53. Regarding Duke Kentucky's employee compensation policy:

a. Provide Duke Kentucky's written compensation policy as approved by the Board of Directors.

b. Provide a narrative description of the compensation policy, including the reasons for establishing the policy and Duke Kentucky's objectives for the policy.

c. Explain whether the compensation policy was developed with the assistance of an outside consultant. If the compensation policy was developed or reviewed by a consultant, provide any study or report provided by the consultant.

d. Explain when Duke Kentucky's compensation policy was last reviewed or given consideration by the Board of Directors.

54. Explain whether Duke Kentucky's expenses for wages, salaries, benefits and other compensation included in the base period; and any adjustments to the base period are compliant with the Board of Director's compensation policy.

55. Explain whether, prior to reflecting any adjustments to wages, salaries, benefits, and other compensation in the rate application, Duke Kentucky, through an outside consultant or otherwise, performed a study or survey to compare its wages, salaries, benefits, and other compensation to those of other utilities in the region, or to other local or regional enterprises.

a. If comparisons were performed, provide and discuss the results of such comparisons. Include the results of the study or survey with your response, including all work papers.

b. If comparisons were not performed, explain why such comparisons were not performed.

56. List all present or proposed research efforts dealing with the pricing of natural gas and the current status of such efforts.

57. Provide an analysis of Duke Kentucky's expenses for research and development activities for the base period and the three most recent calendar years. The analysis should include the following:

a. Basis of fees paid to research organizations and Duke Kentucky's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.

b. Details of the research activities conducted by each organization.

c. Details of services and other benefits provided to Duke Kentucky by each organization.

d. Annual expenditures of each organization with a basic description of the nature of costs incurred by the organization.

e. Details of the expected benefits to Duke Kentucky.

58. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document references, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed

explanation of how the estimate was determined, along with all supporting work papers and calculations.

c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when Duke Kentucky files its monthly financial statements with the Commission, through the month of the public hearing.

59. Provide the following information for the most recent calendar year concerning Duke Kentucky and any affiliated service corporation or corporate service division/unit:

a. A schedule detailing the costs, those directly charged, and those allocated by, Duke Kentucky to the service corporation. Indicate Duke Kentucky's accounts where these costs were originally recorded. For costs that are allocated, include a description of the allocation factors utilized.

b. A schedule detailing the costs, those directly charged, and those allocated by, the service corporation to Duke Kentucky. Identify Duke Kentucky's accounts where these costs were recorded. For costs that are allocated, include a description of the allocation factors utilized.

60. For the most recent calendar year, concerning all affiliate-related activities not identified in response to Item 59:

a. Provide the names of affiliates that provided some form of service to Duke Kentucky and the type of service Duke Kentucky received from each affiliate.

b. Provide the names of affiliates to whom Duke Kentucky provided some form of service and the type of service Duke Kentucky provided to each affiliate.

c. Identify the service agreement with each affiliate, state whether the service agreement has been previously filed with the Commission, and identify the proceeding in which it was filed. Provide each service agreement that has not been previously filed with the Commission.

61. Describe Duke Kentucky's lobbying activities and provide a schedule showing the name, salary, and job title of each individual whose job function involves lobbying on the local, state, or national level.

62. Regarding demand-side management, conservation, and energy-efficiency programs, provide the following:

a. A list of all programs currently offered by Duke Kentucky.

b. The total cost incurred for these programs by Duke Kentucky in each of the three most recent calendar years.

c. The total energy and demand reductions realized through these programs in each of the three most recent calendar years, the total cost for these programs included in the proposed forecasted test period, and the expected energy reductions to be realized therefrom.

63. Regarding what are commonly referred to as smart grid initiatives:

a. Identify all smart-grid costs Duke Kentucky has incurred since the start of the test year in its last general rate case. Identify the specific projects Duke Kentucky has undertaken and the accounts in which the costs have been recorded, and state whether the costs were expensed or capitalized.

b. Provide the level of smart-grid costs Duke Kentucky has included in its forecasted test period and the amounts to be expensed and capitalized.

64. To the extent not included in other responses, provide all work papers, calculations, and assumptions Duke Kentucky used to develop its forecasted test period financial information.

65. Provide the information requested in Schedule 65 for yearly salary and benefit information for each corporate officer and as a group in total by category of Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly for the years 2013 through 2016 and the base period (in gross dollars—not hourly or monthly rates). Commission Staff will provide Schedule 65 in Excel format by electronic mail to Counsel for all parties.

- a. Regular salary or pay.
- b. Overtime pay.
- c. Excess vacation payout.
- d. Standby/Dispatch pay.
- e. Bonus and incentive pay.
- f. Any other forms of incentives (may include stock options or forms of deferred compensation).
- g. Other amounts paid and reported on the employees' W-2 (specify).
- h. Healthcare benefit cost for employees.
 - (1) Amount paid by the employer.
 - (2) Amount paid by the employee.
- i. Dental benefits cost for employees.
 - (1) Amount paid by the employer.
 - (2) Amount paid by the employee.

- j. Vision benefits cost for employees.
 - (1) Amount paid by the employer.
 - (2) Amount paid by the employee.
- k. Life insurance cost for employees.
 - (1) Amount paid by the employer.
 - (2) Amount paid by the employee.
- l. Accidental death and disability benefits.
 - (1) Amount paid by the employer.
 - (2) Amount paid by the employee.
- m. Defined Contribution – 401(k) or similar plan cost for employees.

Provide the amount paid by the employer.

- n. Defined Benefit Retirement cost for employees.
 - (1) Amount paid by the employer.
 - (2) Amount paid by the employee.
- o. Cost of any other benefit available to an employee (specify).

66. For each item of benefits listed in Item 65 above where an employee is required to pay part of the cost, provide a detailed explanation as to how the employee contribution rate was determined.

67. Provide a listing of all health care plan categories, dental plan categories, and vision plan categories available to corporate officers individually, and to groups defined as Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly employees (i.e., single, married no dependents, single parent with dependents, family, etc.) Include the associated employee contribution rates and

employer contribution rates of the total premium cost for each category, and each plan's deductible(s) amounts.

68. Provide a listing of all life insurance plan categories available to corporate officers individually, and to groups defined as Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly employees. Include the associated employee contribution rates and employer contribution rates of the total premium cost for each plan category.

69. Provide a listing of all retirement plans categories available to corporate officers individually, and to groups defined as Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly employees. Include the associated employee contribution rates, if any, and employer contribution rates of the total cost for each plan category.

70. Provide Duke Kentucky's current nepotism policy and indicate when it was most recently changed.

71. To the extent not included in other responses, provide a copy of all exhibits and schedules that were prepared in Duke Kentucky's rate application in Excel spreadsheet format with all formulas intact and unprotected and with all columns and rows accessible.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED **AUG 24 2018**

cc: Parties of Record

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Calculation of Average Capital Structure
12 Months Ended _____
"000 Omitted"

Schedule 3a

| Line No. | Type of Capital | 10 th Year | | 9 th Year | | 8 th Year | | 7 th Year | | 6 th Year | |
|----------|------------------------------|-----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|
| | | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| 1. | Long-Term Debt | | | | | | | | | | |
| 2. | Short-Term Debt | | | | | | | | | | |
| 3. | Preferred & Preference Stock | | | | | | | | | | |
| 4. | Common Equity | | | | | | | | | | |
| 5. | Other (Itemize by type) | | | | | | | | | | |
| 6. | Total Capitalization | | | | | | | | | | |

| Line No. | Type of Capital | 5 th Year | | 4 th Year | | 3 rd Year | | 2 nd Year | | 1 st Year | | Latest Available Quarter | |
|----------|------------------------------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|--------------------------|-------|
| | | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| 1. | Long-Term Debt | | | | | | | | | | | | |
| 2. | Short-Term Debt | | | | | | | | | | | | |
| 3. | Preferred & Preference Stock | | | | | | | | | | | | |
| 4. | Common Equity | | | | | | | | | | | | |
| 5. | Other (Itemize by type) | | | | | | | | | | | | |
| 6. | Total Capitalization | | | | | | | | | | | | |

Instructions: 1. If the applicant is a member of an affiliated group, the above data is to be provided for the parent company and the system consolidated.

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 3b

Calculation of Average Capital Structure
12 Months Ended December 31, _____
"000 Omitted"

| Line No. | Item (a) | Total Capital (b) | Long-Term Debt (c) | Short-Term Debt (d) | Preferred Stock (e) | Common Stock (f) | Retained Earnings (g) | Total Common Equity (h) |
|----------|---|----------------------|--------------------------|---------------------------|---------------------------|------------------------|-----------------------------|----------------------------------|
| 1. | Balance at beginning of most recent calendar year | | | | | | | |
| 2. | 1 st Month | | | | | | | |
| 3. | 2 nd Month | | | | | | | |
| 4. | 3 rd Month | | | | | | | |
| 5. | 4 th Month | | | | | | | |
| 6. | 5 th Month | | | | | | | |
| 7. | 6 th Month | | | | | | | |
| 8. | 7 th Month | | | | | | | |
| 9. | 8 th Month | | | | | | | |
| 10. | 9 th Month | | | | | | | |
| 11. | 10 th Month | | | | | | | |
| 12. | 11 th Month | | | | | | | |
| 13. | 12 th Month | | | | | | | |
| 14. | Total (L1 through L13) | | | | | | | |
| 15. | Average Balance (L14 / 13) | | | | | | | |
| 16. | Average Capitalization Ratios | | | | | | | |
| 17. | End-of-period Capitalization Ratios | | | | | | | |

- Instructions:
1. If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.
 2. Include premium class of stock.

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 4a

Schedule of Outstanding Long-Term Debt
For the Year Ended December 31, _____

| Line No. | Type of Debt Issue (a) | Date of Issue (b) | Date of Maturity (c) | Amount Outstanding (d) | Coupon Interest Rate ⁽¹⁾ (e) | Cost Rate at Issue ⁽²⁾ (f) | Cost Rate at Maturity ⁽³⁾ (g) | Bond Rating at Time of Issue ⁽⁴⁾ (h) | Type of Obligation (i) | Annualized Cost Col. (d) x Col. (g) (j) |
|---|------------------------|-------------------|----------------------|------------------------|---|---------------------------------------|--|---|------------------------|---|
| Total Long-Term Debt and Annualized Cost Annualized Cost Rate [Total Col. (j) / Total Col. (d)] | | | | | | | | | | |

⁽¹⁾ Nominal Rate

⁽²⁾ Nominal Rate plus Discount or Premium Amortization

⁽³⁾ Nominal Rate plus Discount or Premium Amortization and Issuance Cost

⁽⁴⁾ Standard and Poor's, Moody, etc.

Duke Energy Kentucky, Inc.

Schedule 4b

Case No. 2018-00261

Schedule of Short-Term Debt
For the 12 Months Ended December 31, _____

| Line No. | Type of Debt Instrument (a) | Date of Issue (b) | Date of Maturity (c) | Amount Outstanding (d) | Nominal Interest Rate (e) | Effective Interest Rate (f) | Annualized Interest Cost Col. (f) x Col. (d) (g) |
|--|--------------------------------|----------------------|-------------------------|---------------------------|------------------------------|--------------------------------|--|
| Total Short-Term Debt | | | | | | | |
| Annualized Cost Rate [Total Col. (g) / Total Col. (d)] | | | | | | | |
| Actual Interest Paid or Accrued on Short-Term Debt During the Test Year [Report in Col. (g) of this Schedule] | | | | | | | |
| Average Short-Term Debt – Format 3, Schedule 2, Line 15 Col. (d) [Report in Col. (g) of this Schedule] | | | | | | | |
| Test-Year Interest Cost Rate [Actual Interest / Average Short-Term Debt] [Report in Col. (f) of this Schedule] | | | | | | | |

Note: In all instances where the Effective Interest Cost Rate is different from the Nominal Interest Rate, provide a calculation of the effective Interest Cost Rate in sufficient detail to show the items of costs that cause the difference.

Duke Energy Kentucky, Inc.

Schedule 5

Case No. 2018-00261

Schedule of Outstanding Shares of Preferred Stock
For the 12 months Ended December 31, _____

| Line No. | Description of Issue (a) | Date of Issue (b) | Amount Sold (c) | Amount Outstanding (d) | Dividend Rate (e) | Cost Rate at Issue (f) | Annualized Cost Col. (f) x Col. (d) (g) | Convertibility Features (h) |
|--|-----------------------------|----------------------|--------------------|---------------------------|----------------------|---------------------------|--|--------------------------------|
| Total | | | | | | | | |
| Annualized Cost Rate [Total Col. (g) / Total Cost Col. (d)] | | | | | | | | |

Note: If the applicant has issued no preferred stock, this schedule may be omitted.

Duke Energy Kentucky, Inc.

Schedule 6a

Case No. 2018-00261

Schedule of Common Stock Issue
For the 10-Year Period Ended _____

| Date of | | | Number of Shares Issued | Price Per Share to Public | Price Per Share (Net to Company) | Book Value Per Share at Date of Issue | Selling Expense as Percentage of Gross Issue Amount | Net Proceeds to Company |
|---------|--------------|--------------|----------------------------|------------------------------|--|---|---|----------------------------|
| Issue | Announcement | Registration | | | | | | |
| | | | | | | | | |

Note: If the applicant is a member of an affiliate group, provide in a separate schedule the above for the parent company.

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Quarterly and Annual Common Stock Information
For the Periods as Shown

Schedule 6b

| Period Equity | Average No. of Shares Outstanding (000) | Book Value (\$) | Earnings per Share (\$) | Dividend Rate per Share (\$) | Return on Average Common (%) |
|--------------------------------|--|--------------------|-------------------------------|------------------------------------|------------------------------------|
| 5 th Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 4 th Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 3 rd Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 2 nd Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 1 st Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| Latest | | | | | |

Construction Projects

For 10 Years ended December 31, _____

| Project No. | Project Title/Description | Annual Actual Cost | Annual Original Budget | Variance In Dollars | Variance As Percent | Percent Of Budget | Total Actual Project Cost | Total Budget Project Cost | Variance In Dollars | Date Original Budget Start | Date Original Budget End | Date Actual Start | Date Actual End |
|----------------|------------------------------|--------------------------|------------------------------|---------------------------|---------------------------|-------------------------|------------------------------------|------------------------------------|---------------------------|-------------------------------------|-----------------------------------|-------------------------|-----------------------|
|----------------|------------------------------|--------------------------|------------------------------|---------------------------|---------------------------|-------------------------|------------------------------------|------------------------------------|---------------------------|-------------------------------------|-----------------------------------|-------------------------|-----------------------|

Calculation of Capital Construction Project Slippage Factor

Source: Schedule 13a – Construction Projects

| Year | Annual Actual Cost | Annual Original Budget | Variance in Dollars | Variance as Percent | Slippage Factor |
|--|--------------------|------------------------|---------------------|---------------------|-----------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Totals | | | | | |
| 10 Year Average Slippage Factor (Mathematic Average of the Yearly Slippage Factors / 10 years) | | | | | |

The Annual Actual Cost, Annual Original Budget, Variance in Dollars, and Variance as Percent are to be taken from Schedule 13a. Total all projects for a given year.

The Slippage Factor is calculated by dividing the Annual Actual Cost by the Annual Original Budget. Calculate a Slippage Factor for each year and the Totals line. Carry Slippage Factor percentages to 3 decimal places.

Construction Projects
As of

| Line No. (A) | Project No. (B) | Description of Project (C) | Accumulated Costs | | | | Estimated Physical Percent Completed (H) |
|-----------------|--------------------|-------------------------------|----------------------------|--------------------------|------------------------------|-------------------------|---|
| | | | Construction Amount (D) | AFUDC Capitalized (E) | Indirect Costs Other (F)* | Total Cost (G=D+E+F) | |
| | | | \$ | \$ | \$ | \$ | |

TOTAL

*Explain the nature of all other indirect costs in footnotes.

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 18

Construction Work in Progress – Percent Complete*
As of _____

| Line No. (A) | Project No. (B) | Date Construction Work Began (C) | Estimated Project Completion Date (D) | Percent of Elapsed Time (E) | Original Budget Estimate (F) | Most Recent Budget Estimate (G) | Total Project Expenditures (H) | Percent of Total Expenditures (I) = (G/H) |
|-----------------|--------------------|-------------------------------------|--|--------------------------------|---------------------------------|------------------------------------|-----------------------------------|--|
| | | | | | \$ | \$ | \$ | |

*Should be based on expenditures including AFUDC.

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 20

Gross Additions, Retirements, and Transfers
As of _____

| Line No. | Account No. | Account Title | Beginning Balance | Additions | Retirements | Transfers/Reclassifications | | Ending Balance |
|----------|-------------|---------------|-------------------|-----------|-------------|-----------------------------|---|----------------|
| | | | | | | Amount | Explanation of Transfers Other Accounts Involved | |

Duke Energy Kentucky
Case No. 2018-00261

Schedule 22

Leased Property
As of _____

| Identification or Reference Number | Description of Type and Use of Property | Name of Lessee | Frequency of Payment | Amount of Lease Payment | Dollar Value Property Involved* | Explain Method of Capitalization |
|--|--|-------------------|-------------------------|----------------------------|---------------------------------------|--|
|--|--|-------------------|-------------------------|----------------------------|---------------------------------------|--|

*If not available, an estimate should be furnished.

Note: Include detailed workpapers supporting this analysis.

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Net Income per MCF Sold
For the Calendar Years _____ through _____
And for the Base Period
"000 Omitted"

| Line No. | Item (a) | 12 Months Ended | | | |
|----------|--|----------------------------------|---------------------|---------------------|-----------------|
| | | Three Most Recent Calendar Years | | | Base Period (e) |
| | | 3 rd (b) | 2 nd (c) | 1 st (d) | |
| 1. | <u>Operating Income</u> | | | | |
| 2. | Operating Revenues | | | | |
| 3. | <u>Operating Income Deductions</u> | | | | |
| 4. | Operating and Maintenance Expenses: | | | | |
| 5. | Purchased Gas | | | | |
| 6. | Other Gas Supply Expenses | | | | |
| 7. | Underground Storage | | | | |
| 8. | Transmission Expenses | | | | |
| 9. | Distribution Expenses | | | | |
| 10. | Customer Accounts Expenses | | | | |
| 11. | Sales Expenses | | | | |
| 12. | Administrative and General Expenses | | | | |
| 13. | Total (L5 through L12) | | | | |
| 14. | Depreciation Expenses | | | | |
| 15. | Amortization of Utility Plant Acquisition Adjustment | | | | |
| 16. | Taxes Other Than Income Taxes | | | | |
| 17. | Income Taxes – Federal | | | | |
| 18. | Income Taxes – Other | | | | |
| 19. | Provision for Deferred Income Taxes | | | | |
| 20. | Investment Tax Credit Adjustment – Net | | | | |
| 21. | Total Utility Operating Expenses | | | | |
| 22. | Net Utility Operating Income | | | | |

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Net Income per MCF Sold
For the Calendar Years _____ through _____
And for the Base Period
"000 Omitted"

Schedule 31, Page 2 of 2

| Line No. | Item (a) | 12 Months Ended | | | |
|----------|--|----------------------------------|---------------------|---------------------|-----------------|
| | | Three Most Recent Calendar Years | | | Base Period (e) |
| | | 3 rd (b) | 2 nd (c) | 1 st (d) | |
| 23. | <u>Other Income and Deductions</u> | | | | |
| 24. | Other Income: | | | | |
| 25. | Non-utility Operating Income | | | | |
| 26. | Equity in Earnings of Subsidiary Company | | | | |
| 27. | Interest and Dividend Income | | | | |
| 28. | Allowance for Funds Used During Construction | | | | |
| 29. | Miscellaneous Non-operating Income | | | | |
| 30. | Gain on Disposition of Property | | | | |
| 31. | Total Other Income | | | | |
| 32. | Other Income Deductions: | | | | |
| 33. | Loss on Disposition of Property | | | | |
| 34. | Miscellaneous Income Deductions | | | | |
| 35. | Taxes Applicable to Other Income and Deductions: | | | | |
| 36. | Income Taxes and Investment Tax Credits | | | | |
| 37. | Taxes Other Than Income Taxes | | | | |
| 38. | Total Taxes on Other Income and Deductions | | | | |
| 39. | Net Other Income and Deductions | | | | |
| 40. | <u>Interest Charges</u> | | | | |
| 41. | Interest on Long-Term Debt | | | | |
| 42. | Interest on Short-Term Debt | | | | |
| 43. | Amortization of Premium on Debt – Credit | | | | |
| 44. | Other Interest Expense | | | | |
| 45. | Total Interest Charges | | | | |
| 46. | Net Income | | | | |
| 47. | MCF Sold | | | | |

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Comparative Operating Statistics – Gas Operations
For the Calendar Years _____ through _____

(Total Company)

| Line No. | Item (a) | Three Most Recent Calendar Years | | | | | |
|----------|---|----------------------------------|---------------|----------------------|---------------|----------------------|---------------|
| | | 3 rd Year | | 2 nd Year | | 1 st Year | |
| | | Cost (b) | % Inc. (c) | Cost (d) | % Inc. (e) | Cost (f) | % Inc. (g) |
| 1. | Cost per MCF of Purchased Gas | | | | | | |
| 2. | Cost of Propane Gas per MCF Equivalent for Peak Shaving | | | | | | |
| 3. | Cost per MCF of Gas Sold | | | | | | |
| 4. | Maintenance Cost per Transmission Mile | | | | | | |
| 5. | Maintenance Cost per Distribution Mile | | | | | | |
| 6. | Sales Promotion Expense per Customer | | | | | | |
| 7. | Administration and General Expense per Customer | | | | | | |
| 8. | Wages and Salaries – Charged Expense – per Average Employee | | | | | | |
| 9. | Depreciation Expense: | | | | | | |
| 10. | Per \$100 of Average Gross Depreciable Plant in Service | | | | | | |
| 11. | Rents: | | | | | | |
| 12. | Per \$100 of Average Gross Plant in Service | | | | | | |

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Comparative Operating Statistics – Gas Operations
For the Calendar Years _____ through _____

(Total Company)

| Line No. | Item (a) | Three Most Recent Calendar Years | | | | | |
|----------|---|----------------------------------|---------------|----------------------|---------------|----------------------|---------------|
| | | 3 rd Year | | 2 nd Year | | 1 st Year | |
| | | Cost (b) | % Inc. (c) | Cost (d) | % Inc. (e) | Cost (f) | % Inc. (g) |
| 13. | Property Taxes: | | | | | | |
| 14. | Per \$100 of Average Net Plant in Service | | | | | | |
| 15. | Payroll Taxes: | | | | | | |
| 16. | Per Average Employee whose Salary is Charged to Expense | | | | | | |
| 17. | Interest Expense: | | | | | | |
| 18. | Per \$100 of Average Debt Outstanding | | | | | | |
| 19. | Per \$100 of Average Plant Investment | | | | | | |
| 20. | Per MCF Sold | | | | | | |
| 21. | Meter Reading Expense per Meter | | | | | | |

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Monthly Payroll Variance Analysis
As of _____

Schedule 34

Type of Filing: Original Updated Revised
Workpaper Reference No(s): _____

| Date | Employee Group | Monthly Budget | | | Monthly Actual | | | Variance Percent | | |
|------|-------------------|----------------|----|-------|----------------|----|-------|------------------|----|-------|
| | | Reg. | OT | Total | Reg. | OT | Total | Reg. | OT | Total |

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Reconciliation of Book Net Income and Federal Taxable Income
12 Months Ended December 31, _____

Schedule 48a(1)

| Line No. | Item (a) | Total Company (b) | Total Company Non-Operating (c) | Operating | |
|----------|--|-------------------|---------------------------------|---------------------|--------------------------|
| | | | | Kentucky Retail (d) | Other Jurisdictional (e) |
| 1. | Net income per books | | | | |
| 2. | Add income taxes: | | | | |
| 3. | Federal income tax – current | | | | |
| 4. | Federal income tax – deferred depreciation | | | | |
| 5. | Federal income tax – deferred other | | | | |
| 6. | Investment tax credit adjustment | | | | |
| 7. | Federal income taxes charged to other income and deductions | | | | |
| 8. | State income taxes | | | | |
| 9. | State income taxes charged to other income and deductions | | | | |
| 10. | Total | | | | |
| 11. | Flow through items: | | | | |
| 12. | Add (itemize) | | | | |
| 13. | Deduct (itemize) | | | | |
| 14. | Book taxable income | | | | |
| 15. | Differences between book taxable income and taxable income per tax return: | | | | |
| 16. | Add (itemize) | | | | |
| 17. | Deduct (itemize) | | | | |
| 18. | Taxable income per return | | | | |

Note: (1) Provide a calculation of the amount shown on Lines 3 through 7 above.
(2) Provide workpapers supporting each calculation including the depreciation for straight-line tax and accelerated tax depreciation.
(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Duke Energy Kentucky, Inc.
Case No. 2018-00261
Reconciliation of Book Net Income and State Taxable Income
12 Months Ended December 31, _____

Schedule 48a(2)

| Line No. | Item (a) | Total Company (b) | Total Company Non-Operating (c) | Operating | |
|----------|--|-------------------|---------------------------------|---------------------|--------------------------|
| | | | | Kentucky Retail (d) | Other Jurisdictional (e) |
| 1. | Net income per books | | | | |
| 2. | Add income taxes: | | | | |
| 3. | Federal income tax – current | | | | |
| 4. | Federal income tax – deferred depreciation | | | | |
| 5. | Federal income tax – deferred other | | | | |
| 6. | Investment tax credit adjustment | | | | |
| 7. | Federal income taxes charged to other income and deductions | | | | |
| 8. | State income taxes | | | | |
| 9. | State income taxes charged to other income and deductions | | | | |
| 10. | Total | | | | |
| 11. | Flow through items: | | | | |
| 12. | Add (itemize) | | | | |
| 13. | Deduct (itemize) | | | | |
| 14. | Book taxable income | | | | |
| 15. | Differences between book taxable income and taxable income per tax return: | | | | |
| 16. | Add (itemize) | | | | |
| 17. | Deduct (itemize) | | | | |
| 18. | Taxable income per return | | | | |

Note: (1) Provide a calculation of the amount shown on Lines 3 through 7 above.
(2) Provide workpapers supporting each calculation including the depreciation for straight-line tax and accelerated tax depreciation.
(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Analysis of Other Operating Taxes
12 Months Ended December 31, _____
"000 Omitted"

| Line No. | Item (a) | Charged Expense (b) | Charged to Construction (c) | Charged to Other Accounts ⁽¹⁾ (d) | Amounts Accrued (e) | Amount Paid (f) |
|----------|------------------------------------|---------------------|-----------------------------|--|---------------------|-----------------|
| 1. | Kentucky Retail | | | | | |
| | (a) State income | | | | | |
| | (b) Franchise fees | | | | | |
| | (c) Ad valorem | | | | | |
| | (d) Payroll (employers portion) | | | | | |
| | (e) Other taxes | | | | | |
| 2. | Total Retail [L1(a) through L1(e)] | | | | | |
| 3. | Other jurisdictions | | | | | |
| | Total per books (L2 and L3) | | | | | |

(1) Explain items in this Column.

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Duke Energy Kentucky, Inc.

Schedule

Case No. 2018-00261

Analysis of Professional Services Expenses
For the 12 Months Ended _____

| Line No. | Item (a) | Rate Case (b) | Annual Audit (c) | Other (d) | Total (e) |
|----------|-------------|---------------|------------------|-----------|-----------|
| 1. | Legal | | | | |
| 2. | Engineering | | | | |
| 3. | Accounting | | | | |
| 4. | Other | | | | |
| 5. | Total | | | | |

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 52a

Analysis of Advertising Expenses
(Including Account No. 913)
For the 12 Months Ended _____

| Line No. | Item (a) | Sales or Promotional Advertising (b) | Institutional Advertising (c) | Conservation Advertising (d) | Rate Case (e) | Other (f) | Total (g) |
|----------|--|--------------------------------------|-------------------------------|------------------------------|---------------|-----------|-----------|
| 1. | Newspaper | | | | | | |
| 2. | Magazines and Other | | | | | | |
| 3. | Television | | | | | | |
| 4. | Radio | | | | | | |
| 5. | Direct Mail | | | | | | |
| 6. | Sales Aids | | | | | | |
| 7. | Total | | | | | | |
| 8. | Amount Assigned to Kentucky Jurisdictional | | | | | | |

Note: Specify the purpose of the expenditures and the expected benefit to be derived.

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 52b

Analysis of Account No. 930 – Miscellaneous General Expenses
For the 12 Months Ended _____

| Line No. | Item (a) | Amount (b) |
|----------|--|------------|
| 1. | Industry Association Dues | |
| 2. | Stockholder and Debt Service Expenses | |
| 3. | Institutional Advertising | |
| 4. | Conservation Advertising | |
| 5. | Rate Department Load Studies | |
| 6. | Director's Fees and Expenses | |
| 7. | Dues and Subscriptions | |
| 8. | Miscellaneous | |
| 9. | Total | |
| 10. | Amount Assigned to Kentucky Jurisdictional | |

Note: Include detailed workpapers supporting this analysis. Expenditures under \$500 are to be grouped by the classes shown on this Schedule.

Duke Energy Kentucky, Inc.
Case No. 2018-00261

Schedule 52c

Analysis of Account No. 426 – Other Income Deductions
For the 12 Months Ended _____

| Line No. | Item (a) | Amount (b) |
|----------|----------------------|------------|
| 1. | Donations | |
| 2. | Civic Activities | |
| 3. | Political Activities | |
| 4. | Other | |
| 5. | Total | |

Note: Include detailed workpapers supporting this analysis. Expenditures under \$500 are to be grouped by the classes shown on this Schedule.

*Debbie Gates
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

*E. Minna Rolfes-Adkins
Paralegal
Duke Energy Kentucky, Inc.
139 East Fourth Street
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*Rocco O D'Ascenzo
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