

**Duke Energy Kentucky, Inc.**  
**Proposed Gas and Electric Heat Fund Rate**

<b>1) Typical Residential Gas Customer Bill Before Gas Heat Fund (6.12 Mcf) (a)</b>	<b>\$72.45</b>
2) Purposed Heat Fund Amount @ \$0.10	\$0.10
3) Impact of Heat Fund on Typical Bill	0.138%
4) Annual Gas Heat Fund Total	\$1.20
<b>5) Typical Residential Electric Customer Bill Before Electric Heat Fund (1,003 kWh) (a)</b>	<b>\$93.40</b>
6) Purposed Heat Fund Amount @ \$0.10	\$0.10
7) Impact of Heat Fund on Typical Bill	0.107%
8) Annual Electric Heat Fund Total	\$1.20
<b>9) Typical Residential Combomation Bill Before Gas and Electric Heat Funds (a)</b>	<b>\$165.85</b>
10) Purposed Heat Fund Amount @ \$0.20	\$0.20
11) Impact of Heat Fund on Typical Bill	0.121%
12) Annual Gas and Electric Heat Fund Total	\$2.40
<b>13) Total Proposed Annual Heat Fund Amount to be Collected (b)</b>	<b>\$255,049.20</b>

a) Based on 2013 average usage and March 2014 rates

b) 18,615 residential gas only customers, 51,012 residential electric only customers, 71,457 residential combination customers