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VIA ELECTRONIC AND OVERNIGHT MAIL DELIVERY

February 13, 2015

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Case No. 2014-00280
In the Matter of the Application of Duke Energy Kentucky, Inc., to Amend Its Demand-Side Management Programs

Dear Mr. Derouen:

On January 28, 2015, this Commission entered an Order in the above-referenced case approving tariffs effective January 28. Consistent with a February 11, 2015 telephone conversation with the Commission, Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) hereby requests a change in the tariff effective dates, as well as a brief explanation of how the Company's billing cycle system (CMS) works.

CMS applies rates to customer bills based on the effective date of the tariff sheet and the date that a customer's meter is read. For example, a tariff sheet with an effective date of January 28, 2015 applies to all meters read on or after January 28, 2015.

In the situation where the Commission issues an order approving rates effective with the date of the order, all meters read on or after that effective date (the order date) should be charged the newly approved rates. This causes the following problems:

- The Company needs a few days to prepare the compliance tariff sheet and file it. This means that customers whose meters are read on or after the order date, but, before the date that the tariff is filed with the Commission, will be billed rates for which the associated tariff has not been filed and posted on the Company's website;
- Duke Energy Kentucky's CMS personnel need some time to enter the new rates into CMS and verify the accuracy of the entries. Errors made during CMS rate table updates can result in the issuance of thousands of incorrect bills;

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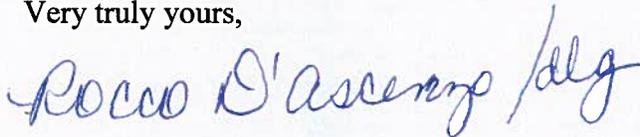
- The Company reads and bills customers on one of twenty-one billing cycles spread throughout the month. Some customers' meters are read early in the month, other meters are read in the middle of the month, and some meter readings occur at the end of a month. The Company normally applies new rates effective with the first billing cycle of a month. This practice ensures that all customers will be billed the same rates during a given month. It also might reduce customer confusion and complaints in the situation where two similarly situated customers compare bills and see that they have been charged different rates in a given month.

Ideally, Commission orders approving new rates will set forth an effective date 7-10 days after the date of the order. Duke Energy Kentucky will request this extension of the effective dates in applications going forward.

Copies of the tariffs with the proposed effective dates are enclosed.

Please file stamp the two copies of this letter enclosed herein and return in the enclosed return-addressed envelope.

Very truly yours,

A handwritten signature in blue ink that reads "Rocco D'Ascenzo" followed by a stylized flourish.

Rocco D'Ascenzo
Associate General Counsel

cc: Jennifer Hans
Richard Raff
Florence W. Tandy
Peter Nienaber