



Duke Energy Corporation
139 East Fourth Street
P.O. Box 960
Cincinnati, Ohio 45201-0960

May 25, 2011

RECEIVED

MAY 26 2011

PUBLIC SERVICE
COMMISSION

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

Dear Mr. Derouen:

Re: Case No. 2011-00172
Duke Energy Kentucky, Inc.
(Purchased Gas Adjustment)

Duke Energy Kentucky filed "Monthly Report of Gas Cost Calculations and Tariff Schedules," for the month commencing with June 2011 revenue month on May 13, 2011 in Case No. 2011-00172. The filing inadvertently contained two typographical errors.

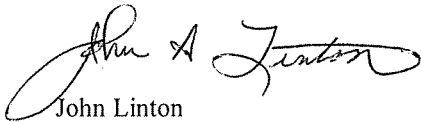
The first error was on the cover sheet of the filing. The Total Expected Gas Costs Component (EGC) was incorrectly typed as \$5.966 per Mcf; therefore the Gas Cost Recovery Rate (EGC+RA+AA+BA) of \$5.865 per Mcf is incorrect. The correct EGC is \$6.021 per Mcf and the correct Gas Cost Recovery Rate (EGC+RA+AA+BA) is \$5.920 per Mcf. The calculation of the total expected gas cost on page 1 of 4 of the original filing is correct and has the correct amount of \$6.021 per Mcf. The revised tariff sheets No. 30 Rate RS and No. 31 Rate GS in the original filing had the correct Gas Cost Adjustment of \$0.5920 per Ccf.

The second error was on the revised tariff sheet No. 77 Rider GCAT. The rate was incorrectly typed as (\$0.1010) per Ccf. The correct rate is (\$0.0101) per Ccf.

Enclosed are an original and ten (10) copies of the revised schedule and tariff. Please replace the original pages in the filing with the corrected pages.

Please stamp "Filed" on the additional enclosed copy and return for our file. Thank you.

Very truly yours,



John Linton

Enclosure

cc: L. Schmidt

R:/tariffs/gcr/ulhp/gca monthly filing.doc

DUKE ENERGY KENTUCKY, INC
GAS COST ADJUSTMENT CLAUSE

QUARTERLY REPORT

GAS COST RECOVERY RATES EFFECTIVE FROM JUNE 2, 2011 THROUGH JUNE 30, 2011

DESCRIPTION	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	6.021
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	(0.004)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.103)
BALANCE ADJUSTMENT (BA)	\$/MCF	0.006
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	5.920

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	6.021

SUPPLIER REFUND ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER SUPPLIER REFUND ADJ.	\$/MCF	(0.001)
PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	(0.001)
SECOND PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	(0.001)
THIRD PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	(0.001)
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	(0.004)

ACTUAL ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER ACTUAL ADJUSTMENT	\$/MCF	(0.038)
PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.372
SECOND PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.033
THIRD PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.470)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.103)

BALANCE ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	0.011
PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	(0.003)
SECOND PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	(0.002)
THIRD PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	0.000
BALANCE ADJUSTMENT (BA)	\$/MCF	0.006

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 8373 OF THE KENTUCKY PUBLIC SERVICE COMMISSION DATED APRIL 16, 1982.

DATE FILED: May 13, 2011BY: DON WATHENTITLE: VICE-PRESIDENT, RATES

Duke Energy Kentucky, Inc.
4580 Olympic Blvd.
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Twentieth Revised Sheet No. 77
Cancelling and Superseding
Nineteenth Revised Sheet No. 77
Page 1 of 1

RIDER GCAT
GAS COST ADJUSTMENT TRANSITION RIDER

APPLICABILITY

Applicable to all customers served under Rate FT-L after the effective date of this tariff who paid gas supply costs through the Company's Gas Cost Adjustment (GCA) mechanism during the twelve month period immediately preceding the date on which the customer began receiving service under Rate FT-L.

GCA TRANSITION RIDER

A charge or credit shall be applied to all volumes transported pursuant to Rate FT-L in order to pass through to former GCA customers the Company's quarterly Actual Adjustment (AA), Balance Adjustment (BA), and Supplier Refund and Reconciliation Adjustment (RA) costs or credits during the first twelve months that the former sales customer participates in the Company's firm transportation program.

The amount of this charge or (credit) shall be (\$0.0101) per 100 cubic feet. This rate shall be in effect during the month of June 2011 through August 2011 and shall be updated quarterly, concurrent with the Company's GCA filings.

(R)

Issued by authority of an Order of the Kentucky Public Service Commission dated _____, 2011 in Case No. _____.

Issued: _____

Effective: June 2, 2011

Issued by Julie Janson, President