

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF DUKE ENERGY) CASE NO. 2011-00172
KENTUCKY, INC.)

O R D E R

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 May 13, 2011, Duke filed its GCA to be effective June 2, 2011.

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 \$6.021 per Mcf, which is an increase of \$.444 per Mcf from its previous EGC of \$5.577 per Mcf. Duke mistakenly set out a \$5.966 per Mcf EGC on its summary sheet, but the calculations included in Schedule I of its application, as well as its cover letter and proposed tariff sheets, confirmed that the correct EGC is \$6.021 per Mcf.²

¹ Case No. 2009-00202, Application of Duke Energy Kentucky, Inc. for an Adjustment of Rates (Ky. PSC Dec. 29, 2009).

² On May 26, 2011, Duke filed revisions to its May 13, 2011 GCA filing which corrected its summary sheet and tariff sheet No. 77 Rider GCAT.

3. Duke's notice sets out its current quarter Refund Adjustment ("RA") of (\$.001) per Mcf. Duke's total RA is (\$.004) per Mcf, which represents an increase of \$.001 from its previous total RA of (\$.005).

4. Duke's notice sets out its current quarter Actual Adjustment ("AA") of (\$.038) per Mcf. Duke's total AA is (\$.103) per Mcf, which represents a decrease of \$.142 per Mcf from its previous total AA \$.039 per Mcf.

5. Duke's notice sets out a current quarter Balancing Adjustment ("BA") of \$.011 per Mcf. Duke's total BA of \$.006 per Mcf represents an increase of \$.018 per Mcf from its previous total BA (\$.012) per Mcf.

6. Duke's Gas Cost Recovery ("GCR") rate is \$5.920 per Mcf, which is an increase of \$.321 per Mcf from its previous GCR of \$5.599 per Mcf.

7. Duke's proposed rates, as 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 June 2, 2011.

IT IS THEREFORE ORDERED that:

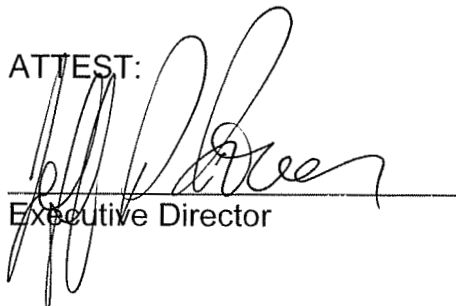
1. The rates proposed by Duke, as set forth in the Appendix to this Order, are approved for final meter readings on and after June 2, 2011.

2. Within 20 days of the date of this Order, Duke shall file its revised tariff sheets with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED ^(R)
MAY 31 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2011-00172

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00172 DATED **MAY 31 2011**

The following rates and charges are prescribed for the customers 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	\$.5920	\$.96413

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.20530		\$.5920	\$.7973

RIDER GCAT
GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be (\$.0101) per 100 cubic feet. This rate shall be in effect during the months of June 2011 through August 2011 and shall be updated quarterly, concurrent with the Company's GCA filings.

John Linton
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P. O. Box 960
Cincinnati, OH 45201