

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--------------------------|---|---------------------|
| PURCHASED GAS ADJUSTMENT |) | |
| FILING OF DUKE ENERGY |) | CASE NO. 2014-00197 |
| KENTUCKY, INC. |) | |

ORDER

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 June 11, 2014, Duke filed its GCA to be effective July 1, 2014.

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 \$5.519 per Mcf, which is an increase of \$.171 per Mcf from its previous EGC of \$5.348 per Mcf.
3. Duke's notice sets out its current quarter Refund Adjustment ("RA") of \$.000 per Mcf. Duke's total RA is \$.000 per Mcf, which is no change from its previous total RA.

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

4. Duke's notice sets out its current quarter Actual Adjustment ("AA") of \$.395 per Mcf. Duke's total AA is \$.595 per Mcf, which is no change from its previous total AA.

5. Duke's notice sets out its current quarter Balancing Adjustment ("BA") of (\$.024) per Mcf. Duke's total BA of (\$.038) per Mcf is no change from its previous total BA.

6. Duke's GCA is \$6.076 per Mcf, which is an increase of \$.171 per Mcf from its previous GCA of \$5.905 per Mcf.

7. The rates as proposed by Duke and 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 July 1, 2014.

8. Duke's notice included information required in Case No. 2014-00164² regarding its forecasted sales volumes. The explanation provided, including a comparison of forecasted to actual sales volumes, was sufficient to show that Duke's customers have not been disadvantaged by Duke's forecast methodology.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Duke and set forth in the Appendix to this Order are approved for final meter readings on and after July 1, 2014.

2. Within 20 days of the date of this Order, Duke shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

² Case No. 2014-00164, Purchased Gas Adjustment Filing of Duke Energy Kentucky, Inc. (Ky. PSC June 2, 2014).

By the Commission

ENTERED
JUN 27 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00197 DATED **JUN 27 2014**

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 | \$.6076 | \$.97973 |

RATE GS
GENERAL SERVICE

| | <u>Base Rate</u> | | <u>Gas Cost Adjustment</u> | <u>Total Rate</u> |
|--|----------------------|------|--------------------------------|-----------------------|
| Commodity Charge for all Ccf Consumed | \$.20530 | plus | \$.6076 | \$.8129 |

Susan Miller
Duke Energy Kentucky, Inc.
139 East Fourth Street
P. O. Box 960
Cincinnati, OH 45201