

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	CASE NO.
CLAUSE OF DUKE ENERGY KENTUCKY, INC.)	2023-00012
FROM NOVEMBER 1, 2020 THROUGH)	
OCTOBER 31, 2022)	

ORDER

The Commission, pursuant to 807 KAR 5:056, Section 3(4), established this case by Order issued on September 6, 2023, to review and evaluate the operation of the Fuel Adjustment Clause (FAC) of Duke Energy Kentucky, Inc. (Duke Kentucky), for the two-year period from November 1, 2020, through October 31, 2022. That Order also incorporated by reference the records in cases reviewing the six-month periods set forth in Case Nos. 2022-00040¹ and 2022-00267² and found that the Commission would conclude its review of these prior six-month FAC review cases in the present two-year case. Furthermore, the Order established that an evidentiary hearing would be held that would consider the record of the two-year FAC review proceeding and the ongoing case Nos. 2022-00040 and 2022-00267. That hearing was held in the two-year review case on January 4, 2024. There are no intervenors in these proceedings.

¹ Case No. 2022-00040, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Duke Energy Kentucky, Inc. from May 1, 2021 Through October 31, 2021.*

² Case No. 2022-00267, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Duke Energy Kentucky, Inc. from November 1, 2021 Through April 30, 2022.*

The Commission, having reviewed the records of Case No. 2022-00040, Case No. 2022-00267, and the six-month periods incorporated by reference in Case No. 2023-00012 hereby, on its own motion, finds that the matter of the ongoing prior six-month FAC review cases now stands submitted for a decision on the written record. The present Order concludes Case Nos. 2022-00040 and 2022-00267 as discussed herein.

Case No. 2022-00040: May 1, 2021, through October 31, 2021

The Commission, pursuant to 807 KAR 5:056, Section 3(3), established this case by Order issued on March 31, 2022, to review and evaluate the operation of the FACs of Duke Kentucky for the six-month period of May 1, 2021 through October 31, 2021.³ As part of this review, Duke Kentucky responded to three rounds of discovery and one post-hearing request for information. A hearing was held on August 4, 2022. On December 4, 2023, a copy of the Case No. 2023-00012 Order incorporating the record of Case No. 2022-00040 was attached and filed into the record. A review of Duke Kentucky's monthly FAC filings shows that the fuel costs incurred for the six months under review ranged from a low of \$0.023030 per kWh in June 2021 to a high of \$0.050469 per kWh in October 2021 with a six-month average of \$0.032239 per kWh.⁴

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds no evidence of improper calculation or application of Duke Kentucky's FAC charges or improper fuel procurement practices.

³ Case No. 2022-00040, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Duke Energy Kentucky, Inc. from May 1, 2021 Through October 31, 2021*. (Ky. PSC Mar. 31, 2022), Order.

⁴ The FAC rates are based on the expense month for each month of the review period.

Case No. 2022-000267: November 1, 2021, through April 30, 2022

The Commission, pursuant to 807 KAR 5:056, Section 3(3), established this case by Order issued on September 13, 2022, to review and evaluate the operation of the FACs of Duke Kentucky for the six-month period of November 1, 2021, through April 30, 2022.⁵ As part of this review, Duke Kentucky responded to three requests for information from Commission Staff. On December 4, 2023, a copy of the Case No. 2023-00012 Order incorporating the record of Case No. 2022-00267 was attached and filed into the record. A review of Duke Kentucky's monthly FAC filings shows that the fuel costs incurred for the six months under review ranged from a low of \$0.024214 per kWh in January 2022 to a high of \$0.065136 per kWh in November 2021 with a six-month average of \$0.043001 per kWh.⁶

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds no evidence of improper calculation or application of Duke Kentucky's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that:

1. The charges and credits billed by Duke Kentucky through its FAC from May 1, 2021, through October 31, 2021, are approved.
2. The charges and credits billed by Duke Kentucky through its FAC from November 1, 2021, through April 30, 2022, are approved.

⁵ Case No. 2022-00267, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Duke Energy Kentucky, Inc. from November 1, 2021 Through April 30, 2022* (Ky. PSC Sept. 13, 2022), Order.

⁶ The FAC rates are based on the expense month for each month of the review period.

3. A copy of this Order shall be entered into the record in Case Nos. 2022-00040 and 2022-00267.

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PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman

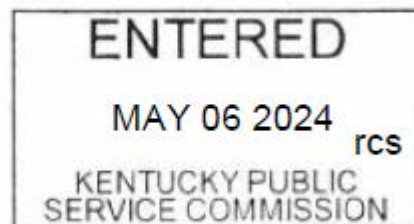


Commissioner

ATTEST:



Executive Director



*Kristen Ryan
Senior Paralegal
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

*Rocco O D'Ascenzo
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201