COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY KENTUCKY, INC. FOR 1) AN ADJUSTMENT OF THE NATURAL GAS RATES; 2) APPROVAL OF NEW TARIFFS; AND 3) ALL OTHER REQUIRED APPROVALS, WAIVERS, AND RELIEF	)))))	CASE NO. 2025-00125

ORDER

On April 17, 2025, Duke Energy Kentucky, Inc. (Duke Kentucky) filed a notice of its intent to file an application for approval of increases in its natural gas rates.[1] On June 2, 2025, Duke Kentucky filed its application for, among other things, an adjustment of its natural gas rates based on a forward-looking test period ending December 31, 2026.[2] The application proposed that the new rates become effective July 2, 2025.[3]

BACKGROUND

Duke Kentucky is a utility engaged in the natural gas and electric business that purchases, sells, stores, and transports natural gas in Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton counties, Kentucky.[4] Duke Kentucky's last adjustment of its natural gas rates was granted in Case No. 2021-00190.[5]

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[1] Duke Kentucky's Notice of Intent and Election (filed Apr. 17, 2025).

[2] Duke Kentucky's Application (Application) (filed June 2, 2025) at 11.

[3] Application, Volume 11, Schedule L.

[4] Application at 2.

[5] Case No. 2021-00190, *Electronic Application of Duke Energy Kentucky, Inc. for 1) An Adjustment of Natural Gas Rates; 2) Approval of New Tariffs, and 3) All Other Requires Approvals, Waivers, and Relief* (Ky. PSC Dec. 28, 2021).

The Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General) was the only party that sought and was granted intervention in this proceeding.[6] Pursuant to a procedural schedule established on June 13, 2025,[7] Duke Kentucky filed direct and rebuttal testimony and responded to multiple rounds of discovery from Commission Staff[8] and the Attorney General[9]. By the same Order, the Commission suspended the effective date of the proposed rates for six months, up to and including January 2, 2026.[10] The procedural schedule also set a date for an informal technical conference on June 20, 2025.[11]

Prior to the hearing, on October 20, 2025, a Joint Stipulation and Recommendation (Joint Stipulation) from Duke Kentucky and the Attorney General (jointly, the Parties) was filed by Duke Kentucky into the record along with the Joint Stipulation testimony from Sarah Lawler, Duke Energy Business Services' Vice President, Rates and Regulatory Strategy for Kentucky and Ohio.[12] On October 27, 2025, Duke Kentucky filed a motion for leave to deviate from 807 KAR 5:001, Section 9(2)(b).[13] A formal hearing was held

[6] Order (Ky. PSC May 5, 2025).

[7] Order (Ky. PSC June 13, 2025).

[8] Duke Kentucky's Response to Commission Staff's First Request for Information (Staff's First Request) (filed Jun. 16, 2025); Duke Kentucky's Response to Commission Staff's Second Request (Staff's Second Request) (filed July 17, 2025); Duke Kentucky's Response to Commission Staff's Third Request for Information (Staff's Third Request) (filed Aug. 15, 2025); Duke Kentucky's Response to Commission Staff's Fourth Request for Information (Staff's Fourth Request) (filed Sept. 12, 2025).

[9] Duke Kentucky's Response to Attorney General's Request for Information (Attorney General's First Request) (filed July 17, 2025); Duke Kentucky's Response to Attorney General's Second Request for Information (Attorney General's Second Request) (filed Aug. 15, 2025).

[10] June 13, 2025 Order.

[11] A memorandum summarizing the informal conference was filed into the record on July 1, 2025.

[12] Joint Stipulation (filed Oct. 20, 2025).

[13] Motion for Leave to Deviate (filed Oct. 27, 2025).

on October 28, 2025. Before taking testimony, the Commission found that Duke Kentucky substantially complied with the notice requirements and granted the motion for leave to deviate. Duke Kentucky responded to one post-hearing request for information[14] and filed a post-hearing initial brief on November 11, 2025.[15] This matter now stands submitted for a decision.

LEGAL STANDARD

Pursuant to KRS 278.030(1), the Commission's statutory obligation when reviewing a rate application is to determine whether the proposed rates are "fair, just and reasonable." Duke Kentucky bears the burden of proof to show that the proposed rates are just and reasonable under the requirements of KRS 278.190(3).

Pursuant to KRS 278.2207(1)(a), "services and products provided to the utility by an affiliate shall be priced at the affiliate's fully distributed cost but in no event greater than market or in compliance with the utility's existing USDA, SEC, or FERC approved cost allocation methodology." Further, "[i]n any formal commission proceeding in which cost allocation is at issue, a utility shall provide sufficient information to document that its cost allocation procedures and affiliate transaction pricing are consistent with the provisions of this chapter."[16] If a utility has failed to provide sufficient evidence of its compliance, the Commission may "[o]rder that the costs attached to any transaction be disallowed from rates."[17]

[14] Duke Kentucky's Response to Commission Staff's Post-Hearing Request for Information (Staff's Post-Hearing Request) (filed Nov. 14, 2025).

[15] Duke Kentucky's Post-Hearing Initial Brief (Brief) (filed Nov. 11, 2025).

[16] KRS 278.2209.

[17] KRS 278.2211(1)(b).

Even though Duke Kentucky and the Attorney General have filed a Joint Stipulation that purports to resolve all the issues in the pending application, the Commission cannot forego its responsibility to determine what constitutes fair, just and reasonable rates. The Commission must review the record in its entirety, including the Joint Stipulation, and apply its expertise to make an independent decision as to the level of rates, including terms and conditions of service, that should be approved.

JOINT STIPULATION

The Joint Stipulation, attached as Appendix C, reflects the agreement between Duke Kentucky and the Attorney General addressing all the issues in the application. The main provisions of the Stipulation are as follows:

- The overall base rate revenue requirement increases resulting from the stipulated adjustments is $175,700,142, which is an overall increase of 14.0 percent.[18] The total revenue requirement is comprised of $109,786,792 in base revenues, $63,910,850 in gas cost revenues, and $2,002,500 of miscellaneous revenues.[19]

- The Parties agree that the thirteen-month average rate base for the forecasted test period is $548,954,315.[20]

- The Parties stipulate a return on equity (ROE) of 9.8 percent for natural gas base rates.[21]

- The Parties stipulate a ROE of 9.7 percent for natural gas capital riders.[22]

- The Parties agreed that Duke Kentucky's long-term debt rate included in the cost of capital shall be 5.051 percent. Duke Kentucky's short-term

[18] Joint Stipulation at 3.

[19] Joint Stipulation at 3.

[20] Joint Stipulation at 3.

[21] Joint Stipulation at 3.

[22] Joint Stipulation at 3.

debt included in the cost of capital shall be 3.784 percent. Duke Kentucky's Weighted Average Cost of Capital (WACC) is 7.511 percent.[23]

- The Parties stipulate cash working capital in rate base of (1,344,296).[24] The result of this adjustment is a reduction to the revenue requirement of $0.137 million.

- The Parties agree to correct an error for the amount of accumulated deferred income tax (ADIT) applicable to regulatory assets resulting in a reduction to the revenue requirement of $0.009 million.[25]

- The Parties agree to remove the deferred rate case expense net of ADIT. The result of this adjustment reduction to the revenue requirement of $0.058 million.[26]

- The Parties agree to remove the corporate alternative minimum tax deferred tax asset. The result of this adjustment is a reduction to the revenue requirement of $0.281 million.[27]

- The Parties agree that Duke Kentucky should correct the Mains and Service Expense. The result of this adjustment is a reduction to the revenue requirement of $0.261 million.[28]

- The Parties agree to a reduction of Duke Kentucky's proposed Mains and Service Expense equal to 50 percent of the requested amount. The adjustment results in a reduction to the revenue requirement by $0.336 million.[29]

- The Parties agree to extend the Pipeline Modernization Mechanism (Rider PMM) to allow for replacement of Aldyl-A (AA) in the Duke

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[23] Joint Stipulation at 3.

[24] Joint Stipulation at 4.

[25] Joint Stipulation at 4.

[26] Joint Stipulation at 4.

[27] Joint Stipulation at 4-5.

[28] Joint Stipulation at 5.

[29] Joint Stipulation at 5.

Kentucky system.[30] The terms are as follows for the five-year extension:[31]

- The AA replacement program shall commence following the completion of the Duke Kentucky's current AM07 replacement program, estimated to occur in 2027;
- Duke Kentucky will file a separate, annual Certificate Public Convenience and Necessity (CPCN) application for each year/phase of the five-year AA replacement that would be subject to Commission determination of need;
- Rider PMM charges for the AA replacement program will not be included in Rider PMM charges until such CPCN applications are approved by the Commission;
- Duke Kentucky will continue to make annual applications with the Commission to update Rider PMM, including reconciliation of prior period costs to actuals, on or before July I of each year, consistent with the current practice for AM07, reflecting new plant in-service and the depreciation, property taxes, and ADIT associated with that plant in-service for all AM07 and AA replacement program assets previously approved by the Commission in a CPCN;
- Rider PMM will continue to use forecasted 13-month average plant in-service balances for purposes of calculating the annual revenue requirement;
- The new Rider PMM rate shall be effective the first billing cycle of January of each year;
- Rider PMM shall be subject to an annual revenue requirement cap of no more than a five percent increase in natural gas revenues per year;
- For purposes of determining the five percent cap, the Parties agree that the natural gas revenues, including base revenues, gas cost revenues and miscellaneous revenues of $175,700,142 shall be the baseline for measuring the 5 percent annual cap on increases for the duration of the rider.
- The revenue requirement in excess of the 5 percent annual cap that is not recovered through Rider PMM shall be eligible for deferral to a regulatory asset and shall include carrying costs on the deferrals less the related accumulated deferred income taxes at the approved WACC without gross-up for income taxes. Such deferrals shall be eligible for amortization in the Company's next natural gas base rate proceeding;
- The ROR used for calculating the Rider PMM (and any other capital-related natural gas adjustment mechanism) shall include a ROE of 9.7 percent and long-term and short-term debt rates approved in this proceeding and as may be modified in future natural gas base rate cases.

[30] Joint Stipulation at 5.

[31] Joint Stipulation at 5-8.

    - Rider PMM is subject to renewal, if authorized by the Commission either as part of a natural gas base rate proceeding or as part of a separate application filed in accordance with KRS 278.509.

- The Parties agree that the residential customer charge shall be increased by $2.50 from $17.50 to $20.00 per month.

- The Parties agree that Duke Kentucky shareholders will provide an incremental $40,000 per year for three years of shareholder funds for customer assistance programs. This funding shall be divided equally ($20,000 each per year) between Duke Kentucky's Home Energy Assistance program and its Share the Light Program. This funding is in addition to the amount already provided.

- The Parties agree that, subject to certain exclusions, Duke Kentucky will not file an application to adjust the base rates for its natural gas business, where such adjustment would have an effective date at the conclusion of the Commission's suspension period under KRS 278.190, prior to January 1, 2029.

TEST PERIOD

Duke Kentucky used a forecasted test period.[32] The base period was twelve months ending August 31, 2025, consisting of six months of actual data, through February 2025, and the remaining six months of forecasted data.[33] Duke Kentucky determined rate base and capitalization using a thirteen-month average for the forecasted test period ending December 31, 2026.[34] The base period rate base and capitalization represented end-of-period balances.[35]

Duke Kentucky provided detailed monthly income statements for each forecasted month of the base period as the data became available. The Attorney General did not contest the use of this period as the test period. The Commission finds Duke Kentucky's

[32] Application, Vol. 13, Direct Testimony of Amy Spiller (Spiller Direct Testimony) at 22.

[33] Application, Vol. 13, Direct Testimony of Jay Brown (Brown Direct Testimony) at 3.

[34] Brown Direct Testimony at 3.

[35] Brown Direct Testimony at 3.

forecasted test period to be consistent with the provisions of KRS 278.192 and KAR 5:001, Sections 16(6), (7), and (8). Therefore, the Commission accepts the forecasted test period proposed by Duke Kentucky for use in this proceeding.

VALUATION

Pursuant to KRS 278.290(1), the Commission is empowered to "ascertain and fix the value of the whole or any part of the property of any utility," and, in doing so, is given guidance by the legislature "in establishing value of utility property in connection with rates", and the Commission must "give due consideration" to a number of factors, including capital structure, original cost and "other elements of value recognized by law" in order to ascertain the value of any property under KRS 278.290 "for rate-making purposes."

In its application, Duke Kentucky proposed to use the rate base method to calculate its revenue requirement and required increase.[36] As explained below, the Commission has weighed the evidence filed in this case and in support of the Joint Stipulation, and finds that Duke Kentucky's base rates should be based on a 13-month average test period rate base of $548,954,315.[37]

DISCUSSION AND FINDINGS

Having reviewed the evidence and being otherwise sufficiently advised, the Commission accepts the Joint Stipulation, as discussed below. The Joint Stipulation, as a whole, results in fair, just and reasonable rates. However, the Commission's decision to accept the terms of the Joint Stipulation does not constitute approval of any individual

[36] Brown Direct Testimony at 5.

[37] Joint Stipulation at 3.

item and is not intended to create precedent for similar items in future rate cases, whether the applicant be Duke Kentucky or a different utility.

REVENUE REQUIREMENT

Rate Base Adjustments. Based on Duke Kentucky's application, the requested revenue increase was $26,387,365 or 18.17 percent rate increase.[38]

Application

In its Application, Duke Kentucky proposed the following adjustments:

- Base Period to Forecasted Revenue: $12,690,984[39]
- Purchased Gas Cost: $6,958,592[40]
- Other Production Expense: ($1,627)[41]
- Other Gas Supply Expense: ($30,985)[42]
- Transmission Expense: $620,434[43]
- Distribution Expense: $991,085[44]
- Customer Account Expense: $10,356[45]
- Customer Service and Information Expense: $103,614[46]
- Sales Expense: ($25,530)[47]
- A&G Expense: $496,411[48]
- Other Operating Expense: $1,657,848[49]

[38] Application at 5.

[39] Application, Vol. 10, Schedule D-1, Schedule D-2.1.

[40] Application, Vol. 10, Schedule D-1, Schedule D-2.2.

[41] Application, Vol. 10, Schedule D-1, Schedule D-2.3.

[42] Application, Vol. 10, Schedule D-1, Schedule D-2.4.

[43] Application, Vol. 10, Schedule D-1, Schedule D-2.5.

[44] Application, Vol. 10, Schedule D-1, Schedule D-2.7.

[45] Application, Vol. 10, Schedule D-1, Schedule D-2.8.

[46] Application, Vol. 10, Schedule D-1, Schedule D-2.9.

[47] Application, Vol. 10, Schedule D-1, Schedule D-2.10.

[48] Application, Vol. 10, Schedule D-1, Schedule D-2.11.

[49] Application, Vol. 10, Schedule D-1, Schedule D-2.12.

- Depreciation Expense: $1,323,988[50]
- Other than Income Tax Expense: $4,860,357[51]
- Income Tax Expense: ($653,664)[52]
- Forecasted Revenues: ($507,791)[53]
- Real Property Tax Expense: ($1,976,433)[54]
- Rate Case Expense: $311,304[55]
- Interest synchronization: federal tax increase of $376,764 and state income tax increase of $93,802[56]
- Elimination of Revenues and Expenses related to Interdepartmental Gas: ($1,795,608) to Other Revenues; ($467,478) to Operating & Maintenance Expenses for Distribution; ($369,416) to Property Tax Expense; ($95,360) to State Deferred Taxes; and ($383,028) to Federal Deferred Taxes[57] These adjustments, including the revenue component of $(1,795,608),
- Uncollectible Expense: Reduce the uncollectible expense ratio from 1.664% to 0.507% resulting in ($1,097,552) to operating expenses[58]
- Eliminate Rider PMM Revenues and Expenses: ($14,689,202) in forecasted revenues, ($1,047,216) to forecasted Property Tax Expenses, ($270,326) to State Deferred Taxes by; and ($1,085,800) to federal Deferred Taxes.[59]
- Miscellaneous Expenses: ($372,095)[60]
- Unbilled Revenue: ($52,160)[61]
- Incentive Compensation: ($691,166)[62] and 401K: ($265,898)[63]

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[50] Application, Vol. 10, Schedule D-1, Schedule D-2.13.

[51] Application, Vol. 10, Schedule D-1, Schedule D-2.14.

[52] Application, Vol. 10, Schedule D-1, Schedule D-2.15.

[53] Application, Vol. 10, Schedule D-1, Schedule D-2.16.

[54] Application, Vol. 10, Schedule D-1, Schedule D-2.18.

[55] Application, Vol. 10, Schedule D-1, Schedule D-2.17.

[56] Application, Vol. 10, Schedule D-1, Schedule D-2.19.

[57] Application, Vol. 10, Schedule D-1 and Schedule D-2.10.

[58] Application, Vol. 10, Schedule H, Schedule D-1 and Schedule D-2.21.

[59] Application, Vol. 10, Schedule D-1 and Schedule D-2.22.

[60] Application, Vol. 10, Schedule D-1 and Schedule D-2-23.

[61] Application, Vol. 10, Schedule D-1 and Schedule D-2.24.

[62] Application, Vol. 10, Schedule D-1 and Schedule D-2.27.

[63] Application, Vol. 10, Schedule D-1 and Schedule D-2.28.

- Credit Card Fees: $237,738[64]

Attorney General's Recommendations:

The Attorney General presented testimony and proposed several changes which reduced the requested increase by $7.024 million.[65] According to the Attorney General, the Commission should not increase rates more than $19.364 million or approximately 13.33 percent.[66] Those adjustments are summarized as follows:

- Correct Error in the Amount of ADIT Applicable to Regulatory Assets: ($92,000)[67]
- Remove Regulatory Asset for Deferred Rate Case Expense: ($584,000)[68]
- Remove CAMT DTA: ($2,824,000)[69]
- Cash Working Capital:
  - Reflect Different Revenue Collection Lag Days for 2024: ($1,260,000)[70]
  - Remove Amortization of Prepaid Expenses: ($109,000)[71]
  - Remove Long Term Debt Interest Expense: ($1,267,000)[72]
  - Reflect Sale of Receivables in Collection Lag Days: ($8,101,000)[73]
- Increase Revenues by Using Unbilled Revenues: ($49,000)[74]
- Reject Proposed Socialization of Credit Card Processing Fees: ($238,000)[75]

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[64] Application, Vol. 10, Schedule D-1 and Schedule D-2.26.

[65] Direct Testimony of Randy Futral (Futral Direct Testimony) (filed Sept. 3, 2025) at 4.

[66] Futral Direct Testimony at 4.

[67] Futral Direct Testimony at 6–7.

[68] Futral Direct Testimony at 7–10.

[69] Direct Testimony of Lane Kollen (Kollen Direct Testimony) (filed Sept. 3, 2025) at 4,19-22.

[70] Futral Direct Testimony at 10-14.

[71] Kollen Direct Testimony at 7.

[72] Kollen Direct Testimony at 8-11.

[73] Kollen Direct Testimony at 11-18.

[74] Kollen Direct Testimony at 22-25.

[75] Kollen Direct Testimony at 25-28.

- Reduce Mains and Services Expense to Reflect Lower Leak and Locate Costs: ($763,000)[76]
- Reduce Mains and Services Expense to Correct Filing Error: ($297,000)[77]

Stipulation:

Duke Kentucky estimated a rate case expense of $889,000 in its application to be included in its forecasted test period revenue requirement.[78] On December 5, 2025, Duke Kentucky filed its actual rate case expense up to December 2, 2025, a total of $665,394.[79] As noted above, in the Stipulation, Duke Kentucky and the Attorney General agreed that Duke Kentucky should recover its reasonable, actual rate case expense.[80]

The Commission finds that Duke Kentucky's originally proposed total Rate Case Expense of $889,000 is not reasonable, and that a total Rate Case Expense of $665,394 should be used to calculate the revenue requirement because the amount is supported by actual, invoiced amounts. The $665,394 amortized over three years equates to $221,798 per year and is accepted because it accurately reflects the Rate Case Expense incurred in this case. This results in a $75,154 reduction to Duke Kentucky's stipulated revenue requirement increase lowering it from $21,624,453 to $21,549,299 as shown in Appendix A.[81]

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[76] Futral Direct Testimony at 16-18.

[77] Futral Direct Testimony at 15.

[78] Application, Section F, Schedule F-6.

[79] Duke Kentucky's Fourth Supplemental Response to Commission Staff's First Request (filed Dec. 5, 2025).

[80] Joint Stipulation at 10, paragraph 14.

[81] Joint Stipulation at 10; "For financial accounting purposes, Duke Energy Kentucky will amortize actual rate case expense associated with this proceeding for recovery over a three-year period, without carrying charges, beginning with the effective date of the revised tariffs."

Summary:

As noted above, having reviewed the record, the Commission finds that the revenue increase based on the adjustments set forth in the Stipulation results in fair, just and reasonable rates and as such, the adjustment in the Stipulation should be accepted. However, Duke Kentucky should not rely on any adjustments or terms set forth in this Stipulation in future cases nor should any other utility rely on the acceptance of this Stipulation, nor the terms set forth therein for its own applications. The Commission reviewed the Stipulation to determine if the overall revenue requirement was appropriate, or if accounting changes should be made in Duke Kentucky's next general rate-based adjustment.

RATE OF RETURN

Return on Equity (ROE)

Duke Kentucky estimated its ROE based on the results of multiple models including the Discounted Cash Flow (DCF) model, the Capital Asset Pricing Model (CAPM), and a Risk Premium model (collectively, the Models), as well as the general economic and capital market environment and the influence such conditions exert over the results.[82] Duke Kentucky also considered the Expected Earnings analysis.[83] In its analysis, Duke Kentucky used a proxy group of seven natural gas utilities (G as Proxy Group).[84] The proxy group companies were screened according to seven criteria that Duke Kentucky stated collectively reflect key risk factors that investors consider in making

[82] Direct Testimony of Joshua C. Nowak (Nowak Direct Testimony) at 3.

[83] Nowak Direct Testimony at 3.

[84] Nowak Direct Testimony at 27-28.

investments in natural gas utilities.[85] Duke Kentucky asserted that, in addition to the Models, consideration of Duke Kentucky's business and regulatory risk in relation to the proxy group assisted in determining an appropriate ROE.[86] The Models produced a range of ROE estimates of 10.34 percent to 12.67 percent, but Duke Kentucky ultimately considered an ROE range of 10.25 percent to 11.25 percent to be reasonable.[87] Based on this range, Duke Kentucky recommended an ROE of 10.75 percent, which it notes is consistent with the midpoint of its range of reasonableness.[88]

The Attorney General estimated its ROE recommendation using DCF and CAPM analyses.[89] The Attorney General adopted the same group of seven gas distribution utilities selected by Duke Kentucky for the purposes of this case.[90] The Attorney General's analyses resulted in a range of ROE estimates of 7.69 percent to 11.59 percent.[91] The Attorney General recommended a 9.60 percent ROE for Duke Kentucky's gas operations.[92]

In the Joint Stipulation, Duke Kentucky and the Attorney General agreed that Duke Kentucky's authorized ROE should be 9.8 percent for its natural gas base rates and 9.7

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[85] Nowak Direct Testimony at 26-28.

[86] Nowak Direct Testimony at 5-6.

[87] Nowak Direct Testimony at 4.

[88] Nowak Direct Testimony at 4.

[89] Direct Testimony of Richard A. Baudino (Baudino Direct Testimony) at 2-3.

[90] Baudino Direct Testimony at 14-15.

[91] Baudino Direct Testimony, Table 1 at 30.

[92] Baudino Direct Testimony at 2.

percent for natural gas capital riders.[93] The agreed upon ROEs are premised on the totality of the Joint Stipulation, which Duke Kentucky and the Attorney General agreed is a fair, just, and reasonable resolution of all issues,[94] including a "stay out" provision to January 1, 2029.[95]

The following table presents the as-filed recommended ROEs from Duke Kentucky and the Attorney General, and the methods used to support each parties' recommendations:

Party	Range	Recommendation	Methods
Duke Kentucky	10.25% - 11.25%	10.75%	DCF, CAPM, Risk Premium
Attorney General	7.69% - 11.59%	9.60%	DCF, CAPM
Joint Stipulation			
		Base Rates:	9.80%
		Natural Gas Capital Riders:	9.70%

The Commission has discussed, in recent cases including 2024-00276,[96] 2024-00354,[97] and 2025-00122,[98] why it is appropriate for utilities to present, and for the

[93] Joint Stipulation at 3.

[94] Supplemental Testimony of Sarah Lawler in Support of Settlement (Lawler Stipulation Testimony) at 13-14.

[95] Lawler Stipulation Testimony at 4.

[96] Case No. 2024-00276, *Electronic Application of Atmos Energy Corporation for An Adjustment of Rates; Approval of Tariff Revisions; And Other General Relief* (Ky. PSC Aug. 11, 2025), Order at 35-36.

[97] Case No. 2024-00354, *Electronic Application of Duke Energy Kentucky, Inc. For: 1) An Adjustment of The Electric Rates; 2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; And 4) All Other Required Approvals and Relief* (Ky. PSC Oct. 2, 2025), Order at 50-51.

[98] Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for An Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order at 62-63.

Commission to evaluate, multiple methodologies to estimate ROEs. Each approach has its own strengths and limiting assumptions. As demonstrated in the respective ROE testimonies in this proceeding, considerable variation exists in both data and application within each modeling approach, which can lead to very different results. The Commission's role is to conduct a balanced analysis of all presented models, while giving weight to current economic trends and conditions.

The Commission cautions all parties against unreasonably removing or ignoring "outlier" data due to a subjective perception of being "too high" or "too low." As demonstrated in the case record, there are multiple actions that can be and were taken into account for "outlier" or "unreasonable" data. Result-oriented exclusions of data that are not beyond the realm of reasonableness are inappropriate. Results based upon excluded data without adequate support will be given less weight in future Commission determinations.

After consideration of the evidence of record, the Commission notes that the Joint Stipulation ROEs fall above what would have been authorized in the absence of a Joint Stipulation agreement. However, based upon the entirety of the Joint Stipulation terms, the Commission finds that an ROE of 9.8 percent for Duke Kentucky's base rates and an ROE of 9.7 percent for its natural gas capital riders is fair, just and reasonable.

Capital Structure/Cost of Debt

Duke Kentucky proposed a capital structure consisting of 52.649 percent equity, 44.086 percent long-term debt, and 3.265 percent short term debt.[99] Additionally, Duke

[99] Nowak Direct Testimony at 45 and Application, Volume 10, Schedule J-1 at 2.

Kentucky proposed a cost of short-term and long-term debt of 3.784 percent and 5.051 percent, respectively.[100]

The proposed short-term debt reflects assumed amounts for the Amount Outstanding for the Notes Payable to Associated Companies in the forecasted short-term debt schedule.[101] This amount is the 13-month average of Duke Kentucky's monthly money pool borrowing balance from current projections.[102] Duke Kentucky stated that the interest rate was derived from Bloomberg's implied forward curve for one-month Term Secured Overnight Financing Rate (SOFR) as of March 2025.[103]

Regarding the proposed long-term debt, the interest rate on $25 million of long-term Commercial Paper for the forecast period was derived using Bloomberg's implied forward curve for one-month Term SOFR as of March 2025 plus a 25-basis point credit spread.[104] In addition, long-term senior unsecured debt issuances of $150 million and $150 million were forecasted for September 2025 and May 2026, respectively.[105] The interest rates were derived from a weighted average of Bloomberg's forward curves for the 5-year, 10-year, and 15-year U.S. Treasury yield as of March 2025, plus a credit spread of 155 basis points, 175 basis points, and 185 basis points, respectively.[106]

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[100] Direct Testimony of Thomas J. Heath (Heath Direct Testimony) at 19 and Application, Volume 10, Schedules J-2 and J-3.

[101] Heath Direct Testimony at 19.

[102] Heath Direct Testimony at 19.

[103] Heath Direct Testimony at 19.

[104] Heath Direct Testimony at 19-20.

[105] Heath Direct Testimony at 20.

[106] Heath Direct Testimony at 20.

The Attorney General recommended the Commission accept Duke Kentucky's filed capital structure, as well as Duke Kentucky's filed costs for long-term and short-term debt.[107] The Attorney General stated that, after reviewing Duke Kentucky's testimony and accompanying schedules, it found the requested capital structure reasonable for the purposes of this case.[108]

In the Joint Stipulation, the Parties agreed that Duke Kentucky's capital structure should reflect 52.649 percent equity, 44.086 percent long-term debt, and 3.265 percent short-term debt.[109] Additionally, the Parties agreed that Duke Kentucky's long-term and short-term debt rates included in the cost of capital should be 5.015 percent and 3.784 percent, respectively.[110]

The Commission notes that Duke Kentucky's cost of long-term debt financing is high compared to like utilities due to it not having access to the public debt market.[111] The Commission acknowledges that Duke Kentucky has explored alternative financing options to lower its cost of debt,[112] and encourages Duke Kentucky to continue exploring alternative options, as well as to, in its next base rate case, provide the Commission with a summary of its efforts to lower its cost of debt during the stay-out period. Having reviewed the record and the Joint Stipulation, the Commission finds that the capital

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[107] Baudino Direct Testimony at 3.

[108] Baudino Direct Testimony at 34.

[109] Joint Stipulation at 3-4.

[110] Joint Stipulation at 3.

[111] Heath Direct Testimony at 23.

[112] Heath Direct Testimony at 24.

structure and resulting weighted average cost of capital of 7.51 percent, as proposed in the Joint Stipulation and reflected in the table below, is fair just and reasonable.

Capital Component	Percentage	Cost Rate	Weighted Cost
Long-Term Debt	44.09%	5.05%	2.23%
Short-Term Debt	3.27%	3.78%	0.12%
Common Equity	52.65%	9.80%	5.16%
Total	100.00%		7.51%

RATE DESIGN

Cost of Service Study, Revenue Allocation

Duke Kentucky applied the average and excess method, also known as the average and peak demand method, for the filed cost of service study (COSS) for the test period ended December 31, 2026.[113] The average, or sometimes referred to as used capacity, is numerically equal to average deliveries and is the minimum capacity necessary to deliver the total natural gas used. The excess, or unused capacity, is the difference between average and peak capacities. For the allocation of the distribution mains, the zero-intercept method was used to estimate the fixed costs per foot that the utility would incur to design and install a natural gas distribution main regardless of the main's diameter.[114] The Commission in Duke Kentucky's prior natural gas base rate case, Case No. 2021-00190, expressed its preference for the zero-intercept method.[115] Having reviewed Duke Kentucky's COSS, the Commission finds it to be acceptable for use as a guide in allocating the revenue increase granted in this Order.

[113] Direct Testimony of Douglas J. Heitkamp (Heitkamp Direct Testimony) at 9.

[114] Heitkamp Direct Testimony at 11.

[115] Case No. 2021-00190, December 28, 2021 final Order at 17.

As a basis for the revenue allocation, Duke Kentucky proposed to eliminate 50 percent of the subsidy/excess revenues between customer classes, based on present revenues.[116] Next, the overall revenue increase was allocated to each customer class based on each customer class's percent of rate base.[117] This is consistent with Duke Kentucky's proposal in its prior rate case; however in that proceeding, Duke Kentucky proposed to eliminate 40 percent of the subsidy/excess revenues between customer classes, based on present revenues.[118] Duke Kentucky reported that its proposal prevents any class from receiving a rate decrease and does not disadvantage the residential class with a rate increase larger than the overall increase.[119]

The Commission has reviewed the methodology as well as the COSS in this matter, finds the methodology reasonable, and accepts the COSS in this matter in accordance with the Stipulation.

Rate Design

Duke Kentucky's initial proposal increased the customer charges of the Residential Service and General Service classes to better align with actual costs as shown in its COSS.[120] Duke Kentucky's proposal increased the monthly customer charges from $17.50 to $21 for Residential Service, and from $58 to $65 for General Service.[121] The

[116] Heitkamp Direct Testimony at 16-18, and the Direct Testimony of Bruce L. Sailers (Sailers Direct Testimony) at 7-8.

[117] Heitkamp Direct Testimony at 16 and Sailers Direct Testimony at 7-8.

[118] Case No. 2021-00190, December 28, 2021 final Order at 18.

[119] Heitkamp Direct Testimony at 18.

[120] Sailers Direct Testimony at 9-10.

[121] Sailers Direct Testimony at 9-10.

customer charges for Firm Transportation Service and Interruptible Service were proposed to remain unchanged at the monthly rate of $430.00.[122]

The Joint Stipulation maintained Duke Kentucky's proposed COSS results, as originally filed, as well as the proposed subsidy reduction and revenue allocation.[123] The Joint Stipulation changed the Residential Customer Charge from the Duke Kentucky's proposed monthly charge of $21 to $20.[124] This is a monthly residential customer charge increase of $2.50 from $17.50 to $20. In addition, tariffs tendered with the Joint Stipulation agreed to the remaining customer charge increases initially proposed by Duke Kentucky, with the remainder of the increases allocable to each rate class through each class's volumetric charge.[125] Based on the revenue allocation used in the Joint Stipulation and considering the updated rate case expenses discussed above, the Commission finds the rates as set forth in Appendix B to be fair, just and reasonable.

Specifically for the Residential rate class, the revenue allocation used in the Joint Stipulation and considering the updated rate case expenses discussed above result in a Residential class base usage rate of $0.70339 per Ccf or $7.0339 per Mcf.[126] A residential customer with average monthly usage of 51 Ccf or 5.1 Mcf plus the customer

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[122] Sailers Direct Testimony at 9-10.

[123] Joint Stipulation, Attachments C and D.

[124] Joint Stipulation, Lawler Stipulation Testimony at 18.

[125] Joint Stipulation, Attachment B.

[126] Duke Kentucky's Fourth Supplemental Response to Commission Staffs Request for Information, Item 5, Attachment 2.

charge, will experience an average monthly bill of $55.87 which is an increase of $11.61, or 26.30 percent, from average monthly bill of $44.26 based on current rates.[127]

Having reviewed the record and being otherwise sufficiently advised, the Commission approves the proposed revenue allocation, and proposed customer charges for all classes as agreed to in the Joint Stipulation.

TARIFFS

Operational Flow Orders

Duke Kentucky proposed revisions to its Full Requirements Aggregation Service and Interruptible Monthly Balancing Service to establish a new calculation and process for fees for suppliers who fail to comply with an Operational Flow Order (OFO).[128] Duke Kentucky better defined the source of potential gas costs and added a $15/dekatherm (DTH) fee for under-deliveries to ensure suppliers do not intentionally select non-compliance.[129] Should a supplier choose non-compliance, Duke Kentucky indicated that it could create gas volume shortages leading to emergency conditions such as curtailments and pipeline penalty charges.[130] For over-deliveries, Duke Kentucky proposed to confiscate the over-delivered gas quantity and assess the $15/DTH fee to the over-delivered gas to ensure compliance instead of cashing out to the Supplier at the lowest cost of gas available on the date of non-compliance.[131] Duke Kentucky explained

[127] For the purpose of this Order, the average monthly bill at the current and proposed rate is calculated based on the customer charge and the per Mcf base rate. Additional line items are excluded from this average monthly bill calculation, including any purchase gas adjustment.

[128] Sailers Direct Testimony at 15.

[129] Sailers Direct Testimony at 15.

[130] Sailers Direct Testimony at 15.

[131] Sailers Direct Testimony at 15-16.

that suppliers may have an incentive under their current tariff to not comply with an OFO if the supplier has a source of gas at a cost less than Duke Kentucky's lowest cost on a day that an OFO is issued.[132] Regarding the $15/DTH fee, Duke Kentucky indicated that it is a deterrent against the potential incentive for a supplier to profit from not complying with an OFO and that the other major gas utilities in Kentucky have a similar fee.[133]

The Stipulation accepted this proposal as filed.[134] The Commission finds that Duke Kentucky's proposed revisions are reasonable, and they should be approved.

Reconnection Fee

Duke Kentucky proposed to increase its reconnection fee by $20 from $90 to $110. As Duke Kentucky uses both employee labor and contract labor for reconnections, it calculated the revised reconnection fee using a weighted average calculation including an internal Company rate for employee performed reconnections, which does not include labor costs as directed by the Commission in Case No. 2021-00190, and a contractually set price paid for reconnections performed by contractors.[135]

The Stipulation accepted this proposal as filed.[136] The Commission finds that Duke Kentucky's proposal to increase the reconnection charge is reasonable as it is supported by the evidence of record and should be approved.

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[132] Duke Kentucky's Response to Staff's Second Request, Item 6(e).

[133] Duke Kentucky's Response to Staff's Second Request, Item 6(b).

[134] Joint Stipulation at 10, paragraph 15.

[135] Sailers Direct Testimony, Public Attachment BLS-3 and Confidential Attachment BLS-3.

[136] Joint Stipulation at 10, paragraph 15.

Seasonal Soft Close

Duke Kentucky proposed to eliminate its seasonal soft close option, which allowed combination electric/gas customers to discontinue gas service on a seasonal basis until the customer uses a certain amount of gas or October 15th, whichever comes first.[137] The seasonal soft close option was implemented shorty after COVID-19 to lessen the amount of trips employees would have to make to customer premises and allowed those that took advantage of it to avoid paying reconnection fees.[138] Duke Kentucky explained that this option was causing confusion for customers that exceed the amount of allowed gas usage prior to October 15th as those customers would be billed for gas usage prior to that date.[139] Duke Kentucky provided information showing that at most, approximately 10 percent of customers participating in the seasonal soft close process used enough gas for billing to start prior to October 15.[140]

The Stipulation accepted this proposal as filed.[141] The Commission finds that Duke Kentucky's proposal to end its seasonal soft close option is reasonable and should be approved.

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[137] Sailers Direct Testimony at 13.

[138] Hearing Video Transcript (HVT) of the October 28, 2025 Hearing, Testimony of Bruce Sailers at 10:31:25–10:31:58.

[139] HVT of the October 28, 2025 Hearing, Testimony of Bruce Sailers at 10:32:00–10:32:45.

[140] Duke Kentucky's Response to Staff's Second Request, Item 5(b), STAFF-DR-02-005_Attachment.xlsx.

[141] Joint Stipulation at 10, paragraph 15.

Curtailment Plan

Duke Kentucky proposed to update its curtailment plan to align with current planning criteria for gas supply management during emergency situations.[142] The revised language prioritizes service continuity for firm customers while allowing for the curtailment of interruptible customers during emergencies.[143]

The Stipulation accepted this proposal as filed.[144] The Commission finds that the planning criteria's industry standard nature supports a finding that the proposed revisions are reasonable, and they should be approved.

Miscellaneous Tariff Revisions

Duke Kentucky proposed several minor text changes to its tariff, which can be summarized as updates to correct typographical errors and improve clarity. The Stipulation accepted these proposals as filed.[145] The Commission finds that the proposed changes are reasonable as they address typographical errors and clarify tariff language, thus they should be approved.

MISCELLANEOUS ISSUES

Stay-Out Provision

As part of the Joint Stipulation, Duke Kentucky agreed to not file an application to adjust the base rates where such adjustment would have an effective date at the

[142] Sailers Direct Testimony at 15.

[143] Duke Kentucky's Response to Attorney General's Second Request, Item 9(c).

[144] Joint Stipulation, at 10, paragraph 15.

[145] Joint Stipulation, at 10, paragraph 15.

conclusion of the Commission's suspension period under KRS 278.190, prior to January 1, 2029.[146]

Shareholder Funded Customer Assistance

Duke Kentucky currently contributes up to $100,000 annually (up to $50,000 per year to each of the Home Energy Assistance and Share the Light programs).[147] As part of the Stipulation, Duke Kentucky agreed to contribute an additional $40,000 annually, to be divided equally between to the two programs for three years.[148]

IT IS THEREFORE ORDERED that:

1. The rates and charges proposed by Duke Kentucky in its application are denied.

2. The Joint Stipulation attached to this Order as Appendix C, is accepted.

3. The rates and charges as set forth in Appendix B are approved as fair, just and reasonable for Duke Kentucky, and these rates and charges are approved for service rendered on and after January 3, 2026.

4. Duke Kentucky's proposed revisions pertaining to Operational Flow Orders are approved.

5. Duke Kentucky's request to increase its reconnection fee to $110 is approved.

6. Duke Kentucky's request to close its seasonal soft close option is approved.

7. Duke Kentucky's proposed revisions to its Curtailment Plan are approved.

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[146] Joint Stipulation at 8.

[147] Duke Kentucky's Response to Staff's Post-Hearing Request, Item 7.

[148] Joint Stipulation at 8 and Duke Kentucky's Response to Staff's Post-Hearing Request, Item 7.

8. Within 20 days of the date of service of this Order, Duke Kentucky shall file with the Commission using the Commission's electronic Tariff Filing System, new tariff sheets sitting forth the rates, charges, and modifications approved or as required herein and reflecting the effective date and that they were authorized by this Order.

9. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

ATTEST:

Executive Director

ENTERED
DEC 23 2025
jdc
KENTUCKY PUBLIC
SERVICE COMMISSION

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00125 DATED DEC 23 2025

Line No.	Item	Nominal Adjustment Amount	Grossed-Up WACC	Gross Revenue Conversion Factor		Revenue Requirement Change	Total Revenue Requirment
1	**Total Rate Increase Requested by Duke Kntucky**						**$ 26,387,365**
2	**Attorney General's Adjustment**						
3	Return on Equity from 10.75% to 9.60%				(1)	(4,384,721)	
4	**Rate Base Adjustments**						
5	Correct Error for ADIT Applicable to Regulatory Assets	(92,240)	0.0996			(9,184)	
6	Remove Deferred Rate Case Expense, Net of ADIT	(584,299)	0.0996			(58,173)	
7	CWC to Reflect Revenue Collection Lag Days for 2024	(1,261,088)	0.0996			(125,555)	
8	CWC to Remove Prepaid Expenses	(108,970)	0.0996			(10,849)	
9	CWC to Include Long Term Debt Interest Expense	(1,267,177)	0.0996			(126,161)	
10	CWC to Reflect Sale of Receivables in Collection Lag Days	(8,101,337)	0.0996			(806,577)	
11	Remove CAMT Deferred Tax Asset	(2,824,291)	0.0996			(281,189)	
12		(14,239,402)	0.0996		(2)	(1,417,689)	
13	**Operating Income Adjustments**						
14	Increase Revenues by Using Unbilled Revenues	(49,278)		1.00666817		(49,607)	
15	Mains and Services Expense (Filing Error)	(259,614)		1.00666817		(261,345)	
16	Mains and Services Expense (Lower Leak and Locate Costs)	(666,847)		1.00666817		(671,294)	
17	Reject Credit Card Processing Fees	(237,738)		1.00666817		(239,323)	
18		(1,213,477)			(3)	(1,221,569)	
19	Total Attorney General's Adjustments to Duke Kentucky Request				(1)+(2)+(3) →	(7,023,979)	
20	**Rate Increase in Attorney General's Adjustments**						**19,363,386**
21	**Modifications Reached in Settlement**						
22	Return on Equity (ROE) from 10.75% to 9.80%					(3,680,353)	
23	Mains and Services					(335,647)	
24	Remove CAMT Deferred Tax Asset (DTA)					(281,195)	
25	Mains and Services Expense to Correct Filing Error					(261,346)	
26	CWC to Include Long-Term Debt Interest Expense					(126,164)	
27	Remove Deferred Rate Case Expense, Net of ADIT					(58,173)	
28	CWC to Remove Prepaid Expenses					(10,849)	
29	Correct Error for ADIT Applicable to Regulatory Assets					(9,185)	
30	Rate Case Expense					(75,154)	
31	Total Adjustments					(4,838,066)	
32	**Rate Increase in Settlement**						**$ 21,549,299**

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00125 DATED DEC 23 2025

The following rates and charges are prescribed for the customers in the area served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	Delivery Rate		Gas Cost Adjustment[1]	Total Rate
Customer Charge per month:				$ 20.00
Commodity Charge for All Ccf at	$ 0.70339	plus	$ 0.75080	$ 1.45419

RATE GS
GENERAL SERVICE

	Delivery Rate		Gas Cost Adjustment	Total Rate
Customer Charge per month:				$ 65.00
Commodity Charge for All Ccf at	$ 0.55629	plus	$ 0.75080	$ 1.30709

[1] Case No. 2025-00337, *Electronic Purchased Gas Adjustment Filing of Duke Energy Kentucky, Inc.* (Ky. PSC Nov. 25, 2025), Order.

RATE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

	Total Rate
Administrative Charge per month:	$ 430.00
Commodity Charge per Ccf:	$ 0.11493

RATE FT - L
FIRM TRANSPORTATION SERVICE

	Total Rate
Administrative Charge per month:	$ 430.00
Commodity Charge per Ccf:	$ 0.21673

OTHER CHARGES:

Reconnection Charge	$ 110.00

APPENDIX C

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00125 DATED DEC 23 2025

ONE HUNDRED TWENTY PAGES TO FOLLOW

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF DUKE ENERGY KENTUCKY, INC., FOR: 1) AN ADJUSTMENT OF THE NATURAL GAS RATES; 2) APPROVAL OF NEW TARIFFS; AND 3) ALL OTHER REQUIRED APPROVALS, WAIVERS, AND RELIEF.	))))))	CASE NO. 2025-00125

JOINT STIPULATION AND RECOMMENDATION

On April 17, 2025, Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) filed its notice of intent to file an Application with the Kentucky Public Service Commission (Commission), pursuant to KRS 278.180, KRS 278.190, and other applicable law for an increase in retail natural gas base rates and to implement new tariffs and revised charges in the above-captioned proceeding (Application). The Application was filed on June 2, 2025. On May 1, 2025, the Attorney General of the Commonwealth of Kentucky ("Attorney General"), the only other party in the case, filed his motion to intervene, which was granted by the Commission on May 5, 2025.

Duke Energy Kentucky and the Attorney General (collectively as the "Parties") have filed testimony supporting their respective positions relating to Duke Energy Kentucky's Application. The Parties and the Commission Staff have engaged in substantial discovery of the Parties' respective positions by issuing numerous information requests to which the Parties have responded.

The Parties, representing diverse interests and viewpoints, have reached a complete settlement of all the issues raised in this proceeding and have executed this

Joint Stipulation and Recommendation (Stipulation) for purposes of documenting and submitting their agreement to the Commission for consideration and approval. It is the intent and purpose of the Parties to express their agreement on a mutually satisfactory resolution of all issues in the instant proceeding, and the Stipulation achieves an overall reasonable resolution of all such issues and involves substantial benefits that might not have otherwise been achievable.

The Parties understand that this Stipulation is not binding upon the Commission, but believe it is entitled to careful consideration by the Commission. The Parties agree that this Stipulation, viewed in its entirety, constitutes a reasonable resolution of all issues in this proceeding.

The Parties request that the Commission issue an Order approving this Stipulation in its entirety pursuant to KRS 278.190, including the rate increase, rate structure, and tariffs as described herein. The request is based upon the belief that the Parties' participation in settlement negotiations and the materials on file with the Commission adequately support this Stipulation. Adoption of this Stipulation will lessen the need for the Commission and the Parties to expend significant resources in litigation of this proceeding and will eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final Order herein.

NOW, THEREFORE, for and in consideration of the mutual premises set forth above and the terms and conditions set forth herein, the Parties agree that the Company's Application should be approved as filed, except as modified or specified below:

1. **Revenue Increase.** The Parties agree that Duke Energy Kentucky's revenue requirement for natural gas distribution service for the forecasted test year of

January 1, 2026, through December 31, 2026, is $175,700,142. This represents an increase of $21,624,453 over the test year revenue that would be collected at current rates. This represents an overall increase of 14.0 percent. A residential customer with average usage of 51 CCF will see an approximate 13.7 percent increase. The total revenue requirement is comprised of $109,786,792 in base revenues, $63,910,850 in gas cost revenues and $2,002,500 of miscellaneous revenues. Stipulation Attachment A provides a detailed summary of the adjustments to the Company's proposed overall revenue requirement as agreed to in this Stipulation. The significant concessions and adjustments are described below.

2. **Rate Base.** The Parties agree that the thirteen-month average rate base for the forecasted test period is $548,954,315.

3. **Cost of Capital.** The Parties agree that:

a. Duke Energy Kentucky's authorized Return on Equity (ROE) shall be 9.8 percent for natural gas base rates;

b. Duke Energy Kentucky's authorized Return on Equity (ROE) shall be 9.7 percent for natural gas capital riders;

c. Duke Energy Kentucky's long-term debt rate included in the cost of capital shall be 5.051 percent;

d. Duke Energy Kentucky's short-term debt rate included in the cost of capital shall be 3.784 percent;

e. The capital structure is approved as follows:

i. 52.649 percent equity,

ii. 44.086 percent long-term debt,

iii. 3.265 percent short-term debt, and

f. Duke Energy Kentucky's Weighted Average Cost of Capital (WACC) is 7.511 percent.

g. The result of this cost of capital results in a reduction to the revenue requirement of $3.680 million.

4. **Correct Error for Amount of Accumulated Deferred Income Taxes (ADIT) Applicable to Regulatory Assets.** The Parties agree to the correction of ADIT applicable to regulatory assets as described in the Attorney General's Testimony of witness Randy A. Futral. The result of this adjustment is a reduction to the revenue requirement of $0.009 million.

5. **Remove Deferred Rate Case Expense, Net of ADIT.** The Parties agree to the removal of rate case expense regulatory assets as described in the Attorney General's Testimony of witness Randy A. Futral. The result of this adjustment is a reduction to the revenue requirement of $0.058 million.

6. **Cash Working Capital.** The Parties agree the Company's cash working capital (CWC) included in rate base shall be ($1,344,296). The result of this adjustment is a reduction to the revenue requirement of $0.137 million. This reduction is a result of the Company agreeing to two recommendations made by the Attorney General's Testimony of witness Lane Kollen: removing prepaid expenses from and including long-term debt expense within CWC.

7. **Remove CAMT Deferred Tax Asset.** The Parties agree to the removal of the corporate alternative minimum tax (CAMT) deferred tax asset as described in the

Attorney General's Testimony of witness Lane Kollen. The result of this adjustment is a reduction to the revenue requirement of $0.281 million.

8. Reduce Mains and Services Expense to Correct Filing Error. The Parties agree to the correction of the Company's Mains and Service Expenses as described in Mr. Futral's Testimony. The result of this adjustment is a reduction to the revenue requirement of $0.261 million.

9. Reduce Mains and Services Expense to Reflect Lower Leak and Locate Costs. The Parties agree to a reduction in the Company's Mains and Service Expense equal to 50 percent of Mr. Futral's recommended adjustment. This reduces the revenue requirement by $0.336 million.

10. ALDYL-A Replacement through the Pipeline Modernization Mechanism (Rider PMM). The Parties agree that Duke Energy Kentucky's proposal for a five-year, Aldyl-A pipe and service replacement program (AA Replacement Program) with recovery through Rider PMM as described in the Company's Application and Testimony be approved as follows:

a. The AA Replacement shall commence following the completion of the Company's current AM07 replacement program, estimated to occur in 2027;

b. Duke Energy Kentucky will file a separate annual CPCN application for each year/phase of the 5-year AA Replacement Program that would be subject to Commission determination of need. Rider PMM charges for the AA Replacement Program will not be included in Rider PMM charges until such applications are approved by the Commission;

c. The Company will continue to make annual applications with the Commission to update Rider PMM, including reconciliation of prior period costs to actuals, on or before July 1 of each year, consistent with the current practice for AM07, reflecting new plant in-service and the depreciation, property taxes, and ADIT associated with that plant in-service for all AM07 and AA Replacement Program assets previously approved by the Commission in a CPCN. Rider PMM will continue to use forecasted 13-month average plant in-service balances for purposes of calculating the annual revenue requirement. For the avoidance of doubt, the rate base included in the Rider PMM filing will not include Construction Work In Process (CWIP) and plant in-service will include Allowance for Funds Used During Construction (AFUDC) consistent with the exclusion of CWIP from and the inclusion of AFUDC in plant in service in the rate base amounts reflected in the Company's base rate case filings. The revenue requirement would then be allocated to customer classes consistent with the cost of service study approved in this case and updated in future natural gas base rate cases. The new Rider PMM rate shall be effective the first billing cycle of January of each year;

d. The Company shall file an annual CPCN application for each year of the AA Replacement Project. In the interest of minimizing impacts to customer rates and impacts to community areas during construction, the Company will split the replacements into geographic sections and prioritize replacements in accordance with the Company's distribution integrity management program (DIMP);

e. The Rider shall be subject to an annual revenue requirement cap of no more than a 5 percent increase in natural gas revenues per year. For purposes of determining the 5 percent cap, the Parties agree that the natural gas revenues, including base revenues, gas cost revenues and miscellaneous revenues of $175,700,142 outlined in Paragraph Number 1 of this Stipulation shall be the baseline for measuring the 5 percent annual cap on increases for the duration of the rider. The revenue requirement in excess of the 5 percent annual cap that is not recovered through Rider PMM shall be eligible for deferral to a regulatory asset and shall include carrying costs on the deferrals less the related accumulated deferred income taxes at the approved WACC without gross-up for income taxes. Such deferrals shall be eligible for amortization in the Company's next natural gas base rate proceeding;

f. The Rate of Return (ROR) used for calculating the Rider PMM (and any other capital-related natural gas adjustment mechanism) shall include a ROE of 9.7 percent and long-term and short-term debt rates approved in this proceeding and as may be modified in future natural gas base rate cases.

g. Rider PMM is subject to renewal, if authorized by the Commission either as part of a natural gas base rate proceeding or as part of a separate application filed in accordance with KRS 278.509.

11. Residential Customer Charge. The Parties agree that the monthly residential natural gas fixed customer charge shall increase by $2.50 from $17.50 to $20.00 per month.

12. Shareholder Funded Customer Assistance. The Parties agree that Duke Energy Kentucky shareholders will provide an incremental $40,000 per year for 3 years of shareholder funds for customer assistance programs. This incremental funding shall be divided equally ($20,000 each per year) between the Company's Home Energy Assistance program and its Share the Light Program. This new shareholder funding is incremental to the $50,000 per year that is already provided to each of these programs.

13. Natural Gas Base Rate Case Stay-out. Subject to the exclusions set forth below, Duke Energy Kentucky will not file an application to adjust the base rates for its natural gas business, where such adjustment would have an effective date at the conclusion of the Commission's suspension period under KRS 278.190, prior to January 1, 2029. For avoidance of doubt, the Company may file an application prior to January 1, 2029, provided the effective date of rates, once suspended by the Commission in accordance with KRS 278.190, is on or after January 1, 2029. Notwithstanding the natural gas base rate case stay out commitment described above, Duke Energy Kentucky shall retain the right, at any time, to seek the approval from the Commission of:

a. The deferral of costs as permissible under the Commission's standard for deferrals:

1. An extraordinary, nonrecurring expense that could not have reasonably been anticipated in the utility's planning;

2. An expense resulting from a statutory or administrative directive;

3. An expense in relation to an approved industry initiative; or

4. An extraordinary or nonrecurring expense that over time will result in a savings that fully offsets the cost.

b. Emergency rate relief under KRS 278.190(2) to avoid a material impairment or damage to credit or operations;

c. Adjustments to the operation of any of Duke Energy Kentucky's cost recovery surcharge mechanisms (*e.g.*, Gas Cost Adjustment, Weather Normalization Adjustment, Demand-side Management, Rider PMM, *etc.*,); and

d. During the effective stay-out period, Duke Energy Kentucky reserves the right to petition the Commission and seek necessary rate relief and/or accounting treatment for costs or programs required due to changes in law or regulations, including but not limited to, changes in tax rates or environmental compliance costs applicable to natural gas operations that may occur during the stay-out period.

14. **Rate Case Expense**. For financial accounting purposes, Duke Energy Kentucky will amortize actual rate case expense associated with this proceeding for recovery over a three-year period, without carrying charges, beginning with the effective date of the revised tariffs.

15. **Tariff Changes**. The Parties agree that any language changes to tariff sheets as proposed in the Company's application as modified through responses to discovery should be approved. A complete set of tariff sheets are filed as Attachment B to this Stipulation.

16. **Proof of Revenue**. Attached to this Stipulation as Attachment C are proof-of-revenue sheets, showing that the rates set forth in Attachment B, plus projected Miscellaneous Revenue, will generate the revenue needed to recover the Company's test year revenue requirement to which the Parties have agreed in Paragraph Number 1 hereof.

17. **Allocation of Total Revenues**. The Parties agree to the allocation set forth in Attachment D, which uses the Company's cost of service study originally filed in this proceeding and updates for the final revenue requirement agreed to in this Stipulation. The allocation results in a 65.2% allocation to Rate RS, a 28.7% allocation to Rate GS, a 4.9% allocation to Rate FT-L and a 1.2% allocation to Rate IT.

18. **Filing of Stipulation**. Following the execution of this Stipulation, the Parties shall cause the Stipulation to be filed with the Commission with a request to the Commission for consideration and approval of this Stipulation so that Duke Energy

Kentucky may begin billing under the approved adjusted rates for service rendered on and after Approval.

19. **Commission Approval.** The Parties to this Stipulation shall act in good faith and use their best efforts to recommend to the Commission that this Stipulation be accepted and approved. Each Party hereto waives all cross-examination of the witnesses of the other Party hereto except in support of the Stipulation or unless the Commission fails to adopt this Stipulation in its entirety. Each Party further stipulates and recommends that the notice of intent, notice, application, direct testimony, rebuttal testimony, pleadings and responses to data requests filed in this proceeding be admitted into the record. The Parties further agree and intend to support the reasonableness of this Stipulation before the Commission, and to cause their counsel to do the same in this proceeding and in any appeal from the Commission's adoption and/or enforcement of this Stipulation. If the Commission issues an order adopting this Stipulation in its entirety, each of the Parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court with respect to such order.

20. **Effect of Non-Approval.** The Stipulation reflects an overall outcome that reflects a compromise and balancing of competing interests and does not reflect the position that any one of the Parties would have taken on any individual issue at an evidentiary hearing absent this Stipulation. As such, acceptance of any provision within this Stipulation shall not be cited by any Party in any forum to state or imply that any Party agrees with any specific provision of the settlement. If the Commission does not accept and approve this Stipulation in its entirety or imposes any additional conditions

or requirements upon the signatory Parties, then: (a) either Party may elect, in writing docketed in this proceeding, within ten days of such Commission Order, that this Stipulation shall be void and withdrawn by the Parties hereto from further consideration by the Commission and neither Party shall be bound by any of the provisions herein; and (b) each Party shall have the right, within 20 days of the Commission's order, to file an petition for rehearing, including a notice of termination of and withdrawal from the Stipulation; and, (c) in the event of such termination and withdrawal of the Stipulation, neither the terms of this Stipulation nor any matters raised during the settlement negotiations shall be binding on either of the signatory Parties to this Stipulation or be construed against either of the signatory Parties. Should the Stipulation be voided or vacated for any reason after the Commission has approved the Stipulation and thereafter any implementation of the terms of the Stipulation has been made, then the Parties shall be returned to the *status quo* existing at the time immediately prior to the execution of this Stipulation.

21. **Commission Jurisdiction**. This Stipulation shall in no way be deemed to divest the Commission of jurisdiction under Chapter 278 of the Kentucky Revised Statutes.

22. **Successors and Assigns**. This Stipulation shall inure to the benefit of and be binding upon the Parties hereto, their successors and assigns.

23. **Complete Agreement**. This Stipulation constitutes the complete agreement and understanding among the Parties hereto, and any and all oral statements, representations or agreements made prior hereto or contained contemporaneously herewith shall be null and void and shall be deemed to have been merged into this Stipulation.

24. **Implementation of Stipulation**. For the purpose of this Stipulation only, the terms are based upon the independent analysis of the Parties to reflect a just and reasonable resolution of the issues herein and are the product of compromise and negotiation. Notwithstanding anything contained in the Stipulation, the Parties recognize and agree that the effects, if any, of any future events upon the operating income of Duke Energy Kentucky are unknown and this Stipulation shall be implemented as written.

25. **Admissibility and Non-Precedential Effect**. Neither the Stipulation nor any of the terms set forth herein shall be admissible in any court or Commission except insofar as such court or Commission is addressing litigation arising out of the implementation of the terms herein or the approval of this Stipulation or a Party's compliance with this Stipulation. This Stipulation shall not have any precedential value in this or any other jurisdiction.

26. **No Admissions**. Making and entering into this Stipulation shall not be deemed in any respect to constitute an admission by either Party that any computation, formula, allegation, assertion, or contention made by any Party in these proceedings is true or valid. Nothing in this Stipulation shall be used or construed for any purpose to imply, suggest, or otherwise indicate that the results produced through the compromise reflected herein represent fully the objectives of a Party.

27. **Authorizations**. The signatories hereto warrant that they have informed, advised, and consulted with the respective Parties hereto regarding the contents of this

Stipulation, and based upon the foregoing, are authorized to execute this Stipulation on behalf of the Parties hereto.

28. **Commission Approval.** This Stipulation is subject to the acceptance of and approval by the Commission.

29. **Interpretation of Stipulation.** This Stipulation is a product of negotiation among all Parties hereto, and no provision of this Stipulation shall be strictly construed in favor of or against any Party.

30. **Counterparts.** This Stipulation may be executed in multiple counterparts.

31. **Future Proceedings.** Nothing in this Stipulation shall preclude, prevent, or prejudice any Party hereto from raising any argument/issue or challenging any adjustment in any future rate case proceeding of Duke Energy Kentucky.

IN WITNESS WHEREOF, this Stipulation has been agreed to effective this 20th day of October 2025. By affixing their signatures below, the undersigned Parties respectfully request the Commission to issue its Order approving and adopting this Stipulation the Parties hereto have hereunto affixed their signatures.

DUKE ENERGY KENTUCKY, INC

By: ____________________
Amy B. Spiller
Title: President

ATTORNEY GENERAL OF THE
COMMONWEALTH OF KENTUCKY

By: ____________________
John G. Horne, II
Title: Executive Director,
Office of Rate Intervention

	Revenue Requirement Adjustment
Duke Energy Kentucky Initial Request	**$ 26,387,365**
Correct Error for the Amount of ADIT Applicable to Regulatory Assets	(9,185)
Remove Deferred Rate Case Expense, Net of ADIT	(58,173)
Reduce Cash Working Capital to Remove Prepaid Expenses	(10,849)
Reduce Cash Working Capital to Include Long Term Debt Interest Expense	(126,164)
Remove CAMT Deferred Tax Asset	(281,195)
Reduce Mains and Services Expense to Correct Filing Error	(261,346)
Reduce Mains and Services Expense to Reflect Lower Leak and Locate Costs	(335,647)
Reflect Reduction of Return on Equity from 10.75% to 9.8%	(3,680,353)
Total Adjustments to Company's Proposed Revenue Requirement	**$ (4,762,912)**
Total Revenue Requirement Increase Agreed To in Settlement	**$ 21,624,453**

Redlined Tariff Sheets

KY. P.S.C. Gas No. 2

DUKE ENERGY KENTUCKY, INC.

1262 Cox Road ~~(T)~~

Erlanger, Kentucky 41018

Rates, Rules and Regulations for Furnishing

GAS SERVICE

in

Incorporated Cities and Unincorporated Territory in Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties

Filed with the

KENTUCKY PUBLIC SERVICE COMMISSION

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED

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Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

TRANSPORTATION TARIFF SCHEDULE

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

KY. P.S.C. Gas No. 2
Two-Hundred-Twenty-Seventh~~ixth~~
Revised Sheet No. 30
Cancelling and Superseding
Two-Hundred-Twenty-Sixth~~Fifth~~
Revised Sheet No. 30
Page 1 of 2

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE RS
RESIDENTIAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for all domestic purposes in private residences, single occupancy apartments, and common use areas of multi-occupancy buildings, when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF).

1. Base Rate:
   Customer Charge per month: $20.00~~17.50~~ (I)

	Delivery Rate		Gas Cost Adjustment		Total Rate	
Plus a commodity Charge for all CCF at	$0.7042~~452474~~	plus	$0.6774	Equals	$1.3816~~420214~~	(I~~R~~)

2. Applicable Riders
   The following riders are applicable pursuant to the specific terms contained within each rider:
   Sheet No. 62, Rider DSMR, Demand Side Management Rate
   Sheet No. 65, Rider WNA, Weather Normalization Adjustment Rider
   Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism
   Sheet No. 70, Rider GCA, Gas Cost Adjustment Clause

The “Customer Charge” shown above shall be the minimum amount billed each month.
When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3%, is due and payable. Customers who receive a pledge for or notice of low income assistance from an authorized agency, or another public or charitable source, will not be assessed or required to pay a late payment charge for the current bill for which the pledge or notice is received. An authorized agency is an organization in Kentucky that administers federal Low-Income Home Energy Assistance Programs and/or the Home Energy Assistance Programs offered by Duke Energy Kentucky.

Issued by authority of an Order of the Kentucky Public Service Commission dated ~~August 22, 2025~~ in Case No. 2025-00125~~241~~.
Issued: January 2, 2026~~August 29, 2025~~
Effective: January 3, 2026~~September 2, 2025~~
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

KY. P.S.C. Gas No. 2
Two-Hundred-Twenty-Seventh~~ixth~~
Revised Sheet No. 30
Cancelling and Superseding
Two-Hundred-Twenty-Sixth~~Fifth~~
Revised Sheet No. 30
Page 2 of 2

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

KY.P.S.C. Gas No. 2
Two-Hundred-Twenty-Seventh~~ixth~~
Revised Sheet No. 31
Cancelling and Superseding
Two-Hundred-Twenty-Sixth~~Fifth~~
Revised Sheet No. 31
Page 1 of 2

Duke Energy Kentucky, Inc.
1262 Cox Rd.
Erlanger, Kentucky 41018

RATE GS
GENERAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for any purpose by an individual non-residential customer at one location when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. This schedule is also applicable to non-metered natural gas commodity supplies and local delivery service for street lighting to such entities as certificated homeowners associations, businesses, and federal, state, and local governments. The Company may decline requests for service under this tariff due to gas supply limitations.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF)

1. Base Rate:
   Customer Charge per month: $65~~58~~.00 (I)

	Delivery Rate		Gas Cost Adjustment		Total Rate	
Plus a Commodity Charge for all CCF at	$0.55681~~37443~~	Plus	$0.6774	Equals	$1.23421~~05183~~	(I~~R~~)

2. Applicable Riders
   The following riders are applicable pursuant to the specific terms contained within each rider:
   Sheet No. 62, Rider DSMR, Demand Side Management Rate
   Sheet No. 65, Rider WNA, Weather Normalization Adjustment Rider
   Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism
   Sheet No. 70, Rider GCA, Gas Cost Adjustment Clause

The "Customer Charge" shown above shall be the minimum amount billed each month.
When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3%, is due and payable.

TERM OF SERVICE

One year, terminable thereafter on ten (10) days written notice by either customer or Company.

Issued by authority of an Order of the Kentucky Public Service
Commission dated ~~August 22, 2025~~ in Case No. 2025-00125~~241~~.
Issued: January 2, 2026~~August 29, 2025~~
Effective: January 3, 2026~~September 2, 2025~~
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Rd.
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

RATE FRAS

FULL REQUIREMENTS AGGREGATION SERVICE

AVAILABILITY

This service is available to Suppliers delivering gas on a firm basis to the Company's city gate receipt points on behalf of customers receiving firm transportation service from the Company under Rate Schedule FT-L.

DEFINITIONS

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on a combined basis, those natural gas supplies that are needed to satisfy the full firm requirements of the one or more firm transportation customers that comprise the membership of the Supplier's pool, as defined below, all in accordance with the rules established by the Company regarding delivery requirements, banking, billing and payments, and Supplier performance requirements.

"Arrears" means an account that is at least 30 days past due and amounts to at least $50.

"Commission" means the Kentucky Public Service Commission.

"Customer" means a recipient of transportation service provided by the Company under Rate FT-L that secures its gas supply from a Supplier.

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of those parties relative to the Aggregation Service provided under Rate FRAS.

"Operational Flow Order" (OFO) is a directive issued by the Company via its electronic bulletin board ("EBB") requiring Suppliers to adjust their daily deliveries into the Company's system to either (1) match, (2) match or be less than, or (3) match or be more than their pool's actual daily measured usage for those customers receiving service under Rate FT-L, Rate IT and interruptible special contracts, or deliver at specified city gate receipt points as requested by the Company.

"Over-Deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period is less than the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

DEFINITIONS (Contd.)

"Pool" is a single customer or group of customers that have been joined together for supply management purposes, and that has a combined annual throughput of at least 30,000 Mcf. Supplier will have a one year period to build their annual pool throughput volume to the indicated level, after which they may be subject to removal from the Program for not having achieved a minimum participation level.

"Program" means the Company's firm transportation/supply aggregation program under Rate FT-L and Rate FRAS.

"Supplier" is a marketer, supplier, broker, pool operator, producer, or other qualified business entity that has joined a group of the Company's firm transportation customers together for gas supply management purposes, meets the qualifications for a "Supplier" set forth in Rate FRAS, agrees to accept responsibility for the aggregate supply management requirements of the pool, and has executed a "Gas Supply Aggregation/Customer Pooling Agreement" with the Company.

"Suppliers Daily Pool Delivery Obligation" is defined as the daily city gate delivery quantities determined by the actual measured usage of customers in Supplier's FT-L Pool adjusted for "unaccounted for" losses back to the Company's city gate stations, and then converted from volumetric to thermal quantities.

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

AGGREGATION AGREEMENT

Before commencing service hereunder, Supplier must have met the qualifications to act as a program supplier and must have executed a "Gas Supply Aggregation/Customer Pooling Agreement" with the Company. Such agreement shall be for a minimum of two years and shall set forth the mutual obligations and responsibilities of both the Company and the Supplier relative to this aggregation customer pooling service.

The mutual benefits and obligations under the "Gas Supply Aggregation/Customer Pooling Agreement" and under this tariff begin when the Supplier commences to supply pool customers with gas supply service. Supplier's obligations under this tariff and referenced Agreement shall inure to, and be binding on its successors and assigns, survivors and executors or administrators, as the case may be, of the original parties thereto, for the full term thereof. However, no agreement for service may be assigned or transferred without the written consent or approval of the Company, which shall not be unreasonably withheld.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

REQUIREMENTS FOR PARTICIPATION

Each Supplier who applies to participate in the Company's Customer Aggregation/Firm Transportation Program will be evaluated to ensure that it possesses the financial resources and sufficient experience that will enable it to perform its responsibilities as a Supplier in the program. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

Suppliers not meeting the necessary credit level will be required to provide additional security in the form of a letter of credit, a cash deposit, and/or other appropriate guaranty in order to participateIn order for the Company to perform its evaluation, Suppliers will be required to provide the following information:

1. Audited financial statements prepared within the last 12 months;
2. Most recent annual report, 10K or 10Q;
3. A listing of parent company and other affiliates;
4. Names, addresses, and telephone numbers of 3 trade references; and
5. Names, addresses, and telephone numbers of banking institution contacts.

In the event any of the above information is unavailable from a Supplier, the Company may permit the Supplier to provide other verifiable sources of financial information for that Supplier.

Financial evaluations will be based on standard credit factors such as previous customer history, financial and credit ratings, trade references, bank information, unused line of credit, and related financial information. The Company will determine Supplier's creditworthiness based on the above criteria, and it will not deny a Supplier's participation in the Program without reasonable cause. A fee of $50.00 will be assessed to Supplier for each financial evaluation.

The Company may acquire information regarding Supplier's performance in other programs and other states in order to evaluate supplier's reputation and fitness for inclusion in the Company's Program.

The Company reserves the right to re-evaluate Suppliers' financial standing from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company, if the Company reasonablybelieves that the creditworthiness of a Supplier may have changed or that the Supplier's participation level has exceeded the level for which the Supplier was previously approved. Based on such re-evaluation, a Supplier's amount of required financial security or approved participation level may be increased or decreased, or the Supplier may be removed from further participation in the Program.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SUPPLIER CODE OF CONDUCT

Each Supplier participating in the Company's transportation programs must:

1. communicate to participating customers in clear, understandable terms the customer's rights and responsibilities. This communication must include (a) the Supplier's customer service address and local or toll-free telephone number; and (b) a statement describing the Supplier's dispute resolution procedures;

2. provide in writing pricing and payment terms that are clearly defined and understandable and that inform consumers whether the price that the customer will pay is inclusive or exclusive of applicable taxes, and Company approved tariff riders and surcharges;

3. refrain from engaging in communications or promotional practices which are fraudulent, deceptive, or misleading;

4. deliver gas to the Company on a firm basis on behalf of the Supplier's pool members in accordance with the requirements of the "Gas Supply Aggregation/Customer Pooling Agreement";

5. establish and maintain a creditworthy financial position that enables Supplier to indemnify the Company and the customers for costs incurred as a result of any failure by Supplier to deliver gas in accordance with the requirements of the program and to assure payment of any KyPSC-approved charges for any such failure;

6. refrain from requesting customer-specific billing, payment, and usage history without first having received the customer's approval to access such information.

Failure to fulfill any of these obligations shall be considered a violation of the Supplier's Code of Conduct.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM OR COMPLY

If Supplier fails to deliver gas in accordance with the full service requirements of its Pool customers, the Company shall supply gas temporarily to the affected Pool customers and shall bill Supplier the higher of either (1) the fair market price for that period; or (2) the highest incremental cost of gas for that period that the Company actually paid for gas supplies, including transportation and all other applicable charges. The Company shall have the right to immediately and unilaterally invoke Supplier's letter of credit, parental guarantee or any other collateral posted by the Supplier in order to enforce recovery from supplier of the cost of these replacement supplies.

If Supplier fails to deliver gas in accordance with the requirements of the Company's "Gas Supply Aggregation/Customer Pooling Agreement," or otherwise fails to comply with the provisions of this tariff, including those specified in the "Supplier Code of Conduct" section, the Company shall have the discretion to temporarily suspend or terminate such Supplier from further participation in the Program. If Supplier is suspended or terminated from the Company's Program, customers in the Supplier's Pool shall revert to the Company's sales service until said customers join another Supplier's Pool.

If the Company seeks to suspend or terminate a Supplier from further participation in the Company's Program, it shall first notify the Supplier of the alleged violations which merit suspension or termination. Such notice must be in writing and must be communicated to the Supplier at the contact information listed in the "Gas Supply Aggregation/Customer Pooling Agreement" at least five (5) business days prior to the effective date of the suspension or termination.

BILLING

Customers receiving service under Rate FT-L will receive two bills as follows:

(a) The Company bills and collects its portion of the bill. This billing includes charges for local delivery service and all applicable surcharges. In the event that a customer remits to the Company less than the amount included on the Company's bill, the customer shall be subject to the same late charges and disconnection procedures which would be applicable if the customer were receiving service as a Company sales customer.

(b) Supplier will be responsible for billing and collecting its portion of the bill including any arrearages that are due from Supplier's own prior billings. To facilitate Supplier's billing, the Company will provide the Supplier with a listing of the monthly meter readings and usages of all those customers within Supplier's pool that have been billed by the Company. This billing data will correspond to the consumption data on which the Company based its bill for local delivery service. Supplier is responsible for providing gas supplies to all customers within its pool until the customers are returned to system supply or move to another pool in accordance with the procedures that have been developed for adding and deleting customers from a Supplier's pool.

Issued by authority of an Order of the Kentucky Public Service
Commission dated ~~December 28, 2021~~ in Case No. 2025~~1~~-00125~~190~~.
Issued: January 2~~anuary 14~~, 2026~~2~~
Effective: January 3~~anuary 4~~, 2026~~2~~
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier’s Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator’s customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

The Company may make available to Suppliers, upstream interstate pipeline capacity. Suppliers accepting this capacity are subject to the terms and conditions of the tariffs of the pipeline companies on whose facilities such capacity is accepted. A Supplier who wishes to contract for released capacity must make a request for a period in excess of thirty days and agree to pay the full contract demand rate which the Company would otherwise pay for the released capacity, in order for supplier to be assured the assignment of such capacity. The Company shall not be obligated to provide requested capacity if it has no surplus capacity beyond the amount needed to supply its Gas Cost Adjustment customers.

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SCHEDULING AND BALANCING REQUIREMENTS

Suppliers must deliver to the Company daily quantifies of gas in accordance with the provisions of Rate IMBS.

No later than one hour prior to the North American Energy Standards Board (NAESB) deadline for the timely nomination cycle, Supplier shall submit a valid nomination through the Company’s EBB of its total city gate quantities of gas scheduled for the following gas day. The Company will have no obligation to accommodate post-timely nominations, or changes thereto, that are made after the daily deadline. ~~(N)~~ ~~(N)~~ ~~(N)~~ ~~(N)~~ ~~(N)~~

Pool operators shall have access to Company offered services including balancing services and imbalance trading privileges in proportion to those services that would be available to the individual customers who comprise their customer pool. Pool operators shall also have access to the daily and monthly usage data for the individual customers that comprise their pool.

Suppliers are subject to OFOs issued by the Company as described below. The Company may suspend from this program any Supplier which does not comply with an Operational Flow Order.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

MEASUREMENT OF CONSUMED VOLUMES

Monthly volumes billed to participating customers shall be considered actual volumes consumed, whether the meter reading is actual or calculated.

OPERATIONAL FLOW ORDERS

Suppliers are subject to the Company's issuance of Operational Flow Orders which will direct each Supplier to adjust scheduled daily delivery volumes to match the Customer Pool's metered FT-L usage.

Failure to comply with an OFO, which is defined as the difference between the daily OFO required delivery volume and actual daily deliveries, will result in the indicated action and/or billing of the following charges:

Under-deliveries

(1) Supplier will be subject to a daily charge based on the per Dekatherm difference between the scheduled quantity and the actual deliveries multiplied by $15/DTH; plus~~the payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate;~~ (T) (N) (D) (D)

(2) the higher of Platts' Gas Daily Daily Columbia Gulf, Mainline + TCO FTS fuel and transportation commodity variables or Platts' Gas Daily Daily Tennessee, 800 Leg + TCO FTS fuel and transportation commodity variables; multiplied by the per Dekatherm difference between the scheduled quantity and the actual deliveries; (T) (T) (T) (T)

(3) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and

~~(3)~~ (4) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

(1) Over-deliveries will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier; and~~cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and~~ (N) (N) (D) (D)

(2) An OFO over-delivery charge of $15 per DTH will be charged for unauthorized over-delivery resulting from the pool operator's failure to comply with the OFO; and (N) (N)

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

(3~~2~~) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

In conducting its Program, the Company will adhere to the following Standards of Conduct for Marketing Affiliates:

(1) Company must apply any tariff provision relating to transportation services in the same manner for the same or similarly situated persons if there is discretion that may be applied in the application of the provision.

(2) Company must strictly enforce a tariff provision for which there is no discretion allowed in the application of the provision.

(3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate or customers of any Supplier including its affiliate, preference over any other gas Suppliers or their customers in matters, rates, information, or charges relating to transportation service including, but not limited to, scheduling, balancing, metering, storage, standby service, or curtailment policy. For purposes of the Company's Program, any ancillary service provided by Company, e.g., billing and envelope service, that is not tariffed will be priced and made equally available to all.

(4) Company must process all similar requests for transportation in the same manner and within the same approximate period of time.

(5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement, which Company receives from (i) a customer or Supplier, (ii) a potential customer or Supplier, (iii) any agent of such customer or potential customer, or (iv) a Supplier or other entity seeking to supply gas to a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES (Contd.)

(6) If a customer requests information about Suppliers, the Company must provide a list of all Suppliers operating on its system, but shall not endorse any Supplier nor indicate that any Supplier will receive a preference because of a corporate relationship.

(7) Before making customer lists available to any Supplier, including any Company marketing affiliate, Company will post on its electronic bulletin board a notice of its intent to make such customer list available. The notice will describe the date the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.

(8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in all areas where their failure to maintain independent operations may have the effect of harming customers or unfairly disadvantaging unaffiliated Suppliers.

(9) Company must not condition or tie its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas supplier, customer or other third party in which its marketing affiliate is involved.

(10) Company and its marketing affiliate must keep separate books of accounts and records.

(11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the idea that any advantage might accrue for such customer, Supplier or third party in the use of Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.

(12) The Company's complaint procedure for resolving issues concerning compliance with these standards of conduct will operate as follows. All complaints, whether written or verbal, will be referred to the Company's designated attorney. The Company's designated attorney will orally acknowledge the complaint within five (5) working days of receipt. The complainant party shall prepare a written statement of the complaint which will contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, companies involved, employees involved, and specific claim. The Company's designated attorney must communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received including a description of any course of action which was taken. He or she must keep a file with all such complaint statements for a period of not less than three years.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES (Contd.)

(13) If the Company offers any Supplier, including its affiliate or a customer of any Supplier, including its affiliate a discount, or fee waiver for transportation services, balancing, meters or meter installation, storage, standby service or any other service offered to shippers, it must prospectively offer such discounts, rebates or fee waivers to all similarly situated non-affiliated suppliers or customers under similar terms and conditions.

(14) The Company will not use its name and logo in its marketing affiliate's promotional material, unless the promotional material discloses in plain, legible or audible language, on the first page or at the first point where the Company's name and logo appear, that its marketing affiliate is not the same entity as the Company. The Company is also prohibited from participating in exclusive joint activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

OTHER RULES AND REGULATIONS

Except to the extent superseded herein, the Company's Rules and Regulations Governing the Distribution and Sale of Gas and such other Commission rules as are applicable shall apply to all gas transportation service provided hereunder.

Duke Energy Kentucky, Inc.
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RATE IT

INTERRUPTIBLE TRANSPORTATION SERVICE

APPLICABILITY

Applicable to curtailable natural gas local delivery service and available to any customer who: (1) signs a contract with the Company for service under Rate IT; (2) utilizes a minimum of 10,000 CCF per month during the seven consecutive billing periods commencing with customer's first meter reading taken on or after April 1; (3) has arranged for the delivery of gas into the Company's system for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served, and (4) has become a member of a pool under Rate AS and elected Interruptible Monthly Balancing Service under Rate IMBS. Any service provided hereunder shall be provided by displacement and on a "reasonable efforts" basis. The Company reserves the right to decline requests to initiate or continue such service whenever, in the Company's judgment, rendering the service would be detrimental to the operation of the Company's system or its ability to supply gas to customers receiving service under the provisions of Rate RS, Rate GS, and Rate FT-L.

This rate schedule shall not preclude the Company from entering into alternative special arrangements with Commission approval, which are designed to meet unique circumstances.

The service provided hereunder shall be interruptible local gas delivery service provided on a "reasonable efforts" basis from the Company's city gate receipt points to the outlet side of the meter used to serve Customer. The Company, to insure its ability to reliably supply gas to customers receiving service under the provisions of Rate RS, Rate GS, and Rate FT-L, shall have the right for operational purposes to designate the city gate receipt points where the customer's pool operator is required to deliver its gas.

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Erlanger, Kentucky 41018

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas consumed is billed in units of 100 cubic feet (CCF)

Administrative Charge per month: $430.00

Commodity Charge per CCF:
Company will deliver the arranged-for gas, less shrinkage which is equal to the Company's system average unaccounted for percentage, at a rate per CCF of except as specified in the "Alternate Fuels" provision; $0.11498~~11300~~ per CCF (I)

Plus balancing related charges pursuant to Rates IMBS if customer has elected to operate as its own pool operator for supply management purposes.

Plus the throughput charge under Rate IMBS, Interruptible Monthly Balancing Service.

Plus, if applicable, charges for unauthorized deliveries as described later in this tariff.

Plus charges under Rider PMM, Pipeline Modernization Mechanism.

MINIMUM BILL

The minimum monthly bill that customer shall receive shall be the monthly Administrative Charge shown above, and, in addition thereto during the seven (7) consecutive billing periods beginning in April, the 10,000 CCF volume minimum. If customer fails to take delivery of 10,000 CCF per month during the months of April through October, customer will be billed, in addition to the Administrative Charge and charges for the delivered volumes, an amount equal to the difference between 10,000 CCF and the delivered volumes billed at Rate GS, including all applicable Riders.

MINIMUM USAGE

In the event that customer repeatedly and significantly fails to meet the seven (7) summer months minimum usage requirements of this tariff, Customer may, at the Company's option, be removed from this tariff and denied further service or may be switched to either Rate GS or FT-L.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

UNAUTHORIZED DELIVERIES

In the event customer fails to interrupt transportation deliveries at Company's request, any excess deliveries through customer's meter will be considered unauthorized deliveries that are subject to the flow-through of pipeline penalty charges to the extent they are incurred by the Company, and in addition thereto, shall be paid for as specified under the "Charges For Unauthorized Deliveries" provision of this rate. The charges for such unauthorized deliveries shall be billed directly to the customer in lieu of its "pool operator", if applicable. However, Company shall not be precluded from physically discontinuing service to the customer if the customer refuses to interrupt service when requested by the Company.

CHARGES FOR UNAUTHORIZED DELIVERIES

Any customer taking unauthorized deliveries shall be billed: (1) an amount reflective of the general service delivery rate, Rate GS, Sheet No. 31; plus (2) the higher of (a) the expected gas cost component of the gas cost recovery rate, or (b) the Company's highest cost gas plus one month's demand charges (T) on the highest daily unauthorized volume (this charge shall not be imposed more frequently than once in any calendar month)~~, or (c) the cost of operating the Company's propane peak shaving plant~~. In any (D) event, customer shall reimburse the Company for any interstate pipeline penalty charges resulting from such unauthorized deliveries as well as the cost incurred to valve-off the customer's service if so required to effectuate compliance with the interruptible provisions of this rate.

ALTERNATIVE FUELS

The Company may, without prior Commission approval, charge a rate lower than that specified in the "Net Monthly Bill" provision to meet competition from alternative fuels. The decision to charge a lower rate will be made on a case-by-case basis, supported by a statement in an affidavit from the customer that absent such lower rate, customer would utilize an alternative fuel source. The lower rate shall not be less than one-half the commodity rate specified in the "Net Monthly Bill" provision, plus all applicable riders and surcharges.

The Company may also charge customer who has requested flexible rate pricing a rate higher than that specified in the "Net Monthly Bill" provision if such rate remains competitive with the price of energy from customer's alternative fuel source. The higher rate shall not exceed 150 percent of the commodity rate specified in the "Net Monthly Bill" provision, plus applicable riders and surcharges.

Once a customer receives a flexible transportation rate, as described in the preceding paragraphs, the customer must continue to pay a flexible rate as determined by the Company for a period of three months. After three months, the customer may, upon written notification to the Company, apply for a flexible rate for another three months. Absent such notification, customer's rate will revert to the fixed rate established herein.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

ELECTION OF MONTHLY BALANCING OPTION

A "pool" can be a single Rate IT customer acting on its own behalf, or a group of Rate IT customers who join, or are joined, together for purposes of gas supply management under this tariff. A "pool operator" has a contractual responsibility to manage the aggregated gas supply requirements of all of the Rate IT customers that comprise its pool. All supply management responsibilities of individual customers are transferred to the pool operator once a customer becomes a part of a pool, as the aggregated balancing requirements of all pool members are treated under this tariff as though they were a single customer with its own supply management responsibilities.

Balancing charges and supply management charges, including "cash out" charges, penalties and other like charges billed under the provisions of Rate IMBS shall be billed directly to the pool operator, regardless of whether the pool operator is an individual customer acting as its own pool operator or an aggregated customer's pool operator. For purposes of calculating these charges, the usage of all customers within a pool will be combined into a single pool usage number that will be matched against the pool operator's total deliveries to its IT pool.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3% is due and payable. ~~(R)~~

TERMS AND CONDITIONS

In order to administer the provisions of this tariff and monitor customer's daily usage, the Company will install remote metering equipment on customer's meter site. As a pre-requisite for receiving service under this tariff, Customer will be responsible for installing and maintaining, at the Customer's expense, a dedicated 110v electrical service in a location suitable to provide electrical service for the Company's telemetering equipment, or such other equipment or utilities as may be necessary at customer's meter site. Customer shall also be responsible for the monthly charges for such other necessary equipment or utilities.

The Company will provide customer, and/or its designated pool operator by electronic or other available means of communication, its best available operating data on gas deliveries to individual customers and for the combined pool on a daily basis. Daily operational information shall include information on daily gas flows provided by Automated Meter Reading (AMR) equipment, telemetry, or any other means the Company has available to provide the customer, or its designated pool operator, with its best estimate of daily gas usage.

The customer shall enter into a written agreement with the Company. Such agreement shall set forth specific arrangements as to the transportation services provided and any other circumstances relating to the individual customer.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

TERMS AND CONDITIONS (Contd.)

The Company's "reasonable efforts" basis is defined as the right, at any time, to curtail or interrupt the delivery or transportation of gas under this tariff when, in the judgment of the Company, such curtailment or interruption is necessary to enable the Company to maintain deliveries to higher priority customers or to respond to any emergency.

Customer acting as its own pool operator, or customer's designated pool operator/supplier shall be responsible for making all necessary arrangements and securing all requisite regulatory or governmental approvals, certificates or permits to enable the gas to be delivered into the Company's system.

Customer's pool operator must agree, upon request by Company, to produce, in a timely manner, proof of the purchase of the natural gas to be transported, any necessary regulatory approvals, and any and all transportation arrangements with all interstate pipelines, intrastate pipelines, or others involved in transporting the pool's gas supplies.

The Company will not be liable for any costs and/or penalties charged by pipelines or suppliers, because of pool operator's over- or under-deliveries into the pipeline, or pool customers' failure to take deliveries through the Company's meters that, in the aggregate, match the amount of gas transported by the pool operator to Company's city gate.

In order to qualify for Rate IT service, customers who satisfy the definition of human needs and public welfare customers must purchase standby service or have alternative fuel capability, or have a combination thereof sufficient to maintain minimal operations.

A human needs and public welfare customer is a customer whose facilities are used for residential dwelling on either a permanent or temporary basis; commercial customers of a residential nature; other customers whose service locations are places of the kind where the element of human welfare is the predominant factor; and civil and governmental customers whose facilities are required in the performance of protecting and preserving the public health, safety, and welfare. Such facilities shall include, but are not limited to, houses, apartment buildings, correctional institutions, hospitals, nursing homes, and charitable institutions.

The primary term of contract shall be one (1) year. After completion of the primary term, such contract shall continue month to month unless cancelled by either party by giving thirty (30) days written notice. In the event customer re-applies for service under this tariff within one year from the date that this contract was terminated at customer's request, customer shall pay the minimum monthly bill charges specified in the Minimum Bill provision of this tariff for the number of months customer's service was inactive.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE FT - L

FIRM TRANSPORTATION SERVICE

AVAILABILITY

Service under this rate schedule is available to any customer who: (1) enters into a written agreement with the Company; and (2) has arranged for delivery of gas into the Company's system for the customer's use at one point of delivery where distribution mains are adjacent to the premise to be served. Service provided hereunder shall be by displacement. This is a firm full requirements large volume transportation service, which is provided from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. This service is available within the Company's entire service territory to serve the firm service requirements of non-residential customers who use more than 20,000 CCF per year, and the firm service requirements of customers receiving firm service in combination with service under Rate IT, except for those customers whose utility service accounts are past due at the time customer desires to utilize this service, or whose accounts fall into arrears, as defined in Rate FRAS, after choosing this service.

For customers whose accounts fall into arrears after choosing this service, the customer will be returned to the Company's sales service effective with the customer's next scheduled meter reading, and will be ineligible to choose this transportation service until all arrears are paid in full. For customers receiving service under this tariff, the written agreement between the Supplier and the customer may be terminated by supplier for non-payment of the customer's gas commodity portion of the bill if the account is at least 30 days past due. The Supplier shall give the Company and the customer no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company's sales service unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company's sales service but will remain with the Supplier. Customer must enter into a "pooling" agreement with a Supplier from a list of approved gas pool operators that have signed both a "Large Volume Customer Transportation Pooling Agreement" and a “Gas Supply Aggregation/Customer Pooling Agreement” with the Company. Such suppliers must arrange for the delivery of gas into Company's system in accordance with Rate FRAS.

Customers who believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company.

DEFINITIONS

Terms used in this tariff are defined in the same manner as set forth in Rate FRAS, Sheet No. 44.

CHANGES IN CUSTOMERS' SERVICE ELECTIONS

Customers who elect service under this tariff and later return to Company's sales service may do so only in accordance with the requirements of the Company's tariffs and applicable regulations of the Kentucky Public Service Commission. If a customer voluntarily elects to return to the Company's sales service, all incremental gas procurement, upstream transportation and storage costs incurred by Company in order to return customer to sales service may, as determined by the Company, have to be borne by customer.

KY.P.S.C. Gas No. 2
Sixth~~Fifth~~ Revised Sheet No. 51

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

Cancelling and Superseding
Fifth~~ourth~~ Revised Sheet No. 51
Page 2 of 4

NET MONTHLY BILL

The Net Monthly Bill shall be determined in accordance with the following rates and charges:

Administrative Charge per Month: $430.00

The Administration Charge hereunder will be waived when this service is used in combination with the service provided under Sheet No. 50, Rate IT, Interruptible Transportation Service.

Plus a charge for each CCF of gas transported for customer from Company's city gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer at: $0.21688~~21976~~ per CCF (R)

Plus the throughput charge under
Sheet No. 58, Rate IMBS, Interruptible Monthly Balancing Service.

Plus all transported gas shall be subject to an adjustment per CCF as set forth on:
Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism, and
Sheet No. 77, Rider GCAT, Gas Cost Adjustment Transition Rider, except as provided thereon.

Plus, or minus, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Kentucky Public Service Commission and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

Customer and/or its Suppliers shall be responsible for the payment and collection of excise taxes, sales taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

MINIMUM BILL

The monthly minimum bill shall be the Administrative Charge as shown above.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3% is due and payable. ~~(R)~~

Issued by authority of an Order of the Kentucky Public Service
Commission dated ~~October 12, 2023~~ in Case No. 20252~~-~~00125~~372~~.
Issued: January 2~~October 27~~, 20263
Effective: January 3~~October 13~~, 20263
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

GENERAL TERMS AND CONDITIONS

1. Remote Metering

In order to administer the provisions of this tariff and monitor customer's daily usage, the Company will install remote metering equipment on customer's meter site. As a pre-requisite for receiving service under this tariff, Customer will be responsible for installing and maintaining, at the customer's expense, a dedicated 110v electrical service in a location suitable to provide electrical service for the Company's telemetering equipment, or such other equipment or utilities as may be necessary at customer's meter site. Customer shall also be responsible for the monthly charges for such other necessary equipment or utilities.

The Company will provide customer, and/or its designated pool operator by electronic or other available means of communication, its best available operating data on gas deliveries to individual customers and for the combined pool on a daily basis. Daily operational information shall include information on daily gas flows provided by Automated Meter Reading (AMR) equipment, telemetry, or any other means the Company has available to provide the customer, or its designated pool operator, with its best estimate of daily gas usage.

2. Approved Supplier List

Company shall maintain a list of approved Suppliers from which customer can choose. Such list will include Suppliers who have signed a Gas Supply Aggregation/Customer Pooling Agreement in which Supplier has agreed to participate in and provide gas supplies to Rate FT-L pools, and abide by Company's requirements for its pooling program. This list shall be available to any customer upon request.

3. Applications and Service Date

A customer who desires service under this tariff shall apply through its chosen Supplier. Customer must also enter into a written agreement with the Company, as such agreement shall set forth specific arrangements as to the transportation services provided and any other circumstances relating to the individual customer. Unless the Company determines that the customer is not eligible to become a transportation customer of the Supplier, the Company shall exercise its reasonable efforts to transfer the customer to the Supplier's pool on the customer's next regularly scheduled meter reading date after a dedicated electrical service and automated meter reading equipment is installed and operative.

A customer, who terminates service under this tariff and returns to sales service, or who changes Suppliers, shall through its supplier provide Company with written or electronic notice. Requests so received shall normally be honored on customer's next regularly scheduled meter reading date. In the event that a customer is returned to sales service for non-payment, the Supplier shall provide the Company with notice of termination and shall comply with any notice requirements of the Suppliers' Code of Conduct set forth in Rate FRAS, Sheet No. 44.

GENERAL TERMS AND CONDITIONS (Contd.)

4. Access to Usage History and Current Billing Information

   The "Customer Pooling Agreement," used to initiate requests for service under this tariff, shall authorize customer's Supplier to receive customer's usage, billing, and payment history from the Company, to act on customer's behalf in making billing/usage inquiries, and in exchanging current billing information with Company, including notices of commencement or termination of service by either party.

5. Service Term

   Except customers returned for non-payment or for good cause shown, the primary term of contract shall be a minimum of one (1) year. Customers may not elect to move to or from the Company's sales service and transportation service, or between rate schedules during this twelve month primary term. In addition, such movements will require thirty days advance notice to the Company and the Company's specific authorization if such movements are to occur during the winter period, November through March. After completion of the primary term, such contract shall continue unless cancelled by either party upon thirty (30) days written notice

6. Regulatory Approvals

   Customer's Supplier shall be responsible for making all necessary arrangements and securing all requisite regulatory or governmental approvals, certificates or permits to enable gas to be delivered to the Company's system.

CURTAILMENT OF SERVICE

In times of system emergencies, the Company may curtail service under this rate schedule in order to maintain service to human needs customers and customers receiving service under Rates RS, GS and in accordance with curtailment procedures on file with, and approved by, the Kentucky Public Service Commission. In the event customer fails to comply with the Company's direction to curtail, the Company reserves the right to physically discontinue service to the customer. Company shall not be liable in damages or otherwise to customer for any loss of production, other claim, or any consequences occasioned by customer as a result of such curtailment or because of the lack of advance notice to customer of such curtailment.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE IMBS

INTERRUPTIBLE MONTHLY BALANCING SERVICE

AVAILABILITY

Interruptible monthly gas balancing service available (1) to customers receiving service under Rate FT-L, Rate IT and special contract interruptible transportation agreements who are acting as their own pool operator for supply management purposes, and (2) to pool operators designated by Rate FT-L, Rate IT and special contract interruptible transportation customers to manage their gas supplies on their behalf, and as a part of an aggregated customer pool. For purposes of this tariff, a pool operator shall aggregate the requirements of all of its pools' member customers and thereafter such aggregated pool shall be treated as a single customer for supply management purposes.

CHARACTER OF SERVICE

The service provided under this tariff is a "reasonable efforts," interruptible gas balancing service that requires a general obligation by the pool operator to balance daily pool usage with pool deliveries into the Company's city gate stations. No daily imbalance charges or penalties will be levied on the pool operators, except when Operational Flow Orders (OFO) have been issued. However, pool operators are under an ongoing obligation to work with the Company in a good faith manner to respond to both formal and informal system management requests, to strive to maintain relatively close daily balances, and to closely track their daily loads throughout the month. For purposes of this tariff, an OFO is as defined in Rate FRAS, Sheet No. 44. OFOs will be issued on an ongoing basis for pool operators who disregard their obligation to provide gas supplies in quantities that reasonably match their daily loads. OFOs shall be issued for operational reasons only. In the event a pool operator violates this tariff or the aggregation agreement, the Company may assess such a violator for all direct incremental gas supply, capacity, storage or penalty costs incurred due to the violation. In addition, if the violations are part of a pattern of non-compliance, or of a magnitude that merits additional action be taken, the Company may take steps to suspend or permanently remove a pool operator from participation upon notice. The Company shall have the right to limit or terminate the availability of this service to pool operators guilty of excessive abuse of the system; i.e., engaging in extreme and/or continued violations of the tariff terms and conditions including this general balancing requirement. For purposes of administering this tariff, the daily and monthly usage of all customers within an individual pool will be combined into single daily/monthly pool usage number, which will be matched against the pool operator's total daily/monthly deliveries to its individual transportation pool. No later than one hour prior to the NAESB deadline for the timely nomination cycle, pool operator shall submit a valid nomination through the Company's EBB of its total city gate quantities of gas scheduled for the following gas day. The Company will have no obligation to accommodate post-timely nominations, or changes thereto, that are made after the daily deadline. ~~(T)~~ ~~(T)~~ ~~(T)~~ ~~(T)~~ ~~(T)~~

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE DESCRIPTION

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

	Allowed Monthly Under-Run %	Allowed Seasonal Monthly Over-Run: May Through November %	Allowed Seasonal Monthly Over-Run: December Through April %	Charge on All Throughput	
All Pools	0	8	10	$0.3915~~1366~~ per Mcf	(I)

Pool operators shall be held to a monthly balancing requirement within the monthly imbalance carry over tolerance level. Pool operators shall be subject to a general obligation to balance pool requirements and deliveries on a daily basis unless an OFO has been issued.

On days when OFOs have been issued, any net imbalances may result in unauthorized overrun/underrun charges or penalty charges being levied against the responsible pool operator. Such charges shall be calculated in accordance with the “Net Monthly Bill” provision of this rate. In order to minimize daily imbalance charges and penalties on OFO days, as well as end of month imbalance “cash-outs,” pool operators are encouraged to participate in the Company’s inter-pool imbalance trading/transfer service. All daily and monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month. ~~(T)~~

NET MONTHLY BILL

Net monthly imbalances will be calculated for billing purposes as the net of:

a) actual deliveries, as adjusted for unaccounted for losses,
b) plus or minus imbalance trades,
c) plus or minus unauthorized daily or monthly OFO overrun/underrun volumes,
d) plus monthly imbalance carryover,
e) minus actual metered usage on an aggregated pool basis.

The Net Monthly Imbalance percentage will be determined by dividing the net monthly imbalance as measured at the burner tip by the aggregated pool usage for the month.

Pool operators receiving balancing services under this rate schedule shall be subject to the following charges:

NET MONTHLY BILL (Contd.)

(1) Unauthorized overrun/underrun charges as described above and resulting from pool operator's failure to comply with daily Operational Flow Orders except as provided above, as follows:

(a) Over-deliveries

(i) over-deliveries will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier;~~cashed out to the pool operator at the lowest cost of gas available to the Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate;~~ and (N) (N) (D) (D)

(ii) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries; and~~.~~ (T)

~~(ii)~~(iii) An OFO over-delivery charge of $15 per dth will be charged for unauthorized over-delivery resulting from the pool operator's failure to comply with the OFO. (N) (N) (N)

(b) Under-deliveries

(i) Supplier will be subject to a daily charge based on the per Dekatherm difference between the scheduled quantity and the actual deliveries multiplied by $15/DTH; plus ~~the payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate;~~ (T) (N) (D) (D)

~~(i)~~(ii) The higher of Platts' Gas Daily Daily Columbia Gulf, Mainline + TCO FTS fuel and transportation commodity variables or Platts' Gas Daily Daily Tennessee, 800 Leg + TCO FTS fuel and transportation commodity variables; multiplied by the per Dekatherm difference between the scheduled quantity and the actual deliveries; (T) (T) (T) (T) (T)

~~(ii)~~(iii) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and

~~(iii)~~(iv) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

NET MONTHLY BILL (Contd.)

(2) End of month "cash-out" charges for volumes over/under-delivered outside of pool operator's selected option tolerance levels, as follows:

(a) Over-deliveries are defined as monthly deliveries into the Company's city gate stations, plus the prior month's carryover volumes that exceed the pool's aggregated metered usage for the month as adjusted for shrinkage back to the city gate, and as adjusted for the pool's elected monthly carry over tolerance percentage. Over-deliveries beyond the pool's elected monthly carry over tolerance percentage shall be cashed out to the pool operator at the first of the month index published in *Inside F.E.R.C. Gas Market Report,* "Prices of Spot Gas Delivered to Pipelines," Columbia Gulf Transmission Co., Mainline Index, first publication of the month following the delivery month, plus Columbia Gulf and Columbia Gas Transmission pipelines' commodity transportation costs, plus fuel, to the Company's city gate. For actual billing purposes a burner tip rate equivalent to that described above will be applied to the volumes delivered in excess of the elected monthly carry over tolerance percentage, as measured at the burner tip.

(b) Under-deliveries are defined as monthly deliveries into the Company's city gate stations, plus the prior month's carryover volumes, that are less than the pool's aggregated metered usage for the month, as adjusted for shrinkage back to the city gate. Under deliveries shall be cashed out at the first of the month index published in *Inside F.E.R.C. Gas Market Report,* "Prices of Spot Gas Delivered to Pipelines," Columbia Gulf Transmission Co., Mainline Index, first publication of the month following the delivery month, plus Columbia Gulf and Columbia Gas Transmission pipelines' commodity transportation costs, plus fuel, to the Company's city gate. For actual billing purposes a burner tip rate equivalent to that described above will be applied to the under-delivered volumes, as measured at the burner tip.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

RIDER WNA
WEATHER NORMALIZATION ADJUSTMENT RIDER

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

$$WNA_i = R_i * \frac{(HSF_i * (\mathrm{NDD} - \mathrm{ADD}))}{(BL_i + (HSF_i * \mathrm{ADD}))}$$

Where:

i	=	A rate schedule or billing classification within a rate schedule
WNA_i	=	Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
R_i	=	Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
HSF_i	=	Heat sensitivity factor for ith rate schedule or classification.
NDD	=	Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
ADD	=	Actual billing cycle heating degree days.
BL_i	=	Base load for the ith rate schedule or classification.

Base Load for RS:	0.986070~~1.047887~~	(T~~N~~)
Heat Sensitivity Factor for RS:	0.014698~~0.015467~~	(T~~N~~)
Base Load for GS:	11.921161~~9.159645~~	(T~~N~~)
Heat Sensitivity Factor for GS:	0.100621~~0.096462~~	(T~~N~~)

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RIDER PMM

PIPELINE MODERNIZATION MECHANISM

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, Rate GS, General Service, Rate IT, Interruptible Transportation, and Rate FT-L, Firm Transportation.

RATE

Customers shall be assessed a surcharge or credit to enable the Company to recover costs associated with compliance with regulations and guidance, including but not limited to ~~-~~safety advisory bulletins, promulgated by the U.S. Department of Transportation Pipeline and Hazardous Materials Administration, as approved by the Kentucky Public Service Commission. The Rider includes a true-up provision based on a two-year lag. The monthly billing amount calculated for each rate schedule for which this rider is eligible shall increase or decrease as shown below. This Rider ~~shall initially be limited to the~~has been approved to recover costs for the Company's AM07 Project~~, which is subject to approval of a certificate of public convenience and necessity by the Kentucky Public Service Commission~~ and following the completion of the AM07 Project, estimated to occur in 2027, to recover costs for the replacement of Aldyl-A polyethylene pipe within the Company's distribution system~~-~~, which are subject to approval of certificates of public convenience and necessity by the Kentucky Public Service Commission. This Rider will not reflect costs for other pipeline projects unless approved by the Kentucky Public Service Commission. (T) (D) (T) (D) (T) (T) (T) (T)

PMM Surcharge or Credit per Ccf

Residential (Rate RS)	$0.12 / Ccf	~~(R)~~
General Service (Rate GS)	$0.03 / Ccf	~~(R)~~
Firm Transportation – Large (Rate FT-L)	$0.00102 / Ccf	~~(I)~~
Interruptible Transportation (Rate IT)	$0.00115 / Ccf	~~(I)~~

TERM

The Rider PMM rates shown on this page will be effective until the earlier of the effective date of new base rates or until future order by the Commission to modify or eliminate the rider.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Seventh~~ixth~~ Revised Sheet No. 81
Cancelling and Superseding
Sixth~~Fifth~~ Revised Sheet No. 81
Page 1 of 1

CHARGE FOR RECONNECTION OF SERVICE

APPLICABILITY

Applicable to all customers in the Company's entire service area who are in violation of Rule 3, Company's Right to Cancel Service Agreement or to Suspend Service, of the Company's Gas Service Regulations.

CHARGE

The Company may charge and collect in advance the following:

A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be one hundred ten~~ninety~~ dollars ($110~~90~~.00). (I)

B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be one hundred ten~~ninety~~ dollars ($110~~90~~.00). (I)

C. If service is discontinued because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of one hundred ten~~ninety~~ dollars ($110~~90~~.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service. (I)

~~(T)~~

~~D. For eligible customers who desire to disconnect on a seasonal basis the company will utilize a soft close process in which the meter will be read remotely and billing will be discontinued until the customer uses more than 40 ccf for residential customers, 100 ccf for non-residential customers or October 15th, whichever comes first. The soft-close process will be discontinued for a residential customer who uses more than 20 ccf prior to July 15th or a non-residential customer who uses more than 50 ccf prior to July 15th. Since the meter will not be physically disconnected or reconnected, there will be no reconnection fee for this service. Gas only customers are not eligible for the soft close process.~~ (D) (D) (D) (D) (D) ~~(N)~~ (D)

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Issued by authority of an Order by the Kentucky Public Service Commission dated in Case No. 2025-00125.
Issued: January 2, 2026~~May 31, 2022~~
Effective: January 3~~uly 1~~, 2026~~2~~
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc. 1262 Cox Road Erlanger, Kentucky 41018	KY.P.S.C. Gas No. 2 Fifth~~ourth~~ Revised Sheet No. 82 Cancelling and Superseding Fourth~~Third~~ Revised Sheet No. 82 Page 1 of 1

LOCAL GOVERNMENT FEE ~~(T)~~

APPLICABLE TO ALL RATE SCHEDULES

There shall be added to the customer's bill, listed as a separate item, an amount equal to the fee now or hereafter imposed by local legislative authorities, whether by ordinance, franchise or other means. Such amount shall be added exclusively to bills of customers receiving service within the territorial limits of the authority imposing the fee. ~~(D)~~

Where the local legislative authority imposes a flat, fixed amount on the Company, the fee applied to the bills of customers receiving service within the territorial boundaries of that authority, shall be in the form of a flat dollar amount.

Where more than one such fee is imposed, each of the charges applicable to each customer shall be added to the customer's bill and listed separately.

The amount of such fee added to the customer's bill shall be determined in accordance with the terms of the ordinance, franchise or other directive agreed to by~~e~~ the Company. (T)

Issued by authority of an Order of the Kentucky Public Service
Commission dated ~~December 28, 2021~~ in Case No. 2025~~1~~-00125~~190~~.
Issued: January 2, 2026~~anuary 14, 2022~~
Effective: January 3, 2026~~anuary 4, 2022~~
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

**CURTAILMENT PLAN FOR
MANAGEMENT OF
AVAILABLE GAS SUPPLIES**

AVAILABILITY

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

APPLICABILITY

In the event of an emergency which necessitates curtailment of gas service, Duke Energy Kentucky, Inc. shall curtail gas service to its customers in the manner set forth herein, except where the Public Service Commission of Kentucky (Commission) or other authority having jurisdiction in the matter orders otherwise.

DEFINITIONS

~~Special Gas Service Contract Customers:~~ (D)

~~A customer who purchases gas, off-peak and firm, under a Special Gas Service Contract. Such a customer shall not qualify as a Domestic or Non-Domestic Customer.~~ (D) (D)

Interruptible Transportation (IT) Customers: (T)

A customer who receives gas under a Gas Transportation Agreement, Duke Energy Kentucky Rate IT (KY P.S.C. Gas No. 2, Sheet No. 50). These customers are subject to interruption in accordance with the gas curtailment provisions of Duke Energy Rate IT. (T) (T) (T)

Priority Use Customers: (T)

Gas supply needed for human needs customers and for specific and definable plant protection purposes; including, but not limited to: residential sites; medical facilities; governmental offices; utility companies; production, processing, or transportation of perishable medicines or foods; and other similar uses as may be determined by the Commission. (T) (T) (T) (T)

Firm Customers: (T)

A firm customer shall mean any customer being served under Duke Energy Kentucky Rates: RS, GS, and FT-L. (T) (T)

~~Domestic Customers:~~ (D)

~~Customers which use gas in private homes, boarding houses, apartment houses, hotels, motels, restaurants, food processors, hospitals and places of like kind where the element of human welfare is the predominating requirement.~~ (D) (D) (D)

~~Non-Domestic Customers:~~ (D)

~~All other customers not defined as Domestic Customers or Special Gas Service Contract Customers.~~ (D)

~~Winter Period:~~ (D)

~~The consecutive customer billing months of November and December, of one year and the months of January,~~ (D)

~~February and March in the next year.~~ (D)

~~Summer Period:~~ (D)
~~The consecutive customer billing months of April, May, June, July, August, September and October.~~ (D)

~~Winter Base Volumetric Limitation:~~ (D)
~~A Non-Domestic Customer's total gas usage during the billing months of January, February, March, November and December of 1972.~~ (D)

~~Summer Base Volumetric Limitation:~~ (D)
~~A Non-Domestic Customer's total gas usage during the billing months of April, May, June, July, August, September and October of 1972.~~ (D)

~~**DEFINITIONS (Contd.)**~~ (D)

~~Adjusted Winter Volumetric Limitation:~~ (D)
~~A Non-Domestic Customer's winter base volumetric limitation for the gas usage during a winter period as adjusted from time to time by Duke Energy Kentucky, Inc. to reflect pro rata curtailment.~~ (D)

~~Adjusted Summer Volumetric Limitation:~~ (D)
~~A Non-Domestic Customer's summer base volumetric limitation for the gas usage during the summer period as adjusted from time to time by Duke Energy Kentucky, Inc. to reflect pro rata curtailment.~~ (D)

CURTAILMENT COMMUNICATIONS (T)

To the extent practicable, Duke Energy Kentucky shall appeal to all customers to voluntarily reduce their consumption prior to and during a curtailment. (T)

To the extent practicable, Duke Energy Kentucky shall communicate with customers and suppliers directly via its electronic bulletin board, email, fax and/or telephone. Where such communication is not practical, Duke Energy Kentucky shall, at its discretion, utilize media, governmental, and other outlets deemed appropriate. (T)

Duke Energy Kentucky Gas Control will advise the Commission, as required by the Commission or as Duke Energy Kentucky may otherwise deem appropriate, of the nature, time, and duration of implemented emergency conditions and procedures that affect normal service to customers. (T)

CURTAILMENT SEQUENCE (T)

In case of a declared emergency, the order of curtailment below refers to those customers whose curtailment will allow Duke Energy Kentucky to maintain operating pressures and its system integrity in areas that have been, or may be, affected by a supply or capacity disruption.

Duke Energy Kentucky will minimize, to the extent possible, the number of Priority Use Customers whose service will be disrupted.

ORDER OF CURTAILMENT

There is no distinction made between supply, pressure, or capacity shortage related scenarios for implementation of the Gas Supply Emergency Curtailment Plan, as all have similar impacts with regard to potential disruptions of service.

Methods to be utilized for curtailing gas usage shall be determined by Duke Energy Kentucky's Gas Operations personnel on an as-needed basis, in response to the particular needs of the situation. Methods may include, but are not limited to, the actions described below:

Stage 1 - Under a mandatory curtailment, the first stage will include the following actions:

- Interruption of Rate IT customers in accordance with the Duke Energy Kentucky Rate IT curtailment provisions;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Stage 2 - Under a mandatory curtailment where stage one is elevated, the following provisions will be added to the previous stage restrictions:

- Firm gas to customers using more than fifty thousand cubic feet per day shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Stage 3 - Under a mandatory curtailment where stage two is elevated, the following provisions will be added to the previous stage restrictions:

- Gas to firm customers shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

~~(1) The Special Gas Service Contract Customer will be curtailed to the extent of its off-peak usage limitation noted in the customer's contract whenever:~~ (D)

~~(a) Duke Energy Kentucky, Inc. cannot supply the Special Gas Service Contract customer its full requirements in excess of such customer's Contract Demand without incurring penalties under tariffs of Duke Energy Kentucky, Inc.'s supplier, or without having to purchase additional volumes of gas at premium rates, or without Duke Energy Kentucky, Inc. operating its peak load manufacturing facilities.~~

~~(b) Duke Energy Kentucky, Inc.'s supplier curtails delivery and as a result Duke Energy Kentucky, Inc. determines that it cannot supply the total requirements of its customers.~~

~~The off-peak gas of the Special Gas Service Contract Customer shall be fully curtailed before curtailment is imposed upon other customers; however, since all the contracted for firm gas is considered necessary for plant protection, it will not be curtailed prior to other customer curtailment.~~

~~(2) Where additional curtailment is necessary after full curtailment of the off-peak of the Special Gas Service Contract Customers, Duke Energy Kentucky, Inc. shall, after giving reasonable notice, curtail those Non-Domestic Customers which use 50,000 cubic feet or more of gas per day on a pro rata basis by adjusting their Winter and/or Summer Base Volumetric Limitations downward to the extent necessary to limit the total usage to the gas supply available to Duke Energy Kentucky, Inc.. The resulting volumes will be the Non-Domestic Customer's adjusted Winter and/or Summer Volumetric Limitation. For plant protection the adjusted Winter and Summer Volumetric Limitations shall not be less than 20% of the respective Winter and Summer Base Volumetric Limitation. A Non-Domestic Customer consuming over 50,000 cubic feet or more of gas per day and having more than one metering location may, upon mutual agreement with Duke Energy Kentucky, Inc., combine his adjusted Volumetric Limitation at one or more locations only for curtailment purposes. Such customer must notify Duke Energy Kentucky, Inc. in writing and receive Duke Energy Kentucky, Inc.'s written consent of the accounts to be effected and the volumes to be combined.~~

~~ORDER OF CURTAILMENT (Cont'd.)~~

~~(3) Where additional curtailment of gas service is necessary, after curtailment in curtailment with paragraph (2) above, then gas service to Non-Domestic Customers using under 50,000 cubic feet of gas per day shall be curtailed on a pro rata basis in the same manner provided in the above paragraph (2).~~

~~(4) Where additional curtailment is necessary the Domestic Customer will then be curtailed on a pro rata basis.~~

~~CARRY-OVER AND ADJUSTMENT OF BASE VOLUMETRIC LIMITATION~~

~~No carry-over of volumes will be permitted from the Winter to Summer Period or from the Summer to Winter Period. In the establishment of the Winter and Summer Base Volumetric Limitations a customer may request~~

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

~~an investigation as to the proper maximum volumes so determined. If such investigation discloses that the volumetric limitations do not reasonably reflect the normal usage of his equipment that was connected in 1972 or authorized by Duke Energy Kentucky, Inc. to be installed at a later date, such limitation will be adjusted accordingly. Such request must be made within 60 days of the approval of this curtailment plan and absent such a request the Base Volumetric Limitations will not be subject to any increase.~~ (D)

OPERATIONS TO RESTORE SERVICE (T)

Upon termination of a gas emergency or event, if service to customers has been curtailed, the service restoration process will be based upon the configuration of the distribution system at the time and system supply distribution assets, with consideration for Priority Use Customers, as practicable.

SERVICE RESTRICTIONS DURING CURTAILMENT

During an emergency curtailment period, unless otherwise ordered by the Commission or other authority having jurisdiction in the matter, Duke Energy Kentucky reserves the right to restrict or permit service as set forth in KRS 278.506(5).

CONSEQUENCES OF NONCOMPLIANCE

During periods of curtailment, if deliveries of gas to a Non-Priority Use Customer exceed its authorized daily volumetric limitation, Duke Energy Kentucky will give such customer notice to cease such unauthorized usage. In the event such customer does not cease, Duke Energy Kentucky may, at its sole discretion, disconnect gas service to the customer. The customer shall be liable for all gas costs, transportation costs, penalties, and fines incurred by Duke Energy Kentucky as a result of the unauthorized usage.

~~**PENALTIES**~~ (D)

~~Special Gas Service Contract Customers will be subject to penalties as set forth in their contract. As to the Non-Domestic Customers, after the end of the Winter Period and Summer Period the actual gas usage of each Non-Domestic Customer for the period during which curtailment was required shall be compared respectively to the Adjusted Winter and Summer Volumetric Limitations, and in addition to the Non-Domestic Customer's regular monthly bill, a penalty shall be charged if such usage exceeds the respective Adjusted Winter or Summer Volumetric Limitation. The penalty amount will be based on the same penalty rate applicable to Duke Energy Kentucky, Inc. from its sold supplier of natural gas, the Columbia Gas Transmission Corporation. As of June 1, 1975 the penalty as stated in the Columbia Gas Transmission Corporation's FPC filed tariff is ten dollars ($10.00) for each 1,000 cubic feet overrun.~~

~~**ACTION FOR EXCESSIVE USAGE**~~

~~During periods of curtailment, where it appears to Duke Energy Kentucky, Inc. through its procedure of monitoring monthly usage of Non-Domestic Customers being curtailed, that a Non-Domestic Customer's usage will significantly exceed his adjusted Winter or Summer Volumetric Limitation, Duke Energy Kentucky, Inc. will give such customer notice to cease such excessive usage and, in the event such customer does not cease, Duke Energy Kentucky, Inc. may disconnect gas service to such customer.~~

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

~~**PENALTY REFUND**~~ (D)

~~Penalties collected from Duke Energy Kentucky, Inc.'s customers will be added to the refunds received from Duke Energy Kentucky, Inc.'s supplier and held for redistribution and shall be refunded to all customers in accordance with Duke Energy Kentucky, Inc.'s gas cost adjustment provision. If Duke Energy Kentucky, Inc. incurred penalties from its supplier as a result of volumetric overruns, the amount of such penalties shall be subtracted from the total penalties collected by Duke Energy Kentucky, Inc. from its customers to determine the amount of penalties to be refunded.~~

~~**BILLING OF PENALTIES**~~

~~Penalties, as provided above, shall be reflected in the customers service bill for the Winter Period on the May bill and for the Summer Period on the December bill. Two and three tenths percent (2.3%) will be added to the penalty amount if not paid on or before fourteen (14) calendar days after mailing date of the bill.~~ ~~(R)~~ (D)

~~**EMERGENCIES**~~

~~In the event of a short-term emergency situation where immediate deliveries of additional gas are needed to prevent irreparable injury to life or property of an existing customer, Duke Energy Kentucky, Inc. shall, at its option, have the right to deliver additional volumes of gas to meet such emergency needs in excess of any limited volumes specified herein, without imposition of penalties where the emergency volumes are repaid by reduction of future gas purchases by the customer within ninety (90) days after termination of the emergency period.~~

~~**EXEMPTION**~~

~~No exemptions from this Plan, other than emergency deliveries, as defined above, shall be granted except by Order of the Commission, directly through its duly designated Staff, or other authority having jurisdiction in this matter.~~

~~**AMENDMENT, MODIFICATION OR CLARIFICATION**~~

~~Due to governmental order or rapid changes in gas supply it may be necessary to amend, modify or clarify this Curtailment Plan. This Plan may be so amended, modified or clarified by filing a Motion with the Commission.~~

~~**AVAILABILITY OF THE PLAN**~~

~~Copies of this Plan, together with the address and telephone number of the Commission shall be kept at each business office of Duke Energy Kentucky, Inc. and shall be made available to any customer upon request.~~

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE MPS
METER PULSE SERVICE

APPLICABILITY
Applicable to customers that request the Company to install gas meter pulse equipment, which is a meter related service not otherwise provided by the Company.

DESCRIPTION OF SERVICE AND SPECIFICATIONS
The service provided is an electronic pulse output, representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer.

The pulse supplied does not represent rate of flow, only total volume and should not be used for control purposes. The end-use customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications.

Customer must provide either a regulated 24 volts DC, or 120 volts AC, an area 2' x 2', 20' away from any gas pipeline flanges or gas pressure relief devices. The Company will supply a dry contact to their energy Management software.

A failure of the pulse initiator will not be detected by Company on any routine meter reading or during other operations. Therefore, customer will be required to recognize and report any problems with the pulse system, and Company shall not be responsible for incorrect data, or subsequent customer actions based upon the data.

TYPE OF CHARGES

Installation of Meter Pulse Equipment:	$1,025~~970~~.00	(I)
If replacement of Meter Index is necessary, additional charge of:	$760~~680~~.00	(I)

If replacement of the Gas Meter is necessary, charges will be determined based on then current prices for purchase and installation of applicable replacement meter.

If the Company is required to make additional visits to the meter site due to the inability to gain access to the meter location or the necessary Communication Link has not been installed, or the Communication Link is not working properly, the Company may charge the customer for any additional trip to the meter site during normal business hours at the per visit rate of: $60.00 (T)
After hour visits to the meter site are not available for this service. (T)

In addition, the Company shall charge for the cost of any incremental equipment necessary to complete the pulser installation.

KY.P.S.C. Gas No. 2
Fourth~~Third~~ Revised Sheet No. 84
Cancelling and Superseding
Third~~Second~~ Revised Sheet No. 84
Page 2 of 2

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying and billing for service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission.

Issued by authority of an Order of the Kentucky Public Service
Commission dated ~~December 28, 2021~~ in Case No. 2025~~1~~-00125~~190~~.
Issued: January 2~~anuary 14~~, 2026~~2~~
Effective: January 3~~anuary 4~~, 2026~~2~~
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Clean Tariff Sheets

KY. P.S.C. Gas No. 2

DUKE ENERGY KENTUCKY, INC.

1262 Cox Road

Erlanger, Kentucky 41018

Rates, Rules and Regulations for Furnishing

GAS SERVICE

in

Incorporated Cities and Unincorporated Territory
in Boone, Bracken, Campbell, Gallatin, Grant, Kenton,
and Pendleton Counties

Filed with the

KENTUCKY PUBLIC SERVICE COMMISSION

Issued: January 2, 2026
Effective: January 3, 2026
Issued by DUKE ENERGY KENTUCKY, INC.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

TRANSPORTATION TARIFF SCHEDULE

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

Issued by authority of an Order of the Kentucky Public Service
Commission dated in Case No. 2025-00125.
Issued: January 2, 2026
Effective: January 3, 2026
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE RS
RESIDENTIAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for all domestic purposes in private residences, single occupancy apartments, and common use areas of multi-occupancy buildings, when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF).

1. Base Rate:
   Customer Charge per month: $20.00 (I)

	Delivery Rate		Gas Cost Adjustment		Total Rate	
Plus a commodity Charge for all CCF at	$0.70424	plus	$0.6774	Equals	$1.38164	(I)

2. Applicable Riders
   The following riders are applicable pursuant to the specific terms contained within each rider:
   Sheet No. 62, Rider DSMR, Demand Side Management Rate
   Sheet No. 65, Rider WNA, Weather Normalization Adjustment Rider
   Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism
   Sheet No. 70, Rider GCA, Gas Cost Adjustment Clause

The “Customer Charge” shown above shall be the minimum amount billed each month.
When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3%, is due and payable. Customers who receive a pledge for or notice of low income assistance from an authorized agency, or another public or charitable source, will not be assessed or required to pay a late payment charge for the current bill for which the pledge or notice is received. An authorized agency is an organization in Kentucky that administers federal Low-Income Home Energy Assistance Programs and/or the Home Energy Assistance Programs offered by Duke Energy Kentucky.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

KY.P.S.C. Gas No. 2
Two-Hundred-Twenty-Seventh
Revised Sheet No. 31
Cancelling and Superseding
Two-Hundred-Twenty-Sixth
Revised Sheet No. 31
Page 1 of 2

Duke Energy Kentucky, Inc.
1262 Cox Rd.
Erlanger, Kentucky 41018

RATE GS
GENERAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for any purpose by an individual non-residential customer at one location when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. This schedule is also applicable to non-metered natural gas commodity supplies and local delivery service for street lighting to such entities as certificated homeowners associations, businesses, and federal, state, and local governments. The Company may decline requests for service under this tariff due to gas supply limitations.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF)

1. Base Rate:
   Customer Charge per month: $65.00 (I)

	Delivery Rate		Gas Cost Adjustment		Total Rate	
Plus a Commodity Charge for all CCF at	$0.55681	Plus	$0.6774	Equals	$1.23421	(I)

2. Applicable Riders
   The following riders are applicable pursuant to the specific terms contained within each rider:
   Sheet No. 62, Rider DSMR, Demand Side Management Rate
   Sheet No. 65, Rider WNA, Weather Normalization Adjustment Rider
   Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism
   Sheet No. 70, Rider GCA, Gas Cost Adjustment Clause

The “Customer Charge” shown above shall be the minimum amount billed each month.
When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3%, is due and payable.

TERM OF SERVICE

One year, terminable thereafter on ten (10) days written notice by either customer or Company.

Duke Energy Kentucky, Inc.
1262 Cox Rd.
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

RATE FRAS

FULL REQUIREMENTS AGGREGATION SERVICE

AVAILABILITY

This service is available to Suppliers delivering gas on a firm basis to the Company's city gate receipt points on behalf of customers receiving firm transportation service from the Company under Rate Schedule FT-L.

DEFINITIONS

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on a combined basis, those natural gas supplies that are needed to satisfy the full firm requirements of the one or more firm transportation customers that comprise the membership of the Supplier's pool, as defined below, all in accordance with the rules established by the Company regarding delivery requirements, banking, billing and payments, and Supplier performance requirements.

"Arrears" means an account that is at least 30 days past due and amounts to at least $50.

"Commission" means the Kentucky Public Service Commission.

"Customer" means a recipient of transportation service provided by the Company under Rate FT-L that secures its gas supply from a Supplier.

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of those parties relative to the Aggregation Service provided under Rate FRAS.

"Operational Flow Order" (OFO) is a directive issued by the Company via its electronic bulletin board ("EBB") requiring Suppliers to adjust their daily deliveries into the Company's system to either (1) match, (2) match or be less than, or (3) match or be more than their pool's actual daily measured usage for those customers receiving service under Rate FT-L, Rate IT and interruptible special contracts, or deliver at specified city gate receipt points as requested by the Company.

"Over-Deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period is less than the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

DEFINITIONS (Contd.)

"Pool" is a single customer or group of customers that have been joined together for supply management purposes, and that has a combined annual throughput of at least 30,000 Mcf. Supplier will have a one year period to build their annual pool throughput volume to the indicated level, after which they may be subject to removal from the Program for not having achieved a minimum participation level.

"Program" means the Company's firm transportation/supply aggregation program under Rate FT-L and Rate FRAS.

"Supplier" is a marketer, supplier, broker, pool operator, producer, or other qualified business entity that has joined a group of the Company's firm transportation customers together for gas supply management purposes, meets the qualifications for a "Supplier" set forth in Rate FRAS, agrees to accept responsibility for the aggregate supply management requirements of the pool, and has executed a "Gas Supply Aggregation/Customer Pooling Agreement" with the Company.

"Suppliers Daily Pool Delivery Obligation" is defined as the daily city gate delivery quantities determined by the actual measured usage of customers in Supplier's FT-L Pool adjusted for "unaccounted for" losses back to the Company's city gate stations, and then converted from volumetric to thermal quantities.

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

AGGREGATION AGREEMENT

Before commencing service hereunder, Supplier must have met the qualifications to act as a program supplier and must have executed a "Gas Supply Aggregation/Customer Pooling Agreement" with the Company. Such agreement shall be for a minimum of two years and shall set forth the mutual obligations and responsibilities of both the Company and the Supplier relative to this aggregation customer pooling service.

The mutual benefits and obligations under the "Gas Supply Aggregation/Customer Pooling Agreement" and under this tariff begin when the Supplier commences to supply pool customers with gas supply service. Supplier's obligations under this tariff and referenced Agreement shall inure to, and be binding on its successors and assigns, survivors and executors or administrators, as the case may be, of the original parties thereto, for the full term thereof. However, no agreement for service may be assigned or transferred without the written consent or approval of the Company, which shall not be unreasonably withheld.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

REQUIREMENTS FOR PARTICIPATION

Each Supplier who applies to participate in the Company's Customer Aggregation/Firm Transportation Program will be evaluated to ensure that it possesses the financial resources and sufficient experience that will enable it to perform its responsibilities as a Supplier in the program. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

Suppliers not meeting the necessary credit level will be required to provide additional security in the form of a letter of credit, a cash deposit, and/or other appropriate guaranty in order to participateIn order for the Company to perform its evaluation, Suppliers will be required to provide the following information:

1. Audited financial statements prepared within the last 12 months;
2. Most recent annual report, 10K or 10Q;
3. A listing of parent company and other affiliates;
4. Names, addresses, and telephone numbers of 3 trade references; and
5. Names, addresses, and telephone numbers of banking institution contacts.

In the event any of the above information is unavailable from a Supplier, the Company may permit the Supplier to provide other verifiable sources of financial information for that Supplier.

Financial evaluations will be based on standard credit factors such as previous customer history, financial and credit ratings, trade references, bank information, unused line of credit, and related financial information. The Company will determine Supplier's creditworthiness based on the above criteria, and it will not deny a Supplier's participation in the Program without reasonable cause. A fee of $50.00 will be assessed to Supplier for each financial evaluation.

The Company may acquire information regarding Supplier's performance in other programs and other states in order to evaluate supplier's reputation and fitness for inclusion in the Company's Program.

The Company reserves the right to re-evaluate Suppliers' financial standing from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company, if the Company reasonablybelieves that the creditworthiness of a Supplier may have changed or that the Supplier's participation level has exceeded the level for which the Supplier was previously approved. Based on such re-evaluation, a Supplier's amount of required financial security or approved participation level may be increased or decreased, or the Supplier may be removed from further participation in the Program.

SUPPLIER CODE OF CONDUCT

Each Supplier participating in the Company's transportation programs must:

1. communicate to participating customers in clear, understandable terms the customer's rights and responsibilities. This communication must include (a) the Supplier’s customer service address and local or toll-free telephone number; and (b) a statement describing the Supplier’s dispute resolution procedures;

2. provide in writing pricing and payment terms that are clearly defined and understandable and that inform consumers whether the price that the customer will pay is inclusive or exclusive of applicable taxes, and Company approved tariff riders and surcharges;

3. refrain from engaging in communications or promotional practices which are fraudulent, deceptive, or misleading;

4. deliver gas to the Company on a firm basis on behalf of the Supplier’s pool members in accordance with the requirements of the “Gas Supply Aggregation/Customer Pooling Agreement”;

5. establish and maintain a creditworthy financial position that enables Supplier to indemnify the Company and the customers for costs incurred as a result of any failure by Supplier to deliver gas in accordance with the requirements of the program and to assure payment of any KyPSC-approved charges for any such failure;

6. refrain from requesting customer-specific billing, payment, and usage history without first having received the customer’s approval to access such information.

Failure to fulfill any of these obligations shall be considered a violation of the Supplier's Code of Conduct.

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM OR COMPLY

If Supplier fails to deliver gas in accordance with the full service requirements of its Pool customers, the Company shall supply gas temporarily to the affected Pool customers and shall bill Supplier the higher of either (1) the fair market price for that period; or (2) the highest incremental cost of gas for that period that the Company actually paid for gas supplies, including transportation and all other applicable charges. The Company shall have the right to immediately and unilaterally invoke Supplier's letter of credit, parental guarantee or any other collateral posted by the Supplier in order to enforce recovery from supplier of the cost of these replacement supplies.

If Supplier fails to deliver gas in accordance with the requirements of the Company's "Gas Supply Aggregation/Customer Pooling Agreement," or otherwise fails to comply with the provisions of this tariff, including those specified in the "Supplier Code of Conduct" section, the Company shall have the discretion to temporarily suspend or terminate such Supplier from further participation in the Program. If Supplier is suspended or terminated from the Company's Program, customers in the Supplier's Pool shall revert to the Company's sales service until said customers join another Supplier's Pool.

If the Company seeks to suspend or terminate a Supplier from further participation in the Company's Program, it shall first notify the Supplier of the alleged violations which merit suspension or termination. Such notice must be in writing and must be communicated to the Supplier at the contact information listed in the "Gas Supply Aggregation/Customer Pooling Agreement" at least five (5) business days prior to the effective date of the suspension or termination.

BILLING

Customers receiving service under Rate FT-L will receive two bills as follows:

(a) The Company bills and collects its portion of the bill. This billing includes charges for local delivery service and all applicable surcharges. In the event that a customer remits to the Company less than the amount included on the Company's bill, the customer shall be subject to the same late charges and disconnection procedures which would be applicable if the customer were receiving service as a Company sales customer.

(b) Supplier will be responsible for billing and collecting its portion of the bill including any arrearages that are due from Supplier's own prior billings. To facilitate Supplier's billing, the Company will provide the Supplier with a listing of the monthly meter readings and usages of all those customers within Supplier's pool that have been billed by the Company. This billing data will correspond to the consumption data on which the Company based its bill for local delivery service. Supplier is responsible for providing gas supplies to all customers within its pool until the customers are returned to system supply or move to another pool in accordance with the procedures that have been developed for adding and deleting customers from a Supplier's pool.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

The Company may make available to Suppliers, upstream interstate pipeline capacity. Suppliers accepting this capacity are subject to the terms and conditions of the tariffs of the pipeline companies on whose facilities such capacity is accepted. A Supplier who wishes to contract for released capacity must make a request for a period in excess of thirty days and agree to pay the full contract demand rate which the Company would otherwise pay for the released capacity, in order for supplier to be assured the assignment of such capacity. The Company shall not be obligated to provide requested capacity if it has no surplus capacity beyond the amount needed to supply its Gas Cost Adjustment customers.

SCHEDULING AND BALANCING REQUIREMENTS

Suppliers must deliver to the Company daily quantifies of gas in accordance with the provisions of Rate IMBS.

No later than one hour prior to the North American Energy Standards Board (NAESB) deadline for the timely nomination cycle, Supplier shall submit a valid nomination through the Company's EBB of its total city gate quantities of gas scheduled for the following gas day. The Company will have no obligation to accommodate post-timely nominations, or changes thereto, that are made after the daily deadline.

Pool operators shall have access to Company offered services including balancing services and imbalance trading privileges in proportion to those services that would be available to the individual customers who comprise their customer pool. Pool operators shall also have access to the daily and monthly usage data for the individual customers that comprise their pool.

Suppliers are subject to OFOs issued by the Company as described below. The Company may suspend from this program any Supplier which does not comply with an Operational Flow Order.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

MEASUREMENT OF CONSUMED VOLUMES

Monthly volumes billed to participating customers shall be considered actual volumes consumed, whether the meter reading is actual or calculated.

OPERATIONAL FLOW ORDERS

Suppliers are subject to the Company's issuance of Operational Flow Orders which will direct each Supplier to adjust scheduled daily delivery volumes to match the Customer Pool's metered FT-L usage.

Failure to comply with an OFO, which is defined as the difference between the daily OFO required delivery volume and actual daily deliveries, will result in the indicated action and/or billing of the following charges:

Under-deliveries

(1) Supplier will be subject to a daily charge based on the per Dekatherm difference between the scheduled quantity and the actual deliveries multiplied by $15/DTH; plus (T) (N) (D)

(2) the higher of Platts' Gas Daily Daily Columbia Gulf, Mainline + TCO FTS fuel and transportation commodity variables or Platts' Gas Daily Daily Tennessee, 800 Leg + TCO FTS fuel and transportation commodity variables; multiplied by the per Dekatherm difference between the scheduled quantity and the actual deliveries; (T) (T) (T) (T)

(3) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and

(4) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

(1) Over-deliveries will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier; and (N) (N) (D)

(2) An OFO over-delivery charge of $15 per DTH will be charged for unauthorized over-delivery resulting from the pool operator's failure to comply with the OFO; and (N) (N)

(3) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

In conducting its Program, the Company will adhere to the following Standards of Conduct for Marketing Affiliates:

(1) Company must apply any tariff provision relating to transportation services in the same manner for the same or similarly situated persons if there is discretion that may be applied in the application of the provision.

(2) Company must strictly enforce a tariff provision for which there is no discretion allowed in the application of the provision.

(3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate or customers of any Supplier including its affiliate, preference over any other gas Suppliers or their customers in matters, rates, information, or charges relating to transportation service including, but not limited to, scheduling, balancing, metering, storage, standby service, or curtailment policy. For purposes of the Company's Program, any ancillary service provided by Company, e.g., billing and envelope service, that is not tariffed will be priced and made equally available to all.

(4) Company must process all similar requests for transportation in the same manner and within the same approximate period of time.

(5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement, which Company receives from (i) a customer or Supplier, (ii) a potential customer or Supplier, (iii) any agent of such customer or potential customer, or (iv) a Supplier or other entity seeking to supply gas to a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES (Contd.)

(6) If a customer requests information about Suppliers, the Company must provide a list of all Suppliers operating on its system, but shall not endorse any Supplier nor indicate that any Supplier will receive a preference because of a corporate relationship.

(7) Before making customer lists available to any Supplier, including any Company marketing affiliate, Company will post on its electronic bulletin board a notice of its intent to make such customer list available. The notice will describe the date the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.

(8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in all areas where their failure to maintain independent operations may have the effect of harming customers or unfairly disadvantaging unaffiliated Suppliers.

(9) Company must not condition or tie its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas supplier, customer or other third party in which its marketing affiliate is involved.

(10) Company and its marketing affiliate must keep separate books of accounts and records.

(11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the idea that any advantage might accrue for such customer, Supplier or third party in the use of Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.

(12) The Company's complaint procedure for resolving issues concerning compliance with these standards of conduct will operate as follows. All complaints, whether written or verbal, will be referred to the Company's designated attorney. The Company's designated attorney will orally acknowledge the complaint within five (5) working days of receipt. The complainant party shall prepare a written statement of the complaint which will contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, companies involved, employees involved, and specific claim. The Company's designated attorney must communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received including a description of any course of action which was taken. He or she must keep a file with all such complaint statements for a period of not less than three years.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES (Contd.)

(13) If the Company offers any Supplier, including its affiliate or a customer of any Supplier, including its affiliate a discount, or fee waiver for transportation services, balancing, meters or meter installation, storage, standby service or any other service offered to shippers, it must prospectively offer such discounts, rebates or fee waivers to all similarly situated non-affiliated suppliers or customers under similar terms and conditions.

(14) The Company will not use its name and logo in its marketing affiliate's promotional material, unless the promotional material discloses in plain, legible or audible language, on the first page or at the first point where the Company's name and logo appear, that its marketing affiliate is not the same entity as the Company. The Company is also prohibited from participating in exclusive joint activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

OTHER RULES AND REGULATIONS

Except to the extent superseded herein, the Company’s Rules and Regulations Governing the Distribution and Sale of Gas and such other Commission rules as are applicable shall apply to all gas transportation service provided hereunder.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE IT

INTERRUPTIBLE TRANSPORTATION SERVICE

APPLICABILITY

Applicable to curtailable natural gas local delivery service and available to any customer who: (1) signs a contract with the Company for service under Rate IT; (2) utilizes a minimum of 10,000 CCF per month during the seven consecutive billing periods commencing with customer's first meter reading taken on or after April 1; (3) has arranged for the delivery of gas into the Company's system for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served, and (4) has become a member of a pool under Rate AS and elected Interruptible Monthly Balancing Service under Rate IMBS. Any service provided hereunder shall be provided by displacement and on a "reasonable efforts" basis. The Company reserves the right to decline requests to initiate or continue such service whenever, in the Company's judgment, rendering the service would be detrimental to the operation of the Company's system or its ability to supply gas to customers receiving service under the provisions of Rate RS, Rate GS, and Rate FT-L.

This rate schedule shall not preclude the Company from entering into alternative special arrangements with Commission approval, which are designed to meet unique circumstances.

The service provided hereunder shall be interruptible local gas delivery service provided on a "reasonable efforts" basis from the Company's city gate receipt points to the outlet side of the meter used to serve Customer. The Company, to insure its ability to reliably supply gas to customers receiving service under the provisions of Rate RS, Rate GS, and Rate FT-L, shall have the right for operational purposes to designate the city gate receipt points where the customer’s pool operator is required to deliver its gas.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas consumed is billed in units of 100 cubic feet (CCF)

Administrative Charge per month: $430.00

Commodity Charge per CCF:
Company will deliver the arranged-for gas, less shrinkage which is equal to the Company's system average unaccounted for percentage, at a rate per CCF of $0.11498 per CCF (I)
except as specified in the "Alternate Fuels" provision;

Plus balancing related charges pursuant to Rates IMBS if customer has elected to operate as its own pool operator for supply management purposes.

Plus the throughput charge under Rate IMBS, Interruptible Monthly Balancing Service.

Plus, if applicable, charges for unauthorized deliveries as described later in this tariff.

Plus charges under Rider PMM, Pipeline Modernization Mechanism.

MINIMUM BILL

The minimum monthly bill that customer shall receive shall be the monthly Administrative Charge shown above, and, in addition thereto during the seven (7) consecutive billing periods beginning in April, the 10,000 CCF volume minimum. If customer fails to take delivery of 10,000 CCF per month during the months of April through October, customer will be billed, in addition to the Administrative Charge and charges for the delivered volumes, an amount equal to the difference between 10,000 CCF and the delivered volumes billed at Rate GS, including all applicable Riders.

MINIMUM USAGE

In the event that customer repeatedly and significantly fails to meet the seven (7) summer months minimum usage requirements of this tariff, Customer may, at the Company's option, be removed from this tariff and denied further service or may be switched to either Rate GS or FT-L.

Issued by authority of an Order of the Kentucky Public Service Commission dated in Case No. 2025-00125.
Issued: January 2, 2026
Effective: January 3, 2026
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

UNAUTHORIZED DELIVERIES

In the event customer fails to interrupt transportation deliveries at Company's request, any excess deliveries through customer's meter will be considered unauthorized deliveries that are subject to the flow-through of pipeline penalty charges to the extent they are incurred by the Company, and in addition thereto, shall be paid for as specified under the "Charges For Unauthorized Deliveries" provision of this rate. The charges for such unauthorized deliveries shall be billed directly to the customer in lieu of its "pool operator", if applicable. However, Company shall not be precluded from physically discontinuing service to the customer if the customer refuses to interrupt service when requested by the Company.

CHARGES FOR UNAUTHORIZED DELIVERIES

Any customer taking unauthorized deliveries shall be billed: (1) an amount reflective of the general service delivery rate, Rate GS, Sheet No. 31; plus (2) the higher of (a) the expected gas cost component of the gas cost recovery rate, or (b) the Company's highest cost gas plus one month's demand charges (T)
on the highest daily unauthorized volume (this charge shall not be imposed more frequently than once in any calendar month). In any event, customer shall reimburse the Company for any interstate pipeline (D)
penalty charges resulting from such unauthorized deliveries as well as the cost incurred to valve-off the customer's service if so required to effectuate compliance with the interruptible provisions of this rate.

ALTERNATIVE FUELS

The Company may, without prior Commission approval, charge a rate lower than that specified in the "Net Monthly Bill" provision to meet competition from alternative fuels. The decision to charge a lower rate will be made on a case-by-case basis, supported by a statement in an affidavit from the customer that absent such lower rate, customer would utilize an alternative fuel source. The lower rate shall not be less than one-half the commodity rate specified in the "Net Monthly Bill" provision, plus all applicable riders and surcharges.

The Company may also charge customer who has requested flexible rate pricing a rate higher than that specified in the "Net Monthly Bill" provision if such rate remains competitive with the price of energy from customer's alternative fuel source. The higher rate shall not exceed 150 percent of the commodity rate specified in the "Net Monthly Bill" provision, plus applicable riders and surcharges.

Once a customer receives a flexible transportation rate, as described in the preceding paragraphs, the customer must continue to pay a flexible rate as determined by the Company for a period of three months. After three months, the customer may, upon written notification to the Company, apply for a flexible rate for another three months. Absent such notification, customer's rate will revert to the fixed rate established herein.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

ELECTION OF MONTHLY BALANCING OPTION

A "pool" can be a single Rate IT customer acting on its own behalf, or a group of Rate IT customers who join, or are joined, together for purposes of gas supply management under this tariff. A "pool operator" has a contractual responsibility to manage the aggregated gas supply requirements of all of the Rate IT customers that comprise its pool. All supply management responsibilities of individual customers are transferred to the pool operator once a customer becomes a part of a pool, as the aggregated balancing requirements of all pool members are treated under this tariff as though they were a single customer with its own supply management responsibilities.

Balancing charges and supply management charges, including "cash out" charges, penalties and other like charges billed under the provisions of Rate IMBS shall be billed directly to the pool operator, regardless of whether the pool operator is an individual customer acting as its own pool operator or an aggregated customer’s pool operator. For purposes of calculating these charges, the usage of all customers within a pool will be combined into a single pool usage number that will be matched against the pool operator's total deliveries to its IT pool.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3% is due and payable.

TERMS AND CONDITIONS

In order to administer the provisions of this tariff and monitor customer's daily usage, the Company will install remote metering equipment on customer's meter site. As a pre-requisite for receiving service under this tariff, Customer will be responsible for installing and maintaining, at the Customer’s expense, a dedicated 110v electrical service in a location suitable to provide electrical service for the Company’s telemetering equipment, or such other equipment or utilities as may be necessary at customer's meter site. Customer shall also be responsible for the monthly charges for such other necessary equipment or utilities.

The Company will provide customer, and/or its designated pool operator by electronic or other available means of communication, its best available operating data on gas deliveries to individual customers and for the combined pool on a daily basis. Daily operational information shall include information on daily gas flows provided by Automated Meter Reading (AMR) equipment, telemetry, or any other means the Company has available to provide the customer, or its designated pool operator, with its best estimate of daily gas usage.

The customer shall enter into a written agreement with the Company. Such agreement shall set forth specific arrangements as to the transportation services provided and any other circumstances relating to the individual customer.

TERMS AND CONDITIONS (Contd.)

The Company's "reasonable efforts" basis is defined as the right, at any time, to curtail or interrupt the delivery or transportation of gas under this tariff when, in the judgment of the Company, such curtailment or interruption is necessary to enable the Company to maintain deliveries to higher priority customers or to respond to any emergency.

Customer acting as its own pool operator, or customer's designated pool operator/supplier shall be responsible for making all necessary arrangements and securing all requisite regulatory or governmental approvals, certificates or permits to enable the gas to be delivered into the Company's system.

Customer's pool operator must agree, upon request by Company, to produce, in a timely manner, proof of the purchase of the natural gas to be transported, any necessary regulatory approvals, and any and all transportation arrangements with all interstate pipelines, intrastate pipelines, or others involved in transporting the pool's gas supplies.

The Company will not be liable for any costs and/or penalties charged by pipelines or suppliers, because of pool operator's over- or under-deliveries into the pipeline, or pool customers' failure to take deliveries through the Company’s meters that, in the aggregate, match the amount of gas transported by the pool operator to Company's city gate.

In order to qualify for Rate IT service, customers who satisfy the definition of human needs and public welfare customers must purchase standby service or have alternative fuel capability, or have a combination thereof sufficient to maintain minimal operations.

A human needs and public welfare customer is a customer whose facilities are used for residential dwelling on either a permanent or temporary basis; commercial customers of a residential nature; other customers whose service locations are places of the kind where the element of human welfare is the predominant factor; and civil and governmental customers whose facilities are required in the performance of protecting and preserving the public health, safety, and welfare. Such facilities shall include, but are not limited to, houses, apartment buildings, correctional institutions, hospitals, nursing homes, and charitable institutions.

The primary term of contract shall be one (1) year. After completion of the primary term, such contract shall continue month to month unless cancelled by either party by giving thirty (30) days written notice. In the event customer re-applies for service under this tariff within one year from the date that this contract was terminated at customer's request, customer shall pay the minimum monthly bill charges specified in the Minimum Bill provision of this tariff for the number of months customer's service was inactive.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Duke Energy Kentucky, Inc.
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Erlanger, Kentucky 41018

RATE FT - L

FIRM TRANSPORTATION SERVICE

AVAILABILITY

Service under this rate schedule is available to any customer who: (1) enters into a written agreement with the Company; and (2) has arranged for delivery of gas into the Company's system for the customer's use at one point of delivery where distribution mains are adjacent to the premise to be served. Service provided hereunder shall be by displacement. This is a firm full requirements large volume transportation service, which is provided from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. This service is available within the Company's entire service territory to serve the firm service requirements of non-residential customers who use more than 20,000 CCF per year, and the firm service requirements of customers receiving firm service in combination with service under Rate IT, except for those customers whose utility service accounts are past due at the time customer desires to utilize this service, or whose accounts fall into arrears, as defined in Rate FRAS, after choosing this service.

For customers whose accounts fall into arrears after choosing this service, the customer will be returned to the Company's sales service effective with the customer's next scheduled meter reading, and will be ineligible to choose this transportation service until all arrears are paid in full. For customers receiving service under this tariff, the written agreement between the Supplier and the customer may be terminated by supplier for non-payment of the customer's gas commodity portion of the bill if the account is at least 30 days past due. The Supplier shall give the Company and the customer no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company's sales service unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company's sales service but will remain with the Supplier. Customer must enter into a "pooling" agreement with a Supplier from a list of approved gas pool operators that have signed both a "Large Volume Customer Transportation Pooling Agreement" and a “Gas Supply Aggregation/Customer Pooling Agreement” with the Company. Such suppliers must arrange for the delivery of gas into Company's system in accordance with Rate FRAS.

Customers who believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company.

DEFINITIONS

Terms used in this tariff are defined in the same manner as set forth in Rate FRAS, Sheet No. 44.

CHANGES IN CUSTOMERS' SERVICE ELECTIONS

Customers who elect service under this tariff and later return to Company's sales service may do so only in accordance with the requirements of the Company's tariffs and applicable regulations of the Kentucky Public Service Commission. If a customer voluntarily elects to return to the Company's sales service, all incremental gas procurement, upstream transportation and storage costs incurred by Company in order to return customer to sales service may, as determined by the Company, have to be borne by customer.

NET MONTHLY BILL

The Net Monthly Bill shall be determined in accordance with the following rates and charges:

Administrative Charge per Month: $430.00

The Administration Charge hereunder will be waived when this service is used in combination with the service provided under Sheet No. 50, Rate IT, Interruptible Transportation Service.

Plus a charge for each CCF of gas transported for customer from Company's city gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer at: $0.21688 per CCF (R)

Plus the throughput charge under
Sheet No. 58, Rate IMBS, Interruptible Monthly Balancing Service.

Plus all transported gas shall be subject to an adjustment per CCF as set forth on:
Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism, and
Sheet No. 77, Rider GCAT, Gas Cost Adjustment Transition Rider, except as provided thereon.

Plus, or minus, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Kentucky Public Service Commission and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

Customer and/or its Suppliers shall be responsible for the payment and collection of excise taxes, sales taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

MINIMUM BILL

The monthly minimum bill shall be the Administrative Charge as shown above.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3% is due and payable.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

GENERAL TERMS AND CONDITIONS

1. Remote Metering

   In order to administer the provisions of this tariff and monitor customer's daily usage, the Company will install remote metering equipment on customer's meter site. As a pre-requisite for receiving service under this tariff, Customer will be responsible for installing and maintaining, at the customer's expense, a dedicated 110v electrical service in a location suitable to provide electrical service for the Company's telemetering equipment, or such other equipment or utilities as may be necessary at customer's meter site. Customer shall also be responsible for the monthly charges for such other necessary equipment or utilities.

   The Company will provide customer, and/or its designated pool operator by electronic or other available means of communication, its best available operating data on gas deliveries to individual customers and for the combined pool on a daily basis. Daily operational information shall include information on daily gas flows provided by Automated Meter Reading (AMR) equipment, telemetry, or any other means the Company has available to provide the customer, or its designated pool operator, with its best estimate of daily gas usage.

2. Approved Supplier List

   Company shall maintain a list of approved Suppliers from which customer can choose. Such list will include Suppliers who have signed a Gas Supply Aggregation/Customer Pooling Agreement in which Supplier has agreed to participate in and provide gas supplies to Rate FT-L pools, and abide by Company's requirements for its pooling program. This list shall be available to any customer upon request.

3. Applications and Service Date

   A customer who desires service under this tariff shall apply through its chosen Supplier. Customer must also enter into a written agreement with the Company, as such agreement shall set forth specific arrangements as to the transportation services provided and any other circumstances relating to the individual customer. Unless the Company determines that the customer is not eligible to become a transportation customer of the Supplier, the Company shall exercise its reasonable efforts to transfer the customer to the Supplier's pool on the customer's next regularly scheduled meter reading date after a dedicated electrical service and automated meter reading equipment is installed and operative.

   A customer, who terminates service under this tariff and returns to sales service, or who changes Suppliers, shall through its supplier provide Company with written or electronic notice. Requests so received shall normally be honored on customer's next regularly scheduled meter reading date. In the event that a customer is returned to sales service for non-payment, the Supplier shall provide the Company with notice of termination and shall comply with any notice requirements of the Suppliers' Code of Conduct set forth in Rate FRAS, Sheet No. 44.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

GENERAL TERMS AND CONDITIONS (Contd.)

4. Access to Usage History and Current Billing Information

   The "Customer Pooling Agreement," used to initiate requests for service under this tariff, shall authorize customer's Supplier to receive customer's usage, billing, and payment history from the Company, to act on customer's behalf in making billing/usage inquiries, and in exchanging current billing information with Company, including notices of commencement or termination of service by either party.

5. Service Term

   Except customers returned for non-payment or for good cause shown, the primary term of contract shall be a minimum of one (1) year. Customers may not elect to move to or from the Company's sales service and transportation service, or between rate schedules during this twelve month primary term. In addition, such movements will require thirty days advance notice to the Company and the Company's specific authorization if such movements are to occur during the winter period, November through March. After completion of the primary term, such contract shall continue unless cancelled by either party upon thirty (30) days written notice

6. Regulatory Approvals

   Customer's Supplier shall be responsible for making all necessary arrangements and securing all requisite regulatory or governmental approvals, certificates or permits to enable gas to be delivered to the Company's system.

CURTAILMENT OF SERVICE

In times of system emergencies, the Company may curtail service under this rate schedule in order to maintain service to human needs customers and customers receiving service under Rates RS, GS and in accordance with curtailment procedures on file with, and approved by, the Kentucky Public Service Commission. In the event customer fails to comply with the Company's direction to curtail, the Company reserves the right to physically discontinue service to the customer. Company shall not be liable in damages or otherwise to customer for any loss of production, other claim, or any consequences occasioned by customer as a result of such curtailment or because of the lack of advance notice to customer of such curtailment.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE IMBS

INTERRUPTIBLE MONTHLY BALANCING SERVICE

AVAILABILITY

Interruptible monthly gas balancing service available (1) to customers receiving service under Rate FT-L, Rate IT and special contract interruptible transportation agreements who are acting as their own pool operator for supply management purposes, and (2) to pool operators designated by Rate FT-L, Rate IT and special contract interruptible transportation customers to manage their gas supplies on their behalf, and as a part of an aggregated customer pool. For purposes of this tariff, a pool operator shall aggregate the requirements of all of its pools' member customers and thereafter such aggregated pool shall be treated as a single customer for supply management purposes.

CHARACTER OF SERVICE

The service provided under this tariff is a "reasonable efforts," interruptible gas balancing service that requires a general obligation by the pool operator to balance daily pool usage with pool deliveries into the Company's city gate stations. No daily imbalance charges or penalties will be levied on the pool operators, except when Operational Flow Orders (OFO) have been issued. However, pool operators are under an ongoing obligation to work with the Company in a good faith manner to respond to both formal and informal system management requests, to strive to maintain relatively close daily balances, and to closely track their daily loads throughout the month. For purposes of this tariff, an OFO is as defined in Rate FRAS, Sheet No. 44. OFOs will be issued on an ongoing basis for pool operators who disregard their obligation to provide gas supplies in quantities that reasonably match their daily loads. OFOs shall be issued for operational reasons only. In the event a pool operator violates this tariff or the aggregation agreement, the Company may assess such a violator for all direct incremental gas supply, capacity, storage or penalty costs incurred due to the violation. In addition, if the violations are part of a pattern of non-compliance, or of a magnitude that merits additional action be taken, the Company may take steps to suspend or permanently remove a pool operator from participation upon notice. The Company shall have the right to limit or terminate the availability of this service to pool operators guilty of excessive abuse of the system; i.e., engaging in extreme and/or continued violations of the tariff terms and conditions including this general balancing requirement. For purposes of administering this tariff, the daily and monthly usage of all customers within an individual pool will be combined into single daily/monthly pool usage number, which will be matched against the pool operator's total daily/monthly deliveries to its individual transportation pool. No later than one hour prior to the NAESB deadline for the timely nomination cycle, pool operator shall submit a valid nomination through the Company's EBB of its total city gate quantities of gas scheduled for the following gas day. The Company will have no obligation to accommodate post-timely nominations, or changes thereto, that are made after the daily deadline.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE DESCRIPTION

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

	Allowed Monthly Under-Run %	Allowed Seasonal Monthly Over-Run: May Through November %	Allowed Seasonal Monthly Over-Run: December Through April %	Charge on All Throughput	
All Pools	0	8	10	$0.3915 per Mcf	(I)

Pool operators shall be held to a monthly balancing requirement within the monthly imbalance carry over tolerance level. Pool operators shall be subject to a general obligation to balance pool requirements and deliveries on a daily basis unless an OFO has been issued.

On days when OFOs have been issued, any net imbalances may result in unauthorized overrun/underrun charges or penalty charges being levied against the responsible pool operator. Such charges shall be calculated in accordance with the “Net Monthly Bill” provision of this rate. In order to minimize daily imbalance charges and penalties on OFO days, as well as end of month imbalance “cash-outs,” pool operators are encouraged to participate in the Company’s inter-pool imbalance trading/transfer service. All daily and monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

NET MONTHLY BILL

Net monthly imbalances will be calculated for billing purposes as the net of:

a) actual deliveries, as adjusted for unaccounted for losses,
b) plus or minus imbalance trades,
c) plus or minus unauthorized daily or monthly OFO overrun/underrun volumes,
d) plus monthly imbalance carryover,
e) minus actual metered usage on an aggregated pool basis.

The Net Monthly Imbalance percentage will be determined by dividing the net monthly imbalance as measured at the burner tip by the aggregated pool usage for the month.

Pool operators receiving balancing services under this rate schedule shall be subject to the following charges:

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

NET MONTHLY BILL (Contd.)

(1) Unauthorized overrun/underrun charges as described above and resulting from pool operator's failure to comply with daily Operational Flow Orders except as provided above, as follows:

(a) Over-deliveries

(i) over-deliveries will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier; and (N) (N) (D)

(ii) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries; and (T)

(iii) An OFO over-delivery charge of $15 per dth will be charged for unauthorized over-delivery resulting from the pool operator's failure to comply with the OFO. (N) (N)

(b) Under-deliveries

(i) Supplier will be subject to a daily charge based on the per Dekatherm difference between the scheduled quantity and the actual deliveries multiplied by $15/DTH; plus (T) (N) (D)

(ii) The higher of Platts' Gas Daily Daily Columbia Gulf, Mainline + TCO FTS fuel and transportation commodity variables or Platts' Gas Daily Daily Tennessee, 800 Leg + TCO FTS fuel and transportation commodity variables; multiplied by the per Dekatherm difference between the scheduled quantity and the actual deliveries; (T) (T) (T) (T) (T)

(iii) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and

(iv) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

NET MONTHLY BILL (Contd.)

(2) End of month "cash-out" charges for volumes over/under-delivered outside of pool operator's selected option tolerance levels, as follows:

(a) Over-deliveries are defined as monthly deliveries into the Company's city gate stations, plus the prior month's carryover volumes that exceed the pool's aggregated metered usage for the month as adjusted for shrinkage back to the city gate, and as adjusted for the pool's elected monthly carry over tolerance percentage. Over-deliveries beyond the pool's elected monthly carry over tolerance percentage shall be cashed out to the pool operator at the first of the month index published in *Inside F.E.R.C. Gas Market Report,* "Prices of Spot Gas Delivered to Pipelines," Columbia Gulf Transmission Co., Mainline Index, first publication of the month following the delivery month, plus Columbia Gulf and Columbia Gas Transmission pipelines' commodity transportation costs, plus fuel, to the Company's city gate. For actual billing purposes a burner tip rate equivalent to that described above will be applied to the volumes delivered in excess of the elected monthly carry over tolerance percentage, as measured at the burner tip.

(b) Under-deliveries are defined as monthly deliveries into the Company's city gate stations, plus the prior month's carryover volumes, that are less than the pool's aggregated metered usage for the month, as adjusted for shrinkage back to the city gate. Under deliveries shall be cashed out at the first of the month index published in *Inside F.E.R.C. Gas Market Report,* "Prices of Spot Gas Delivered to Pipelines," Columbia Gulf Transmission Co., Mainline Index, first publication of the month following the delivery month, plus Columbia Gulf and Columbia Gas Transmission pipelines' commodity transportation costs, plus fuel, to the Company's city gate. For actual billing purposes a burner tip rate equivalent to that described above will be applied to the under-delivered volumes, as measured at the burner tip.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RIDER WNA
WEATHER NORMALIZATION ADJUSTMENT RIDER

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

$$WNA_i = R_i * \frac{(HSF_i * (\mathrm{NDD} - \mathrm{ADD}))}{(BL_i + (HSF_i * \mathrm{ADD}))}$$

Where:

i	=	A rate schedule or billing classification within a rate schedule
WNA_i	=	Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
R_i	=	Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
HSF_i	=	Heat sensitivity factor for ith rate schedule or classification.
NDD	=	Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
ADD	=	Actual billing cycle heating degree days.
BL_i	=	Base load for the ith rate schedule or classification.

Base Load for RS:	0.986070	(T)
Heat Sensitivity Factor for RS:	0.014698	(T)
Base Load for GS:	11.921161	(T)
Heat Sensitivity Factor for GS:	0.100621	(T)

Issued by authority of an Order of the Kentucky Public Service Commission dated in Case No. 2025-00125.
Issued: January 2, 2026
Effective: January 3, 2026
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

RIDER PMM

PIPELINE MODERNIZATION MECHANISM

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, Rate GS, General Service, Rate IT, Interruptible Transportation, and Rate FT-L, Firm Transportation.

RATE

Customers shall be assessed a surcharge or credit to enable the Company to recover costs associated
with compliance with regulations and guidance, including but not limited to safety advisory bulletins, (T)
promulgated by the U.S. Department of Transportation Pipeline and Hazardous Materials
Administration, as approved by the Kentucky Public Service Commission. The Rider includes a true-
up provision based on a two-year lag. The monthly billing amount calculated for each rate schedule
for which this rider is eligible shall increase or decrease as shown below. This Rider has been approved (D)
to recover costs for the Company's AM07 Project and following the completion of the AM07 Project, (T)
estimated to occur in 2027, to recover costs for the replacement of Aldyl-A polyethylene pipe within the (T)
Company's distribution system, which are subject to approval of certificates of public convenience and (T)
necessity by the Kentucky Public Service Commission. This Rider will not reflect costs for other pipeline (T)
projects unless approved by the Kentucky Public Service Commission.

PMM Surcharge or Credit per Ccf

Residential (Rate RS)	$0.12 / Ccf
General Service (Rate GS)	$0.03 / Ccf
Firm Transportation – Large (Rate FT-L)	$0.00102 / Ccf
Interruptible Transportation (Rate IT)	$0.00115 / Ccf

TERM

The Rider PMM rates shown on this page will be effective until the earlier of the effective date of new base rates or until future order by the Commission to modify or eliminate the rider.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

CHARGE FOR RECONNECTION OF SERVICE

APPLICABILITY

Applicable to all customers in the Company's entire service area who are in violation of Rule 3, Company's Right to Cancel Service Agreement or to Suspend Service, of the Company's Gas Service Regulations.

CHARGE

The Company may charge and collect in advance the following:

A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be one hundred ten dollars ($110.00). (I)

B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be one hundred ten dollars ($110.00). (I)

C. If service is discontinued because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of one hundred ten dollars ($110.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service. (I)

(D)

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Issued by authority of an Order by the Kentucky Public Service
Commission dated in Case No. 2025-00125.
Issued: January 2, 2026
Effective: January 3, 2026
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

LOCAL GOVERNMENT FEE

APPLICABLE TO ALL RATE SCHEDULES

There shall be added to the customer's bill, listed as a separate item, an amount equal to the fee now or hereafter imposed by local legislative authorities, whether by ordinance, franchise or other means. Such amount shall be added exclusively to bills of customers receiving service within the territorial limits of the authority imposing the fee.

Where the local legislative authority imposes a flat, fixed amount on the Company, the fee applied to the bills of customers receiving service within the territorial boundaries of that authority, shall be in the form of a flat dollar amount.

Where more than one such fee is imposed, each of the charges applicable to each customer shall be added to the customer's bill and listed separately.

The amount of such fee added to the customer's bill shall be determined in accordance with the terms of the ordinance, franchise or other directive agreed to by the Company. (T)

CURTAILMENT PLAN FOR MANAGEMENT OF AVAILABLE GAS SUPPLIES

AVAILABILITY

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

APPLICABILITY

In the event of an emergency which necessitates curtailment of gas service, Duke Energy Kentucky, Inc. shall curtail gas service to its customers in the manner set forth herein, except where the Public Service Commission of Kentucky (Commission) or other authority having jurisdiction in the matter orders otherwise.

DEFINITIONS

(D)

Interruptible Transportation (IT) Customers: (T)

A customer who receives gas under a Gas Transportation Agreement, Duke Energy Kentucky Rate IT (KY P.S.C. Gas No. 2, Sheet No. 50). These customers are subject to interruption in accordance with the gas curtailment provisions of Duke Energy Rate IT. (T) (T) (T) (T)

Priority Use Customers: (T)

Gas supply needed for human needs customers and for specific and definable plant protection purposes; including, but not limited to: residential sites; medical facilities; governmental offices; utility companies; production, processing, or transportation of perishable medicines or foods; and other similar uses as may be determined by the Commission. (T) (T) (T) (T)

Firm Customers: (T)

A firm customer shall mean any customer being served under Duke Energy Kentucky Rates: RS, GS, and FT-L. (T) (T)

(D)

CURTAILMENT COMMUNICATIONS (T)

To the extent practicable, Duke Energy Kentucky shall appeal to all customers to voluntarily reduce their consumption prior to and during a curtailment. (T) (T) (T)

To the extent practicable, Duke Energy Kentucky shall communicate with customers and suppliers directly via its electronic bulletin board, email, fax and/or telephone. Where such communication is not practical, Duke Energy Kentucky shall, at its discretion, utilize media, governmental, and other outlets deemed appropriate. (T) (T) (T) (T) (T)

Duke Energy Kentucky Gas Control will advise the Commission, as required by the Commission or as Duke Energy Kentucky may otherwise deem appropriate, of the nature, time, and duration of implemented emergency conditions and procedures that affect normal service to customers. (T) (T) (T) (T)

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

CURTAILMENT SEQUENCE (T)

In case of a declared emergency, the order of curtailment below refers to those customers whose curtailment will allow Duke Energy Kentucky to maintain operating pressures and its system integrity in areas that have been, or may be, affected by a supply or capacity disruption.

Duke Energy Kentucky will minimize, to the extent possible, the number of Priority Use Customers whose service will be disrupted.

ORDER OF CURTAILMENT

There is no distinction made between supply, pressure, or capacity shortage related scenarios for implementation of the Gas Supply Emergency Curtailment Plan, as all have similar impacts with regard to potential disruptions of service.

Methods to be utilized for curtailing gas usage shall be determined by Duke Energy Kentucky's Gas Operations personnel on an as-needed basis, in response to the particular needs of the situation. Methods may include, but are not limited to, the actions described below:

Stage 1 - Under a mandatory curtailment, the first stage will include the following actions:

- Interruption of Rate IT customers in accordance with the Duke Energy Kentucky Rate IT curtailment provisions;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Stage 2 - Under a mandatory curtailment where stage one is elevated, the following provisions will be added to the previous stage restrictions:

- Firm gas to customers using more than fifty thousand cubic feet per day shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Stage 3 - Under a mandatory curtailment where stage two is elevated, the following provisions will be added to the previous stage restrictions:

- Gas to firm customers shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

(D)

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

OPERATIONS TO RESTORE SERVICE (T)

Upon termination of a gas emergency or event, if service to customers has been curtailed, the service restoration process will be based upon the configuration of the distribution system at the time and system supply distribution assets, with consideration for Priority Use Customers, as practicable.

SERVICE RESTRICTIONS DURING CURTAILMENT

During an emergency curtailment period, unless otherwise ordered by the Commission or other authority having jurisdiction in the matter, Duke Energy Kentucky reserves the right to restrict or permit service as set forth in KRS 278.506(5).

CONSEQUENCES OF NONCOMPLIANCE

During periods of curtailment, if deliveries of gas to a Non-Priority Use Customer exceed its authorized daily volumetric limitation, Duke Energy Kentucky will give such customer notice to cease such unauthorized usage. In the event such customer does not cease, Duke Energy Kentucky may, at its sole discretion, disconnect gas service to the customer. The customer shall be liable for all gas costs, transportation costs, penalties, and fines incurred by Duke Energy Kentucky as a result of the unauthorized usage.

(D)
(D)

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

RATE MPS
METER PULSE SERVICE

APPLICABILITY
Applicable to customers that request the Company to install gas meter pulse equipment, which is a meter related service not otherwise provided by the Company.

DESCRIPTION OF SERVICE AND SPECIFICATIONS
The service provided is an electronic pulse output, representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer.

The pulse supplied does not represent rate of flow, only total volume and should not be used for control purposes. The end-use customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications.

Customer must provide either a regulated 24 volts DC, or 120 volts AC, an area 2' x 2', 20' away from any gas pipeline flanges or gas pressure relief devices. The Company will supply a dry contact to their energy Management software.

A failure of the pulse initiator will not be detected by Company on any routine meter reading or during other operations. Therefore, customer will be required to recognize and report any problems with the pulse system, and Company shall not be responsible for incorrect data, or subsequent customer actions based upon the data.

TYPE OF CHARGES
Installation of Meter Pulse Equipment: $1,025.00 (I)

If replacement of Meter Index is necessary, additional charge of: $760.00 (I)

If replacement of the Gas Meter is necessary, charges will be determined based on then current prices for purchase and installation of applicable replacement meter.

If the Company is required to make additional visits to the meter site due to the inability to gain access to the meter location or the necessary Communication Link has not been installed, or the Communication Link is not working properly, the Company may charge the customer for any additional trip to the meter site during normal business hours at the per visit rate of: $60.00 (T)
After hour visits to the meter site are not available for this service. (T)

In addition, the Company shall charge for the cost of any incremental equipment necessary to complete the pulser installation.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

SERVICE REGULATIONS

The supplying and billing for service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
REVENUES AT PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD — SCHEDULE M
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED — PAGE 1 OF 1
WORK PAPER REFERENCE NO(S).: — WITNESS:
12 MONTHS FORECASTED — B. L. Sailers

INCLUDES ALL RIDERS

LINE NO.	RATE CLASSIFICATION *(A)*	REVENUE AT PRESENT RATES *(B)* *($)*	REVENUE AT PROPOSED RATES *(C)* *($)*	REVENUE CHANGE (AMOUNT) *(D=C-B)* *($)*	% OF REVENUE CHANGE *(E=D / B)*
1	***SALES SERVICE:***				
2	RS RESIDENTIAL	101,928,645	115,918,494	13,989,849	13.73%
3	*TOTAL RS*	101,928,645	115,918,494	13,989,849	13.73%
4	GS COMMERCIAL	36,273,066	42,200,444	5,927,378	16.34%
5	GS INDUSTRIAL	2,328,697	2,718,191	389,494	16.73%
6	GS OTHER PUB AUTH	3,042,937	3,549,470	506,533	16.65%
7	*TOTAL GS*	41,644,700	48,468,105	6,823,405	16.38%
8	*TOTAL SALES SERVICE*	143,573,345	164,386,599	20,813,254	14.50%
9	***TRANSPORTATION:***				
10	FT LARGE	7,378,468	7,292,005	(86,463)	-1.17%
11	IT	1,986,270	2,019,038	32,768	1.65%
12	*TOTAL TRANSPORTATION*	9,364,738	9,311,043	(53,695)	-0.57%
13	*TOTAL THROUGHPUT*	152,938,083	173,697,642	20,759,559	13.57%
14	***MISCELLANEOUS REVENUES:***				
15	LATE PAYMENT CHARGES	358,320	358,320	0	0.00%
16	BAD CHECK CHARGES	21,480	21,480	0	0.00%
17	RECONNECTION CHARGES	8,664	10,589	1,925	22.22%
18	FIELD COLLECTION CHARGES	0	0	0	0.00%
19	INTERDEPARTMENTAL	49,830	58,200	8,370	16.80%
20	SPECIAL CONTRACTS	677,460	1,532,059	854,599	126.15%
21	REVENUE TRANSP OF GAS-INTERCO	0	0	0	0.00%
22	PROVISION FOR RATE REFUNDS	0	0	0	0.00%
23	OTHER MISC	21,852	21,852	0	0.00%
24	*TOTAL MISCELLANEOUS*	1,137,606	2,002,500	864,894	76.03%
25	*TOTAL COMPANY REVENUE*	154,075,689	175,700,142	21,624,453	14.03%

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
TEST PERIOD REVENUES AT CURRENT AVERAGE RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED *INCLUDES ALL RIDERS*

SCHEDULE M-2.1
PAGE 1 OF 1
WITNESS:
B. L. Sailers

TEST PERIOD

LINE NO.	RATE CODE *(A)*	CLASS / DESCRIPTION *(B)*	CUSTOMER BILLS *(C)*	SALES *(D)*	TEST PERIOD REVENUE LESS GAS COST REVENUE *(E)*	CURRENT AVERAGE RATE *(F=E/D)*	% OF REV TO TOTAL EXCLUSIVE OF GAS COST *(G)*	GAS COST REVENUE *(H)*	TEST PERIOD REVENUE TOTAL *(I)*	% OF REV TO TOTAL *(J)*
				(MCF)	*($)*	*($/MCF)*	*(%)*	*($)*	*($)*	*(%)*
1	RS	RESIDENTIAL SERVICE	1,194,296	6,130,423	60,860,328	9.9276	67.51	41,068,317	101,928,645	66.15
2	GS	GENERAL SERVICE COMMERCIAL	80,932	2,939,387	16,581,819	5.6413	18.40	19,691,247	36,273,066	23.54
3	GS	GENERAL SERVICE INDUSTRIAL	2,047	205,705	950,659	4.6215	1.05	1,378,038	2,328,697	1.51
4	GS	GENERAL SERVICE OTHER PUB AUTH	3,526	264,202	1,273,021	4.8184	1.41	1,769,916	3,042,937	1.97
5	FT-L	FIRM TRANSPORTATION-LARGE	1,737	3,002,186	7,375,136	2.4566	8.18	3,332	7,378,468	4.79
6	IT	INTERRUPTIBLE TRANSPORTATION	226	1,654,919	1,986,270	1.2002	2.20	0	1,986,270	1.29
7		LATE PAYMENT CHARGES	0	0	358,320	-	0.40	0	358,320	0.23
8		BAD CHECK CHARGES	0	0	21,480	-	0.02	0	21,480	0.01
9		RECONNECTION CHARGES	0	0	8,664	-	0.01	0	8,664	0.01
10		FIELD COLLECTION CHARGES	0	0	0	-	-	0	0	-
11		INTERDEPARTMENTAL	0	4,064	22,605	5.5623	0.03	27,225	49,830	0.03
12		SPECIAL CONTRACTS	0	0	677,460	-	0.75	0	677,460	0.44
13		REVENUE TRANSP OF GAS-INTERCO	0	0	0	-	-	0	0	-
14		PROVISION FOR RATE REFUNDS	0	0	0	-	-	0	0	-
15		OTHER MISCELLANEOUS	0	0	21,852	-	0.02	0	21,852	0.01
16	TOTAL		1,282,764	14,200,886	90,137,614	6.3473	99.98	63,938,075	154,075,689	99.98

NOTE: DETAIL CONTAINED ON SCHEDULES M-2.2 AND M-2.3.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED *INCLUDES ALL RIDERS*

SCHEDULE M-2.2
PAGE 1 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(4) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV *(F - K)* (M)	% INCR IN REV LESS GAS COST REV *(M / K)* (N)	GAS COST REVENUE(3) (H)	CURRENT TOTAL REVENUE *(K + H)* (K1)	TOTAL REVENUE % INCREASE *(M / K1)* (O)
				(MCF)	*($/MCF)*	*($)*	*(%)*	*($)*	*(%)*	*($)*	*($)*	*(%)*
1	***SALES SERVICE:***											
2	RS	RESIDENTIAL	1,194,296	6,130,423	9.9276	60,860,328	100.00	13,989,849	23.0	41,068,317	101,928,645	13.7
3		*TOTAL RS*	1,194,296	6,130,423	9.9276	60,860,328	67.53	13,989,849	23.0	41,068,317	101,928,645	13.7
4	GS	COMMERCIAL	80,932	2,939,387	5.6413	16,581,819	88.18	5,927,378	35.7	19,691,247	36,273,066	16.3
5	GS	INDUSTRIAL	2,047	205,705	4.6215	950,659	5.06	389,494	41.0	1,378,038	2,328,697	16.7
6	GS	OTH PUB AUTH	3,526	264,202	4.8184	1,273,021	6.77	506,533	39.8	1,769,916	3,042,937	16.6
7		*TOTAL GS*	86,505	3,409,294	5.5160	18,805,499	20.86	6,823,405	36.3	22,839,201	41,644,700	16.4
8	*TOTAL SALES SERVICE*		1,280,801	9,539,717	8.3510	79,665,827	88.38	20,813,254	26.1	63,907,518	143,573,345	14.5
9	***TRANSPORTATION SERVICE:***											
10	FT-L	FIRM TRANSP - LARGE	1,737	3,002,186	2.4566	7,375,136	78.78	(86,463)	(1.2)	3,332	7,378,468	(1.2)
11	IT	INTERRUPTIBLE TRANSP	226	1,654,919	1.2002	1,986,270	21.22	32,768	1.6	0	1,986,270	1.6
12	*TOTAL TRANSP SERVICE*		1,963	4,657,105	2.0101	9,361,406	10.39	(53,695)	(0.6)	3,332	9,364,738	(0.6)
13		TOTAL THROUGHPUT	1,282,764	14,196,822	6.2709	89,027,233	98.77	20,759,559	23.3	63,910,850	152,938,083	13.6
14	***MISCELLANEOUS REVENUES:***											
15	LATE PAYMENT CHARGES		0	0		358,320	32.27	0		0	358,320	
16	BAD CHECK CHARGES		0	0		21,480	1.93	0		0	21,480	
17	RECONNECTION CHARGES		0	0		8,664	0.78	1,925		0	8,664	
18	FIELD COLLECTION CHARGES		0	0		0	0.00	0		0	0	
19	INTERDEPARTMENTAL		0	4,064		22,605	2.04	8,370		27,225	49,830	
20	SPECIAL CONTRACTS		0	0		677,460	61.01	854,599		0	677,460	
21	REVENUE TRANSP OF GAS-INTERCO		0	0		0	0.00	0		0	0	
22	PROVISION FOR RATE REFUNDS		0	0		0	0.00	0		0	0	
23	OTHER MISC		0	0		21,852	1.97	0		0	21,852	
24	*TOTAL MISC*		0	4,064		1,110,381	1.23	864,894	77.9	27,225	1,137,606	76.0
25	*TOTAL COMPANY*		1,282,764	14,200,886	6.3473	90,137,614	100.00	21,624,453	24.0	63,938,075	154,075,689	14.0

(1) DETAIL CONTAINED ON SCHEDULES M-2.2, PAGES 2 THROUGH 7.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.2
PAGE 2 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(3) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	($/MCF)	($)	(%)	($)	(%)	($)	($)	(%)
1	*RS*	*RESIDENTIAL*										
2	*CUSTOMER CHARGE:*											
3	RESIDENTIAL											
4		TOTAL MONTHLY BILLS x :										
5		CUSTOMER CHARGE PER MONTH	1,194,296		$17.50	20,900,180	34.3	2,985,740	14.3		20,900,180	14.3
6	*COMMODITY CHARGE:*											
7		ALL CONSUMPTION		6,130,423	5.2474	32,168,782	52.9	11,004,109	34.2	41,068,317	73,237,099	15.0
8		*RATE RS EXCLUDING RIDERS*	1,194,296	6,130,423		53,068,962	87.2	13,989,849	26.4	41,068,317	94,137,279	14.9
9	*RIDERS:*											
10		HOME ENERGY ASSISTANCE PROGRAM (HEA)			$0.30	358,289	0.6	0	0.0		358,289	0.0
11		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.012490	76,569	0.1	0	0.0		76,569	0.0
12		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0	0	0.0		0	0.0
13		PIPELINE MODERNIZATION MECHANISM (PMM)			1.200000	7,356,508	12.1	0	0.0		7,356,508	0.0
14		*TOTAL RIDERS*				7,791,366	12.8	0	0.0		7,791,366	0.0
15	*TOTAL RATE RS RESIDENTIAL INCLUDING RIDERS*		1,194,296	6,130,423		60,860,328	100.0	13,989,849	23.0	41,068,317	101,928,645	13.7

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.2
PAGE 3 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(3) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	($/MCF)	($)	(%)	($)	(%)	($)	($)	(%)
1	*GS*	*COMMERCIAL*										
2		*CUSTOMER CHARGE:*										
3		NON-RESIDENTIAL										
4		TOTAL MONTHLY BILLS x :										
5		CUSTOMER CHARGE PER MONTH	80,932		$58.00	4,694,056	28.3	566,524	12.1		4,694,056	12.1
6		*COMMODITY CHARGE:*										
7		ALL CONSUMPTION		2,939,387	3.7443	11,005,947	66.4	5,360,854	48.7	19,691,247	30,697,194	17.5
8		*RATE GS COMMERCIAL EXCLUDING RIDERS*	80,932	2,939,387		15,700,003	94.7	5,927,378	37.8	19,691,247	35,391,250	16.7
9		*RIDERS:*										
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0	0	0.0		0	0.0
11		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0	0	0.0		0	0.0
12		PIPELINE MODERNIZATION MECHANISM (PMM)			0.300000	881,816	5.3	0	0.0		881,816	0.0
13		*TOTAL RIDERS*				881,816	5.3	0	0.0		881,816	0.0
14		*TOTAL RATE GS COMMERCIAL INCLUDING RIDERS*	80,932	2,939,387		16,581,819	100.0	5,927,378	35.7	19,691,247	36,273,066	16.3

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.2
PAGE 4 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE *(A)*	CLASS / DESCRIPTION *(B)*	CUSTOMER BILLS(1) *(C)*	SALES(2) *(D)*	MOST CURRENT RATES *(J)*	CURRENT REVENUE LESS GAS COST REVENUE *(K)*	% OF REV TO TOTAL LESS GAS COST REVENUE *(L)*	REVENUE INCR LESS GAS COST REV *(F - K)* *(M)*	% INCR IN REV LESS GAS COST REV *(M / K)* *(N)*	GAS COST REVENUE(3) *(H)*	CURRENT TOTAL REVENUE *(K + H)* *(K1)*	TOTAL REVENUE % INCREASE *(M / K1)* *(O)*
				(MCF)	*($/MCF)*	*($)*	*(%)*	*($)*	*(%)*	*($)*	*($)*	*(%)*
1	*GS*	*INDUSTRIAL*										
2	*CUSTOMER CHARGE:*											
3	NON-RESIDENTIAL											
4		TOTAL MONTHLY BILLS x :										
5		CUSTOMER CHARGE PER MONTH	2,047		$58.00	118,726	12.5	14,329	12.1		118,726	12.1
6	*COMMODITY CHARGE:*											
7		ALL CONSUMPTION		205,705	3.7443	770,221	81.0	375,165	48.7	1,378,038	2,148,259	17.5
8		*RATE GS INDUSTRIAL EXCLUDING RIDERS*	2,047	205,705		888,947	93.5	389,494	43.8	1,378,038	2,266,985	17.2
9	*RIDERS:*											
10		TOTAL RATE GS INDUSTRIAL INCLUDING RIDERS			0.000000	0	0.0	0	0.0		0	0.0
11		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0	0	0.0		0	0.0
12		PIPELINE MODERNIZATION MECHANISM (PMM)			0.300000	61,712	6.5	0	0.0		61,712	0.0
13		*TOTAL RIDERS*				61,712	6.5	0	0.0		61,712	0.0
14	*TOTAL RATE GS INDUSTRIAL INCLUDING RIDERS*		2,047	205,705		950,659	100.0	389,494	41.0	1,378,038	2,328,697	16.7

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.2
PAGE 5 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(3) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	($/MCF)	($)	(%)	($)	(%)	($)	($)	(%)
1	*GS*	*OTHER PUBLIC AUTHORITIES*										
2	*CUSTOMER CHARGE:*											
3	NON-RESIDENTIAL											
4		TOTAL MONTHLY BILLS x :										
5		CUSTOMER CHARGE PER MONTH	3,526		$58.00	204,508	16.1	24,682	12.1		204,508	12.1
6	*COMMODITY CHARGE:*											
7		ALL CONSUMPTION		264,202	3.7443	989,252	77.7	481,851	48.7	1,769,916	2,759,168	17.5
8		*RATE GS OPA EXCLUDING RIDERS*	3,526	264,202		1,193,760	93.8	506,533	42.4	1,769,916	2,963,676	17.1
9	*RIDERS:*											
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0	0	0.0		0	0.0
11		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0	0	0.0		0	0.0
12		PIPELINE MODERNIZATION MECHANISM (PMM)			0.300000	79,261	6.2	0	0.0		79,261	0.0
13		*TOTAL RIDERS*				79,261	6.2	0	0.0		79,261	0.0
14	*TOTAL RATE GS OPA INCLUDING RIDERS*		3,526	264,202		1,273,021	100.0	506,533	39.8	1,769,916	3,042,937	16.6

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.2
PAGE 6 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES(1) (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	($/MCF)	($)	(%)	($)	(%)	($)	($)	(%)
1	*FT - L*											
2		*FIRM TRANSPORTATION - LARGE*										
3	ADMINISTRATIVE CHARGE		1,737		$430.00	746,910	10.1	0	0.0		746,910	0.0
4	*TRANSPORTATION CHARGE:*											
5		ALL CONSUMPTION		3,002,186	2.1976	6,597,604	89.5	(86,463)	(1.3)		6,597,604	(1.3)
6		*RATE FT-LARGE EXCLUDING RIDERS*	1,737	3,002,186		7,344,514	99.6	(86,463)	(1.2)		7,344,514	(1.2)
7	*RIDERS:*											
8		PIPELINE MODERNIZATION MECHANISM (PMM)			0.010200	30,622	0.4	0	0.0		30,622	0.0
9		GAS COST ADJUSTMENT TRANSITION (GCAT)(2)			0.0370		0.0	0	0.0	3,332	3,332	0.0
10		*TOTAL RIDERS*				30,622	0.4	0	0.0	3,332	33,954	0.0
11	*TOTAL RATE FT - LARGE INCLUDING RIDERS*		1,737	3,002,186		7,375,136	100.0	(86,463)	(1.2)	3,332	7,378,468	(1.2)

(1) REFLECTS NORMALIZED VOLUMES.
(2) GCAT only applies to FT-L customers during the first 12 months after they switch from sales service. Usage for this rider estimated at 3%

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.2
PAGE 7 OF 7
WITNESS:
B. L. Sailers

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(3) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV *(F - K)* (M)	% INCR IN REV LESS GAS COST REV *(M / K)* (N)	GAS COST REVENUE (H)	CURRENT TOTAL REVENUE *(K + H)* (K1)	TOTAL REVENUE % INCREASE *(M / K1)* (O)
				(MCF)	($/MCF)	($)	(%)	($)	(%)	($)	($)	(%)
1	*RATE IT*											
2		*INTERRUPTIBLE TRANSPORTATION*										
3	ADMINISTRATIVE CHARGE		226		$430.00	97,180	4.9	0	0.0		97,180	0.0
4	*COMMODITY CHARGE:*											
5		ALL CONSUMPTION		1,654,919	1.1300	1,870,058	94.1	32,768	1.8		1,870,058	1.8
6		*RATE IT EXCLUDING RIDERS*	226	1,654,919		1,967,238	99.0	32,768	1.7		1,967,238	1.7
7	*RIDERS:*											
8		PIPELINE MODERNIZATION MECHANISM (PMM)			0.0115	19,032	1.0	0	0.0		19,032	0.0
9		*TOTAL RIDERS*				19,032	1.0	0	0.0		19,032	0.0
10	*TOTAL RATE IT TRANSPORTATION*		226	1,654,919		1,986,270	100.0	32,768	1.6		1,986,270	1.6

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD — SCHEDULE M-2.3
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED — PAGE 1 OF 7
WORK PAPER REFERENCE NO(S).: — WITNESS:
12 MONTHS FORECASTED — *INCLUDES ALL RIDERS* — B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE(4) (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(3) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	($/MCF)	($)	(%)	($)	($)
1	*SALES SERVICE:*								
2	RS	RESIDENTIAL	1,194,296	6,130,423	12.2096	74,850,177	100.00	41,068,317	115,918,494
3		*TOTAL RS*	1,194,296	6,130,423	12.2096	74,850,177	66.97	41,068,317	115,918,494
4	GS	COMMERCIAL	80,932	2,939,387	7.6578	22,509,197	87.83	19,691,247	42,200,444
5	GS	INDUSTRIAL	2,047	205,705	6.5149	1,340,153	5.23	1,378,038	2,718,191
6	GS	OTH PUB AUTH	3,526	264,202	6.7356	1,779,554	6.94	1,769,916	3,549,470
7		*TOTAL GS*	86,505	3,409,294	7.5174	25,628,904	22.93	22,839,201	48,468,105
8	*TOTAL SALES SERVICE*		1,280,801	9,539,717	10.5327	100,479,081	89.90	63,907,518	164,386,599
9	*TRANSPORTATION SERVICE:*								
10	FT-L	FIRM TRANSP - LARGE	1,737	3,002,186	2.4278	7,288,673	78.31	3,332	7,292,005
11	IT	INTERRUPTIBLE TRANSP	226	1,654,919	1.2200	2,019,038	21.69	0	2,019,038
12	*TOTAL TRANSP SERVICE*		1,963	4,657,105	1.9986	9,307,711	8.33	3,332	9,311,043
13		TOTAL THROUGHPUT	1,282,764	14,196,822	7.7332	109,786,792	98.23	63,910,850	173,697,642
14	*MISCELLANEOUS REVENUES:*								
15	LATE PAYMENT CHARGES		0	0		358,320	18.14	0	358,320
16	BAD CHECK CHARGES		0	0		21,480	1.09	0	21,480
17	RECONNECTION CHARGES		0	0		10,589	0.54	0	10,589
18	FIELD COLLECTION CHARGES		0	0		0	0.00	0	0
19	INTERDEPARTMENTAL		0	4,064		30,975	1.57	27,225	58,200
20	SPECIAL CONTRACTS		0	0		1,532,059	77.56	0	1,532,059
21	REVENUE TRANSP OF GAS-INTERCO		0	0		0	0.00	0	0
22	PROVISION FOR RATE REFUNDS		0	0		0	0.00	0	0
23	OTHER MISC		0	0		21,852	1.11	0	21,852
24	*TOTAL MISC*		0	4,064		1,975,275	1.77	27,225	2,002,500
25	*TOTAL COMPANY*		1,282,764	14,200,886	7.8701	111,762,067	100.00	63,938,075	175,700,142

(1) DETAIL CONTAINED ON SCHEDULES M-2.3, PAGES 2 THROUGH 7.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.3
PAGE 2 OF 7
WITNESS:
B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(3) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	*($/MCF)*	*($)*	*(%)*	*($)*	*($)*
1	*RS*	*RESIDENTIAL*							
2	*CUSTOMER CHARGE:*								
3	RESIDENTIAL								
4		TOTAL MONTHLY BILLS x :							
5		CUSTOMER CHARGE PER MONTH	1,194,296		$20.00	23,885,920	31.9		23,885,920
6	*COMMODITY CHARGE:*								
7		ALL CONSUMPTION		6,130,423	7.0424	43,172,891	57.7	41,068,317	84,241,208
8		*RATE RS EXCLUDING RIDERS*	1,194,296	6,130,423		67,058,811	89.6	41,068,317	108,127,128
9	*RIDERS:*								
10		HOME ENERGY ASSISTANCE PROGRAM (HEA)			$0.30	358,289	0.5		358,289
11		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.012490	76,569	0.1		76,569
12		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
13		PIPELINE MODERNIZATION MECHANISM (PMM)			1.200000	7,356,508	9.8		7,356,508
14		*TOTAL RIDERS*				7,791,366	10.4		7,791,366
15	*TOTAL RATE RS RESIDENTIAL INCLUDING RIDERS*		1,194,296	6,130,423		74,850,177	100.0	41,068,317	115,918,494

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.3
PAGE 3 OF 7
WITNESS:
B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE *(A)*	CLASS / DESCRIPTION *(B)*	CUSTOMER BILLS(1) *(C)*	SALES(2) *(D)*	PROPOSED RATES *(E)*	PROPOSED REVENUE LESS GAS COST REVENUE *(F)*	% OF REV TO TOTAL LESS GAS COST REVENUE *(G)*	GAS COST REVENUE(3) *(H)*	PROPOSED TOTAL REVENUE *(F + H)* *(I)*
				(MCF)	*($/MCF)*	*($)*	*(%)*	*($)*	*($)*
1	*GS*	*COMMERCIAL*							
2	*CUSTOMER CHARGE:*								
3	NON-RESIDENTIAL								
4	TOTAL MONTHLY BILLS x :								
5	CUSTOMER CHARGE PER MONTH		80,932		$65.00	5,260,580	23.4		5,260,580
6	*COMMODITY CHARGE:*								
7	ALL CONSUMPTION			2,939,387	5.5681	16,366,801	72.7	19,691,247	36,058,048
8	*RATE GS COMMERCIAL EXCLUDING RIDERS*		80,932	2,939,387		21,627,381	96.1	19,691,247	41,318,628
9	*RIDERS:*								
10	DEMAND SIDE MANAGEMENT RATE (DSMR)				0.000000	0	0.0		0
11	WEATHER NORMALIZATION ADJUSTMENT (WNA)				0.000000	0	0.0		0
12	PIPELINE MODERNIZATION MECHANISM (PMM)				0.300000	881,816	3.9		881,816
13	*TOTAL RIDERS*					881,816	3.9		881,816
14	*TOTAL RATE GS COMMERCIAL INCLUDING RIDERS*		80,932	2,939,387		22,509,197	100.0	19,691,247	42,200,444

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.3
PAGE 4 OF 7
WITNESS:
B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE *(A)*	CLASS / DESCRIPTION *(B)*	CUSTOMER BILLS(1) *(C)*	SALES(2) *(D)*	PROPOSED RATES *(E)*	PROPOSED REVENUE LESS GAS COST REVENUE *(F)*	% OF REV TO TOTAL LESS GAS COST REVENUE *(G)*	GAS COST REVENUE(3) *(H)*	PROPOSED TOTAL REVENUE *(F + H)* *(I)*
				(MCF)	*($/MCF)*	*($)*	*(%)*	*($)*	*($)*
1	*GS*	*INDUSTRIAL*							
2	*CUSTOMER CHARGE:*								
3	NON-RESIDENTIAL								
4		TOTAL MONTHLY BILLS x :							
5		CUSTOMER CHARGE PER MONTH	2,047		$65.00	133,055	9.9		133,055
6	*COMMODITY CHARGE:*								
7		ALL CONSUMPTION		205,705	5.5681	1,145,386	85.5	1,378,038	2,523,424
8		*RATE GS INDUSTRIAL EXCLUDING RIDERS*	2,047	205,705		1,278,441	95.4	1,378,038	2,656,479
9	*RIDERS:*								
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
12		PIPELINE MODERNIZATION MECHANISM (PMM)			0.300000	61,712	4.6		61,712
13		*TOTAL RIDERS*				61,712	4.6		61,712
14	*TOTAL RATE GS INDUSTRIAL INCLUDING RIDERS*		2,047	205,705		1,340,153	100.0	1,378,038	2,718,191

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.3
PAGE 5 OF 7
WITNESS:
B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES(2) (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(3) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	*($/MCF)*	*($)*	*(%)*	*($)*	*($)*
1	*GS*	*OTHER PUBLIC AUTHORITIES*							
2	*CUSTOMER CHARGE:*								
3	NON-RESIDENTIAL								
4		TOTAL MONTHLY BILLS x :							
5		CUSTOMER CHARGE PER MONTH	3,526		$65.00	229,190	12.9		229,190
6	*COMMODITY CHARGE:*								
7		ALL CONSUMPTION		264,202	5.5681	1,471,103	82.7	1,769,916	3,241,019
8		*RATE GS OPA EXCLUDING RIDERS*	3,526	264,202		1,700,293	95.5	1,769,916	3,470,209
9	*RIDERS:*								
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
12		PIPELINE MODERNIZATION MECHANISM (PMM)			0.300000	79,261	4.5		79,261
13		*TOTAL RIDERS*				79,261	4.5		79,261
14	*TOTAL RATE GS OPA INCLUDING RIDERS*		3,526	264,202		1,779,554	100.0	1,769,916	3,549,470

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS NORMALIZED VOLUMES.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF $6.699/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
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WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.3
PAGE 6 OF 7
WITNESS:
B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES(1) (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	($/MCF)	($)	(%)	($)	($)
1	*FT - L*								
2		*FIRM TRANSPORTATION - LARGE*							
3	ADMINISTRATIVE CHARGE		1,737		$430.00	746,910	10.2		746,910
4	*TRANSPORTATION CHARGE:*								
5		ALL CONSUMPTION		3,002,186	2.1688	6,511,141	89.3		6,511,141
6		*RATE FT-LARGE EXCLUDING RIDERS*	1,737	3,002,186		7,258,051	99.5		7,258,051
7	*RIDERS:*								
8		PIPELINE MODERNIZATION MECHANISM (PMM)			0.010200	30,622	0.4		30,622
9		GAS COST ADJUSTMENT TRANSITION (GCAT) (2)			0.0370		0.0	3,332	3,332
10		*TOTAL RIDERS*				30,622	0.4	3,332	33,954
11	*TOTAL RATE FT - LARGE INCLUDING RIDERS*		1,737	3,002,186		7,288,673	99.9	3,332	7,292,005

(1) REFLECTS NORMALIZED VOLUMES.
(2) GCAT only applies to FT-L customers during the first 12 months after they switch from sales service. Usage for this rider estimated at 3%

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2026
(GAS SERVICE)

DATA: ___ BASE PERIOD _X_FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MONTHS FORECASTED

SCHEDULE M-2.3
PAGE 7 OF 7
WITNESS:
B. L. Sailers

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	($/MCF)	($)	(%)	($)	($)
1	*IT*								
2		*INTERRUPTIBLE TRANSPORTATION*							
3	ADMINISTRATIVE CHARGE		226		$430.00	97,180	4.8		97,180
4	*COMMODITY CHARGE:*								
5		ALL CONSUMPTION		1,654,919	1.1498	1,902,826	94.2		1,902,826
6		*RATE IT EXCLUDING RIDERS*	226	1,654,919		2,000,006	99.0		2,000,006
7	*RIDERS:*								
8		PIPELINE MODERNIZATION MECHANISM (PMM)			0.011500	19,032	0.9		19,032
9		*TOTAL RIDERS*				19,032	0.9		19,032
10	*TOTAL RATE IT TRANSPORTATION*		226	1,654,919		2,019,038	100.0		2,019,038

DUKE ENERGY KENTUCKY, INC.
GAS COST OF SERVICE STUDY
CASE NO: 2025-00125
CALCULATION PROPOSED REVENUE DISTRIBUTION
REFLECTING A PROPOSED REVENUE SUBSIDY/EXCESS ELIMINATION COMPONENT

WORK PAPER REFERENCE:
WP FR-16(7)(v) - XII
WITNESS RESPONSIBLE:
DOUGLAS J. HEITKAMP
PAGE 1

Line No.	Rate Class	Rate Base (A)	Present Revenues (B)	Net Operating Income (C)	Present ROR (D)	Present Revenues At Average ROR (E)	Inter Class Subsidization Overcollected (Undercollected) (F)	Inter Class Subsidization times 50.00% (G)	Rate Increase (allocated to class based on Rate Base) (H)	Proposed Revenues 50.00% Interclass Subsidization (I)	Proposed Percent Increase (J)	ROR At Proposed Rates (K)	Proposed Increase Less (Subsidy) Excess (L)	Proposed Allocation of Total Revenues (M)
		FR-16(7)(v)-8	FR-16(7)(v)-8	WP - Pres NOI	(C) / (A)	(B) + (((D) Line 5 * (C))/(1-FIT))	(B) - (E)	(F) * 50.00%	(H) Line 5 * ((A) / (A) Line 5)	(B) - (G) + (H)	((H) - (G)) / (B)	((((H) - (G))*(1-FIT)+ (C)) / (A)	(H) - (G)	(I) / Total (I)
1	Rate RS	$ 354,529,440	$ 94,137,279	$ 16,104,133	4.5424%	$ 94,187,742	$ (50,463)	$ (25,232)	$ 13,964,398	$ 108,126,909	14.861%	7.659714%	$ 13,989,630	65.236%
2	Rate GS	140,608,857	40,671,741	4,359,229	3.1003%	43,258,569	(2,586,828)	(1,293,414)	$ 5,538,378	47,503,533	16.797%	6.938642%	6,831,792	28.660%
3	Rate FT-L	43,355,962	7,347,846	3,458,887	7.9779%	5,468,590	1,879,256	939,628	$ 1,707,728	8,115,946	10.453%	9.377456%	768,100	4.897%
4	Rate IT	10,460,056	1,967,238	1,075,161	10.2787%	1,209,203	758,035	379,018	$ 412,006	2,000,226	1.677%	10.527877%	32,988	1.207%
5	Total	$ 548,954,315	$ 144,124,104	$ 24,997,410	4.5536%	$ 144,124,104	$ -	$ -	$ 21,622,510	$ 165,746,614	15.003%	7.665336%	$ 21,622,510	100.000%

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