



139 East Fourth Street
P O. Box 960
Cincinnati, Ohio 45201-0960
Tel: 513-419-6947
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Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

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FEB 18 2011
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COMMISSION

February 17, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in March 2011.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

RECEIVED
FEB 21 2011
FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: January 2011

Line No.	Description	Amount	Rate (ϕ /kWh)
1	Fuel F_m (Schedule 2, Line J)	\$10,406,930.50	
2	Sales S_m (Schedule 3, Line C) ÷	370,562,217	2.8084
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	<u>3.3760</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.5676)</u></u>

Effective Date for Billing:

March 3, 2011

Submitted by:

Kelly Brey

Title:

Lead Rates Analyst

Date Submitted:

February 17, 2011

DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE

Expense Month: January 2011

	<u>Dollars (\$)</u>
A Company Generation	
Coal Burned	(+) 9,529,672.00
Oil Burned	(+) -
Gas Burned	(+) 526,876.50
MISO Make Whole Payments	(-) 730,586.27
Fuel (assigned cost during Forced Outage ^(a))	(+) 570,054.61
Fuel (substitute cost during Forced Outage ^(a))	(-) 67,971.21
Sub-Total	<u>\$9,828,045.63</u>
B Purchases	
Economy Purchases	(+) \$1,023,902.25
Other Purchases	(+) -
Other Purchases (substitute for Forced Outage ^(a))	(-) 805,049.76
Less purchases above highest cost units	(-) -
Sub-Total	<u>\$218,852.49</u>
C Non-Native Sales Fuel Costs	<u>433,548.10</u>
D Total Fuel Costs (A + B - C)	(+) \$9,613,350.02 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-) (\$832,137.90)
F Adjustment indicating the difference in actual fuel cost for the month of December 2010 and the estimated cost originally reported	(+) (\$48,272.23)
\$10,609,844.18 - \$10,658,116.41	
(actual) (estimate)	
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+) \$9,714.81
H Deferral of Current Purchased Power Costs	(-) \$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+) \$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)	<u><u>\$10,406,930.50</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: January 2011

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	381,518,990
<u>Purchases Including Interchange-In</u>	(+)	<u>27,047,660</u>
Sub-Total		<u>408,566,650</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	24,961,870
<u>System Losses (383,604,780 KWH times 3.4%^(a))</u>	(+)	<u>13,042,563</u>
Sub-Total		<u>38,004,433</u>
 C Total Sales (A - B)		<u><u>370,562,217</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: December 2010

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$9,351,304.10
Oil Burned	(+)	195,686.00
Gas Burned	(+)	\$711,517.40
MISO Make Whole Payments	(-)	991,784.99
Fuel (assigned cost during Forced Outage ^(a))	(+)	527,579.18
Fuel (substitute cost during Forced Outage ^(a))	(-)	41,746.62
Sub-Total		<u>\$9,752,555.07</u>
B. Purchases		
Economy Purchases	(+)	\$1,912,247.94
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	841,164.18
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,071,083.76</u>
C. Non-Native Sales Fuel Costs		\$ 213,794.65
D. Total Fuel Costs (A + B - C)		<u>\$10,609,844.18</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: November 2010

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	(0.9244)
2	Retail kWh Billed at Above Rate	(x)	<u>383,663,989</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$3,546,589.91)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	293,644,744
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4 - Line 5)		<u>293,644,744</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,714,452.01)
8	Over or (Under) (Line 3 - Line 7)		(\$832,137.90)
9	Total Sales (Schedule 3 Line C)	(-)	370,562,217
10	Kentucky Jurisdictional Sales	(+)	<u>370,562,217</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$832,137.90)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$832,137.90)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	September 2010 <u>Dollars (\$)</u>
A. Company Generation	
Coal Burned (+)	\$8,431,203.07
Oil Burned (+)	80,604.00
Gas Burned (+)	\$384,118.15
MISO Make Whole Payments (-)	913,983.30
Fuel (assigned cost during Forced Outage ^(a)) (+)	91,871.02
Fuel (substitute cost during Forced Outage ^(a)) (-)	37,898.45
Sub-Total	<u>\$8,035,914.49</u>
B. Purchases	
Economy Purchases (+)	\$798,970.93
Other Purchases (+)	-
Other Purchases (substitute for Forced Outage ^(a)) (-)	122,929.46
Less purchases above highest cost units (-)	-
Sub-Total	<u>\$676,041.47</u>
C. Non-Native Sales Fuel Costs	\$ 621,829.92
D. Total Fuel Costs (A + B - C)	<u>\$8,090,126.04</u>
E. Total Fuel Costs Previously Reported	\$8,080,411.23
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>\$9,714.81</u>

.....

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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VIA OVERNIGHT DELIVERY

March 21, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in April 2011.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

RECEIVED
MAR 22 2011
PUBLIC SERVICE
COMMISSION

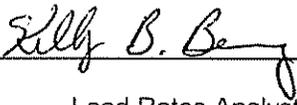
RECEIVED
MAR 22 2011
FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: February 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$7,829,137.03	
2	Sales S_m (Schedule 3, Line C) ÷	314,150,451	2.4922
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	<u>3.3760</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.8838)</u></u>

Effective Date for Billing: April 1, 2011

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: March 21, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: February 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,375,807.88
Oil Burned	(+)	-
Gas Burned	(+)	150,062.00
MISO Make Whole Payments	(-)	351,102.04
Fuel (assigned cost during Forced Outage ^(a))	(+)	115,248.08
Fuel (substitute cost during Forced Outage ^(a))	(-)	18,567.58
Sub-Total		<u>\$8,271,448.34</u>
B. Purchases		
Economy Purchases	(+)	\$431,742.10
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	136,285.00
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$295,457.10</u>
C. Non-Native Sales Fuel Costs		<u>1,001,681.30</u>
D. Total Fuel Costs (A + B - C)	(+)	\$7,565,224.14 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$73,622.22
F. Adjustment indicating the difference in actual fuel cost for the month of January 2011 and the estimated cost originally reported		
reported \$9,527,898.01 - \$9,613,350.02	(+)	(\$85,452.01)
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$422,987.12
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J. Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$7,829,137.03</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: February 2011

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	354,290,000
<u>Purchases Including Interchange-In</u>	(+)	<u>10,375,980</u>
Sub-Total		<u>364,665,980</u>
B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	40,130,390
<u>System Losses (324,535,590 KWH times 3.2%^(a))</u>	(+)	<u>10,385,139</u>
Sub-Total		<u>50,515,529</u>
C. Total Sales (A - B)		<u><u>314,150,451</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: January 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	\$9,332,168.05
Oil Burned	(+)	197,508.00
Gas Burned	(+)	\$526,876.43
MISO Make Whole Payments	(-)	788,065.14
Fuel (assigned cost during Forced Outage ^(a))	(+)	563,692.75
Fuel (substitute cost during Forced Outage ^(a))	(-)	82,943.20
Sub-Total		\$9,749,236.89
B Purchases		
Economy Purchases	(+)	\$1,013,183.21
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	804,541.20
Less purchases above highest cost units	(-)	-
Sub-Total		\$208,642.01
C Non-Native Sales Fuel Costs		\$ 429,980.89
D Total Fuel Costs (A + B - C)		\$9,527,898.01

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: December 2010

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	(0 2664)
2	Retail kWh Billed at Above Rate	(x)	<u>341,922,256</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$910,880.89)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	369,558,224
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>369,558,224</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$984,503.11)
8	Over or (Under) (Line 3 - Line 7)		\$73,622.22
9	Total Sales (Schedule 3 Line C)	(-)	314,150,451
10	Kentucky Jurisdictional Sales	(+)	<u>314,150,451</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$73,622.22
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$73,622.22</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		October 2010 <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$6,598,370.86
Oil Burned	(+)	158,159.00
Gas Burned	(+)	\$56,207.95
MISO Make Whole Payments	(-)	167,577.59
Fuel (assigned cost during Forced Outage ^(a))	(+)	198,578.63
Fuel (substitute cost during Forced Outage ^(a))	(-)	18,408.18
Sub-Total		<u>\$6,825,330.67</u>
B. Purchases		
Economy Purchases	(+)	\$2,180,367.55
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	230,844.78
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,949,522.77</u>
C. Non-Native Sales Fuel Costs		\$ 1,166,006.10
D. Total Fuel Costs (A + B - C)		<u>\$7,608,847.34</u>
E. Total Fuel Costs Previously Reported		\$7,185,860.22
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$422,987.12</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Lead Rates Analyst

VIA OVERNIGHT DELIVERY

April 21, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in May 2011.

Please contact me if you have any questions.

Sincerely,

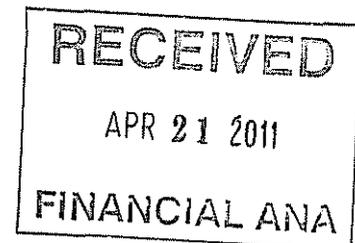
Kelly B. Berg

Enclosure

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**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: March 2011

	<u>Dollars (\$)</u>
A Company Generation	
Coal Burned	(+) 8,217,321.24
Oil Burned	(+) -
Gas Burned	(+) 554,102.00
MISO Make Whole Payments	(-) 797,391.75
Fuel (assigned cost during Forced Outage ^(a))	(+) 819.38
Fuel (substitute cost during Forced Outage ^(a))	(-) 816.56
Sub-Total	<u>\$7,974,034.31</u>
B Purchases	
Economy Purchases	(+) \$1,544,480.01
Other Purchases	(+) -
Other Purchases (substitute for Forced Outage ^(a))	(-) 10.00
Less purchases above highest cost units	(-) -
Sub-Total	<u>\$1,544,470.01</u>
C Non-Native Sales Fuel Costs	<u>1,321,183.95</u>
D Total Fuel Costs (A + B - C)	(+) \$8,197,320.37 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-) \$330,004.50
F Adjustment indicating the difference in actual fuel cost for the month of February 2011 and the estimated cost originally reported	(+) \$224,819.88
\$7,790,044.02 - \$7,565,224.14	
(actual) (estimate)	
G MISO Resettlements for prior periods from Schedule 6, Line G	(+) \$65,256.75
H Deferral of Current Purchased Power Costs	(-) \$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+) \$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)	<u><u>\$8,157,392.50</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: March 2011

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	344,022,000
<u>Purchases Including Interchange-In</u>	(+)	<u>42,540,320</u>
Sub-Total		<u>386,562,320</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	56,356,680
<u>System Losses (330,205,640 KWH times 2.7%^(a))</u>	(+)	<u>8,915,552</u>
Sub-Total		<u>65,272,232</u>
 C Total Sales (A - B)		<u><u>321,290,088</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: February 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,278,427.94
Oil Burned	(+)	97,384.00
Gas Burned	(+)	\$150,062.08
MISO Make Whole Payments	(-)	332,430.06
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$8,193,443.96</u>
B. Purchases		
Economy Purchases	(+)	\$433,981.75
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$433,981.75</u>
C. Non-Native Sales Fuel Costs		\$ 837,381.69
D. Total Fuel Costs (A + B - C)		<u><u>\$7,790,044.02</u></u>

 Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: January 2011

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	(0.5676)
2	Retail kWh Billed at Above Rate	(x)	<u>312,421,889</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$1,773,306.64)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	370,562,217
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>370,562,217</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,103,311.14)
8	Over or (Under) (Line 3 - Line 7)		\$330,004.50
9	Total Sales (Schedule 3 Line C)	(-)	321,290,088
10	Kentucky Jurisdictional Sales	(+)	<u>321,290,088</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$330,004.50
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$330,004.50</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		November 2010 <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$6,427,148.44
Oil Burned	(+)	233,773.00
Gas Burned	(+)	\$41,249.93
MISO Make Whole Payments	(-)	335,889.61
Fuel (assigned cost during Forced Outage ^(a))	(+)	595,527.23
Fuel (substitute cost during Forced Outage ^(a))	(-)	35,226.44
Sub-Total		<u>\$6,926,582.55</u>
B. Purchases		
Economy Purchases	(+)	\$1,930,620.56
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	755,200.60
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,175,419.96</u>
C. Non-Native Sales Fuel Costs		\$ 310,964.12
D. Total Fuel Costs (A + B - C)		<u>\$7,791,038.39</u>
E. Total Fuel Costs Previously Reported		\$7,725,781.64
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$65,256.75</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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May 20, 2011

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Attention: Daryl Newby

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Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

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FINANCIAL ANA

DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: April 2011

Line No.	Description	Amount	Rate (ϕ /kWh)
1	Fuel F_m (Schedule 2, Line J)	\$7,582,252.61	
2	Sales S_m (Schedule 3, Line C)	281,188,844	2.6965
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	3.3760
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>(0.6795)</u>

Effective Date for Billing: June 2, 2011

Submitted by: *Kelly B. Benz*

Title: Lead Rates Analyst

Date Submitted: May 20, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: April 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	9,048,487.26
Oil Burned	(+)	-
Gas Burned	(+)	215,804.00
MISO Make Whole Payments	(-)	351,830.28
Fuel (assigned cost during Forced Outage ^(a))	(+)	932.64
Fuel (substitute cost during Forced Outage ^(a))	(-)	8,091.41
Sub-Total		<u>\$8,905,302.21</u>
B Purchases		
Economy Purchases	(+)	\$568,317.78
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,023.78
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$567,294.00</u>
C Non-Native Sales Fuel Costs		<u>1,926,928.35</u>
D Total Fuel Costs (A + B - C)	(+)	\$7,545,667.86 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$225,362.70
F Adjustment indicating the difference in actual fuel cost for the month of March 2011 and the estimated cost originally reported		
reported \$8,324,478.36 - \$8,197,320.37	(+)	\$127,157.99
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$134,789.46
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$7,582,252.61</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

DUKE ENERGY KENTUCKY
SALES SCHEDULE

Expense Month: April 2011

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	356,334.000
<u>Purchases Including Interchange-In</u>	(+)	<u>15,797,050</u>
Sub-Total		<u>372,131,050</u>
B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	81,045,290
<u>System Losses (291,085,760 KWH times 3.4%^(a))</u>	(+)	<u>9,896,916</u>
Sub-Total		<u>90,942,206</u>
C. Total Sales (A - B)		<u><u>281,188,844</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: March 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	\$8,138,798.70
Oil Burned	(+)	78,529.00
Gas Burned	(+)	\$554,101.89
MISO Make Whole Payments	(-)	773,240.48
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$7,998,189.11</u>
 B. Purchases		
Economy Purchases	(+)	\$1,589,731.71
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,589,731.71</u>
 C Non-Native Sales Fuel Costs		 \$ 1,263,442.46
 D Total Fuel Costs (A + B - C)		 <u><u>\$8,324,478.36</u></u>

.....

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: February 2011

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	(0 8838)
2	Retail kWh Billed at Above Rate	(x)	<u>288,651,165</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$2,551,098.99)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	314,150,451
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>314,150,451</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,776.461 69)
8	Over or (Under) (Line 3 - Line 7)		\$225.362 70
9	Total Sales (Schedule 3 Line C)	(-)	281,188.844
10	Kentucky Jurisdictional Sales	(+)	<u>281,188,844</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$225.362 70
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$225,362.70</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		December 2010 <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$9,351,304.10
Oil Burned	(+)	195,686.00
Gas Burned	(+)	\$711,517.41
MISO Make Whole Payments	(-)	991,784.99
Fuel (assigned cost during Forced Outage ^(a))	(+)	527,338.65
Fuel (substitute cost during Forced Outage ^(a))	(-)	21,351.00
Sub-Total		<u>\$9,772,710.17</u>
B. Purchases		
Economy Purchases	(+)	\$1,996,358.47
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	847,773.72
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,148,584.75</u>
C. Non-Native Sales Fuel Costs		\$ 176,661.28
D. Total Fuel Costs (A + B - C)		<u>\$10,744,633.64</u>
E. Total Fuel Costs Previously Reported		\$10,609,844.18
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$134,789.46</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



139 East Fourth Street
P O Box 960
Cincinnati, Ohio 45201-0960
Tel. 513-419-6947
Fax. 513-419-6948
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

June 20, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUN 21 2011

PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen and Mr. Newby:

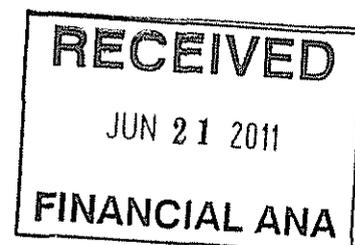
In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in July 2011.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure



DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: May 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,271,866.45	
2	Sales S_m (Schedule 3, Line C)	319,989,664	2.8976
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172		(-) 3.3760
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>(0.4784)</u>

Effective Date for Billing: July 1, 2011

Submitted by: Kelly B. Benz
Title: Lead Rates Analyst

Date Submitted: June 20, 2011

DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE

Expense Month: May 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	9,327,136.23
Oil Burned	(+)	-
Gas Burned	(+)	1,553,582.80
MISO Make Whole Payments	(-)	387,758.59
Fuel (assigned cost during Forced Outage ^(a))	(+)	498,487.37
Fuel (substitute cost during Forced Outage ^(a))	(-)	109,139.97
Sub-Total		<u>\$10,882,307.84</u>
B Purchases		
Economy Purchases	(+)	\$1,545,753.60
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,234,594.87
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$311,158.73</u>
C Non-Native Sales Fuel Costs		<u>1,824,805.76</u>
D Total Fuel Costs (A + B - C)	(+)	\$9,368,660.81 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$268,611.22
F Adjustment indicating the difference in actual fuel cost for the month of April 2011 and the estimated cost originally reported		
\$7,617,142.99 - \$7,545,667.86	(+)	\$71,475.13
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$100,341.74
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$9,271,866.45</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: May 2011

			<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	370,271,000	
<u>Purchases Including Interchange-In</u>	(+)	<u>22,202,450</u>	
Sub-Total			<u>392,473,450</u>
 B Pumped Storage Energy	(+)	-	
Non-Native Sales Including Interchange Out	(+)	61,221,210	
<u>System Losses (331,252,240 KWH times 3.4%^(a))</u>	(+)	<u>11,262,576</u>	
Sub-Total			<u>72,483,786</u>
 C Total Sales (A - B)			<u><u>319,989,664</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: April 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,882,945.42
Oil Burned	(+)	165,532.00
Gas Burned	(+)	\$215,803.88
MISO Make Whole Payments	(-)	354,679.28
Fuel (assigned cost during Forced Outage ^(a))	(+)	932.62
Fuel (substitute cost during Forced Outage ^(a))	(-)	7,780.72
Sub-Total		\$8,902,753.92
B. Purchases		
Economy Purchases	(+)	\$570,361.92
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,023.78
Less purchases above highest cost units	(-)	-
Sub-Total		\$569,338.14
C. Non-Native Sales Fuel Costs		\$ 1,854,949.07
D. Total Fuel Costs (A + B - C)		\$7,617,142.99

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: March 2011

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	(0.8371)
2	Retail kWh Billed at Above Rate	(x)	<u>289,201,781</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$2,420,908.11)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	321,290,088
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>321,290,088</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,689,519.33)
8	Over or (Under) (Line 3 - Line 7)		\$268,611.22
9	Total Sales (Schedule 3 Line C)	(-)	319,989,664
10	Kentucky Jurisdictional Sales	(+)	<u>319,989,664</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$268,611.22
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$268,611.22</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		January 2011 <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$9,332,168.36
Oil Burned	(+)	197,508.00
Gas Burned	(+)	\$526,876.42
MISO Make Whole Payments	(-)	788,065.14
Fuel (assigned cost during Forced Outage ^(a))	(+)	573,956.30
Fuel (substitute cost during Forced Outage ^(a))	(-)	82,959.37
Sub-Total		<u>\$9,759,484.57</u>
B. Purchases		
Economy Purchases	(+)	\$1,082,836.72
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	823,077.57
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$259,759.15</u>
C. Non-Native Sales Fuel Costs		\$ 391,003.97
D. Total Fuel Costs (A + B - C)		<u>\$9,628,239.75</u>
E. Total Fuel Costs Previously Reported		\$9,527,898.01
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$100,341.74</u>

.....

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



139 East Fourth Street
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Cincinnati, Ohio 45201-0960
Tel. 513-419-6947
Fax. 513-419-6948
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

July 21, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in August 2011.

Please contact me if you have any questions.

Sincerely,

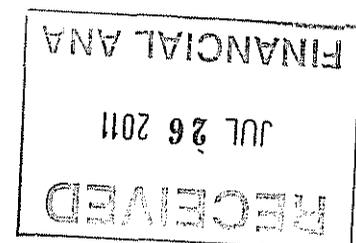
Kelly B. Berg

Enclosure

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JUL 21 2011

PUBLIC SERVICE
COMMISSION

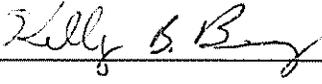


**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: June 2011

Line No.	Description	Amount	Rate (ϕ /kWh)
1	Fuel F_m (Schedule 2, Line J)	\$10,616,791.98	
2	Sales S_m (Schedule 3, Line C)	÷ 364,308,024	2.9142
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	<u>3.3760</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.4618)</u></u>

Effective Date for Billing: August 2, 2011

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: July 21, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: June 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,525,133.61
Oil Burned	(+)	-
Gas Burned	(+)	1,055,364.13
MISO Make Whole Payments	(-)	\$474,787.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	13,657.99
Fuel (substitute cost during Forced Outage ^(a))	(-)	13,173.95
Sub-Total		<u>\$9,106,194.78</u>
B Purchases		
Economy Purchases	(+)	\$1,969,085.67
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	16,221.84
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,952,863.83</u>
C Non-Native Sales Fuel Costs		<u>608,915.64</u>
D Total Fuel Costs (A + B - C)	(+)	\$10,450,142.97 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$484,794.86)
F Adjustment indicating the difference in actual fuel cost for the month of May 2011 and the estimated cost originally reported		
reported \$9,048,314.34 - \$9,368,660.81	(+)	(\$320,346.47)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$2,200.62
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$10,616,791.98</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

DUKE ENERGY KENTUCKY
SALES SCHEDULE

Expense Month: June 2011

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+) 343,522,990
	<u>Purchases Including Interchange-In</u>	(+) <u>52,267,520</u>
	Sub-Total	<u>395,790,510</u>
B	Pumped Storage Energy	(+) -
	Non-Native Sales Including Interchange Out	(+) 18,660,050
	<u>System Losses (377,130,460 KWH times 3.4%^(a))</u>	(+) <u>12,822,436</u>
	Sub-Total	<u>31,482,486</u>
C	Total Sales (A - B)	<u><u>364,308,024</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: May 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,961,754.35
Oil Burned	(+)	365,377.00
Gas Burned	(+)	\$1,553,582.51
MISO Make Whole Payments	(-)	371,974.68
Fuel (assigned cost during Forced Outage ^(a))	(+)	498,332.54
Fuel (substitute cost during Forced Outage ^(a))	(-)	485,854.27
Sub-Total		<u>\$10,521,217.45</u>
B. Purchases		
Economy Purchases	(+)	\$1,793,240.59
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,637,250.41
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$155,990.18</u>
C. Non-Native Sales Fuel Costs		\$ 1,628,893.29
D. Total Fuel Costs (A + B - C)		<u>\$9,048,314.34</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: April 2011

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	(0 6795)
2	Retail kWh Billed at Above Rate	(x)	<u>352,534,665</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$2,395,473.05)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	281,188,844
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>281,188,844</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$1,910,678 19)
8	Over or (Under) (Line 3 - Line 7)		(\$484,794 86)
9	Total Sales (Schedule 3 Line C)	(-)	364,308,024
10	Kentucky Jurisdictional Sales	(+)	<u>364,308,024</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$484,794 86)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$484,794.86)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		February 2011 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$8,278,427.95
Oil Burned	(+)	97,384.00
Gas Burned	(+)	\$150,062.08
MISO Make Whole Payments	(-)	332,430.06
Fuel (assigned cost during Forced Outage ^(a))	(+)	27.43
Fuel (substitute cost during Forced Outage ^(a))	(-)	316.00
Sub-Total		<u>\$8,193,155.40</u>
B. Purchases		
Economy Purchases	(+)	\$434,826.03
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$434,826.03</u>
C. Non-Native Sales Fuel Costs		\$ 835,736.79
D. Total Fuel Costs (A + B - C)		<u>\$7,792,244.64</u>
E. Total Fuel Costs Previously Reported		\$7,790,044.02
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$2,200.62</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Fax: 513-419-6948
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

August 18, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

AUG 19 2011

PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in September 2011.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

AUG 22 2011

DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: July 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$13,451,141.00	
2	Sales S_m (Schedule 3, Line C)	÷ 448,589,302	2.9985
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494		(-) 2.5747
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.4238</u>

Effective Date for Billing: August 31, 2011

Submitted by: *Kelly B. Berg*

Title: Lead Rates Analyst

Date Submitted: August 19, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: July 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	9,636,735.15
Oil Burned	(+)	-
Gas Burned	(+)	1,292,198.74
MISO Make Whole Payments	(-)	\$919,469.91
Fuel (assigned cost during Forced Outage ^(a))	(+)	48,910.04
Fuel (substitute cost during Forced Outage ^(a))	(-)	2,096.12
Sub-Total		<u>\$10,056,277.90</u>
B. Purchases		
Economy Purchases	(+)	\$3,367,945.59
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	85,919.24
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$3,282,026.35</u>
C. Non-Native Sales Fuel Costs		<u>192,503.02</u>
D. Total Fuel Costs (A + B - C)	(+)	\$13,145,801.23 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$323,824.48)
F. Adjustment indicating the difference in actual fuel cost for the month of June 2011 and the estimated cost originally reported	(+)	(\$36,989.19)
\$10,413,153.78 - \$10,450,142.97		
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$18,504.48
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J. Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$13,451,141.00</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: July 2011

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	406,123,000
<u>Purchases Including Interchange-In</u>	(+)	<u>64,236,630</u>
Sub-Total		<u>470,359,630</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	5,018,030
<u>System Losses (465,341,600 KWH times 3.6%^(a))</u>	(+)	<u>16,752,298</u>
Sub-Total		<u>21,770,328</u>
 C. Total Sales (A - B)		<u><u>448,589,302</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: June 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,285,301.10
Oil Burned	(+)	239,824.00
Gas Burned	(+)	\$1,055,364.29
MISO Make Whole Payments	(-)	533,528.35
Fuel (assigned cost during Forced Outage ^(a))	(+)	13,628.44
Fuel (substitute cost during Forced Outage ^(a))	(-)	12,182.40
Sub-Total		\$9,048,407.08
B. Purchases		
Economy Purchases	(+)	\$1,980,250.92
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	16,212.60
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,964,038.32
C. Non-Native Sales Fuel Costs		\$ 599,291.62
D. Total Fuel Costs (A + B - C)		\$10,413,153.78

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: May 2011

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	(0.4784)
2	Retail kWh Billed at Above Rate	(x)	<u>387,678,727</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$1,854,655.03)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	319,989,664
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>319,989,664</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$1,530,830.55)
8	Over or (Under) (Line 3 - Line 7)		(\$323,824.48)
9	Total Sales (Schedule 3 Line C)	(-)	448,589,302
10	Kentucky Jurisdictional Sales	(+)	<u>448,589,302</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$323,824.48)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$323,824.48)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		March 2011 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$8,138,798.51
Oil Burned	(+)	78,529.00
Gas Burned	(+)	\$554,101.89
MISO Make Whole Payments	(-)	773,240.48
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		\$7,998,188.92
B. Purchases		
Economy Purchases	(+)	\$1,590,337.42
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,590,337.42
C. Non-Native Sales Fuel Costs		\$ 1,245,543.50
D. Total Fuel Costs (A + B - C)		\$8,342,982.84
E. Total Fuel Costs Previously Reported		\$8,324,478.36
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		\$18,504.48

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



139 East Fourth Street
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Cincinnati, Ohio 45201-0960
Tel. 513-419-6947
Fax. 513-419-6948
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

September 19, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in October 2011.

Please contact me if you have any questions.

Sincerely,

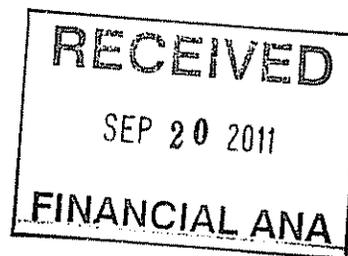
Kelly B. Berg

Enclosure

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SEP 20 2011

PUBLIC SERVICE
COMMISSION

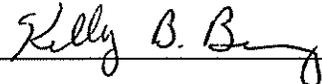


**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: August 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$11,736,278.80	
2	Sales S_m (Schedule 3, Line C) ÷	404,780,907	2.8994
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.3247</u></u>

Effective Date for Billing: September 30, 2011

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: September 19, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: August 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	7,556,036.71
Oil Burned	(+)	-
Gas Burned	(+)	713,219.84
MISO Make Whole Payments	(-)	\$704,171.04
Fuel (assigned cost during Forced Outage ^(a))	(+)	2,131,109.20
Fuel (substitute cost during Forced Outage ^(a))	(-)	94,633.82
Sub-Total		<u>\$9,601,560.89</u>
B Purchases		
Economy Purchases	(+)	\$5,261,478.91
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	3,130,519.52
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$2,130,959.39</u>
C Non-Native Sales Fuel Costs		<u>105,483.81</u>
D Total Fuel Costs (A + B - C)	(+)	\$11,627,036.47 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$233,851.66)
F Adjustment indicating the difference in actual fuel cost for the month of July 2011 and the estimated cost originally reported		
\$13,024,771.03 - \$13,145,801.23	(+)	(\$121,030.20)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$3,579.13)
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u>\$11,736,278.80</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: August 2011

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	286,077,000
<u>Purchases Including Interchange-In</u>	(+)	<u>138,904,070</u>
Sub-Total		<u>424,981,070</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	3,773,050
<u>System Losses (421,208,020 KWH times 3.9%^(a))</u>	(+)	<u>16,427,113</u>
Sub-Total		<u>20,200,163</u>
 C. Total Sales (A - B)		<u><u>404,780,907</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: July 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$9,597,966.31
Oil Burned	(+)	38,758.00
Gas Burned	(+)	\$1,292,199.10
MISO Make Whole Payments	(-)	1,017,506.41
Fuel (assigned cost during Forced Outage ^(a))	(+)	49,127.69
Fuel (substitute cost during Forced Outage ^(a))	(-)	2,558.48
Sub-Total		\$9,957,986.21
B. Purchases		
Economy Purchases	(+)	\$3,333,117.23
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	85,315.09
Less purchases above highest cost units	(-)	-
Sub-Total		\$3,247,802.14
C. Non-Native Sales Fuel Costs		\$ 181,017.32
D. Total Fuel Costs (A + B - C)		\$13,024,771.03

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: June 2011

Line No.	Description		
1	FAC Rate Billed ($\$/kWh$)	(+)	(0 4618)
2	Retail kWh Billed at Above Rate	(x)	<u>414,947,187</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$1,916,226.11)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	364,308,024
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>364,308,024</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$1,682,374 45)
8	Over or (Under) (Line 3 - Line 7)		(\$233,851 66)
9	Total Sales (Schedule 3 Line C)	(-)	404,780,907
10	Kentucky Jurisdictional Sales	(+)	<u>404,780,907</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$233,851 66)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$233,851.66)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		April 2011 Dollars (\$)
A Company Generation		
Coal Burned	(+)	\$8,882,945.42
Oil Burned	(+)	165,532.00
Gas Burned	(+)	\$215,803.88
MISO Make Whole Payments	(-)	354,679.28
Fuel (assigned cost during Forced Outage ^(a))	(+)	932.62
Fuel (substitute cost during Forced Outage ^(a))	(-)	7,780.09
Sub-Total		<u>\$8,902,754.55</u>
B Purchases		
Economy Purchases	(+)	\$570,507.79
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,025.90
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$569,481.89</u>
C Non-Native Sales Fuel Costs		\$ 1,858,672.58
D Total Fuel Costs (A + B - C)		<u>\$7,613,563.86</u>
E Total Fuel Costs Previously Reported		\$7,617,142.99
F Prior Period Adjustment		-
G Adjustment due to MISO Resettlements		<u><u>(\$3,579.13)</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

RECEIVED

OCT 18 2011

PUBLIC SERVICE
COMMISSION

October 17, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in November 2011.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

OCT 18 2011

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

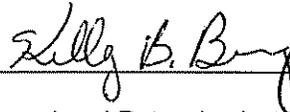
Expense Month: September 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,134,549.25	
2	Sales S_m (Schedule 3, Line C) ÷	311,351,050	2.9338
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.3591</u></u>

Effective Date for Billing:

October 31, 2011

Submitted by:



Title:

Lead Rates Analyst

Date Submitted:

October 20, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: September 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	7,098,200.35
Oil Burned	(+)	-
Gas Burned	(+)	199,813.74
MISO Make Whole Payments	(-)	\$210,884.27
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,758,380.26
Fuel (substitute cost during Forced Outage ^(a))	(-)	176,756.73
Sub-Total		<u>\$8,668,753.35</u>
B Purchases		
Economy Purchases	(+)	\$2,467,718.57
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,699,465.09
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$768,253.48</u>
C Non-Native Sales Fuel Costs		<u>793,063.28</u>
D Total Fuel Costs (A + B - C)	(+)	\$8,643,943.55 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$391,959.45)
F Adjustment indicating the difference in actual fuel cost for the month of August 2011 and the estimated cost originally reported		
reported \$11,707,221.45 - \$11,627,036.47	(+)	\$80,184.98
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$18,461.27
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$9,134,549.25</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

DUKE ENERGY KENTUCKY
SALES SCHEDULE

Expense Month: September 2011

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		274,962,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>79,157,740</u>
	Sub-Total	<u>354,119,740</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		29,795,730
	<u>System Losses (324,324,010 KWH times 4.0%^(a))</u>	(+)
		<u>12,972,960</u>
	Sub-Total	<u>42,768,690</u>
C	Total Sales (A - B)	<u><u>311,351,050</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: August 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$7,138,202.44
Oil Burned	(+)	417,826.00
Gas Burned	(+)	\$713,219.52
MISO Make Whole Payments	(-)	764,372.42
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,778,866.19
Fuel (substitute cost during Forced Outage ^(a))	(-)	72,902.78
Sub-Total		\$9,210,838.95
B. Purchases		
Economy Purchases	(+)	\$5,320,177.06
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	2,713,761.97
Less purchases above highest cost units	(-)	-
Sub-Total		\$2,606,415.09
C. Non-Native Sales Fuel Costs		\$ 110,032.59
D. Total Fuel Costs (A + B - C)		\$11,707,221.45

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: July 2011

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 4238
2	Retail kWh Billed at Above Rate	(x)	<u>356,102,409</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,509,162.01</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	448,589,302
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>448,589,302</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,901,121.46
8	Over or (Under) (Line 3 - Line 7)		(\$391,959.45)
9	Total Sales (Schedule 3 Line C)	(-)	311,351,050
10	Kentucky Jurisdictional Sales	(+)	<u>311,351,050</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$391,959.45)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$391,959.45)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		<u>May 2011</u> <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,961,754.35
Oil Burned	(+)	365,377.00
Gas Burned	(+)	\$1,553,582.51
MISO Make Whole Payments	(-)	371,974.68
Fuel (assigned cost during Forced Outage ^(a))	(+)	498,293.89
Fuel (substitute cost during Forced Outage ^(a))	(-)	489,560.22
Sub-Total		<u>\$10,517,472.85</u>
B. Purchases		
Economy Purchases	(+)	\$1,785,717.03
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,627,325.71
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$158,391.32</u>
C. Non-Native Sales Fuel Costs		\$ 1,609,088.56
D. Total Fuel Costs (A + B - C)		\$9,066,775.61
E. Total Fuel Costs Previously Reported		\$9,048,314.34
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		\$18,461.27

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Tel: 513-419-6947
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Kelly Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

November 18, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED
NOV 21 2011
PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in December 2011.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

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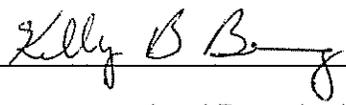
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**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: October 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$8,493,076.58	
2	Sales S_m (Schedule 3, Line C)	÷ 294,168,336	2.8871
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	2.5747
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.3124</u>

Effective Date for Billing: December 1, 2011

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: November 18, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: October 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,545,792.02
Oil Burned	(+)	-
Gas Burned	(+)	124,312.81
MISO Make Whole Payments	(-)	\$207,737.37
Fuel (assigned cost during Forced Outage ^(a))	(+)	169,471.60
Fuel (substitute cost during Forced Outage ^(a))	(-)	4,537.72
Sub-Total		<u>\$8,627,301.34</u>
B. Purchases		
Economy Purchases	(+)	\$793,353.26
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	197,747.00
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$595,606.26</u>
C. Non-Native Sales Fuel Costs		<u>1,107,671.26</u>
D. Total Fuel Costs (A + B - C)	(+)	\$8,115,236.34 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5. Line 14	(-)	(\$395,135.95)
F. Adjustment indicating the difference in actual fuel cost for the month of September 2011 and the estimated cost originally reported		
reported \$8,641,771.23 - \$8,643,943.55	(+)	(\$2,172.32)
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6. Line G	(+)	(\$15,123.39)
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J. Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$8,493,076.58</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trueed up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: October 2011

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		327,319,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>23,943,120</u>
	Sub-Total	<u>351,262,120</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		44,836,770
	<u>System Losses (306,425,350 KWH times 4.0%^(a))</u>	(+)
		<u>12,257,014</u>
	Sub-Total	<u>57,093,784</u>
C	Total Sales (A - B)	<u><u>294,168,336</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: September 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	\$6,756,334.11
Oil Burned	(+)	341,865.00
Gas Burned	(+)	\$199,813.80
MISO Make Whole Payments	(-)	223,047.42
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,758,380.26
Fuel (substitute cost during Forced Outage ^(a))	(-)	163,433.16
Sub-Total		<u>\$8,669,912.59</u>
B Purchases		
Economy Purchases	(+)	\$2,472,140.42
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,699,465.09
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$772,675.33</u>
C Non-Native Sales Fuel Costs		\$ 800,816.69
D Total Fuel Costs (A + B - C)		<u><u>\$8,641,771.23</u></u>

.....

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: August 2011

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 3247
2	Retail kWh Billed at Above Rate	(x)	<u>283,088,285</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$919,187.66</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	404,780,907
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>404,780,907</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,314.323 61
8	Over or (Under) (Line 3 - Line 7)		(\$395.135 95)
9	Total Sales (Schedule 3 Line C)	(-)	294.168.336
10	Kentucky Jurisdictional Sales	(+)	<u>294,168,336</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$395.135 95)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$395,135.95)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		June 2011 <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,285,301.10
Oil Burned	(+)	239,824.00
Gas Burned	(+)	\$1,055,364.29
MISO Make Whole Payments	(-)	533,528.35
Fuel (assigned cost during Forced Outage ^(a))	(+)	13,451.34
Fuel (substitute cost during Forced Outage ^(a))	(-)	12,182.40
Sub-Total		\$9,048,229.98
B. Purchases		
Economy Purchases	(+)	\$1,959,583.85
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	16,051.50
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,943,532.35
C. Non-Native Sales Fuel Costs		\$ 593,731.94
D. Total Fuel Costs (A + B - C)		\$10,398,030.39
E. Total Fuel Costs Previously Reported		\$10,413,153.78
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$15,123.39)

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Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

December 19, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in January 2012.

Please contact me if you have any questions.

Sincerely,

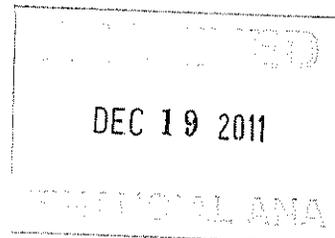
Kelly B. Berg

Enclosure

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DEC 19 2011

PUBLIC SERVICE
COMMISSION



DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: November 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$8,185,924.20	
2	Sales S_m (Schedule 3, Line C)	÷ 292,792,065	2.7958
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.2211</u></u>

Effective Date for Billing: January 3, 2012

Submitted by: *Kelly B. Bey*

Title: Lead Rates Analyst

Date Submitted: December 19, 2011

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: November 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,754,704.21
Oil Burned	(+)	-
Gas Burned	(+)	86,697.66
MISO Make Whole Payments	(-)	\$214,550.83
Fuel (assigned cost during Forced Outage ^(a))	(+)	16,874.86
Fuel (substitute cost during Forced Outage ^(a))	(-)	12,517.04
Sub-Total		<u>\$8,631,208.86</u>
B. Purchases		
Economy Purchases	(+)	\$244,365.30
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	15,782.50
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$228,582.80</u>
C Non-Native Sales Fuel Costs		<u>808,997.61</u>
D Total Fuel Costs (A + B - C)	(+)	\$8,050,794.05 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$92,181.76)
F. Adjustment indicating the difference in actual fuel cost for the month of October 2011 and the estimated cost originally reported		
reported \$8,120,633.92 - \$8,115,236.34	(+)	\$5,397.58
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$37,550.81
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$8,185,924.20</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: November 2011

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	332,281,010
<u>Purchases Including Interchange-In</u>	(+)	<u>7,014,140</u>
Sub-Total		<u>339,295,150</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	33,666,690
<u>System Losses (305,628,460 KWH times 4.2%^(a))</u>	(+)	<u>12,836,395</u>
Sub-Total		<u>46,503,085</u>
 C Total Sales (A - B)		<u><u>292,792,065</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: October 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,353,440.95
Oil Burned	(+)	192,353.00
Gas Burned	(+)	\$124,312.71
MISO Make Whole Payments	(-)	241,020.67
Fuel (assigned cost during Forced Outage ^(a))	(+)	169,370.78
Fuel (substitute cost during Forced Outage ^(a))	(-)	4,633.32
Sub-Total		<u>\$8,593,823.45</u>
B. Purchases		
Economy Purchases	(+)	\$794,992.00
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	197,747.00
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$597,245.00</u>
C. Non-Native Sales Fuel Costs		\$ 1,070,434.53
D. Total Fuel Costs (A + B - C)		<u>\$8,120,633.92</u>

 Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: September 2011

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 3591
2	Retail kWh Billed at Above Rate	(x)	<u>285,680,830</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,025,879.86</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	311.351.050
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>311,351,050</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,118,061.62
8	Over or (Under) (Line 3 - Line 7)		(\$92,181.76)
9	Total Sales (Schedule 3 Line C)	(-)	292,792,065
10	Kentucky Jurisdictional Sales	(+)	<u>292,792,065</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$92,181.76)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$92,181.76)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	July 2011 <u>Dollars (\$)</u>
A Company Generation	
Coal Burned	(+)
Oil Burned	(+)
Gas Burned	(+)
MISO Make Whole Payments	(-)
Fuel (assigned cost during Forced Outage ^(a))	(+)
Fuel (substitute cost during Forced Outage ^(a))	(-)
Sub-Total	<u>\$9,957,516.24</u>
B. Purchases	
Economy Purchases	(+)
Other Purchases	(+)
Other Purchases (substitute for Forced Outage ^(a))	(-)
Less purchases above highest cost units	(-)
Sub-Total	<u>\$3,284,928.43</u>
C. Non-Native Sales Fuel Costs	\$ 180,122.83
D. Total Fuel Costs (A + B - C)	<u>\$13,062,321.84</u>
E. Total Fuel Costs Previously Reported	\$13,024,771.03
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u><u>\$37,550.81</u></u>

.....

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

January 19, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

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JAN 19 2012

PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in February 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

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JAN 19 2012

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**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: December 2011

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,561,947.56	
2	Sales S_m (Schedule 3, Line C) ÷	333,153,275	2.8701
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	2.5747
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.2954</u>

Effective Date for Billing: February 1, 2012

Submitted by: *Kelly B. Berg*

Title: Lead Rates Analyst

Date Submitted: January 19, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: December 2011

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	9,861,458.83
Oil Burned	(+)	-
Gas Burned	(+)	50,535.60
MISO Make Whole Payments	(-)	\$207,081.59
Fuel (assigned cost during Forced Outage ^(a))	(+)	80,293.05
Fuel (substitute cost during Forced Outage ^(a))	(-)	24,162.28
Sub-Total		<u>\$9,761,043.61</u>
B Purchases		
Economy Purchases	(+)	\$432,541.25
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	73,991.76
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$358,549.49</u>
C Non-Native Sales Fuel Costs		<u>452,156.62</u>
D Total Fuel Costs (A + B - C)	(+)	\$9,667,436.48 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$92,478.52
F Adjustment indicating the difference in actual fuel cost for the month of November 2011 and the estimated cost originally reported		
\$8,042,039.46 - \$8,050,794.05	(+)	(\$8,754.59)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$4,255.81)
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$9,561,947.56</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: December 2011

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		353,205,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>11,059,730</u>
	Sub-Total	<u>364,264,730</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		16,505,570
	<u>System Losses (347,759,160 KWH times 4.2%^(a))</u>	(+)
		<u>14,605,885</u>
	Sub-Total	<u>31,111,455</u>
C	Total Sales (A - B)	<u><u>333,153,275</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: Novmeber 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,676,416.81
Oil Burned	(+)	78,279.00
Gas Burned	(+)	\$86,697.64
MISO Make Whole Payments	(-)	227,678.88
Fuel (assigned cost during Forced Outage ^(a))	(+)	16,874.99
Fuel (substitute cost during Forced Outage ^(a))	(-)	12,149.73
Sub-Total		\$8,618,439.83
B. Purchases		
Economy Purchases	(+)	\$254,034.04
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	15,782.63
Less purchases above highest cost units	(-)	-
Sub-Total		\$238,251.41
C. Non-Native Sales Fuel Costs		\$ 814,651.78
D. Total Fuel Costs (A + B - C)		\$8,042,039.46

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: October 2011

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 3124
2	Retail kWh Billed at Above Rate	(x)	<u>323,770,933</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,011,460.40</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	294,168,336
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>294,168,336</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$918,981 88
8	Over or (Under) (Line 3 - Line 7)		\$92,478 52
9	Total Sales (Schedule 3 Line C)	(-)	333,153,275
10	Kentucky Jurisdictional Sales	(+)	<u>333,153,275</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$92,478 52
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$92,478.52</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		August 2011 Dollars (\$)
A Company Generation		
Coal Burned	(+)	\$7,138,202.44
Oil Burned	(+)	417,826.00
Gas Burned	(+)	\$713,219.52
MISO Make Whole Payments	(-)	764,372.42
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,779,132.84
Fuel (substitute cost during Forced Outage ^(a))	(-)	71,500.62
Sub-Total		\$9,212,507.76
B Purchases		
Economy Purchases	(+)	\$5,314,945.58
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	2,716,014.51
Less purchases above highest cost units	(-)	-
Sub-Total		\$2,598,931.07
C. Non-Native Sales Fuel Costs		\$ 108,473.19
D. Total Fuel Costs (A + B - C)		\$11,702,965.64
E. Total Fuel Costs Previously Reported		\$11,707,221.45
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$4,255.81)

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.