

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF DUKE ENERGY KENTUCKY, INC.)	2026-00016

ORDER

On January 29, 2026, Duke Energy Kentucky, Inc. (Duke Kentucky) filed, in accordance with its Gas Cost Adjustment (GCA) tariff, its GCA rate report and a proposed GCA rate to be effective March 2, 2026. Duke Kentucky's previous GCA rate was approved in Case No. 2025-00337.¹

On February 23, 2026, the Commission scheduled an Informal Conference for February 24, 2026, between Duke Kentucky and Commission Staff to discuss the supplier refund adjustment (RA) in this proceeding. Duke Kentucky confirmed that it planned to file a Refund Report resulting from a ruling the Federal Energy Regulatory Commission (FERC) made regarding a Duke Kentucky supplier, Columbia Gas Transmission, LLC pursuant to Section 154.501(e) and 154.502 of FERC regulations. The refund to Duke Kentucky's customers totals \$2,658,248.89² and will become effective through the RA for a period of 12-months, starting in Duke Kentucky's next GCA filing. The RA will include interest calculated at the average of the three-month commercial paper rate as required by Duke Kentucky's GCA tariff.

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

² Case No. 2026-00022, *Electronic Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.* (filed Jan. 30, 2026), Application March 2026 GCA_-_FINAL.pdf, at 25.

LEGAL STANDARD

The Commission's standard of review for GCA rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates, or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.³

DISCUSSION

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that Duke Kentucky's GCA report includes revised rates designed to pass on to its customers its expected changes in gas costs. Duke Kentucky's GCA report sets out an Expected Gas Cost (EGC) of \$7.403 per Mcf, which is an increase of \$0.048 per Mcf from its previous EGC of \$7.355 per Mcf. Duke Kentucky's GCA report sets out a current quarter supplier RA of \$0.000 per Mcf. Duke Kentucky's GCA report sets out a current quarter Actual Adjustment (AA) of \$0.623 per Mcf. Duke Kentucky's total AA is \$0.366 per Mcf, which is an increase of \$0.243 per Mcf from its previous total AA of \$0.123 per Mcf. Duke Kentucky's GCA report sets out a current quarter Balance Adjustment (BA) of (\$0.004) per Mcf. Duke Kentucky's total BA is \$0.004 per Mcf, which is a decrease of \$0.026 per Mcf from its previous total BA of \$0.030 per Mcf.

³ KRS 278.274(2); KRS 278.274(3)(c); and KRS 278.274(3)(d).

Based on the calculations above, the Commission finds that Duke Kentucky's GCA of \$7.773 per Mcf as proposed is approved, which is an increase of \$0.265 per Mcf from its previous GCA of \$7.508 per Mcf. The Commission finds the inputs, resulting components and calculation of Duke's proposed GCA rate of \$7.773 per Mcf to be reasonable. The Commission also finds that Duke Kentucky's GCA report sets out a Gas Cost Adjustment Transition (GCAT) Rider rate of \$0.0370 per 100 cubic feet. This GCAT rate will be applicable to customers who begin receiving the Rate FT-L transportation service after the effective date of this Order and who paid gas supply costs through the GCA during the 12 months before they began receiving Rate FT-L service. The Commission further finds that the rates as proposed by Duke Kentucky and set forth in the Appendix to this Order are fair, just and reasonable and should be approved for final meter reading by Duke Kentucky on and after March 2, 2026.

For the purpose of transparency and to maintain a record of information for future use, the Commission finds that Duke Kentucky should submit all invoices it receives along with its monthly usage report for each month of the reporting period when it files its future GCA rate reports. As ordered by the Commission in Case No. 2018-00143,⁴ Duke Kentucky's future GCA reports should include an electronic version containing supporting calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. Should Duke Kentucky purchase sustainable natural gas from a renewable source during the reporting period of any future GCA reports then

⁴ Case No. 2018-00143, *Electronic Purchased Gas Adjustment Filing of Duke Energy Kentucky, Inc.* (Ky. PSC May 23, 2018), Order at 2.

the supplier, cost, and amount should be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Duke Kentucky and set forth in the Appendix to this Order are approved for final meter readings on and after March 2, 2026.

2. Duke Kentucky shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCA rate reports.

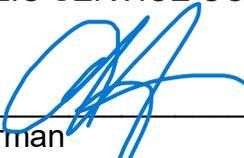
3. Duke Kentucky's future GCA reports shall include an electronic version containing supporting calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

4. If Duke Kentucky purchases sustainable natural gas from a renewable source during the reporting period of any future GCA reports, Duke Kentucky shall document the supplier, cost, and volume purchased in the cover letter of its next GCA filing to the Commission.

5. Within 20 days of the date of service of this Order, Duke Kentucky shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

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

PUBLIC SERVICE COMMISSION


Chairman


Commissioner


Commissioner

ATTEST:


Executive Director

ENTERED
FEB 27 2026_{AB}
KENTUCKY PUBLIC
SERVICE COMMISSION

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2026-00016 DATED FEB 27 2026

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

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$0.70339	plus	\$0.7773	\$1.48069

RATE GS

GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$0.55629	plus	\$0.7773	\$1.33359

RATE GCAT

GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge (or credit) shall be \$0.0370 per 100 cubic feet. This rate shall be in effect during the month of March 2, 2026, through May 2026 and shall be updated quarterly, concurrent with the Company's GCA filings.

*Dana Patten
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Julie Lee
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Julie Whisman
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

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

*Minna Sunderman
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Sarah Lawler
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201