

COMPANY NAME: DUKE ENERGY KENTUCKY, INC.  
GAS COST ADJUSTMENT CLAUSE RATE CALCULATIONS  
SUPPLEMENTAL MONTHLY REPORT

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	3.782
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	0.000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.195
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.068)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	<u>3.909</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: September 30, 2015 THROUGH October 28, 2015

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.782

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	<u>0.000</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.369)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.016
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.445
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>0.103</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.195

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.045)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.043)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.004)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>0.024</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.068)

THIS MONTHLY REPORT FILED PURSUANT TO CASE NO. 2003-00386  
OF THE KENTUCKY PUBLIC SERVICE COMMISSION DATED November 6, 2003

DATE FILED: September 9, 2015

BY: DON WATHEN

TITLE: DIRECTOR,  
Rates & Regulatory Strategy - OH/KY

**PURCHASED GAS ADJUSTMENT**  
**COMPANY NAME: DUKE ENERGY KENTUCKY, INC.**

**SUPPLEMENTAL MONTHLY REPORT**

**EXPECTED GAS COST RATE CALCULATION**

DETAILS FOR THE EGC RATE IN EFFECT AS OF  
 PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED

September 30, 2015  
August 31, 2016

			<u>\$</u>
<b><u>DEMAND (FIXED) COSTS:</u></b>			
Columbia Gas Transmission Corp.			3,031,317
Texas Gas Transmission			684,090
Columbia Gulf Transmission Corp.			1,223,775
K O Transmission Company			307,584
ANR Pipeline			911,370
Gas Marketers			<u>103,575</u>
	<b>TOTAL DEMAND COST:</b>		<u><u>6,261,711</u></u>
PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:		10,260,770	MCF
<b>DEMAND (FIXED) COMPONENT OF EGC RATE</b>	\$6,261,711	/	10,260,770 MCF <b>\$0.610 /MCF</b>
 <b><u>COMMODITY COSTS:</u></b>			
Gas Marketers			\$3.134 /MCF
Gas Storage			/MCF
Columbia Gas Transmission			\$0.000 /MCF
Propane			<u>\$0.000 /MCF</u>
<b>COMMODITY COMPONENT OF EGC RATE:</b>			<b>\$3.134</b>
 <b><u>OTHER COSTS:</u></b>			
Net Charge Off <sup>(1)</sup>	\$17,952	/	467,708 <b>\$0.038 /MCF</b>
 <b>TOTAL EXPECTED GAS COST:</b>			 <u><u><b>\$3.782 /MCF</b></u></u>

<sup>(1)</sup> Net Charge Off amount from Case No. 2009-00202 WPD-2.15a.

**GAS COST ADJUSTMENT  
DUKE ENERGY KENTUCKY, INC.**

**DETAILS FOR THE EGC RATE IN EFFECT AS OF : SEPTEMBER 30, 2015**



**GAS COMMODITY RATE FOR OCTOBER 2015:**

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$2.9289	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0556	\$2.9845	\$/Dth
DTH TO MCF CONVERSION	1.0500	\$0.1492	\$3.1337	\$/Mcf
ESTIMATED WEIGHTING FACTOR	100.000%		\$3.1337	\$/Mcf
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$3.134</b>	<b>\$/Mcf</b>

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$3.4549	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$3.4702	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.885%	\$0.0654	\$3.5356	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0178	\$3.5534	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0014	\$3.5548	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0675	\$3.6223	\$/Dth
DTH TO MCF CONVERSION	1.0500	\$0.1811	\$3.8034	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>			<b>\$0.000</b>	<b>\$/Mcf</b>

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$1.01178	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$14.5494	\$15.5612	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.0000%		\$0.0000	\$/Mcf
<b>PROPANE COMMODITY RATE</b>			<b>\$0.000</b>	<b>\$/Mcf</b>

(1) Weighted average cost of gas based on NYMEX prices on 9/4/2015 and contracted hedging prices.