

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	4.287
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>4.414</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: October 29, 2015 THROUGH November 30, 2015

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	4.287

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	0.103
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.195</u>

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	0.024
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.068)</u>

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

DATE FILED: October 8, 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

October 29, 2015
August 31, 2016

			<u>\$</u>
<u>DEMAND (FIXED) COSTS:</u>			
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>
	TOTAL DEMAND COST:		<u><u>6,261,711</u></u>
PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:	10,260,770	MCF	
DEMAND (FIXED) COMPONENT OF EGC RATE	\$6,261,711	/	10,260,770 MCF \$0.610 /MCF
 <u>COMMODITY COSTS:</u>			
Gas Marketers			\$2.972 /MCF
Gas Storage			/MCF
Columbia Gas Transmission			\$0.688 /MCF
Propane			<u>\$0.000 /MCF</u>
COMMODITY COMPONENT OF EGC RATE:			<u><u>\$3.660</u></u>
 <u>OTHER COSTS:</u>			
Net Charge Off ⁽¹⁾	\$17,952	/	1,070,709 \$0.017 /MCF
TOTAL EXPECTED GAS COST:			<u><u><u>\$4.287 /MCF</u></u></u>

⁽¹⁾ 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 : October 29, 2015



GAS COMMODITY RATE FOR NOVEMBER 2015:

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$3.4055	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0647	\$3.4702	\$/Dth
DTH TO MCF CONVERSION	1.0484	\$0.1680	\$3.6382	\$/Mcf
ESTIMATED WEIGHTING FACTOR	81.700%		\$2.9724	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$2.972	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$3.4193	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$3.4346	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.885%	\$0.0647	\$3.4993	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0178	\$3.5171	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0014	\$3.5185	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0669	\$3.5854	\$/Dth
DTH TO MCF CONVERSION	1.0484	\$0.1735	\$3.7589	\$/Mcf
ESTIMATED WEIGHTING FACTOR	18.300%		\$0.6879	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.688	\$/Mcf

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
PROPANE COMMODITY RATE			\$0.000	\$/Mcf

(1) Weighted average cost of gas based on NYMEX prices on 10/6/2015 and contracted hedging prices.