

December 14, 2015

Kentucky Public Service Commission Attn: Mr. Jeff Derouen, Executive Director 211 Sower Boulevard Frankfort, Kentucky 40602

Dear Mr. Derouen:

Enclosed for electronic filing are Duke Energy Kentucky's ("Duke") "Monthly Report of Gas Cost Calculations and Tariff Schedules," for the month commencing with the January 2016 revenue month in accordance with KPSC order dated November 6, 2003 in Case No. 2003-00386. This filing is based on supplier tariff rates expected to be in effect on January 4, 2016 and the NYMEX close on December 10, 2015 for the month of January 2016. An original will be sent within the required two (2) business days.

The above described schedules and GCA are effective with the final meter readings of District 1, January 2016 revenue month (i.e., final meter readings on and after January 4, 2016).

Duke's proposed GCA is \$3.507 per Mcf. This rate represents a decrease of \$0.174 per Mcf from the rate currently in effect for December 2015.

Very truly yours,

Dana Patten

Enclosure

cc: L. Schmidt

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