

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	3.433
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	0.000
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.111)
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.060)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	<u>3.262</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: May 2, 2016 May 31, 2016

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.433

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	0.202
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.040
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.369)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.016
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>(0.111)</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.000
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.028
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.045)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.043)
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.060)</u>

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

DATE FILED: April 11, 2016

BY: DON WATHEN

TITLE: DIRECTOR
Rates & Regulatory Strategy - OH/KY

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

DETAILS FOR THE EGC RATE IN EFFECT AS OF : May 2, 2016



GAS COMMODITY RATE FOR MAY 2016:

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$2.5481	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.400%	\$0.0357	\$2.5838	\$/Dth
DTH TO MCF CONVERSION	1.0787	\$0.2033	\$2.7871	\$/Mcf
ESTIMATED WEIGHTING FACTOR	100.000%		\$2.7871	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$2.787	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$3.3990	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$3.4143	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	2.042%	\$0.0697	\$3.4840	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0179	\$3.5019	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0014	\$3.5033	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.400%	\$0.0490	\$3.5523	\$/Dth
DTH TO MCF CONVERSION	1.0787	\$0.2796	\$3.8319	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.000	\$/Mcf

GAS STORAGE

ANR - STORAGE INVENTORY RATE			\$3.0687	\$/Dth
ANR FSS WITHDRAWAL FEE		\$0.0118	\$3.0805	\$/Dth
ANR FTS FUEL	1.130%	\$0.0348	\$3.1153	\$/Dth
DTH TO MCF CONVERSION	1.0787	\$0.2452	\$3.3605	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
GAS STORAGE COMMODITY RATE - ANR			\$0.000	\$/Mcf

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$0.87023	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$12.5139	\$13.3841	\$/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 4/07/2016 and contracted hedging prices.