

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	4.694
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	0.000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.373
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.048)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	<u>5.019</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: January 3, 2017 THROUGH January 31, 2017

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	4.694

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	0.025
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.055)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.201
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.202
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.373</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.098)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.006)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.056
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.000
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.048)</u>

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

DATE FILED: December 13, 2016

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

January 3, 2017  
November 30, 2017

		<u>\$</u>	
<b><u>DEMAND (FIXED) COSTS:</u></b>			
Columbia Gas Transmission Corp.		3,147,310	
Columbia Gulf Transmission Corp.		1,023,975	
Tennessee Gas Pipeline Company, LLC		671,618	
KO Transmission Company		307,584	
Texas Gas Transmission		684,090	
Gas Marketers		119,652	
	<b>TOTAL DEMAND COST:</b>	<u>5,954,229</u>	
PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:	9,169,477	MCF	
<b>DEMAND (FIXED) COMPONENT OF EGC RATE</b>	\$5,954,229	/	9,169,477 MCF <b>\$0.649 /MCF</b>
<b><u>COMMODITY COSTS:</u></b>			
Gas Marketers		\$3.446	/MCF
Gas Storage			/MCF
Columbia Gas Transmission		\$0.589	/MCF
ANR		\$0.000	
Propane		<u>\$0.000</u>	<u>/MCF</u>
<b>COMMODITY COMPONENT OF EGC RATE:</b>		<b>\$4.035</b>	
<b><u>OTHER COSTS:</u></b>			
Net Charge Off <sup>(1)</sup>	\$17,952	/	1,839,666 <b>\$0.010 /MCF</b>
<b>TOTAL EXPECTED GAS COST:</b>			<u><b>\$4.694 /MCF</b></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 : January 3, 2017**



**GAS COMMODITY RATE FOR JANUARY 2016:**

**GAS MARKETERS :**

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$3.7239	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.400%	\$0.0521	\$3.7760	\$/Dth
DTH TO MCF CONVERSION	1.0891	\$0.3364	\$4.1124	\$/Mcf
ESTIMATED WEIGHTING FACTOR	83.800%		\$3.4462	\$/Mcf
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$3.446</b>	<b>\$/Mcf</b>

**GAS STORAGE :**

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$3.1972	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$3.2125	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.893%	\$0.0608	\$3.2733	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0179	\$3.2912	\$/Dth
KO TRANS. COMMODITY RATE		\$0.0013	\$3.2925	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.400%	\$0.0461	\$3.3386	\$/Dth
DTH TO MCF CONVERSION	1.0891	\$0.2975	\$3.6361	\$/Mcf
ESTIMATED WEIGHTING FACTOR	16.200%		\$0.5890	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>			<b>\$0.589</b>	<b>\$/Mcf</b>

**GAS STORAGE**

ANR - STORAGE INVENTORY RATE			\$0.0000	\$/Dth
ANR FSS WITHDRAWAL FEE		\$0.0000	\$0.0000	\$/Dth
ANR FTS FUEL	0.000%	\$0.0000	\$0.0000	\$/Dth
DTH TO MCF CONVERSION	0.0000	\$0.0000	\$0.0000	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - ANR</b>			<b>\$0.000</b>	<b>\$/Mcf</b>

**PROPANE :**

ERLANGER PROPANE INVENTORY RATE			\$0.76514	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$11.0027	\$11.7678	\$/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 12/09/2016 and contracted hedging prices.