

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	3.987
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.017)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.045)
BALANCE ADJUSTMENT (BA)	\$/MCF	0.107
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	<u>4.032</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: January 2, 2018 THROUGH January 30, 2018

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.987

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.009)
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.008)
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	<u>0.000</u>
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.017)

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.097
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.265)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.082)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>0.205</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.045)

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.013)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.050
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.051
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>0.019</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	0.107

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

DATE FILED: December 12, 2017

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 2, 2018  
November 30, 2018

			<u>\$</u>
<b><u>DEMAND (FIXED) COSTS:</u></b>			
Columbia Gas Transmission Corp.			3,251,527
Columbia Gulf Transmission Corp.			1,200,125
Tennessee Gas Pipeline Company, LLC			677,580
KO Transmission Company			1,838,592
Texas Gas Transmission			0
Gas Marketers			<u>94,842</u>
	<b>TOTAL DEMAND COST:</b>		<u><u>7,062,666</u></u>
PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES		9,070,798 MCF	
<b>DEMAND (FIXED) COMPONENT OF EGC RATE</b>	<b>\$7,062,666</b>	/	<b>9,070,798 MCF</b>
			<b>\$0.779 /MCF</b>
 <b><u>COMMODITY COSTS:</u></b>			
Gas Marketers			\$2.522 /MCF
Gas Storage			
Columbia Gas Transmission			\$0.532 /MCF
ANR			\$0.000 /MCF
Propane			<u>\$0.145 /MCF</u>
<b>COMMODITY COMPONENT OF EGC RATE:</b>			<b><u>\$3.199</u></b>
 <b><u>OTHER COSTS:</u></b>			
Net Charge Off <sup>(1)</sup>	\$17,952	/	2,000,022
			<b>\$0.009 /MCF</b>
<b>TOTAL EXPECTED GAS COST:</b>			<b><u><u>\$3.987 /MCF</u></u></b>

<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 2, 2018**



**GAS COMMODITY RATE FOR JANUARY 2018:**

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$2.7020	\$/Dth
DUKE ENERGY KENTUCKY FUEL	2.700%	\$0.0730	\$2.7750	\$/Dth
DTH TO MCF CONVERSION	1.0808	\$0.2242	\$2.9992	\$/Mcf
ESTIMATED WEIGHTING FACTOR	84.093%		\$2.5221	\$/Mcf
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$2.522</b>	<b>\$/Mcf</b>

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$3.1751	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$3.1904	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.432%	\$0.0457	\$3.2361	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0209	\$3.2570	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0013	\$3.2583	\$/Dth
DUKE ENERGY KENTUCKY FUEL	2.700%	\$0.0880	\$3.3463	\$/Dth
DTH TO MCF CONVERSION	1.0808	\$0.2704	\$3.6167	\$/Mcf
ESTIMATED WEIGHTING FACTOR	14.697%		\$0.5315	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>			<b>\$0.532</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			\$0.78012	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$11.2181	\$11.9982	\$/Mcf
ESTIMATED WEIGHTING FACTOR	1.2100%		\$0.1452	\$/Mcf
<b>PROPANE COMMODITY RATE</b>			<b>\$0.145</b>	<b>\$/Mcf</b>

(1) Weighted average cost of gas based on NYMEX prices on 12/08/2017 and contracted hedging prices.