

December 12, 2017

Kentucky Public Service Commission Attn: Gwen R. Pinson, Executive Director 211 Sower Boulevard Frankfort, Kentucky 40602

Dear Ms. Pinson:

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 2018 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 2, 2018 and the NYMEX close on December 8, 2017 for the month of January 2018. 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 2018 revenue month (i.e., final meter readings on and after January 2, 2018).

Duke's proposed GCA is \$4.032 per Mcf. This rate represents a decrease of \$0.211 per Mcf from the rate currently in effect for December 2017.

Very truly yours,

Dauglas & Heithoup

Douglas J. Heitkamp

Enclosure

cc: J. Kern

R:/tariffs/gcr/ulhp/gca monthly filing.doc