

January 10, 2018

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 February 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 31, 2018 and the NYMEX close on January 8, 2018 for the month of February 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, February 2018 revenue month (i.e., final meter readings on and after January 31, 2018).

Duke's proposed GCA is \$4.021 per Mcf. This rate represents a decrease of \$0.011 per Mcf from the rate currently in effect for January 2018.

Very truly yours,

Douglas J. Heitkamp

Enclosure

cc: J. Kern

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