



Duke Energy
139 E. Fourth Street
Cincinnati, OH 45202

February 9, 2018

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

Dear Ms. Pinson:

In the electronic filing for Duke Energy Kentucky's ("Duke") "Monthly Report of Gas Cost Calculations and Tariff Schedules," for the month commencing with the March 2018 revenue month in accordance with KPSC order dated November 6, 2003 in Case No. 2003-00386 there is a typographical error within the Support Documents.

On Schedule IV (page 39 of the PDF file), in the Reconciliation of a Previous Balance Adjustment section, the amount recovered (returned) by the "BA" of \$0.098/MCF applied to the total sales, should be shown as \$(0.098)/MCF. This typographical error in the line item description did not have an impact on the amount used in the calculation of the schedule or elsewhere in the electronic filing. The amount recovered (returned) by the "BA" of \$(806,760.21) on this line remains accurately stated.

Enclosed is a corrected Schedule IV for the month commencing with the March 2018 revenue month (i.e., final meter readings on and after March 1, 2018).

Very truly yours,

A handwritten signature in black ink that reads 'Douglas J. Heitkamp'.

Douglas J. Heitkamp

Enclosure

**GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
BALANCE ADJUSTMENT
DETAILS FOR THE TWELVE MONTH PERIOD ENDED November 30, 2017**

DESCRIPTION	UNIT	AMOUNT
<u>RECONCILIATION OF A PREVIOUS GAS COST VARIANCE</u>		
GAS COST DIFFERENCE TO BE RECOVERED FROM OR (RETURNED TO) CUSTOMERS WHICH WAS USED TO COMPUTE THE "AA" EFFECTIVE November 30, 2016	\$	232,940.38
LESS: AMOUNT RECOVERED (RETURNED) BY THE AA OF \$ 0.025 /MCF APPLIED TO TOTAL SALES OF 8,232,247 MCF (TWELVE MONTHS ENDED November 30, 2017)	\$	<u>205,806.15</u>
BALANCE ADJUSTMENT FOR THE "AA"	\$	<u>27,134.23</u>
<u>RECONCILIATION OF A PREVIOUS SUPPLIER REFUND</u>		
SUPPLIER REFUND AMOUNT TO BE DISTRIBUTED TO CUSTOMERS WHICH WAS USED TO COMPUTE THE "RA" EFFECTIVE November 30, 2016	\$	0.00
LESS: AMOUNT DISTRIBUTED BY THE "RA" OF \$ 0.000 /MCF APPLIED TO TOTAL SALES OF 8,232,247 MCF (TWELVE MONTHS ENDED November 30, 2017)	\$	<u>0.00</u>
BALANCE ADJUSTMENT FOR THE "RA"		<u>0.00</u>
<u>RECONCILIATION OF A PREVIOUS BALANCE ADJUSTMENT</u>		
AMOUNT TO BE RECOVERED FROM OR (RETURNED TO) CUSTOMERS WHICH WAS USED TO COMPUTE THE "BA" EFFECTIVE November 30, 2016	\$	(903,174.58)
LESS: AMOUNT RECOVERED (RETURNED) BY THE "BA" OF \$ (0.098) /MCF APPLIED TO TOTAL SALES OF 8,232,247 MCF (TWELVE MONTHS ENDED November 30, 2017)	\$	<u>(806,760.21)</u>
BALANCE ADJUSTMENT FOR THE "BA"	\$	<u>(96,414.37)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(69,280.14)</u>
DIVIDED BY: 12 MONTHS PROJECTED SALES ENDED November 30, 2018	MCF	<u>9,096,940</u>
EQUALS: CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	<u>(0.008)</u>