

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	3.949
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.017)
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.232
BALANCE ADJUSTMENT (BA)	\$/MCF	0.025
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	<u>4.189</u>

**GAS COST RECOVERY RATE EFFECTIVE DATES:** [June 29, 2018](#) THROUGH [July 30, 2018](#)

**EXPECTED GAS COST CALCULATION**

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.949

**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	(0.009)
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	<u>(0.008)</u>
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.017)

**ACTUAL ADJUSTMENT SUMMARY CALCULATION**

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.104
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.296
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.097
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>(0.265)</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.232

**BALANCE ADJUSTMENT SUMMARY CALCULATION**

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.004)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.008)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.013)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>0.050</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	0.025

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

DATE FILED: [June 7, 2018](#)

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

June 29, 2018  
May 31, 2019

		\$
<b><u>DEMAND (FIXED) COSTS:</u></b>		
Columbia Gas Transmission Corp.		3,215,122
Columbia Gulf Transmission Corp.		1,200,125
Tennessee Gas Pipeline Company, LLC		677,580
KO Transmission Company		1,943,654
Texas Gas Transmission		0
Gas Marketers		<u>94,842</u>
<b>TOTAL DEMAND COST:</b>		<u><u>7,131,323</u></u>
PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:	9,097,227	MCF
<b>DEMAND (FIXED) COMPONENT OF EGC RATE:</b>	<b>\$7,131,323</b>	<b>/ 9,097,227 MCF \$0.784 /MCF</b>
<b><u>COMMODITY COSTS:</u></b>		
Gas Marketers		\$3.052 /MCF
Gas Storage		
Columbia Gas Transmission		\$0.000 /MCF
ANR		\$0.000 /MCF
Propane		<u>\$0.000 /MCF</u>
<b>COMMODITY COMPONENT OF EGC RATE:</b>		<b>\$3.052</b>
<b><u>OTHER COSTS:</u></b>		
Net Charge Off <sup>(1)</sup>	\$17,952	/ 158,281 \$0.113 /MCF
<b>TOTAL EXPECTED GAS COST:</b>		<b><u><u>\$3.949 /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 : June 28, 2018**



**GAS COMMODITY RATE FOR JULY 2018:**

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			<b>\$2.7790</b>	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0528	\$2.8318	\$/Dth
DTH TO MCF CONVERSION	1.0778	\$0.2203	\$3.0521	\$/Mcf
ESTIMATED WEIGHTING FACTOR	100.000%		\$3.0521	\$/Mcf
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$3.052</b>	<b>\$/Mcf</b>

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			<b>\$3.0797</b>	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$3.0950	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.454%	\$0.0450	\$3.1400	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0187	\$3.1587	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0013	\$3.1600	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0600	\$3.2200	\$/Dth
DTH TO MCF CONVERSION	1.0778	\$0.2505	\$3.4705	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>			<b>\$0.000</b>	<b>\$/Mcf</b>

GAS STORAGE

ANR - STORAGE INVENTORY RATE			<b>\$0.0000</b>	\$/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			<b>\$0.86120</b>	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$12.3841	\$13.2453	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$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 6/5/2018 and contracted hedging prices.