

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	3.930
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>4.170</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: July 31, 2018 THROUGH August 28, 2018

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.930

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	(0.008)
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	<u>(0.017)</u>

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	(0.265)
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.232</u>

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	0.050
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>0.025</u>

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

DATE FILED June 10, 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

July 31, 2018  
May 31, 2019

**DEMAND (FIXED) COSTS:**

	July 31, 2018	May 31, 2019
	\$	
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	94,842	
<b>TOTAL DEMAND COST:</b>	<u>7,131,323</u>	

PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES 9,097,227 MCF

DEMAND (FIXED) COMPONENT OF EGC RATE \$7,131,323 / 9,097,227 MCF **\$0.784 /MCF**

**COMMODITY COSTS:**

Gas Marketers	\$3.018 /MCF
Gas Storage	
Columbia Gas Transmission	\$0.000 /MCF
ANR	\$0.000 /MCF
Propane	\$0.000 /MCF
<b>COMMODITY COMPONENT OF EGC RATE:</b>	<u><b>\$3.018</b></u>

**OTHER COSTS:**

Net Charge Off <sup>(1)</sup> \$17,952 / 139,832 **\$0.128 /MCF**

**TOTAL EXPECTED GAS COST: \$3.930 /MCF**

<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 : July 31, 2018**



**GAS COMMODITY RATE FOR AUGUST 2018:**

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$2.7477	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0522	\$2.7999	\$/Dth
DTH TO MCF CONVERSION	1.0779	\$0.2181	\$3.0180	\$/Mcf
ESTIMATED WEIGHTING FACTOR	100.000%		\$3.0180	\$/Mcf
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$3.018</b>	<b>\$/Mcf</b>

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$2.9444	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$2.9597	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.454%	\$0.0430	\$3.0027	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0187	\$3.0214	\$/Dth
KO TRANS. COMMODITY RATE		\$0.0013	\$3.0227	\$/Dth
DUKE ENERGY KENTUCKY FUEL	1.900%	\$0.0574	\$3.0801	\$/Dth
DTH TO MCF CONVERSION	1.0779	\$0.2399	\$3.3200	\$/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			\$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			\$0.86120	\$/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 7/6/2018 and contracted hedging prices.