DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(0)

807 KAR 5:001, SECTION 16(7)(o)

Description of Filing Requirement:

Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available.

Response:

See attached for the following:

1. Monthly Confidential Duke Energy Kentucky Gas Operations Financial Results Summaries (FRS). Note that these reports were not prepared with narrative explanations until beginning in September 2017. Prior to that time, narrative explanations were only prepared on the FRS Statements at a combined Ohio and Kentucky level. However, narrative explanations have been prepared on the Company's Confidential Duke Energy Kentucky Gas Operations Regulated O&M and Capital Reports (ROCR) since December 2016 as explained below. Additionally, the Company did not prepare any FRS statements in the months of January 2017, July 2017, January 2018, and April 2018. The narrative explanations for January and April 2018 are included in the year-to-date explanations in the subsequent month's report. The Company will provide this data for upcoming months as it becomes available.

2. Monthly Confidential Duke Energy Kentucky Gas Operations ROCRs. These reports

were not prepared for January 2017, July 2017, January 2018 and April 2018. The

narrative explanations for those months are included in the year-to-date explanations in

the subsequent month's report. The Company will provide this data for upcoming months

as it becomes available.

All confidential information is being provided under seal pursuant to a Petition for Confidential

Treatment that is being filed simultaneously with this Application.

Base Period Update Response:

See attached for the monthly reports from June 2018 through November 2018, including Duke

Energy Kentucky's monthly Company-specific Confidential Regulatory O&M and Capital

Reports (ROCR). The confidential ROCR reports are being provided under seal pursuant to the

Petition for Confidential Treatment submitted on August 31, 2018. The Company will provide

this data for the remaining periods requested in the upcoming months as it becomes available.

Witness Responsible:

Nick Giaimo

Michael Covington

DUKE ENERGY KENTUCKY- GAS OPERATIONS June 2018 (Dollars in millions)

Key Adjusted Segment Income Variance Drivers	CURR	ENT N	IONTH	Q	UARTE	R TO	DATE		,	/EAR	TO DA	TE	
	Actual	Vai	Plan riance F(U)	A	ctual	Vai	or Year riance F(U)	A	ctual	Var	lan lance (U)	Var	r Year lance (U)
Net Revenue Margin	\$ 2.7	\$	(0.2)	\$	10.6	\$	0.9	\$	34.5	\$	0.9	\$	4.6
Weather	-		0.0				1.2	1			0.9		3.6
Volume		0	(0.1)				0.6				0.5		1.9
Pricing, riders, tax reform and other			(0.1)				(0.9)				(0.4)		(0.9)
Operation and maintenance	(1.6)		0.5		(5.0)		0.7		(11.9)		0.5		0.2
Depreciation, general taxes and other	(1.4)		0.1		(4.2)		(0.3)		(8.3)		0.5		(0.7)
Interest expense and AFUDC	(0.4)		-		(1.1)		(0.3)		(1.9)		0.3		(0.2)
Equity in earnings of affiliates	-												-
Pre-Tax Income	(0.7)		0.4		0.3		1.0		12.4		2.2		3.9
Income Tax Expense	0.2		(0.1)		10.7	1000	(0.3)		(2.9)		(0.4)		0.3
Adjusted Segment Income	\$ (0.5)	\$	0.3	\$	0.3	\$	0.7	\$	9.5	\$	1.8	\$	4.2

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

June results were favorable to plan primarily due to lower O&M costs, primarily in gas operations due to a reclass of labor/outside services to special governance.

Quarter to Date - Actual vs. Prior Year

The favorable QTD results compared to prior year were primarily driven by favorable weather, with heating degree days being favorable 184 days or 58.6%, primarily in the residential sector; lower O&M costs, primarily due to gas operations' inside pipe inspections; and favorable weather-normal sales volume, primarily in the residential and commercial sectors with weather-normal sales being 13.9% favorable to prior year.

These drivers were partially offset by Tax Reform impacts comprised of deferrals of revenue.

Year to Date - Actual vs. Plan

The favorable YTD results compared to plan were driven by favorable weather, with heating degree days being favorable to plan 43 days or 1.4%, primarily in residential sector; favorable volume, primarily in the commercial class, driven by weather normal sales being favorable to plan by 2.7%; lower O&M costs, primarily in gas operations due to a reclass of labor/outside services to special governance and outside service inspections; and lower depreciation expenses due to lower asset base.

These drivers were partially offset by unfavorable tax reform impacts comprised of deferrals of revenue; unfavorable pricing due to an increase in sales of 5.9%; and lower rate riders, primarily the Demand Side Management Rider.

Year to Date - Actual vs. Prior Year

The favorable YTD results compared to prior year were primarily driven by favorable weather, with heating degree days being favorable 709 days or 30.1%, primarily in the residential sector; and favorable weather-normal sales volume, primarily in the residential and commercial sectors, with weather-normal sales being favorable 9.3% from prior year.

These drivers were partially offset by Tax reform impacts comprised of deferrals of revenue; and higher depreciation expense, mostly due to increase in asset base due to Enable, services and meters.

Key Operational Drivers	C	CURRENT MONTH			C	QUARTER TO DATE				YEAR TO DATE							
	Ac	tual	Var	Plan rlance (U)	A	ctual	Va	or Year riance F(U)	A	ctual	Va	Plan rlance F(U)	Vai	r Year rlance (U)			
Average Number of Customers	98	,891		403	9	9,361		1,013	9	9,649		173	-	998			
Heating Degree Days		-		(12)		497		184		3,066	F	43		709			
Total capital expenditures (cash basis)	\$	4.2	\$	1.6	\$	15.6	\$	4.9	\$	28.5	\$	(5.2)	\$	(1.2)			

DUKE ENERGY KENTUCKY- GAS OPERATIONS July 2018 (Dollars in millions)

Key Adjusted Segment Income Variance Drivers		CURREN	T MONT	H	YEAR TO	O DATE		
	A	ctual	Var	lan iance (U)	Actual	Vai	Plan riance (U)	
Net Revenue Margin	\$	2.8	\$	0.1	\$ 37.4	\$	1.1	
Weather	-			-			0.9	
Volume				0.0			0.5	
Pricing				0.0			(0.6)	
Riders (operating income impact)				0.1			(0.1)	
Other Margin (operating income impact)				0.0			1.5	
Amortization of EDIT				-			-	
Realized tax reform impacts				-			-	
Reserve for revenue refunds - tax reform impacts				(0.1)			(1.0)	
Operation and Maintenance		(1.7)		0.2	(13.6)		0.7	
General taxes		(0.3)		-	(2.1)		0.1	
Depreciation, amortization and other		(1.2)		0.1	(7.8)		0.5	
AFUDC - Equity		(0.1)		(0.2)	0.5		(0.1)	
Interest expense		(0.5)		1-27	(3.0)		0.2	
Pre-Tax Income		(1.0)		0.2	11.4		2.5	
Income Tax Expense		0.3		-	(2.6)		(0.5)	
Adjusted Segment Income	\$	(0.7)	\$	0.2	\$ 8.8	\$	2.0	

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

July results were favorable to plan primarily due to lower O&M costs, primarily in the gas operations group, and favorable depreciation, amortization and other expense primarily due to a lower asset base.

Year to Date - Actual vs. Plan

The favorable YTD results compared to plan were driven by favorable weather, with heating degree days being favorable to plan 43 days or 1.4% primarily in the residential sector; favorable volume driven by weather normal sales being favorable to plan 5.2%; lower O&M costs primarily in gas operations and favorable depreciation expense due to a lower asset base.

These drivers were partially offset by unfavorable tax reform impacts comprised of deferrals of revenue and unfavorable pricing due to the increase in sales.

Key Operational Drivers		YEAR TO DATE					
	Α	ctual	Plan ariance F(U)		Actual	V	Plan ariance F(U)
Average Number of Customers	-	98,648	590	-	99,506		232
Heating Degree Days		-	(1)		3,066		43
Total capital expenditures (cash basis)	\$	2.8	\$ 2.8	\$	31.3	\$	(2.4)

DUKE ENERGY KENTUCKY- GAS OPERATIONS August 2018 (Dollars in millions)

Key Adjusted Segment Income Variance Drivers	CURREN'	T MONT	ГН		YEAR TO	DATE	
	Actual	Var	Plan riance (U)	A	ctual	Va	Plan riance -(U)
Net Revenue Margin	\$ 2.9	\$	0.2	\$	40.2	\$	1.2
Weather			-				0.9
Volume			0.1				0.7
Pricing			-				(0.5)
Riders (operating income impact)		1					(0.1)
Other Margin (operating income impact)			0.2				1.4
Amortization of EDIT							-
Realized tax reform impacts			-				4
Reserve for revenue refunds - tax reform impacts			(0.1)				(1.1)
Operation and Maintenance	(2.1)		(0.3)		(15.7)		0.4
General taxes	(0.3)				(2.4)		0.1
Depreciation, amortization and other	(1.2)		-		(9.0)		0.5
AFUDC - Equity	-		(0.1)		0.5		(0.1)
Interest expense	(0.5)		-		(3.5)		0.2
Pre-Tax Income	(1.2)		(0.2)		10.1		2.3
Income Tax Expense	0.4		0.1		(2.3)		(0.4)
Adjusted Segment Income	\$ (0.8)	\$	(0.1)	\$	7.8	\$	1.9

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

August results were favorable to plan primarily due to lower O&M costs, primarily in the gas operations group, and favorable depreciation, amortization and other expense primarily due to a lower asset base.

Year to Date - Actual vs. Plan

The favorable YTD results compared to plan were driven by favorable weather, with heating degree days being favorable to plan 43 days or 1.4% primarily in the residential sector; favorable volume driven by weather normal sales being favorable to plan 5.2%; lower O&M costs primarily in gas operations and favorable depreciation expense due to a lower asset base.

These drivers were partially offset by unfavorable tax reform impacts comprised of deferrals of revenue and unfavorable pricing due to the increase in sales.

Key Operational Drivers	CURREN	IT MONTH	YEAR TO DATE				
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)			
Average Number of Customers	98.468	654	99,377	286			
Heating Degree Days	-	(1)	3,066	41			
Total capital expenditures (cash basis)	\$ 5.8	\$ 0.1	\$ 37.1	\$ (2.3)			

DUKE ENERGY KENTUCKY- GAS OPERATIONS September 2018 (Dollars in millions)

Key Adjusted Segment Income Variance Drivers		CURREN	IT MO	HTM	4.0	QUARTER	TO	DATE	3.01	YEA	R TO DATE		
	-	Actual	V	Plan ariance F(U)		Actual		rior Year /arlance F(U)	Actual	1	Plan Variance F(U)	Va	or Year arlance F(U)
Net Revenue Margin	\$	2.4	\$	(0.3)	\$	8.1	\$	(0.7)	\$ 42.6	\$	1.0	\$	3.9
Weather	-			-							0.9		3.6
Volume				(0.2)				(0.4)			0.5		1.5
Pricing				(0.1)				0.0			(0.6)		(0.0)
Riders (operating income impact)								0.2			(0.1)	1	0.6
Other Margin (operating income impact)			1	0.0				0.0			1.5		1.3
Amortization of EDIT													-
Realized tax reform impacts				-									
Reserve for revenue refunds - tax reform impacts				(0.1)				(0.6)			(1.2)		(3.0)
Non-regulated revenue						- 2			0.1		0.1		
Total Net Revenue Margin		2.4		(0.3)		8.1		(0.7)	42.7		1.1		3.9
Operation and Maintenance		(2.2)		(0.3)		(6.0)		(0.1)	(17.9)		0.1		0.1
General taxes		(0.3)				(0.9)			(2.6)		0.1		(0.1)
Depreciation, amortization and other		(1.3)				(3.6)		(0.4)	(10.3)		0.4		(1.0)
AFUDC - Equity				(0.1)		(0.1)		(0.3)	0.5		(0.2)		-
Interest expense		(0.5)		0.1		(1.4)		(0.4)	(3.9)	_	0.3		(0.9)
Pre-Tax Income		(1.9)		(0.6)		(3.9)		(1.9)	8.5		1.8		2.0
Income Tax Expense		0.5		0.2		1.1		0.1	(1.8)		(0.2)		0.3
Adjusted Segment Income	\$	(1.4)	\$	(0.4)	\$	(2.8)	\$	(1.8)	\$ 6.7	\$	1.6	\$	2.3

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan
September results were unfavorable to plan primarily due to unfavorable volumes, primarily in the industrial sector, unfavorable pricing due to an increase in sales, and higher O&M costs, primarily in the Gas Operations, Regulated Utility Other and Corporate Groups functions.

Quarter to Date - Actual vs. Prior Year

The unfavorable QTD results compared to prior year were primarily driven by the reserves for revenue refunds as a result of tax reform; unfavorable volume, primarily in the industrial sector; higher depreciation expense as a result of incease in base; higher interest expense and unfavorable AFUDC.

These drivers were partially offset with favorable riders.

Year to Date - Actual vs. Plan
The favorable YTD results compared to prior year were primarily driven by favorable weather, with heating degree days being favorable to plan 16 days or .51%, primarily in the residential sector; favorable other margin driven by unbilled sales, favorable volume, primarily in the commercial class driven by weather normal sales being favorable to plan 1%; and lower depreciation expense due to lower base.

These drivers were partially offset by unfavorable tax reform impacts comprised of deferrals of revenue and unfavorable pricing, primarily in the commercial and industrial sectors, due to an increase in sales.

Year to Date - Actual vs. Prior Year

The favorable YTD results compared to prior year were primarily driven by favorable weather, with heating degree days being favorable 692 days or 28.8%, primarily in the residential sector, favorable volumes with weather normal sales volumes favorable 5.6% from prior year, favorable other margins and riders.

These drivers were partially offset by Tax Reform impacts comprised of the deferrals of revenue; and higher depreciation expense, mostly due to the increase in asset base due to Distribution Plant and Enable.

Key Operational Drivers		CURREN	IT MC	HTMC	QUARTER	TO DA	TE			YEAR	TO DATE	
	A	ctual	\	Plan Variance F(U)	Actual	Va	r Year rlance F(U)		Actual		Plan ariance F(U)	ior Year ariance F(U)
Average Number of Customers		98,574		653	98,564		838	-	99,287		326	945
Heating Degree Days		30		(26)	30		(17)		3,095		16	692
Total capital expenditures (cash basis)	\$	4.7	\$	0.9	\$ 13.3	\$	(3.5)	\$	41.8	\$	(1.4)	\$ (3.8)

DUKE ENERGY KENTUCKY- GAS OPERATIONS October 2018 (Dollars in millions)

Key Adjusted Segment Income Variance Drivers	CURREN	T MONT	Н		YEAR TO	DATE	
	Actual	Var	lan iance (U)	A	ctual	Var	lan iance (U)
Net Revenue Margin	\$ 4.8	\$	1.4	\$	47.4	\$	2.3
Weather			0.2				1.0
Volume		1	0.4				0.8
Pricing			0.2				(0.4)
Riders (operating income impact)			0.0				(0.1)
Other Margin (operating income impact)			0.1				1.5
Amortization of EDIT			-			1	-
Realized tax reform impacts		1	-				
Reserve for revenue refunds - tax reform impacts			0.5				(0.7)
Non-regulated revenue					0.1		0.1
Total Net Revenue Margin	4.8		1.4		47.5		2.4
Operation and Maintenance	(1.8)		0.1		(19.7)		0.2
General taxes	(0.3)		-		(2.9)		0.1
Depreciation, amortization and other	(1.3)		-		(11.5)		0.4
AFUDC - Equity	-		(0.1)		0.5		(0.2)
Interest expense	(0.5)		0.1		(4.4)		0.3
Pre-Tax Income	0.9		1.5		9.5		3.2
Income Tax Expense	(0.2)		(0.4)		(2.0)		(0.6)
Adjusted Segment Income	\$ 0.7	\$	1.1	\$	7.5	\$	2.6

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

October results were favorable to plan primarily due to Tax Reform impacts, as resolution was reached in late October and no further deferrals were recorded; favorable volume, primarily in the residential sector, as weather normal sales were favorable to plan 28.0%; favorable weather, with heating degree days favorable to plan 21 days or 6.8%; and favorable pricing.

Year to Date - Actual vs. Plan

The favorable YTD results compared to plan were primarily driven by favorable weather, with heating degree days being favorable to plan 37 days or 1.1%, primarily in the residential sector; favorable other margin; favorable volume, primarily in the residential and commercial sectors driven by weather normal sales being favorable to plan 2.8%; and lower depreciation expense due to lower depreciable base.

These drivers were partially offset by unfavorable tax reform impacts comprised of deferrals of revenue and unfavorable pricing, primarily in the commercial sectors, as total sales are favorable to plan 6.1%.

Key Operational Drivers		CURREN	T MON	TH	YEAR TO DATE				
	A	ctual	Va	Plan riance F(U)		Actual	Va	Plan riance F(U)	
Average Number of Customers		98,799		459		99,239		339	
Heating Degree Days		335		21		3,431		37	
Total capital expenditures (cash basis)	\$	8.7	\$	(3.7)	\$	50.5	\$	(5.1)	

DUKE ENERGY KENTUCKY- GAS OPERATIONS November 2018 (Dollars in millions)

Key Adjusted Segment Income Variance Drivers	CURREN	T MONT	H	YEAR TO	DATE	
	Actual	Var	rian riance r(U)	Actual	Va	Plan riance (U)
Net Revenue Margin	\$ 6.6	\$	1.5	\$ 54.0	\$	3.8
Weather			0.8			1.8
Volume			0.3		1	1.2
Pricing			(0.2)			(0.5
Riders (operating income impact)			(0.1)		8	(0.2)
Other Margin (operating income impact)			0.1			1.6
Amortization of EDIT			-			-
Realized tax reform impacts			0.3		1	0.3
Reserve for revenue refunds - tax reform impacts			0.3			(0.4
Non-regulated revenue			-	0.1		0.1
Total Net Revenue Margin	6.6		1.5	54.1		3.9
Operation and Maintenance	(2.0)		(0.2)	(21.7)		-
General taxes	(0.3)			(3.2)		0.2
Depreciation, amortization and other	(1.3)			(12.8)		0.3
AFUDC - Equity	-		4	0.5		(0.3
Interest expense	(0.5)		-	(4.9)		0.4
Pre-Tax Income	2.5		1.3	12.0		4.5
Income Tax Expense	(0.4)		-	(2.4)	-	(0.6)
Adjusted Segment Income	\$ 2.1	\$	1.3	\$ 9.6	\$	3.9

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

November results were favorable to plan primarily due to favorable weather, with heating degree days favorable to plan 153 days or 25.5%; Tax Reform impacts, as refunds began flowing to the customers in November and no further deferrals were recorded; favorable volume, primarily in the residential sector, as weather normal sales were favorable to plan 9.5%.

These drivers were partially offset by unfavorable pricing, primarily in the commercial and industrial sectors due to total sales favorable to plan 29.3%; and higher O&M costs, primarily due to Reg Utility Other employee benefits.

Year to Date - Actual vs. Plan

The favorable YTD results compared to prior year were primarily driven by favorable weather, primarily in the residential sector, with heating degree days being favorable to plan 190 days or 4.8%, favorable other margin driven by unbilled sales; favorable volume, primarily in the residential and commercial sectors driven by weather normal sales being favorable to plan 3.6%; and lower interest expense.

These drivers were partially offset by unfavorable pricing, primarily in the commercial sector, as total sales are favorable to plan 8.7%.

Key Operational Drivers	CURREI	NT MONTH	YEAR T	O DATE
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Average Number of Customers	99.726	471	99,284	352
Heating Degree Days	755	153	4,185	190
Total capital expenditures (cash basis)	\$ 8.2	\$ (5.4)	\$ 58.7	\$ (10.5)

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(a)

807 KAR 5:001, SECTION 16(8)(a)

Description of Filing Requirement:

Jurisdictional financial summary for both base and forecasted period that details how the utility derived the amount of the requested revenue increase.

Response:

See Schedule A of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible: Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION A

SECTION A

REVENUE REQUIREMENTS

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedule

A Overall Financial Summary

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 OVERALL FINANCIAL SUMMARY FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE A PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

		SUPPORTING	JURISDICTIONAL REVE	NUE REQUIREMENTS
NO.	DESCRIPTION	SCHEDULE REFERENCE	BASE PERIOD	FORECASTED PERIOD
1	Rate Base	B-1	310,750,794	313,675,239
2	Operating Income	C-2	14,905,289	14,626,289
3	Earned Rate of Return (Line 2 / Line 1)		4.800%	4.660%
4	Required Rate of Return	J-1	6.956%	7.181%
5	Required Operating Income (Line 1 x Line 4)		21,615,825	22,525,019
6	Operating Income Deficiency (Line 5 - Line 2)		6,710,536	7,898,730
7	Gross Revenue Conversion Factor	н	1.3346730	1.3346730
8	Revenue Deficiency (Line 6 x Line 7)		8,956,371	10,542,222
9	Revenue Increase Requested	C-1	N/A	10,542,199
10	Adjusted Operating Revenues	C-1	N/A	95,382,130
11	Revenue Requirements (Line 9 + Line 10)		N/A	105,924,329

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(b)

807 KAR 5:001, SECTION 16(8)(b)

Description of Filing Requirement:

A jurisdictional rate base summary for both the base and forecasted period with supporting schedules, which include detailed analyses of each component of the rate base.

Response:

See Schedule B-1 through B-8 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible:

Sarah E. Lawler – Schedule B-1 Cynthia S. Lee/Nick Giaimo – Schedules B-2 thru B-2.7, B-3 thru B-3.2, B-4 Nick Giaimo – Schedules B-5, B-5.1 John R. Panizza – Schedule B-6 James E. Ziolkowski – Schedules B-7 thru B-7.2 Michael Covington/Nick Giaimo – Schedule B-8

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION B

SECTION B

RATE BASE

DUKE ENERGY KENTUCKY

Base Period: As of November 30, 2018

Forecasted Period: Thirteen Month Average Ended March 31, 2020

Schedules

B-1	Jurisdictional Rate Base Summary
B-2	Plant in Service by Major Property Groups or Major Account (Original Cost)
B-2.1	Plant in Service by Accounts and Sub-accounts
B-2.2	Adjustments to Plant in Service
B-2.3	Gross Additions, Retirements and Transfer (Original Cost)
B-2.4	Property Merged or Acquired from Other Utilities (Other than Affiliates)
B-2.5	Leased Property
B-2.6	Property Held for Future Use Included in Rate Base
B-2.7	Property Excluded from Rate Base
B-3	Accumulated Depreciation and Amortization
B-3.1	Adjustments to Accumulated Depreciation and Amortization
B-3.2	Depreciation and Amortization Accrual Rates and Jurisdictional Accumulated Balance by Accounts, Functional Class or Major Property Group
B-4	Construction Work in Progress
B-5	Allowance for Working Capital
B-5.1	Working Capital Components
B-6	Certain Deferred Credits and Accumulated Deferred Income Taxes
B-7	Jurisdictional Percentage
B-7.1	Jurisdictional Statistics - Rate Base
B-7.2	Explanation of Changes in Jurisdictional Procedures - Rate Base
B-8	Comparative Balance Sheets (Total Company)

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 JURISDICTIONAL RATE BASE SUMMARY AS OF NOVEMBER 30, 2018 AS OF MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE B-1 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG. FORECASTED PERIOD	
1	Adjusted Jurisdictional Plant in Service	B-2	\$573,240,222	\$588,627,191	
2	Accumulated Depreciation and Amortization	B-3 / B-3.2	(174,579,857)	(187,541,693)	(1)
3	Net Plant in Service (Line 1 + Line 2)		398,660,365	401,085,498	
4	Construction Work in Progress	(2)	0	0	
5	Cash Working Capital Allowance	B-5	2,991,206	3,021,735	
6	Other Working Capital Allowances	B-5	4,916,551	5,423,808	
7	Other Items:				
8	Customers' Advances for Construction	B-6	(1,579,329)	(1,579,329)	
9	Investment Tax Credits	B-6	0	0	
10	Deferred Income Taxes	B-6	(61,458,037)	(62,956,258)	(1)
11	Excess Deferred Income Taxes	B-6	(32,779,962)	(31,320,215)	
12	Other Rate Base Adjustments	B-6	0	0	
13	Jurisdictional Rate Base (Line 3 through Line 12)		\$310,750,794	\$313,675,239	

Includes adjustments for annualized depreciation, Schedule D-2.23, and unbilled gas costs, Schedule D-2.24.
 The Company is not requesting to include recovery of CWIP in base rates.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PLANT IN SERVICE BY MAJOR PROPERTY GROUPING AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1

SCHEDULE B-2 PAGE 1 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

ine No.	Major Property Groupings	Base Period	Jurisdictional %	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
		\$		\$	\$	\$
1	Production	7,747,398	100.00	7,747,398	(4,995,223)	2,752,175
2	Distribution	540,424,060	100.00	540,424,060	(8,585,083)	531,838,977
3	General	26,121,906	100.00	26,121,906	(113,954)	26,007,952
4	Common (Allocated to Gas)	12,641,118	100.00	12,641,118	0	12,641,118
5	Completed Construction Not Classified (1)					
6	Other (specify)					
7	TOTAL	586,934,482		586,934,482	(13,694,260)	573,240,222

⁽¹⁾ Included in each function on Schedule B-2.1

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PLANT IN SERVICE BY MAJOR PROPERTY GROUPING AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1

SCHEDULE B-2 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	Major Property Groupings	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Total	13 Month Average Adjustments	13 Month Average Adjusted Jurisdiction
		\$		\$	\$	\$
1	Production	7,820,132	100.00	7,820,132	(5,020,524)	2,799,608
2	Distribution	555,680,519	100.00	555,680,519	(7,196,711)	548,483,808
3	General	24,579,845	100.00	24,579,845	(113,955)	24,465,890
4	Common (Allocated to Gas)	12,877,885	100.00	12,877,885	0	12,877,885
5	Completed Construction Not Classified (1)					
6	Other (specify)					
7	TOTAL	600,958,381		600,958,381	(12,331,190)	588,627,191

⁽¹⁾ Included in each function on Schedule B-2.1

MANUFACTURED GAS PRODUCTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 1 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line Acct. No. No.		Company Acct. No.	Account Title	Base Period	Jurisdictional %	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
				\$		\$	\$	\$
1	304	20400	Land and Land Rights	117,711	100.00%	117,711	(75,570)	42,141
2	304	20401	Rights of Way	24,459	100.00%	24,459	(15,703)	8,756
3	305	20500	Structures & Improvements	1,722,764	100.00%	1,722,764	(1,107,933)	614,831
4	311	21100	Liquefied Petroleum Gas Equipment	5,882,464	100.00%	5,882,464	(3,796,017)	2,086,447
5			Total Manufactured Gas Production Plant	7,747,398		7,747,398	(4,995,223)	2,752,175

DISTRIBUTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 2 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period	Jurisdictional %	Jurisdictional Total	Adiustonia	Adjusted
NO.	NO.	NO.	Account Tibe	\$	70	t Otal	Adjustments	Jurisdiction
							•	Þ
1	374	27400	Land and Land Rights	43,358	100.00%	43,358	(2,327)	41,03
2	374	27401	Rights of Way	1,095,119	100.00%	1,095,119	(228,817)	866,30
3	375	27500	Structures & Improvements	1,627,472	100.00%	1,627,472	(450,435)	1,177,03
4	376	27601	Mains - Cast Iron & Copper	982,745	100.00%	982,745	A.zzaliszali	982,74
5	376	27602,27607	Mains - Steel	114,110,657	100.00%	114,110,657	(300,942)	113,809,71
6	376	27603,27608	Mains - Plastic	158,536,358	100.00%	158,536,358		158,536,35
7	376	27605	Mains - Feeder	34,943,567	100.00%	34,943,567	(6,646,956)	28,296,61
8	378	27800	System Meas. & Reg. Station Equipment	9,789,723	100.00%	9,789,723	(485,367)	9,304,356
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,777,054	100.00%	1,777,054	(470,239)	1,306,81
10	378	27802	District Regulating Equipment	2,453,393	100.00%	2,453,393	4.11.10.11	2,453,393
11	380	28001	Services- Cast Iron & Copper	3,305,344	100.00%	3,305,344		3,305,344
12	380	28002,28004	Services-Steel	8,917,801	100.00%	8,917,801		8,917,801
13	380	28003,28005-28007	Services-Plastic	157,079,189	100.00%	157,079,189		157,079,189
14	381	28100,28101	Meters	17,067,032	100.00%	17,067,032		17,067,032
15	382	28200,28201	Meter Installations	11,654,916	100.00%	11,654,916		11,654,916
16	383	28300,283001	House Regulators	6,910,800	100.00%	6,910,800		6,910,800
17	384	28400,28401	House Regulator Installations	5,976,374	100.00%	5,976,374		5,976,374
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	100.00%	455,084		455.084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	100.00%	64,791		64,791
20	387	28700	Other Equipment - Other	21,447	100.00%	21,447		21,447
21	387	28701	Street Lighting Equipment	28,290	100.00%	28,290		28,290
22			Asset Retirement Cost Obligation	3,583,546	100.00%	3,583,546		3,583,546
23				0 0	100.00%	0		0
24			Total Distribution Plant	540,424,060		540,424,060	(8,585,083)	531,838,977

GENERAL PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 3 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title		Base Period	Jurisdictional %	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
					\$		\$	\$	\$
1	303	20300	Miscellaneous Intangible Plant		11,829,881	100.00%	11,829,881		11,829,881
2	303	20310	Misc Intangible Plt - 10 Yr		2,674,076	100.00%	2,674,076		2,674,076
3	391	29100	Office Furniture & Equipment		13,861	100.00%	13,861	(8,899)	4,962
4	391	29101	Electronic Data Processing		534,756	100.00%	534,756	,	534,756
5	392	29200	Transportation Equipment		0	100.00%	0		0
6	392	29201	Trailers		63,448	100.00%	63,448		63,448
7	394	29400	Tools, Shop & Garage Equipment		1,229,047	100.00%	1,229,047	(21,227)	1,207,820
8	396	29600	Power Operated Equipment		168,272	100.00%	168,272		168,272
9	397	29700	Communication Equipment		9,524,974	100.00%	9,524,974	(237)	9,524,737
10	398	29800	Miscellaneous Equipment		83,591	100.00%	83,591	(83,591)	0
11				0	0	100.00%	0		0
12			Total General Plant		26,121,906		26,121,906	(113,954)	26,007,952
13			Total Gas Plant		574,293,364		574,293,364	(13,694,260)	560,599,104

COMMON PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 4 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period	Jurisdictional %	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
				\$		\$	\$	\$
1		10300	Miscellaneous Intangible Plant	21,530,808	100.00%	21,530,808		21,530,808
2		18900	Land and Land Rights	154,248	100.00%	154,248		154,248
3		19000	Structures & Improvements	15,182,928	100.00%	15,182,928		15,182,928
4		19100	Office Furniture & Equipment	758,563	100.00%	758,563		758,563
5		19101	Electronic Data Processing	40,535	100.00%	40,535		40,535
6		19300	Stores Equipment	0	100.00%	0		0
7		19400	Tools, Shop & Garage Equipment	119,490	100.00%	119,490		119,490
8		19700	Communication Equipment	8,114,194	100.00%	8,114,194		8,114,194
9		19800	Miscellaneous Equipment	41,504	100.00%	41,504		41,504
10			Asset Retirement Cost Obligation	226,897	100.00%	226,897		226,897
11			Total Common Plant	46,169,167		46,169,167	0	46,169,167
12		27.38	% Common Plant Allocated to Gas	12,641,118		12,641,118	0	12,641,118
13			Total Gas Plant Including Allocated Common	586,934,482		586,934,482	(13,694,260)	573,240,222

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 5 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Total	13 Month Average Adjustments	13 Month Average Adjusted Jurisdiction
				\$		\$	\$	\$
1	304	20400	Land and Land Rights	117,711	100.00%	117,711	(75,570)	42,141
2	304	20401	Rights of Way	24,459	100.00%	24,459	(15,703)	8,756
3	305	20500	Structures & Improvements	1,722,764	100.00%	1,722,764	(1,106,014)	616,750
4	311	21100	Liquefied Petroleum Gas Equipment	5,955,198	100.00%	5,955,198	(3,823,237)	2,131,961
5			Total Manufactured Gas Production Plant	7,820,132		7,820,132	(5,020,524)	2,799,608

DISTRIBUTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 6 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Total	13 Month Average Adjustments	13 Month Average Adjusted Jurisdiction
	_			\$		\$	\$	\$
1	374	27400	Land and Land Rights	43,358	100.00%	43,358	(2,326)	41,032
2	374	27401	Rights of Way	1,095,119	100.00%	1,095,119	(228,817)	866,302
3	375	27500	Structures & Improvements	577,522	100.00%	577,522	(24,463)	553,059
4	376	27601	Mains - Cast Iron & Copper	982,749	100.00%	982,749		982,749
5	376	27602,27607	Mains - Steel	105,664,083	100.00%	105,664,083	(300,942)	105,363,141
6	376	27603,27608	Mains - Plastic	149,762,955	100,00%	149,762,955		149,762,955
7	376	27605	Mains - Feeder	33,530,313	100.00%	33,530,313	(6,192,503)	27,337,810
8	378	27800	System Meas. & Reg. Station Equipment	7,349,417	100.00%	7,349,417	(186,887)	7,162,530
9	378	27801	System Meas, & Reg. Station Equipment - Electric	1,293,157	100.00%	1,293,157	(260,773)	1,032,384
10	378	27802	District Regulating Equipment	2,419,176	100.00%	2,419,176	(ASSURED TO	2,419,176
11	380		3,116,451	100.00%	3,116,451		3,116,451	
12	380		28002,28004 Services-Steel	8,817,969	100.00%	8,817,969 151,094,070		8,817,969
13	380			151,094,070	100.00%			151,094,070
14	381	28100,28101	Meters	12,832,410	100.00%	12,832,410		12,832,410
15	382	28200,28201	Meter Installations	10,424,840	100.00%	10,424,840		10,424,840
16	383	28300,283001	House Regulators	6,557,950	100.00%	6,557,950		6,557,950
17	384	28400,28401	House Regulator Installations	5,939,132	100.00%	5,939,132		5,939,132
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	100.00%	455,084		455,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	100.00%	64,791		64,791
20	387	28700	Other Equipment - Other	21,447	100.00%	21,447		21,447
21	387	28701	Street Lighting Equipment	28,290	100.00%	28,290		28,290
22			Asset Retirement Cost Obligation	3,583,546	100.00%	3,583,546		3,583,546
23				0 50,026,690	100.00%	50,026,690		50,026,690
24			Total Distribution Plant	555,680,519		555,680,519	(7,196,711)	548,483,808

GENERAL PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 7 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title		13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Total	13 Month Average Adjustments	13 Month Average Adjusted Jurisdiction
					\$		\$	\$	\$
1	303	20300	Miscellaneous Intangible Plant		8,757,245	100.00%	8,757,245		8,757,245
2	303	20310	Misc Intangible Pit - 10 Yr		2,670,960	100.00%	2,670,960		2,670,960
3	391	29100	Office Furniture & Equipment		12,880	100.00%	12,880	(8,899)	3,981
4	391	29101	Electronic Data Processing		212,320	100.00%	212,320	100	212,320
5	392	29200	Transportation Equipment		0	100.00%	0		
6	392	29201	Trailers		63,448	100.00%	63,448		63,448
7	394	29400	Tools, Shop & Garage Equipment		1,120,469	100.00%	1,120,469	(21,227)	1,099,242
8	396	29600	Power Operated Equipment		168,272	100.00%	168,272		168,272
9	397	29700	Communication Equipment		10,766,945	100.00%	10,766,945	(238)	10,766,707
10	398	29800	Miscellaneous Equipment		83,591	100.00%	83,591	(83,591)	0
11				0	723,715	100.00%	723,715	444	723,715
12			Total General Plant		24,579,845		24,579,845	(113,955)	24,465,890
13			Total Gas Plant		588,080,496		588,080,496	(12,331,190)	575,749,306

COMMON PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1 PAGE 8 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Total	13 Month Average Adjustments	13 Month Average Adjusted Jurisdiction
				\$		\$	\$	\$
1		10300	Miscellaneous Intangible Plant	22,332,072	100.00%	22,332,072		22,332,072
2		18900	Land and Land Rights	154,248	100.00%	154,248		154,248
3		19000	Structures & Improvements	14,645,832	100.00%	14,645,832		14,645,832
4		19100	Office Furniture & Equipment	502,844	100.00%	502,844		502,844
5		19101	Electronic Data Processing	807,217	100.00%	807,217		807,217
6		19300	Stores Equipment	0	100.00%	0		0
7		19400	Tools, Shop & Garage Equipment	121,888	100.00%	121,888		121,888
8		19700	Communication Equipment	8,114,194	100.00%	8,114,194		8,114,194
9		19800	Miscellaneous Equipment	41,504	100.00%	41,504		41,504
10			Asset Retirement Cost Obligation	314,111	100.00%	314,111		314,111
11			Total Common Plant	47,033,910		47,033,910	0	47,033,910
12		27.38	% Common Plant Allocated to Gas	12,877,885		12,877,885	0	12,877,885
13			Total Gas Plant Including Allocated Common	600,958,381		600,958,381	(12,331,190)	588,627,191

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUSTMENTS TO PLANT IN SERVICE AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPB-2.2a through WPB-2.2f SCHEDULE B-2.2 PAGE 1 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
	37.000		Amburea (Control of the Control of t	\$		\$		
			duction Plant		42.33			
1	304	20400	Land and Land Rights	75,570	100.00		WPB-2.2f	Exclusion of
2	304	20401	Rights of Way	15,703	100.00		WPB-2.2f	gas facilities
3	305	20500	Structures & Improvements	1,107,933	100.00		WPB-2.2f	devoted to other
5	311	21100	Liquefied Petroleum Gas Equipment Completed Construction Not Classified	3,796,017	100.00	3,796,017	WPB-2.2f	than DE-Ky customers.
6	Total Manu	factured Ga	s Production Plant	4,995,223		4,995,223		
	Distribution	Plant						
7	374	27400	Land	2,327	100.00	2,327	WPB-2.2f	
8	374	27401	Rights of Way	228,817	100.00	228,817	WPB-2.2f	
9	375	27500	Structures & Improvements	450,435	100.00	450,435	WPB-2.2f	
10	376	27602	Gas Mains - Dist Lines/Steel	300,942	100.00	300,942	WPB-2.2f	
11	376	27605	Mains-Steel Feeder Lines	6,646,956	100.00	6,646,956	WPB-2.2f	
12	378	27800	System M & R Station Equip General	485,367	100.00	485,367	WPB-2.2f	
13	378	27801	System M & R Station Equip.	470,239	100.00_	470,239	WPB-2.2f	
14	Total Distri	bution Plant		8,585,083		8,585,083		
	General Pl	ant						
15	391	29100	Office Furniture & Equipment	8,899	100.00	8.899	WPB-2.2f	
16	394	29400	Tools, Shop & Garage Equipment	21,227	100.00		WPB-2.2f	
17	397	29700	Communications Equipment	237	100.00		WPB-2.2f	
18	398	29800	Miscellaneous Equipment	83,591	100.00_	A 0.555	WPB-2.2f	
19	Total Gene	eral Plant		113,954	_	113,954		
20	Total Gas	Plant		13,694,260		13,694,260		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUSTMENTS TO PLANT IN SERVICE AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPB-2.2g

SCHEDULE B-2.2 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
_				\$		\$		
			duction Plant					
1	304	20400	Land and Land Rights	75,570	100.00		WPB-2.2g	Exclusion of
2	304	20401	Rights of Way	15,703	100.00		WPB-2.2g	gas facilities
3	305	20500	Structures & Improvements	1,106,014	100.00		WPB-2.2g	devoted to other
5	311	21100	Liquefied Petroleum Gas Equipment Completed Construction Not Classified	3,823,237	100.00	3,823,237		DE-Ky customers.
6	Total Manu	ufactured Ga	s Production Plant	5,020,524		5,020,524		
	Distribution	n Plant						
7	374	27400	Land	2,326	100.00	2,326	WPB-2.2g	
8	374	27401	Rights of Way	228,817	100.00	228,817	WPB-2.2g	
9	375	27500	Structures & Improvements	24,463	100.00	24,463	WPB-2.2g	
10	376	27602	Mains-Steel	300,942	100.00	300,942	WPB-2.2g	
11	376	27605	Mains-Steel Feeder Lines	6,192,503	100.00	6,192,503	WPB-2.2g	
12	378	27800	System M & R Station Equip General	186,887	100.00	186,887	WPB-2.2g	
13	378	27801	System M & R Station Equip.	260,773	100.00	260,773	WPB-2.2g	
14	Total Distri	bution Plant		7,196,711	-	7,196,711		
	General Pl	ant						
15	391	29100	Office Furniture & Equipment	8,899	100.00	8,899	WPB-2.2g	
16	394	29400	Tools, Shop & Garage Equipment	21,227	100.00		WPB-2.2g	
17	397	29700	Communications Equipment	238	100.00		WPB-2.2g	
18	398	29800	Miscellaneous Equipment	83,591	100.00_		WPB-2.2g	
19	Total Gene	eral Plant		113,955	-	113,955		
20	Total Gas	Plant		12,331,190		12,331,190		

MANUFACTURED GAS PRODUCTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 1 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Red	assifications	
Line No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance
				\$	\$	\$	\$			\$
1	304	20400	Land and Land Rights	117,711						117,711
2	304	20401	Rights of Way	24,459						24,459
3	305	20500	Structures & Improvements	1,722,764						1,722,764
4	311	21100	Liquefied Petroleum Gas Equipment	5,955,198		72,734				5,882,464
5										
6			Total Manufactured Gas Production Plant	7,820,132	C	72,734	0			7,747,398

DISTRIBUTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 2 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Reci	assifications	
Line No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance
_				\$	\$	\$	\$			\$
1	374	27400	Land and Land Rights	43,358						43,358
2	374	27401	Rights of Way	1,095,119						1,095,119
3	375	27500	Structures & Improvements	555,988	1,071,484					1,627,472
4	376	27601	Mains - Cast Iron & Copper	982,749	1100000	4				982,745
5	376	27602,27607	Mains - Steel	83,504,430	30,684,462	78,235				114,110,657
6	376	27603,27608	Mains - Plastic	149,291,614	9,280,255	35,511				158,536,358
7	376	27605	Mains - Feeder	33,744,569	676,571	(522,427)				34,943,567
8	378	27800	System Meas, & Reg. Station Equipment	6,554,634	3,235,089					9,789,723
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,136,973	667,447	27,366				1,777,054
10	378	27802	District Regulating Equipment	2,302,853	150,540	(B) ** 5 5				2,453,393
11	380	28001	Services- Cast Iron & Copper	3,546,047		240,703				3,305,344
12	380	28002,28004	Services-Steel	8,827,968	118,540	28,707				8,917,801
13	380	28003,28005-28007	Services-Plastic	146,581,307	14,629,924	4,132,042				157,079,189
14	381	28100,28101	Meters	14,160,850	3,153,169	246,987				17,067,032
15	382	28200,28201	Meter Installations	10,424,840	1,230,076					11,654,916
16	383	28300,283001	House Regulators	6,751,002	171,542	11,744				6,910,800
17	384	28400,28401	House Regulator Installations	5,939,296	37,078	4.5.				5,976,374
18	385	28500	Large Industrial Meas, & Reg. Equipment	455,084	2,457					455,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791						64,791
20	387	28700	Other Equipment - Other	21,447						21,447
21	387	28701	Street Lighting Equipment	28,290						28,290
22	-		Asset Retirement Cost Obligation	2,242,134	1,207,326	(134,086)				3,583,546
23				2.500.50	3433 1833	4/2/1/2/2/				0
24			Total Distribution Plant	478,255,343	66,313,503	4,144,786	0			540,424,060

GENERAL PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 3 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Red	assifications	
No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance
				\$	\$	\$	\$			\$
1	303	20300	Miscellaneous Intangible Plant	8,728,214	3,101,667					11,829,88
2	303	20310	Misc Intangible Plt - 10 Yr	2,551,238	122,838					2,674,07
3	391	29100	Office Furniture & Equipment	13,861						13,86
4	391	29101	Electronic Data Processing	310,655	234,879	10,778				534,756
5	392	29200	Transportation Equipment	0						
6	392	29201	Trailers	65,845	20,774	23,171				63,44
7	394	29400	Tools, Shop & Garage Equipment	1,278,772	173,881	223,606				1,229,04
8	396	29600	Power Operated Equipment	0	168,272					168,272
9	397	29700	Communication Equipment	2,830,460	6,694,514					9,524,974
10	398	29800	Miscellaneous Equipment	83,591						83,59
11										(
12			Total General Plant	15,862,636	10,516,825	257,555	0			26,121,906
13			Total Gas Plant	501,938,111	76,830,328	4,475,075	0			574,293,364

COMMON PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 4 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Recl	assifications	
No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance
				\$	\$	\$	\$			\$
1		10300	Miscellaneous Intangible Plant	22,332,072		801,264				21,530,800
2		18900	Land and Land Rights	154,248						154,248
3		19000	Structures & Improvements	11,408,937	3,865,532	91,541				15,182,928
4		19100	Office Furniture & Equipment	755,564	2,999					758,563
5		19101	Electronic Data Processing	807,217		766,682				40,535
6		19300	Stores Equipment	0						(
7		19400	Tools, Shop & Garage Equipment	121,888		2,398				119,490
8		19700	Communication Equipment	7,828,641	285,553					8,114,194
9		19800	Miscellaneous Equipment	41,504						41,504
10			Asset Retirement Cost Obligation	0	226,897					226,897
11			Total Common Plant	43,450,071	4,380,981	1,661,885	0			46,169,167
12		. 27.38	% Common Plant Allocated to Gas	11,896,629	1,199,513	455,024	0			12,641,118
13			Total Gas Plant Including Allocated Common	513,834,740	78,029,841	4,930,099	0			586,934,482

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 5 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Red	assifications		13 Month Average
Line No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance	
				\$	\$	\$	\$	-		\$	\$
1	304	20400	Land and Land Rights	117,711						117,711	117,711
2	304	20401	Rights of Way	24,459						24,459	24,459
3	305	20500	Structures & Improvements	1,722,764						1,722,764	1,722,764
4	311	21100	Liquefied Petroleum Gas Equipment	5,955,198						5,955,198	5,955,198
5											
6			Total Manufactured Gas Production Plant	7,820,132	(0	0	-		7,820,132	7,820,132

DISTRIBUTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 6 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Rec	assifications		
Line	Acct.	Acct.	Account	Beginning				Explanation	Other Accts.	Ending	13 Month
No.	No.	No.	Title	Balance	Additions	Retirements	Amount	of Transfer	Involved	Balance	Average
				\$	\$	\$	\$			\$	\$
1	374	27400	Land and Land Rights	43,358		0				43,358	43,358
2	374	27401	Rights of Way	1,095,119		0				1,095,119	1,095,11
3	375	27500	Structures & Improvements	577,522		0				577,522	577,52
4	376	27601	Mains - Cast Iron & Copper	982,749		0				982,749	982,749
5	376	27602,27607	Mains - Steel	105,705,307		82,686				105,622,621	105,664,083
6	376	27603,27608	Mains - Plastic	149,793,718		61,704				149,732,014	149,762,955
7	376	27605	Mains - Feeder	33,642,160		224,346				33,417,814	33,530,313
8	378	27800	System Meas. & Reg. Station Equipment	7,349,417		0				7,349,417	7,349,417
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,293,157		0				1,293,157	1,293,157
10	378	27802	District Regulating Equipment	2,419,176		0				2,419,176	2,419,176
11	380	28001	Services- Cast Iron & Copper	3,245,568		258,985				2,986,583	3,116,451
12	380	28002,28004	Services-Steel	8,839,324		42,833				8,796,491	8,817,969
13	380	28003,28005-28007	Services-Plastic	151,248,627		310,012				150,938,615	151,094,070
14	381	28100,28101	Meters	13,701,999		1,744,237				11,957,762	12,832,410
15	382	28200,28201	Meter Installations	10,424,840		0				10,424,840	10,424,840
16	383	28300,283001	House Regulators	6,628,326		141,163				6,487,163	6.557.950
17	384	28400,28401	House Regulator Installations	5,939,194		124				5,939,070	5,939,132
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084		0				455,084	455,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791		0				64,791	64,791
20	387	28700	Other Equipment - Other	21,447		0				21,447	21,447
21	387	28701	Street Lighting Equipment	28,290		0				28,290	28,290
22			Asset Retirement Cost Obligation	3,583,546		0				3,583,546	3,583,546
23			0	38,229,494	26,213,664	0				64,443,158	50,026,690
24			Total Distribution Plant	545,312,213	26,213,664	2,866,090	0			568,659,787	555,680,519

GENERAL PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 7 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Recl	assifications		
Line No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance	13 Month Average
-				\$	\$	\$	\$		***************************************	\$	\$
1	303	20300	Miscellaneous Intangible Plant	8,757,245		0				8,757,245	8,757,245
2	303	20310	Misc Intangible Plt - 10 Yr	2,670,960		0				2,670,960	2,670,960
3	391	29100	Office Furniture & Equipment	13,251		745				12,506	12,880
4	391	29101	Electronic Data Processing	276,321		128,375				147,946	212,320
5	392	29200	Transportation Equipment	0		0				0	0
6	392	29201	Trailers	63,448		0				63,448	63,448
7	394	29400	Tools, Shop & Garage Equipment	1,191,774		143,025				1,048,749	1,120,469
8	396	29600	Power Operated Equipment	168,272		0				168,272	168,272
9	397	29700	Communication Equipment	10,766,945	0	0				10,766,945	10,766,945
10	398	29800	Miscellaneous Equipment	83,591		0				83,591	83,591
11			0	521,420	386,338	0				907,758	723,715
12			Total General Plant	24,513,227	386,338	272,145	0			24,627,420	24,579,845
13			Total Gas Plant	577,645,572	26,600,002	3,138,235	0			601,107,339	588,080,496

COMMON PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.3 PAGE 8 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company						Transfers/Reci	assifications		
Line No.	Acct. No.	Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Amount	Explanation of Transfer	Other Accts. Involved	Ending Balance	13 Month Average
				\$	\$	\$	\$			\$	\$
1		10300	Miscellaneous Intangible Plant	22,332,072						22,332,072	22,332,07
2		18900	Land and Land Rights	154,248						154,248	154,24
3		19000	Structures & Improvements	14,741,462		191,818				14,549,644	14,645,832
4		19100	Office Furniture & Equipment	598,474						598,474	502,844
5		19101	Electronic Data Processing	807,217						807,217	807,217
6		19300	Stores Equipment	0						0	(
7		19400	Tools, Shop & Garage Equipment	121,888						121,888	121,888
8		19700	Communication Equipment	8,114,194						8,114,194	8,114,194
9		19800	Miscellaneous Equipment	41,504						41,504	41,504
10			Asset Retirement Cost Obligation	314,111						314,111	314,111
11			Total Common Plant	47,225,170	0	191,818	0			47,033,352	47,033,910
12		27.38	3% Common Plant Allocated to Gas	12,930,252	0	52,521	0			12,877,731	12,877,885
13			Total Gas Plant Including Allocated Common	590,575,824	26,600,002	3,190,756	0			613,985,070	600,958,381

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROPERTY MERGED OR ACQUIRED FROM DECEMBER 1, 2017 TO NOVEMBER 30, 2018

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment		Date of Acquisition	Explanation of Treatment
-------------	----------------------	-------------------------	-------------------------	---------------------	---------------	---------------------------	--	------------------------	-----------------------------

The company has not merged or acquired property from other than affiliated companies.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 LEASED PROPERTY ELECTRIC AND COMMON AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.5
PAGE 1 OF 2
WITNESS RESPONSIBLE:
N. GIAIMO / C. S. LEE

Identification or Reference Number	Description of Type and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property Involved	Explain Method of Capitalization
(Gas Meters	Bank of America	Monthly	1,515	155,032	Per Regulatory and GAAP Guidelines
(Gas Regulators	Bank of America	Monthly	7,817	800,028	Per Regulatory and GAAP Guidelines
E	Erlanger Cox Rd. Facility	Edward Gary Leasing	Monthly	21,188	2,100,000	Per Regulatory and GAAP Guidelines
1	Total Capital Leases			30,520	3.055.060	

Note: Gas meter and gas regulator leases end in June 2019.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 LEASED PROPERTY ELECTRIC AND COMMON AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.5
PAGE 2 OF 2
WITNESS RESPONSIBLE:
N. GIAIMO / C. S. LEE

Identification or Reference Number	Description of Type and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property Involved	Explain Method of Capitalization
	Erlanger Cox Rd. Facility	Edward Gary Leasing	Monthly	21,188	2,100,000	Per Regulatory and GAAP Guidelines
	Total Capital Leases			21.188	2,100,000	i.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.6 PAGE 1 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	Description				Net	R	evenue Real	lized	E	xpenses Inc	urred
Line	and Location	Acquisition	Original	Accumulated	Original		Acct.			Acct.	
No.	of Property	Date	Cost	Depreciation	Cost	Amount	No.	Description	Amount	No.	Description

The company has no plant held for future use included in rate base.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.6 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	Description				Net	R	evenue Rea	ized	E	xpenses Inc	urred
Line	and Location	Acquisition	Original	Accumulated	Original		Acct.			Acct.	
No.	of Property	Date	Cost	Depreciation	Cost	Amount	No.	Description	Amount	No.	Description

The company has no plant held for future use included in rate base.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROPERTY EXCLUDED FROM RATE BASE (FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION) AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.7 PAGE 1 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	Company			2000	Accum. Depre.	Net	Rev	Base Period Revenue and Expense		
Line	Acct.	Description of	In-Service	Original	and	Original		Acct.		Reasons
No.	No.	Excluded Property	Date	Cost	Amort.	Cost	Amount	No.	Description	for Exclusion

No property is excluded from rate base for reasons other than jurisdictional allocation.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROPERTY EXCLUDED FROM RATE BASE (FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION) AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED

WORK PAPER REFERENCE NO(S).:

SCHEDULE B-2.7 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	Company				Accum. Depre.	Net		Forecasted Period Revenue and Expense		
Line	Acct.	Description of	In-Service	Original	and	Original		Acct.		Reasons
No.	No.	Excluded Property	Date	Cost	Amort.	Cost	Amount	No.	Description	for Exclusion

No property is excluded from rate base for reasons other than jurisdictional allocation.

MANUFACTURED GAS PRODUCTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 1 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		Base		Base Pe	eriod Accumulated	Balances	
Line No.	Acct.	Acct. No.	Account Title	Period Total (1)	Total	Jurisdictional %	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
140.	140.	110.	70000H THO	\$	\$		\$	\$	\$
1	304	20400	Land and Land Rights	117,711	0	100.00%	. 0	0	0
2	304	20401	Rights of Way	24,459	24,439	100.00%	24,439	(15,688)	8,751
3	305	20500	Structures & Improvements	1,722,764	1,424,710	100.00%	1,424,710	(915,022)	509,688
4	311	21100	Liquefied Petroleum Gas Equipment	5,882,464	3,038,448	100.00%	3,038,448	(1,982,250)	1,056,198
5		108	Retirement Work in Progress		(420)	100.00%	(420)	0	(420)
6			Total Manufactured Gas Production Plant	7,747,398	4,487,177		4,487,177	(2,912,960)	1,574,217

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106)

DISTRIBUTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 2 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		Base			riod Accumulated	Balances	
Line	Acct.	Acct.		Period	PANTA PAR	Allocation	Allocated		Adjusted
No.	No.	No.	Account Title	Total (1)	Total	%	Total	Adjustments	Jurisdiction
					\$		\$	\$	\$
1	374	27400	Land and Land Rights	43,358	4	100.00%	4		
2	374	27401	Rights of Way	1,095,119	656,185	100.00%	656,185	(128,924)	527,26
3	375	27500	Structures & Improvements	1,627,472	154,243	100.00%	154,243	(23,574)	130,66
4	376	27601	Mains - Cast Iron & Copper	982,745	(120,586)	100.00%	(120,586)		(120,586
5	376	27602,27607	Mains - Steel	114,110,657	41,035,576	100.00%	41,035,576	(18,686)	41,016,890
6	376	27603,27608	Mains - Plastic	158,536,358	50,999,118	100.00%	50,999,118		50,999,118
7	376	27605	Mains - Feeder	34,943,567	16,470,860	100.00%	16,470,860	(4,374,210)	12,096,650
8	378	27800	System Meas. & Reg. Station Equipment	9,789,723	2,607,715	100.00%	2,607,715	(169,180)	2,438,535
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,777,054	512,031	100.00%	512,031	(119,015)	393,016
10	378	27802	District Regulating Equipment	2,453,393	1,095,225	100.00%	1,095,225		1,095,225
11	380	28001	Services- Cast Iron & Copper	3,305,344	291,421	100.00%	291,421		291,421
12	380	28002,28004	Services-Steel	8,917,801	2,357,600	100.00%	2,357,600		2,357,600
13	380	28003,28005-28007	Services-Plastic	157,079,189	45,070,213	100.00%	45,070,213		45,070,213
14	381	28100,28101	Meters	17,067,032	(3,658,724)	100.00%	(3,658,724)		(3,658,724
15	382	28200,28201	Meter Installations	11,654,916	2,624,827	100.00%	2,624,827		2,624,827
16	383	28300,283001	House Regulators	6,910,800	2,371,561	100.00%	2,371,561		2,371,561
17	384	28400,28401	House Regulator Installations	5,976,374	2,638,509	100.00%	2,638,509		2,638,509
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	439,140	100.00%	439,140		439,140
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	48,621	100.00%	48,621		48,621
20	387	28700	Other Equipment - Other	21,447	22,692	100.00%	22,692		22,692
21	387	28701	Street Lighting Equipment	28,290	21,383	100.00%	21,383		21,383
22			Asset Retirement Cost Obligation	3,583,546	1,254,107	100.00%	1,254,107		1,254,107
23		108	Retirement Work in Progress		(6,670,730)	100.00%	(6,670,730)		(6,670,730
24			Total Distribution Plant	540,424,060	160,220,991		160,220,991	(4,833,589)	155,387,402

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106)

GENERAL PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 3 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		Base		Base Pe	riod Accumulated	Balances	
Line No.	Acct. No.	Acct. No.	Account Title	Period Total (1)	Total	Allocation %	Allocated Total	Adjustments	Adjusted Jurisdiction
					\$		\$	\$	\$
1	303	20300	Miscellaneous Intangible Plant	11,829,881	5,753,973	100.00%	5,753,973		5,753,973
2	303	20310	Misc Intangible Plt - 10 Yr	2,674,076	331,010	100.00%	331,010		331,010
3	391	29100	Office Furniture & Equipment	13,861	13,921	100.00%	13,921	(8,936)	4,985
4	391	29101	Electronic Data Processing	534,756	136,203	100.00%	136,203	1000	136,203
5	392	29200	Transportation Equipment	0	0	100.00%	0		0
6	392	29201	Trailers	63,448	43,736	100.00%	43,736		43,736
7	394	29400	Tools, Shop & Garage Equipment	1,229,047	960,449	100.00%	960,449	(18,677)	941,772
8	396	29600	Power Operated Equipment	168,272	8,924	100.00%	8,924	7.002.0.7.0	8,924
9	397	29700	Communication Equipment	9,524,974	96,735	100.00%	96,735	(4)	96,731
10	398	29800	Miscellaneous Equipment	83,591	22,886	100.00%	22,886	(23, 192)	(306
11		108	Retirement Work in Progress		12,219	100.00%	12,219		12,219
12			Total General Plant	26,121,906	7,380,056		7,380,056	(50,809)	7,329,247
13			Total Gas Plant	574,293,364	172,088,224		172,088,224	(7,797,358)	164,290,866

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106)

COMMON PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 4 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		Base			Base Pe	riod Accumulated	Balances	
Line	Acct.	Acct.		Period			Allocation	Allocated		Adjusted
No.	No.	No.	Account Title	Total (1)		Total	%	Total	Adjustments	Jurisdiction
						\$		\$	\$	\$
1		10300	Miscellaneous Intangible Plant	21,530,808		21,527,133	100.00%	21,527,133		21,527,133
2		18900	Land and Land Rights	154,248		0	100.00%	0		0
3		19000	Structures & Improvements	15,182,928		7,208,377	100.00%	7,208,377		7,208,377
4		19100	Office Furniture & Equipment	758,563		125,522	100.00%	125,522		125,522
5		19100-URR	Office Furniture & Equipment	0	(2)	486	100.00%	486		486
6		19101	Electronic Data Processing	40,535		40,535	100.00%	40,535		40,535
7		19101-URR	Electronic Data Processing	0		(50,880)	100.00%	(50,880)		(50,880)
8		19300	Stores Equipment	0		0	100.00%	0		0
9		19400	Tools, Shop & Garage Equipment	119,490		55,341	100.00%	55,341		55,341
10		19400-URR	Tools, Shop & Garage Equipment	0	25.0	15,900	100.00%	15,900		15,900
11		19700	Communication Equipment	8,114,194	,-,	5,073,395	100.00%	5,073,395		5,073,395
12		19700-URR	Communication Equipment	0	(2)	3,326,633	100.00%	3,326,633		3,326,633
13		19800	Miscellaneous Equipment	41,504		21,251	100.00%	21,251		21,251
14		19800-URR	Miscellaneous Equipment	0	(2)	(3,798)	100.00%	(3,798)		(3,798)
15		35,500,510,00	Asset Retirement Cost Obligation	226,897	,-,	265,786	100.00%	265,786		265,786
16		108	Retirement Work in Progress	0		(27,188)	100.00%	(27,188)		(27,188)
17			Total Common Plant	46,169,167		37,578,493		37,578,493	0	37,578,493
			Common Plant Allocated to Gas							
18		27.38	% Original Cost	12,641,118						
19			% Reserve for Depreciation			10,288,991		10,288,991	0	10,288,991
20			Total Gas Plant Including Allocated Common	586,934,482		182,377,215		182,377,215	(7,797,358)	174,579,857

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106) (2) 5 year life for Unrecovered Reserve for Amortization

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1 SCHEDULE B-3 PAGE 5 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		13 Month Average	13 M	onth Average F	orecasted Period	Accumulated Bala	nces
Line	Acct.	Acct.		Forecasted		Jurisdictional	Jurisdictional		Adjusted
No.	No.	No.	Account Title	Period (1)	Total	%	Total	Adjustments	Jurisdiction
				\$	\$		\$	\$	\$
1	304	20400	Land and Land Rights	117,711	0	100.00%	0	0	0
2	304	20401	Rights of Way	24,459	24,439	100.00%	24,439	(15,885)	8,554
3	305	20500	Structures & Improvements	1,722,764	1,429,735	100.00%	1,429,735	(930,001)	499,734
4	311	21100	Liquefied Petroleum Gas Equipment	5,955,198	3,211,329	100.00%	3,211,329	(2,085,019)	1,126,310
5		108	Retirement Work in Progress		0	100.00%	0		0
6			Total Manufactured Gas Production Plant	7,820,132	4,665,503		4,665,503	(3,030,905)	1,634,598

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106)

DISTRIBUTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 6 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		13 Month Average	13 M	onth Average Fo	precasted Period A	Accumulated Balar	nces	
Line	Acct.	Acct.		Forecasted	- 10 110	Allocation	Allocated	ocumulated balar	Adjusted	
No.	No.	No.	Account Title	Period (1)	Total	%	Total	Adjustments	Jurisdiction	
					\$		\$	\$	\$	
1	374	27400	Land and Land Rights	43,358	4	100.00%	4			
2	374	27401	Rights of Way	1,095,119	668,870	100.00%	668,870	(128,922)	539,948	
3	375	27500	Structures & Improvements	577,522	155,176	100.00%	155,176	(20,771)	134,405	
4	376	27601	Mains - Cast Iron & Copper	982,749	(118,273)	100.00%	(118,273)		(118,273	
5	376	27602,27607	Mains - Steel	105,664,083	42,019,042	100.00%	42,019,042	(23,930)	41,995,112	
6	376	27603,27608	Mains - Plastic	149,762,955	53,723,261	100.00%	53,723,261		53,723,261	
7	376	27605	Mains - Feeder	33,530,313	16,671,822	100.00%	16,671,822	(4,420,725)	12,251,097	
8	378	27800	System Meas. & Reg. Station Equipment	7,349,417	2,708,430	100.00%	2,708,430	(154,897)	2,553,533	
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,293,157	521,114	100.00%	521,114	(116,855)	404,259	
10	378	27802	District Regulating Equipment	2,419,176	1,110,309	100.00%	1,110,309		1,110,309	
11	380	28001	Services- Cast Iron & Copper	3,116,451	102,528	100.00%	102,528		102,528	
12	380	28002,28004	Services-Steel	8,817,969	2,370,014	100.00%	2,370,014		2,370,014	
13	380	28003,28005-28007	Services-Plastic	151,094,070	51,299,275	100.00%	51,299,275		51,299,275	
14	381	28100,28101	Meters	12,832,410	(5,811,552)	100.00%	(5,811,552)		(5,811,552	
15	382	28200,28201	Meter Installations	10,424,840	2,892,967	100.00%	2,892,967		2,892,967	
16	383	28300,283001	House Regulators	6,557,950	2,345,399	100.00%	2,345,399		2,345,399	
17	384	28400,28401	House Regulator Installations	5,939,132	2,787,651	100.00%	2,787,651		2,787,651	
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	448,439	100.00%	448,439		448,439	
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	49,660	100.00%	49,660		49,660	
20	387	28700	Other Equipment - Other	21,447	22,692	100.00%	22,692		22,692	
21	387	28701	Street Lighting Equipment	28,290	22,262	100.00%	22,262		22,262	
22			Asset Retirement Obligation	3,583,546	1,213,033	100.00%	1,213,033		1,213,033	
23		108	Retirement Work in Progress		(4,652,670)	100.00%	(4,652,670)		(4,652,670	
24			Completed Construction not Classified	50,026,690	1,258,152	100.00%	1,258,152		1,258,152	
25			Total Distribution Plant	555,680,519	171,807,605		171,807,605	(4,866,100)	166,941,505	

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106)

GENERAL PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 7 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		13 Month Average	13 Month Average Forecasted Period Accumulated Balances						
Line No.	Acct. No.	Acct. No.	Account Title	Forecasted Period (1)	Total	Allocation %	Allocated Total	Adjustments	Adjusted Jurisdiction		
					\$		\$	\$	\$		
1	303	20300	Miscellaneous Intangible Plant	8,757,245	6,554,122	100.00%	6,554,122		6,554,122		
2	303	20310	Misc Intangible Plt - 10 Yr	2,670,960	553,734	100.00%	553,734		553,734		
3	391	29100	Office Furniture & Equipment	12,880	12,940	100.00%	12,940	(9,695)	3,245		
4	391	29101	Electronic Data Processing	212,320	(10,605)	100.00%	(10,605)		(10,605		
5	392	29200	Transportation Equipment	0	0	100.00%	0		0		
6	392	29201	Trailers	63,448	42,743	100.00%	42,743		42,743		
7	394	29400	Tools, Shop & Garage Equipment	1,120,469	892,858	100.00%	892,858	(19,729)	873,129		
8	396	29600	Power Operated Equipment	168,272	1,275	100.00%	1,275		1,275		
9	397	29700	Communication Equipment	10,766,945	732,486	100.00%	732,486	(33)	732,453		
10	398	29800	Miscellaneous Equipment	83,591	22,886	100.00%	22,886	(23,207)	(321		
11		108	Retirement Work in Progress	0	12,218	100.00%	12,218	and the same	12,218		
12			Completed Construction not Classified	723,715	667,715	100.00%	667,715		667,715		
13			Total General Plant	24,579,845	9,482,372		9,482,372	(52,664)	9,429,708		
14			Total Gas Plant	588,080,496	185,955,480		185,955,480	(7,949,669)	178,005,811		

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106)

COMMON PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3 PAGE 8 OF 8 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company		13 Month Average		13 M	onth Average E	precasted Period	Accumulated Pole	
Line	Acct.	Acct.		Forecasted		1314	Allocation	Allocated	Accumulated Bala	Adjusted
No.	No.	No.	Account Title	Period (1)		Total	%	Total	Adjustments	Jurisdiction
						\$		\$	\$	\$
1		10300	. Miscellaneous Intangible Plant	22,332,072		22,332,072	100.00%	22,332,072		22,332,072
2		18900	Land and Land Rights	154,248		0	100.00%	0		0
3		19000	Structures & Improvements	14,645,832		7,720,162	100.00%	7,720,162		7,720,162
4		19100	Office Furniture & Equipment	502,844		223,342	100.00%	223,342		223,342
5		19100-URR	Office Furniture & Equipment	0	(2)	394	100.00%	394		394
6		19101	Electronic Data Processing	807,217		851,335	100.00%	851,335		851,335
7		19101-URR	Electronic Data Processing	0	(2)	(41,280)	100.00%	(41,280)		(41,280)
8		19300	Stores Equipment	0		0	100.00%	0		0
9		19400	Tools, Shop & Garage Equipment	121,888		52,170	100.00%	52,170		52,170
10		19400-URR	Tools, Shop & Garage Equipment	0	(2)	12,900	100.00%	12,900		12,900
11		19700	Communication Equipment	8,114,194		4,803,012	100.00%	4,803,012		4,803,012
12		19700-URR	Communication Equipment	0	(2)	2,698,966	100.00%	2,698,966		2,698,966
13		19800	Miscellaneous Equipment	41,504		23,317	100.00%	23,317		23,317
14		19800-URR	Miscellaneous Equipment	0	(2)	(3,081)	100.00%	(3,081)		(3,081)
15			Asset Retirement Cost Obligation	314,111		120,812	100.00%	120,812		120,812
16		108	Retirement Work in Progress	0		(5,510)	100.00%	(5,510)		(5,510)
17			Total Common Plant	47,033,910		38,788,611		38,788,611	0	38,788,611
			Common Plant Allocated to Gas							
18		27.38	% Original Cost	12,877,885						
19		27.38	% Reserve for Depreciation			10,620,322		10,620,322	0	10,620,322
20			Total Gas Plant Including Allocated Common	600,958,381		196,575,802		196,575,802	(7,949,669)	188,626,133

⁽¹⁾ Plant Investment Includes Completed Construction Not Classified (Account 106) (2) 5 year life for Unrecovered Reserve for Amortization

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NOS.: WPB-2.2g

SCHEDULE B-3.1 PAGE 1 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
	Manufactu	red Gas Pro	duction Plant					
1	304	20401	Rights of Way	15,688	100.00	15,688	WPB-2.2g	Exclusion of
2	305	20500	Structures & Improvements	915,022	100.00	915,022	WPB-2.2g	gas facilities
3	311	21100	Liquefied Petroleum Gas Equipment	1,982,250	100.00	1,982,250	WPB-2.2g	devoted to other
4		108	Retirement Work in Progress	0	100.00	0		than DE-Ky customers.
5	Total Manu	ufactured Ga	s Production Plant	2,912,960		2,912,960		customers.
	Distribution	Plant						
6	374	27401	Rights of Way	128,924	100.00	128,924	WPB-2.2g	
7	375	27500	Structures & Improvements	23,574	100.00	23,574	WPB-2.2g	
8	376	27602	Gas Mains - Dist Lines/Steel	18,686	100.00	18,686	WPB-2.2g	
9	376	27605	Mains-Steel Feeder Lines	4,374,210	100.00	4,374,210	WPB-2.2g	
10	378	27800	System M & R Station Equip General	169,180	100.00	169,180	WPB-2.2g	
11	378	27801	System M & R Station Equip.	119,015	100.00	119,015	WPB-2.2g	
12	Total Distri	bution Plant		4,833,589	-	4,833,589		
	General Pl	ant						
13	391	29100	Office Furniture & Equipment	8,936	100.00	8,936	WPB-2.2g	
14	394	29400	Tools, Shop & Garage Equipment	18,677	100.00	18,677	WPB-2.2g	
15	397	29700	Communication Equipment	4	100.00	4	WPB-2.2g	
16	398	29800	Miscellaneous Equipment	23,192	100.00	23,192	WPB-2.2g	
17	Total Gene	eral Plant		50,809		50,809		
18	Total Gas	Plant		7,797,358		7,797,358		

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NOS.: WPB-3.1a

SCHEDULE B-3.1 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
7								
	Manufactu	red Gas Pro	duction Plant					
1	304	20401	Rights of Way	15,885	100.00	15,885	WPB-2.2g	Exclusion of
2	305	20500	Structures & Improvements	930,001	100.00	930,001	WPB-2.2g	gas facilities
3	311	21100	Liquefied Petroleum Gas Equipment	2,085,019	100.00	2,085,019	WPB-2.2g	devoted to other
4		108	Retirement Work in Progress	0	100.00	0		than DE-Ky
5	Total Man	ufactured Ga	as Production Plant	3,030,905		3,030,905		customers.
	Distribution	n Plant						
6	374	27401	Rights of Way	128,922	100.00	128,922	WPB-2.2g	
7	375	27500	Structures & Improvements	20,771	100.00	20,771	WPB-2.2g	
8	376	27602	Gas Mains - Dist Lines/Steel	23,930	100.00	23,930	WPB-2.2g	
9	376	27605	Mains-Steel Feeder Lines	4,420,725	100.00	4,420,725	WPB-2.2g	
10	378	27800	System M & R Station Equip General	154,897	100.00	154,897	WPB-2.2g	
11	378	27801	System M & R Station Equip.	116,855	100.00	116,855	WPB-2.2g	
12	Total Distr	ibution Plant		4,866,100		4,866,100		
	General P	lant						
13	391	29100	Office Furniture & Equipment	9,695	100.00	9,695	WPB-2.2g	
14	394	29400	Tools, Shop & Garage Equipment	19,729	100.00	19,729	WPB-2.2g	
15	397	29700	Communication Equipment	33	100.00	33	WPB-2.2g	
16	398	29800	Miscellaneous Equipment	23,207	100.00	23,207	WPB-2.2g	
17	Total Gene	eral Plant		52,664		52,664		
18	Total Gas	Plant		7,949,669		7,949,669		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS, FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP THIRTEEN MONTH AVERAGE AS OF MARCH 31, 2020

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3

SCHEDULE B-3.2 PAGE 1 OF 4 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company	Account Title	Adjusted J 13-Month		Proposed	Calculated		Average	
No. (A)	Acct. No. (B-1)	Acct. No. (B-2)	or Major Property Grouping (C)	Plant Investment (1) (D)	Accumulated Balance (E)	Accrual Rate (F)	Depr/Amort Expense (G=DxF)	% Net Salvage (H)	Service Life (I)	Form (J)
				\$	\$		\$			
1	304	20400	Land and Land Rights	42,141	0	0.00%	0	Perpetual Life	e	
2	304	20401	Rights of Way	8,756	8,554	0.02%	2	0.00%	50	SQ
3	305	20500	Structures & Improvements	616,750	499,734	4.70%	28,987	-10.00%	55	R4
5	311	21100	Liquefied Petroleum Gas Equipment	2,131,961	1,126,310	8.86%	188,892	-10.00%	55	R2.5
6			Total Manufactured Gas Production Plant	2,799,608	1,634,598	-	217,881			

⁽¹⁾ Plant Investment includes Completed Construction Not Classified (Account 106).

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS, FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP THIRTEEN MONTH AVERAGE AS OF MARCH 31, 2020

DISTRIBUTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3 SCHEDULE B-3.2 PAGE 2 OF 4 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	132.34	Manager 1			urisdiction	20.00				
	FERC	Company	Account Title		Average	Proposed	Calculated		Average	
Line	Acct.	Acct.	or Major	Plant	Accumulated	Accrual	Depr/Amort	% Net	Service	Curv
No.	No.	No.	Property Grouping	Investment (1)	Balance	Rate	Expense	Salvage	Life	Form
(A)	(B-1)	(B-2)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(1)	(J)
				\$	\$		\$			
1	374	27400	Land and Land Rights	41,032	4	0	0	Perpetual Life		
2	374	27401	Rights of Way	866,302	539,948	1.04%	9,010	0.00%	70	R4
3	375	27500	Structures & Improvements	553,059	134,405	1.44%	7,964	-5.00%	60	R2
4	376	27601	Mains - Cast Iron & Copper	982,749	(118,273)	8.70%	85,499	-20.00%	47	R2.5
5	376	27602,27607	Mains - Steel	105,363,141	41,995,112	1.64%	1,727,956	-20.00%	65	R2.5
6	376	27603,27608	Mains - Plastic	149,762,955	53,723,261	1.53%	2,291,373	-20.00%	70	R3
7	376	27605	Mains - Feeder	27,337,810	12,251,097	1.49%	407,333	-20.00%	65	R2.5
8	378	27800	System Meas. & Reg. Station Equipment	7,162,530	2,553,533	2.04%	146,116	-25.00%	52	R1.5
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,032,384	404,259	6.37%	65,763	-25.00%	25	S2
10	378	27802	District Regulating Equipment	2,419,176	1,110,309	1.65%	39,916	-25.00%	55	R2
11	380	28001	Services- Cast Iron & Copper	3,116,451	102,528	5.27%	164,237	-25.00%	40	R2
12	380	28002,28004	Services-Steel	8,817,969	2,370,014	3.34%	294,520	-25.00%	42	R2
13	380	28003,28005-28007	Services-Plastic	151,094,070	51,299,275	2.39%	3,611,148	-25.00%	48	S0.5
14	381	28100,28101	Meters	12,832,410	(5,811,552)	10.77%	1,382,051	0.00%	17	LO
15	382	28200,28201	Meter Installations	10,424,840	2,892,967	3.82%	398,229	0.00%	30	SO
16	383	28300,283001	House Regulators	6,557,950	2,345,399	2.15%	140,996	0.00%	42	R1.5
17	384	28400,28401	House Regulator Installations	5,939,132	2,787,651	1.59%	94,432	0.00%	50	R3
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	448,439	0.60%	2,731	-10.00%	42	R2
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	49,660	3.64%	2,358	-10.00%	25	R2.5
20	387	28700	Other Equipment - Other	21,447	22,692	0.00% (2)	0	0.00%	17	R3
21	387	28701	Street Lighting Equipment	28,290	22,262	1.76%	498	0.00%	35	S2.5
22			Asset Retirement Obligation	3,583,546	1,213,033		82,148			
23		108	Retirement Work in Progress		(4,652,670)					
24			Completed Construction not Classified	50,026,690	1,258,152	2.24%	1,120,598			
25			Total Distribution Plant	548,483,808	166,941,505		12,074,876			

⁽¹⁾ Plant Investment includes Completed Construction Not Classified (Account 106). (2) This account is fully depreciated.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS, FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP THIRTEEN MONTH AVERAGE AS OF MARCH 31, 2020

GENERAL PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3

SCHEDULE B-3.2 PAGE 3 OF 4 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FERC	Company	Account Title		lurisdiction Average	Proposed	Calculated		Average	
Line No. (A)	Acct. No. (B-1)	Acct. No. (B-2)	or Major Property Grouping (C)	Plant Investment (1) (D)	Accumulated Balance (E)	Accrual Rate (F)	Depr/Amort Expense (G=DxF)	% Net Salvage (H)	Service Life (I)	Curve Form (J)
				\$	\$		\$			3-7-
1	303	20300	Miscellaneous Intangible Plant	8,757,245	6,554,122	Various	1,046,391			
2	303	20310	Misc Intangible Plt - 10 Yr	2,670,960	553,734	10.00%	267,439	Amortizes of	ver 120 mon	ths
3	391	29100	Office Furniture & Equipment	3,981	3,245	5.00%	199	0	20	SQ
4	391	29101	Electronic Data Processing	212,320	(10,605)	22.95%	48,727	0	5	SQ
5	392	29200	Transportation Equipment	0	0	0.00%	0	Depr. Charg	ed to Transp	
6	392	29201	Trailers	63,448	42,743	0.00%	0			
7	394	29400	Tools, Shop & Garage Equipment	1,099,242	873,129	4.70%	51,664			SQ
8	396	29600	Power Operated Equipment	168,272	1,275	0.00%	0	Depr. Charge	ed to Transp	
9	397	29700	Communication Equipment	10,766,707	732,453	6.76%	727,829	0.00%	15	SQ
10	398	29800	Miscellaneous Equipment	0	(321)	13.20%	0	0.00%	20	SQ
11		108	Retirement Work in Progress		12,218					7.7
12			Completed Construction not Classified	723,715	667,715	7.29%	52,759			
13			Total General Plant	24,465,890	9,429,708		2,195,008			
14			Total Gas Plant	575,749,306	178,005,811		14,487,765			

⁽¹⁾ Plant Investment includes Completed Construction Not Classified (Account 106).

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS. FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP THIRTEEN MONTH AVERAGE AS OF MARCH 31, 2020

COMMON PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3 SCHEDULE B-3.2 PAGE 4 OF 4 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

	FFDO		AA Title	Adjusted J							
Line	FERC Acct.	Company Acct.	Account Title or Major	Plant	Accumulated	Proposed	1	Calculated Depr/Amort	% Net	Average	
No.	No.	No.	Property Grouping	Investment (1)	Balance	Rate		Expense	Salvage	Service Life	Form
(A)	(B-1)	(B-2)	(C)	(D)	(E)	(F)		(G=DxF)	(H)	(i)	(J)
100	(5.1)	(0.2)		\$	\$			\$	\inj		(0)
1		10300	Miscellaneous Intangible Plant	22.332.072	22,332,072	0.00%	(3)	0	Amortized o	ver 60 month	ie
2		18900	Land and Land Rights	154,248	0	0.00%	(0)		Perpetual Li		
3		19000	Structures & Improvements	14,645,832	7,720,162	1.26%		184,537	0.00%	90	R1
4		19100	Office Furniture & Equipment	502,844	223,342	5.00%		25,142	0.00%	20	SQ
5		19100-URR	Office Furniture & Equipment	0	394	NA	(2)	(110)	NA	NA	NA
6		19101	Electronic Data Processing	807,217	851,335	20.00%	(-)	161,443	0.00%	5	SQ
7		19101-URR	Electronic Data Processing	0	(41,280)	NA	(2)	11,520	NA	NA	NA
8		19300	Stores Equipment	0	0		(-/	,020			147
9		19400	Tools, Shop & Garage Equipment	121,888	52,170	4.00%		4,876	0.00%	25	SQ
10		19400-URR	Tools, Shop & Garage Equipment	0	12,900	NA	(2)	(3,600)	NA	NA	NA
11		19700	Communication Equipment	8,114,194	4,803,012	6.67%	'-'	541,217	0.00%	15	SQ
12		19700-URR	Communication Equipment	0	2,698,966	NA	(2)	(753,200)	NA	NA	NA
13		19800	Miscellaneous Equipment	41,504	23,317	6.67%	''	2,768	0.00%	15	SQ
14		19800-URR	Miscellaneous Equipment	0	(3,081)	NA	(2)	860	NA	NA	NA
15		10000 01	Asset Retirement Cost Obligation	314,111	120,812		\-/	289,949			
16		108	Retirement Work in Progress		(5,510)						
17		,,,,	0	0	0						
18			Total Common Plant	47,033,910	38,788,611			465,402			
			Common Plant Allocated to Gas								
19		27.38	% Original Cost	12,877,885							
20			% Reserve	-6.1	10,620,322						
21			% Annual Provision					127,427			
22			Total Gas Plant Including Allocated Common	588,627,191	188,626,133			14,615,192			

⁽¹⁾ Plant Investment includes Completed Construction Not Classified (Account 106).

^{(2) 5} year life for Unrecovered Reserve for Amortization.
(3) This account is fully depreciated.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 CONSTRUCTION WORK IN PROGRESS AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-4 PAGE 1 OF 2 WITNESS RESPONSIBLE N. GIAIMO / C. S. LEE

Line		Jurisdic-	Tot	al
No.	Major Property Groupings	tional %	Gross	Jurisdictional
		%	\$	\$
1	Manufactured Gas Production	100.00%	718,264	718,264
2	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00% _	0	0
3	Net Manufactured Gas Production	100.00% _	718,264	718,264
4	Distribution	100.00%	12,935,673	12,935,673
5	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	0
6	Net Distribution	100.00%	12,935,673	12,935,673
7	General & Intangible	100.00%	1,531,408	1,531,408
8	Total Common	100.00%	338,906	338,906
9	27.38% Common Allocated to Gas	100.00%	92,792	92,792
10	Total Gas Including Common Allocated		15,278,137	15,278,137

Note: The Company is not requesting to include recovery of CWIP in base rates.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 CONSTRUCTION WORK IN PROGRESS THIRTEEN MONTH AVERAGE AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-4 PAGE 2 OF 2 WITNESS RESPONSIBLE N. GIAIMO / C. S. LEE

Line		Jurisdic-	Tota	<u>al</u>
No.	Major Property Groupings	tional %	Gross	Jurisdictional
		%	\$	\$
1	Manufactured Gas Production	100.00%	0	(
2	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	
3	Net Manufactured Gas Production	100.00%	0	
4	Distribution	100.00%	28,715,308	28,715,308
5	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	0
6	Net Distribution	100.00% _	28,715,308	28,715,308
7	General & Intangible	100.00%	1,182,402	1,182,402
8	Total Common	100.00%	2,199,047	2,199,047
9	27.38% Common Allocated to Gas	100.00%	602,099	602,099
10	Total Gas Including Common Allocated		30,499,809	30,499,809

Note: The Company is not requesting to include recovery of CWIP in base rates.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ALLOWANCE FOR WORKING CAPITAL AS OF NOVEMBER 30, 2018 AS OF MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE B-5 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

		DESCRIPTION of METHODOLOGY	WORK PAPER	TOTAL C	OMPANY	JURISDICTIONAL		
NO.	WORKING CAPITAL COMPONENT	USED to DETERMINE JURISDICTIONAL REQUIREMENT	REFERENCE NUMBER	BASE PERIOD	FORECASTED PERIOD	BASE PERIOD	FORECASTED PERIOD	
_				\$	\$	\$	\$	
1	Cash Element of	Based on 1/8 Oper. & Maint. Expense	WPB-5.1a	16,266,925	17,915,083	2,991,206	3,021,735	
2	Working Capital	less purchased gas costs or fuel and						
3		purchased power expenses.						
4	Oth 14/- 41 O N-1							
5	Other Working Capital:							
7	Fuel Inventory Coal	(1)	WPB-5.1i	16,453,475	17,354,274	0	0	
8	Oil	(1)	WPB-5.1i	665,361	592,942	0	0	
9	Natural Gas	(1)	WPB-5.1i	0	0	0	0	
10	Propane - Woodsdale	(1)	WPB-5.1i	0	717,397	0	0	
11	Total Fuel Inventory	1.7		17,118,836	18,664,613	0	ō	
12								
13	Gas Enricher Liquids	(1)	WPB-5.1b	3,210,649	3,586,912	1,149,412	1,284,114	
14				10000000		100000000000000000000000000000000000000		
15	Gas Stored Underground	(1)	WPB-5.1g	2,159,576	2,958,880	2,159,576	2,958,880	
16								
17	Emission Allowances	(1)	WPB-5.1j	0	0	0	0	
18	Materials and Consiles	743	WPB-5.1c	18,932,268	18,481,347	1,602,171	1,143,072	
19 20	Materials and Supplies	(1)	VVF B-3.1C	10,932,200	10,401,547	1,002,171	1,143,072	
21	Prepayments	(1)	WPB-5.1e	524,844	2,148,487	5,392	37,742	
22	repayments	(.,	***************************************	22.10.1.		-11-11	<u> </u>	
23	Total Other Working Capital			41,946,173	45,840,239	4,916,551	5,423,808	
24						1000		
25	Total Working Capital			58,213,098	63.755.322	7.907.757	8.445.543	

N.C - Not calculated

⁽¹⁾ The Base Period is the ending period balance. The Forecasted Period is a 13 month average balance.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 WORKING CAPITAL COMPONENTS AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD

TYPE OF FILING: "X" ORIGINAL UPDATED REVISED

WORK PAPER REFERENCE NO(S).: WPB-5.1a through WPB-5.1j

SCHEDULE B-5.1 PAGE 1 OF 2 WITNESS RESPONSIBLE: N. GIAIMO

		END OF BASE PERIOD BALANCE							
NO.	DESCRIPTION	TOTAL COMPANY	JURISDIC- TIONAL %	JURISDIC- TIONAL AMOUNT					
		(1)	(2)	(3)					
1	Cash Working Capital:								
	1/8 Oper. and Maint. Expense	16,266,925	Computed	2,991,206					
2		16.16.20.16.20.20		100000000000000000000000000000000000000					
4									
5	Other Working Capital:								
6	Fuel Inventory								
7	Coal	16,453,475	0.000	0					
8	Oil	665,361	0.000	0					
9	Natural Gas	0	0.000	0					
10	Propane - Woodsdale	<u>0</u>	0.000	<u>0</u>					
11	Total Fuel Inventory	17,118,836		0					
12				2002-002					
13	Gas Enricher Liquids	3,210,649	35.800	1,149,412					
14									
15	Gas Stored Underground	2,159,576	100.000	2,159,576					
16									
17	Emission Allowances	0	0.000	0					
18			2	4 000 474					
19	Materials and Supplies	18,932,268	Computed	1,602,171					
20		200,000		F 000					
21	Prepayments	<u>524,844</u>	Computed	<u>5,392</u>					
22				4.040.554					
23	Total Other Working Capital	41,946,173		4,916,551					
24		20202022		7 007 757					
25	Total Working Capital	58,213,098		7.907.757					

N.C. - Not Calculated

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 WORKING CAPITAL COMPONENTS AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPB-5.1a through WPB-5.1j

SCHEDULE B-5.1 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO

		13 MONTH AVERAGE FOR PERIOD							
NO.	DESCRIPTION	TOTAL COMPANY	JURISDIC- TIONAL %	JURISDIC- TIONAL AMOUNT					
		(1)	(2)	(3)					
1	Cash Working Capital:								
	1/8 Oper. and Maint. Expense	17,915,083	Computed	3,021,735					
2 3 4 5									
4									
5	Other Working Capital:								
6	Fuel Inventory								
7	Coal	17,354,274	0.000	0					
8	Oil	592,942	0.000	0					
9	Natural Gas	0	0.000	0					
10	Propane - Woodsdale	717,397	0.000	0					
11	Total Fuel Inventory	18,664,613		0					
12				1.000					
13	Gas Enricher Liquids	3,586,912	35.800	1,284,114					
14									
15	Gas Stored Underground	2,958,880	100.000	2,958,880					
16			77.44						
17	Emission Allowances	0	0.000	0					
18				4 442 070					
19	Materials and Supplies	18,481,347	Computed	1,143,072					
20				27 742					
21	Prepayments	2,148,487	Computed	<u>37,742</u>					
22				E 422 909					
23	Total Other Working Capital	45,840,239		5,423,808					
24				8,445,543					
25	Total Working Capital	63.755.322		0.443.343					

N.C. - Not Calculated

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPB-6a, WPB-6c SCHEDULE B-6 PAGE 1 OF 2 WITNESS RESPONSIBLE: J. R. PANIZZA

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL COMPANY	JURISDI CODE	CTIONAL %	JURIS. AMOUNT	ADJUSTMENT		ADJUSTED JURIS. AMOUNT
_			(1)	(2	2)	(3)	(4)		(5)
1	252	Customers' Advances for Construction	(1,579,329)	DALL	100.000 _	(1,579,329)		_	(1,579,329) (A
2	055	Investment Toy Condito, (D)							
3	255	Investment Tax Credits: (B) 3% Credit	0	DALL	100.000	0	0	(F)	0
5		4% Credit	(6,874)	DALL	100.000	(6,874)	6,874	(G)	0
6		10% Credit	(502,329)	DALL	100.000	(502,329)	502,329	(G)	0
7		30% Credit	0	DALL	100.000	0	0	(G)	0
8		Total Investment Tax Credits	(509,203)		The state of the state of	(509,203)	509,203		0 (C
9		The second secon			-		B	-	
10	190,281,	Deferred Income Taxes:							
11	282,283	Total Deferred Income Taxes	(62,042,643)	DALL	100.000	(62,042,643)	584,606	(H)	(61,458,037) (D)
12						all distances	And the same		at let all controls
13	254	Total Regulatory Liability - Excess Deferred Taxes	(33,137,851)	DALL	100.000	(33, 137, 851)	357,889	(H)	(32,779,962) (E)

Sources

- (A) Included on Schedule B-1 as Customers' Advances for Construction, Line 8.
- (B) The company elected the ratable flow through option in 1971 as provided under Section 46(f)(2).
- (C) Included on Schedule B-1 as Investment Tax Credits, Line 9.
- (D) Included on Schedule B-1 as Deferred Income Taxes, Line 10.
- (E) Included on Schedule B-1 as Excess Deferred Income Taxes, Line 11.
- (F) Elimination of Deferred Tax Balances Related to Facilities Devoted to Other Than DE-Ky Customers. (WPB-6c)
- (G) Excluded from Rate Base.
- (H) Includes elimination of unrecovered purchased gas costs and liberalized depreciation related to facilities devoted to non DE-Kentucky customers.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES AS OF MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPB-6b, WPB-6d

SCHEDULE B-6 PAGE 2 OF 2 WITNESS RESPONSIBLE: J. R. PANIZZA

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	PRORATED ACCUMULATED DEFERRED TAXES	JURISDI CODE	CTIONAL %	JURIS.	ADJUSTMENT		ADJUSTED JURIS. AMOUNT
_		- 10 to 10 t	(1)	(;	2)	(3)	(4)		(5)
1	252	Customers' Advances for Construction	(1,579,329)	DALL	100.000	(1,579,329)			(1,579,329) (A
3	255	Investment Tax Credits: (B)							
4	200	3% Credit	0	DALL	100.000	0	0	(F)	0
5		4% Credit	(5,020)	DALL	100.000	(5,020)	5,020	(G)	0
6		10% Credit	(449,038)	DALL	100.000	(449,038)	449,038	(G)	0
7		30% Credit	0	DALL	100.000	0	0	(G)	0
8		Total Investment Tax Credits	(454,058)			(454,058)	454,058		0 (C
9					-				
10	190,	Deferred Income Taxes:							
11	282,283	Total Deferred Income Taxes	(63,262,770)	DALL	100.000	(63,262,770)	596,887	(H)	(62,665,883) (D
12					-			9139-E	
13	254	Total Regulatory Liability - Excess Deferred Taxes	(31,662,166)	DALL	100.000	(31,662,166)	341,951	(H)	(31,320,215) (E)

Sources:

- (A) Included on Schedule B-1 as Customers' Advances for Construction, Line 8.
- (B) The company elected the ratable flow through option in 1971 as provided under Section 46(f)(2).
- (C) Included on Schedule B-1 as Investment Tax Credits, Line 9.
- (D) Included on Schedule B-1 as Deferred Income Taxes, Line 10.
- (E) Included on Schedule B-1 as Excess Deferred Income Taxes, Line 11.
- (F) Excluded from Rate Base.
- (G) Elimination of Deferred Tax Balances Related to Facilities Devoted to Other Than DE-Kentucky Customers. (WPB-6d)
- (H) Includes elimination of unrecovered purchased gas costs and liberalized depreciation related to facilities devoted to non DE-Kentucky customers.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 JURISDICTIONAL PERCENTAGE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE 8-7 PAGE 1 OF 1 WITNESS RESPONSIBLE: J. E. ZIOLKOWSKI

					DESCRIPTION OF FACTORS
LINE	ACCOUNT	ACCOUNT	JURISDIC	TIONAL	AND/OR METHOD OF
NO.	NUMBER	TITLE	CODE	%	ALLOCATION

Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 JURISDICTIONAL STATISTICS - RATE BASE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-7.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
J. E. ZIOLKOWSKI

	DESCRIPTION BY MA IOD	STATISTIC	ADJUSTMENT TO TOTAL	ADJUSTED STATISTIC	CTATIOTIC FOR	ALL OCATION FACTOR
LINE	DESCRIPTION BY MAJOR	TOTAL	COMPANY	FOR TOTAL	STATISTIC FOR	ALLOCATION FACTOR
NO.	GROUPINGS OR ACCOUNT	COMPANY	STATISTIC	COMPANY	RATE AREA	%
(A)	(B)	(C)	(D)	(E = C+D)	(F)	(G = F / E)

Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES RATE BASE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-7.2 PAGE 1 OF 1 WITNESS RESPONSIBLE: J. E. ZIOLKOWSKI

LINE ACCOUNT
NO. NUMBER DESCRIPTION PROCEDURES APPROVED IN PRIOR CASE RATIONALE FOR CHANGE

Not Applicable - 100% Jurisdictional

DUNC ENERGY MENTUCKY, INC. CASE NO. 2018-00281 COMPARATIVE BALANCE SHEETS AS OF DECEMBER 31, 2013-2017 AND BASE AND FORECASTED PERIODS

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-8
PAGE 1 OF 2
WITNESS RESPONSIBLE:
N. GIAIMO / S. M. COVINGTON

		13 MONTH AVG.							MOST RE	CENT FIVE CALEND	AR YEARS				
NO.	DESCRIPTION	FORECASTED PERIOD	% Change	BASE PERIOD	% Change	2017	% Change	2016	% Change	2015	%		%	4400	%
1	ASSETS	PERIOU	Change	PERIOD	Change	2017	Change	2010	Change	2015	Change	2014	Change	2013	Change
2	UTILITY PLANT														
3	UTILITY PLANT IN SERVICE	2.454,838,661	3.47%	2.382.072.068	8.73%	2,190,743,460	6.74%	2,052,384,114	0.79%	2.036.397.765	14,68%	1,775,690,380	3.58%	4 744 000 400	0.23
A	CONSTRUCTION WORK IN PROGRESS	87,725,028	(22,65)%	113,416,926	3.68%	109,390,337	71.37%	63.832.972	47.21%	43,361,285	191,06%			1,714,335,197	1.849
2	TOTAL UTILITY PLANT												(44.76)%	26,970,335	
9		2,552,583,689	2.29%		8.49%		8.69%	2,116,217,088	1.75%	2,079,759,050		1,790,588,034	2.83%	1,741,305,532	
0	LESS: ACCUMULATED PROVISION FOR DEPRECIATION	1,060,126,703	6,77%	992,945,317	(3.79)%	1,032,028,167	3,10%	1,001,008,038	2.33%	978,193,739	19,98%		2.06%	798,974,880	
7	NET UTILITY PLANT	1,492,436,986	(0.67)%	1,502,543,677	18.49%	1,268,105,630	13.71%	1,115,209,048	1.24%	1,101,585,311	12.96%	975,167,553	3.48%	942,330,652	(0.03)%
8	OTHER PROPERTY AND INVESTMENTS		1000			-	THE STATE OF								
9	NONUTILITY PROPERTY - NET	2,206	(99.75)%	694,867	238.94%	264,018	11868.09%	2,208		2,208		2,208	-	2,206	(99.99)%
10	LESS: ACCUM. PROVISION FOR DEPR. & AMORT.				-										(100.00)%
11	NONCURRENT PORTION OF ALLOWANCES											100	2		
12	OTHER INVESTMENTS	1,500		1,500		1,500		1,500		1,500		1,500		1,500	
13	SPECIAL FUNDS	1,184,268	(85,72)%	8,291,714	800.16%	1,184,268	(30.97)%	1,715,645	53.02%	1,121,197	134.86%	477,394	(69.32)%	1,556,265	
14	LONG TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS	318,333	(13.62)%	368,524	15.77%	318,333	(88,84)%	954,187		Service of the service of			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	.,,,,,,,,,	
15	TOTAL OTHER PROPERTY AND INVESTMENTS	1,508,305	(84.24)%	9,558,605	440.50%	1,768,115	(33.87)%	2,673,538	137,67%	1,124,903	133,82%	481,100	(69.16)%	1,559,971	(71.52)%
16	CURRENT AND ACCRUED ASSETS	7,000,000	10-1-1-1	5,555,555		1,100,110	(00.0.)			1718-1000		401,100	100.10/16	1,000,071	. (/1.52)%
17	CASH	17,930,128	253,19%	5,078,690	200,90%	1,687,146	(74.18)%	6,533,836	(28.52)%	9,140,810	(19,18)%	11,306,908	(13.28)%	13,037,744	21,93%
18	SPECIAL DEPOSITS	17,000,120	400.1076	5,010,000	200.007	1,001,140	(14.10)10	0,000,000	120.02178	8,140,010	(10.10)76	11,200,000	113.20/76	13,037,744	21.93%
19	WORKING FUNDS						100								
20	TEMPORARY CASH INVESTMENTS							2							
							214.10%	000 400	104 1701					0.000	A CONTRACT
21	CUSTOMER ACCOUNTS RECEIVABLE		(100.00)%	2,747,228	(5.88)%	2,918,345		929,120	(81.47)%	5,013,100	188.90%	1,735,257	21.36%	1,429,790	(13.78)%
22	OTHER ACCOUNTS RECEIVABLE	21,294,692	219.75%	6,659,780	711.83%	820,344	(5.22)%	874,735	(81.42)%	4,706,764	(19.27)%	5,830,602	(22.13)%	7,487,942	82.12%
23	(LESS) ACCUM. PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CREDIT	(233,542)	(1.17)%	(230,842)	1.16%	(233,542)	(65.87)%	(140,798)	27.81%	(195,051)	(4.55)%	(188,563)	18.48%	(228,855)	(39.50)%
24	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	-	(100.00)%	12,433,361	(63.86)%	34,407,460	87.10%	18,389,762	81.41%	10,137,088	(52.98)%	21,560,229	(18.44)%	25,800,643	9.10%
25	RECEIVABLES FROM ASSOCIATED COMPANIES		(100.00)%	19,602,469	414.27%	3,811,739	(13.01)%	4,382,007	221.68%	1,382,224	(66,08)%	4,016,223	174.02%	1,485,683	132.71%
26	MATERIALS, SUPPLIES AND FUEL	40,732,872	3.48%	39,362,554	(3.60)%	40,833,674	(10.50)%	45,624,298	3.36%	44,141,089	(16.56)%	52,899,948	39.52%	37,916,408	(1.80)%
27	EMISSION ALLOWANCES		(100.00)%	24,193	(22.48)%	31,208	(38.39)%	50,652	(30.83)%	73,231	204.33%	24,083	(62.48)%	64,128	(49.64)%
28	GAS STORED - CURRENT	2,958,880	37.01%	2.159.576	(27.01)%	2,958,880	(13.29)%	3,412,415					(100.00)%	3,750,379	(40.04) 10
29	PREPAYMENTS	2,148,487	309,38%	524,643	6.72%	491,801	0.13%	491,138	(42.69)%	858,973	(47.22)%	1,623,581	(3.11)%	1,675,712	45.15%
30	INTEREST AND DIVIDENDS RECEIVABLE		-		-		- 5.00					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	10.11/10	1,075,712	40.15%
31	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	2,887,316	(41,06)%	4.898.458	95,36%	2.507.391	(82,11)%	14.017.712	(30.90)%	20.285.345	(7.45)%	21,918,755	194.22%	7,449,715	(40.59)%
32	DERIVATIVE INSTRUMENT ASSETS	1,125,387	(86,08)%	8,083,175	618.26%	1,125,387	(71,60)%	3,962,367	36.03%	2,912,924	181,97%	1,033,047	195.19%		
33	(LESS) LONG-TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS	1,120,307	(00.00)%	0,000,110	010.20 A	1,120,007	(11.00)74	3,002,307	30.007	7,016,064	101.07 76	1,000,047	180.1876	349,957	(19.12)%
34									004						
	DERIVATIVE INSTRUMENT ASSETS - HEDGES														-
35	(LESS) LONG-TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS - HEDGES					0.500		0.000		0.000					-
36	RENTS RECEIVABLE	2,430		707 2 4 4 4 4	(100.00)%	2,500		2,500		2,500		*********	0.00		
37	TOTAL CURRENT AND ACCRUED ASSETS	88,846,650	(12.33)%	101,341,485	10.92%	91,382,333	(7.27)%	98,529,744	0.09%	98,436,977	(19.16)%	121,782,050	21,52%	100,199,248	13.44%
38	DEFERRED DEBITS														
39	UNAMORTIZED DEBT EXPENSE	363,025	(82.04)%	2,021,178	(2.76)%	2,078,548	19.89%	1,736,629	32.96%	1,306,096	(32.26)%	1,928,034	(9.84)%	2,138,571	(14.74)%
40	OTHER REGULATORY ASSETS	65,805,428	(49.01)%	129,059,713	1.14%	127,608,194	79.68%	71,018,702	47.47%	48,159,201	76.34%	27,310,676	36,46%	20,014,015	13.86%
41	PRELIM. SURVEY AND INVESTIGATION CHARGES (ELECTRIC)		(100.00)%	86,999	(70.01)%	290,107	102.34%	143,374	(89.43)%	1,355,888	(36.33)%	2,129,393	0.21%	2,124,893	(18.80)%
42	CLEARING ACCOUNTS		(100.00)%	40,917	47677.91%	(88)	(437.50)%	(16)	(186.67)%	24	(99.55)%	5,364	(90.67)%	57,469	30.79%
43	TEMPORARY FACILITIES		(100.00)%	2,862					1000						
44	MISCELLANEOUS DEFERRED DEBITS	70,370,454	1491,72%	4,421,035	84,14%	2,400,973	(91.95)%	29,840,493	1.02%	29.538.033	15.38%	25,601,304	3.69%	24,689,250	(39.19)%
45	UNAMORTIZED LOSS ON REACQUIRED DEBT	475,063	(49.68)%	944,164	(20.55)%	1,188,432	(18.32)%	1,454,906	(15.48)%	1,721,380	(13.41)%	1,987,854	(11.82)%	2,254,328	(10.91)%
46	ACCUMULATED DEFERRED INCOME TAXES	10,261,917	(84,08)%	64,442,978	10.42%	58,361,447	82.36%	32,002,628	(20.58)%	40,297,586	879,30%	(5,170,986)	(147.89)%	(2,086,005)	(128.62)%
47	UNRECOVERED PURCHASED GAS COSTS	10,201,017	(100,00)%	815,302	471.45%	(219,763)	(113,50)%	1,827,916	181,22%	578,873	(69,87)%	1,921,396	111.33%	909,195	168.11%
		147,275,887			5.28%	191,707,852	39.10%	137,824,832	12.09%	122,957,059	120,70%	55,713,035	11.20%		
48	TOTAL DEFERRED DEBITS	147,275,687	(27.03)%	201,836,148	5.26%	181,707,652	30.10%	131,024,032	12.00 A	122,801,008	120.70%	30,713,035	11.20%	50,101,715	(30.78)%
49															
50	The second secon		24		40 000	4 550 040 000	44 000	4 354 338 044	2 200	4 224 004 200	*****	4 453 433 755			
51	TOTAL ASSETS	1,730,085,828	(4.59)%	1,815,277,915	16.89%	1,552,943,930	14.07%	1,354,236,982	2.28%	1,324,084,250	14.63%	1,153,123,738	5.39%	1,094,191,585	(1.32)%

Note: The Company does not forecast the balance sheet to the same level of detail as actuals are recorded.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 COMPARATIVE BALANCE SHEETS AS OF DECEMBER 31, 2013-2017 AND BASE AND FORECASTED PERIODS

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE B-8 PAGE 2 OF 2 WITNESS RESPONSIBLE: N. GIAIMO / S. M. COVINGTON

		13 MONTH AVG.							MOST REC	ENT FIVE CALEND	AR YEARS				
LINE	the state of the s	FORECASTED	*	BASE	%		%		%		%	-2400	%		%
NO.	DESCRIPTION	PERIOD	Change	PERIOD	Change	2017	Change	2016	Change	2015	Change	2014	Change	2013	Change
1	LIABILITIES AND NET WORTH														
2	PROPRIETARY CAPITAL	2 200 200													
3	COMMON STOCK ISSUED	8,779,995		8,779,995		8,779,995		8,779,995		8,779,995		0,110,000		8,779,995	
4	PREMIUM ON CAPITAL STOCK	18,838,948		18,838,948	20.00	16,838,948	2000	18,838,946		18,838,948		18,838,946		18,838,946	
5	OTHER PAID-IN CAPITAL	163,655,188	(17.62)%	198,655,189	21.39%	163,655,189	10.09%	148,855,189		148,655,189		148,655,189		148,655,189	
6	RETAINED EARNINGS	429,838,925	16.76%	368,152,364	15.00%	320,140,297	22.78%	280,741,367	14.28%	228,157,429	(3.72)%	235,981,799	17.50%	201,679,984	2.58%
7	ACCUMULATED OTHER COMPREHENSIVE INCOME.														
8	TOTAL PROPRIETARY CAPITAL	621,113,054	4.49%	594,426,494	16.23%	511,414,427	17.02%	437,015,497	8.06%	404,431,569	(2.14)%	413,255,929	9.34%	377,954,114	1.36%
9	LONG TERM DEBT														-
10	ADVANCES FROM ASSOCIATED COMPANIES	25,000,000		25,000,000		25,000,000		25,000,000		25,000,000		25,000,000			
11	OTHER LONG TERM DEBT	493,367,703	0.34%	491,720,000	15.23%	428,720,000	26.73%	336,720,000	15.43%	291,720,000	(0.29)%	292,571,494	(12.03)%	332,571,494	
12	UNAMORTIZED PREMIUM ON LONG TERM DEBT						-		1000					002,011,1924	
13	UNAMORTIZED DISCOUNT ON LONG TERM DEBT - DEBIT	238,940	(1.65)%	242,939	(15,76)%	288,378	(14,67)%	337,948	(12.92)%	388,093	(11.93)%	440,663	(16.76)%	529,408	(14.59)%
14	LESS: CURRENT PORTION OF LONG TERM DEBT													02.0,400	(14.50/14
15	TOTAL LONG TERM DEBT	518,128,763	0.32%	516,477,081	14,41%	451,431,622	24.92%	361,382,052	14.24%	316,331,907	(0.25)%	317,130,831	(4.49)%	332,042,088	0.03%
16	OTHER NONCURRENT LIABILITIES	0,10,100,100		010/11/001		401,701,000		101/010/000		0.10,001,001	10.20174	317,130,031	(4.46) 4	332,042,000	0.03%
17	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	580,230	183.28%	204,824	(64.70)%	580,230	(60.41)%	1,485,571	(31.89)%	2,151,880	(41,39)%	3,671,631	(30.55)%	C 000 000	
18	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	360,230	100.00%	(41,175)	40.08%	(68,721)	(19.16)%	(57,689)	(42.23)%	(40,548)	72.05%			5,287,092	(24.47)%
18	ACCUMULATED PROVISION FOR PENSIONS & BENEFITS	17,417,765	(28.82)%	24,469,205	40.48%	17,417,785	16.31%	14,974,925	28.55%	11,648,683	22.82%		(15699.57)%	930	
		17,417,765	(28.02)%	24,408,205	40.46%	17,417,700	10.31%	14,974,820	20.35%	11,040,003		9,484,261	27.82%	7,419,884	(59.78)%
20	ACCUMULATED PROVISION FOR OPERATING PROVISIONS			****							(100.00)%	303,258	(38.11)%	490,000	(14.04)%
21	ACCUMULATED PROVISION FOR RATE REFUNDS		(100.00)%	739,909											
22	LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES	Service .	(100.00)%	3,151,469	(32.19)%	4,647,739	(9.06)%	5,110,684	(10.90)%	5,735,787	0.80%	5,690,225	52.16%	3,739,694	(49.62)%
23	ASSET RETIREMENT OBLIGATIONS	51,203,876	(18.72)%	82,998,243	15.42%	54,581,508	3.33%	52,822,086	(48.98)%	103,500,128	1174.27%	8,122,285	29.90%	6,252,729	2.87%
24	TOTAL OTHER NONCURRENT LIABILITIES	69,201,871	(24.39)%	91,522,475	18,62%	77,158,521	3.83%	74,315,577	(39.58)%_	122,995,912	353.41%	27,126,582	16.97%	23,190,329	(41.32)%
25	CURRENT AND ACCRUED LIABILITIES														
26	NOTES PAYABLE				-		-	-							
27	CURRENT PORTION OF LONG TERM DEBT	53,846,154					1000		-						
28	ACCOUNTS PAYABLE	44,784,048	5.20%	42,551,009	(12.53)%	48,645,825	53.60%	31,671,028	23.32%	25,682,371	4.89%	24,484,822	(4.27)%	25,577,884	3.86%
29	NOTES PAYABLE TO ASSOCIATED COMPANIES	491,087	(99.31)%	71,316,000		100	(100.00)%	19,656,000	(64.74)%	55,743,000	48.22%	37,609,000		2000	
30	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	15,515,849	51,42%	10,246,987	(35.02)%	15,768,299	25.39%	12,575,250	(12.78)%	14,418,085	8.71%	13,262,877	(27, 14)%	18,203,896	(9.13)%
31	CUSTOMER DEPOSITS		(100,00)%	9,895,727	0.36%	9,859,988	(3,99)%	10,269,585	1.37%	10,130,787	2.52%	9,882,144	7.10%	9,226,882	3.41%
32	TAXES ACCRUED	15,434,559	22.04%	12,647,401	(21.22)%	16,053,519	44.59%	11,102,968	370.84%	(4,099,457)	(175.01)%	5,465,247	(37.24)%	8,707,706	15,98%
33	INTEREST ACCRUED	3,728,540	(16.43)%	4,481,397	(17,13)%	5,383,681	27.35%	4,227,383	26.53%	3,340,930	(0.18)%	3,346,215	(5.70)%	3,548,338	(10,50)%
34	TAX COLLECTIONS PAYABLE	-	(100,00)%	1,710,202	1,08%	1,691,919	(4.40)%	1,769,826	11.54%	1,588,741	(43.08)%	2,787,669	13.62%	2,453,529	47.13%
35	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	23,986,120	74.05%	13,781,285	65,16%	8,344,201	(50.72)%	16,932,837	63.05%	10,385,150	38.86%	7,478,938	(12.93)%	8,589,504	7.53%
36	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	239,035	(40.63)%	402,600	(54.53)%	885,342	29.00%	686,310	(54.84)%	1,519,753	(5.92)%	1,615,463	(6.30)%	1,724,080	(8.73)%
37	DERIVATIVE INSTRUMENT LIABILITIES	200,000	(100,00)%	3,686,235	(31.32)%	5,367,483	(9.69)%	5,943,438	(10,63)%	6,650,693	(0.40)%	6,677,507	41.14%		
38	(LESS) LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES		100.00%	(3,151,469)	32.19%	(4,647,739)	9.06%	(5,110,664)	10.90%	(5,735,787)	(0.80)%	(5,690,225)	(52.18)%	4,731,216	(43.78)%
		450 005 000			58.07%	107,352,498	(2,15)%	109,723,941	(8.27)%	119,622,266	11.88%	108,919,455	35.30%	(3,739,694)	49.62%
39	TOTAL CURRENT AND ACCRUED LIABILITIES	158,005,390	(5.70)%	167,547,374	30.0/%	107,352,490	(2.10)76	109,723,841	(0.21)76	118,022,200	11.00%	100,919,400	35.30%	79,023,341	1.84%
40	DEFERRED CREDITS	2 000 000						4 404 070	46.15%				2	222.224	
41	CUSTOMER ADVANCES FOR CONSTRUCTION	1,579,329	0.28%	1,574,916	0.77%	1,582,943	8.96%	1,434,379		981,414	30.06%	754,559	0.22%	752,906	6.25%
42	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	3,708,551	5.10%	3,528,661	(8.04)%	3,836,961	459,86%	685,347	(22.70)%	886,573	(19.02)%	1,094,869	(16.05)%	1,304,230	29.32%
43	OTHER DEFERRED CREDITS	15,990,512	8.15%	14,785,925	(7.53)%	15,990,512	(20.23)%	20,048,049	(20.12)%	25,093,634	9.37%	22,943,763	(12.27)%	26,152,141	(7.29)%
44	OTHER REGULATORY LIABILITIES	6,891,560	(95,30)%	148,686,098	2300.70%	6,110,148	2.07%	5,986,078	57.87%	3,791,681	579.53%	557,988	(9.92)%	619,446	(85.98)%
45	EXCESS DEFERRED INCOME TAXES	92,201,753	(30.54)%	132,743,205	(0.40)%	133,277,803	3	and the said		Indian di				F-100 F-1	
46	ACCUMULATED DEFERRED INCOME TAXES	243,245,045	66,62%	145,985,708	(40.37)%_	244,808,495	(28.76)%_	343,648,042	4.15%	329,949,304	25.29% _	263,339,762	4.02%	253,152,992	0.27%
47	TOTAL DEFERRED CREDITS	363,616,750	(18.34)%	445,304,511	9.79%	405,588,862	9.09%	371,799,895	3.08%	360,702,606	24.94%	288,690,941	2.38%	281,981,715	(1.69)%
48		0.000	100					-2-2-2-3							
49															
50	TOTAL LIABILITIES	1,730,065,828	(4.69)%	1,815,277,915	16.89%	1,552,943,930	14.67%	1,354,236,962	2.28%	1,324,084,250	14.83%	1,153,123,738	5.39%	1,094,191,585	(1.32)%
-															

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(c)

807 KAR 5:001, SECTION 16(8)(c)

Description of Filing Requirement:

A jurisdictional operating income summary for both the base and forecasted period with supporting schedules, which provide breakdowns by major account group and by individual account.

Response:

See Schedules C-1 through C-2.1 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible:

Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR GAS SERVICE TO ALL
JURISDICTIONAL CONSUMERS

SECTION C

SECTION C

OPERATING INCOME

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

C-1	Jurisdictional Operating Income Summary
C-2	Jurisdictional Adjusted Operating Income Statement
C-2.1	Jurisdictional Operating Revenue and Expenses by Accounts

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE C-2, WPC-1a

SCHEDULE C-1 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	DESCRIPTION	FORECASTED RETURN AT CURRENT RATES	PROPOSED INCREASE	FORECASTED RETURN AT PROPOSED RATES
		(\$)	(\$)	(\$)
1	Operating Revenues	95,382,130	10,542,199 (1)	105,924,329
2				
3	Operating Expenses			
4	Operation & Maintenance	60,507,968	0	60,507,968
5	Depreciation	14,615,192	0	14,615,192
6	Taxes - Other	4,097,687	21,084	4,118,771
7	Operating Expenses before Income Taxes	79,220,847	21,084	79,241,931
8				
9	State Income Taxes	307,752	522,742	830,494
10	Federal Income Taxes	1,227,242	2,099,658	3,326,900
11				
12	Total Operating Expenses	80,755,841	2,643,484	83,399,325
13				
14	Income Available for Fixed Charges	14.626.289	7.898.715	22.525.004
15	And the state of t			
16	Jurisdictional Rate Base	313,675,239		313,675,239
17	Rate of Return on Rate Base	4.66%		7.189

⁽¹⁾ Source: Schedule M.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE C-2.1, SCHEDULE D-1, WPC-2a through WPC-2a

SCHEDULE C-2 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

	MAJOR ACCOUNT	27.12	ADJUSTMENTS TO BASE PERIOD		FORECASTED	PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD		PRO FORMA
NO.	OR GROUP CLASSIFICATION	BASE PERIOD	AMOUNT	SCHEDULE	FORECASTED PERIOD	AMOUNT	SCHEDULE	FORECASTED
1	OPERATING REVENUE	PERIOD	AMOUNT	REFERENCE	PERIOD	AMOUNT	KEFERENCE	PERIOD
2	Base	64.547,776	(7,022,709)	D-2.1	57,525,067	1,456,479	WPC-2e	58,981,546
3	Gas Cost	39,211,556	(2,796,917)	D-2.1	36,414,639	(80,547)	WPC-2e	36,334,092
4	Other Revenue	(2,116,557)	2,697,141	D-2.1	580,584	(514,092)	WPC-2e	66,492
5	Total Revenue	101,642,775	(7,122,485)	02.1	94,520,290	861,840	WF-0-26	95,382,130
6	i bidi Neveride	101,042,715	(1,122,400)	-	34,320,230	001,040		90,302,130
7	OPERATING EXPENSES							
8	Operation and Maintenance Expenses							
9	Production Expenses							
10	Liquefied Petroleum Gas	1,664,737	(1,519,120)	D-2.2	145,617	0		145,617
11	Other	359,209	850,797	D-2.3	1,210,006	(382,795)	WPC-2e	
12	Total Production Expense	2,023,946	(668,323)	D-2.3	1,355,623	(382,795)	VVPC-28	827,211 972,828
13	Total Production Expense	2,023,346	(000,323)		1,335,623	(302,785)		972,828
	Other Can County Frances							
14	Other Gas Supply Expenses	44 045 700	(4 024 457)	0.00	20 444 044	(00 E40)	M/DO 0-	00 004 000
15	Purchased Gas	41,045,798	(4,631,157)	D-2.2	36,414,641	(80,549)	WPC-2e	36,334,092
16	Other	740,391	(740,391)	D-2.4	36,414,641	/00 540		0 000 000
17	Total Other Gas Supply Expenses	41,786,189	(5,371,548)	D-2.5	30,414,641	(80,549)		36,334,092
18	Transmission Expense	991	(991)		44.040.477	0	14000	40.005.005
19	Distribution Expense	9,328,222	2,614,255	D-2.6	11,942,477	962,618	WPC-2e	12,905,095
20	Customer Accounts Expense	3,754,596	(473,168)	D-2.7	3,281,428	(608,515)	WPC-2e	2,672,913
21	Customer Service & Information Expense	431,453	(4,617)	D-2.8	426,836	(20,595)	WPC-2e	406,241
22	Sales Expense	157,145	43,322	D-2.9	200,467	(6,339)	WPC-2e	194,128
23	Administrative & General Expense	9,028,322	(2,064,449)	D-2.10	6,963,873	(484,245)	WPC-2e	6,479,628
24	Other	(1,535,422)	1,535,422	D-2.11	0	543,043		543,043
25	Total Operation and Maintenance Expense	64,975,442	(4,390,097)		60,585,345	(77,377)		60,507,968
26		10000000	1044 024	21100	1 10 000 000		Sec. 2	
27	Depreciation Expense	14,571,205	1,128,427	D-2.12	15,699,632	(1,084,440)	WPC-28	14,615,192
28	Control of the Contro							
29	Taxes Other Than Income Taxes	10000	3342 5245	5365				
30	Other Federal Taxes	416,979	(416,979)	D-2.13	0	0	WPC-2e	0
31	State and Other Taxes	3,088,895	1,053,530	D-2.13	4,142,425	(44,738)	WPC-2e	4,097,687
32	Total Taxes Other Than Income Taxes	3,505,874	636,551	-	4,142,425	(44,738)		4,097,687
33								
34	State Income Taxes		Albert States	Orbara.	7-1-1-220	200	01112	18 A 19 A
35	State Income Tax - Current	807,891	(1,023,466)	D-1, E-1	(215,575)	72,489	D-1, E-1	(143,086)
36	Provision for Deferred Income Taxes - Net	(9,141)	413,531	D-1, E-1	404,390	46,448	D-1, E-1	450,838
37	Total State Income Tax Expense	798,750	(609,935)	_	188,815	118,937		307,752
38								
39	Federal income Taxes		75 A.V. STORY				4.4.4.	
40	Federal Income Tax - Current	3,529,512	(3,202,369)	D-1, E-1	327,143	291,161	D-1, E-1	618,304
41	Provision for Deferred Income Taxes - Net	(576,056)	1,064,468	D-1, E-1	488,412	186,581	D-1, E-1	674,993
42	Amortization of Investment Tax Credit	(67,241)	1,186	D-1, E-1	(66,055)	0	D-1, E-1	(66,055)
43	Total Federal Income Tax Expense	2,886,215	(2,136,715)		749,500	477,742		1,227,242
44		A CARLES	(a. 85) (b. 24)		10.000.000.000	ALCO CERT		1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -
45	Total Operating Expenses and Taxes	86,737,486	(5,371,769)		81,365,717	(609,876)		80,755,841
46					1010100	0.027200		0.202000
47	Net Operating Income	14,905,289	(1,750,716)		13,154,573	1,471,716		14,626,289

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 1 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		REVENUE				
2						
3		Retail Revenue				
4	480000	Residential Sales Gas	67,714,656	100.000	67,714,656	DALL
5	480990	Residential Unbilled Gas	799,870	100.000	799,870	DALL
6	481200	Commercial Sales Gas	24,267,491	100.000	24,267,491	DALL
7	481290	Commercial Unbilled Gas	330,978	100.000	330,978	DALL
8	481000	Industrial Sales Gas	1,608,370	100.000	1,608,370	DALL
9	481090	Industrial Unbilled Gas	(14,848)	100.000	(14,848)	DALL
10	482200	Public Str/Hgwy Lighting Gas	1,010	100.000	1,010	DALL
11	482000	Other Sales To Pub Authority Gas	2,403,211	100.000	2,403,211	DALL
12	482090	Other Sales To Pub Auth Unbill	28,858	100.000	28,858	DALL
13	484000	Interdepartmental Sales	34,095	100.000	34,095	DALL
14		Total Retail Revenue	97,173,691		97,173,691	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 2 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
4		Other Revenues				
2	487001	Late Payment Charges	0	100,000	0	DALL
3	488000	Miscellaneous Service Revenue	35,636	100.000	35,636	DALL
4	488100	Miscellaneous Service Rev - I/C	471,230	100.000	471,230	DALL
5	489000	Rev Transp Gas of Others	1,522,191	100.000	1,522,191	DALL
6	489010	Rev Transp Gas of Others - Inter Co.	549,216	100,000	549,216	DALL
7	489020	Com Gas Transp Only	1,193,219	100.000	1,193,219	DALL
8	489025	Com Gas Transp Unbilled	6,941	100.000	6,941	DALL
9	489030	Ind Gas Transp Only	2,922,288	100.000	2,922,288	DALL
10	489035	Ind Gas Transp Unbilled	8,012	100.000	8,012	DALL
11	489040	OPA Gas Transp Only	383,927	100.000	383,927	DALL
12	489045	OPA Gas Transp Unbilled	(153)	100.000	(153)	DALL
13	489200	Transportation Fees	0	100.000	0	DALL
14	493010	Rent from Gas Properties - I/C	0	100.000	0	DALL
15	495031	Gas Losses Damaged Lines	22,966	100.000	22,966	DALL
16	496020	Provision for Rate Refunds	(2,646,389)	100.000	(2,646,389)	DALL
17		Total Other Revenues	4,469,084		4,469,084	
18			1000			
19		Total Revenue	101,642,775		101,642,775	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 3 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		OPERATING EXPENSES				
2		Production Expense				
3		Manufactured Gas Expense				
4		Operation				
5	711000	Steam Expenses	8,693	100.000	8,693	DALL
6	712000	Other Power Expenses	14,490	100.000	14,490	DALL
7	717000	Liquefied Petroleum Expense	114,719	100.000	114,719	DALL
8	728000	Liquefied Petroleum Gas	1,664,737	100.000	1,664,737	DALL
9	735000	Miscellaneous Production Expense	54,848	100.000	54,848	DALL
10	733000	Total Operation	1,857,487	100.000	1,857,487	
11		Total Operation	1,007,407		1,001,101	
12		Maintenance				
13	742000	Maintenance of Production Expense	166,459	100,000	166,459	DALL
14	142000	Total Maintenance	166,459		166,459	
15		Total Production Expense	2,023,946		2,023,946	
16		Total (Todacaon Exponso	2,020,010			
17		Other Gas Supply Expense				
18		Purchased Gas Expense				
19	801	Purchases Gas & NGL	42,800,743	100.000	42,800,743	DALL
20	805000	Unrecovered Purchase Gas Cost Adi.	(2,678,429)	100.000	(2,678,429)	DALL
21	805200	Purchased Gas Costs - Unbilled	923,484	100.000	923,484	DALL
22	807	Gas Purchased Expense	600,946	100.000	600,946	DALL
23	813000	Other Gas Supply Expense	139,445	100,000	139,445	DALL
24	010000	Total Other Gas Supply Expense	41,786,189		41,786,189	7
25		1000 0000 0000 00000				
26		Transmission Expense				
27		Operation				
28	850001	Supervision and Engineering	991	100.000	991	DALL
29		Total Operation	991		991	
30						
31		Maintenance				
32	863000	Supervision and Engineering	0	100.000	. 0	DALL
33		Total Maintenance	0	100.00	0	
34		Total Transmission Expense	991		991	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 4 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
		Disable disa Foresses				
1		Distribution Expenses				
2						
3		Operation	202.455	1400000	40000	
4	871000	Load Dispatching	138,131	100.000	138,131	DALL
5	874000	Mains and Services	2,254,379	100.000	2,254,379	DALL
6	875000	Measuring and Reg. Stations - General	7,017	100.000	7,017	DALL
7	876000	Measuring and Reg. Stations - Industrial	26,722	100.000	26,722	DALL
8	878000	Meters and House Regulators	1,430,378	100.000	1,430,378	DALL
9	879000	Customer Installations	1,116,822	100.000	1,116,822	DALL
10	880000	Other Expenses	1,716,697	100.000	1,716,697	DALL
11		Total Operation	6,690,146		6,690,146	
12		Attack Sections 1				
13						
14		Maintenance				
15	887000	Mains	1,456,924	100.000	1,456,924	DALL
16	889000	Measuring and Regulating Stations - General	30,673	100.000	30,673	DALL
17		Services	762,991	100.000	762,991	DALL
	892000		478,696	100.000	478,696	DALL
18	893000	Meters		100.000	(91,208)	
19	894000	Other	(91,208)	100.000	2,638,076	DALL
20		Total Maintenance	2,638,076			
21		Total Distribution Expenses	9,328,222		9,328,222	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 5 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Customer Accounts Expense				
2		22210000 100000000000000000000000000000				
3		Operation				
4	901	Supervision & Engineering	457,445	100.000	457,445	DALL
5	902	Meter Reading Expense	314,090	100.000	314,090	DALL
6	903	Customer Records & Collections	2,791,001	100.000	2,791,001	DALL
7	904	Uncollectible Accounts	7,713	100.000	7,713	DALL
8	426	Sale of A/R	184,086	100.000	184,086	DALL
9	905000	Cust Relations Billg & Coll-Gas	261	100.000	261	DALL
10		Total Customer Accounts Expense	3,754,596	40.000	3,754,596	
11						
12		Customer Services & Information Expense				
13						
14		Operation				
15	908	Customer Assistance	160,400	Alloc Sch F-3	160,400	DALL
16	909650	Information and Instructional Advertising	3,000	Alloc Sch F-3	3,000	DALL
17	910	Misc Cust Serv and Info - Gas	268,053	Alloc Sch F-3	268,053	DALL
18	12.55	Total Customer Services &	431,453		431,453	
19		Information Expense				
20						
21		Sales Expense				
22						
23		Operation				
24	911000	Supervision	390	Alloc Sch F-3	390	DALL
25	912000	Demonstrating & Selling	147,860	Alloc Sch F-3	147,909	DALL
26	913001	Advertising Expense	8,846	Alloc Sch F-3	8,846	DALL
27	0.3001	Total Sales Expense	157,096	Carry Carry Carry	157,145	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 6 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
			- 10	(2)	(0)	(4)
1		Administrative & General Expense				
2						
3		Operation				
4	920000	Administrative & General Salaries	2,381,254	100.000	2,381,254	DALL
5	921	Office Supplies & Expenses	1,227,247	100.000	1,227,247	DALL
6	922000	Adm. Expenses Transferred - Credit	414	100.000	414	DALL
7	923	Outside Services Employed	1,817,714	100.000	1,817,714	DALL
8	924	Property Insurance	62,720	100.000	62,720	DALL
9	925	Injuries & Damages	209,460	100.000	209,460	DALL
10	926	Employee Pension & Benefits	2,718,856	100.000	2,718,856	DALL
11	928	State Reg. Commission Expense	186,977	100.000	186,977	DALL
12	929	Duplicate Charges-Credit	(291,348)	100.000	(291,348)	DALL
13	930150	Miscellaneous Advertising Exp	23,186	100.000	23,186	DALL
14	930200	Misc General Expenses	256,930	100.000	256,930	DALL
15	930210	Industry Association Dues	19,329	100.000	19,329	DALL
16	930220	Exp Of Servicing Securities	71	100.000	71	DALL
17	930230	Dues To Various Organizations	26,044	100.000	26,044	DALL
18	930240	Director's Expenses	17,490	100.000	17,490	DALL
19	930250	Buy\Sell Transf Employee Homes	3,828	100.000	3,828	DALL
20	930700	Research & Development	947	100.000	947	DALL
21	930940	General Expenses	933	100.000	933	DALL
22	931	Rents	354,102	100.000	354,102	DALL
23	07.0	Total Operation	9,016,154		9,016,154	
24		2 520 5 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7				
25		Maintenance				
26	935000	Maintenence of General Plant	12,168	100.000	12,168	DALL
27		Total Administrative & General	9,028,322		9,028,322	
28		Total Operating Expense	66,510,815		66,510,864	
29						
30		Other Expense				
31		Operation				
32	407355	DSM Amortization	(1,535,422)	100.000	(1,535,422)	DALL
33	407000	Som / William Manager	1.12-27			
34		Depreciation Expense				
35	403	Depreciation Expense	12,321,557	100.000	12,321,557	DALL
36	404	Amortization Expense	2,249,648	100,000	2,249,648	DALL
37	404	Total Depreciation Expense	14,571,205	1777177	14,571,205	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 7 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS	JURISDIC- TIONAL %	UNADJUSTED JURISDICTION	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)
1		TAXES OTHER THAN INCOME TAXES				
2		TALES STILL THAT INSOME TAKES				
3		Other Federal Taxes				
4	408152	Insurance Contribution	413,761	100.000	413,761	DALL
5	408151	Unemployment Compensation	3,044	100.000	3,044	DALL
6	408800	Federal Highway Use	174	100,000	174	DALL
7	4.5444	Total Other Federal	416,979		416,979	
8					25,000	
9		State and Other Taxes				
10	408040	Taxes Property-Allocated	0	100.000	0	DALL
11	408150	Unemployment Compensation	2,564	100.000	2,564	DALL
12	408121	Property Tax	2,900,112	100.000	2,900,112	DALL
13	408550	Kentucky Highway Use	0	100.000	0	DALL
14	408205	Highway Use	243	100.000	243	DALL
15	408470	Franchise Tax	5,132	100.000	5,132	DALL
16	408851	Sales and Use Tax	(1,791)	100.000	(1,791)	DALL
17	48960	Allocated Payroll Taxes	182,635	100.000	182,635	DALL
18		Total State & Other	3,088,895		3,088,895	
19						
20		Total Taxes Other Than				
21		Income Taxes	3,505,874		3,505,874	

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE C-2.1 PAGE 8 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
		Mary Mary Control of the Control of				
1		State Income Tax Expense	1000000000	and the same	44444	
2	409160	Normal and Surtax	558,898	COMPUTED	558,898	2000
3	409104	State Income Tax - Pr. Yr. Adj.	248,993	100.000	248,993	DALL
4		State Income Tax - Current	807,891		807,891	
5						
6	Various	Deferred State Income Taxes - Net	(9,141)	100,000	(9,141)	DALL
7						
8		Total State Income Taxes	798,750		798,750	
9						
10						
11		Federal Income Tax Expense				
12	409060	Normal and Surtax	3,529,512	COMPUTED	3,529,512	
13	409193	Federal Income Tax - Pr. Yr. Adj.	0	100.000	0	DALL
14	409980	Allocated from the Service Company	0	100.000	0	DALL
15		Federal Income Tax - Current	3,529,512		3,529,512	
16		Control of the Control				
17	Various	Deferred Federal Income Taxes - Net	(576,056)	100.000	(576,056)	DALL
18	411065	Amortization of Investment Tax Credit	(67,241)	100.000	(67,241)	DALL
19	411000					
20		Total Federal Income Taxes	2,886,215		2,886,215	
21		Total Operating Expenses & Taxes	86,737,437		86,737,486	
22		Net Operating Income	14,905,338		14,905,289	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 9 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		REVENUE				
2						
3		Retail Revenue				
4	480000	Residential Sales Gas	62,113,657	100.000	62,113,657	DALL
5	480990	Residential Unbilled Gas	290,323	100.000	290,323	DALL
6	481200	Commercial Sales Gas	21,456,292	100.000	21,456,292	DALL
7	481290	Commercial Unbilled Gas	75,382	100.000	75,382	DALL
8	481000	Industrial Sales Gas	1,155,283	100.000	1,155,283	DALL
9	481090	Industrial Unbilled Gas	(27,452)	100.000	(27,452)	DALL
10	482200	Public Str/Hgwy Lighting Gas	5,789	100.000	5,789	DALL
11	482000	Other Sales To Pub Authority Gas	2,202,694	100.000	2,202,694	DALL
12	482090	Other Sales To Pub Auth Unbill	(9,243)	100.000	(9,243)	DALL
13	484000	Interdepartmental Sales	27,765	100.000	27,765	DALL
14		Total Retail Revenue	87,290,490		87,290,490	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 10 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS	JURISDIC- TIONAL %	UNADJUSTED JURISDICTION	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)
1		Other Revenues				
2	487001	Late Payment Charges	0	100.000	0	DALL
3	488000	Miscellaneous Service Revenue	51,996	100.000	51,996	DALL
4	488100	Miscellaneous Service Rev - I/C	514,092	100.000	514,092	DALL
5	489000	Rev Transp Gas of Others	1,404,958	100.000	1,404,958	DALL
6	489010	Rev Transp Gas of Others - Inter Co.	0	100.000	0	DALL
7	489020	Com Gas Transp Only	1,558,548	100.000	1,558,548	DALL
8	489025	Com Gas Transp Unbilled	37,583	100.000	37,583	DALL
9	489030	Ind Gas Transp Only	3,238,910	100.000	3,238,910	DALL
10	489035	Ind Gas Transp Unbilled	11,691	100.000	11,691	DALL
11	489040	OPA Gas Transp Only	385,736	100.000	385,736	DALL
12	489045	OPA Gas Transp Unbilled	11,790	100.000	11,790	DALL
13	489200	Transportation Fees	0	100.000	0	DALL
14	493010	Rent from Gas Properties - I/C	14,496	100.000	14,496	DALL
15	495031	Gas Losses Damaged Lines	0	100.000	0	DALL
16	496020	Provision for Rate Refunds	0	100.000	0	DALL
17		Total Other Revenues	7,229,800		7,229,800	
18					100000000000000000000000000000000000000	
19		Total Revenue	94,520,290		94,520,290	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 11 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		OPERATING EXPENSES				
2		Production Expense				
3		Manufactured Gas Expense				
4		Operation				
5	711000	Steam Expenses	0	100.000	0	DALL
6	712000	Other Power Expenses	0	100.000	0	DALL
7	717000	Liquefied Petroleum Expense	145,617	100.000	145,617	DALL
8	728000	Liquefied Petroleum Gas	541,028	100.000	541,028	DALL
9	735000	Miscellaneous Production Expense	132,380	100.000	132,380	DALL
10		Total Operation	819,025		819,025	
11						
12		Maintenance				
13	742000	Maintenance of Production Expense	92,578	100.000	92,578	DALL
14		Total Maintenance	92,578		92,578	
15		Total Production Expense	911,603		911,603	
16						
17		Other Gas Supply Expense				
18		Purchased Gas Expense			17.50.0745	
19	801	Purchases Gas & NGL	36,334,092	100.000	36,334,092	DALL
20	805002	Unrecovered Purchase Gas Cost Adj.	0	100.000	0	DALL
21	805003	Purchased Gas Costs - Unbilled	80,549	100.000	80,549	DALL
22	807	Gas Purchased Expense	444,020	100,000	444,020	DALL
23	813001	Other Gas Supply Expense	0	100.000	0	DALL
24		Total Other Gas Supply Expense	36,858,661		36,858,661	
25						
26		Transmission Expense				
27		Operation		Section 1	-	5411
28	850001	Supervision and Engineering	0	100.000	0	DALL
29		Total Operation	0		0	
30						
31		Maintenance	4	1		DALL
32	863000	Supervision and Engineering	0	100.000	0	DALL
33		Total Maintenance	0		0	
34		Total Transmission Expense	0		0	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 12 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONA METHOD / DESCRIPTION (4)
1		N				
1		Distribution Expenses				
2		An explain.				
3		Operation			000.000	2000
5	871000	Load Dispatching	185,332	100.000	185,332	DALL
6	874000	Mains and Services	2,548,186	100.000	2,548,186	DALL
7	875000	Measuring and Reg. Stations - General	0	100.000	0	DALL
8	876000	Measuring and Reg. Stations - Industrial	0	100.000	0	DALL
9	878000	Meters and House Regulators	2,305,785	100.000	2,305,785	DALL
10	879000	Customer Installations	1,353,005	100.000	1,353,005	DALL
11	880000	Other Expenses	2,398,505	100.000	2,398,505	DALL
12		Total Operation	8,790,813		8,790,813	
13		Carrier Control				
14						
15		Maintenance				
16	887000	Mains	2,158,350	100.000	2,158,350	DALL
17	889000	Measuring and Regulating Stations - General	66,190	100.000	66,190	DALL
18	892000	Services	596,174	100.000	596,174	DALL
19	893000	Meters	277,999	100.000	277,999	DALL
20	894000	Other	52,951	100.000	52,951	DALL
21	00-1000	Total Maintenance	3,151,664	100000	3,151,664	
22		Total Distribution Expenses	11,942,477		11,942,477	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 13 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Customer Accounts Expense				
2						
2		Operation				
4	901000	Supervision & Engineering	185,894	100.000	185,894	DALL
5	902000	Meter Reading Expense	15,923	100.000	15,923	DALL
6	903	Customer Records & Collections	2,595,599	100,000	2,595,599	DALL
7	904	Uncollectible Accounts	378,591	100.000	378,591	DALL
8	426	Sale of A/R	105,421	100.000	105,421	DALL
9	905000	Cust Relations Billg & Coll-Gas	0	100.000	0	DALL
10		Total Customer Accounts Expense	3,281,428		3,281,428	
11						
12		Customer Services & Information Expense				
13						
14		Operation				
15	908	Customer Assistance	105,903	Alloc Sch F-3	105,903	DALL
16	909	Information and Instructional Advertising	0	Alloc Sch F-3	0	DALL
17	910	Misc Cust Serv and Info - Gas	320,933	Alloc Sch F-3	320,933	DALL
18		Total Customer Services &	426,836		426,836	
19		Information Expense				
20						
21		Sales Expense				
22						
23		Operation				
24	911000	Supervision	20,643	Alloc Sch F-3	20,643	DALL
25	912000	Demonstrating & Selling	173,485	Alloc Sch F-3	173,485	DALL
26	913001	Advertising Expense	6,339	Alloc Sch F-3	6,339	DALL
27		Total Sales Expense	200,467	- The state of the	200,467	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 14 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS	JURISDIC- TIONAL %	UNADJUSTED JURISDICTION	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)
1		Administrative & General Expense				
2		Operation				
4	920000	Administrative & General Salaries	2,190,228	100.000	2,190,228	DALL
5	921	Office Supplies & Expenses	999,204	100.000	999,204	DALL
6	922000	Adm. Expenses Transferred - Credit	0	100.000	0	DALL
7	923	Outside Services Employed	461,280	100.000	461,280	DALL
8	924	Property Insurance	61,536	100.000	61,536	DALL
9	925	Injuries & Damages	90,396	100.000	90,396	DALL
10	926	Employee Pension & Benefits	2,381,447	100.000	2,381,447	DALL
11	928	State Reg. Commission Expense	203,247	100.000	203,247	DALL
12	929	Duplicate Charges-Credit	(11,725)	100,000	(11,725)	DALL
13	930150	Miscellaneous Advertising Exp	38,844	100.000	38,844	DALL
14	930200	Misc General Expenses	489,723	100.000	489,723	DALL
15	930210	Industry Association Dues	0	100.000	0	DALL
16	930220	Exp Of Servicing Securities	0	100.000	0	DALL
17	930230	Dues To Various Organizations	13,419	100.000	13,419	DALL
18	930240	Director's Expenses	8,400	100.000	8,400	DALL
19	930250	Buy\Sell Transf Employee Homes	555	100.000	555	DALL
20	930700	Research & Development	0	100.000	0	DALL
21	930940	General Expenses	0	100.000	0	DALL
14	931	Rents	37,222	100.000	37,222	DALL
15	177	Total Operation	6,963,776		6,963,776	
16					THE RESERVE OF	
17		Maintenance				
18	935000	Maintenence of General Plant	97	100.000	97	DALL
19		Total Administrative & General	6,963,873		6,963,873	
20		Total Operating Expense	60,585,345		60,585,345	
21						
22		Other Expense				
23		Operation				
24	407355	DSM Amortization	0	100.000	0	DALL
25	40,000	2 500 100 100 100 100 100 100 100 100 100				
26		Depreciation Expense				
27	403	Depreciation Expense	14,349,517	100.000	14,349,517	DALL
28	404	Amortization Expense	1,350,115	100.000	1,350,115	DALL
29	704	Total Depreciation Expense	15,699,632	A PARTY NA	15,699,632	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 15 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
					7/1	
1		TAXES OTHER THAN INCOME TAXES				
2						
3		Other Federal Taxes				
4	408152	Insurance Contribution	0	100.000	0	DALL
5	408151	Unemployment Compensation	0	100.000	0	DALL
6	408800	Federal Highway Use	0	100.000	0	DALL
7		Total Other Federal	0		0	1000
8						
9		State and Other Taxes				
10	408040	Taxes Property-Allocated	33,045	100.000	33,045	DALL
11	408150	Unemployment Compensation	0	100.000	0	DALL
12	408121	Property Tax	3,400,416	100.000	3,400,416	DALL
13	408550	Kentucky Highway Use	0	100.000	0	DALL
14	408205	Highway Use	0	100.000	0	DALL
15	408470	Franchise Tax	0	100.000	0	DALL
16	408851	Sales and Use Tax	0	100.000	0	DALL
17	408960	Allocated Payroll Taxes	708,964	100.000	708,964	DALL
18		Total State & Other	4,142,425		4,142,425	
19						
20		Total Taxes Other Than				
21		Income Taxes	4,142,425		4,142,425	

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2.1a

SCHEDULE C-2.1 PAGE 16 OF 16 WITNESS RESPONSIBLE: S. E. LAWLER

NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		State Income Taxes			(045 575)	
2	409160	Normal and Surtax	(215,575)	COMPUTED	(215,575)	
3	409104	State Income Tax - Pr. Yr. Adj.	0	100.000	0	DALL
4		State Income Tax - Current	(215,575)		(215,575)	
5						Asset a
6	410160, 411107	Deferred State Income Taxes - Net	404,390	100.000	404,390	DALL
7						
8		Total State Income Taxes	188,815		188,815	
9					E III A	
10						
11		Federal Income Tax Expense				
12	409060	Normal and Surtax	327,143	COMPUTED	327,143	
13	409193	Federal Income Tax - Pr. Yr. Adj.	0	100.000	0	DALL
14	409980	Allocated from the Service Company	0	100,000	0	DALL
15	400000	Federal Income Tax - Current	327,143		327,143	
16		1 daylar moonio Tax Garron				
17	410060	Deferred Federal Income Taxes - Net	488,412	100.000	488,412	DALL
18	411065	Amortization of Investment Tax Credit	(66,055)	100.000	(66,055)	DALL
	411000	Amortization of investment Tax Ordate	(00,000)	100.000	(*******	23,772
19		Total Federal Income Taxes	749,500		749,500	
			81,365,717		81,365,717	
21		Total Operating Expenses & Taxes Net Operating Income	13,154,573		13,154,573	

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(d)

807 KAR 5:001, SECTION 16(8)(d)

Description of Filing Requirement:

A summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.

Response:

See Schedules D-1 through D-5 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible:

Sarah E. Lawler – Schedules D-1, D-2.15 thru D-2.22, D-2.24 and D-2.26 Cynthia S. Lee – Schedule D-2.23 Nick Giaimo – Schedules D-2.1 thru D-2.14 and D-2.25 James E. Ziolkwoski – Schedules D-3, D-4, and D-5

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR GAS SERVICE TO ALL
JURISDICTIONAL CONSUMERS

SECTION D

SECTION D

OPERATING INCOME ADJUSTMENTS

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

D-1	Summary of Utility Jurisdictional Adjustments
D-2.1	Adjust Revenue
D-2.2	Adjust Purchased Gas Cost
D-2.3	Adjust Other Production Expense
D-2.4	Adjust Other Gas Supply Expense
D-2.5	Adjust Transmission Expense
D-2.6	Adjust Distribution Expense
D-2.7	Adjust Customer Account Expense
D-2.8	Adjust Customer Service and Information Expense
D-2.9	Adjust Sales Expense
D-2.10	Adjust A&G Expense
D-2.11	Adjust Other Operating Expense
D-2.12	Adjust Depreciation Expense
D-2.13	Adjust Other Tax Expense
D-2.14	Adjust Income Tax Expense
D-2.15	Adjust Uncollectible Expense
D-2.16	Rate Case Expense
D-2.17	Amortization of Deferred Expense
D-2.18	Interest Expense Adjustment
D-2.19	Eliminate Non-Kentucky Customer
D-2.20	Integrity Management Expenses
D-2.21	Amortization of ASRP 2018 FIT Changes
D-2.22	Eliminate Miscellaneous Expenses
D-2.23	Annualize Depreciation Expense
D-2.24	Eliminate Unbilled Revenue & Gas Costs
D-2.25	Adjust Revenue
D-2.26	Incentive Compensation
D-3	Summary of Jurisdictional Factors
D-4	Jurisdictional Statistics
D-5	Explanation of Changes in Jurisdictional Procedures

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE D-1 PAGE 1 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	TOTAL SCHEDULE D-1	TOTAL ADJ. TO BASE PERIOD	TOTAL PRO FORMA ADJ. TO FORECASTED PERIOD
	SCHEDULE REFERENCE		SCH D-1, PG. 2	SCH D-1, PG. 5
1	Operating Revenue	A CONTRACTOR OF		
2	Base	(5,566,230)	(7,022,709)	1,456,479
3	Gas Cost	(2,877,464)	(2,796,917)	(80,547)
4	Other Revenue	2,183,049	2,697,141	(514,092)
5	Total Revenue	(6,260,645)	(7,122,485)	861,840
6			and the second	The second districts
7	Operating Expenses			
8	Operation and Maint. Expenses			
9	Production Expenses			
10	Liquefied Petroleum Gas	(1,519,120)	(1,519,120)	0
11	Other	468,002	850,797	(382,795)
12	Total Production Expense	(1,051,118)	(668,323)	(382,795)
13				
14	Other Gas Supply Expenses			
15	Purchased Gas	(4,711,706)	(4,631,157)	(80,549)
16	Other	(740,391)	(740,391)	0
17	Total Other Gas Supply Expenses	(5,452,097)	(5,371,548)	(80,549)
18	Transmission Expense	(991)	(991)	0
19	Distribution Expense	3,576,873	2,614,255	962,618
20	Customer Accounts Expense	(1,081,683)	(473,168)	(608,515)
21	Customer Serv & Info Expense	(25,212)	(4,617)	(20,595)
22	Sales Expense	36,983	43,322	(6,339)
23	Admin & General Expense	(2,548,694)	(2,064,449)	(484,245)
24	Other	2,078,465	1,535,422	543,043
25	Total Oper and Maint Expenses	(4,467,474)	(4,390,097)	(77,377)
26			Water State	
27	Depreciation Expense	43,987	1,128,427	(1,084,440)
28				
29	Taxes Other Than Income Taxes		W. Caller	
30	Other Federal Taxes	(416,979)	(416,979)	0
31	State and Other Taxes	1,008,792	1,053,530	(44,738)
32	Total Taxes Other Than Income Tax	591,813	636,551	(44,738)
33				
34	State Income Taxes			427.00
35	Normal and Surtax	(950,977)	(1,023,465)	72,488
36	Deferred Inc Tax - Net	459,979	413,531	46,448
37	Total State Income Tax Expense	(490,998)	(609,934)	118,936
38				
39	Federal Income Taxes			
40	Normal and Surtax	(2,911,208)	(3,202,370)	291,162
41	Deferred Inc Tax - Net	1,251,049	1,064,468	186,581
42	Amortization of Investment Tax Credit	1,186	1,186	0
43	Total Federal Income Tax Expense	(1,658,973)	(2,136,716)	477,743
44		THE STREET WAS SELECT		
45	Total Oper. Expenses and Tax	(5,981,645)	(5,371,769)	(609,876)
46				
47	Net Operating Income	(279,000)	(1,750,716)	1,471,716

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS ADJUSTMENTS TO THE BASE PERIOD FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW SCHEDULE D-1 PAGE 2 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

		TOTAL		ADJUST	ADJUST	ADJUST	ADJUST
INE NO.	ELEMENT of OPERATING INCOME	ADJ. TO BASE PERIOD	ADJUST REVENUE	PURCHASED GAS COST	OTHER PROD. EXP.	OTHER GAS SUPPLY EXP.	TRANSMISSION EXPENSE
	SCHEDULE REFERENCE	D-2.1 thru D-2.14	D-2.1	D-2.2	D-2.3	D-2.4	D-2.5
1	Operating Revenue						
2	Base	(7,022,709)	(7,022,709)				
3	Gas Cost	(2,796,917)	(2,796,917)				
4	Other Revenue	2,697,141	2,697,141				
5	Total Revenue	(7,122,485)	(7,122,485)	0	0	0	0
6			No. of the Personal Property of				
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas	(1,519,120)		(1,519,120)			
11	Other	850,797			850.797		
12	Total Production Expense	(668,323)	0	(1,519,120)	850,797	0	0
13				100000000000000000000000000000000000000			
14	Other Gas Supply Expenses						
15	Purchased Gas	(4,631,157)		(4,631,157)			
16	Other	(740,391)				(740,391)	
17	Total Other Gas Supply Expenses	(5,371,548)	0	(4,631,157)	0	(740,391)	0
18	Transmission Expense	(991)					(991)
19	Distribution Expense	2,614,255					
20	Customer Accounts Expense	(473,168)					
21	Customer Serv & Info Expense	(4,617)					
22	Sales Expense	43,322					
23	Admin. & General Expense	(2,064,449)					
24	Other	1,535,422					
25	Total Oper and Maint Expenses	(4,390,097)	0	(6,150,277)	850,797	(740,391)	(991)
26							
27	Depredation Expense	1,128,427	0	0	0	0	0
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes	(416,979)					
31	State and Other Taxes	1,053,530					
32	Total Taxes Other Than Income Tax	636,551	0	0	0	0	0
33					110-		
34	State Income Taxes						
35	Normal and Surtax	(1,023,465)	(353,881)	305,577	(42,272	36,786	49
36	Deferred Inc Tax - Net	413,531			1-60,000		
37	Total State Income Tax Expense	(609,934)	(353,881)	305,577	(42,272	36,786	49
38	Total Gala Monto Tan Separate	1930,00 17	1000,000,1				
39	Federal Income Taxes						
40	Normal and Surtax	(3,202,370)	(1,421,407)	1,227,387	(169,790	147,757	198
41	Deferred Inc Tax - Net	1,064,468	(1,12.,11.)		,,,,,,,,,	The state of the s	
42	Amortization of Investment Tax Credit	1,186					
43	Total Federal income Tax Expense	(2,136,716)	(1,421,407)	1,227,387	(169,790	147,757	198
44	Total Federal III.Contre Tax Expense	12,100,7101	(1,421,407)	.,221,001	(100,700	11110	1000
45	Total Oper, Expenses and Tax	(5,371,769)	(1,775,288)	(4,617,313)	638,735	(555,848)	(744)
46	Total Oper. Expenses and Tax	(0,011,108)	11,770,2001	14,017,010]	555,750	1555,0107	11-
	Net Operating Income	(1,750,716)	(5,347,197)	4,617,313	(638,735	555,848	744
47	Net Operating Income	(1,/50,/16)	(5,347,197)	4,617,313	(036,735	555,646	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS ADJUSTMENTS TO THE BASE PERIOD FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW SCHEDULE D-1 PAGE 3 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	ADJUST DISTRIBUTION EXPENSE	ADJUST CUSTOMER ACCOUNTS EXP.	ADJUST CUST. SERV. & INFO. EXP.	ADJUST SALES EXPENSE	ADJUST A&G EXPENSE	ADJUST OTHER OPER. EXPENSE
	SCHEDULE REFERENCE	D-2.6	D-2.7	D-2.8	D-2.9	D-2.10	D-2.11
1 2	Operating Revenue						THE THE PARTY OF
3	Base Gas Cost						
4	Other Revenue						
5	Total Revenue	0					
6	Total Neveride	- 0	0	0	0	0	0
7	Operating Expenses						
8	Operation and Maint, Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas						
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0	0	0
18	Transmission Expense	The second second					
19	Distribution Expense	2,614,255					
20	Customer Accounts Expense		(473,168)				
21	Customer Serv & Info Expense			(4,617)			
22	Sales Expense				43,322		
23	Admin & General Expense					(2,064,449)	
24	Other				The sales of the s		1,535,422
25	Total Oper and Maint Expenses	2,614,255	(473,168)	(4,617)	43,322	(2,064,449)	1,535,422
26							
27	Depreciation Expense			1			
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes						
32	Total Taxes Other Than Income Tax	0	0	0	0	0	0
33	Out to the same of						
34 35	State Income Taxes	(400.000)	00 500		10.450	400 570	(70.007)
	Normal and Surtax	(129,889)	23,509	229	(2,152)	102,572	(76,287)
36 37	Deferred Inc Tax - Net Total State Income Tax Expense	(400,000)	00 500	229	(2.152)	102.572	(76,287)
38	Total State income Tax Expense	(129,889)	23,509	229	(2,152)	102,572	(/0,28/)
39	Federal Income Taxes						
40	Normal and Surtax	(521,717)	94,428	921	(8,646)	411.994	(306,418)
41	Deferred Inc Tax - Net	(521,717)	94,420	921	(0,040)	411,004	(300,410)
42	Amortization of Investment Tax Credit						
43	Total Federal Income Tax Expense	(521,717)	94,428	921	(8,646)	411,994	(306,418)
44	Total Total al Incomo Tax Expense	[021,/1/)	54,420	921	10,040)	711,004	1000,410)
45	Total Oper. Expenses and Tax	1,962,649	(355,231)	(3,467)	32,524	(1,549,883)	1,152,717
	Town Open, Expended and Tax	1,002,040	1000,2011	10,4011	02,024	1,10,0001	1,100,111
46							

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS ADJUSTMENTS TO THE BASE PERIOD FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW SCHEDULE D-1 PAGE 4 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

					O. L. DAVILLIN
INE	ELEMENT of OPERATING INCOME	ADJUST DEPRECIATION EXPENSE	ADJUST OTHER TAX EXP.	ADJUST INCOME TAXES	
	SCHEDULE REFERENCE	D-2.12	D-2.13	D-2.14	
1	Operating Revenue				
2	Base				
3	Gas Cost				
4	Other Revenue				
5	Total Revenue	0	0	0	
6					
7	Operating Expenses				
8	Operation and Maint. Expenses				
9	Production Expenses				
10	Liquefied Petroleum Gas				
11	Other				
12	Total Production Expense	0	0	0	
13		The second second			
14	Other Gas Supply Expenses				
15	Purchased Gas				
16	Other				
17	Total Other Gas Supply Expenses	0	0	0	
18	Transmission Expense				
19	Distribution Expense				
20	Customer Accounts Expense				
21	Customer Serv & Info Expense				
22	Sales Expense				
23	Admin & General Expense				
24	Other				
25	Total Oper and Maint Expenses	0	0	0	
26	Total Oper and maint expenses				
20	Depreciation Expense	1,128,427	0	0	
27	Depreciation Expense	1,120,421			
28	Towns Other These Issuers Towns				
29	Taxes Other Than Income Taxes		(416,979)		
30	Other Federal Taxes		1,053,530		
31	State and Other Taxes	0	638,551	0	
32	Total Taxes Other Than Income Tax		030,031		
33					
34	State Income Taxes	(56,066)	(31,627)	(800,013)	
35	Normal and Surtax	(50,000)	(31,027)	413,531	
36	Deferred Inc Tax - Net	(56,066)	(31,627)	(386,482)	
37	Total State Income Tax Expense	(30,000)	(31,027)	(300,402)	
38					
39	Federal Income Taxes	(00F 400)	(127,034)	(2,304,847)	
40		(225,196)	(127,034)	1,064,468	
41	Deferred Inc Tax - Net			1,064,466	
42		(000 (00)	(407.004)	(1,239,193)	
43		(225,196)	(127,034)	(1,238,183)	
44			477.000	(4 80E 87E)	
45		847,165	477,890	(1,625,675)	
46			4477 0001	4 605 675	
47	Net Operating Income	(847,165)	(477,890)	1,625,675	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS PRO FORMA ADJUSTMENTS TO THE FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE D-1 PAGE 5 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	TOTAL PRO FORMA ADJUSTMENTS	ADJUST UNCOLLECTIBLE EXPENSE	RATE CASE EXPENSE	AMORTIZATION OF DEFERRED EXPENSE	INTEREST EXPENSE	ELIM NON- KY CUST PORTION
	SCHEDULE REFERENCE	D-2.15 thru D-2.26	D-2.15	D-2.16	D-2,17	D-2.18	D-2.19
1	Operating Revenue						
2	Base	1,456,479					
3	Gas Cost	(80,547)					
4	Other Revenue	(514,092)					(514,092)
5	Total Revenue	881,840	0	0	0	0	(514,092)
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas	0					
11	Other	_(382,795)					(382,795)
12	Total Production Expense	(382,795)	0	0	0	0	(382,795)
13			The second second			The Lawrence	- 17 7 7 7
14	Other Gas Supply Expenses						
15	Purchased Gas	(80,549)					
16	Other	0					
17	Total Other Gas Supply Expenses	(80,549)	0	0	0	0	0
18	Transmission Expense	0					
19	Distribution Expense	962,618					(102,870)
20	Customer Accounts Expense	(608,515)	(588,781)				
21	Customer Serv & Info Expense	(20,595)					
22	Sales Expense	(6,339)					
23	Admin. & General Expense	(484,245)		115,100			
24	Other	543,043			577,423		
25	Total Oper and Maint Expenses	(77,377)	(588,781)	115,100	577,423	0	(485,665)
26	Total Oper and Maint Expenses	(11,011)	1000,1011	7.104.102			77 C T T T T T T T T T T T T T T T T T T
27	Depreciation Expense	(1,084,440)	0	0	0	0	0
28	Deprocation Expense	11,001,110/				The second	
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes	0					
31	State and Other Taxes	(44,738)					(44,738)
32	Total Taxes Other Than Income Tax	(44,738)	0	0	0	0	(44,738)
33	Total taxes Other Than months Tax	(44,750)					
34	State Income Taxes						
35	Normal and Surtax	72,488	29,254	(5,719)	(28,689)	16,168	12,245
		46.448	20,204	(0,710)	(20,000)		(11,434)
36	Deferred Inc Tax - Net	118,936	29.254	(5,719)	(28,689)	16,168	811
37	Total State Income Tax Expense	110,830	28,234	(5,710)	120,0007		
38							
39	Federal Income Taxes	291,162	117,501	(22,970)	(115,234)	64,943	49.183
40	Normal and Surtax		117,501	(22,970)	(110,204)	01,010	(45,912
41	Deferred Inc Tax - Net	186,581					(10,0.2
42	Amortization of Investment Tax Credit		117,501	(22,970)	(115,234)	64,943	3,271
43	Total Federal Income Tax Expense	477,743	117,301	(22,810)	(110,204)	01,010	5,211
44		(000 070)	(440,000)	86,411	433,500	81,111	(526,321
45	Total Oper. Expenses and Tax	(609,876)	(442,026)	00,411	400,000	01,111	1020,021
46	Net Operating Income	1,471,716	442,026	(86,411)	(433,500)	(81,111)	12,229
47							

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS PRO FORMA ADJUSTMENTS TO THE FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE D-1 PAGE 6 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	INTEGRITY MANAGEMENT EXPENSES	AMORTIZATION OF ASRP 2018 FIT CHANGES	ELIMINATE MISCELLANEOUS EXPENSES	ANNUALIZE DEPRECIATION	ELIMINATE UNBILLED REVENUE & GAS COSTS	ADJUST REVENUE
	SCHEDULE REFERENCE	D-2.20	D-2.21	D-2.22	D-2.23	D-2.24	D-2.25
1	Operating Revenue					(000 504)	4 700 040
2	Base					(309,531)	1,766,010
3	Gas Cost Other Revenue					(80,547)	
4	Total Revenue	0	0	- 0	0	(390,078)	1,766,010
0	lotal Revenue					(380,076)	1,700,010
7	Operating Expenses						
8	Operation and Maint, Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13	Total Production Expense					The second second second	
14	Other Gas Supply Expenses						
15	Purchased Gas					(80,549)	
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0	(80,549)	0
18	Transmission Expense						
19	Distribution Expense	1,065,488					
20	Customer Accounts Expense	1,000,100		(19,734)			
21	Customer Serv & Info Expense			(20,595)			
22	Sales Expense			(6,339)			
23	Admin & General Expense			(322,075)			
24	Other		(34,380)				
25	Total Oper and Maint Expenses	1,065,488	(34,380)	(368,743)	0	(80,549)	0
26				1000000	1.4.11.4.10		
27	Depreciation Expense				(1,084,440)		
28				DIE WILL			
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes						
32	Total Taxes Other Than Income Tax	0	0	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	(52,939)	1,708	18,321	0		87,744
36	Deferred Inc Tax - Net				53,880	4,002	87,744
37	Total State Income Tax Expense	(52,939)	1,708	18,321	53,880	(15,379)	07,744
38							
39	Federal Income Taxes				0	(77,848)	352,436
40	Normal and Surtax	(212,635)	6,861	73,589		16,075	332,430
41	Deferred inc Tax - Net				216,418	10,075	
42	Amortization of Investment Tax Credit			70 500	040 440	(61.771)	352,436
43	Total Federal Income Tax Expense	(212,635)	6,861	73,589	216,418	[61,771]	352,430
44				(276,833)	(814,142)	(157,699)	440,180
45		799,914	(25,811)	(2/6,833)	(014,142	(101,088)	440,100
46		(200 01 1)	25,811	276,833	814,142	(232,379)	1,325,830
47	Net Operating Income	(799,914)	25,811	210,033	014,142	1222,0101	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME BY MAJOR ACCOUNTS PRO FORMA ADJUSTMENTS TO THE FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SEE BELOW

SCHEDULE D-1 PAGE 7 OF 7 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	INCENTIVE COMPENSATION	RESERVED	RESERVED	RESERVED	RESERVED	RESERVED
	SCHEDULE REFERENCE	D-2.26	D-2.27	D-2.28	D-2.29	D-2.30	D-2.31
1	Operating Revenue						
2	Base						
3	Gas Cost						
4	Other Revenue					0	
5	Total Revenue	0	0	0	0	0	0
7	Operating Expenses						
8	Operating Expenses Operation and Maint, Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas						
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0 .	0	0
18	Transmission Expense						
19	Distribution Expense						
20	Customer Accounts Expense Customer Serv & Info Expense						
22	Sales Expense						
23	Admin & General Expense	(277,270)					0
24	Other	(217,270)					
25	Total Oper and Maint Expenses	(277,270)	0	0	0	0	0
26	Total Oper and mann argument					1 11 11	
27	Depreciation Expense	0	0	0	0	0	0
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes	0	0	0	0	0	- 0
32	Total Taxes Other Than Income Tax	0					
33	Out to the Paris						
34	State Income Taxes Normal and Surtax	13,776	0	0	0	0	0
35 36	Deferred Inc Tax - Net	13,770					
37	Total State income Tax Expense	13,776	0	0	0	0	
38	Total State moone Tax Expense						
39	Federal Income Taxes						
40	Normal and Surtax	55,334	0	- 0	0	0	
41	Deferred Inc Tax - Net						
42	Amortization of Investment Tax Credit	The state of the s				0	
43	Total Federal Income Tax Expense	55,334	0	0	0_	0	
44				0	0	0	(
45	Total Oper. Expenses and Tax	(208,160)	0			-	
46		209 400		0	0	0	(
47	Net Operating Income	208,160	0				

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD REVENUE TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.1a

PURPOSE AND DESCRIPTION

SCHEDULE D-2.1 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

AMOUNT

\$ (7,122,485)

\$ (7,122,485)

100.000%

		TOTAL TOTAL
PURPOSE AND DESCRIPTION: To adjust base period revenue to the level of revenue in the forecasted period.		
Base Revenue	To Sch D-1 Summary <	\$ (7,022,709)
Gas Cost Revenue	To Sch D-1 Summary <	(2,796,917)
Other Revenue	To Sch D-1 Summary <	2,697,141

(A) Allocation Code - DALL

Jurisdictional allocation percentage (A)

Total Revenue Adjustment

Jurisdictional amount

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD PURCHASED GAS COST TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.2a

SCHEDULE D-2.2 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION			AMOUNT	
PURPOSE AND DESCRIPTION: To adjust be purchase gas costs to the level of costs in the				
Liquefied Petroleum Gas		\$	(1,519,120)	
Purchased Gas		W-	(4,631,157)	
Total Purchased Gas Cost Expenses		\$	(6,150,277)	
Jurisdictional allocation percentage (A)			100.000%	
Jurisdictional amount	To Sch D-1 Summary <	\$	(6,150,277)	
(A) Allocation Code - DALI				

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD OTHER PRODUCTION EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.3a

(A) Allocation Code -

SCHEDULE D-2.3 PAGE 1 OF 1 WITNESS RESPONSIBLE:

N. GIAIMO

PURPOSE AND DESCRIPTION		AMOUNT	
PURPOSE AND DESCRIPTION: To adjust be to the level of expenses in the forecasted periods.			
Other Production Expenses		\$	850,797
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	850,797

DALL

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD OTHER GAS SUPPLY EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.4a

SCHEDULE D-2.4 PAGE 1 OF 1 WITNESS RESPONSIBLE:

N. GIAIMO

PURPOSE AND DESCRIPTION		

PURPOSE AND DESCRIPTION: To adjust base period other gas supply expenses to the level of expenses in the forecasted period.

Other Gas Supply Expenses

\$ (740,391)

AMOUNT

Jurisdictional allocation percentage (A)

100.000%

Jurisdictional amount

To Sch D-1 Summary <---

\$ (740,391)

(A) Allocation Code -

DALL

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

ADJUST BASE PERIOD TRANSMISSION EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.5a

SCHEDULE D-2.5 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION		A	MOUNT
PURPOSE AND DESCRIPTION: To adjust ba to the level of expenses in the forecasted period			
Transmission Expenses		\$	(991)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	(991)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD DISTRIBUTION EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.6a

SCHEDULE D-2.6
PAGE 1 OF 1
WITNESS RESPONSIBLE:
N. GIAIMO

PURPOSE AND DESCRIPTION			AMOUNT
PURPOSE AND DESCRIPTION to the level of expenses in the fo		eriod distribution expenses	
Distribution Expenses			\$ 2,614,255
Jurisdictional allocation percenta	age (A)		100.000%
Jurisdictional amount		To Sch D-1 Summary <	\$ 2,614,255
(A) Allocation Code -	DALL		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

ADJUST BASE PERIOD CUSTOMER ACCOUNTS EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.7a

SCHEDULE D-2.7
PAGE 1 OF 1
WITNESS RESPONSIBLE:
N. GIAIMO

PURPOSE AND DESCRIPTION		+	MOUNT
PURPOSE AND DESCRIPTION: To adjute to the level of expenses in the forecasted	st base period customer accounts expenses period.		
Customer Accounts Expenses		\$	(473,168)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	(473,168

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

ADJUST BASE PERIOD CUSTOMER SERVICE & INFORMATION EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.8a

SCHEDULE D-2.8 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

				The second
PURPOSE AND DESCRIPTION			-	MOUNT
PURPOSE AND DESCRIPTION: To information expense to the level of				
Customer Service & Information Ex	penses		\$	(4,617)
Jurisdictional allocation percentage	(A)			100.000%
Jurisdictional amount		To Sch D-1 Summary <	\$	(4,617)
(A) Allocation Code -	DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD SALES EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.9a

PAGE 1 OF 1 WITNESS RESPONSIBLE:

SCHEDULE D-2.9

N. GIAIMO

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To adjust base expense to the level of expenses in the forecast		
Sales Expenses		\$ 43,322
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$ 43,322
(A) Allocation Code - DA		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD A&G EXPENSES TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.10a

SCHEDULE D-2.10 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

(2,064,449)

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period A&G expense to the level of expenses in the forecasted period.	
A&G Expenses	\$ (2,064,449)
Jurisdictional allocation percentage (A)	100.000%
Jurisdictional allocation percentage (A)	100.000%

DALL

To Sch D-1 Summary <---

(A) Allocation Code -

Jurisdictional amount

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST OTHER OPERATING EXPENSE TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.11a

SCHEDULE D-2.11 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To adjust be expense to the level in the forecasted period.	ase period other operating	
Other Operating Expense		\$ 1,535,422
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	<u>\$ 1,535,422</u>
(A) Allocation Code -	DALL	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD DEPRECIATION EXPENSE TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.12a

SCHEDULE D-2.12 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION			AMOUNT
PURPOSE AND DESCRIPTION: To adjust base p expense to the level of expenses in the forecasted		lan.	
Description Evenes		\$	1,128,427
Depreciation Expense Jurisdictional allocation percentage (A)		•	100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	1,128,427
(A) Allocation Code - DALI			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD OTHER TAX EXPENSE TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.13a

SCHEDULE D-2.13 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION		-	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base expense to the level of the forecasted period.	e period other tax		
Other Federal Taxes		\$	(416,979)
State and Other Taxes		-	1,053,530
Total Taxes Other than Income Taxes		\$	636,551
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	636,551
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST BASE PERIOD INCOME TAX EXPENSE TO FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.14a

SCHEDULE D-2.14 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION			AMOUNT
PURPOSE AND DESCRIPTION: To adjust I expense to the level of the forecasted period			
State Income Taxes		s	(800,013)
Current Deferrals		•	413,531
Federal Income Taxes			
Current Deferrals Amortization of ITC		\$	(2,304,847) 1,064,468 1,186
Total Income Taxes		\$	(1,625,675)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	(1,625,675)
(A) Allocation Code -	DALL		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST UNCOLLECTIBLE EXPENSE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.15a

SCHEDULE D-2.15 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		-	MOUNT
PURPOSE AND DESCRIPTION: To reflect the reclassifi of the total discount expense from uncollectible expense			
Time Value of Money Reclassification Uncollectible Expense Annualization Total Uncollectible Expense Adjustment		\$	(619,051) 30,270 (588,781)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	(588,781)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 RATE CASE EXPENSE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: SCHEDULE F-6, WPD-2.16a.

SCHEDULE D-2.16 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		,	AMOUNT
PURPOSE AND DESCRIPTION: To re- of presenting this case as reflected on Sover a five year period.			
Total		\$	115,100
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	115,100
(A) Allocation Code - DAL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 AMORTIZATION OF DEFERRED EXPENSE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.17a

SCHEDULE D-2.17 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To include in operating expense the amortization of deferred expenses.		
Total		\$ 577,423
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$ 577,423
(A) Allocation Code - DALL		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 INTEREST EXPENSE DEDUCTIBLE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPD-2.18a, WPD-2.18b

SCHEDULE D-2.18 PAGE 1 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To reflect federal income taxes at 21% due to interest deductible for tax purposes being based on allocated interest costs based on Proforma interest charges as contained on Schedule J-1.		
Total		\$ 64,943
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$ 64,943
(A) Allocation Code - DALL		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 INTEREST EXPENSE DEDUCTIBLE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.18a, WPD-2.18b

SCHEDULE D-2.18 PAGE 2 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		A	MOUNT
PURPOSE AND DESCRIPTION: To reflect state income taxes at 5.00% due to interest deductible for tax purposes being based on allocated interest costs based on Proforma interest charges as contained on Schedule J-1.			
Total		\$	16,168
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	16,168
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE REVENUES RELATED TO FACILITIES DEVOTED TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPD-2.19a through WPD-2.19f

SCHEDULE D-2.19
PAGE 1 OF 4
WITNESS RESPONSIBLE:
S. E. LAWLER

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To reflerelated to facilities devoted to other than D		
Other Revenue		\$ (514,092)
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$ (514,092)
(A) Allocation Code - DALL		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE O&M RELATED TO FACILITIES DEVOTED TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPD-2.19a through WPD-2.19f

SCHEDULE D-2.19
PAGE 2 OF 4
WITNESS RESPONSIBLE:
S. E. LAWLER

PURPOSE AND DESCRIPTION		-	AMOUNT
	ect the elimination of O&M expenses and associated to other than Duke Energy Kentucky customers		
Production Expenses Distribution Expenses Total	To Sch D-1 Summary < To Sch D-1 Summary <	\$	(382,795) (102,870) (485,665)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount		\$	(485,665)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE PROPERTY TAX RELATED TO FACILITIES DEVOTED TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPD-2.19a through WPD-2.19f

SCHEDULE D-2.19 PAGE 3 OF 4 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		A	MOUNT
PURPOSE AND DESCRIPTION: To reflect the related to facilities devoted to other than Duke			
State and Other Taxes		\$	(44,738)
Jurisdictional allocation percentage (A)		<u></u>	100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	(44,738)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE DEFERRED TAXES RELATED TO FACILITIES DEVOTED TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPD-2.19a through WPD-2.19f

SCHEDULE D-2.19
PAGE 4 OF 4
WITNESS RESPONSIBLE:
S. E. LAWLER

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To reflect state and federal deferred taxes which are devoted to other than Duke Energy Kentuc	related to facilities	
State Deferrals: Liberalized Depreciation	To Sch D-1 Summary <	11,434 11,434
Federal Deferrals: Liberalized Depreciation	To Sch D-1 Summary <	45,912 45,912
Total Deferred Taxes		57,346
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount		57,346
(A) Allocation Code - DALL		

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 INTEGRITY MANAGEMENT FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.20a

SCHEDULE D-2.20 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION			AMOUNT	
PURPOSE and DESCRIPTION: To reflect expenses related not already reflected in the budget.	ted to integrity management			
Total		\$	1,065,488	
Jurisdictional allocation percentage (A)			100.000%	
Jurisdictional amount	To Sch D-1 Summary <	<u>\$</u>	1,065,488	
(A) Allocation Code - DALL				

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 AMORTIZATION OF ASRP 2018 FIT CHANGE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

PAGE 1 OF 1 WITNESS RESPONSIBLE:

SCHEDULE D-2.21

S. E. LAWLER

PURPOSE AND DESCRIPTION		A	MOUNT
PURPOSE and DESCRIPTION: To include as a reduction to operating expenses the amortization of 2018 ASRP FIT change arising from the Tax Cuts and Jobs Act of 2017.	n		
Total		\$	(34,380)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	(34,380)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE MISCELLANEOUS EXPENSES FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.22a

SCHEDULE D-2.22 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		A	MOUNT
PURPOSE AND DESCRIPTION: To eliminate miscellaneous expense forecasted test period based on past Commission precedent.	es from the		
Customer Accounts Expense Customer Service & Information Expense Sales Expense		\$	(19,734) (20,595) (6,339)
A&G Expense Total Miscellaneous Expense Adjustment Jurisdictional allocation percentage (A)	To Sch D-1 Summary <	\$	(322,075) (368,743) 100,000%
Jurisdictional amount		\$	(368,743)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ANNUALIZE DEPRECIATION EXPENSE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.23a

SCHEDULE D-2.23 PAGE 1 OF 1 WITNESS RESPONSIBLE: C. S. LEE

PURPOSE AND DESCRIPTION			AMOUNT
PURPOSE AND DESCRIPTION: To reflect the annualized depreciation expense as calculated Schedule B-3.2 based on 13 month average plants.	on		
Total			\$ (1,084,440)
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary	-	\$ (1,084,440)
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE UNBILLED REVENUE AND GAS COSTS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPC-2b, WPD-2.24a

SCHEDULE D-2.24
PAGE 1 OF 3
WITNESS RESPONSIBLE:
S. E. LAWLER

IRPOSE AND DESCRIPTION		-	MOUNT	
PURPOSE AND DESCRIPTION: To eliminate unbilled revenue and gas costs.				
Unbilled Base Revenue Unbilled GCA Revenue		\$	(309,531) (80,547)	
Total Unbilled Revenue		\$	(390,078)	
Jurisdictional allocation percentage (A)			100.000%	
Jurisdictional amount	To Sch D-1 Summary <	\$	(390,078)	
Unbilled Gas Costs		\$	(80,549)	
Jurisdictional allocation percentage (A)			100.000%	
Jurisdictional amount	To Sch D-1 Summary <	\$	(80,549)	
(A) Allocation Code - D	ALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE UNBILLED REVENUE AND GAS COSTS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.24b

SCHEDULE D-2.24 PAGE 2 OF 3 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION		-	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the adjudeferred taxes as a result of the elimination of unbil			
Deferred State Income Tax		\$	4,002
Jurisdictional allocation percentage (A)			100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$	4,002
(A) Allocation Code - DALL			

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ELIMINATE UNBILLED REVENUE AND GAS COSTS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPD-2.24b

SCHEDULE D-2.24
PAGE 3 OF 3
WITNESS RESPONSIBLE:
S. E. LAWLER

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE AND DESCRIPTION: To reflect the deferred taxes as a result of the elimination of		
Deferred Federal Income Tax		\$ 16,075
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$ 16,075
(A) Allocation Code - D	ALL	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUST REVENUE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: Schedule M

SCHEDULE D-2.25 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

PURPOSE AND DESCRIPTION		AMOUNT
PURPOSE and DESCRIPTION: To reconci with revenue included in the budget.	ile retail revenue calculated on Schedule M	
Total		\$ 1,766,010
Jurisdictional allocation percentage (A)		100.000%
Jurisdictional amount	To Sch D-1 Summary <	\$ 1,766,010
(A) Allocation Code -	DALL	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 INCENTIVE COMPENSATION FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPD-2.26a, WPD-2.26b

SCHEDULE D-2.26 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

PURPOSE AND DESCRIPTION			A	MOUNT
PURPOSE AND DESCRIPTION: To eliminate in achievement of financial goals.	ncentive compensation related to			
Total			\$	(277,270)
Jurisdictional allocation percentage (A)				100.000%
Jurisdictional amount	To Sch D-1 Summary	-	\$	(277,270)
(A) Allocation Code - DALL				

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 SUMMARY OF JURISDICTIONAL FACTORS OPERATING INCOME FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED

WORK PAPER REFERENCE NO(S).:

SCHEDULE D-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:

J. E. ZIOLKOWSKI

LINE ACCOUNT NO. NUMBER ACCOUNT TITLE ALLOCATION JURISDICTIONAL CODE FACTOR %

DESCRIPTION OF FACTORS
AND/OR METHOD OF
ALLOCATION

Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 JURISDICTIONAL STATISTICS OPERATING INCOME FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE D-4 PAGE 1 OF 1 WITNESS RESPONSIBLE: J. E. ZIOLKOWSKI

		STATISTIC			N. P. S.
LINE	ALLOCATION	TOTAL	STATISTIC FOR	ALLOCATION	WORK PAPER
NO.	FACTOR	COMPANY	RATE AREA	FACTOR	REFERENCE
				%	

Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES OPERATING INCOME FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE D-5 PAGE 1 OF 1 WITNESS RESPONSIBLE: J. E. ZIOLKOWSKI

LINE ACCOUNT PROCEDURE APPROVED
NO. NUMBER DESCRIPTION IN PRIOR CASE RATIONALE FOR CHANGE

The procedures used are the same as those used in the Company's prior proceeding, Case No. 2009-00202.

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(e)

807 KAR 5:001, SECTION 16(8)(e)

Description of Filing Requirement:

A jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes.

Response:

See Schedules E-1 and E-2 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible: John R. Panizza

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR GAS SERVICE TO ALL
JURISDICTIONAL CONSUMERS

SECTION E

SECTION E

INCOME TAXES

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

E-1	Adjusted Jurisdictional Federal and State Income Taxes
E-2	Development of Jurisdictional Federal and State Income Taxes

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPE-1a, WPE-1b

SCHEDULE E-1 PAGE 1 OF 3 WITNESS RESPONSIBLE: J. R. PANIZZA

			AT CURRENT RATES					AT PROPOSED RATES	
NO.	DESCRIPTION	BASE PERIOD (1)	ADJUSTMENTS (2)	FORECASTED PERIOD (3)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4)	ADJUSTED (5)	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
1	Operating Income before Federal								
2	and State Income Taxes	18,590,254	(4,497,366)	14,092,888	2,068,395	16,161,283	10,521,115	26,682,398	
3								-97635055	
4	Reconciling Items:								
5	Interest Charges	(5,311,396)	(1,775,526)	(7,086,922)	325,419	(6,761,503)	0	(6,761,503)	
6	Net Interest Charges	(5,311,396)	(1,775,526)	(7,086,922)	325,419	(6,761,503)	0	(6,761,503)	
7								10,100,1000,	
8	Permanent Differences	(599,748)	699,399	99,651		99,651		99,651	
9		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						00,001	
10	Tax Depreciation	(17,998,636)	(3,310,364)	(21,309,000)	230,137	(21,078,863)	0	(21,078,863)	
11	Book Depreciation	14,571,207	1,128,425	15,699,632	(1,084,440)	14,615,192	0	14,615,192	
12	Excess of Tax over Book Depreciation	(3,427,429)	(2,181,939)	(5,609,368)	(854,303)	(6,463,671)	0	(6,463,671)	
13	- The state of the	- 171-17						(-1.00)0.17	
14	Other Reconciling Items:								
15	Unbilled Revenue - Fuel	(1,464,277)	1,544,826	80,549	(80,549)	0	0	0	
16	Other	3,384,479	(3,619,028)	(234,549)	0	(234,549)	0	(234,549)	
17	Total Other Reconciling Items	1,920,202	(2,074,202)	(154,000)	(80,549)	(234,549)	0	(234,549)	
18	Total Reconciling Items	(7,418,371)	(5,332,268)	(12,750,639)	(609,433)	(13,360,072)	0	(13,360,072)	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPE-1a, WPE-1b

SCHEDULE E-1 PAGE 2 OF 3 WITNESS RESPONSIBLE: J. R. PANIZZA

2000		AT CURRENT RATES					AT PROPOSED RATES	
NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS (2)	FORECASTED PERIOD (3)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4)	ADJUSTED (5)
		(\$)	(\$)	(\$)			(\$)	(\$)
1	Operating Income before Federal							
2	and State Income Tax from Page 1	18,590,254	(4,497,366)	14,092,888	2,068,395	16,161,283	10,521,115	26,682,398
4	Total Reconciling Items from Page 1	(7,418,371)	(5,332,268)	(12,750,639)	(609,433)	(13,360,072)	0	(13,360,072
5		4.1	10,000			3.51		110,000,012
6	Federal Taxable Income							
7	before State Income Tax to Page 3	11,171,883	(9,829,634)	1,342,249	1,458,962	2,801,211	10,521,115	13,322,326
8								
9	Kentucky Income Tax Adjustments:							
10	Kentucky Tax Inc. Adjustment - Misc	(146,234)	(5,534,855)	(5,681,089)	0	(5,681,089)	0	(5,681,089
11	Total Kentucky Income Tax Adjustments	(146,234)	(5,534,855)	(5,681,089)	0	(5,681,089)	0	(5,681,089
12							WATER THE	
13	Kentucky Taxable Income - Gas	11,025,649	(15,364,489)	(4,338,840)	1,458,962	(2,879,878)	10,521,115	7,641,237
14								0.00,00
15	Percent of Business Taxable in State	96.5702%	97.3608%	99.3700%	99.3700%	99.3700%	99.3700%	99.3700%
16								
17	Kentucky Taxable Income - Other	0	0	0	0	0	0	0
18	Total Kentucky Taxable Income	10,647,491	(14,958,996)	(4,311,505)	1,449,771	(2,861,735)	10,454,832	7,593,097
19								
20	Kentucky Income Tax @ 5.000% (A)	558,898	(774,473)	(215,575)	72,489	(143,086)	522,742	379,656
21	Prior Year Adjustments	248,993	(248,993)	0		0		0
22	State Income Tax - Current to Page 3	807,891	(1,023,466)	(215,575)	72,489	(143,086)	522,742	379,656

⁽A) Calculation may be different due to rounding.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPE-1a, WPE-1b

SCHEDULE E-1 PAGE 3 OF 3 WITNESS RESPONSIBLE: J. R. PANIZZA

		AT CURRENT RATES					AT PROPOSED RATES	
NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS (2)	FORECASTED PERIOD (3)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4)	ADJUSTED (5)
		(\$)	(\$)	(\$)			(\$)	(\$)
1 2	State Income Tax - Current from Page 2	807,891	(1,023,466)	(215,575)	72,489	(143,086)	522,742	379,656
3	Deferred State Income Taxes	83,361	485,257	568,618	46,448	615,066	0	615,066
4	Deferred State Income Tax Adjustment - ARAM	(92,502)	2,863	(89,639)		(89,639)		(89,639
5	Deferred State Income Taxes - Amort, of Excess Def. Taxes	0	(74,589)	(74,589)		(74,589)		(74,589)
6	Deferred State Income Taxes - Prior Year	0	0	0		0		0
7	Deferred State Income Taxes - Net	(9,141)	413,531	404,390	46,448	450,838	0	450,838
9	Total State Income Tax Expense	798,750	(609,935)	188,815	118,937	307,752	522,742	830,494
10								
12	Federal Taxable Income							
13	before State Income Tax from Page 2	11,171,883	(9,829,634)	1,342,249	1,458,962	2,801,211	10,521,115	13,322,326
14			***************************************	44			. 1470.4.048	
15	State Income Tax Deductible from Page 2	558,898	(774,473)	(215,575)	72,489	(143,086)	522,742	379,656
16	Federal Taxable Income	10,612,985	(9,055,161)	1,557,824	1,386,473	2,944,297	9,998,373	12,942,670
17	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1							
18	Federal Income Tax @ 21% (A)	3,529,512	(3,202,369)	327,143	291,161	618,304	2,099,658	2,717,962
19	Prior Year Adjustments	0	0	0		0		0
20	Federal Income Tax - Current	3,529,512	(3,202,369)	327,143	291,161	618,304	2,099,658	2,717,962
21	Todatal Institut California							
22	Deferred Federal Income Taxes	(562,516)	1,653,414	1,090,898	186,581	1,277,479	0	1,277,479
23	Deferred Federal Income Tax - ARAM	(13,540)	(2,994)	(16,534)	1,500	(16,534)		(16,534)
24	Deferred Federal Income Tax - Amort. Of Excess Def. Taxes	(10,010)	(585,952)	(585,952)		(585,952)		(585,952)
25	Deferred Federal Income Tax - Prior Year	0	0	0		0		0
26	Deferred Federal Income Tax - Net	(576,056)	1,064,468	488,412	186,581	674,993	0	674,993
27	Dolollog I decide modifie 1441 1161	1010,000	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					0,000
28 29	Amortization of Investment Tax Credit	(67,241)	1,186	(66,055)	0	(66,055)	0	(66,055)
30	Total Federal Income Tax Expense	2,886,215	(2,136,715)	749,500	477,742	1,227,242	2,099,658	3,326,900

⁽A) Calculation may be different due to rounding.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES BEFORE ADJUSTMENTS FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE E-2 PAGE 1 OF 1 WITNESS RESPONSIBLE: J. R. PANIZZA

LINE NO.	ACCOUNT TITLE	TOTAL UTILITY (1)	JURISDIC- TIONAL % (2)	JURISDICTION (3)	JURISDICTIONAL CODE/EXPLANATION (4)
		(\$)		(\$)	

Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY
CASE NO. 2018-00261
FORECASTED TEST PERIOD FILING REQUIREMENTS

FR 16(8)(f)

807 KAR 5:001, SECTION 16(8)(f)

Description of Filing Requirement:

Summary schedules for both base and forecasted periods (utility may also provide summary

segregating items it proposes to recover in rates) of organization membership dues; initiation

fees; expenditure at country clubs; charitable contributions; marketing, sales, and advertising

expenditures; professional service expenses; civic and political activity expenses; expenditures

for employee parties and outings; employee gift expenses; and rate case expenses.

Response:

See Schedules F-1 through F-7 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible:

Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR GAS SERVICE TO ALL
JURISDICTIONAL CONSUMERS

SECTION F

SECTION F

OTHER EXPENSES

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

F-1	Social and Service Club Dues
F-2.1	Charitable Contributions
F-2.2	Initiation Fees/Country Club Expense
F-2.3	Employee Party, Outing, and Gift Expense
F-3	Customer Service and Informational Sales and General Advertising Expense
F-4	Advertising
F-5	Professional Services Expenses
F-6	Rate Case Expense
F-7	Civic, Political and Related Expenses

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

SOCIAL AND SERVICE CLUB DUES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE F-1 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

				ASE PERIOD		FO	RECASTED PERI	OD
LINE	ACCOUNT	SOCIAL	TOTAL	JURISDI	CTIONAL	TOTAL	JURISD	ICTIONAL
NO.	NO.	ORGANIZATION/ SERVICE CLUB	UTILITY	PERCENT	AMOUNT	UTILITY	PERCENT	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1	863000	Various Budgeted Items	0	100.00	0	143	100.00	143
2	874000	Various Budgeted Items	0	100.00	0	626	100.00	626
3	878000	Various Budgeted Items	0	100.00	0	16	100.00	16
4	879000	Various Budgeted Items	0	100.00	0	1,617	100.00	1,617
5	880000	Various Budgeted Items	0	100.00	0	3,041	100.00	3,041
6	903000	Various Budgeted Items	0	100.00	0	15	100.00	15
7	903100	Various Budgeted Items	0	100.00	0	7	100.00	7
8	903200	Various Budgeted Items	0	100.00	0	6	100.00	6
9	903300	Various Budgeted Items	0	100.00	0	5	100.00	5
10	921100	Various Budgeted Items	0	100.00	0	11,839	100.00	11,839
11	930200	Various Budgeted Items	0	100.00	0	949	100.00	949
12	930200	Alliance for Transportation	500	100.00	500	0	100.00	0
13	930230	Cincinnati Regional Business Committee	1,657	100.00	1,657	0	100.00	0
14	930230	Kentucky Association of Manufacturers	982	100.00	982	0	100.00	0
15	930230	Kentucky Coal Association	720	100.00	720	0	100.00	0
16	930230	Northern Kentucky Regional Alliance	8,200	100.00	8,200	0	100.00	0
17	930230	Kentucky Chamber of Commerce	5,228	100.00	5,228	0	100.00	0
18	930230	Northern Kentucky Chamber of Commerce	5,032	100.00	5,032	0	100.00	0
19	930230	Cincinnati USA Regional Chamber	2,161	100.00	2,161	0	100.00	0
20	930230	European American Investment Council	394	100.00	394	0	100.00	0
21	930230	Miscellaneous	1,175	100.00	1,175	0	100.00	0
22	930230	Various Budgeted Items	0	100.00	0	13,419	100.00	13,419
23			26,049		26,049	31,683		31,683

(A) Allocation Code DALL

(B) No Initiation Fees/Country Club Expenses are included in the forecasted period operating expenses.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 CHARITABLE CONTRIBUTIONS FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE F-2.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S. E. LAWLER

	1.2221.2	422		BASE PERIOD			DRECASTED PER	
INE NO.	ACCOUNT NO.	CHARITABLE ORGANIZATION	TOTAL	PERCENT	AMOUNT	UTILITY	PERCENT	AMOUNT
	110.	ONGARIZATION		(A)	17776 2371		(A)	
			(\$)	%	(5)	(\$)	%	(\$)
1	426100	AMERICAN HEART ASSOCIATION	1,230	100.00	1,230	0	100.00	
2	426100	AMERICAN SIGN MUSEUM	103	100.00	103	0	100.00	
3	426100	AVONDALE COMMUNITY COUNCIL INC	103	100.00	103	0	100.00	
4	426100	AVONDALE COMPREHENSIVE DEVELOPMENT CORP	103	100.00	103	0	100.00	
5	426100	BOONE COUNTY BUSINESSMEN ASSOCIATION INC	205	100.00	205	0	100.00	
6	426100	BOY SCOUTS OF AMERICA	2,050	100.00	2,050	0	100.00	
7	426100	BRIGHTON CENTER INC	1,128	100.00	1,128	0	100.00	
В	426100	CATALYTIC DEVELOPMENT FUNDING CORP	238	100.00	238	0	100.00	
9	426100	CENTER FOR GREAT NEIGHBORHOODS OF	103	100.00	103	0	100.00	
0	426100	CINCINNATI BENGALS INC	6,615	100.00	6,615	0	100.00	
1	426100	CINCINNATI BLACK THEAT	115	100.00	115	0	100.00	
2	426100	CINCINNATI INSTITUTE OF FINE ARTS	3,629	100.00	3,629	0	100.00	
3	426100	COVINGTON BUSINESS COUNCIL	1,886	100.00	1,888	0	100.00	
4	426100	COVINGTON CATHOLIC HIGH SCHOOL	513	100.00	513	0	100.00	
5	426100	DINSMORE HOMESTEAD FOUNDATION	2,050	100.00	2,050	0	100.00	
6	426100	FORT THOMAS EDUCATION FOUNDATION	103	100.00	103	0	100.00	
7	426100	HORIZON COMMUNITY FUNDS OF NORTHERN	1,025	100.00	1,025	0	100.00	
8	426100	KENTON COUNTY	410	100.00	410	0	100.00	
9	426100	KENTUCKY GAS ASSOC	10,000	100.00	10,000	0	100.00	
0	426100	KET	308	100.00	308	0	100.00	
1	426100	LIFE LEARNING CENTER	103	100.00	103	0	100.00	
2	426100	LOCAL INITIATIVES SUPPORT CORPORATION	103	100.00	103	0	100.00	
3	426100	NATIONAL ASSOCIATION FOR THE ADVANCEMENT	410	100.00	410	0	100.00	
4	426100	NATIONAL UNDERGROUND RAILROAD FREEDOM	615	100.00	615	0	100.00	
5	426100	NORTHERN KENTUCKY COMMUNITY ACTION	410	100.00	410	0	100.00	
6	426512	NORTHERN KENTUCKY COMMUNITY ACTION	23,605	100.00	23,605	0	100.00	
7	426100	NORTHERN KENTUCKY EDUCATION COUNCIL	1,435	100.00	1,435	0	100.00	
8	426100	NORTHERN KENTUCKY MUNICIPAL CLERS	492	100.00	492	0	100.00	
9	426100	NORTHERN KENTUCKY UNIVERSITY	615	100.00	615	o	100.00	
	426100	NORTHERN KENTUCKY UNIVERSITY FOUNDATION	1,025	100.00	1,025	0	100.00	
0			103	100.00	103	ő	100.00	
1	426100	PRINCETON CITY SCHOOLS	103	100.00	103	0	100.00	
2	426100	THE LEAGUE FOR ANIMAL WELFARE		100.00	49	o	100.00	
3	426100	THEARTSWAVE.ORG	49	100.00	161	0	100.00	
4	426100	TM BUNBURY MUSIC FEST	161		117	0	100.00	
35	426100	TM CIRQUE DU SOLEIL	117	100.00	1,285	0	100.00	
6	426100	UNITED WAY OF GREATER CINCINNATI	1,285	100.00		0		
7	426100	YWCA OF GREATER CINCINNATI INC	1,230	100.00	1,230	0	100.00	
В	426100	MISCELLANEOUS	23,858	100.00	23,858	0	100,00	
9	426100	BOWLES CENTER FOR DIVERSITY OUTREACH	1,435	100.00	1,435		100.00	
0	426100	GATEWAY FOUNDATION INC	820	100.00	820	0	100,00	
1	426100	KENTON COUNTY FIRE CHIEFS ASSOCIATION	65	100.00	65	0	100.00	
2	426100	KINGS DAUGHTERS HEALTH FOUNDATION	256	100.00	256	0	100.00	
3	426100	NORTHERN KENTUCKY AREA DEVELOPMENT	205	100.00	205	0	100.00	
4	426100	NORTHERN KENTUCKY UNIVERSITY	615	100.00	615	0	100.00	
5	426100	PAYPAL CHILDRENSLA	615	100.00	615	0	100.00	
6	426100	THE SALVATION ARMY	2,050	100.00	2,050	0	100.00	
7	426100	E-TOWN DEVELOPMENT COMPANY LTD	615	100.00	615	0	100.00	
8	426100	CINCINNATI REDS	30,089	100.00	30,089	0	100.00	
9	426100	KENTUCKY ASSOCIATION OF ECONOMIC	3,000	100.00	3,000	0	100.00	
0	426100	URBAN LEAGUE OF GREATER CINCINNATI	2,050	100.00	2,050	0	100.00	
it	426100	Various Budgeted Items	0	100.00	0	120,342	100.00	120,3
2		Total Charitable Contributions	129,451		129,451	120,342		120,34

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 INITIATION FEES/COUNTRY CLUB EXP. FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE F-2.2 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

		PAYEE ORGANIZATION		BASE PERIOD		FORECASTED PERIOD		
LINE	ACCOUNT NO.		TOTAL	JURISDICTIONAL		TOTAL	JURISDICTIONAL	
NO.			UTILITY	PERCENT (A)	AMOUNT	UTILITY	PERCENT (A)	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)

Initiation Fees/Country Club Expenses are included on Schedule F-1.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EMPLOYEE PARTY, OUTING, & GIFT EXPENSE FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE F-2.3 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

				BASE PERIOD	FOR	OD		
LINE	ACCOUNT	EMPLOYEE	TOTAL	JURISDI	CTIONAL	TOTAL	JURISDICTIONAL	
NO.	NO.	EXPENDITURES	UTILITY	PERCENT (A)	AMOUNT	UTILITY	PERCENT (A)	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1	880000	ECOMPANY STORE.COM	40	100.00	40	0	100.00	0
2	926000	Miscellaneous	2,279	100.00	2,279	0	100.00	0
3	926000	Safety and Service Awards	5,595	100.00	5,595	17,140	100.00	17,140
4								
5		Total Employee Party & Gift Expense	7,914		7,914	17,140		17,140

(A) Alloc Code DALL

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261

CUSTOMER SERVICE AND INFORMATIONAL EXPENSE, SALES EXPENSE AND GENERAL ADVERTISING EXPENSE FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: SCHEDULE C-2.1

SCHEDULE F-3 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

	1000UNIT	-		BASE PERIOD		FOF	FORECASTED PERIOD		
LINE .	ACCOUNT		TOTAL	JURISDI	CTIONAL	TOTAL	JURISDI	CTIONAL	
NO.	NO.	DESCRIPTION OF EXPENSES	GAS	PERCENT (A)	AMOUNT	GAS	PERCENT (A)	AMOUNT	
			(\$)	%	(\$)	(\$)	%	(\$)	
1		Customer Service And Informational Expenses							
2	908	Customer Assistance	160,400	100.000	160,400	105,903	100.000	105,903	
3	909	Information and Instructional Advertising	3,000	100.000	3,000	0	100.000	0	
4	910	Misc Cust Serv and Info - Gas	268,053	100.000	268,053	320,933	100.000	320,933	
5		Total Customer Service and Informational Expenses	431,453		431,453	426,836		426,836	
6									
7		Sales Expense							
8	911	Supervision	390	100.000	390	20,643	100.000	20,643	
9	912	Demonstrating & Selling	147,909	100.000	147,909	173,485	100.000	173,485	
10	913	Advertising Expense	8,846	100.000	8,846	6,339	100.000	6,339	
11		Total Sales Expense	157,145		157,145	200,467		200,467	
12					***	20102-			
13		General Advertising Expense							
14	930150	Miscellaneous Advertising Exp	23,186	100.000	23,186	38,844	100.000	38,844	
15	4.00	Total General Advertising Expense	23,186		23,186	38,844	1000	38,844	

(A) Alloc Code DALL

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADVERTISING FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPF-4a, WPF-4b

SCHEDULE F-4 PAGE 1 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ITEM (A)	SALES OR PROMOTIONAL ADVERTISING (B)	INSTITUTIONAL ADVERTISING (C)	CONSERVATION ADVERTISING (D)	SAFETY (E)	RATE CASE (F)	OTHER (G)	TOTAL (H)
1	Newspaper						0	0
2								
3	Magazines and Other						0	0
4								
5	Television						0	0
6								
7	Radio						0	0
8								
9	Direct Mail			0	3,000			3,000
10								
11	Sales Aids						5,814	5,814
12								
13	Undetermined						26,217	26,217
14								
15	Total	Ω	Q	<u>Q</u>	3.000	Q	32.031	35.031
16								
17	Amount Assigned to							
18	KY Retail	Ω	0	Q	3.000	0	32.031	35.031

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 ADVERTISING FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: WPF-4a, WPF-4b

SCHEDULE F-4 PAGE 2 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	ITEM (A)	SALES OR PROMOTIONAL ADVERTISING (B)	INSTITUTIONAL ADVERTISING (C)	CONSERVATION ADVERTISING (D)	SAFETY (E)	RATE CASE (F)	OTHER (G)	TOTAL ⁽¹⁾ (H)
1	Newspaper					317.00	0	0
3	Magazines and Other						0	0
5	Television						0	0
7	Radio - Safety Advertising						0	0
9	Direct Mail						0	0
10	Sales Alds						0	0
12	Undetermined						45,186	45,186
14 15	Total	0	Q	0	0	٥	45.186	45.186
16 17	Amount Assigned to						44.00	
18	KY Retail	Ω	<u>Q</u>	<u>Q</u>	<u>Q</u>	Q	45.186	45.186

Notes:

⁽¹⁾ Eliminated on Schedule D-2.22

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROFESSIONAL SERVICES EXPENSES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPF-5a, WPF-5b SCHEDULE F-5 PAGE 1 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

		E	xpense Breakdow	'n	Total	Juris.				
Line No.	Description	Rate Case	Annual Audit	Other	Gas Unadjusted	Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted	Allocation Code
		(\$)	(\$)	(\$)	(\$)		(\$)	(\$)	(\$)	
1						400000		20		
2	Legal	0	0	0	0	100.000	0	0	0	DALL
3										
4	Engineering	0	0	0	0	100.000	0	0	0	DALL
5	A STATE OF THE STA									
6	Accounting	0	0	0	0	100.000	0	0	0	DALL
7										
8	Other	<u>o</u>	0	1,817,714	1,817,714	100.000	1,817,714	0	1,817,714	DALL
9	Outer	_	2	1,017,111	210 111111			-	118111111	5,,22
10	Total	0	0	1.817.714	1.817.714		1.817.714	0	1.817.714	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PROFESSIONAL SERVICES EXPENSES FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPF-5a, WPF-5b

SCHEDULE F-5 PAGE 2 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

			Expense Break	kdown		Total	Juris.				
Line No.	Description	Rate Case	Annual Audit		Other	Gas Unadjusted	Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted	Allocation Code
		(\$)	(\$)		(\$)	(\$)	-	(\$)	(\$)	(\$)	
1 2	Legal	0		0	0	0	100.000	0	0	0	DALL
3	Engineering	0		0	0	0	100.000	0	0	0	DALL
5	Engineering	U		U	U	· ·	100.000		·	· ·	DALL
6	Accounting	0		0	0	0	100.000	0	0	0	DALL
8	Other	<u>0</u>		<u>o</u>	461,280	461,280	100.000	461,280	<u>0</u>	461,280	DALL
9	Total	Q		Q	461,280	461.280		461.280	0	461,280	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 RATE CASE EXPENSE FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE F-6 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

		CASE NO.	CAS	SE NO.	CAS	E NO.	JUSTIFICATION
LINE		2018-00261	2017-00	321 (ELEC)	2009-00	202 (GAS)	OF SIGNIFICANT
NO.	ITEM OF EXPENSE	ESTIMATE	ACTUAL	ESTIMATE	ACTUAL	ESTIMATE	CHANGE
1	Legal	266,000	232,206	186,690	7,324	15,000	
2	Depreciation Study	75,000	56,066	75,000	35,146	50,000	
3	Demolition Study	9,500	86,653	80,000			
4	Consultants	0	0	0	19,442	25,000	
5	Rate of Return Studies	80,000	66,572	80,000	54,717	60,000	
6	Cost of Service Studies	0	0	0	0	0	
7	Publish Legal Notice	100,000	211,937	81,000	22,315	80,000	
8	Transportation, Lodging, Meals	35,000	39,357	80,000	0	20,000	
9	Miscellaneous	10,000	6,548	20,000	17,580	10,000	
10	Total	575,500	699,339	602,690	156,524	260,000	
11							
12							
13							
14		SCHEDULE O	F RATE CASE	EXPENSE AMOR	TIZATION		
15						AMORT.	
15 16		TOTAL	OPINION /		AMOUNT	AMORT. DURING	
15 16 17		TOTAL TO BE	OPINION / ORDER	AMORTIZATION			
15 16 17 18	RATE CASE	TO BE	ORDER	AMORTIZATION PERIOD		DURING	
15 16 17 18 19	RATE CASE			AMORTIZATION PERIOD	AMORTIZED	DURING)
15 16 17 18 19 20		TO BE AMORTIZED	ORDER	PERIOD	AMORTIZED	DURING	
15 16 17 18 19 20 21	RATE CASE CURRENT CASE	TO BE	ORDER		AMORTIZED TO DATE	DURING FORECASTED PERIOD	
15 16 17 18 19 20 21 22	CURRENT CASE	TO BE AMORTIZED 575,500	ORDER DATE	PERIOD 5 YEAR	AMORTIZED TO DATE	DURING FORECASTED PERIOD	
15 16 17 18 19 20 21 22 23		TO BE AMORTIZED	ORDER	PERIOD	AMORTIZED TO DATE	DURING FORECASTED PERIOD 115,100	
15 16 17 18 19 20 21 22	CURRENT CASE	TO BE AMORTIZED 575,500	ORDER DATE	PERIOD 5 YEAR	AMORTIZED TO DATE	DURING FORECASTED PERIOD 115,100	

⁽A) Represents rate case expense included on Schedule C-2, as adjusted.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 CIVIC, POLITICAL AND RELATED ACTIVITIES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE F-7 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

			3	BASE PERIOD		FORECASTED PERIOD			
LINE	ACCOUNT		TOTAL	JURISDIC	TIONAL	TOTAL	JURISD	ICTIONAL	
NO.	NO.	ORGANIZATION	UTILITY	PERCENT	AMOUNT	UTILITY	PERCENT	AMOUNT	
				(A)			(A)		
			(\$)	%	(\$)	(\$)	%	(\$)	
1	426400	Cincinnati Business Committee	551	100.00	551	0	100.00	0	
2	426400	Cincinnati Regional Business Committee	293	100.00	293	0	100.00	0	
3	426400	Cincinnati USA Regional Chamber	114	100.00	114	0	100.00	0	
4	426400	Kentucky Association of Electric	858	100.00	858	0	100.00	0	
5	426400	Kentucky Chamber of Commerce	1,249	100.00	1,249	0	100.00	0	
6	426400	Kentucky Retail Federation	103	100.00	103	0	100.00	0	
7	426400	LG&E and KU Services Company	1,272	100.00	1,272	0	100.00	0	
8	426400	McBrayer McGinnis Leslie &	11,149	100.00	11,149	0	100.00	0	
9	426400	Northern Kentucky Chamber Of Commerce	907	100.00	907	0	100.00	0	
10	426400	Other Items	166,596	100.00	166,596	0	100.00	0	
11	426400	Various Budgeted Items	0	100.00	0	227,404	100.00	227,404	
12									
13		Total Civic, Political & Related Activities	183,092		183,092	227,404		0	

(A) Allocation Code DALL

DUKE ENERGY KENTUCKY
CASE NO. 2018-00261
FORECASTED TEST PERIOD FILING REQUIREMENTS

FR 16(8)(g)

807 KAR 5:001, SECTION 16(8)(g)

Description of Filing Requirement:

Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll

taxes, straight time and overtime hours, and executive compensation by title.

Response:

See Schedules G-1 through G-3 of Schedule Book for non-confidential information responsive to

this request. All confidential information is being provided under seal pursuant to a Petition for

Confidential Treatment that is being filed simultaneously with this Application.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals for non-confidential

information responsive to this request.

Witness Responsible:

Sarah E. Lawler - Schedule G-1

Renee H. Metzler – Schedules G-2, G-3

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION G

SECTION G

PAYROLL COSTS AND ANALYSIS

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

G-1	Payroll Costs
G-2	Payroll Analysis
G-3	Executive Compensation

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PAYROLL COSTS FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE G-1 PAGE 1 OF 1 WITNESS RESPONSIBLE: S. E. LAWLER

			OPERA	TION AND MAINTENA	NCE EXPENSES	
LINE NO.	PAYROLL COSTS	TOTAL GAS UNADJUSTED	JURISDIC- TIONAL % (A)	JURISDICTIONAL UNADJUSTED	ADJUSTMENTS	JURISDICTIONAL ADJUSTED
1	Base Period:		770			4.00
2	Labor	7,374,469	100.000	7,374,469	0	7,374,469
3	Incentives	1,032,350	100.000	1,032,350	0	1,032,350
4	Employee Benefits	2,718,856	100.000	2,718,856	0	2,718,856
5	Payroll Taxes	182,635	100.000	182,635	0	182,635
6	Total Payroll Costs	11,308,310		11,308,310	0	11,308,310
7		100000000000000000000000000000000000000		THE RESERVE OF THE PERSON OF T		-
8	Forecasted Period:					
9	Labor	8,436,572	100.000	8,436,572	0	8,436,572
10	Incentives	1,421,761	100.000	1,421,761	0	1,421,761
11	Employee Benefits	2,381,447	100.000	2,381,447	0	2,381,447
12	Payroll Taxes	708,964	100.000	708,964	0	708,964
13	Total Payroll Costs	12,948,744		12,948,744	0	12,948,744

(A) Allocation Code:

DALL

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 PAYROLL ANALYSIS

FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE G-2 PAGE 1 OF 1 WITNESS RESPONSIBLE: R. H. METZLER

LINE NO.	DESCRIPTION	BASE PERIOD	% CHANGE	FORECASTED PERIOD
1	MANHOURS			
2	STRAIGHT TIME HOURS	340,063	-	340,063
3	OVERTIME HOURS	43,324	-	43,324
4	TOTAL MANHOURS	383,387	-	383,387
5				
6	RATIO OF OVERTIME HOURS TO			
7	STRAIGHT TIME HOURS	12.74		12.74

Note: The regular and straight time hours shown are 2018 labor hours. The Company does not budget or forecast labor hours but does not expect to deviate materially from 2018

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EXECUTIVE COMPENSATION FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).

SCHEDULE G-3 PAGE 1 OF 1 WITNESS RESPONSIBLE: R. H. METZLER

LINE NO.	DESCRIPTION	 BASE PERIOD	DI	FFERENCE	FORECASTED PERIOD
1	Includes 11 Officers				
2					
3	Gross Pavroll				
4	Salary	\$ 6,828,144	\$	374,109	\$ 7,202,253
5	Other Compensation	\$ 26,786,419	\$	1,879,567	\$ 28,665,986
6	Total Salary and Compensation	\$ 33,614,563	\$	2,253,676	\$ 35,868,239

NOTE: This schedule contains confidential information, detail of these numbers are available upon request.

- (1) The Company's forecast assumes an annual salary adjustment of 3.5%.
- (2) Other compensation includes cash based short-term incentives and stock based long term incentives at target.

Positions included on this schedule are:

Chairman, President and Chief Executive Officer

EVP, Administration and Chief Human Resources Officer

EVP Energy Solutions and President, Midwest and Florida Regions

EVP and Chief Operating Officer

EVP, External Affairs, Chief Legal Officer & Corporate Secretary

EVP Customer & Delivery Operations and President, Carolinas Region

EVP & President, Natural Gas Business

EVP and Chief Financial Officer

SVP, Chief Accounting Officer & Controller

SVP, Tax & Treasurer

State President - OH/KY

These costs are total costs for Duke Energy Corporation, a portion of which are allocated to Kentucky.

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(h)

807 KAR 5:001, SECTION 16(8)(h)

Description of Filing Requirement:

A computation of the gross revenue conversion factor for the forecasted period.

Response:

See Schedule H of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible: Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR GAS SERVICE TO ALL
JURISDICTIONAL CONSUMERS

SECTION H

SECTION H

GROSS REVENUE CONVERSION FACTOR

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

H Computation of Gross Revenue Conversion Factor

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 COMPUTATION OF GROSS REVENUE CONVERSION FACTOR FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPH-a

SCHEDULE H PAGE 1 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	DESCRIPTION		PERCENT OF INCREMENTAL GROSS REVENUE
1	Operating Revenues		100.0000%
2			
3		2.4000	
4	Less: KPSC Maintenance Tax	0.2000%	
5	Subtotal		0.2000%
6			00.00000
8	Income before Income Tax (Line 1 - Line 5)		99.8000%
9	Income Taxes - State of Kentucky		
10	(5.000% * 99.8% * 99.37%)		4.9586%
11			
12	Income before Federal Income Tax (Line 7 - Line 10)		94.8414%
13			
14	Federal income Tax (21% x 94.8414%)		<u>19.9167%</u>
15			
16	Operating Income Percentage (Line 12 - Line 14)		74.9247%
17			4 00 40 700
18	Gross Revenue Conversion Factor (100% / 74.9247%)		1.3346730

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 COMPUTATION OF GROSS REVENUE CONVERSION FACTOR FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: WPH-a

SCHEDULE H PAGE 2 OF 2 WITNESS RESPONSIBLE: S. E. LAWLER

LINE NO.	DESCRIPTION		PERCENT OF INCREMENTAL GROSS REVENUE
1	Operating Revenues		100.0000%
2			
3			
4	Less: KPSC Maintenance Tax	0.2000%	
5	Subtotal		0.2000%
6			
7	Income before Income Tax (Line 1 - Line 5)		99.8000%
8			
9	Income Taxes - State of Kentucky		
10	(5.00% * 99.8% * 99.37%)		4.9586%
11			1.03
12	Income before Federal Income Tax (Line 7 - Line 10)		94.8414%
13			
14	Federal Income Tax (21% x 94.8414%)		19.9167%
15			
16	Operating Income Percentage (Line 12 - Line 14)		74.9247%
17	Operating mounts i ordentage (and in a land in)		
18	Gross Revenue Conversion Factor (100% / 74.9247%)		1.3346730

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(i)

807 KAR 5:001, SECTION 16(8)(i)

Description of Filing Requirement:

Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for five (5) calendar years prior to application filing date, the base period, forecasted period, and two (2) calendar years beyond forecast period.

Response:

See Schedule I-1 through I-5 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible: Michael Covington

Nick Giaimo

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION I

SECTION I

STATISTICAL DATA

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

I-1	Total Company Comparative Income Statements
I-1	Electric Income Statements
I-2.1	Revenue Statistics - Total Company
I-3	Revenue Statistics - Jurisdictional
I-4	Sales Statistics - Total Company
15	Sales Statistics - Invisdictional

DUKE ENERGY KENTUCKY, INC. CASE NO. 2016/20261 TOTAL COMPANY COMPARATIVE INCOME STATEMENTS FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "A" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S):

SCHEDULE I-1 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

								-			MOSTRE	CENT FIVE CALE	NDAR YEARS				
LINE NO	DESCRIPTION	2021	2020	FORECASTED PERIOD	CHANGE	PERIOD	CHANGE	2017	CHANGE	2016	CHANGE	2015	CHANGE	2014	CHANGE	2013	CHANGE
1	UTILITY OPERATING INCOME	EVET	8000	rantou	OTPHIOL.	runnou	OT PATONS	4411	an a march		O POTOL	4010	SCHOOL	Parist.	CHANGE	2013	CHANGE
2	OPERATING REVENUES	507,281,380	489,134,603	468,380,272	(3.47)%	485,203,380	13.08%	429,072,243	(2.86)%	440,779,989	(5.58)%	496,754,287	(4.50)%	488,724,225	10,12%	443,803,682	3.78%
3	OPERATING EXPENSES	-	Tample days		14	100000								Heat in the same	interior.	+10,000,002	3.70%
4	OPERATION EXPENSES	275,071,462	270.964.081	285.325.104	(2.23)%	271,366,550	3.71%	261.647.225	(3.15)%	270,158,902	(5.97)%	267.322.431	(12.01)%	326.535.049	15,18%	283.496.847	3.17%
5	MAINTENANCE EXPENSES	22,419,702	28,322,385	24,650,205	(45.55)%	47,913,985	37 43%	34,864,014	4.13%	33,479,990	4.18%	32,137,254	(15.35)%	37,977,378	41.33%	26.672.031	(22,97)9
6	DEPRECIATION EXPENSE	73.984.084	70,580,499	69.362.574	33.73%	51.865.367	18.30%	43.842.295	6.79%	41,052,844	0.14%	40.995.981	(0.11)%	41,040,255	0.48%	40,542,798	2.95%
7	AMORY, & DEPL OF UTILITY PLANT	0	0	0	(100.00)%	4.921.775	28.89%	3,824,519	46.23%	2,615,436	(7.14)%	2.818.554	(13.49)%	3,255,908	(3.91)%	3,388,297	(14.67)%
A	REGULATORY DEBITS	10,639,017	10.639.017	10.639.017	(5.57)%	11,288,101	1967.27%	544,974	(89.14)%	5.017,219	117.17%	2.310.291	141.50%	(5,587,558)	22.05%	(7,142,904)	(206,36)9
0	REGULATORY CREDITS	0	0	0,000,017	100,00%	(1.710.384)	38.32%	(2,772,810)	(160.43)%	(1.084,723)	(166.48)%	(399.545)	(63119.72)%	634	22.00%	(1,142,004)	(200,30)%
10	TAXES OTHER THAN INCOME TAXES	20.089.883	19.047.964	18.247.693	23.77%	14 743 375	3.68%	14 222 244	(216)%	14.536.730	12.14%	12.963.093	(3.21)%	13,393,124	2.78%	13.033.671	(12.23)9
11	INCOME TAXES - FEDERAL	9.508.840	9.176.500	6.648.641	143,50%	(15.279.138)	0.07%	(15,290,192)	(309.64)%	(3.732.587)	(339,90)%	1.555.907	409.40%	(502,877)	(103.33)%	15,119,669	976,92%
12	INCOME TAXES - OTHER	1,888,999	1,582,478	970,678	238,58%	(710,700)	(88.93)%	(376,169)	56.88%	(872.454)	(9.78)%	(794.708)	(143.79)%	1.814.798	66,48%	1,090,085	(86,89)%
13	PROVISION FOR DEFERRED INCOME TAXES	3,946,377	1.049.454	1,901,844	(97.36)%	72,057,957	(22.25)%	92,675,520	2.12%	90,755,536	(37.05)%	144.168.278	153.65%	56.638,365	55.08%	36.651.638	
14	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	9,8-10,311	1,010,101	1,001,000	100.00%	(40,853,565)	27.93%	(56,685,665)	18.00%	(69,127,951)	40.95%	(117.061,800)	(217,60)%	(36,658,043)	(30.94)%	(28,148,659)	(33.38)%
15	INVESTMENT TAX CREDIT ACI - NET	0		n	100.00%	(78.555)	(0.15)%	(78,441)	12.98%	(90,148)	7.27%	(97,218)	1.08%	(96,261)	9.06%		34.21%
16	GAINS FROM DISP OF ALLOW - CREDIT		0.		100.00%	(23)	10.10/10	(23)	12.004	(80.140)	100.00%	(8,051)	(5892.09)%	(139)	(51.09)%	(108,070)	18.22%
17	ACCRETION EXPENSE				100.007	0		0		o o	100.00 #	10,401,	Inche calle	1130)	(51.00)%	(82)	59.29%
18	TOTAL UTILITY OPERATING EXPENSES	417,548,124	411.332.378	307,743,756	(4.27)%	415,503,788	10.38%	376,417,501	(1.66)%	382,726,616	(5.71)%	405,006,679	(7.29)%	437,828,813	13.69%	385,094,903	0.84%
19	NET UTILITY OPERATING INCOME	89,733,236	77.802.225	70,616,516	1.32%	69,699,592	32.37%	52,654,742	(9.30)%	56,051,173	(4,59)%	60,845,608	19.55%	50,695,612	(13.31)%	58,706,779	
20	OTHER INCOME AND DEDUCTIONS	00,100,000	11,000,000	70,010,010	1.06 18	00,000,000	Off of the	90,000,190	10,00114	50,001,115	14,047.4	00/070/000	14,00%	00,000,012	(10.01)36	20,700,778	30.48%
21	OTHER INCOME																
22	NONUTILITY OPERATING INCOME	220,000	220,000	220,000	(68.60)%	700,564	(0.56)%	704.469	81.76%	387,576	18,76%	326.352	753.20%	(49.962)	(122.00)%	-	Mark was
23	INTEREST AND DIVIDEND INCOME	1.903.898	1.705.518	1.769.129	11,20%	1,590,995	28.75%	1,235,748	24.80%	990,145	(2,88)%	1.019.460	(12.71)%	1.167.638	7,86%	227,147	(27.24)%
					(25.45)%	3,310,307	(1.43)%	3.358.208	152.08%	1,332,221	115.08%	619.484	24.49%			1,062,777	(12.93)%
24	ALLOWANCE FOR FUNDS USED DURING CONST	2,731,482 1,718,583	2,964,593	2,367,463 895,880	24.78%	717,950	17258,56%	4.138	394,39%	(1.405)	(2701.85)%	54	(99,96)%	497,621 230,387	3.59%	480,390	88,11%
	MISCELLANEOUS NONOPERATING INCOME	1,710,063	1,170,216	060,000	24.70%	/17,900	(100.00%	17.045	(55,78)%	38,549	(83,97)%	240,478	(88,90)%	230,307		(77)	(108.09)%
26	GAIN ON DISPOSITION OF PROPERTY	- 0	0	- 0	Tuesday -	0	18.80%	5,319,608	93.65%	2,747,088	24.54%	2.205,808	19.50%	1 5 22 5 2 2	(100.00)%	3,439,636	634.73%
27	TOTAL OTHER INCOME	6,573,943	6,061,327	5,252,472	(16,89)%	6,319,806	16.00%	5,319,000	10.00%	2,747,000	24.04%	2,205,808	19.50%	1,645,882	(64,71)%	5,229,873	129.05%
26	OTHER INCOME DEDUCTIONS				********	-	(30.93)%	115.829	965.41%	10.853	324.81%	(4,832)		- 2			
29	LOSS ON DISPOSITION OF PROPERTY	0	0	0	(100.00)%	79,868			97.62%	2.038.243	7.65%		80.65%	1,047,086		0	(100.00)%
30	MISCELLANEOUS INCOME DEDUCTIONS	- 0	. 0	- 0	(100.00)%	3,163,413	(21,39)%	4,024,010				1,891,589			(1.54)%	1,053,456	(41,48)%
31	TOTAL OTHER INCOME DEDUCTIONS	- 0	0	0	(100.00)%	3,243,261	(21.65)%	4,139,830	102.22%	2,047,098	8.50%	1,686,737	80.19%	1,047,088	(1.54)%	1,083,486	(42,14)%
32	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS					212 200		249 199	49 000	400.000	-	400.000			Likeway	377.07	5.78.3
33	TAXES OTHER THAN INCOME TAXES	0	0	0	(100,00)%	111.174	(5.12)%	117,175	17.09%	100,089	(20,74)%	128.257	2.47%	123,213	(17.72)%	149,754	8,63%
34	INCOME TAXES - FEDERAL	0	0	0	(100.00)%	304,344	(83.53)%	1,848,320	(41.36)%	3,152,242	(4,15)%	3,268,690	(32.53)%	4,874,288	1803.97%	258,008	(90.69)%
35	- OTHER	0	0	0	(100.00)%	109,908	(62.08)%	289,565	(43,42)%	511,744	(6,54)%	549,325	(31.64)%	803,577	314.30%	(374,970)	(201.28)%
36	PROVISION FOR DEFERRED INCOME TAXES	0	0	0	(100.00)%	1,199,547	(17.64)%	1,456,786	540.68%	227,382	(95.66)%	6,806,421	(23.66)%	8.918.548	49.91%	5,949,385	2159.84%
37	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	0	0	0	100.00%	(21,715,536)	13.11%	(24,991,931)	(589.21)%	(3.734,569)	63.67%	(10,260,872)	29.57%	(14.596,954)	(217.11)%	(4,603,167)	(35.87)%
38	INVESTMENT TAX CREDIT ADJ - NET	0	0		100.00%	(743)	91.06%	(8,911)	78.81%	(42,057)	44.10%	(75,340)	and and -	(75,340)	(117.13)%	439,863	202.01%
39	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	0	0	0	100.00%	(19,991,108)	6.10%	(21,288,996)	(10010.57)%	214,811	(48,42)%	416,481	779.95%	47,330	(97.40)%	1,816,891	704.07%
40	NET OTHER INCOME AND DEDUCTIONS	6,573,943	6,061,327	5,252,472	(77.23)%	23,067,633	2.60%	22,468,963	4531.07%	485,179	596.00%	(97,410)	(112.96)%	751,486	(68.02)%	2,349,495	214.88%
41	INTEREST CHARGES						33.31	1121441	4414	Service Con-	Con made	an annual	and the same	TO TALL SERVICE	7.7		
42	INTEREST ON LONG TERM DEBT	26,329,783	24,286,331	23,882,304	32.89%	17,971,460	22.94%	14,618,543	8.24%	13.759,989	13.00%	12,168,565	(13.53)%	14.072,708	(0,09)%	14,170,932	(0,16)%
43	AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	249,934	299,061	383,169	20,36%	318,361	5,51%	301,742	(59.66)%	748,311	79.14%	417.713	(2.92)%	430,274	(12.11)%	469,575	(5.15)%
44	AMORTIZATION OF LOSS ON REACQUIRED DEBT				(100.00)%	266,474		265,474		266,474		268,474	Y	265,474	(3.52)%	276,185	(2.45)%
45	AMORTIZATION OF PREMIUM ON DEBT - CREDIT					0	415.54.70	0	200.5	0	-	0		0		0	-
46	INTEREST ON DEBT TO ASSOC. COMPANIES	782,500	750,000	754,177	(51.58)%	1,557,562	243,32%	453,674	98.02%	229,106	21,01%	189,334	1063.63%	16,271	1880,38%	830	(52.65)%
47	OTHER INTEREST EXPENSE	1,275,287	1,180,423	1,046,701	(24.20)%	1,380,617	(0.25)%	1,384,300	(6.84)%	1,485,968	(15.33)%	1,755,061	(2.08)%	1.792,335	41.27%	1,268,769	(53.64)%
48	ALLOW FOR BRWD FUNDS USED DUR CONST - CREDIT	(952,634)	(1,030,368)	(630,749)	58.30%	(1,995,633)	(53.59)%	(1,299,958)	(141.88)%	(537,434)	(130,32)%	(224,589)	3.53%	(232,777)	(7.03)%	(217,495)	(2.77)%
49	NET INTEREST CHARGES	27,854,670	25,485,447	25,235,602	29.43%	19,496,040	24.00%	15,724,775	(1,43)%	15,952,414	9,47%	14,572,568	(10.85)%	16,345,253	2.23%	15,988,798	(8.74)%
50	NET INCOME	68,642,509	58,378,105	50,633,386	(30.89)%	73,269,185	23,35%	59,398,930	39.49%	42,583,938	(7.78)%	46,175,630	30.80%	35,301,815	(21.67)%	45,059,479	59.70%

DUKE ENERGY KENTUCKY, INC. CASE NO. 2016-00261 GAS NET INCOME COMPARATIVE INCOME STATEMENTS FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE H1 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

												MOST RE	CENT FIVE CALE					
NO.	DESCRIPTION	2021	2020		PERIOD	CHANGE	PERIOD	CHANGE	2017	CHANGE	2016	CHANGE	2015	CHANGE	2014	% CHANGE	2013	CHANGE
2	Operating Income Operating Revenues	108,914	639 109,20	9,530	94,520,290	(7.01)%	101,642,775	7.94%	94.164,214	1.24%	83,009,868	(10.96)%	104,452,723	(14.00)%_	122,400,859	19.53%	102,404,440	13.94
3	Operating Income Deductions																	
4	Contailing and Maintenance Expenses:																	
5	Gas Production Expenses		0	0	1,355,623	(33.02)%	2,023,946	154.97%	793,792	(25.43)%	1,064,480	10.50%	963,293	33.87%	719.564	108.85%	344,868	86.78
6	Purchased Gas Expenses	36,566	.075 37,12	29,021	36,414,641	(11.28)%	41,045,798	8.94%	37,679,080	14.21%	32,990,045	(21.52)%	42,038,602	(30.41)%	60,405,548	30,19%	46,397,538	22.21
7	Other Gas Supply Expenses		0	0	0	(100,00)%	740,391	41.58%	523,005	(40.28)%	875,719	(9.23)%	964,793	(7.50)%	1,043,049	(20.37)%	1,309,849	****
8	Transmission Expenses		. 0	0	0	(100.00)%	991	(63.51)%	2.716	(80.55)%	6,686	6.09%	6,490	3315.79%	190	A	0	
9	Distribution Expenses	19,456	627 19,30	1,753	11,842,477	28.03%	9,328,222	(16.00)%	11,105,384	13.55%	9,780,129	13.96%	8,580,421	(15.17)%	10,114,332	36.91%	7,387,642	(0.45)
10	Customer Accounts Expenses		0	0	3,261,428	(12.80)%	3,754,596	3.48%	3,628,311	(9.46)%	4,007,280	11.73%	3,586,728	1,85%	3,521,723	(1.97)%	3,592,467	(11.19
11	Customer Service and Informational Expenses		0	0	426,836	(1,07)%	431,453	(4.43)%	451,439	(10.74)%	505,759	(20.03)%	632,454	(19,76)%	788,222	(28.51)%	1,072,597	(20.76)
12	Seies Expenses		0	0	200,467	27.57%	157,145	47,79%	108.331	13,13%	93,991	(18.16)%	114.847	(45.01)%	208,865	1174.11%	16,393	(40.06
13	Administerative and General Expenses	5,537	922 5.08	55,958	6,963,873	(22.87)%	9,028,322	32.41%	6,818,494	4.92%	6,496,688	(16.53)%	7,786,096	18.20%	6,583,812	(19,80)%	8,188,586	(14.36
14	Other		0	0	0	100,00%	(1,535,422)	(381.74)%	544.974	(80.49)%	2,793,990	33,11%	2.096.950	1148,33%	(200,219)	95,85%	(4,600,714)	
15	Total (Line 5 through Line 14)	81,580	625 81.60	06.732	80,585,345	(8.76)%	64,975,442	5.39%	81,853,528	5.18%	58,617,164	(12.21)%	88,772,671	(19.73)%	83,185,084	30.57%	63,709,226	(868,18
16	Degraciation Expense	16,773		0,525	14.349.517	16.48%	12,321,557	6.30%	11,591,542	6.04%	10,931,715	2.10%	10,701,058	1.24%	10.570.327	2.72%	10,290,736	5.9
17	Amort. & Dept. of Utility Plant	19,110	0	0	1,350,115	(39.99)%	2,249,648	58.14%	1.422.574	71.12%	831,341	2.12%	814,087	(18.96)%	1.004.742			3.0
81	Taxes Other Than Income Taxes	4,435		10.831	4,142,425	18.18%	3,505,874	4.19%	3,364,888	(30,75)%	4,858,897	19.16%	4,077,676	(8.96)%	4,382,582	(22.61)%	1,298,304	(6.45
10	Income Taxes - Federal	3,409		2.157	327.143	(90.73)%	3,529,512	148.10%	(7,656,112)	(210.83)%	6,906,014	(13,00%	7.940.333	2187.05%	347,187	6.58%	4,112,119	1.3
20	Income Texas - Other	562		2,557	(215,575)	(128.68)%	807,891	190.05%	(896,836)	(181.11)%	1,105,745	15.09%	936,373	24.50%			3,933.936	374.0
21	Provision for Deferred Income Taxes - Net	280		0.599	862,802	252,56%	(586,197)	(104,80)%	12,717,213	454.20%	(3,590,389)	(194.49)%	(1,219,192)	(117,39)%	752,093	267.32%	204,753	(69.76
22		200	382 07	0.536	(86,055)		(87,241)	0.16%	(87,361)	1.96%	(68,706)	0.65%			7,011,309	123.57%	3,136,016	(79.96
	Investment Tex Credit Adj - Net		0	0	(00,000)	1.76%		0,10%	(07,301)	1.90%	(60,700)	0.00%	(69,155)	1,52%	(70,220)	1,67%	(71,412)	(0.09
23	Geins From Disp of Allow - Credit		0	0	0		0		0		0		0		0		0	
24	Accretion Expense		0	0	- 0	2100	0	11.0	0	2.4.	0		0		0		. 0	
5	Total Utility Operating Expenses	87,071		3,401	81,386,717	(6.19)%	88,737,486	5.61%	82,129,444	3.19%	79,593,780	(11.52)%	69,953,631	(18.07)%	107,183,084	23.75%	66,613,680	(4.15
16	Net Utility Operating Income	21,842	804 22,62	86,138	13,154,573	(11.75)%	14,005,289	23.85%	12,034,770	(10.30)%	13,416,088	(7.47)%	14,498,802	(4.72)%	15,217,575	(3.63)%	15,790,780	3373.90
27 28	Other Income And Deductions Other Income;																	
29	Nonsatility Operating Income		0	0	0		0		à	-	n	1.0	0		0			
30	Equity in Earnings of Subsidiary Companies		0	0	0	-	0		0		0	-	0		0		0	
31	Interest and DMdend Income	641		9.782	851,886		0		0	2	0				0			
						82.40%		er + 1111	600,580	104.34%	293,820	460 02%	CO 400	JF 000			0	
32	Allowence for Funds Used During Const	1,315		9,652	1,035,574	BLAUS	567,749	(5.44)%	0,0,500	104.3476	200,020	400 0234	52,486	45,03%	36,176	50.85%	23,981	115.10
	Miscellaneous Nonoperating Income	522	404 30	7,974	248,134		U		U						0		0	
34	Gain on Disposition of Property	4 164	0	0	0	Anna San -	0	- 100	0		0		0	2000	0		0	
36	Total Other Income	2,480	203 2,67	7,408	2,135,374	278.11%	587,749	(5.44)%	600,389	104.34%	293,820	480,02%	52,408	45.03%	36,178	50.85%	23,961	115.10
36	Other Income Deductions:		0	0			0						-				5	
	Loss on Disposition of Property		0	0			-		0	-					-		0	
38	Miscellaneous Income Deductions	_	0	0			0		0		0	-	0		0		0	
99	Total Other Income Deductions	_	0	0	0	7-	0		0	-		-	0	*	0		0	
60	Taxes Applicable to Other Income and Deductions																	
61	Income Types and investment Tex Credits		0	0	0		0	1.	0	1.0	.0		0	-	0		0	
12	Taxas Other Than Income Taxas		0	0	0		0		0		0		0				0	
13	Total Taxes on Other Income and Deductions	-	0	0	0	-	0	-	0		0		0	-	- 0	_	0	
4	Net Other Income and Deductions	2,480		7,408	2,135,374	276.11%	567,749	(5.44)%	800,389	104.34%	293,820	480.02%	52,400	45.03%	36,176	50.85%	23,961	115.10
45	Interest Charges																	
66	Interest on Long Term Debt	7.898	935 7.29	5,899	7.164.691	29.70%	5.524.067	22.94%	4,493,448	6.24%	4,229,545	13.08%	3,740,374	(13.53)%	4,325,888	(0.69)%	4,355,881	(0,16)5
7	Amortization of Debt Discount and Expense			9.719	114,981	17.50%	97,858	5.51%	92,749	(59.68)%	230,016	79.14%	128,397	(2.92)%	132.258	(12.11)%	150,486	(5,15)
IR.	Amortization of Loss on Rescouted Debt		0	0	0	(100.00)%	81,909	-	81,900	***************************************	81,909		81,909		81,900	(3.52)%	84,894	(2.46)
69	Amortization of Premium on Debt - Credit		0	0	0	1100.00/20	01,000		01,000		0		0		01,000	formet ap	04,094	(2.46)
50	Interest on Debt to Assoc. Compenies		0	0	0	(100.00)%	478,763	243,32%	139,450	96.02%	70,423	21.01%	58,197	1083,71%	5,001	1861,18%	256	an acce
		143.	5m ++	3,502	0	(100.00)%	424,438	(0.25)%	425,508	(8.84)%	458.757	(15.33)%	539,468	(2.08)%	550,928	41.27%		(52.69)
51	Other Interest Expense						(292,683)	(42.35)%	(205,612)	(104.75)%	(100,423)	(401.00)%	(20,041)	(43.32)%	(13,983)		389,994	(53.64)
	Allow For Brwd Funds Used Dur Const - Credit	(427,		0,185)	(336,252)	(14.89)%				1,19%	4,988,227	9.71%	4,526,304			(49.07)%	(9,380)	(119.46)
23	Net Interest Charges	7,890		8,935	6,943,420	9.96%	6,314,350	25.60%	6,027,450					(10.89)%	5,081,781	2.21%	4,972,110	(9.56)
54	Net Income	16,632	580 18,27	4,611	6,346,527	(8.87)%	9,158,688	20.39%	7,607,709	(12.97)%	6,741,681	(12.78)%	10,023,054	(1.46)%	10,171,970	(6.19)%	10,842,631	278.60
55	1,000 MCF Sold	13,222			13,148,361		14,153,031		12,037,889		11,941,728		13,203,617		14,855,099	3.4	13,722,019	
56	Net income per MCF Sold	\$.26 \$	1.39	\$ 0.63		\$ 0.65		0.63		0.73		0.78		0.68	5	0.79	

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 REVENUE STATISTICS-TOTAL COMPANY FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).

SCHEDULE I-2.1 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

		TWO PROJ		PODEOLOGE						
INE	DESCRIPTION	CALENDAR 2021	YEARS 2020	FORECASTED PERIOD	BASE _	2017		7 FIVE CALEN 2015	DAR YEARS 2014	2013
1	REVENUE BY CUSTOMER	2021	2020	PERIOD	PERIOD	2017	2016	2015	2014	2013
2	CLASS-\$ (A)									
3										
4	RETAIL -	00 000 440		00 110 057	07.744.050			*********	70 704 004	00 004 00
	RESIDENTIAL	63,308,148	63,250,929	62,113,657	67,714,656	61,825,680	62,214,654	69,532,324	79,784,994	66,991,06
5	COMMERCIAL	21,161,070	21,593,121	21,456,292	24,267,491	21,472,263	20,343,213	23,562,493	30,142,293	24,283,55
6	INDUSTRIAL	982,110	1,057,077	1,155,283	1,608,370	1,584,623	1,348,659	1,943,337	2,317,118	1,954,72
7	OTHER	2.233.921	2.241.050	2.236.248	2.438.316	2.328.378	2.145.080	2.564.071	3,348,679	2.681.82
8	TOTAL RETAIL	87,685,249	88,142,177	86,961,480	96,028,833	87.210.944	86,049,606	97.602.225	115,593,084	95,911.1
9	TRANSPORTATION -	0.272.734				102225	1000000	212.22		
10	COMMERCIAL	1,708,020	1,644,770	1,558,548	1,193,219	1,029,849	1,083,520	840,391	912,251	819,1
11	INDUSTRIAL	3,399,193	3,314,915	3,238,910	2,922,288	2,871,199	2,920,394	3,042,762	2,926,678	2,567,6
12	OTHER	414,309	408,237	385,738	383,927	880,183	903,685	938,838	1,056,469	1,011,7
13	OTHER END USERS	1.405.449	1.405.022	1.404.958	2.071,407	1.570.337	1.499.024	1.383.058	1.355.837	1.540.4
14	TOTAL TRANSPORTATION	6,926,971	6.772,944	6.588.152	6,570,841	6,351,568	6.406.623	6.205.049	6.251,235	5.939.0
15	TOTAL REVENUES	94.612.220	94,915,121	93.549.632	102.599.674	93.562.512	92,456,229	103.807.274	121.844.319	101,850,1
6										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -								200	444
20	RESIDENTIAL	93,852	93,292	93,187	91,927	91,702	90,896	90,056	89,668	89,1
21	COMMERCIAL	7,285	7,242	7,234	7,113	7,154	7,294	7,281	7,284	7.1
22	INDUSTRIAL	214	213	212	205	208	210	217	206	2
23	OTHER	382	379	379	365	363	372	367	365	3
24	TOTAL RETAIL	101,733	101.126	101.012	99.610	99,427	98,772	97,921	97.523	96.9
5	TRANSPORTATION -		-		7.7700					
26	COMMERCIAL	44	44	44	44	44	44	41	38	
27	INDUSTRIAL	37	37	37	37	37	38	39	38	
28	OTHER	13	13	13	13	13	13	16	16	
29	OTHER END USERS	22	22	22	22	22	22	21	21	
30	TOTAL TRANSPORTATION	116	116	116	116	116	117	117	113	1
31	TOTAL CUSTOMERS	101.849	101.242	101.128	99,726	99,543	98.889	98.038	97,636	97.0
32	TOTAL COSTOMERO	101.010	The Laborator	141114	-		-			
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -	92,874	92,320	91,964	91,580	90,738	89,990	89,195	88,731	88.2
36	RESIDENTIAL	7,209	7,166	7,139	7,041	7,022	7,131	7,100	7,087	6,9
37	COMMERCIAL		210	210	205	207	205	209	208	
38	INDUSTRIAL	212		374	364	366	367	367	361	
39	OTHER	378	375	99,686	99,189	98,331	97,693	96.871	96,387	95.
40	TOTAL RETAIL	100.673	100.071	33,000	99.109	90.001	91.000	20.011	******	
41	TRANSPORTATION -		44		44	44	44	40	38	
42	COMMERCIAL	44	44	44	36	38	39	38	38	
43	INDUSTRIAL	37	37	37			14	16	18	
44	OTHER	13	13	13	13	13	22	20		
45	OTHER END USERS	22	22	22	22	22			115	
46	TOTAL TRANSPORTATION	116	116	116	115	117	119	96,985	96.502	95.
47	TOTAL CUSTOMERS	100.789	100,187	99.802	99.304	98.448	97.812	10,100	50,502	22.
48										
49	AVERAGE REVENUE PER									
50	CUSTOMER									
51	RETAIL -				Lane.	4.01	100	-		
52	RESIDENTIAL	682	685	675	739	681	691	780		
53	COMMERCIAL	2,935	3,013	3,006	3,447	3,058	2,853	3,319		3
54	INDUSTRIAL	4,633	5,034	5,513	7,846	7,655	6,569	9,298	11,140	9,
55	TRANSPORTATION -							1.710EV.	2020	10
56	COMMERCIAL	38,819	37,381	35,422	27,119	23,408	24,625	21,010		22
~	INDUSTRIAL	91,870	89,592	87,538	81,175	75,558	74,882 68,137	80,073		75 66
57								69,153	64,564	

(A) Contains Billed Sales.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 REVENUE STATISTICS-JURISDICTIONAL FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(8).

SCHEDULE I-3 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

INE			AR YEARS	FORECASTED	BASE		MOST RECENT F			
	DESCRIPTION	2021	2020	PERIOD	PERIOD	2017	2016	2015	2014	2013
1	REVENUE BY CUSTOMER									
2	CLASS-\$ (A)									
3	RETAIL -									
4	RESIDENTIAL									
5	COMMERCIAL									
6	INDUSTRIAL									
7	OTHER									
В	TOTAL RETAIL									
9	TRANSPORTATION -									
0	COMMERCIAL									
1	INDUSTRIAL									
2	OTHER									
3	OTHER END USERS									
4	TOTAL TRANSPORTATION									
5	TOTAL REVENUES									
6										
7	NO. OF CUSTOMERS BY									
8	CLASS (YEAR END)									
9	RETAIL -									
0	RESIDENTIAL									
1	COMMERCIAL									
22	INDUSTRIAL									
23	OTHER									
24	TOTAL RETAIL									
25	TRANSPORTATION -									
6	COMMERCIAL					MOANY ODED	TIONE ARE HIRI	CDICTIONAL		
27	INDUSTRIAL		SAME AS S	CHEDULE I-2.1 - 1009	6 OF TOTAL CC	MPANT OPERA	HONS ARE JURI	SDICTIONAL		
28	OTHER									
29	OTHER END USERS									
30	TOTAL TRANSPORTATION									
31	TOTAL CUSTOMERS									
32										
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL									
37	COMMERCIAL									
38	INDUSTRIAL									
39	OTHER									
40	TOTAL RETAIL									
41	TRANSPORTATION -									
42	COMMERCIAL									
43	INDUSTRIAL									
44	OTHER									
45	OTHER END USERS									
48	TOTAL TRANSPORTATION									
47	TOTAL CUSTOMERS									
48	AVERAGE DEVENUE DER									
49	AVERAGE REVENUE PER									
50	CUSTOMER									
51	RETAIL -									
52	RESIDENTIAL									
53	COMMERCIAL									
54	INDUSTRIAL									
55	TRANSPORTATION -									
	COMMERCIAL									
56	IMPLICATION									
	INDUSTRIAL OTHER END USERS									

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 SALES STATISTICS-TOTAL COMPANY FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).

SCHEDULE I-4 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

NE		TWO PROJ CALENDAR		FORECASTED	BASE	MOST	RECENT FIVE	CALENDAR Y	FARS	
	DESCRIPTION	2021	2020	PERIOD	PERIOD	2017	2016	2015	2014	2013
1	SALES BY CUSTOMER		ROLL	LINOL	1 11100	2011	2010	2010	2014	2010
2	CLASS-MCF (A)									
	RETAIL -									
	RESIDENTIAL	5,845,688	5.777,074	5,792,062	6,398,396	5.168,611	5.120.342	5,989,448	7.038.088	6,483,7
	COMMERCIAL	2.663.199	2,721,112	2,753,793	3.280.623	2.645.907	2.590.807	3.073.842	3,469,605	3,091,0
	INDUSTRIAL	147,800	160,188	171,718	158,868	214,272	205,333	264,218	299,373	273,9
	OTHER	330,609	331,106	333,584	362,402	311,516	317,877	368,469	423,752	376.
	TOTAL RETAIL	8.987.294	8,989,480	9.051,137	10.200.289	8,340,306	8,234,359	9,695,977	11,228,818	10,225
	TRANSPORTATION -									
)	COMMERCIAL	737,183	705,441	683,226	580,168	467,414	463,688	385,850	421,372	377.
	INDUSTRIAL	1,824,907	1.774,778	1,746,249	1,609,508	1,520,851	1,558,044	1,585,371	1,630,363	1,383,
2	OTHER	192,508	189,651	187,756	187,198	160,350	171,904	197,596	239,769	225.
3	OTHER END USERS	1,480,511	1,480,061	1,479,993	1,575,872	1,548,968	1,513,733	1.338,823	1,334,777	1,509
	TOTAL TRANSPORTATION	4,235,109	4,149,931	4,097,224	3,952,742	3,697,583	3,707,369	3,507,640	3,626,281	3,496
,	TOTAL SALES	13.222.403	13.139.411	13.148.361	14.153.031	12.037.889	11.941.728	13.203.617	14,855,099	13.722
	TOTAL BALLS	19-222-909	13.138.311	19.140.301	14.100.001	TA NOT THE	TIMELLIAM	TAMANA	14/19/07/19/08	134.1.55
3										
	NO. OF CUSTOMERS BY									
3	CLASS (YEAR END)									
3	RETAIL -							FURAE	10.000	
3	RESIDENTIAL	93,852	93,292	93,187	91,927	91,702	90,896	90,056	89,668	89
1	COMMERCIAL	7,285	7.242	7,234	7.113	7,154	7.294	7,281	7,284	7
2	INDUSTRIAL	214	213	212	205	208	210	217	206	
3	OTHER	382	379	379	365	363	372	367	365	
	TOTAL RETAIL	101,733	101,126	101,012	99,610	99,427	98,772	97,921	97,523	96
5	TRANSPORTATION -	101,700	101,120	101.012	00,010	00,421			allen.	
		44	44	44	44	44	44	41	38	
3	COMMERCIAL			37	37	37	38	39	38	
7	INDUSTRIAL	37	37						16	
3	OTHER	13	13	13	13	13	13	16		
9	OTHER END USERS	22	22	22	22	22	22	21	21	
0	TOTAL TRANSPORTATION	116	116	116	116	116	117	117	113	-
1	TOTAL CUSTOMERS	101.849	101.242	101.128	99.726	99,543	98.889	98,038	97.636	97
2										
3	NO. OF CUSTOMERS BY									
4	CLASS (AVERAGE)									
5	RETAIL -									
6	RESIDENTIAL	92,874	92,320	91,964	91,580	90,736	89,990	89,195	88,731	88
7	COMMERCIAL	7,209	7,166	7.139	7,041	7.022	7,131	7,100	7,087	
		212	210	210	205	207	205	209	208	
8	INDUSTRIAL			374	364	386	367	367	361	
9	OTHER	378	375				97.693	96,871	96,387	95
0	TOTAL RETAIL	100,673	100,071	99.686	99,190	98,331	87,085	80,071	50,507	
1	TRANSPORTATION -			743			44	40	38	
2	COMMERCIAL	44	44	44	44	44	44	40		
3	INDUSTRIAL	37	37	37	36	38	39	38	38	
4	OTHER	13	13	13	13	13	14	16	18	
5	OTHER END USERS	22	22	22	22	22	22	20	21	
8	TOTAL TRANSPORTATION	116	116	116	115	117	119	114	115	
7	TOTAL CUSTOMERS	100.789	100.187	99.802	99,305	98,448	97.812	96,985	96,502	9:
	TOTAL COSTOMERS	100.130	100.107	22.22	-	-	1			
8										
9	AVERAGE SALES PER									
0	CUSTOMER-MCF									
1	RETAIL -			0.4	501	-	-	67	79	
2	RESIDENTIAL	63	63	63	70	57	57			
3	COMMERCIAL	369	380	386	466	377	363	433	490	
4	INDUSTRIAL	697	763	819	775	1,035	1,002	1,264	1,439	
55	TRANSPORTATION -								12 252	
68	COMMERCIAL	16,754	16,033	15,528	13,186	10,623	10,538	9,648	11,089	1
		49,322	47.967	47,196	44,709	40,022	39,950	41,720	42,904	4
57 58	INDUSTRIAL OTHER END USERS	67,296	67,276	67,272	71,631	70,408	68,806	66,941	63,581	6
		07.296	07.276	01,212	/1,001	70,400	00,000	00.01		

(A) Contains Billed Sales.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00281 SALES STATISTICS-JURISDICTIONAL FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).

(A) Contains Billed and Unbilled Sales.

SCHEDULE I-5 PAGE 1 OF 1 WITNESS RESPONSIBLE: N. GIAIMO

LINE	DESCRIPTION	TWO PROJECTED CALENDAR YEARS FORECASTED		FORECASTED	BASE		MOST RECENT F	IVE CALENDAR	YEARS	
		2021	2020	PERIOD	PERIOD	2017	2016	2015	2014	2013
1	SALES BY CUSTOMER									
2	CLASS-MCF (A)									
3	RETAIL -									
4	RESIDENTIAL									
5	COMMERCIAL									
6	INDUSTRIAL									
7	OTHER									
8	TOTAL RETAIL									
9	TRANSPORTATION - COMMERCIAL									
10	INDUSTRIAL									
12	OTHER									
13	OTHER END USERS									
14	TOTAL TRANSPORTATION									
15	TOTAL SALES									
16										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL									
21	COMMERCIAL									
22	INDUSTRIAL									
23	OTHER									
24	TOTAL RETAIL									
25	TRANSPORTATION -									
26	COMMERCIAL			000000000000000000000000000000000000000	OF TOTAL COL	PANY OPERA	TIONS ARE ILIPI	SDICTIONAL		
27	INDUSTRIAL		SAME AS SCHEDULE I-4 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL							
28	OTHER									
29	OTHER END USERS TOTAL TRANSPORTATION									
31	TOTAL CUSTOMERS									
32	TOTAL COSTONILING									
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL									
37	COMMERCIAL									
38	INDUSTRIAL									
39	OTHER									
40	TOTAL RETAIL									
41	TRANSPORTATION -									
42	COMMERCIAL									
43	INDUSTRIAL OTHER									
44	OTHER END USERS									
46	TOTAL TRANSPORTATION									
47	TOTAL CUSTOMERS									
48	TOTAL COSTONIERO									
49	AVERAGE SALES PER									
50	CUSTOMER-MCF									
51	RETAIL -									
52	RESIDENTIAL									
53	COMMERCIAL									
54	INDUSTRIAL									
55	TRANSPORTATION -									
56	COMMERCIAL									
57 58	INDUSTRIAL									
	OTHER END USERS									

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(j)

807 KAR 5:001, SECTION 16(8)(i)

Description of Filing Requirement:

A cost of capital summary for both the base and forecasted period with supporting schedules, which provide details on each component of the capital structure.

Response:

See Schedules J-1 through J-4 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Witness Responsible: John L. Sullivan, III

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION J

SECTION J

RATE OF RETURN

DUKE ENERGY KENTUCKY

Base Period: As of November 30, 2018

Forecasted Period: Thirteen Month Average Ended March 31, 2020

Schedules

J-1	Cost of Capital Summary
J-2	Embedded Cost of Short-Term Debt
J-3	Embedded Cost of Long-Term Debt
J-4	Embedded Cost of Preferred Stock
	(Not Included per KyPSC Standard Filing Requirements)

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 COST OF CAPITAL SUMMARY AS OF NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).: See Below

SCHEDULE J-1 PAGE 1 OF 2 WITNESS RESPONSIBLE: J. L. SULLIVAN

NO.	CLASS OF CAPITAL	REFERENCE	AMOUNT (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		594,426,495	49.042%	9.900%	4.855%
2	Long-Term Debt	J-3	413,610,628	34.124%	4.315%	1.472%
3 4	Short-Term Debt	J-2	204,043,917	16.834%	3.736%	0.629%
5 6 7	Total Capital		1.212.081.040	100.000%		6.956%
8	Accumulated Deferred Investment Tax Credit					
9 10 11	Account 255	WPB-6	3.528.662			
12	Investment Tax Credit Included in Total Capital					
14	Common Equity		596,157,021	49.042%	9.900%	4.855%
15	Long-Term Debt		414,814,749	34.124%	4.315%	1.472%
16 17	Short-Term Debt		204,637,932	16.834%	3.736%	0.629%
18	Total Capital Including Investment Tax Credit		1.215.609.702	100.000%		6.956%

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 COST OF CAPITAL SUMMARY THIRTEEN MONTH AVERAGE BALANCE ENDING MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).: See Below

SCHEDULE J-1 PAGE 2 OF 2 WITNESS RESPONSIBLE: J. L. SULLIVAN

LINE NO.	CLASS OF CAPITAL	REFERENCE	13 MONTH AVG. BALANCE (\$)	% OF TOTAL	% COST	WEIGHTED COST %
	Common Facility		CO4 442 DE4	50.755%	9.900%	5.025%
2	Common Equity	J-3	621,113,054 518,128,763	42.339%	4.398%	1.862%
	Long-Term Debt	J-3 J-2			4.250%	0.294%
3	Short-Term Debt	J-2	84,508,435	6.906%	4.250%	0.2347
5	Total Capital		1.223.750.252	100.000%		7.18100%
	Total Capital		T.EEV.L.WILLEYE	100.00070		ALIMAN,
6						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255	WPB-6	3.708.551			
10	Account 255	WIDO	9.7 99.991			
11						
12	Investment Tax Credit Included in Total Capital					
13	III VOSCITORI TEX CICCIC III CAGO III TOTAL CAGITAL					
14	Common Equity		622,995,329	50.755%	9.900%	5.025%
15	Long-Term Debt		519,698,926	42.339%	4.398%	1.862%
16	Short-Term Debt		84,764,548	6.906%	4.250%	0.294%
17	Cital Talli San					
18	Total Capital Including Investment Tax Credit		1.227.458.803	100.000%		7.1819

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EMBEDDED COST OF SHORT-TERM DEBT AS OF NOVEMBER 30, 2018 (CORPORATE)

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).:

SCHEDULE J-2 PAGE 1 OF 2 WITNESS RESPONSIBLE: J. L. SULLIVAN

LINE NO.	ISSUE (A)	AMOUNT OUTSTANDING (B)	INTEREST RATE (C)	CURRENT UNAMORT. (DISCOUNT) OR PREMIUM (D)	CURRENT UNAMORT. DEBT EXPENSE (E)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	INTEREST REQUIREMENT (I)
-		(\$)	(%)		-			(\$)
1	Capital Leases - Current							147
2	Capital Lease - Meters (2010 Acquisitions)	177,472	3.3302%		-		177,472	5,910
3	Capital Lease - Erlanger Facility	225,127	8.6338%	-	-		225,127	19,437
4								
5	Sale of Accounts Receivable							
6	Amount Sold for Cash/Classified as Receivable	32,430,609	3.222%			-	32,430,609	1,045,016
7								
8	Notes Payable to Associated Companies							
9	Notes Payable - Money Pool	71,316,000	2.521%	-			71,316,000	1,797,662
10								
11	Current Unamortized Loss on Reacquired Debt							
12	9.7% due 7/1/2019					39,081	(39,081)	39,081
13								
14	Current Maturities							
15	4.65% due 10/1/19	100,000,000	4.650%	(31,090)	35,120		99,933,790	4,716,210
16					12.001			
17	Totals	204,149,208		(31,090)	35,120	39,081	204,043,917	7,623,316
18								
19	Cost of Short-Term Debt							3.736%

DUKE ENERGY KENTUCKY, INC.

CASE NO. 2018-00261

EMBEDDED COST OF SHORT-TERM DEBT THIRTEEN MONTH AVERAGE BALANCE ENDING MARCH 31, 2020 (CORPORATE)

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).:

SCHEDULE J-2 PAGE 2 OF 2 WITNESS RESPONSIBLE: J. L. SULLIVAN

LINE NO.	ISSUE (A)	AMOUNT OUTSTANDING (B)	INTEREST RATE (C)	CURRENT UNAMORT. (DISCOUNT) OR PREMIUM (D)	CURRENT UNAMORT. DEBT EXPENSE (E)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	INTEREST REQUIREMENT (I)
		(\$)	(%)					(\$)
1	Capital Leases - Current							
2	Capital Lease - Meters (2010 Acquisitions)	30,698	3.3302%		-	-	30,698	1,022
3	Capital Lease - Erlanger Facility	208,337	8.6338%	*	-	-	208,337	17,987
5	Sale of Accounts Receivable							
6	Amount Sold for Cash/Classified as Receivable	29,932,159	3.3835%		4		29,932,159	1,012,745
7								
8	Notes Payable to Associated Companies							
9	Notes Payable - Money Pool	491,087	2.6335%				491,087	12,933
10								
11	Current Unamortized Loss on Reacquired Debt							
12	9.7 due July 2019					2,577	(2,577)	2,577
13	10.25 due June 2020					16,365	(16,365)	16,365
14	10.25 due November 2020					11,372	(11,372)	11,372
16	Current Maturities							
17	4.65% due 10/1/19	53,846,154	4.6500%	(5,023)	5,673		53,835,458	2,514,542
18	2011 2 12 2 17 W T			1				=()(
19	Totals	84,508,435		(5,023)	5,673	30,314	84,467,425	3,589,543
20								
21	Cost of Short-Term Debt							4.250%

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EMBEDDED COST OF LONG-TERM DEBT AS OF NOVEMBER 30, 2018 (CORPORATE)

DATA: "X" BASE PERIOD FORECASTED PERIOD DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE J-3 PAGE 1 OF 2 WITNESS RESPONSIBLE: J. L. SULLIVAN

LINE NO.	DEBT ISSU TYPE, COUP RATE			DATE ISSUED (DAY/MO/YR) (A)	MATURITY DATE (DAY/MO/YR) (B)	PRINCIPAL AMOUNT (C)	FACE AMOUNT OUTSTANDING (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	ANNUAL INTEREST COST(*) (I)
1 2 3	Non Current Capital Leases Capital Lease - Erlanger Facility		8.634%	30-Dec-06	30-Sep-20	2,100,000	204,824	4			204,824	17,684
5 6	<u>Unamortized Loss on Rescaulred Debt</u> 10.25% due 6/1/2020 10.25% due 11/15/2020 7.65% due 7/15/2025									58,914 73,293 423,409	(58,914) (73,293) (423,409)	39,276 37,479 63,938
8 9	7.55% due 1/13/2025 5.5% due 1/15/2022 Variable rate PCB, due 8/1/2027									196,490 18,049 134,929	(196,490) (18,049) (134,929)	38,65 4,56 15,56
11	Other Long Term Debt									77.45	(10.110.07)	,,,,,,
13	Sulvi com Term Sun	2.554%	Series		16-Mar-23	25,000,000	25,000,000				25,000,000	638,47
14	LT Commercial Paper	3.880%	Series	26-Jul-06	01-Aug-27	26,720,000	26,720,000		172,632	4	26,547,368	1,051,31
15	Debentures	2.913%	Series	03-Dec-08	01-Aug-27	50,000,000	50,000,000		203,822		49,796,178	1,479,49
	Debentures	6.200%	Series	07-Mar-06	10-Mar-36	65,000,000	65,000,000	(211,849)	376,342		64,411,809	4,064,04
17	Debentures	4.650%	Series	22-Sep-09	01-Oct-19	100,000,000	100,000,000	(31,090)	35,120		99,933,790	4,716,21
18	Debentures	3.420%	Series	05-Jan-16	15-Jan-26	45,000,000	45,000,000		169,588		44,830,412	1,562,81
19	Debentures	4.450%	Series	05-Jan-16	15-Jan-46	50,000,000	50,000,000		240,463		49,759,537	2,233,86
	Debentures	3.350%	Series	07-Sep-17	15-Sep-29	30,000,000	30,000,000		111,705	4.0	29,888,295	1,015,35
21	Debentures	4.110%	Series	07-Sep-17	15-Sep-47	30,000,000	30,000,000		119,361		29,880,639	1,237,14
22	Debentures	4.260%	Series	07-Sep-17	15-Sep-57	30,000,000	30,000,000		120,639		29,879,361	1,281,11
	Debentures	4.010%	Series	03-Oct-18	15-Oct-23	25,000,000	25,000,000		107,952		24,892,048	1,024,65
24 25	Future Debentures	4.180%	Series	03-Oct-18	15-Oct-28	40,000,000	40,000,000		154,009		39,845,991	1,687,60
	MCF Fees				16-Mar-23				372,801		(372,801)	86,866
27	LOC Fees				14-Feb-23	-	-		47,950		(47,950)	11,40
	Other fees (\$26.720M - remarketing, insurance, Bilat	leral LC)										257,500
29												
30	Current Maturities Debentures	4.650%	Series	22-Sep-09	01-Oct-19		(100,000,000)	31,090	(35,120)		(99,933,790)	(4,716,210
32			Totals			518,820,000	516,924,824	(242,939)	2,232,384	905,083	413,610,628	17,848,814

^(*) Annualized interest cost plus (or minus) amortization of discount or premium plus amortization of issue costs minus (or plus) amortization of gain (or loss) on reacquired debt.

DUKE ENERGY KENTUCKY, INC. CASE NO. 2018-00261 EMBEDDED COST OF LONG-TERM DEBT THIRTEEN MONTH AVERAGE BALANCE (CORPORATE)

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).:

SCHEDULE J-3 PAGE 2 OF 2 WITNESS RESPONSIBLE: J. L. SULLIVAN

LINE NO.	DEBT I TYPE, C RA	OUPON		DATE ISSUED (DAY/MO/YR) (A)	MATURITY DATE (DAY/MO/YR) (B)	PRINCIPAL AMOUNT (C)	FACE AMOUNT OUTSTANDING (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	ANNUAL INTEREST COST(*) (i)
1	Non-Current Capital Leases						1.7					
3	Capital Lease - Erlanger Facility		8.634%	30-Dec-06	30-Sep-20	2,100,000	33,445		4	2	33,445	2,888
4	Salan State Salan St. Caran S.			(37.23252)	110000	201710171	23,000				30,110	2,000
5	Unamortized Loss on Reacquired Debt											
7	10.25% due 6/1/2020									9,819	(9,819)	9,064
8	10.25% due 11/15/2020									30,688	(30,688)	23,064
9	7.65% due 7/15/2025									370,128	(370,128)	63,938
10	5.5% due 1/1/2024									164,278	(184,278)	38,654
11	6.5% due 1/15/2022									15,270	(15,270)	4,563
12	Variable rate PCB, due 8/1/2027									125,448	(125,448)	15,569
13											4	10 363-03
14	Other Long Term Debt											
15	LT Commercial Paper	2.883%	Series		16-Mar-22	25,000,000	25,000,000	2.		12	25,000,000	720,867
16	Debentures	3.860%	Series	26-Jul-06	01-Aug-27	26,720,000	26,720,000		156,033		26,563,967	1,051,311
17	Debentures	Variable	Series	03-Dec-08	01-Aug-27	50,000,000	50,000,000	1180	184,656		49,815,344	1,338,463
18	Debentures	6.200%	Series	10-Mar-06	10-Mar-36	65,000,000	65,000,000	(201,629)	358,188		64,440,183	4,064,049
19	Debentures	4.650%	Series	22-Sep-09	01-Oct-19	100,000,000	53,846,154	(5,023)	5,673		53,835,458	2,514,542
20	Debentures	3.420%	Series	05-Jan-16	15-Jan-26	45,000,000	45,000,000	200	149,745		44,850,255	1,562,811
21	Debentures	4.450%	Series	05-Jan-16	15-Jan-46	50,000,000	50,000,000		233,075		49,766,925	2,233,866
22	Debentures	3.350%	Series	07-Sep-17	15-Sep-29	30,000,000	30,000,000		103,077	14	29,896,923	1,015,354
23	Debentures	4.110%	Series	07-Sep-17	15-Sep-47	30,000,000	30,000,000	4	115,906		29,884,094	1,237,148
24	Debentures	4.260%	Series	07-Sep-17	07-Sep-57	30,000,000	30,000,000		118,047		29,881,953	1,281,110
25	Future Debentures	4.350%	Series	15-Sep-18	15-Sep-28	50,000,000	50,000,000		191,708	1.0	49,808,292	2,196,500
26	Future Debentures	4.680%	Series	15-Sep-18	15-Sep-48	50,000,000	50,000,000		207,236		49,792,764	2,337,167
27	Future Debentures	4.600%	Series	15-Sep-19		130,000,000	70,000,000		551,014		69,448,986	3,232,900
28												
29	MCF Fees				16-Mar-23		7		300,412		(300,412)	86,866
30	LOC Fees				14-Feb-23				38,325		(38,325)	11,498
31	Other fees (\$26.720M - remarketing, insurance,	Bilateral LC)										257,500
33	Current Maturities											
34	Debentures	4.650%	Series	22-Sep-09	01-Oct-19		(53,846,154)	5,023	(5,673)		(53,835,458)	(2,514,542)
36			Totals			683,820,000	521,753,445	(201,629)	2,707,422	715,631	518,128,763	22,785,148
37			1000		-				- Section of the sect			
38												
39		· Po	wheelded Cost of	Long-Term Debt (I / H	N.							4.3989

^(*) Annualized interest cost plus (or minus) amortization of discount or premium plus amortization of Issue costs minus (or plus) amortization of gain (or loss) on reacquired debt.

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(k)

807 KAR 5:001, SECTION 16(8)(k)

Description of Filing Requirement:

Comparative financial data and earnings measures for the ten (10) most recent calendar years, the base period, and the forecast period.

Response:

See Schedule K of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Sponsoring Witness:

Nick Giaimo – Pages 1 through 5 Cynthia S. Lee – Page 1 Michael Covington – Pages 2, 4, and 5 John L. Sullivan, III – Page 3

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR GAS SERVICE TO ALL
JURISDICTIONAL CONSUMERS

SECTION K

SECTION K

FINANCIAL DATA

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

K Schedules

Page 1

Plant Data

Composite Depreciation Rates

Page 2

Capital Structure
Condensed Income Statement
Income Available for Fixed Charges
Cost of Capital

Page 3

Stock and Bond Ratings
Fixed Charge Coverage
Percentage of Construction Expenditures Financed Internally

Page 4

Common Stock Related Data
Rate of Return Measures - Return on Equity
Rate of Return Measures - Return on Total Capital
Rate of Return Measures - Return on Net Plant

Page 5

Other Financial and Operating Data - Mix of Sales Other Financial and Operating Data - Mix of Fuel

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE K PAGE 1 OF 5 WITNESS RESPONSIBLE: N. GIAIMO / C. S. LEE

Line		FORECASTED	BASE					RECENT CALE					
No.	Description	PERIOD	PERIOD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1	PLANT DATA (\$000 omitted): (a)												
2	Gas Plant												
3	Intangible	11,428	14,504	11,279	6,221	3,970	3,915	3,529	3,473	2,744	2,054	464	46
4	Production-Mfg. Gas	7,820	7,747	7,820	7,820	7,569	7,793	7,809	7,138	6,229	6,072	6,028	5,88
5	Underground Storage	1,1			.,	1,000	.,	1317	1,1.00	,,,,,,	0,012	0,020	5,00
6	Storage-Local	*				-	-						
7	Transmission										2		
8	Distribution	555,681	540,424	482,331	452,451	431,131	421,026	414,138	406,367	393,816	384,146	388,642	336,61
9	General	13,152	11,618	1,798	1,683	3,207	3,159	3,048	3,288	3,203	3,158	3,000	2,10
10	Total Gas Plant-Gross	588,081	574,293	503,228	468,175	445,877	435,893	428,524	420,262	405,992	395,430	378,134	345,06
11	Less: Accum, Provision for Depr. and Amort.	185,955	172,088	165,758	156,558	152,368	142,929	134,248	125,356	118,161	109,623	103,506	97,88
12	Gas Plant in Service-Net	402,126	402.205	337,470	311,617	293,509	292,964	294,276	294,908	287,831	285,807	274,628	247,18
13	OND F MIN IN CONTROL THAT	TORLING	102,200	001,1110	511,611	200,000			201,000	201,001	200,007	214,020	247,10
14	Electric Plant												
15	Intangible	17,810	21,008	17,750	12,343	9,915	9,098	6,000	5,324	5,785	3,223	2,845	2,20
16	Production Plant-Steam	789,406	883,190	797,504	748,258	771,471	550,669	522,424	520,107	509,889	508,496	505,487	494,38
17	Production Plant-Hydro					774.7							
18	Production Plant-Other	502,891	310,242	308,242	290,913	290,067	287,989	284,817	281,758	277,770	268,704	263,293	259,700
19	Transmission	80,468	58,236	57,966	55,492	55,729	51,015	44,032	39,301	29,694	29,258	28,998	28,18
20	Distribution	502,891	479,162	453,684	426,636	414,569	392,222	382,031	389,753	353,975	343,335	328,839	316,556
21	General	38,706	9,590	8,445	7,872	5,953	5,610	5,250	5,139	5,414	3,912	1,920	1,384
22	Total Electric Plant-Gross	1,932,172	1,761,428	1,643,591	1,541,514	1,547,704	1,296,603	1,244,554	1,221,382	1,182,527	1,156,928	1,131,382	1,102,418
23	Less: Accum. Provision for Depr. and Amort.	866,355	783,279	828,068	807,691	790,467	638,666	633,187	607,591	597,583	574,916	551,023	535,776
24	Electric Plant in Service-Net	1,065,817	978,149	815,525	733,823	757,237	657,937	611,367	613,791	584,944	582,012	580,339	568,642
25													
26	Common Plant												
27	Common Plant	47,034	46,169	43,854	42,694	42,816	42,789	41,257	41,731	41,143	41,119	32,317	28,711
28	Less: Accum, Provision for Depr. and Amort.	38,789	37,578	38,204	36,759	35,358	33,825	31,539	28,705	28,537	24,213	19,236	16,443
29	Common Plant in Service-Nat	8,245	8,591	5,850	5,935	7,458	8,964	9,718	13,026	12,606	16,906	13,081	12,268
30													
31	Plant Held for Future Use												
32						4.00		and the same		1. 1. 1. 1.			
33	Construction Work in Progress	87,725	113,164	109,390	63,833	43,361	15,303	26,970	20,861	27,612	14,510	18,215	36,504
34													
35	Net Utility Plant	1,563,913	1,502,109	1,268,035	1,115,208	1,101,565	975,168	942,331	942,584	912,993	899,235	886,263	862,598
38													
37	Composite depreciation rates:												
38	Gas (%)	N/A	N/A	2.27%	2.41%	2.43%	2.42%	2.42%	2.45%	2.39%	2.36%	2.73%	2.289
39	Electric (%)	N/A	N/A	2.05%	2.22%	2.38%	2,39%	2.48%	2.42%	2.46%	2.50%	2.49%	2,50%
40	Common (%)	NA	N/A	9.50%	10.55%	5.43%	9.48%	9.14%	9.52%	9.40%	9.24%	19.87%	8.98%

⁽a) Completed Construction Not Classified is included with Plant in Service by function.

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE K PAGE 2 OF 5 WITNESS RESPONSIBLE: N. GIAIMO / S. M. COVINGTON

Line		FORECASTED	BASE				MOST	RECENT CALE	NDAR YEARS				
No.	Description	PERIOD	PERIOD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1	CAPITAL STRUCTURE:												
2	Long-term debt (\$000)	518,129	413,611	451,432	361,382	316,332	317,131	332,042	331,952	331,861	331,771	331,680	325,503
3	Preferred stock (\$000)												
4	Common equity (\$000)	621,113	594,426	511,414	437,015	404,432	413,256	377,954	372,885	354,664	465,354	422,093	394,025
5	CONDENSED INCOME STATEMENT DATA:												
6	Operating revenues (\$000,000)	468.4	471.9	429.1	440.8	466.8	488.7	443.8	427.6	458.7	486.7	460.5	500.1
7	Operating expenses (excluding FIT												
8	and SIT) (\$000,000)	388.2	403.8	356.2	365.8	378.1	416.6	360.5	365.8	396.3	408.7	397.8	427.9
9	Operating Income (\$000,000)	80.2	68.1	72.9	75.0	88.7	72.1	83.3	61.8	62.4	80.0	62.7	72.2
10	Federal Income taxes (current) (\$000,000)	6.6	1.6	(15.3)	(3.7)	1.6	(0.5)	15.1	1.4	3.7	1.2	(12.1)	7.2
11	State income taxes (current) (\$000,000)	1.0	0.1	(0.4)	(0.9)	(0.8)	1.8	1.1	3.3	1.4	1.5	(2.2)	1.5
12	Total income taxes (current) (\$000,000)	7.6	1.7	(15.7)	(4.6)	0.8	1.3	16.2	4.7	5.1	2.7	(14.3)	8.7
13	Investment tax credits - net (\$000,000)	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)
14	AFUDC - Debt and Equity (\$000,000)	3.2	5.9	4.7	1.9	0.8	0.7	0.7	0.5	0.8	0.5	0.3	1.3
15	Other Income - net (\$000,000) (a)	(23.2)	(16.8)	2.1	(17.3)	(15.5)	(16.3)	(14.3)	(17.2)	(12.9)	(15.2)	(11.9)	(15.7)
16	Extraordinary Item (\$000,000)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	Net income (\$000,000)	50.6	66.8	59.4	42.6	46.2	35.3	45.1	28.2	24.3	43.3	28.1	37.5
18	Net income applicable to Common Stock (\$000,000)	50.6	66.8	59.4	42.6	48.2	35.3	45.1	28.2	24.3	43.3	28.1	37.5
19	INCOME AVAILABLE FOR FIXED CHARGES:												
20	Interest charges (\$000)	25,236	19,320	15,725	15,952	14,573	16,345	15,989	17,520	17,492	16,182	16,448	17,689
21	Net income before preferred dividend requirements												
22	of subsidiaries (\$000)	50,633	66,798	59,399	42,584	46,176	35,302	45,069	28,221	24,310	43,261	28,068	37,481
23	Preferred dividend requirements of subsidiaries (\$000)				-	-	-			100			-
24	Cost of reacquisition of Preferred Stock (\$000)	10.5								17.5	0.00		
25	Earnings available for common equity (\$000)	50,633	66,798	59,399	42,584	46,176	35,302	45,069	28,221	24,310	43,261	28,068	37,481
26	AFUDC - % of net income before preferred dividend												
27	requirements of subsidiaries	0.06	0.09	0.08	0.04	0.02	0.02	0.02	0.02	0.03	0.01	0.01	0.03
28	AFUDC - % of earnings available for common equity	0.06	0.09	0.08	0.04	0.02	0.02	0.02	0.02	0.03	0.01	0.01	0.03
29	COST OF CAPITAL:												
30	Embedded cost of long-term debt (%)	4.40	4.32	3.46	4.15	4.12	4.66	4.49	4.51	4.33	4.38	3.75	4.76
31	Embedded cost of preferred stock (%)											-	-

⁽a) Includes Interest Charges and income tax on Other Income & Deductions.

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE K PAGE 3 OF 5 WITNESS RESPONSIBLE: J. L. SULLIVAN

Line		FORECASTED	BASE MOST RECENT CALENDAR YEARS										
No.	Description	PERIOD	PERIOD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1 ST	FOCK AND BOND RATINGS:												
2 UL	HAP												
3	Moody's Unsecured Debt	Bea1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baat
4	S&P's Unsecured Debt	A-	A-	A-	A-	A-	BBB+	BBB+	BBB+	Α-	A-	A-	A.
5													
6 FI)	XED CHARGE COVERAGE:												
7	Pre-tax interest coverage	3.38	4.09	4.28	4.45	5.81	4.26	5.23	3.42	3.48	4.81	3.72	3.94
8	Pre-tax interest coverage (excluding AFUDC)	3.25	3.85	4.02	4.34	5.75	4.22	5.19	3.40	3.44	4.78	3.71	3.87
	After tax interest coverage	3.00	4.31	4.35	3.47	3.99	3.04	3.67	2.53	2.30	3.51	2.61	2.91
10	Indenture provision coverage (a)				-	-	-					-	-
11	Fixed charge coverage	3.38	4.09	4.28	4.45	5.81	4.26	5.23	3.42	3.48	4.81	3.72	3.94
12													
13 F	Percentage of Construction Expenditures												
14	Financed Internally	100	28	60	90	73	76	81	98	-44	100	100	60

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE K PAGE 4 OF 5 WITNESS RESPONSIBLE: N. GIAIMO / S. M. COVINGTON

Line			FORECASTED BASE MOST RECENT CALENDAR YEARS Description PERIOD PERIOD 2017 2018 2015 2014 2013 2012 2011 2010 2009 2008												
No.	1.24	Description		PERIOD	PERIOD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1	COMMON STOCK	RELATED DATA:													
2	Shares outstand	ding - year end (000)		585	585	585	585	585	585	585	585	585	585	585	585
3	Shares outstand	ding - weighted average													
4	(monthly) (0			585	585	585	585	585	585	585	585	585	585	585	585
5	Dividends Paid						10	55		40	10	135		-	30
6	Earnings per sh	are - weighted average (\$)		86.55	114.18	101.54	72.79	78.93	60.35	77.04	48.24	41.56	73.95	47.98	64.07
7	Earnings per sh														04.01
8	average - as	suming dilution (\$)		86.55	114.18	101.54	72.79	78.93	60.35	77.04	48.24	41.56	73.95	47.98	84.07
9	Dividends paid			N/A	N/A	0.00	17.09	94.02	0.00	68.38	17.09	230.77	0.00	0.00	51.28
10		ared per share (\$)		N/A	N/A	0.00	17.09	94.02	0.00	68.38	17.09	230.77	0.00	0.00	51.28
11		ut ratio (declared basis) (%)		NA	N/A	0%	23%	119%	0%	89%	35%	555%	0%	0%	80%
12	Market price - H													7.7	007
13	1st quarter -			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
14		Low		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	2nd quarter	- High		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16		Low		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	3rd quarter	- High		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
18		Low		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
19	4th quarter	- High		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
20		Low		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
21	Book value per	share (year-end) (\$)		1,061.73	984.12	874.21	747.04	691.34	708.42	646.08	637.41	606.26	795.48	721.53	673.55
22															
23	RATE OF RETUR	N MEASURES:													
24		nmon equity (average) (%)		8.33	12.08	12.53	10.13	11.30	8.92	12.01	7.75	5.93	9.76	6.89	19.03
25		al capital (average) (%)		4.71	6.78	6.75	5.61	6.37	4.90	6.38	4.05	3.28	5.58	3.81	10.42
26		plant in service (average) - To	tal Company %	4.20	6.85	4.76	5.50	6.03	5.43	6.39	4.98	4.16	6.65	4.70	6.47
27			- Gas %	3.32	4.58	3.69	4.41	4.90	5.74	5.29	(0.16)	2.13	7.44	2.61	3.22
28			- Electric %	4.55	8.03	5.22	5.95	6.50	5.28	6.92	7.48	5.16	6.27	5.65	7.82

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD TYPE OF FILING: "X" ORIGINAL UPDATED REVISED WORK PAPER REFERENCE NO(S).:

SCHEDULE K PAGE 5 OF 5 WITNESS RESPONSIBLE: N. GIAIMO / S. M. COVINGTON

Line		FORECASTED	BASE				MOST	RECENT CALE	NDAR YEARS		Walt 1999		
No.	Description	PERIOD	PERIOD	2017	2018	2015	2014	2013	2012	2011	2010	2009	2008
1	OTHER FINANCIAL AND OPERATING DATA:												
2	Mix of Sales (\$000):												
3	Gas revenues	94,520	103,250	94,164	93,010	104,453	122,401	102,404	89,877	115,204	139,332	119,452	144,287
4	Electric revenues	373,840	377,316	334,908	347,770	362,302	368,324	341,399	337,750	343,471	347,408	341,022	355,843
5	Total	468,380	480,568	429,072	440,780	466,755	488,725	443,803	427,627	458,675	486,740	460,474	500,130
6	Mix of Sales (%):												
7	Gas	20.2	21.5	21.9	21.1	22.4	25.0	23.1	21.0	25.1	28.6	25.9	28.8
8	Electric	79.8	78.5	78.1	78.9	77.6	75.0	76.9	79.0	74.9	71.4	74.1	71.2
9	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
10	Mix of Fuel (\$000):				7.7.20								
11	Ges	36,415	41,045	37,249	32,611	41,610	59,826	45,916	37,548	54,560	68,010	71,790	106,913
12	Electric	108,749	141,107	126,955	131,354	148,411	175,557	145,099	139,700	145,123	144,857	138,243	159,174
13	Total	145,164	182,152	164,204	163,965	190,021	235,383	191,015	177,248	199,683	212,867	210,033	266,087
14	Mix of Fuel (%):												
15	Gas	25.1	22.5	22.7	19.9	21.9	25.4	24.0	21.2	27.3	31.9	34.2	40.2
16	Electric	74.9	77.5	77.3	80.1	78.1	74.6	76.0	78.8	72.7	68.1	65.8	59.8
17	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(I)

807 KAR 5:001, SECTION 16(8)(1)

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes.

Response:

See Schedules L through L-2.2 of Schedule Book.

Base Period Update Response:

No update is required for this section.

Sponsoring Witness: Bruce L. Sailers

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(m)

807 KAR 5:001, SECTION 16(8)(m)

Description of Filing Requirement:

A revenue summary for both the base and forecasted period with supporting schedules, which provide detailed billing analyses for all customer classes.

Response:

See Schedules M through M-2.3 of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Sponsoring Witness: Bruce L. Sailers

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION M

SECTION M

REVENUES AT PRESENT AND PROPOSED RATES

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

M	Revenues at Present and Proposed Rates
M-2.1	Base Period Revenues at Average Rates
M-2.2	Revenues at Current Rates
M-2.3	Revenues at Proposed Rates

DUKE ENERGY KENTUCKY CASE NO. 2018- 00261 REVENUES AT PRESENT AND PROPOSED RATES

FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).: 12 MOS ACTUAL

SCHEDULE M PAGE 1 OF 1 WITNESS: B. L. Sailers

INCLUDES ALL RIDERS

LINE NO.	RATE CLASSIFICATION (A)	REVENUE AT PRESENT RATES (B)	REVENUE AT PROPOSED RATES (C)	REVENUE CHANGE (AMOUNT) (D=C-B)	% OF REVENUE CHANGE (E=D/B)
		(\$)	(\$)	(\$)	
1	SALES SERVICE:				
2	RS RESIDENTIAL	66,521,370	73,920,946	7,399,576	11.12%
3	TOTAL RS	66,521,370	73,920,946	7,399,576	11.12%
4	GS COMMERCIAL	22,220,494	24,739,681	2,519,187	11.34%
5	GS INDUSTRIAL	1,053,985	1,180,610	126,625	12.01%
6	GS OTHER PUB AUTH	2,307,922	2,591,238	283,316	12.28%
7	TOTAL GS	25,582,401	28,511,529	2,929,128	11.45%
8	TOTAL SALES SERVICE	92,103,771	102,432,475	10,328,704	11.21%
9	TRANSPORTATION:				
10	FT LARGE	4,546,081	6,023,793	1,477,712	32.51%
11	IT	1,568,615	1,749,692	181,077	11.54%
12	TOTAL TRANSPORTATION	6,114,696	7,773,485	1,658,789	27.13%
13	TOTAL THROUGHPUT	98,218,467	110,205,960	11,987,493	12.20%
14	MISCELLANEOUS REVENUES:				
15	LATE PAYMENT CHARGES	0	0	0	0.00%
16	BAD CHECK CHARGES	14,251	14,251	0	0.00%
17	RECONNECTION CHARGES	20,357	20,357	0	0.00%
18	RENTS	0	0	0	0.00%
19	INTERDEPARTMENTAL	34,095	34,095	0	0.00%
20	SPECIAL CONTRACTS	0	0	0	0.00%
21	REVENUE TRANSP OF GAS-INTERCO	0	0	0	0.00%
22	PROVISION FOR RATE REFUNDS	(2,646,389)	(2,646,389)	0	0.00%
23	OTHER MISC	495,224	495,224	0	0.00%
24	TOTAL MISCELLANEOUS	(2,082,462)	(2,082,462)	0_	0.00%
25	TOTAL COMPANY REVENUE	96,136,005	108,123,498	11,987,493	12.47%

TEST PERIOD REVENUES AT AVERAGE RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL INCLUDES ALL RIDERS

PAGE 1 OF 1 WITNESS: B. L. Sailers

TEST PERIOD ACTUAL

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	BASE PERIOD REVENUE LESS GAS COST REVENUE (E)	AVERAGE RATE (F=E/D)	% OF REV TO TOTAL EXCLUSIVE OF GAS COST (G)	GAS COST REVENUE (H)	BASE PERIOD REVENUE TOTAL (I)	% OF REV TO TOTAL (J)
_				(MCF)	(\$)	(\$/MCF)	(%)	(\$)	(\$)	(%)
1	RS	RESIDENTIAL SERVICE	1,106,076	6,544,807	41,321,209	6.3136	72.67	25,200,161	66,521,370	69.20
2	GS	GENERAL SERVICE COMMERCIAL	77,389	3,134,560	10,151,167	3.2385	17.85	12,069,327	22,220,494	23.11
3	GS	GENERAL SERVICE INDUSTRIAL	2,457	158,868	442,279	2.7839	0.78	611,706	1,053,985	1.10
4	GS	GENERAL SERVICE OTHER PUB AUTH	4,351	356,511	935,210	2.6232	1.65	1,372,712	2,307,922	2.40
5	FT LARG	I FIRM TRANSPORTATION-LARGE	1,119	2,376,870	4,546,081	1.9126	8.00	0	4,546,081	4.73
6	IT	INTERRUPTIBLE TRANSPORTATION	269	1,575,872	1,568,615	0.9954	2.76	0	1,568,615	1.63
7		LATE PAYMENT CHARGES	0	0	0			0	0	
8		BAD CHECK CHARGES	0	0	14,251		0.03	0	14,251	0.01
9		RECONNECTION CHARGES	0	0	20,357		0.04	0	20,357	0.02
10		RENTS	0	0	0			0	0	
11		INTERDEPARTMENTAL	0	5,543	12,752	2.3006	0.02	21,343	34,095	0.04
12		SPECIAL CONTRACTS	0	0	0			0	0	
13		REVENUE TRANSP OF GAS-INTERCO	0	0	0	-		0	0	
14		PROVISION FOR RATE REFUNDS	0	0	(2,646,389)	-	(4.65)	0	(2,646,389)	(2.75)
15		OTHER MISCELLANEOUS	0	0	495,224	-	0.87	0	495,224	0.52
16	TOTAL	The state of the s	1,191,661	14,153,031	56,860,756	4.0176	100.00	39,275,249	96,136,005	100.00

NOTE: DETAIL CONTAINED ON SCHEDULES M-2.2 AND M-2.3.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED

WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

INCLUDES ALL RIDERS

SCHEDULE M-2.2 PAGE 1 OF 7 WITNESS: B. L. Sallers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(4) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(2) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
	0415005	DVIOE-		(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
	SALES SE RS	RESIDENTIAL	1,106,076	6,544,807	6.3136	41,321,209	100.00	7,399,576	17.9	25,200,161	66,521,370	11.1
3	105	TOTAL RS	1,106,076	6,544,807	6.3136	41,321,209	72.67	7,399,576	17.9	25,200,161	66,521,370	11.1
•		TOTAL NO	1,100,070	0,044,007	0.5150	41,021,205	12.01	7,355,576		25,200,101	66,521,570	
4	GS	COMMERCIAL	77,389	3,134,560	3.2385	10,151,167	88.05	2,519,187	24.8	12,069,327	22,220,494	11.3
5	GS	INDUSTRIAL	2,457	158,868	2.7839	442,279	3.84	126,625	28.6	611,706	1,053,985	12.0
6	GS	OTH PUB AUTH	4,351	356,511	2.6232	935,210	8.11	283,316	30.3	1,372,712	2,307,922	12.3
7		TOTAL GS	84,197	3,649,939	3.1586	11,528,656	20.28	2,929,128	25.4	14,053,745	25,582,401	11.4
8	TOTAL S	ALES SERVICE	1,190,273	10,194,746	5.1840	52,849,865	92.95	10,328,704	19.5	39,253,906	92,103,771	11.2
9	TRANSPO	RTATION SERVICE:										
		FIRM TRANSP - LARGE	1,119	2,376,870	1.9126	4,546,081	74.35	1,477,712	32.5	0	4,546,081	32.5
11	IT	INTERRUPTIBLE	269	1,575,872	0.9954	1,568,615	25.65	181,077	11.5	0	1,568,615	11.5
12	TOTAL TI	RANSP SERVICE	1,388	3,952,742	1.5470	6,114,696	10.75	1,658,789	27.1	0	6,114,696	27.1
13	T	OTAL THROUGHPUT	1,191,661	14,147,488	4.1678	58,964,561	103.70	11,987,493	20.3	39,253,906	98,218,467	12.2
14	MISCELLA	NEOUS REVENUES:										
15	LATE PAY	MENT CHARGES	0	0		0	0.00	0		0	0	
		CK CHARGES	0	0		14,251	(0.68)	0		0	14,251	
		CTION CHARGES	0	0		20,357	(0.97)	0		0	20,357	
12.00	RENTS	and the second second second	0	0		0	0.00	0		0	0	
3.70	And the second s	ARTMENTAL	0	5,543		12,752	(0.61)	0		21,343	34,095	
777	The second secon	CONTRACTS	0	0		0	0.00	0		0	0	
-		TRANSP OF GAS-INTERCO	0	0		(0.040.000)	0.00	0		0	(2 040 200)	
	OTHER MI	N FOR RATE REFUNDS	0	0		(2,646,389) 495,224	125.80 (23.54)	0		0	(2,646,389) 495,224	
24	TOTAL M		0	5,543		(2,103,805)	(3.70)	0	0.0	21,343	(2,082,462)	0.0
						10000000	100.00	44 007 400			CARCAGO	40.0
25	TOTAL C	COMPANY	1,191,661	14,153,031	4.0176	56,860,756	100.00	11,987,493	21.1	39,275,249	96,136,005	12.5

⁽¹⁾ DETAIL CONTAINED ON SCHEDULES M-2.2, PAGES 2 THROUGH 7.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).: 12 MOS ACTUAL

SCHEDULE M-2.2 PAGE 2 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(3) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(2) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
1	RS RESIDE	ENTIAL		(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
,	CUSTOMER CH	ARCE:										
2	RESIDENTIAL	ANGE.										
4	A STATE OF THE PARTY OF THE PAR	THLY BILLS x :										
5		CHARGE PER MONTH	1,106,076		\$16.00	17,697,216	42.8	1,659,114	9.4		17,697,216	9.4
6	COMMODITY C	HARGE:										
7	ALL CONSUI			6,544,807	3.7213	24,355,190	59.0	7,502,967	30.8	25,200,161	49,555,351	15.1
8	RATE RS EX	CLUDING RIDERS	1,106,076	6,544,807		42,052,406	101.8	9,162,081	21.8	25,200,161	67,252,567	13.6
9	RIDERS:											
10	HOME ENER	RGY ASSISTANCE PROGRAM (HE	EA)		\$0.10	110,608	0.3	0	0.0		110,608	0.0
11	DEMAND SIL	DE MANAGEMENT RATE (DSMR)			(0.397920)	(2,604,310)	(6.3)	0	0.0		(2,604,310)	0.0
12	TAX CUT AN	ID JOBS ACT (TCJA)			(0.034903)	(228,432)	(0.6)	228,432	(100.0)		(228,432)	(100.0)
13	WEATHER N	IORMALIZATION ADJUSTMENT (WNA)		0.000000	0	0.0	0	0.0		0	0.0
14	ACCELERAT	TED SERVICE REPLACEMENT PR	ROGRAM (ASRP)		1.800000	1,990,937	4.8	(1,990,937)	(100.0)		1,990,937	(100.0)
15	TOTAL RIDE	RS				(731,197)	(1.8)	(1,762,505)	241.0		(731,197)	241.0
16	TOTAL RATE R	S RESIDENTIAL INCLUDING RIDE	ERS 1,106,076	6,544,807		41,321,209	100.0	7,399,576	17.9	25,200,161	66,521,370	11.1

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

⁽³⁾ REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.034903/MCF.

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.2 PAGE 3 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)		CUSTOMER BILLS(1) (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(3) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(2) (H)	CURRENT TOTAL REVENUE (K+H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
		- COMMETTER MA		(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
,	GS	COMMERCIAL										
2	CUSTO	MER CHARGE:										
3		ESIDENTIAL										
4	TOT	AL MONTHLY BILLS x :										
5	cus	STOMER CHARGE PER MONTH	77,389		\$47.50	3,675,978	36.2	193,472	5.3		3,675,978	5.3
6	COMM	ODITY CHARGE:										
7	ALL	CONSUMPTION		3,134,560	2.0530	6,435,252	63.4	2,365,652	36.8	12,069,327	18,504,579	12.8
8	RAT	TE GS COMMERCIAL EXCLUDING RIDERS	77,389	3,134,560		10,111,230	99.6	2,559,124	25.3	12,069,327	22,180,557	11.5
9	RIDERS	S:										
10	DEM	MAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0	0	0.0		0	0.0
11	TAX	(CUT AND JOBS ACT (TCJA)			(0.031205)	(97,815)	-1.0	97,815	(100.0)		(97,815)	(100.0)
12	WE	ATHER NORMALIZATION ADJUSTMENT (WN)	A)		0.000000	0	0.0	0	0.0		0	0.0
13	ACC	CELERATED SERVICE REPLACEMENT PROG	RAM (ASRP)		1.780000	137,752	1.4	(137,752)	(100.0)		137,752	(100.0)
14	тот	TAL RIDERS				39,937	0.4	(39,937)	(100.0)		39,937	(100.0)
15	TOTAL	RATE GS COMMERCIAL INCLUDING RIDERS	77,389	3,134,560		10,151,167	100.0	2,519,187	24.8	12,069,327	22,220,494	11.3

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

⁽³⁾ REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.2 PAGE 4 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(3) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(2) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
-				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
1	GS INDUS	TRIAL										
2	CUSTOMER CHA	IRGE:										
3	NON-RESIDENTI	AL										
4	TOTAL MONT	HLY BILLS x :										
5	CUSTOMER C	CHARGE PER MONTH	2,457		\$47.50	116,708	26.4	6,142	5.3		116,708	5.3
6	COMMODITY CH	ARGE:										
7	ALL CONSUM	IPTION		158,868	2.0530	326,156	73.7	119,898	36.8	611,706	937,862	12.8
8	RATE GS IND	USTRIAL EXCLUDING RIDERS	2,457	158,868		442,864	100.1	126,040	28.5	611,706	1,054,570	12.0
9	RIDERS:											
10	DEMAND SID	E MANAGEMENT RATE (DSMR)			0.000000	0	0.0	0	0.0		0	0.0
11	TAX CUT AND	JOBS ACT (TCJA)			(0.031205)	(4,958)	-1.1	4,958	(100.0)		(4,958)	(100.0)
12	WEATHER NO	DRMALIZATION ADJUSTMENT (W	NA)		0.000000	0	0.0	0	0.0		0	0.0
13	ACCELERATE	ED SERVICE REPLACEMENT PRO	OGRAM (ASRP)		1.780000	4,373	1.0	(4,373)	(100.0)		4,373	(100.0)
14	TOTAL RIDER	RS				(585)	-0.1	585	(100.0)		(585)	-100.0
15	TOTAL RATE GS	INDUSTRIAL INCLUDING RIDER	S 2,457	158,868		442,279	100.0	126,625	28.6	611,706	1,053,985	12.0

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.860/MCF.

⁽³⁾ REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.2 PAGE 5 OF 7 WITNESS: B. L. Sallers

LINE NO.	RATE CODE (A)	CLASS (DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(3) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(2) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
,	GS	OTHER PUBLIC AUTHORITIES		(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
	-											
2	CUSTO	MER CHARGE:										
3	NON-RE	SIDENTIAL										
4	TOTA	AL MONTHLY BILLS x:										
5	cus	TOMER CHARGE PER MONTH	4,351		\$47.50	206,673	22.1	10,877	5.3		206,673	5.3
6	соммо	DDITY CHARGE:										
7	ALL	CONSUMPTION		356,511	2.0530	731,917	78.3	269,059	36.8	1,372,712	2,104,629	12.8
8	RATI	E GS OPA EXCLUDING RIDERS	4,351	356,511		938,590	100.4	279,936	29.8	1,372,712	2,311,302	12.1
9	RIDERS	:										
10	DEM	AND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0	0	0.0		0	0.0
11	TAX	CUT AND JOBS ACT (TCJA)			(0.031205)	(11,125)	-1.2	11,125	(100.0)		(11,125)	(100.0)
12	WEA	THER NORMALIZATION ADJUSTMENT	WNA)		0.000000	0	0.0	0	0.0		0	0.0
13	ACCI	ELERATED SERVICE REPLACEMENT PR	ROGRAM (ASRP)		1.780000	7,745	0.8	(7,745)	(100.0)		7,745	(100.0)
14	тот	AL RIDERS				(3,380)	-0.4	3,380	(100.0)		(3,380)	(100.0)
15	TOTAL	RATE GS OPA INCLUDING RIDERS	4,351	356,511		935,210	100.0	283,316	30.3	1,372,712	2,307,922	12.3

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

⁽³⁾ REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.2 PAGE 6 OF 7 WITNESS: B. L. Sailers

	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(1) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
1 2	FT - LAF	RGE I TRANSPORTATION - LARGE										
3	ADMINIS	STRATIVE CHARGE	1,119		\$430.00	481,170	10.6	0	0.0		481,170	0.0
4	TRANSP	PORTATION CHARGE:										
5	ALL (CONSUMPTION		2,376,870	1.7369	4,128,386	90.8	1,414,237	34.3		4,128,386	34.3
6	RATE	E FT-LARGE EXCLUDING RIDERS	1,119	2,376,870		4,609,556	101.4	1,414,237	30.7		4,609,556	30.7
7	RIDERS:											
8	ACCE	ELERATED SERVICE REPLACEMENT PROG	RAM (ASRP)		0.004500	10,696	0.2	(10,696)	(100.0)		10,696	-100.0
9	TAX	CUT AND JOBS ACT (TCJA)			(0.031205)	(74,171)	-1.6	74,171	(100.0)		(74,171)	-100.0
10	GAS	COST ADJUSTMENT TRANSITION (GCAT)			0.000000	0	0.0	0	0.0		0	0.0
11	т	OTAL RIDERS				(63,475)	(1.4)	63,475	(100.0)		(63,475)	(100.0)
12	TOTAL F	RATE FT - LARGE INCLUDING RIDERS	1,119	2,376,870		4,546,081	100.0	1,477,712	32.5		4,546,081	32.5

⁽¹⁾ REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MOS ACTUAL

SCHEDULE M-2.2 PAGE 7 OF 7 WITNESS: B. L. Sallers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(1) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
	0475.17			(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
2	RATE IT INTERRU	IPTIBLE TRANSPORTATION										
3	ADMINISTRA	ATIVE CHARGE	269		\$430.00	115,670	7.4	0	0.0		115,670	0.0
4	COMMODIT	Y CHARGE:										
5	ALL CON	SUMPTION	-	1,575,872	0.9493	1,495,975	95.3	138,047	9.2		1,495,975	9.2
6	RATEIT	EXCLUDING RIDERS	269	1,575,872		1,611,645	102.7	138,047	8.6		1,611,645	8.6
7	RIDERS:											
8	TAX CUT	AND JOBS ACT (TCJA)			(0.031205)	(49,176)	-3.1	49,176	(100.0)		(49,176)	(100.0)
9		RATED SERVICE REPLACEME	NT PROGRAM (A	SRP)	0.003900	6,146	0.4	(6,146)	(100.0)		6,146	(100.0)
10	TOTAL	L RIDERS				(43,030)	-2.7	43,030	(100.0)		(43,030)	(100.0)
11	TOTAL RAT	E IT TRANSPORTATION	269	1,575,872		1,568,615	100.0	181,077	11.5		1,568,615	11.5

⁽¹⁾ REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018 (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

INCLUDES ALL RIDERS

SCHEDULE M-2.3 PAGE 1 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE(4) (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
		envior.		(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
	SALES S RS	RESIDENTIAL	1,106,076	6,544,807	7.4442	48,720,785	100.00	25,200,161	73,920,946
3		TOTAL RS	1,106,076	6,544,807	7.4442	48,720,785	70.77	25,200,161	73,920,946
	GS	COMMERCIAL	77,389	3,134,560	4.0421	12,670,354	87.64	12,069,327	24,739,681
	GS	INDUSTRIAL	2,457	158,868	3.5810	568,904	3.93	611,706	1,180,610
100	GS	OTH PUB AUTH	4,351	356,511	3.4179	1,218,526	8.43	1,372,712	2,591,238
7		TOTAL GS	84,197	3,649,939	3.9611	14,457,784	21.00	14,053,745	28,511,529
8	TOTAL	SALES SERVICE	1,190,273	10,194,746	6.1972	63,178,569	91.77	39,253,906	102,432,475
	TDANSD	ORTATION SERVICE:							
		E FIRM TRANSP - LARGE	1,119	2,376,870	2,5343	6,023,793	77.49	0	6,023,793
9.5	IT	INTERRUPTIBLE	269	1,575,872	1.1103	1,749,692	22.51	0	1,749,692
12	TOTAL	TRANSP SERVICE	1,388	3,952,742	1.9666	7,773,485	11.29	0	7,773,485
13		TOTAL THROUGHPUT	1,191,661	14,147,488	5.0152	70,952,054	103.06	39,253,906	110,205,960
14	MISCELL	ANEOUS REVENUES:							
15		MENT CHARGES	0	0		0	0.00	0	0
16	BAD CHE	CK CHARGES	0	0		14,251	(0.68)	0	14,251
17	RECONN	ECTION CHARGES	0	0		20,357	(0.97)	0	20,357
18	RENTS		0	0		0	0.00	0	0
19	INTERDE	PARTMENTAL	0	5,543		12,752	(0.61)	21,343	34,095
20	SPECIAL	CONTRACTS	0	0		0	0.00	0	0
21	REVENUE	TRANSP OF GAS-INTERCO	0	0		0	0.00	0	0
22	PROVISIO	ON FOR RATE REFUNDS	0	0		(2,646,389)	125.80	0	(2,646,389
23	OTHER M	IISC	0	0		495,224	(23.54)	0	495,224
24	TOTAL	MISC	0	5,543		(2,103,805)	(3.06)	21,343	(2,082,462
25	TOTAL	COMPANY	1,191,661	14,153,031	4.8646	68,848,249	100.00	39,275,249	108,123,498

⁽¹⁾ DETAIL CONTAINED ON SCHEDULES M-2.3, PAGES 2 THROUGH 7.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.3 PAGE 2 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
- 1	RS RESIDE	ENTIAL	-	(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
	NO NEGIDE	NIAL .							
2	CUSTOMER CH	ARGE:							
3	RESIDENTIAL								
4	TOTAL MONT	THLY BILLS x :							
5	CUSTOMER	CHARGE PER MONTH	1,106,076		\$17.50	19,356,330	39.7		19,356,330
6	COMMODITY CH	HARGE:							
7	ALL CONSUM	MPTION		6,544,807	4.8677	31,858,157	65.4	25,200,161	57,058,318
8	RATE RS EXC	CLUDING RIDERS	1,106,076	6,544,807		51,214,487	105.1	25,200,161	76,414,648
9	RIDERS:								
10	HOME ENER	GY ASSISTANCE PROGRAM (HEA)			\$0.10	110,608	0.2		110,608
11	DEMAND SID	E MANAGEMENT RATE (DSMR)			(0.397920)	(2,604,310)	(5.3)		(2,604,310)
12	TAX CUT AND	JOBS ACT (TCJA)			0.000000	0	0.0		0
13	WEATHER NO	DRMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
14	ACCELERATE	ED SERVICE REPLACEMENT PROGR	RAM (ASRP)		0.000000	0	0.0		0
15	TOTAL RIDER	RS				(2,493,702)	(5.1)		(2,493,702)
16	TOTAL RATE R	S RESIDENTIAL INCLUDING RIDERS	1,106,076	6,544,807		48,720,785	100.0	25,200,161	73,920,946

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.3 PAGE 3 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
		COMPERCIAL		(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	GS	COMMERCIAL							
2	CUSTO	MER CHARGE:							
3	NON-RI	ESIDENTIAL							
4	TOTA	L MONTHLY BILLS x :							
5	cus	TOMER CHARGE PER MONTH	77,389		\$50.00	3,869,450	30.5		3,869,450
6	СОММО	DDITY CHARGE:							
7	ALL	CONSUMPTION		3,134,560	2.8077	8,800,904	69.5	12,069,327	20,870,231
8	RATI	E GS COMMERCIAL EXCLUDING RIDERS	77,389	3,134,560		12,670,354	100.0	12,069,327	24,739,681
9	RIDERS);							
10	DEM	AND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11	TAX	CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
12	WEA	THER NORMALIZATION ADJUSTMENT (WNA)		0.000000	0	0.0		0
13	ACC	ELERATED SERVICE REPLACEMENT PROGR	RAM (ASRP)		0.000000	0	0.0		0
14	тот	AL RIDERS				0	0.0		0
15	TOTAL	RATE GS COMMERCIAL INCLUDING RIDERS	77,389	3,134,560		12,670,354	100.0	12,069,327	24,739,681

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED

WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.3 PAGE 4 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
-		WALLSTON .	nu, — t	(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	GS	INDUSTRIAL							
2	CUSTO	MER CHARGE:							
3	1 THE R. P. LEWIS CO., LANSING, MICH.	ESIDENTIAL							
4	TOTA	AL MONTHLY BILLS x :							
5	cus	TOMER CHARGE PER MONTH	2,457		\$50.00	122,850	21.6		122,850
6	соммо	DDITY CHARGE:							
7	ALL	CONSUMPTION	-	158,868	2.8077	446,054	78.4	611,706	1,057,760
8	RATI	E GS INDUSTRIAL EXCLUDING RIDERS	2,457	158,868		568,904	100.0	611,706	1,180,610
9	RIDERS	S:							
10	DEM	AND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11	TAX	CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
12		THER NORMALIZATION ADJUSTMENT (WA	PORT ALCOHOL STATE OF THE STATE		0.000000	0	0.0		0
13	ACCI	ELERATED SERVICE REPLACEMENT PROC	GRAM (ASRP)		0.000000	0	0.0		0
14	TOTA	AL RIDERS				0	0.0		0
15	TOTAL	RATE GS INDUSTRIAL INCLUDING RIDERS	2,457	158,868		568,904	100.0	611,706	1,180,610

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD

TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED

WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.3 PAGE 5 OF 7 WITNESS: B. L. Sailers

LINE NO.	RATE	CLASS / DESCRIPTION	CUSTOMER BILLS(1)	SALES	PROPOSED RATES	PROPOSED REVENUE LESS GAS COST REVENUE	% OF REV TO TOTAL LESS GAS COST REVENUE	GAS COST REVENUE(2)	PROPOSED TOTAL REVENUE (F + H)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	GS	OTHER PUBLIC AUTHORITIES							
2	CUSTO	MER CHARGE:							
3	NON-RE	SIDENTIAL							
4	TOTA	L MONTHLY BILLS x :							
5	cus	TOMER CHARGE PER MONTH	4,351		\$50.00	217,550	17.9		217,550
6	соммо	DDITY CHARGE:							
7	ALL	CONSUMPTION		356,511	2.8077	1,000,976	82.1	1,372,712	2,373,688
8	RATE	GS OPA EXCLUDING RIDERS	4,351	356,511		1,218,526	100.0	1,372,712	2,591,238
9	RIDERS								
10	DEM	AND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11	TAX	CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
12	WEAT	THER NORMALIZATION ADJUSTMENT (WNA)		0.000000	0	0.0		0
13	ACCE	ELERATED SERVICE REPLACEMENT PR	OGRAM (ASRP)		0.000000	0	0.0		0
14	TOTA	AL RIDERS				0	0.0		0
15	TOTAL	RATE GS OPA INCLUDING RIDERS	4,351	356,511		1,218,526	100.0	1,372,712	2,591,238

⁽¹⁾ BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

⁽²⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

PAGE 6 OF 7 WITNESS: B. L. Sailers

SCHEDULE M-2.3

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE (H)	PROPOSED TOTAL REVENUE (F+H) (I)
-				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	FT - LARGE								
2	FIRM TRANSF	PORTATION - LARGE							
3	ADMINISTRATIV	E CHARGE	1,119		\$430.00	481,170	8.0		481,170
4	TRANSPORTATI	ION CHARGE:							
5	ALL CONSUM	PTION		2,376,870	2.3319	5,542,623	92.0		5,542,623
6	RATE FT-LAR	GE EXCLUDING RIDERS	1,119	2,376,870		6,023,793	100.0		6,023,793
7	RIDERS:								
8		D SERVICE REPLACEMENT PR	OGRAM (ASRP)		0.000000	0	0.0		0
9		JOBS ACT (TCJA)			0.000000	0	0.0		0
10		JUSTMENT TRANSITION (GCAT	r)		0.000000	0	0.0		0
11	TOTAL RID	ERS				0	0.0		0
12	TOTAL RATE FT	- LARGE INCLUDING RIDERS	1,119	2,376,870		6,023,793	100.0		6,023,793

ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

(GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD

TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED

WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE M-2.3
PAGE 7 OF 7
WITNESS:
B. L. Sailers

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
	IT								
2	INTERRU	PTIBLE TRANSPORTATION							
3	ADMINISTRA	ATIVE CHARGE	269		\$430.00	115,670	6.6		115,670
4	COMMODIT	Y CHARGE:							
5	ALL CON	SUMPTION		1,575,872	1.0369	1,634,022	93.4		1,634,022
6	RATE IT E	EXCLUDING RIDERS	269	1,575,872		1,749,692	100.0		1,749,692
7	RIDERS:								
8	TAX CUT	AND JOBS ACT (TCJA)			0.000000	0	0.0		0
9	ACCELER	RATED SERVICE REPLACEME	ENT PROGRAM (AS	SRP)	0.000000	0	0.0		0
10	TOTAL	RIDERS				0	0.0		0
11	TOTAL RAT	E IT TRANSPORTATION	269	1,575,872		1,749,692	100.0		1,749,692

DUKE ENERGY KENTUCKY CASE NO. 2018-00261 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(8)(n)

807 KAR 5:001, SECTION 16(8)(n)

Description of Filing Requirement:

A typical bill comparison under present and proposed rates for all customer classes.

Response:

See Schedule N of Schedule Book.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Sponsoring Witness: Bruce L. Sailers

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY KENTUCKY FOR AUTHORITY TO INCREASE ITS RATES FOR GAS SERVICE TO ALL JURISDICTIONAL CONSUMERS

SECTION N

SECTION N

TYPICAL BILL COMPARISON

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

N Typical Bill Comparison

DUKE ENERGY KENTUCKY CASE NO. 2018- 00261 EFFECTS OF PROPOSED RESIDENTIAL AND GENERAL SERVICE RATES TYPICAL BILL COMPARISON (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED WORK PAPER REFERENCE NO(S).:

12 MOS ACTUAL

SCHEDULE N PAGE 1 OF 2 WITNESS: B. L. Sailers

				BILL DATA INC	LUDING RIDER	S LESS COST	of GAS (1)(2)		TOTAL	TOTAL	
LINE NO.	RATE CODE	DEMAND	of USE (B)	CURRENT BILL (4) (C)	PROPOSED BILL (D)	DOLLAR INCREASE (D - C) (E)	PERCENT INCREASE (E / C) (F)	GAS COST (3) (G)	CURRENT BILL (C + G) (H)	PROPOSED BILL (D + G) (I)	PERCENT INCREASE (I-H) /H (L)
		17	(MCF)	(\$)	(\$)	(\$)	(%)	(\$)	(\$)	(\$)	(%)
1	(RS)										
2 F	RESIDENTIAL	Not	1	21.19	22.07	0.88	4.2	3.85	25.04	25.92	3.5
3		Applicable	3	27.77	31.01	3.24	11.7	11.55	39.32	42.56	8.2
4			6	37.63	44.42	6.79	18.0	23.10	60.73	67.52	11.2
5			8	44.21	53.36	9.15	20.7	30.80	75.01	84.16	12.2
6			10	50.78	62.30	11.52	22.7	38.50	89.28	100.80	12.9
7			12	57.36	71.24	13.88	24.2	46.20	103.56	117.44	13.4
8			16	70.52	89.12	18.60	26.4	61.61	132.13	150.73	14.1
9			20	83.67	107.00	23.33	27.9	77.01	160.68	184.01	14.5
10			30	116.55	151.69	35.14	30.2	115.51	232.06	267.20	15.1
11			40	149.44	196.39	46.95	31.4	154.02	303.46	350.41	15.5
12			50	182.32	241.09	58.77	32.2	192.52	374.84	433.61	15.7
13			60	215.21	285.79	70.58	32.8	231.02	446.23	516.81	15.8
14			80	280.98	375.18	94.20	33.5	308.03	589.01	683.21	16.0
15			100	346.75	464.58	117.83	34.0	385.04	731.79	849.62	16.1
16	(GS)										
17 NON	N-RESIDENTIAL		5	59.39	64.04	4.65	7.8	19.25	78.64	83.29	5.9
18			10	69.50	78.08	8.58	12.3	38.50	108.00	116.58	7.9
19			20	89.72	106.15	16.43	18.3	77.01	166.73	183.16	9.9
20			40	130.15	162.31	32.16	24.7	154.02	284.17	316.33	11.3
21			50	150.37	190.39	40.02	26.6	192.52	342.89	382.91	11.7
22			100	251.46	330.77	79.31	31.5	385.04	636.50	715.81	12.5
23			300	655.82	892.31	236.49	36.1	1,155.12	1,810.94	2,047.43	13.1
24			500	1,060.18	1,453.85	393.67	37.1	1,925.20	2,985.38	3,379.05	13.2
25			700	1,464.54	2,015.39	550.85	37.6	2,695.28	4,159.82	4,710.67	13.2
26			850	1,767.81	2,436.55	668.74	37.8	3,272.84	5,040.65	5,709.39	13.3
27			1,000	2,071.07	2,857.70	786.63	38.0	3,850.41	5,921.48	6,708.11	13.3
28			2,000	4,092.87	5,665.40	1,572.53	38.4	7,700.81	11,793.68	13,366.21	13.3
29			3,000	6,114.66	8,473.10	2,358.44	38.6	11,551.22	17,665.88	20,024.32	13.4

⁽¹⁾ INCLUDES RIDER DSM OF (\$0.39792) /MCF AND HEA \$0.10 AND, FOR CURRENT BILL ONLY, ASRP OF \$1.80 IN RATE RS.

⁽²⁾ INCLUDES RIDER DSM OF \$0.00000 /MCF AND, FOR CURRENT BILL ONLY, ASRP OF \$1.78 IN RATE GS.

⁽³⁾ REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

⁽⁴⁾ INCLUDES RIDER TCJA OF (\$0.03490) /MCF IN RATE RS AND RIDER TCJA OF (\$0.03121) /MCF IN RATE GS.

DUKE ENERGY KENTUCKY CASE NO. 2018- 00261 EFFECTS OF PROPOSED FIRM TRANSPORTATION-LARGE RATES

AND INTERRUPTIBLE TRANSPORTATION RATES ON TYPICAL CUSTOMER BILLS (GAS SERVICE)

DATA: _X_ BASE PERIOD ___FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL _X_UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S).:
12 MOS ACTUAL

SCHEDULE N PAGE 2 OF 2 WITNESS: B. L. Sallers

		LEVEL of DEMAND (A)		MONTHLY CUSTOMER CHARGE				TRANSPOR	TATION COMM					
LINE NO.	RATE CODE		MONTHLY TRANSP VOLUME (B)	CURRENT MONTHLY CUST CHARGE (C)	CUST CHARGE	(D - C) (E)	PERCENT INCREASE (DECREASE) (E/C) (F)	CURRENT COMMODITY CHARGE (G)	PROPOSED COMMODITY CHARGE (H)	DOLLAR INCREASE (DECREASE) (H - G) (I)	PERCENT INCREASE (DECREASE) (I/G) (J)	TOTAL CURRENT F BILL (C+G) (K)	TOTAL PROPOSED BILL (D + H) (L)	PERCENT INCREASE (DECREASE) (L-K) / K (M)
			(MCF)	(\$)	(\$)	(\$)	(%)	(\$)	(\$)	(\$)	(%)	(\$)	(\$)	(%)
1	(FT-LARGE)	Not												
2	FIRM	Applicable	1,000	430.00	430.00	0.00	0.0	1,710.19	2,331.90	621.71	36.4	2,140.19	2,761.90	29.0
3	TRANSPORTATION	confinition.	1,500	430.00	430.00	0.00	0.0	2,565.29	3,497.85	932.56	36.4	2,995.29	3,927.85	31.1
4			2,000	430.00	430.00	0.00	0.0	3,420.39	4,663.80	1,243.41	36.4	3,850.39	5,093.80	32.3
5			3,000	430.00	430.00	0.00	0.0	5,130.58	6,995.70	1,865.12	36.4	5,560.58	7,425.70	33.5
6			5,000	430.00	430.00	0.00	0.0	8,550.97	11,659.50	3,108.53	36.4	8,980.97	12,089.50	34.6
7			10,000	430.00	430.00	0.00	0.0	17,101.95	23,319.00	6,217.05	36.4	17,531.95	23,749.00	35.5
8			20,000	430.00	430.00	0.00	0.0	34,203.89	46,638.00	12,434.11	36.4	34,633.89	47,068.00	35.9
9			30,000	430.00	430.00	0.00	0.0	51,305.84	69,957.00	18,651.16	36.4	51,735.84	70,387.00	36.1
10			40,000	430.00	430.00	0.00	0.0	68,407.78	93,276.00	24,868.22	36.4	68,837.78	93,706.00	36.1
11			50,000	430.00	430.00	0.00	0.0	85,509.73	116,595.00	31,085.27	36.4	85,939.73	117,025.00	36.2
12			75,000	430.00	430.00	0.00	0.0	128,264.59	174,892.50	46,627.91	36.4	128,694.59	175,322.50	36.2
13			100,000	430.00	430.00	0.00	0.0	171,019.46	233,190.00	62,170.54	36.4	171,449.48	233,620.00	36.3
14			150,000	430.00	430.00	0.00	0.0	256,529.19	349,785.00	93,255.81	36.4	256,959.19	350,215.00	36.3
15			200,000	430.00	430.00	0.00	0.0	342,038.91	466,380.00	124,341.09	36.4	342,468.91	466,810.00	36.3
16	(IT)	Not												
17	INTERRUPTIBLE	Applicable	2,000	430.00	430.00	0.00	0.0	1,843.99	2,073.80	229.81	12.5	2,273.99	2,503.80	10.1
18	TRANSPORTATION		5,000	430.00	430.00	0.00	0.0	4,609.97	5,184.50	574.53	12.5	5,039.97	5,614.50	11.4
19			10,000	430.00	430.00	0.00	0.0	9,219.95	10,369.00	1,149.05	12.5	9,649.95	10,799.00	11.9
20			15,000	430.00	430.00	0.00	0.0	13,829.92	15,553.50	1,723.58	12.5	14,259.92	15,983.50	12.1
21			20,000	430.00	430.00	0.00	0.0	18,439.89	20,738.00	2,298.11	12.5	18,869.89	21,168.00	12.2
22			25,000	430.00	430.00	0.00	0.0	23,049.86	25,922.50	2,872.64	12.5	23,479.86	26,352.50	12.2
23			30,000	430.00	430.00	0.00	0.0	27,659.84	31,107.00	3,447.16	12.5	28,089.84	31,537.00	12.3
24			40,000	430.00	430.00	0.00	0.0	36,879.78	41,476.00	4,596.22	12.5	37,309.78	41,906.00	12.3
25			50,000	430.00	430.00	0.00	0.0	46,099.73	51,845.00	5,745.27	12.5	46,529.73	52,275.00	12.3
26			100,000	430.00	430.00	0.00	0.0	92,199.46	103,690.00	11,490.54	12.5	92,629.46	104,120.00	12.4
27			200,000	430.00	430.00	0.00	0.0	184,398.91	207,380.00	22,981.09	12.5	184,828.91	207,810.00	12.4
28			300,000	430.00	430.00	0.00	0.0	276,598.37	311,070.00	34,471.63	12.5	277,028.37	311,500.00	12.4

⁽¹⁾ INCLUDES CURRENT RIDER GCAT OF \$0.000 /MCF AND PROPOSED RIDER GCAT OF \$0.000 /MCF IN RATE FT-L.

⁽²⁾ INCLUDES CURRENT RIDER ASRP OF \$0,0045 IMCF AND PROPOSED RIDER ASRP OF \$0,0000 IMCF IN RATE FT-L.

⁽³⁾ INCLUDES CURRENT RIDER TCJA OF (\$0.0312)/MCF AND PROPOSED RIDER TCJA OF \$0.0000 /MCF IN RATES FT-L AND IT.

⁽⁴⁾ INCLUDES CURRENT RIDER ASRP OF \$0.0039 /MCF AND PROPOSED RIDER ASRP OF \$0.0000 /MCF IN RATE IT.