WEDNESDAY, AUGUST 29, 2018 | THE ENQUIRER KENTUCKY NOTICE Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261. The proposed natural gas rates are applicable to the following communities: Alexandria Elsmere Ludlow Bellevue Erlanger Melbourne Boone County Fairview Newport Bracken County Falmouth Park Hills Bromley Florence Pendleton County Butler Fort Mitchell **Ryland Heights** Fort Thomas Campbell County Silver Grove Southgate Cold Spring Fort Wright Taylor Mill Covington **Gallatin County Crescent Park** Glencoe Union **Crescent Springs** Grant County Villa Hills Crestview **Highland Heights** Visalia **Crestview Hills** Walton Independence Crittenden Kenton County Warsaw Kenton Vale Dayton Wilder Dry Ridge Lakeside Park Woodlawn Latonia Lakes Williamstown Edgewood DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF. **Residential Service - Rate RS Proposed Rates Present Rates** Monthly Customer Charge: \$16.00 \$17.50 Base Rate for all Ccf \$0.37213 \$0.48677 \$0.41700 \$0.41700 GCA for all Ccf \$0.90377 Total Rate (Base Rate + GCA) for all Ccf \$0.78913 **General Service - Rate GS Proposed Rates Present Rates** Monthly Customer Charge: \$47.50 \$50.00 \$0.20530 \$0.28077 Base Rate - All Ccf \$0.41700 GCA - All Ccf \$0.41700 \$0.62230 Total Rate (Base Rate + GCA) for all Ccf \$0.69777 Interruptible Transportation Service - Rate IT **Proposed Rates Present Rates** Monthly Customer Charge: \$430.00 \$430.00 \$0.10369 Base Rate - All Ccf \$0.09493 Firm Transportation Service-Large - Rate FT-L **Present Rates Proposed Rates** Monthly Customer Charge: \$430.00 \$430.00 \$0.17369 \$0.23319 Base Rate - All Ccf Interruptible Monthly Balancing Service - Rate IMBS **Present Rate** Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options: Allowed Seasonal Monthly Over-Run Allowed December May Monthly Through Through Under-Run November April Charge on All Throughout % % % \$0.015 per Mcf Option 1 0 5 7

Proposed Rate

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Option 2

Option 3

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

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		ed Seasonal Monthly Over-Run		
	Allowed	May	December	
	Monthly	Through	Through	
	Under-Run	November	April	Charge On
	<u>%</u>	<u>%</u>	%	All Throughout
All Pools	0	8	10	\$0.1097 per Mcf

Present Rate This is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

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\$0.020 per Mcf

\$0.025 per Mcf

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	shall be co	omputed by rate class using the following formula:	
		W N A ,= R,*	(HSF * (NDD - ADD))
Vhere:			(BLi + (HSF, *ADD)
	=	A rate schedule or billing classification within a	
VNA,	-		he ith rate schedule or classification expressed as a rate per Ccf. temperature sensitive sales for the ith schedule or classification.
ISF	-	Heat sensitivity factor for ith rate schedule or cl	assification.
NDD NDD	-	Normal billing cycle heating degree days (base Actual billing cycle heating degree days.	d upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
BL,	-	Base load for the ith rate schedule or classifica	tion.
Present F	lata		Charge for Reconnection of Service
	any may c	harge and collect in advance the following:	
	B. The re C. If serv such f	econnection charge for service which has been disc vice is disconnected because of fraudulent use ther fraudulent use, plus an estimated bill for gas used,	connected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00). connected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00) reof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason prior to the reconnection of service. The time, the total charge shall not exceed thirty-eight dollars (\$38.00).
roposed	Rate		
The Comp		charge and collect in advance the following:	connected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
	B. The re C. If serv of suc	econnection charge for service which has been disc vice is disconnected because of fraudulent use ther ch fraudulent use, plus as estimated bill for gas use	connected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00). reof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason
			Meter Pulse Service - Rate MPS
Present P		anal service available to customers that request the	Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an
electronic	pulse outpulse factors ma	ut representing a pre-determined natural gas volum ay need to be applied by the customer. The custome	The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature er is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a approximately 20' away from any gas pipeline flanges or gas pressure relief devices.
		pulse equipment: ter Index is necessary, additional charge of:	\$500.00 \$155.00
Proposed			
electronic	pulse outp factors ma	out representing a pre-determined natural gas volum ay need to be applied by the customer. The customer	Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an ne. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature er is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a approximately 20' away from any gas pipeline flanges or gas pressure relief devices.
		pulse equipment: Iler Index is necessary, additional charge of:	\$550.00 \$560.00
		In add	lition, Duke Energy Kentucky proposes to change the text as noted for the following tarlifs:
			Service Regulations Section II – Supplying and Taking of Service
Present F 6. USE C	F SERVIC	E:	
is for Cus	omer's use	irectly to Customer through Company's own meter a e only and under no circumstances may Customer o	nd is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Servi or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Custom
Service is	F SERVIC supplied di tomer's use n, or corpo	irectly to Customer through Company's own meter a e only and under no circumstances may Customer	nd is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Servi or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individu ther premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the su
associatio			Service Regulations Section V – Metering
associatio			
Present F Each mo	onth the Co	ompany will monitor the usage of each customer ac	
Present F Each mo 1.The cu	onth the Co istomer's m		
Present F Each mo 1.The cu 2. The a	onth the Co istomer's m er.	nonthly usage is monitored through a "hi-lo" review p	process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, su
Present F Each mo 1.The cu 2. The a	onth the Co istomer's m er.	nonthly usage is monitored through a "hi-lo" review p	process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, su
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Annual Pr	onth the Co istomer's m er. ctual usage if Rate th the Com stomer's m Rate ving text is in antigeneric	nonthly usage is monitored through a "hi-lo" review p e is compared to an estimate based on the previous inpany will monitor the usage of each customer acco nonthly usage is monitored through a "hi-lo" review removed from the tariff sheet, "If bills are rendered ption of the budget bill plan is added to the tariff she <u>Description:</u> The Annual Plan provides 11 months of equal p Month 12 is a settle-up month between the bill A bill message is sent after 6 months with a su Company to change the amount. The budget bill amount is changed as needed	process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, su is month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two year process that will incorporate customer past usage and other related information to provide an expected level of usage. Service Regulations Section VI – Billing and Payment electronically then a charge not to exceed \$0.25 per usage may be assessed." eet. payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill. ed amounts and customer bills based on actual usage. ggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact after the 12 month review.
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Full Requirements Aggregation Service - Rate FRAS

Present Rate UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier, (1)

Proposed Rate DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and (1)

Spark Spread Interruptible Transportation Rate - Rate SSIT

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

Over-deliveries

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of

the month. **Proposed Rate**

Present Rate

AND AND THE REAL PROPERTY AND ADDRESS OF A DESCRIPTION OF

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Present Rate

Accelerated Service Replacement Program Rider - Rider ASRP

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

	a col u
Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

	Customer Class	Revenue Increase Proposed	%	
ć	Rate RS – Residential Service	\$ 6,448,449	9.8%	
	Rate GS – Commercial Service	\$ 2,041,693	10.3%	
2	Rate GS – Industrial Service	\$ 131,405	11.3%	
	Rate GS – Other Public Authority Service	\$ 251,299	11.3%	
	Rate FT-L – Firm Transportation Service	\$ 1.545.442	30.6%	
	Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%	
	Rate GTS – Gas Trading Service*	\$0	0.0%	
	Rate IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%	
	Rider WNA - Weather Normalization Adjustment*	\$0	0.0%	
	Charge for Reconnection of Service*	SO	0.0%	
	Rate MPS - Meter Pulse Service*	\$0	0.0%	
	'The revenue deficiency is not allocated to these items.			
	The average monthly bill for each customer class to which the proposed rates will ap	ply will increase approximately as follows:		
	Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
	Rate RS - Residential Service	53	\$ 5.78	10.2%
	Rate GS - Commercial Service	336	\$ 26.08	10.3%
	Rate GS - Industrial Service	683	\$ 52.27	11.3%
	Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
•	Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
	Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
	Rate GTS - Gas Trading Service**	NA	\$0	0.0%
	Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
	Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
	Charge for Reconnection of Service**	NA	\$0	0.0%
	Rate MPS - Meter Pulse Service"	NA	\$0	0.0%
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The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the application.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

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PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

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NOTICE

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Where:	a state of the second	(HSF,* (NDD - ADD))
Where:	W N A , = R, *	(BLi + (HSF, * ADD)
NA.	 A rate schedule or billing classification within a Weather Normalization Adjustment Factor for th 	rate schedule. e ith rate schedule or classification expressed as a rate per Ccf.
	= Weighted average rate (distribution charge) of t	emperature sensitive sales for the ith schedule or classification.
SF	 Heat sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification of the sensitivity factor for ith rate schedule or classification or classifica	assitication. I upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
DD	 Actual billing cycle heating degree days. 	
5	 Base load for the ith rate schedule or classificat 	on.
		Charge for Reconnection of Service
resent		
ne Com	pany may charge and collect in advance the following: A. The reconnection charge for service which has been disc	onnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
	C. If service is disconnected because of fraudulent use them such fraudulent use, plus an estimated bill for gas used, p	onnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00) sof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of prior to the reconnection of service. e time, the total charge shall not exceed thirty-eight dollars (\$38.00).
ropose	1 Rate	
	bany may charge and collect in advance the following:	
	B. The reconnection charge for service which has been disc	onnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00). onnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
	C. If service is disconnected because of fraudulent use there of such fraudulent use, plus as estimated bill for gas used	sof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason
		e premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.
		Meter Pulse Service - Rate MPS
resent		
ectronic	pulse output representing a pre-determined natural gas volum factors may need to be applied by the customer. The customer	Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an e. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature r is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a approximately 20' away from any gas pipeline flanges or gas pressure relief devices.
	n of meter pulse equipment: ment of Meter Index is necessary, additional charge of:	\$500.00 \$155.00
	la ve	9100.00
ate MPS ectronic prrecting	pulse output representing a pre-determined natural gas volum factors may need to be applied by the customer. The customer	Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an e. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature r is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a approximately 20' away from any gas pipeline flanges or gas pressure relief devices.
	n of meter pulse equipment: ment of Meter Index is necessary, additional charge of:	\$550.00 \$560.00
	In add	tion, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:
resent	ate	Service Regulations Section II – Supplying and Taking of Service
USE C	OF SERVICE: supplied directly to Customer through Company's own meter ar	id is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.
Propose		
the second se	tomer's use only and under no circumstances may Customer c	d is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, her premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum
s for Cus issociatio	locations does not exceed Company's billing.	
for Cus ssociation	locations does not exceed Company's billing.	Service Regulations Section V – Meterina
for Cus ssociation such all resent I	late	Service Regulations Section V – Metering
for Cus ssociation f such al resent I Each m	Pate onth the Company will monitor the usage of each customer acc	ording to the following procedure:
resent I Each m 1.The cus	Nate onth the Company will monitor the usage of each customer acc istomer's monthly usage is monitored through a "hi-lo" review p er.	
s for Cus ssociatic f such a resent I Each m 1.The cu s weath 2. The a revious.	Rate onth the Company will monitor the usage of each customer acc istomer's monthly usage is monitored through a "hi-lo" review p er. ctual usage is compared to an estimate based on the previous I Rate th the Company will monitor the usage of each customer acco	ording to the following procedure: rocess. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years
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for Cus sociatic such al resent I Each m 1. The cus weath 2. The a evious. roposed ach mor The cu resent I he follow roposed follow	Pate both the Company will monitor the usage of each customer accu- istomer's monthly usage is monitored through a "hi-lo" review p er. ctual usage is compared to an estimate based on the previous I Rate th the Company will monitor the usage of each customer acco- stomer's monthly usage is monitored through a "hi-lo" review p Rate wing text is removed from the tariff sheet, "If bills are rendered en- ting description of the budget bill plan is added to the tariff sheet lling Plan Description: an: The Annual Plan provides 11 months of equal p Month 12 is a settle-up month between the bille	ording to the following procedure: rocess. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years rding to the following procedure: rocess that will incorporate customer past usage and other related information to provide an expected level of usage. Service Regulations Section VI – Billing and Payment electronically then a charge not to exceed \$0.25 per usage may be assessed." at. at.
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for Cus ssociation i such al resent I Each m 1.The cus s weathor 2. The a revious. roposed ach mor . The cu resent I he follow roposed he follow	Rate onth the Company will monitor the usage of each customer accoustomer's monthly usage is monitored through a "hi-lo" review par. ctual usage is compared to an estimate based on the previous If Rate th the Company will monitor the usage of each customer accoustomer's monthly usage is monitored through a "hi-lo" review part. th the Company will monitor the usage of each customer accoustomer's monthly usage is monitored through a "hi-lo" review part. Rate ring text is removed from the tariff sheet, "If bills are rendered ending description of the budget bill plan is added to the tariff sheet. Image description of the budget bill plan is added to the tariff sheet. The Annual Plan provides 11 months of equal part. Month 12 is a settle-up month between the bille A bill message is sent after 6 months with a sug Company to change the amount. The Quarterly Plan provides 3 months of equal and thowever, to prevent a settle-up month, reviews	ording to the following procedure: rocess. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years rocess that will incorporate customer past usage and other related information to provide an expected level of usage. Service Regulations Section VI – Billing and Payment lectronically then a charge not to exceed \$0.25 per usage may be assessed." at. ayments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill. d amounts and customer bills based on actual usage. gested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact for the 12 month review.
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Full Requirements Aggregation Service - Rate FRAS

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream 'pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS: Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate DEFINITIONS:

Present Rate

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS: Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

the state of the

Spark Spread Interruptible Transportation Rate - Rate SSIT

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Present Rate

Accelerated Service Replacement Program Rider - Rider ASRP

The charges for the respective gas service schedules for the revenue month be	ginning January 2018 are:
Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

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Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%	
Rate RS - Residential Service	\$ 6,448,449	9.8%	
Rate GS – Commercial Service	\$ 2,041,693	10.3%	
Rate GS – Industrial Service	\$ 131,405	11.3%	
Rate GS - Other Public Authority Service	\$ 251,299	11.3%	
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%	
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%	
Rate GTS - Gas Trading Service*	\$0	0.0%	
Rate IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%	
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%	
Charge for Reconnection of Service*	\$0	0.0%	
Rate MPS – Meter Pulse Service*	\$0	0.0%	
*The revenue deficiency is not allocated to these items.			
The average monthly bill for each customer class to which the proposed rates v	will apoly will increase approximately as follows:		
Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional services not necessarily applicable to customer's av	verage monthly bill.		Continued next page

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInguiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue Boone County Bracken County Bromley Butler **Campbell County** Cold Spring Covington **Crescent Park Crescent Springs** Crestview **Crestview Hills** Crittenden Dayton Dry Ridge Edgewood

Erlanger Fairview Falmouth Florence Fort Mitchell Fort Thomas Fort Wright Gallatin County Glencoe Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Elsmere

Ludlow Melbourne Newport Park Hills Pendleton County **Ryland Heights** Silver Grove Southgate Taylor Mill Union Villa Hills Visalia Walton Warsaw Wilder Woodlawn Williamstown

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

Residential Service - Rate RS

Proposed Rates

Proposed Rates

\$17.50

\$0.48677 \$0.41700

\$0.90377

\$50.00

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

Monthly Customer Charge: Base Rate for all Ccf GCA for all Ccf Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate – All Ccf GCA – All Ccf Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate – All Ccf

Monthly Customer Charge: Base Rate – All Ccf Present Rates \$47.50 \$0.20530 \$0.41700 \$0.62230

Present Rates

\$16.00

\$0.37213

\$0.41700

\$0,78913

Present Rates \$430.00 \$0.09493

Present Rates \$430.00 \$0.17369 \$0.28077 \$0.41700 \$0.69777 Interruptible Transportation Service - Rate IT Proposed Rates

General Service - Rate GS

\$430.00 \$0.10369

Firm Transportation Service-Large - Rate FT-L Proposed Rates \$430.00 \$0.23319

Interruptible Monthly Balancing Service - Rate IMBS

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

	Allo	wed Seasonal Monthly Over-Run	A State of the second second	
	Allowed	May	December	
1 A A	Monthly	Through	Through	
1 -	Under-Run	November	April	Charge on
A CAN	<u>%</u>	%	%	All Throughout
Option 1	0	5	7	\$0.015 per Mcf
Option 2	0	6	8	\$0.020 per Mcf
Option 3	0	8	10	\$0.025 per Mcf

Proposed Rate

Present Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

	Allowed S	easonal Monthly Over-Run	+03		
	Allowed Monthly Under-Run	May Through November	1	December Through April	Charge On
	26	<u>%</u>		26	All Throughout
All Pools	0	8		10	\$0.1097 per Mcf

Weather Normalization Adjustment Rider - Rider WNA

Present Rate This is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA). The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

	all be computed by rate class using the following formula:	(HSF,* (NDD - ADD))
	$W N A_r = R_r^*$	(BLi + (HSF * ADD)
Where:		
	 A rate schedule or billing classification within Weather Normalization Adjustment Factor for 	a rate schedule. the ith rate schedule or classification expressed as a rate per Ccf.
R, ' ;	 Weighted average rate (distribution charge) or 	of temperature sensitive sales for the ith schedule or classification.
	 Heat sensitivity factor for ith rate schedule or Normal billing cycle heating degree days (bas 	classification. sed upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
ADD	 Actual billing cycle heating degree days. Base load for the ith rate schedule or classific 	
-		
		Charge for Reconnection of Service
Present Rat The Compar	te ny may charge and collect in advance the following:	
	A. The reconnection charge for service which has been di B. The reconnection charge for service which has been di C. If service is disconnected because of fraudulent use the such fraudulent use, plus an estimated bill for gas used	isconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00). isconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00) ereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason I, prior to the reconnection of service. one time, the total charge shall not exceed thirty-eight dollars (\$38.00).
Proposed R	late	
The Compar	ny may charge and collect in advance the following:	
	B. The reconnection charge for service which has been di C. If service is disconnected because of fraudulent use th of such fraudulent use, plus as estimated bill for gas us	
	D. If both the gas and electric services are reconnected all both the gas are reconnected all both the gas are reconnected all both the gas are reconnected all both the reconnected all both the reconnected all both th	t the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.
Present Rat		Meter Pulse Service - Rate MPS
electronic pu correcting fa	ulse output representing a pre-determined natural gas volu ctors may need to be applied by the customer. The custor	ne Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an ume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature mer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.
	of meter pulse equipment: int of Meter Index is necessary, additional charge of:	\$500.00 \$155.00
electronic pu correcting fa	an optional service available to customers that request the alse output representing a pre-determined natural gas volu- ictors may need to be applied by the customer. The custor	The Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an ume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature mer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.
	of meter pulse equipment: ent of Meter Index is necessary, additional charge of:	\$550.00 \$560.00
	In ac	ddition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:
		Service Regulations Section II – Supplying and Taking of Service
Present Rat		
. OUL UP		and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Ser
is for Custon Proposed R 6. USE OF :	ner's use only and under no circumstances may Customer late SERVICE:	r or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Custor
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20A I WEDNESDAY, SEPTEMBER 12, 2018 I THE ENQUIRER KENTUCKY

Full Requirements Aggregation Service - Rate FRAS

Present Rate UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

475

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier, (1)

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and (1)

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Gas Trading Service - Rate GTS

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Prese	nt Rate	
The ch	harges for the respective gas service schedules for the revenue month b	eginning January 2018 are:
1.1.1.1.1.	Rate RS, Residential Service	\$1.80/month
0	Rate GS, General Service	\$1.78/month
1	Rate DGS, Distributed Generation Service	\$0.00045/CCF
	Rate FT-L, Firm Transportation Service – Large	\$0.00045/CCF
6	Rate IT, Interruptible Transportation Service	\$0.00039/CCF
	Rate SSIT Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

Charge for Reconnection of Service* Rate MPS – Meter Pulse Service*	\$0 \$0	0.0% 0.0%	
Rate MPS – Meter Pulse Service* *The revenue deficiency is not allocated to these items. The average monthly bill for each customer class to which the proposed rates within		0.0%	
Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service		\$1.370.07	
	23,202		30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
		ΦU	0.078
**These items are optional services not necessarily applicable to customer's ave	rage monthly bill.		Continued next p

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInguiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

12A - FALMOUTH OUTLOOK - August 28, 2018

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue Boone County Bracken County Bromley Butler **Campbell County** Cold Spring Covington Crescent Park **Crescent Springs** Crestview **Crestview Hills** Crittenden Dayton Dry Ridge Edgewood

Elsmere Erlanger Fairview Falmouth Florence Fort Mitchell Fort Thomas Fort Wright **Gallatin County** Glencoe Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Ludiow Melbourne Newport Park Hills Pendleton County **Ryland Heights** Silver Grove Southoate Taylor Mill Union **Villa Hills** Visalia Walton Warsaw Wilder Woodlawn Williamstown

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

Residential Service - Rate RS

Proposed Rates \$17.50

Proposed Rates

\$0.48677 \$0.41700

\$0.90377

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is 30.4170 per CCF.

Customer Charge:	
te for all Ccf	
all Ccf	
te (Base Rate + GCA) for all Ccf	

Monthly Customer Charge: Base Rate - All Ccf GCA - All Ccf Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate - All Ccf

Base Rate - All Ccf

Present Rate

Monthly

Base Ra

GCA for

Total Rat

Monthly Customer Charge:

Present Rates \$430.00 \$0.09493

Present Rates

\$16.00

\$0.37213

\$0.41700

\$0.78913

\$47.50

\$0.20530 \$0.41700

\$0.62230

Present Rates

Present Rates \$430.00 \$0.17369

Proposed Rates \$50.00 \$0.28077 \$0.41700 \$0.69777 Interruptible Transportation Service - Rate IT

General Service - Rate GS

\$430.00 \$0.10369 Firm Transportation Service-Large - Rate FT-L **Proposed Rates** \$430.00 \$0.23319

Interruptible Monthly Balancing Service - Rate IMBS

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

	Allow	ved Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run <u>%</u>	May Through November %	December Through April %	Charge on All Throughout
Option 1	0	5	7	\$0.015 per Mcf
Option 2	0	6	8	\$0.020 per Mcf
Option 3	0	8	10	\$0.025 per Mcf

Proposed Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

Allo	wed Seasonal Monthly Over-Run		
Allowed Monthly Under-Run %	May Through November	December Through April %	Charge On All Throughout
0	8	28	\$0.1097 per Mcf

This is a new tariff schedule

Present Rate

Weather Normalization Adjustment Rider - Rider WNA

Proposed Rate

All Pools

APPLICABILITY

Where:

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

W N A , = R,*	(HSF,* (NDD - ADD))
	(BLi + (HSF, * ADD)
	(BLi + (HSF, * ADD)

1	=	A rate schedule or billing classification within a rate schedule.
WNA,	=	Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
R		Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
HSF.	-	Heat sensitivity factor for ith rate schedule or classification.
NDD	=	Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
ADD	-	
BL		Base load for the ith rate schedule or classification.
NDD		Heat sensitivity factor for ith rate schedule or classification. Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Ride Actual billing cycle heating degree days.

Charge for Reconnection of Service

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate 6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for

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Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

Present Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact
- Company to change the amount.

The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Present Rate

Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Rate RS

Rate GS

Rate DG

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

respective gas service schedules for the revenue n	nonth beginning January 2018
6, Residential Service	\$1.80/month
5, General Service	\$1.78/month
S. Distributed Generation Service	\$0.00045/CCF

Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

Curtailment Plan for Management of Available Gas Supplies

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS - Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS – Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS – Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA – Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items		

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
the second			

**These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

6 - FALMOUTH OUTLOOK - September 4, 2018

www.falmouthoutlook.com

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue Boone County Bracken County Bromley Butler **Campbell County Cold Spring** Covington **Crescent Park Crescent Springs** Crestview **Crestview Hills** Crittenden Dayton Dry Ridge Edgewood

Elsmere Erlanger Fairview Falmouth Florence Fort Mitchell Fort Thomas Fort Wright **Gallatin County** Glencoe Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Ludlow Melbourne Newport Park Hills Pendleton County **Ryland Heights** Silver Grove Southgate Taylor Mill Union Villa Hills Visalia Walton Warsaw Wilder Woodlawn Williamstown

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

Residential Service - Rate RS

Proposed Rates

\$17.50 \$0.48677

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

Monthly Customer Charge: Base Rate for all Ccf GCA for all Ccf Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate – All Ccf GCA – All Ccf Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate – All Ccf

Monthly Customer Charge: Base Rate - All Ccf

Present Rate

\$0.41700 \$0.78913 Present Rate

Present Rates

\$16.00

\$0.37213

\$47.50 \$0.20530 \$0.41700 \$0.62230

Present Rates \$430.00 \$0.09493

Present Rates \$430.00 \$0.17369 \$0.41700 \$0.90377 General Service - Rate GS Proposed Rates \$50.00 \$0.28077 \$0.41700 \$0.69777 Interruptible Transportation Service - Rate IT

Proposed Rates \$430.00 \$0.10369 Firm Transportation Service-Large - Rate FT-L Proposed Rates

\$430.00 \$0.23319

Interruptible Monthly Balancing Service - Rate IMBS

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

	Allow	ed Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run <u>%</u>	May Through November <u>%</u>	December Through April <u>%</u>	Charge on All Throughout
Option 1	0	5	7	\$0.015 per Mcf
Option 2	0	6	8	\$0.020 per Mcf
Option 3	0	8	10	\$0.025 per Mcf

Proposed Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

		Allowed Seasonal Mor	thly Over-Run						
	Allowed		May Through	10.27	uni paire	December Through		and the second second second second	
	Under-Run	D DRE V	November			April		Charge On	
and for its on any service."	<u>%</u>	el and harmonia	%		$= 2^{-1} g^{-1} = 0$	<u>%</u>	garan	All Throughout	
All Pools	0		8			10		\$0.1097 per Mcf	

Present Rate

i his is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

(HSF,* (NDD - ADD)) (BLi + (HSF,* ADD)

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

A rate schedule or billing classification within a rate schedule.

WNA, = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.

R = Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.

- HSF, = Heat sensitivity factor for ith rate schedule or classification.
- NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
- ADD = Actual billing cycle heating degree days.
- BL = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate 6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for

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Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

- Annual Plan:
- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact

Company to change the amount.

The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

C 4000

Present Rate

Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Present Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month

Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation I	Rate \$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS - Residential Service	\$ 6,448,449	9.8%
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Rate GTS - Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%

*The revenue deficiency is not allocated to these items.

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
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Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
*These items are optional services not necessarily applicable to customer's average monthly hill			

**These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

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For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

10 - FALMOUTH OUTLOOK - September 11, 2018

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NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue **Boone County** Bracken County Bromley Butler **Campbell County** Cold Spring Covington **Crescent Park Crescent Springs** Crestview **Crestview Hills** Crittenden Dayton Dry Ridge Edgewood

Ludlow Elsmere Melbourne Erlanger Fairview Newport Falmouth Park Hills Florence Pendleton County Fort Mitchell **Ryland Heights** Fort Thomas Silver Grove Fort Wright Southgate Gallatin County Taylor Mill Glencoe Union Grant County Villa Hills **Highland Heights** Visalia Independence Walton Kenton County Warsaw Kenton Vale Wilder Lakeside Park Woodlawn Latonia Lakes Williamstown

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

		Residential Service - Rate RS
	Present Rates	Proposed Rates
onthly Customer Charge:	\$16.00	\$17.50
ase Rate for all Ccl	\$0.37213	\$0.48677
CA for all Ccf	\$0.41700	\$0.41700
otal Rate (Base Rate + GCA) for all Ccf	\$0.78913	\$0.90377
		General Service - Rate GS
	Present Rates	Proposed Rates
Ionthly Customer Charge:	\$47.50	\$50.00
ase Bate - All Ccf	\$0.20530	\$0.28077
CA – All Cof	\$0.41700	\$0.41700
otal Rate (Base Rate + GCA) for all Ccf	\$0.62230	\$0.69777
		Interruptible Transportation Service - Rate IT
	Present Rates	Proposed Rates
onthly Customer Charge:	\$430.00	\$430.00
ase Rate - All Ccf	\$0.09493	\$0.10369
		Firm Transportation Service-Large - Rate FT-L
	Present Rates	Proposed Rates
Ionthly Customer Charge:	\$430.00	\$430.00
ase Rate - All Ccf	\$0.17369	\$0.23319

Interruptible Monthly Balancing Service - Rate IMBS

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

	Allow	ed Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run %	May Through November <u>%</u>	December Through April <u>%</u>	Charge on All Throughout
Option 1	0	5	7	\$0.015 per Mcf
Option 2	0	6	8	\$0.020 per Mcf
Option 3	0	8	10	\$0.025 per Mcf

Proposed Rate

Present Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

	Allov	ved Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run	May Through November %	December Through April %	Charge On All Throughout
-19 Ave.				
II Pools	0	8	10	\$0.1097 per Mcf

Weather Normalization Adjustment Rider - Rider WNA

Present Rate This is a new tariff schedule.

Proposed Rate

All

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

 $W N A_{i} = R_{i}^{*} \frac{(HSF_{i}^{*} (NDD - ADD))}{(BLi + (HSF_{i}^{*} ADD))}$

Where:

= A rate schedule or billing classification within a rate schedule.

- WNA, = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
- R = Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
- HSF = Heat sensitivity factor for ith rate schedule or classification.
- NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
- ADD = Actual billing cycle heating degree days.

BL = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of
- such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for

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Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

- Annual Plan:
 - The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
 - Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
 - A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact
 - Company to change the amount.

The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

BIG ORITING

Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Present Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month

Rate GS, General Service	\$1,78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency rellect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS - Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS - Industrial Service	\$ 131,405	11.3%
Rate GS - Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L - Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS - Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items.		

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional services not necessarily applicable to customer's average monthly bill.			

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at <u>http://psc.ky.gov</u>, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

AUGUST 30, 2018 · BC-KENTUCKY - COMMUNITY · 3C NOTICE Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261. The proposed natural gas rates are applicable to the following communities: Alexandria Ludlow Elsmere Bellevue Erlange Melbourne **Boone County** Fairview Newport Bracken County Falmouth Park Hills Bromley Florence Pendleton County Fort Mitchell **Ryland Heights** Butler **Campbell County** Fort Thomas Silver Grove **Cold Spring** Fort Wright Southgate Covington **Gallatin County** Taylor Mill **Crescent Park** Glencoe Union **Crescent Springs Grant County** Villa Hills **Highland Heights** Crestview Visalia **Crestview Hills** Independence Walton Crittenden Kenton County Warsaw Dayton Kenton Vale Wilder **Dry Ridge** Lakeside Park Woodlawn Edgewood Latonia Lakes Williamstown DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF. **Residential Service - Rate RS** Proposed Rates **Present Rates** Monthly Customer Charge: \$16.00 \$17.50 Base Rate for all Ccf \$0.37213 \$0.48677 \$0.41700 \$0.41700 GCA for all Ccf Total Rate (Base Rate + GCA) for all Ccf \$0.78913 \$0.90377 **General Service - Rate GS Present Rates Proposed Rates** Monthly Customer Charge: \$47.50 \$50.00 Base Rate - All Ccf \$0.20530 \$0.28077 GCA - All Ccf \$0.41700 \$0.41700 Total Rate (Base Rate + GCA) for all Ccf \$0.62230 \$0.69777 Interruptible Transportation Service - Rate IT **Present Rates Proposed Rates** Monthly Customer Charge: \$430.00 \$430.00 \$0.10369 \$0.09493 Base Rate - All Ccf Firm Transportation Service-Large - Rate FT-L **Proposed Rates Present Rates** Monthly Customer Charge: \$430.00 \$430.00 Base Rate - All Ccf \$0.17369 \$0.23319 Interruptible Monthly Balancing Service - Rate IMBS **Present Rate** Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options: Allowed Seasonal Monthly Over-Run Allowed May December Monthly Through Through Under-Run April Charge on November % % % All Throughout **Option 1** 0 5 \$0.015 per Mcf 7 **Option 2** \$0.020 per Mcf 0 8 6 \$0.025 per Mcf 10 Option 3 0 8 **Proposed Rate** Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below. Allowed Seasonal Monthly Over-Run December Allowed May Monthly Through Through Charge On Under-Run November April All Throughout % % % All Pools 10 0 \$0,1097 per Mcf 8 Weather Normalization Adjustment Rider - Rider WNA **Present Rate** This is a new tariff schedule. **Proposed Rate** APPLICABILITY Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service. DETERMINATION OF WNA The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA). The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider The WNA shall be computed by rate class using the following formula: (HSFi * (NDD - ADD)) WNAi=Ri* (BLi + (HSFi * ADD) Where: A rate schedule or billing classification within a rate schedule. WNAi Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf. Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification. Ri

NDD BLi

HSFi

- Base load for the ith rate schedule or classification.

Heat sensitivity factor for ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25,00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.

Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.

D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

\$560.00

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

\$500.00 Installation of meter pulse equipment: If replacement of Meter Index is necessary, additional charge of: \$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices. \$550.00

Installation of meter pulse equipment:

If replacement of Meter Index is necessary, additional charge of:

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs: Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

4C • BC-KENTUCKY - COMMUNITY • AUGUST 30, 2018

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. A n estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage. Service Regulations Section VI – Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.

- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.

- The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.

- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month Rate GS, General Service \$1.78/month Rate DGS, Distributed Generation Service \$0.00045/CCF

Rate FT-L, Firm Transportation Service - Large \$0.00045/CCF

Rate IT, Interruptible Transportation Service = Large \$0.00045/CCF

Rate SSIT, Spark Spread Interruptible Transportation Rate \$0.00039/CCF

Proposed Rate

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This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

% Increase 10.2% 10.3% 11.3% 30.6% 8.1% 0.0% 0.0% 0.0% 0.0% 0.0%

Customer Class	Revenue Increase Proposed	%
Rate RS – Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS - Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT - Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS – Gas Trading Service*	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS - Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items.		
The average monthly bill for each customer class to which	th the proposed rates will apply will inc	rease approximately as follows:
Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed
Rate RS - Residential Service	53	\$ 5.78
Rate GS - Commercial Service	336	\$ 26.08
Rate GS - Industrial Service	683	\$ 52.27
Rate GS - Other Public Authority Service	733	\$ 56.04
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07
Rate IT - Interruptible Transportation Service	56,060	\$469.22
Rate GTS - Gas Trading Service**	NA	\$0
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0
Rate WNA - Weather Normalization Adjustment	NA	\$0
Charge for Reconnection of Service**	NA	\$0
Rate MPS - Meter Pulse Service**	NA	\$0
**These items are optional services not necessarily applie	cable to customer's average monthly b	i0.
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The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing DEKInquiries@duke-energy.com or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940



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Actual billing cycle heating degree days.

boore Cs.

- BLi
- Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

\$500.00 Installation of meter pulse equipment: If replacement of Meter Index is necessary, additional charge of: \$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment: \$550.00

If replacement of Meter Index is necessary, additional charge of: \$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs: Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

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Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure: 1. The customer's monthly usage is monitored through a "hi-lo" review process. A n estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current

variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage. Service Regulations Section VI – Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet. Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.

- The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

- Rate RS, Residential Service \$1.80/month
- Rate GS, General Service \$1.78/month
- Rate DGS, Distributed Generation Service \$0.00045/CCF
- Rate FT-L, Firm Transportation Service Large \$0.00045/CCF Rate IT, Interruptible Transportation Service \$0.00039/CCF
- Rate SSIT, Spark Spread Interruptible Transportation Rate \$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS - Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS - Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS - Gas Trading Service*	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service"	\$0	0.0%
Rate MPS - Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items		

*The revenue deficiency is not allocated to these items.

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional services not necessarily applicable	to customer's average monthly b	āli.	

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing DEKInquiries@duke-energy.com or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION PC COMMONWEALTH OF KENTUCKY P. 0. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

SEPTEMBER 13, 2018 · BC-KENTUCKY - COMMUNITY · 5C



Heat sensitivity factor for ith rate schedule or classification. **HSFI** =

Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider. NDD ADD

- Actual billing cycle heating degree days.
- Base load for the ith rate schedule or classification. \equiv

Charge for Reconnection of Service

Present Rate

BLi

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).

\$550.00

- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment: \$500.00 If replacement of Meter Index is necessary, additional charge of: \$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:

If replacement of Meter Index is necessary, additional charge of: \$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs: Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

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Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI – Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.

- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
- The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.

- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS: Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month

- Rate GS, General Service \$1.78/month
- Rate DGS, Distributed Generation Service \$0.00045/CCF

Rate FT-L, Firm Transportation Service – Large \$0.00045/CCF

Rate IT, Interruptible Transportation Service \$0.00039/CCF

Rate SSIT, Spark Spread Interruptible Transportation Rate \$0.00039/CCF

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS – Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS – Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT - Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS – Gas Trading Service*	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items	2.120	

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional services not necessarily applicable	e to customer's average monthly b	ill.	

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing DEKInquiries@duke-energy.com or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

				Carph	AUGUST 30, 2018	CC-KENTUCKY - COMMUNITY
			N	TICE		
uke Energy Kentucky, Inc. (Duke	e Energy Kentu	cky) hereby gives notice that it will	file an application on or about	August 31, 2018 seeking approv	al by the Kentucky Public Servi	ice Commission of an adjustment of natural gas rate
		he Commission has docketed this				
he proposed natural gas rates ar	re applicable to					
		Alexandria Bellevue	Elsmere Erlanger		Ludlow Melbourne	
		Boone County	Fairview		Newport	
		Bracken County Bromley	Falmouth Florence		Park Hills Pendleton County	
		Butler	Fort Mitchell		Ryland Heights	
		Campbell County	Fort Thomas		Silver Grove	
		Cold Spring Covington	Fort Wright Gallatin Cou	ntv	Southgate Taylor Mill	
		Crescent Park	Glencoe		Union	
		Crescent Springs Crestview	Grant Count	The second se	Villa Hills	
		Crestview Hills	Highland He Independence		Visalia Walton	
		Crittenden	Kenton Cour		Warsaw	
		Dayton Dry Ridge	Kenton Vale Lakeside Pa	+	Wilder Woodlawn	
		Edgewood	Latonia Lake		Williamstown	
		D	UKE ENERGY KENTUCKY P	RESENT AND PROPOSED RA	TES	
he present and proposed rates	s charged in al	I territories served by Duke Ener	gy Kentucky are as follows.	The current GCA Rate in effe	ct as of August 1, 2018 is \$0.	4170 per CCF.
			Residential S	Service - Rate RS		
		Present Rates	Proposed R			
Ionthly Customer Charge: ase Rate for all Ccf		\$16.00 \$0.37213	\$17.50 \$0.48677			
GCA for all Ccf		\$0.41700	\$0.41700			
otal Rate (Base Rate + GCA) for	all Ccf	\$0.78913	\$0.90377			
				rvice - Rate GS		
Nonthly Customer Charge:		Present Rates \$47.50	Proposed R \$50.00	ates		
Base Rate - All Ccf		\$0.20530	\$0.28077			
GCA – All Ccf otal Rate (Base Rate + GCA) for	all Ccf	\$0.41700 \$0.62230	\$0.41700 \$0.69777			
				ortation Service - Rate IT		
		Present Rates	Proposed R	ates		
Nonthly Customer Charge: Base Rate – All Ccf		\$430.00 \$0.09493	\$430.00 \$0.10369			
				Service-Large - Rate FT-L		
Monthly Customer Charge:		Present Rates \$430.00	Proposed R \$430.00	ates		
Base Rate – All Ccf		\$0.17369	\$0.23319			
Present Rate			Interruptible Monthly Ba	lancing Service - Rate IMBS		
	ail themselves of	of the service under this rate sched		of their supplier, select a monthly	imbalance carry over toleranc	e level from the following options:
A.11	lowed	Allowed Seasonal Mon			December	
	lowed onthly		May Through		Through	
Ur	nder-Run		November		April	Charge on
%			%		%	All Throughout
Option 1 0	1.00		5	D Mt	7	\$0.015 per Mcf
Option 2 0 Option 3 0	1		6	1041	8 10	\$0.020 per Mcf \$0.025 per Mcf
Proposed Rate			0		10	
	ail themselves	of the service under this rate sched	ule must conform to the month	ly imbalance carry over tolerand	e level shown below.	
		Allowed Seasonal Mor	nthly Over-Run			
	lowed		May		December	
	onthly nder-Run		Through November		Through April	Charge On
%			%		%	All Throughout
All Pools 0		÷	8		10	\$0.1097 per Mcf
				djustment Rider – Rider WNA		
resent Rate his is a new tariff schedule.				ajusunent niver – Rider WNA		
Proposed Rate						

Proposed Rate APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

(HSF,* (NDD - ADD))

WNA, = R,*

(BLi + (HSF, * ADD)

Where:

R

A rate schedule or billing classification within a rate schedule.

Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf. WNA,

Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.

- HSF. Heat sensitivity factor for ith rate schedule or classification.
- Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider. NDD
- ADD Actual billing cycle heating degree days. BL,
 - Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00) C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason
- of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

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4C • CC-KENTUCKY - COMMUNITY • AUGUST 30, 2018

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:

If replacement of Meter Index is necessary, additional charge of:

\$500.00 \$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI – Billing and Payment

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

Present Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

- Annual Plan:
 - The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
 - Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
 - A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.

The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

(1)

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service – Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

FFF

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

CONTINUED NEXT PAGE

CE-000070652

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

CE-0000706530

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

	IMPACT OF PROPOSED RATES		
The foregoing proposed rates designed to recover Duke Energy Kentucky's rev	enue deficiency reflect an increase in gas revenues of approximat	tely \$10.5 million or 11.1% to Duke Energy Kentucky. The e	estimated amount of this increase
per customer class is as follows:			
Customer Class	Revenue Increase Proposed	%	
Rate RS – Residential Service	\$ 6,448,449	9.8%	
Rate GS – Commercial Service	\$ 2,041,693	10.3%	
Rate GS – Industrial Service	\$ 131,405	11.3%	
Rate GS – Other Public Authority Service	\$ 251,299	11.3%	
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%	
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%	
Rate GTS – Gas Trading Service*	\$0	0.0%	
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%	
Rider WNA – Weather Normalization Adjustment*	\$0	0.0%	
Charge for Reconnection of Service*	\$0	0.0%	
Rate MPS – Meter Pulse Service*	\$0	0.0%	
*The revenue deficiency is not allocated to these items.			
The average monthly bill for each customer class to which the proposed rates			
Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional services not necessarily applicable to customer's a	verage monthly hill		

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervente to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at <u>http://psc.ky.gov</u>, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

				Carphil SEPTEMBER 6, 2018	• CC-KENTUCKY - COMMUNITY • 30
			NOTICE		
uke Energy Kentucky	y, Inc. (Duke Energy Ken	tucky) hereby gives notice that it	will file an application on or about August 31, 2018 seeking app	roval by the Kentucky Public Ser	vice Commission of an adjustment of natural gas rates to
			this proceeding as Case No. 2018-00261.		
The proposed natural g	gas rates are applicable	to the following communities: Alexandria	Elsmere	Ludlow	
		Bellevue	Erlanger	Melbourne	
		Boone County	Fairview	Newport	
		Bracken County	Falmouth	Park Hills	
		Bromley Butler	Florence Fort Mitchell	Pendleton County Ryland Heights	
		Campbell County	Fort Thomas	Silver Grove	
		Cold Spring	Fort Wright	Southgate	
		Covington	Gallatin County	Taylor Mill	
		Crescent Park Crescent Springs	Glencoe Grant County	Union Villa Hills	
N		Crestview	Highland Heights	Visalia	
2		Crestview Hills	Independence	Walton	
		Crittenden	Kenton County	Warsaw	
		Dayton Dry Ridge	Kenton Vale Lakeside Park	Wilder Woodlawn	
		Edgewood	Latonia Lakes	Williamstown	
			DUKE ENERGY KENTUCKY PRESENT AND PROPOSED	RATES	
The present and pron	nosed rates charged in	all territories served by Duke F	nergy Kentucky are as follows. The current GCA Rate in e		4170 per CCE
ne present and prop	obsed fales charged in			noor as of August 1, 2010 is a	
		Present Rates	Residential Service - Rate RS Proposed Rates		
Monthly Customer Cha	arge:	\$16.00	\$17.50		
Base Rate for all Ccf		\$0.37213	\$0.48677		
GCA for all Ccf	CCA) for all Cof	\$0.41700 \$0.78913	\$0.41700 \$0.90377		
otal Rate (Base Rate	+ GCA) for all CCI	a0.70913	\$0.90377		
		iennetto	General Service - Rate GS		
Institute Quatamar Cha		Present Rates \$47.50	Proposed Rates \$50.00		
Monthly Customer Cha Base Rate – All Ccf	arge:	\$0.20530	\$0.28077		
GCA - All Ccf		\$0.41700	\$0.41700		
fotal Rate (Base Rate	+ GCA) for all Ccf	\$0.62230	\$0.69777		
			Interruptible Transportation Service - Rate IT		
		Present Rates	Proposed Rates		
Monthly Customer Cha Base Rate – All Ccf	arge:	\$430.00 \$0.09493	\$430.00 \$0.10369		
ase hate - All Oci		\$0.00400			
		Design Dates	Firm Transportation Service-Large - Rate FT-L		
Monthly Customer Cha	aroe.	Present Rates \$430.00	Proposed Rates \$430.00		
Base Rate – All Ccf	aige.	\$0.17369	\$0.23319		
					1
			Interruptible Monthly Balancing Service - Rate IMB	S	
Present Rate Transportation custome	ers who avail themselves	s of the service under this rate sc	hedule must, with the agreement of their supplier, select a mon	thly imbalance carry over toleran	ce level from the following options:
		Allowed Seasonal			
	Allowed Monthly		May Through	December	
	Under-Run		November	Through April	Charge on
	<u>%</u>		%	<u>%</u>	All Throughout
And and					
Option 1 Option 2	0		5 6	7 8	\$0.015 per Mcf \$0.020 per Mcf
option 3	0		8	10	\$0.025 per Mcf
roposed Rate			8		
	ers who avail themselves	s of the service under this rate sc	hedule must conform to the monthly imbalance carry over toler	ance level shown below.	2
		Allowed Seasonal		Antonio	
	Allowed Monthly		May Through	December Through	
	Under-Run		November	April	Charge On
	<u>%</u>		%	%	All Throughout
All Pools	0		8	10	\$0.1097 per Mcf
			Weather Normalization Adjustment Rider - Rider Wh	A	
Present Rate				77	
his is a new tariff sche	edule.				
and the set					

Proposed Rate APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA). The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

(HSF.* (NDD - ADD))

WNA,=R.*

(BLi + (HSF, * ADD)

Where:

R

A rate schedule or billing classification within a rate schedule.

WNA Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf. =

Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification. =

- HSF, Heat sensitivity factor for ith rate schedule or classification. =
- NDD Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider. =
- ADD = Actual billing cycle heating degree days. BL,
 - Base load for the ith rate schedule or classification. =

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).

- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

1L

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The Company may charge and collect in advance the following:

A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).

B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).

C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.

D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

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Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

\$500.00

\$155.00

Installation of meter pulse equipment:

If replacement of Meter Index is necessary, additional charge of:

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

\$550.00
\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate 6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

- Annual Plan:
 - The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
 - Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
 - A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct. Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

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This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

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SEPTEMBER 6, 2018 · CC-KENTUCKY - COMMUNITY · 5C

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	Curtailment Plan for Management of Available Gas Sup	pplies	
resent Rate			
vailable in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.			
roposed Rate			
vailable in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.			
	IMPACT OF PROPOSED RATES		
he foregoing proposed rates designed to recover Duke Energy Kentucky's revenue of	leficiency reflect an increase in gas revenues of approximal	tely \$10.5 million or 11.1% to Duke Energy Kentucky. The	estimated amount of this increas
er customer class is as follows:			
ustomer Class	Revenue Increase Proposed	%	
ate RS – Residential Service	\$ 6,448,449	9.8%	
ate GS – Commercial Service	\$ 2,041,693	10.3%	
ate GS – Industrial Service	\$ 131,405	11.3%	
ate GS - Other Public Authority Service	\$ 251,299	11.3%	
ate FT-L - Firm Transportation Service	\$ 1,545,442	30.6%	
ate IT - Interruptible Transportation Service	\$ 123,931	8.1%	
ate GTS - Gas Trading Service*	\$0	0.0%	
ate IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%	
ider WNA - Weather Normalization Adjustment*	\$0	0.0%	
harge for Reconnection of Service*	\$0 0.0%		
ate MPS - Meter Pulse Service*	\$0	0.0%	
The revenue deficiency is not allocated to these items.			
he average monthly bill for each customer class to which the proposed rates will ap	ply will increase approximately as follows:	and the second se	
ustomer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
ate RS - Residential Service	53	\$ 5.78	10.2%
ate GS - Commercial Service	336	\$ 26.08	10.3%
ate GS - Industrial Service	683	\$ 52.27	11.3%
ate GS - Other Public Authority Service	733	\$ 56.04	11.3%
ate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
ate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
ate GTS - Gas Trading Service**	NA	\$0	0.0%
ate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
ate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
harge for Reconnection of Service**	- NA	\$0	0.0%
ate MPS - Meter Pulse Service**	NA	\$0	0.0%
These items are optional services not necessarily applicable to customer's average	monthly bill.		
he rates contained in this notice are the rates proposed by Duke Energy Kentucky; he	owever, the Kentucky Public Service Commission may orde	r rates to be charged that differ from the proposed rates co	ntained in this notice. Such action
ay result in rates for consumers other than the rates in this notice.			
		astablishing the grounds for the ground including the sta	in and interest of the party. If it
person may submit a timely written request for leave to intervene to the Public Servi	ce Commission, P.O. Box 615, Frankfort, Kentucky 40602.	establishing the grounds for the request including the sta	us and interest of the party. If the

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

			SE	Captel	· CC-KENTUCKY - COMM	
			NOTICE			
uke Energy Kentucky, Inc	. (Duke Energy Ken	tucky) hereby gives notice that it wi	II file an application on or about August 31, 2018 seeking approv	val by the Kentucky Public Ser	vice Commission of an adjustment of na	tural gas rate
			s proceeding as Case No. 2018-00261.			
he proposed natural gas i	ates are applicable	to the following communities: Alexandria	Elsmere	Ludlow		
		Bellevue	Erlanger	Melbourne		
		Boone County	Fairview	Newport		
		Bracken County Bromley	Falmouth Florence	Park Hills Pendleton County		
		Butler	Fort Mitchell	Ryland Heights		
		Campbell County	Fort Thomas	Silver Grove		
		Cold Spring Covington	Fort Wright Gallatin County	Southgate Taylor Mill		
		Crescent Park	Glencoe	Union		
		Crescent Springs	Grant County	Villa Hills		
		Crestview	Highland Heights	Visalia		
		Crestview Hills Crittenden	Independence Kenton County	Walton Warsaw		
		Dayton	Kenton Vale	Wilder		
		Dry Ridge	Lakeside Park	Woodlawn		
		Edgewood	Latonia Lakes	Williamstown		
			DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RA	TES		
ne present and propose	d rates charged in	all territories served by Duke En	ergy Kentucky are as follows. The current GCA Rate in effe	ect as of August 1, 2018 is \$0	0.4170 per CCF.	
	a^{1}		Residential Service - Rate RS			
		Present Rates	Proposed Rates			
onthly Customer Charge: ase Rate for all Ccf	č	\$16.00 \$0.37213	\$17.50 \$0.48677			
CA for all Ccf		\$0.41700	\$0.41700			
tal Rate (Base Rate + G	CA) for all Ccf	\$0.78913	\$0.90377			
			General Service - Rate GS			
		Present Rates	Proposed Rates			
onthly Customer Charge: ase Rate – All Ccf	b.	\$47.50 \$0.20530	\$50.00 \$0.28077			
CA - All Ccf		\$0.41700	\$0.41700			
otal Rate (Base Rate + G	CA) for all Ccf	\$0,62230	\$0.69777			
			Interruptible Transportation Service - Rate IT			
		Present Rates	Proposed Rates			
onthly Customer Charge ase Rate – All Ccf		\$430.00 \$0.09493	\$430.00 \$0.10369			
			Firm Transportation Service-Large - Rate FT-L			
		Present Rates	Proposed Rates			
onthly Customer Charges ase Rate – All Ccf	5	\$430.00 \$0.17369	\$430.00 \$0.23319			
			Interruptible Monthly Balancing Service - Rate IMBS			
resent Rate	who avail themselve	a of the convice under this rate achieved	edule must, with the agreement of their supplier, select a monthl	wimbalance care over teleran	the following options:	
	no avai memorive.			y modulate daily over toleran	the level near the lenearing spheries.	
	Allowed	Allowed Seasonal M	May	December		
	Monthly		Through	Through		
	Under-Run		November	April	Charge on All Throughout	
	%		<u>%</u>	<u>%</u>	Air mooghout	
Option 1	0		5	7	\$0.015 per Mcf	
ption 2 ption 3	0		6 8	8 10	\$0.020 per Mcf \$0.025 per Mcf	
puon 3	0		0	10	\$0.025 per MCI	
roposed Rate	who avail themselve	s of the service under this rate sche	dule must conform to the monthly imbalance carry over toleran	ce level shown below.		
ransportation customers	and a second second	Allowed Seasonal M		a des		
ransportation customers	Allowed		May	December		
ransportation customers v	Monthly		Through	Through	Charge Or	
ransportation customers	Linday During		November <u>%</u>	April %	Charge On All Throughout	
ransportation customers	Under-Run %			14		
ransportation customers	Under-Run <u>%</u>		2			
ransportation customers (8	10	\$0.1097 per Mcf	
vil Pools	%			10	\$0.1097 per Mcf	

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

(HSF,* (NDD - ADD))

WNA = R.*

(BLi + (HSF, * ADD)

Where:

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- = A rate schedule or billing classification within a rate schedule.
- WNA = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
- R = Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
- HSF, = Heat sensitivity factor for ith rate schedule or classification.
- NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
- ADD = Actual billing cycle heating degree days.
- BL = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

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Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment: If replacement of Meter Index is necessary, additional charge of:

\$500.00 \$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment: \$550.00 If replacement of Meter Index is necessary, additional charge of: \$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V – Metering

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

- Annual Plan:
 - - The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill. Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.

 - A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
 - A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries (1)

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS: "Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

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Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and (1)

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
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Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

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Curtailment Plan for Management of Available Gas Supplies

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Rate RS – Residential Service	\$ 6,448,449	. 9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS - Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS – Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA – Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items		

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly CCF Average Monthly Bill Increase Proposed	
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
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Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional captions not personally applicable to sustamer's suprage monthly	u bill	and and the second s	A REAL PROPERTY OF THE REAL PR

**These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervente to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

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PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

			NOTICE			
Juko Enerou Kontucku Ir	oc /Duko Energy Kent	ucku) harabu aiyas actica that it	will file an application on or about August 21, 2018 socking ap	aroual by the Kentucky Public Se	nuine Commission of an adjustment of natural	and rates i
			will file an application on or about August 31, 2018 seeking app this proceeding as Case No. 2018-00261.	proval by the Kentucky Public Se	rvice commission of an adjustment of natural	gas rates i
he proposed natural gas	rates are applicable t	to the following communities:	F lower	1		
		Alexandria Bellevue	Elsmere Erlanger	Ludlow Melbourne		
		Boone County	Fairview	Newport		
		Bracken County	Falmouth	Park Hills		
		Bromley	Florence	Pendleton County		
		Butler	Fort Mitchell Fort Thomas	Ryland Heights		
		Campbell County Cold Spring	Fort Wright	Silver Grove Southgate		
		Covington	Gallatin County	Taylor Mill		
		Crescent Park	Glencoe	Union		
		Crescent Springs	Grant County	Villa Hills		
		Crestview Crestview Hills	Highland Heights Independence	Visalia Walton		
		Crittenden	Kenton County	Warsaw		
		Dayton	Kenton Vale	Wilder		
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		Edgewood	Latonia Lakes	Williamstown		
			DUKE ENERGY KENTUCKY PRESENT AND PROPOSED	RATES		
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		D	Residential Service - Rate RS			
Ionthly Customer Charge		Present Rates \$16.00	Proposed Rates \$17.50			
lase Rate for all Ccf	e:	\$0.37213	\$0.48677			
GCA for all Ccf		\$0.41700	\$0.41700			
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			General Service - Rate GS			
		Present Rates	Proposed Rates			
Ionthly Customer Charge	e:	\$47.50	\$50.00			
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GCA – All Ccf Total Rate (Base Rate + 0	GCA) for all Ccf	\$0.41700 \$0.62230	\$0.41700 \$0.69777			
		\$0.02200				
		Present Rates	Interruptible Transportation Service - Rate IT Proposed Rates			
Monthly Customer Charge	e:	\$430.00	\$430.00			
Base Rate - All Ccf		\$0.09493	\$0.10369	- C-		
			Firm Transportation Service-Large - Rate FT-L			
		Present Rates	Proposed Rates			
Monthly Customer Charge	e:	\$430.00	\$430.00			
Base Rate – All Ccf		\$0.17369	\$0.23319			
Present Rate	who avail themselves	of the service under this rate so	Interruptible Monthly Balancing Service - Rate IME hedule must, with the agreement of their supplier, select a more		nce level from the following ontions:	
	nino urun moniocirio		Monthly Over-Run		, and the second se	
	Allowed	the second se	May	December		
	Monthly		Through	Through		
	Under-Run		November	April	Charge on All Throughout	
	<u>%</u>		<u>%</u>	%	Air Throughout	
Option 1	0		5	7	\$0.015 per Mcf	
Option 2	0		6	8	\$0.020 per Mcf	
Option 3	0		8	10	\$0.025 per Mcf	
Proposed Rate Transportation customers	who avail themselves	s of the service under this rate so	hedule must conform to the monthly imbalance carry over tole	rance level shown below.		
		Allowed Seasonal	Monthly Over-Run			
	Allowed		May	December		
	Monthly		Through	Through	01 0	
	Under-Run %		November %	April <u>%</u>	Charge On All Throughout	
				- E.		
All Pools	0		8	10	\$0.1097 per Mcf	
			Weather Normalization Adjustment Rider - Rider W	NA		
Present Rate						

Kerto Cu.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

(HSF,* (NDD - ADD))

WNA,=R,*

(BLi + (HSF, * ADD)

Where:

R

=	A rate schedule or billing classification within a rate schedule.	

WNA = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.

Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.

HSF, = Heat sensitivity factor for ith rate schedule or classification.

NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.

ADD = Actual billing cycle heating degree days.

BL, = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule'3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason
- of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.

D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

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Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

\$500.00

\$155.00

Installation of meter pulse equipment:

If replacement of Meter Index is necessary, additional charge of:

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate 6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI – Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact
- Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct ally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interst te pipeline interconnects, the Supplier's daily poo requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1)

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

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Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn

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4

AUGUST 30, 2018 · KC-KENTUCKY - COMMUNITY · 5C

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

CE-000070653

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	the second s	Revenue Increase Proposed			%
Rate RS – Residential Service		\$ 6,448,449			9.8%
Rate GS – Commercial Service		\$ 2,041,693			10.3%
Rate GS – Industrial Service		\$ 131,405			11.3%
Rate GS - Other Public Authority Service		\$ 251,299		6 2 4 3	11.3%
Rate FT-L - Firm Transportation Service		\$ 1,545,442			30.6%
Rate IT – Interruptible Transportation Service		\$ 123,931	S. C. 19 (1999) 1985		8.1%
Rate GTS - Gas Trading Service*		\$0	2 - C - C - C - C - C - C - C - C - C -		0.0%
Rate IMBS - Interruptible Monthly Balancing Service*		\$0			0.0%
Rider WNA - Weather Normalization Adjustment*		\$0			0.0%
Charge for Reconnection of Service*		\$0			0.0%
Rate MPS – Meter Pulse Service*		\$0			0.0%
*The revenue deficiency is not allocated to these items					

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are optional services not necessarily applicable to customer's average monthly hill			

**These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervente to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

Elsmere

Erlanger

Fairview

Falmouth

Florence

Glencoe

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue **Boone County** Bracken County Bromley Butler Campbell County Cold Spring Covington Crescent Park **Crescent Springs** Crestview **Crestview Hills** Crittenden Dayton Dry Ridge

Edgewood

Fort Mitchell Fort Thomas Fort Wright Gallatin County Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Ludlow

Melbourne

Newport

Park Hills Pendleton County

Southgate Taylor Mill

Union Villa Hills

Visalia

Walton

Warsaw

Woodlawn

Williamstown

Wilder

10

\$0.025 per Mcf

Ryland Heights Silver Grove

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

			Residential Service - Rate RS		
		Present Rates	Proposed Rates		
Monthly Customer C	Charge:	\$16.00	\$17.50		
Base Rate for all Ccf	f	\$0.37213	\$0.48677		
GCA for all Ccf		\$0.41700	\$0.41700		
Total Rate (Base Rat	te + GCA) for all Ccf	\$0.78913	\$0.90377		
			General Service - Rate GS		
		Present Rates	Proposed Rates		
Monthly Customer C	charge:	\$47.50	\$50.00		
Base Rate - All Ccf	indigo.	\$0.20530	\$0.28077		
GCA - All Ccf		\$0.41700	\$0.41700		
Total Rate (Base Rat	te + GCA) for all Ccf	\$0.62230	\$0.69777		
			Interruptible Transportation Service -	Rate IT	
		Present Rates	Proposed Rates		
Monthly Customer C	harne.	\$430.00	\$430.00		
Base Rate - All Ccf		\$0.09493	\$0.10369		
			Firm Transportation Service-Large - R	ate FT-L	
		Present Rates	Proposed Rates		
Monthly Customer C	Charge:	\$430.00	\$430.00		
Base Rate - All Ccf		\$0.17369	\$0.23319		
			Interruptible Monthly Balancing Service -	Rate IMBS	
Present Rate Transportation custo	omers who avail themselve	es of the service under this rate s	chedule must, with the agreement of their supplier, se	lect a monthly imbalance carry over tolera	ance level from the following options:
		Allowed Seasona	Monthly Over-Run		
	Allowed		May	December	
	Monthly		Through	Through	
	Under-Run		November	April	Charge on
	%		%	%	All Throughout
Option 1	0		5	7	\$0.015 per Mcf
Option 2	0		6	8	\$0.020 per Mcf
0.11.0					

Proposed Rate

Option 3

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

8

	Allowed Seasonal Monthly Over-Run			
	Allowed Monthly Under-Run %	May Through November <u>%</u>	December Through April <u>%</u>	Charge On All Throughout
All Pools	ō	8	10	\$0.1097 per Mcf

Weather Normalization Adjustment Rider - Rider WNA

Present Rate This is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

0

(HSF,* (NDD - ADD))

WNA = R *

(BLi + (HSF, * ADD)

Where:

BL,

.

L 4 A rate schedule or billing classification within a rate schedule.

Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf. WNA

- Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
- HSF Heat sensitivity factor for ith rate schedule or classification.
- Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider. NDD
- Actual billing cycle heating degree days. ADD =
 - Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

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Present Rates

Meter Pulse Service - Rate MPS

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment: If replacement of Meter Index is necessary, additional charge of: \$500.00 \$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill. Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier, (1)

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the

Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and (1)

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

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4C • KC-KENTUCKY - COMMUNITY • SEPTEMBER 6, 2018

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

CE-000070653

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES				
The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount per customer class is as follows:				
Customer Class	Revenue Increase Proposed	%		
Rate RS – Residential Service	\$ 6,448,449	9.8%		
Rate GS – Commercial Service	\$ 2,041,693	10.3%		
Rate GS – Industrial Service	\$ 131,405	11.3%		
Date CC. Other Dublic Authority Consist	6 051 000	11.00/		

Curtailment Plan for Management of Available Gas Supplies

IMPACT OF PROPOSED PATES

Rate GS – Other Public Authority Service	\$ 251,299	
Rate FT-L – Firm Transportation Service	\$ 1,545,442	
Rate IT – Interruptible Transportation Service	\$ 123,931	
Rate GTS – Gas Trading Service*	\$0	
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	
Rider WNA – Weather Normalization Adjustment*	\$0	
Charge for Reconnection of Service*	\$0	
Rate MPS – Meter Pulse Service*	\$0	
*The revenue deficiency is not allocated to these items.		

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
ttThese items are entired and ices not approach upplicable to success? a success monthly bill			

*These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing DEKInquiries@duke-energy.com or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

DUKE ENERGY KENTUCKY 4580 OLYMPIC BOULEVARD ERLANGER, KENTUCKY 41018 (513) 287-4356

11.3% 11.3% 30.6% 8.1% 0.0% 0.0% 0.0% 0.0% 0.0%

SEPTEMBER 13, 2018 · KC-KENTUCKY - COMMUNITY · 3C NOTICE Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261. The proposed natural gas rates are applicable to the following communities: Alexandria Elsmere Ludlow Bellevue Erlanger Melbourne Boone County Fairview Newport Bracken County Falmouth Park Hills Bromley Florence Pendleton County Fort Mitchell Butler **Ryland Heights Campbell County** Fort Thomas Silver Grove Cold Spring Fort Wright Southgate Covington Gallatin County Taylor Mill Crescent Park Glencoe Union Villa Hills **Crescent Springs** Grant County Crestview **Highland Heights** Visalia **Crestview Hills** Independence Walton Crittenden Kenton County Warsaw Kenton Vale Wilder Dayton Dry Ridge Lakeside Park Woodlawn Latonia Lakes Williamstown Edgewood DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF. **Residential Service - Rate RS** Present Rates **Proposed Rates** Monthly Customer Charge: \$16.00 \$17.50 Base Rate for all Ccf \$0.37213 \$0.48677 GCA for all Ccf \$0.41700 \$0.41700 Total Rate (Base Rate + GCA) for all Ccf \$0.78913 \$0.90377 **General Service - Rate GS Present Rates Proposed Rates** Monthly Customer Charge: \$47.50 \$50.00 Base Rate - All Ccf \$0.20530 \$0.28077 \$0.41700 \$0.41700 GCA - All Ccf Total Rate (Base Rate + GCA) for all Ccf \$0.62230 \$0.69777 Interruptible Transportation Service - Rate IT **Present Rates Proposed Rates** Monthly Customer Charge: \$430.00 \$430.00 Base Rate - All Ccf \$0.09493 \$0,10369 Firm Transportation Service-Large - Rate FT-L **Present Rates Proposed Rates** \$430.00 Monthly Customer Charge: \$430.00 Base Rate - All Ccf \$0.17369 \$0.23319 Interruptible Monthly Balancing Service - Rate IMBS **Present Rate** Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options: Allowed Seasonal Monthly Over-Run Allowed December May Monthly Through Through Under-Run November Charge on April All Throughout % % % Option 1 0 7 \$0.015 per Mcf Option 2 0 6 8 \$0.020 per Mcf \$0.025 per Mcf Option 3 0 10 **Proposed Rate** Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below Allowed Seasonal Monthly Over-Run Allowed December May Monthly Through Through Under-Run November April Charge On All Throughout % % % All Pools 0 8 10 \$0.1097 per Mcf Weather Normalization Adjustment Rider - Rider WNA **Present Rate** This is a new tariff schedule **Proposed Rate**

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider.

The WNA shall be computed by rate class using the following formula:

(HSF,* (NDD - ADD))

WNA, = R.*

(BLi + (HSF, * ADD)

Where:

R

- A rate schedule or billing classification within a rate schedule.
- WNA Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
 - Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
- HSF Heat sensitivity factor for ith rate schedule or classification.
- NDD Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
- ADD Actual billing cycle heating degree days. BL
 - Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

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Meter Pulse Service - Rate MPS

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment: If replacement of Meter Index is necessary, additional charge of: \$500.00 \$155.00

Proposed Rates

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate 6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description: Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.

The budget bill amount is changed as needed after the 12 month review.

A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.

Quarterly Plan:

Present Rate

The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.

- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.

A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier.

Proposed Rate

DEFINITIONS

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located

in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are:

Rate RS, Residential Service	\$1.80/month
Rate GS, General Service	\$1.78/month
Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

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Curtailment Plan for Management of Availab	le Gas	Supplies
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Present Rate

CE-000070653

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS – Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS – Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS – Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA – Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%
*The revenue deficiency is not allocated to these items.		

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
**These items are ontional services not necessarily annlicable to customer's average monthly hill			

" These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

Page 8 - Wednesday, August 29, 2018 - The Gallatin County News, Warsaw, Ky.

			NOTICE		
Duke Energy Kentuck	ky, Inc. (Duke Energy Ke October 1, 2018, The C	entucky) hereby gives notice that it commission has docketed this proce	will file an application on or about August 31, 2018 s	eeking approval by the Kentucky Public	Service Commission of an adjustment of natural gas rates to bec
요즘 같은 것이 같아.		e to the following communities:			
the property is	Ans 19192 +++	Alexandria	Elsmere	Ludlow	
		Bellevue Boone County	Erlanger	Melbourne	
		Boone County Bracken County	Fairview Falmouth	Newport Park Hills	
		Bromley	Florence	Pendleton County	
		Butler	Fort Mitchell	Ryland Heights	
		Campbell County	Fort Thomas	Silver Grove	
		Cold Spring Covington	Fort Wright Gallatin County	Southgate Taylor Mill	
		Crescent Park	Glencoe	Union	
		Crescent Springs	Grant County	Villa Hills	
		Crestview	Highland Heights	Visalia	
		Crestview Hills Crittenden	Independence Kenton County	Walton Warsaw	
		Dayton	Kenton County Kenton Vale	Wilder	
		Dry Ridge	Lakeside Park	Woodlawn	
		Edgewood	Latonia Lakes	Williamstown	
			DUKE ENERGY KENTUCKY PRESENT AND	PROPOSED RATES	
The present and pro	posed rates charged in	n all territories served by Duke E	nergy Kentucky are as follows. The current GCA	Rate in effect as of August 1, 2018 is 1	\$0.4170 per CCF.
			Residential Service - Rate	RS	
		Present Rates	Proposed Rates		
Monthly Customer Ch Base Rate for all Ccl	large:	\$16.00 \$0.37213	\$17.50 \$0.48677		
GCA for all Ccf		\$0.41700	\$0.48677		
Total Rate (Base Rate	B + GCA) for all Ccf	\$0.78913	\$0.90377		
			General Service - Rate C	s	
S an external of		Present Rates	Proposed Rates		
Monthly Customer Ch	large:	\$47.50	\$50.00		
Base Rate - All Ccf GCA - All Ccf		\$0.20530 \$0.41700	\$0.28077 \$0.41700		
Total Rate (Base Rate	e + GCA) for all Ccf	\$0.62230	\$0.69777		
			Interruptible Transportation Servi	ce - Rate IT	
		Present Rates	Proposed Rates		
Monthly Customer Ch Base Rate - All Ccf	large:	\$430.00 \$0.09493	\$430.00 \$0.10369		
Dase Hate - All CCI		\$0.09493	30.10369		
		and the second	Firm Transportation Service-Large	- Rate FT-L	
Marthly Carlson Ch	70	Present Rates	Proposed Rates		
Monthly Customer Ch Base Rate - All Ccf	large:	\$430.00 \$0.17369	\$430.00 \$0.23319		
			Interruptible Monthly Balancing Servi	ice - Rate IMBS	
Present Rate Transportation custom	ners who avail themselve	es of the service under this rate scl	nedule must, with the agreement of their supplier, sele	ect a monthly imbalance carry over tolera	ance level from the following options:
Concert a success		Allowed Seasonal		Second and the second	
	Allowed	Allowed Gedsonian	May	December	
	Monthly		Through	Through	
	Under-Run		November	April	Charge on
	%		<u>%</u>	%	All Throughout
Option 1	0		5	7	\$0.015 per Mcf
Option 2	0		6	8	\$0.020 per Mcf
Option 3	0		8	10	\$0.025 per Mcf
Proposed Rate Transportation custom	ners who avail themselve	es of the service under this rate sch	nedule must conform to the monthly imbalance carry of	over tolerance level shown below.	
100 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Allowed Seasonal			
	Allowed	Allowed Seasonal I	May	December	
	Monthly		Through	Through	
	Under-Run		November	April	Charge On
	26		<u>%</u>	<u>%</u>	All Throughout
All Pools	0			10	\$0 1007 per Mal
All POOIS	0		8	10	\$0.1097 per Mcf
			and the second se	and the second	

Present Rate

Normalization Adjustment Rider – Rider

This is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA). The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

		WNA - B+	(HSF, * (NDD - ADD))
0.0		W N A , = R,*	(BLi + (HSF, * ADD)
Where:			
1	=	A rate schedule or billing classification within	a rate schedule.
WNA,	=	Weather Normalization Adjustment Factor for	the ith rate schedule or classification expressed as a rate per Ccf.
R	=		of temperature sensitive sales for the ith schedule or classification.
HSF.	=	Heat sensitivity factor for ith rate schedule or	classification.
NDD	-		sed upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
ADD		Actual billing cycle heating degree days.	
BL	-	Base load for the ith rate schedule or classific	sation.

Present Rate

Charge for Reconnection of Service

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate 6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

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Proposed Rate

6. USE OF SERVICE:

Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold: however, Customer must contact
- Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier, (1)

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and (1)

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days form the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Descent Data	Accelerated Service Replacement Program Rider - I	Rider ASRP	
Present Rate The charges for the respective gas service schedules for the revenue month b	eginning January 2018 are:		
Rate RS, Residential Service	\$1.80/month		
Rate GS, General Service	\$1.78/month		
Rate DGS, Distributed Generation Service	\$0.00045/CCF		
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF		
Rate IT, Interruptible Transportation Service	\$0.00039/CCF		
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF		
Proposed Rate			
This tariff is proposed to be incorporated into base rates listed above. This tarif	f is hereby cancelled and withdrawn.		
Present Rate	Curtailment Plan for Management of Available Gas	Supplies	
Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.			
Proposed Rate			2
Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.			
	IMPACT OF PROPOSED RATES		
The foregoing proposed rates designed to recover Duke Energy Kentucky's re	venue deficiency reflect an increase in gas revenues of approxim	nately \$10.5 million or 11.1% to Duke Energy Kentucky. The	estimated amount of this increase
sustomer class is as follows:			
Customer Class	Revenue Increase Proposed	%	
late RS – Residential Service	\$ 6,448,449	9.8%	
ate GS - Commercial Service	\$ 2,041,693	10.3%	
ate GS – Industrial Service	\$ 131,405	11.3%	
ate GS - Other Public Authority Service	\$ 251,299	11.3%	
ate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%	
late IT - Interruptible Transportation Service	\$ 123,931	8.1%	
ate GTS - Gas Trading Service*	\$0	0.0%	
ate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%	
lider WNA – Weather Normalization Adjustment*	\$0	0.0%	
charge for Reconnection of Service*	\$0	0.0%	
Rate MPS - Meter Pulse Service*	\$0	0.0%	
The revenue deficiency is not allocated to these items.			
he average monthly bill for each customer class to which the proposed rates v Customer Class	will apply will increase approximately as follows: Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
ate RS - Residential Service	53	\$ 5.78	10.2%
ate GS - Commercial Service	336	\$ 26.08	10.2%
ate GS - Industrial Service	683	\$ 52.27	11.3%
ate GS - Other Public Authority Service	733	\$ 56.04	11.3%
ate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
ate IT - Interruptible Transportation Service	56.060	\$469.22	8.1%
ate GTS - Gas Trading Service**	NA	\$0	0.0%
ate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
ate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
harge for Reconnection of Service**	NA	\$0	0.0%
ate MPS - Meter Pulse Service**	NA	\$0	0.0%
These items are optional services not necessarily applicable to customer's av			0.076
The rates contained in this notice are the rates proposed by Duke Energy Kentu esult in rates for consumers other than the rates in this notice.	ucky; however, the Kentucky Public Service Commission may on	der rates to be charged that differ from the proposed rates co	ntained in this notice. Such actio
		000	
person may submit a timely written request for leave to intervene to the Pul			
amountain door not reason a written request for intervention within thirty (20	days of the initial publication of the notice, the Commission ma	y take final action on the application. Comments regarding t	ne application can be submitted

Customers may obtain copies of the application and other filings made by the Company by emailing DEKInquiries@duke-energy.com or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P.O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

Page 8 - Wednesday, September 5, 2018 - The Gallatin County News, Warsaw, Ky.

NO

NOTICE Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261. The proposed natural gas rates are applicable to the following communities: Alexandria Elsmere Ludlow Bellevue Melbourne Erlanger **Boone County** Fairview Newport Bracken County Falmouth Park Hills Bromley Florence Pendleton County **Ryland Heights** Butle Fort Mitchell Campbell County Fort Thomas Silver Grove Cold Spring Fort Wright Southgate Covington Taylor Mill Gallatin County Crescent Park Glencoe Union **Crescent Springs** Grant County Villa Hills **Highland Heights** Crestview Visalia **Crestview Hills** Independence Walton Crittenden Kenton County Warsaw Dayton Kenton Vale Wilder **Dry Ridge** Lakeside Park Woodlawn Edgewood Latonia Lakes Williamstown DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF. **Residential Service - Rate RS** Present Rates **Proposed Rates** Monthly Customer Charge: \$16.00 \$17.50 Base Rate for all Ccf \$0.37213 \$0,48677 GCA for all Ccf \$0.41700 \$0.41700 Total Rate (Base Rate + GCA) for all Ccf \$0.78913 \$0.90377 **General Service - Rate GS Present Rates Proposed Rates** Monthly Customer Charge: \$47.50 \$50.00 Base Rate - All Ccf \$0.20530 \$0.28077 GCA - All Ccf \$0,41700 \$0,41700 Total Rate (Base Rate + GCA) for all Ccf \$0.62230 \$0 69777 Interruptible Transportation Service - Rate IT **Present Rates Proposed Rates** Monthly Customer Charge: \$430.00 \$430.00 Base Rate - All Ccf \$0.09493 \$0,10369 Firm Transportation Service-Large - Rate FT-L **Proposed Rates Present Rates** Monthly Customer Charge \$430.00 \$430.00 Base Rate - All Ccf \$0,17369 \$0,23319 Interruptible Monthly Balancing Service - Rate IMBS Present Rate Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options: Allowed Seasonal Monthly Over-Run Allowed May December Monthly Through Through Under-Run Novembe April Charge on % All Throughout % % 0 Option 1 5 \$0.015 per Mcf 7 Option 2 0 6 8 \$0.020 per Mcf Option 3 0 10 \$0.025 per Mcf 8 **Proposed Rate** Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below. Allowed Seasonal Monthly Over-Run Allowed December May Monthly Through Through Under-Run Charge On November April 26 % % All Throughout \$0.1097 per Mcf All Pools 0 10

Present Rate This is a new tariff schedule Weather Normalization Adjustment Rider - Rider WNA

Proposed Rate

Where: i WNA,

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

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The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

Dec	computed by rate class using the following formula:	(HSF,* (NDD - ADD))
	W N A , = R, *	(BLi + (HSF _i * ADD)
	A rate schedule or billing classification within a Weather Normalization Adjustment Factor for	a rate schedule. the ith rate schedule or classification expressed as a rate per Ccf.
		temperature sensitive sales for the ith schedule or classification.

HSF, = Heat sensitivity factor for ith rate schedule or classification.

NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.

ADD = Actual billing cycle heating degree days.

BL = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.

D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

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Proposed Rate

6. USE OF SERVICE:

Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description: Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
- - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and (1)

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Proposed Rate

Pooling Service for Interruptible Gas Transportation - Rate AS

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Present Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

	Accelerated Service Replacement Program Rider - I	Rider ASRP	
Present Rate			
The charges for the respective gas service schedules for the revenue month beginnin			
Rate RS, Residential Service	\$1.80/month		
Rate GS, General Service	\$1.78/month		
Rate DGS, Distributed Generation Service	\$0.00045/CCF		
Rate FT-L, Firm Transportation Service – Large	\$0.00045/CCF		
Rate IT, Interruptible Transportation Service	\$0.00039/CCF		
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF		
Proposed Rate			
his tariff is proposed to be incorporated into base rates listed above. This tariff is here	eby cancelled and withdrawn.		
	Curtailment Plan for Management of Available Gas	Supplies	
resent Rate			
vailable in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.			
Proposed Rate			
available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.			
	IMPACT OF PROPOSED RATES		
The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue of	deficiency reflect an increase in gas revenues of approxit	mately \$10.5 million or 11 1% to Duke Energy Kentucky Th	e estimated amount of this increase n
ustomer class is as follows:			e commutee arround of the material p
Customer Class	Revenue Increase Proposed	%	
ate RS - Residential Service	\$ 6.448.449	9.8%	
ate GS - Commercial Service	\$ 2,041,693	10.3%	
late GS – Industrial Service	\$ 131,405	11.3%	
late GS - Other Public Authority Service	\$ 251,299	11.3%	
Rate FT-L – Firm Transportation Service	\$ 1.545,442	30.6%	
Rate IT – Interruptible Transportation Service	\$ 123.931	8.1%	
Rate GTS - Gas Trading Service*	\$0	0.0%	
late IMBS - Interruptible Monthly Balancing Service*	\$0	0.0%	
Rider WNA – Weather Normalization Adjustment*	\$0	0.0%	
Charge for Reconnection of Service"	\$0	0.0%	
Rate MPS – Meter Pulse Service*	50	0.0%	
The revenue deficiency is not allocated to these items.		0.0%	
The average monthly bill for each customer class to which the proposed rates will app	v will increase approximately as follows:		
Sustomer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% increase
ate RS - Residential Service	53	\$ 5.78	10.2%
late GS - Commercial Service	336	\$ 26.08	10.3%
late GS - Industrial Service	683	\$ 52.27	11.3%
late GS - Other Public Authority Service	733	\$ 56.04	11.3%
late FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
ate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
ate GTS - Gas Trading Service**	NA	\$0	0.0%
ate IMBS - Interruptible Monthly Balancing Service**	NA	\$0 \$0	0.0%
ate WNA - Weather Normalization Adjustment	NA	so	0.0%
harge for Reconnection of Service**	NA	\$0	0.0%
tate MPS - Meter Pulse Service**	NA	\$0 \$0	0.0%
These items are optional services not necessarily applicable to customer's average			0.070
The rates contained in this notice are the rates proposed by Duke Energy Kentucky; ho	wever the Kentucky Public Service Commission may an	dor rates to be obscood that dillar from the processed rates a	ontained in this notion. Such notion -
esult in rates for consumers other than the rates proposed by Duke Energy Rentucky; no	waver, we remound Fubic Service Commission may on	uer rares to be charged mar diller from the proposed fates o	unaneo in uns nodee. Such action m
anness and school a family colling and other for form in faturation in the Solit Solit			and the set of the set
person may submit a timely written request for leave to intervene to the Public Ser	vice commission, P.O. Box 615, Frankfort, Kentucky 40	bouz, establishing the grounds for the request including the	status and interest of the party. If I

Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission through its website http://psc.ky.gov or by mailing a copy to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing DEKInquines@duke-energy.com or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

Page 8 - Wednesday, September 12, 2018 - The Gallatin County News, Warsaw, Ky.

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities: Alexandria Elsmere Ludlow Erlanger Melbourne Bellevue Boone County Fairview Newport Bracken County Falmouth Park Hills Bromley Florence Pendleton County **Ryland Heights** Butler Fort Mitchell Fort Thomas Silver Grove Campbell County Cold Spring Fort Wright Southgate Covington **Gallatin County Taylor Mill Crescent Park** Glencoe Union **Crescent Springs** Grant County Villa Hills **Highland Heights** Crestview Visalia **Crestview Hills** Walton Independence Crittenden Kenton County Warsaw Kenton Vale Wilder Dayton Dry Ridge Lakeside Park Woodlawn Latonia Lakes Williamstown Edgewood DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF. **Residential Service - Rate RS Present Rates Proposed Rates** Monthly Customer Charge: \$16.00 \$17.50 Base Rate for all Ccf \$0.37213 \$0.48677 \$0,41700 \$0,41700 GCA for all Ccf Total Rate (Base Rate + GCA) for all Ccf \$0,78913 \$0,90377 **General Service - Rate GS Present Rates Proposed Rates** \$50.00 Monthly Customer Charge: \$47.50 Base Rate - All Ccf \$0.20530 \$0.28077 GCA - All Ccf \$0.41700 \$0.41700 \$0.62230 Total Rate (Base Rate + GCA) for all Ccf \$0.69777 Interruptible Transportation Service - Rate IT Present Rates **Proposed Rates** Monthly Customer Charge: \$430.00 \$430.00 Base Rate - All Ccf \$0.09493 \$0.10369 Firm Transportation Service-Large - Rate FT-L **Present Rates Proposed Rates** Monthly Customer Charge: \$430.00 \$430.00 Base Rate - All Ccf \$0.17369 \$0.23319 Interruptible Monthly Balancing Service - Rate IMBS Present Rate Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options: Allowed Seasonal Monthly Over-Run Allowed December May Monthly Through Through Under-Run Charge on November April All Throughout % % % Option 1 0 5 7 \$0.015 per Mcf Option 2 0 6 8 \$0.020 per Mcf Option 3 10 \$0.025 per Mcf 0 8 **Proposed Rate** Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below. Allowed Seasonal Monthly Over-Run Allowed December May Monthly Through Through Charge On Under-Run November April េទួប All Throughout % % % All Pools \$0.1097 per Mcf 8 10 0

Present Rate

Weather Normalization Adjustment Rider - Rider WNA

This is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

WNA - B*	(HSF _i * (NDD - ADD))	
WNA,=R,*	(BLi + (HSF, * ADD)	

Where:

- = A rate schedule or billing classification within a rate schedule.
- WNA, = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccf.
- = Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
- HSF, = Heat sensitivity factor for ith rate schedule or classification.
- NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
- ADD = Actual billing cycle heating degree days.
- BL = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE: Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does. not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description: Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
- The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1)Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Present Rate

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

Present Rate			
The charges for the respective gas service schedules for the revenue month be			
Rate RS, Residential Service	\$1.80/month		
Rate GS, General Service	\$1.78/month		
Rate DGS, Distributed Generation Service	\$0.00045/CCF		
Rate FT-L, Firm Transportation Service – Large	\$0.00045/CCF		
Rate IT, Interruptible Transportation Service	\$0.00039/CCF		
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF		
Proposed Rate			
This tariff is proposed to be incorporated into base rates listed above. This tariff	is hereby cancelled and withdrawn.		
	Curtailment Plan for Management of Available Ga	s Supplies	
Present Rate			
wailable in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.			
Proposed Rate Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.			
valiable in entire territory to which territ ty.F.S.C. Gas No. 2 applies.			
	IMPACT OF PROPOSED RATES		
The foregoing proposed rates designed to recover Duke Energy Kentucky's rev sustomer class is as follows:	enue deficiency reflect an increase in gas revenues of approxi	mately \$10.5 million or 11.1% to Duke Energy Kentucky. The	a estimated amount of this increase pe
Customer Class	Revenue Increase Proposed	%	
Rate RS – Residential Service	\$ 6,448,449	9.8%	
late GS - Commercial Service	\$ 2.041.693		
	The second s	10.3%	
ate GS – Industrial Service	\$ 131,405	11.3%	
ate GS - Other Public Authority Service	\$ 251,299	11.3%	
ate FT-L - Firm Transportation Service	\$ 1,545,442	30.6%	
ate IT - Interruptible Transportation Service	\$ 123,931	8.1%	
ate GTS - Gas Trading Service*	\$0	0.0%	
ate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%	
ider WNA - Weather Normalization Adjustment*	\$0	0.0%	
harge for Reconnection of Service*	\$0	0.0%	
ate MPS - Meter Pulse Service*	\$0	0.0%	
The revenue deficiency is not allocated to these items.		201	
The average monthly bill for each customer class to which the proposed rates w	ill apply will increase approximately as follows:		
Sustomer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
ate RS - Residential Service	53	\$ 5.78	10.2%
ate GS - Commercial Service	336	\$ 26.08	10.3%
ate GS - Industrial Service	683	\$ 52.27	11.3%
ate GS - Other Public Authority Service	733	\$ 56.04	11.3%
ate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
ate IT - Interruptible Transportation Service	56.060	\$469.22	8.1%
ate GTS - Gas Trading Service**	NA	\$0	0.0%
ate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
		21	
ate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
harge for Reconnection of Service**	NA	50	0.0%
ate MPS - Meter Pulse Service** These items are optional services not necessarily applicable to customer's ave	NA erage monthly bill.	\$0	0.0%
he rates contained in this notice are the rates proposed by Duke Energy Kentu		day rates to be abarred that differ from the surgest distance	untained in this nation. Qual action -
esult in rates for consumers other than the rates in this notice.	ay, nowever, the remucky rubic service commission may of	der rates to be charged mat diller nom the proposed rates of	Sinamed in this notice. Such action the
person may submit a timely written request for leave to intervene to the Pub	lic Service Commission, P.O. Box 615, Frankfort, Kentucky 4	0602, establishing the grounds for the request including the	status and interest of the party. If the
Commission does not receive a written request for intervention within thirty (30) Public Service Commission through its website http://psc.kv.gov or by mailing a	days of the initial publication of the notice, the Commission ma	ay take final action on the application. Comments regarding	the application can be submitted to the
한 것은 전에서 가능한 것이 없는 것이 같다.			
Customers may obtain copies of the application and other filings made by the Cor or public inspection through the Commission's website at http://psc.ky.gov , at the			

For further information contact:

4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

20 - GRANT COUNTY NEWS, Thursday, August 30, 2018

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue **Boone Count Bracken County** Bromley Butler **Campbell Count Cold Spring** Covington **Crescent Park Crescent Springs** Crestview **Crestview Hills** Crittenden Dayton **Dry Ridge** Edgewood

Elsmere Erlanger Fairview Falmouth Florence Fort Mitchell Fort Thomas Fort Wright Gallatin County Glencoe Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Ludlow Melbourne Newport Park Hills Pendleton County Ryland Heights Silver Grove Southgate Taylor Mill Union Villa Hills Visalia Walton Warsaw Wilder

Woodlawn

Williamstown

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

		Residential Service - Rate RS		
	Present Rates	Proposed Rates		
Monthly Customer Charge:	\$16.00	\$17.50	Video Contactor and	
Base Rate for all Ccf	\$0.37213	\$0.48677		
GCA for all Ccf	\$0.41700	\$0.41700		234.9.2
Total Rate (Base Rate + GCA) for all Ccf	\$0.78913	\$0.90377		
		General Service - Rate GS		
	Present Rates	Proposed Rates		
Monthly Customer Charge:	\$47.50	\$50.00	Loss or income white,	
Base Rate - All Ccf	\$0.20530	\$0.28077		
GCA - All Cd	\$0.41700	\$0.41700		
Total Rate (Base Rate + GCA) for all Ccf	\$0.62230	\$0.69777	subra v nami musi	where a
		Interruptible Transportation Service - Rate IT		
	Present Rates	Proposed Rates		
Monthly Customer Charge:	\$430.00	\$430.00		
Base Rate - All Ccf	\$0.09493	\$0.10369		
	Contra de la contra como	strend of the strend wat have been the state		
		Firm Transportation Service-Large - Rate FT-L		
when a start of the start of the line	Present Rates	Proposed Rates		
Monthly Customer Charge:	\$430.00	\$430.00		
Base Rate - All Ccf	\$0.17369	\$0.23319	The Solar L. Second	4.5
	the set of some			
the bag himself providently more		Interruptible Monthly Balancing Service - Rate IMBS		
Present Rate	and the second second	morrapuse mentally bulancing betwee mate mbb		
Transactation qualament who quail themselv	as of the exercise under this rate on	had to must with the accompant of their sumplies paled a monthly inhal	and an an and a search allowed as have	I from the following on

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

		Allowed Seasonal Monthly Over-Run		
in a setter	Allowed	May	December	
	Monthly	Through	Through	and the state of t
	Under-Run	November	April	Charge on
	<u>%</u>	2	<u>,%</u>	All Throughout
Option 1	0	5	7	\$0.015 per Mcf
Option 2	0	6	8	\$0.020 per Mcf
Option 3	0	8	10	\$0.025 per Mcf

Proposed Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

Allow	ed Seasonal Monthly Over-Run		and a state of the state
Allowed	May	December	
Monthly	Through	Through	to an a second second second second second second
Under-Run	November	April	Charge On
%	%	%	All Throughout

All Pools

Present Rate This is a new tariff schedule Weather Normalization Adjustment Rider - Rider WNA

10

\$0.1097 per Mcf

rojoaed Rate

Proposed Rate APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

	(HSF,* (NDD - ADD))
WNA,=R,*	(BLi + (HSE * ADD)

Where:

- i = A rate schedule or billing classification within a rate schedule. WNA = Weather Normalization Adjustment Factor for the ith rate schedule or
- WNA = Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Cct.
- R = Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
- HSF, = Heat sensitivity factor for ith rate schedule or classification.
- NDD = Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider.
- ADD = Actual billing cycle heating degree days.

0

BL = Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

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Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact
- Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

HATA

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

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Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

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sing - Jum

Proposed Rate

Present Rate

Present Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month

Rate GS, General Service	\$1.78/month	
Rate DGS, Distributed Generation Service	\$0.00045/CCF	
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF	
Rate IT, Interruptible Transportation Service	\$0.00039/CCF	
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF	

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS – Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS – Industrial Service	\$ 131,405	11.3%
Rate GS – Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS - Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS – Meter Pulse Service*	\$0	0.0%
"The revenue deficiency is not allocated to these items,		

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
"These items are optional services not necessarily applicable to customer's average monthly bill.			

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at <u>http://psc.ky.gov</u>, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Enanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

B6 - GRANT COUNTY NEWS, Thursday, September 6, 2018

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NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky) hereby gives notice that it will file an application on or about August 31, 2018 seeking approval by the Kentucky Public Service Commission of an adjustment of natural gas rates to become effective on and after October 1, 2018. The Commission has docketed this proceeding as Case No. 2018-00261.

The proposed natural gas rates are applicable to the following communities:

Alexandria Bellevue Boone County Bracken County Bromley Butler Campbell County Cold Spring Covington **Crescent Park** Crescent Springs Crestview **Crestview Hills** Crittenden Dayton Dry Ridge Edgewood

Elsmere Erlanger Fairview Falmouth Florence Fort Mitchell Fort Thomas Fort Wright Gallatin County Glencoe Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Proposed Rates

\$17.50 \$0.48677

\$0.41700

\$0.90377

Ludlow Melbourne Newport Park Hills Pendleton County **Ryland Heights** Silver Grove Southoate Taylor Mill Union Villa Hills Visalia Walton Warsaw Wilder Woodlawn Williamstown

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

Residential Service - Rate RS

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

Monthly Customer Charge: Base Rate for all Ccf GCA for all Ccf Total Rate (Base Rate + GCA) for all Cct

Monthly Customer Charge: Base Rate - All Ccf GCA - All Ccf Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate - All Ccf

Monthly Customer Charge: Base Rate - All Ccf

Present Rate

Present Rates \$47.50 \$0.20530 \$0.41700

\$0.62230

Present Rates

\$16.00

\$0.37213 \$0.41700

\$0,78913

Present Rates \$430.00 \$0.09493

Present Rates \$430.00 \$0.17369

General Service - Rate GS Proposed Rates \$50.00 \$0.28077 \$0.41700 \$0.69777 Interruptible Transportation Service - Rate IT **Proposed Rates** \$430.00 \$0.10369

Firm Transportation Service-Large - Rate FT-L **Proposed Rates** \$430.00 \$0.23319

Interruptible Monthly Balancing Service - Rate IMBS

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

	Allow	ed Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run %	May Through November <u>%</u>	December Through April <u>%</u>	Charge on All Throughout
Option 1	0	5	7	\$0.015 per Mct
Option 2	0	6	8	\$0.020 per Mct
Option 3	0	8	10	\$0.025 per Mc1

Proposed Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

	Allow	ed Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run %	May Through November <u>%</u>	December Through April <u>%</u>	Charge On All Throughout
All Pools	Ō	8	10	\$0.1097 per Mct

Weather Normalization Adjustment Rider - Rider WNA

Present Rate This is a new tariff schedule.

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Ccf for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

= R *	(HSF * (NDD - ADD))
- n	(BLi + (HSF * ADD)

Where:

1	=	A rate schedule or billing classification within a rate schedule.
WNA	=	Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Ccl.
R	-	Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.

WNA

- es for the ith schedule or classification. Heat sensitivity factor for ith rate schedule or classification. HSF
- Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider. NDD
- ADD Actual billing cycle heating degree days. =
- BL Base load for the ith rate schedule or classification. =

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
 - B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-five dollars (\$25.00)
 - C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-five dollars (\$75.00).
- C. It service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-five dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

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Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

- Annual Plan:
 - The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
 - Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
 - A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
 - The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
 - The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

Proposed Rate This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Present Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Accelerated Service Replacement Program Rider - Rider ASRP

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month Bate GS, General Service \$1.78/month

hale do, deneral dervice	\$1.70/110/mil	
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Rate IT, Interruptible Transportation Service	\$0.00039/CCF	
Rate SSIT, Spark Spread Interruptible Transportation Rate	\$0.00039/CCF	

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
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Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
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The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

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For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940

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GRANT COUNTY NEWS, Thursday, September 13, 2018 - 19

NOTICE

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Elsmere Erlanger Fairview Falmouth Florence Fort Mitchell Fort Thomas Fort Wright Gallatin County Glencoe Grant County **Highland Heights** Independence Kenton County Kenton Vale Lakeside Park Latonia Lakes

Ludiow Melbourne Newport Park Hills Pendleton County Ryland Heights Silver Grove Southquie Taylor Mill Union Villa Hills Visalia Walton Warsaw Wilder Woodlawn Williamstow

DUKE ENERGY KENTUCKY PRESENT AND PROPOSED RATES

Residential Service - Rete RS

General Service - Rate GS

Proposed Rates

Proposed Rates

\$17.50 \$0.48677

\$0.41700

\$0,90377

\$50.00

\$0.28077

\$0,41700

\$0.69777

The present and proposed rates charged in all territories served by Duke Energy Kentucky are as follows. The current GCA Rate in effect as of August 1, 2018 is \$0.4170 per CCF.

N	fonthly Customer Charge:
E	lase Rate for all Ccf
0	GCA for all Ccf
1	otal Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate - All Ccf GCA-All Cd Total Rate (Base Rate + GCA) for all Ccf

Monthly Customer Charge: Base Rate - All Ccf

Monthly Customer Charge:

Base Rate - All Ccf

Present Rates \$430.00 \$0.09493

Present Rates

\$16.00

\$0.37213

\$0.41700

\$0.78913

\$47.50

\$0.20530

\$0.41700

\$0.62230

Present Rates

Present Rates \$430.00 \$0.17369

Interruptible Transportation Service - Rate IT Proposed Rates \$430.00 \$0,10369 Firm Transportation Service-Large - Rate FT-L

Proposed Rates \$430.00 \$0.23319

Interruptible Monthly Balancing Service - Rate HIBS

Present Rate

Transportation customers who avail themselves of the service under this rate schedule must, with the agreement of their supplier, select a monthly imbalance carry over tolerance level from the following options:

	Allow	ed Seasonal Monthly Over-Bun		
	Allowed Monthly Under-Run %	May Through November %	December Through April %	Charge on All Throughout
Option 1	0	5	7	\$0.015 per Mct
Option 2	0	6	8	\$0.020 per Mcf
Option 3	0	8	10	\$0.025 per Mcf

Proposed Rate

Transportation customers who avail themselves of the service under this rate schedule must conform to the monthly imbalance carry over tolerance level shown below.

	Allowe	d Seasonal Monthly Over-Run		
	Allowed Monthly Under-Run <u>%</u>	May Through November %	December Through April 2/2	Charge On All Throughout
All Pools	0	8	10	\$0.1097 per McI

Present Rate

Weather Normalization Adjustment Rider - Rider WNA

This is a new tariff schedule

Proposed Rate

APPLICABILITY

Applicable to all customers receiving service under Rate RS, Residential Service, and Rate GS, General Service.

DETERMINATION OF WNA

The distribution charge per Cct for gas service as set forth in Rates RS and GS shall be adjusted by an amount herein under described as the Weather Normalization Adjustment (WNA).

The WNA shall apply to all Rate RS and Rate GS bills during the November through April billing periods. The WNA shall increase or decrease accordingly by month. The WNA will not be billed during the billing periods of May through October. Customer base loads and heating sensitivity factors will be determined by rate class and adopted from the most recent order of the Kentucky Public Service Commission (KYPSC) approving such factors to be used in the application of this Rider. The WNA shall be computed by rate class using the following formula:

WNA,=R*	(HSF,* (NDD - ADD))		
wna,=ŋ	(BLi + (HSF, * ADD)		

wnere;		
1	=	A rate schedule or billing classification within a rate schedule.
WNA	=	Weather Normalization Adjustment Factor for the ith rate schedule or classification expressed as a rate per Cof.
R	=	Weighted average rate (distribution charge) of temperature sensitive sales for the ith schedule or classification.
HSF	=	Heat sensitivity factor for ith rate schedule or classification.
NDD	=	Normal billing cycle heating degree days (based upon Company's 30-year normal period adopted from the most recent order of the KYPSC approving such normal for use in the application of this Rider
ADD	=	Actual billing cycle heating degree days.
BL	=	Base load for the ith rate schedule or classification.

Charge for Reconnection of Service

Present Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be twenty-five dollars (\$25.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be twenty-live dollars (\$25.00)
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of twenty-five dollars (\$25.00) the expense incurred by the Company by reason of such fraudulent use, plus an estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric service are reconnected at one time, the total charge shall not exceed thirty-eight dollars (\$38.00).

Proposed Rate

The Company may charge and collect in advance the following:

- A. The reconnection charge for service which has been disconnected due to enforcement of Rule 3 shall be seventy-five dollars (\$75.00).
- B. The reconnection charge for service which has been disconnected within the preceding twelve months at the request of the customer shall be seventy-live dollars (\$75.00).
- C. If service is disconnected because of fraudulent use thereof, the Company may charge and collect in addition to the reconnection charge of seventy-live dollars (\$75.00) the expense incurred by the Company by reason of such fraudulent use, plus as estimated bill for gas used, prior to the reconnection of service.
- D. If both the gas and electric services are reconnected at the premise at one time, the total charge is available on Company's Electric Tariff Sheet No. 91, Charge for Reconnection of Service.

Meter Pulse Service - Rate MPS

Present Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the Company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	 \$500.00
If replacement of Meter Index is necessary, additional charge of:	\$155.00

Proposed Rates

Rate MPS is an optional service available to customers that request the Company to install gas meter pulse equipment, a meter-related service not otherwise provided by the company. The gas meter pulse equipment provides an electronic pulse output representing a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the customer. The customer is responsible for providing power and communication links to the meter pulse equipment per the Company's specifications. Customer must provide either a regulated 24 volts DC, or 120 volts AC electric supply, to an area 2' x 2', approximately 20' away from any gas pipeline flanges or gas pressure relief devices.

Installation of meter pulse equipment:	\$550.00
If replacement of Meter Index is necessary, additional charge of:	\$560.00

In addition, Duke Energy Kentucky proposes to change the text as noted for the following tariffs:

Service Regulations Section II - Supplying and Taking of Service

Present Rate

6. USE OF SERVICE:

Service is supplied directly to Customer through Company's own meter and is to be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement and applicable Rate Schedule. Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied Customer.

Proposed Rate

6. USE OF SERVICE:

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Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling service supplied Customer to any other individual, association, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other individual, association, or corporation provided the sum of such allocations does not exceed Company's billing.

Service Regulations Section V - Metering

Present Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process. An estimating factor is utilized to provide an expected level of usage. The estimating factor considers the customer's past usage and current variables, such as weather.

2. The actual usage is compared to an estimate based on the previous month's usage, an estimate based on the usage from the same month, one year previous, and an estimate based on the usage from the same month, two years previous.

Proposed Rate

Each month the Company will monitor the usage of each customer according to the following procedure:

1. The customer's monthly usage is monitored through a "hi-lo" review process that will incorporate customer past usage and other related information to provide an expected level of usage.

Service Regulations Section VI - Billing and Payment

Present Rate

The following text is removed from the tariff sheet, "If bills are rendered electronically then a charge not to exceed \$0.25 per usage may be assessed."

Proposed Rate

The following description of the budget bill plan is added to the tariff sheet.

Budget Billing Plan Description:

Annual Plan:

- The Annual Plan provides 11 months of equal payments by using 12 months of customer's usage, dividing the usage by 11, and using the result to calculate the bill.
- Month 12 is a settle-up month between the billed amounts and customer bills based on actual usage.
- A bill message is sent after 6 months with a suggested new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold; however, Customer must contact Company to change the amount.
- The hudget bill amount

- The budget bill amount is changed as needed after the 12 month review.

Quarterly Plan:

- The Quarterly Plan provides 3 months of equal payments starting by using 12 months of customer's usage, dividing the usage by 12, and using the result to calculate the bill.
- However, to prevent a settle-up month, reviews occur after 3, 6, 9, and 12 months on the plan and continue every 3 months thereafter.
- The budget bill amount is changed as needed after each review. The change is automatic and the customer does not need to contact Company.
- A bill message is sent after each review with a new bill amount if the budget bill amounts compared to the actual bill amounts exceeds a Company set threshold.

Full Requirements Aggregation Service - Rate FRAS

Present Rate

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, during the months of December, January, and February, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio pipeline system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier,

Proposed Rate

DEFINITIONS:

"Under-Deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool customers during the period exceeds the sum of the volumes made available by supplier for redelivery by the Company to the Pool during the same period.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream pipeline capacity required to meet Supplier's Rate FT-L pool peak day requirements. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct Supplier to proportionally deliver, with respect to the Systems' (the Duke Energy Ohio and Duke Energy Kentucky, Inc. integrated operating system) northern and southern interstate pipeline interconnects, the Supplier's daily pool requirements. In those instances where the pool operator delivers gas into the Duke Energy Ohio system and Duke Energy Ohio then delivers said gas to Duke Energy Kentucky, Inc. for delivery to the pool operator's customers located in Kentucky, the pool operator shall pay Duke Energy Kentucky, Inc. for charges from Duke Energy Ohio for delivery of said gas, at the FERC approved rate.

OPERATIONAL FLOW ORDERS:

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and

Spark Spread Interruptible Transportation Rate - Rate SSIT

This tariff is hereby cancelled and withdrawn. Any references on individual tariffs were deleted.

Pooling Service for Interruptible Gas Transportation - Rate AS

Proposed Rate

Proposed Rate

The name of this rate is proposed as Rate AS - Aggregation Service for Interruptible Gas Transportation.

Present Rate

Gas Trading Service - Rate GTS

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Proposed Rate

Daily imbalance trades or transfers must be completed within two (2) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within two (2) business days following the end of the month.

Present Rate

The charges for the respective gas service schedules for the revenue month beginning January 2018 are: Rate RS, Residential Service \$1.80/month Rate GS, General Service \$1.78/month

Accelerated Service Replacement Program Rider - Rider ASRP

Rate DGS, Distributed Generation Service	\$0.00045/CCF
Rate FT-L, Firm Transportation Service - Large	\$0.00045/CCF
Rate IT, Interruptible Transportation Service	\$0.00039/CCF
Rate SSIT. Spark Spread Interruptible Transportation Rate	\$0.00039/CCF

Proposed Rate

This tariff is proposed to be incorporated into base rates listed above. This tariff is hereby cancelled and withdrawn.

Curtailment Plan for Management of Available Gas Supplies

Present Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 1 applies.

Proposed Rate

Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

IMPACT OF PROPOSED RATES

The foregoing proposed rates designed to recover Duke Energy Kentucky's revenue deficiency reflect an increase in gas revenues of approximately \$10.5 million or 11.1% to Duke Energy Kentucky. The estimated amount of this increase per customer class is as follows:

Customer Class	Revenue Increase Proposed	%
Rate RS - Residential Service	\$ 6,448,449	9.8%
Rate GS – Commercial Service	\$ 2,041,693	10.3%
Rate GS - Industrial Service	\$ 131,405	11.3%
Rate GS – Other Public Authority Service	\$ 251,299	11.3%
Rate FT-L – Firm Transportation Service	\$ 1,545,442	30.6%
Rate IT – Interruptible Transportation Service	\$ 123,931	8.1%
Rate GTS - Gas Trading Service*	\$0	0.0%
Rate IMBS – Interruptible Monthly Balancing Service*	\$0	0.0%
Rider WNA - Weather Normalization Adjustment*	\$0	0.0%
Charge for Reconnection of Service*	\$0	0.0%
Rate MPS - Meter Pulse Service*	\$0	0.0%
are a contract of the second sec		

*The revenue deficiency is not allocated to these items.

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

Customer Class	Average Monthly CCF	Average Monthly Bill Increase Proposed	% Increase
Rate RS - Residential Service	53	\$ 5.78	10.2%
Rate GS - Commercial Service	336	\$ 26.08	10.3%
Rate GS - Industrial Service	683	\$ 52.27	11.3%
Rate GS - Other Public Authority Service	733	\$ 56.04	11.3%
Rate FT-L - Firm Transportation Service	23,202	\$1,370.07	30.6%
Rate IT - Interruptible Transportation Service	56,060	\$469.22	8.1%
Rate GTS - Gas Trading Service**	NA	\$0	0.0%
Rate IMBS - Interruptible Monthly Balancing Service**	NA	\$0	0.0%
Rate WNA - Weather Normalization Adjustment	NA	\$0	0.0%
Charge for Reconnection of Service**	NA	\$0	0.0%
Rate MPS - Meter Pulse Service**	NA	\$0	0.0%
#These items are estimated consistent and processitiv applicable to sustamer's suprase	monthly hill		

**These items are optional services not necessarily applicable to customer's average monthly bill.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for leave to intervene to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication of the notice, the Commission may take final action on the application. Comments regarding the application can be submitted to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Customers may obtain copies of the application and other filings made by the Company by emailing <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4356. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at <u>http://psc.ky.gov</u>, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Duke Energy Kentucky offices: 4580 Olympic Boulevard, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940