

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

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

Description of Filing Requirement:

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

Response:

See attached for the following:

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

2. Monthly Confidential Duke Energy Kentucky Gas Operations ROCRs. These reports were not prepared for January 2017, July 2017, January 2018 and April 2018. The narrative explanations for those months are included in the year-to-date explanations in the subsequent month's report. The Company will provide this data for upcoming months as it becomes available.

All confidential information is being provided under seal pursuant to a Petition for Confidential Treatment that is being filed simultaneously with this Application.

Base Period Update Response:

See attached for the monthly reports from June 2018 through November 2018, including Duke Energy Kentucky's monthly Company-specific Confidential Regulatory O&M and Capital Reports (ROCR). The confidential ROCR reports are being provided under seal pursuant to the Petition for Confidential Treatment submitted on August 31, 2018. The Company will provide this data for the remaining periods requested in the upcoming months as it becomes available.

Witness Responsible:

Nick Gaimo
Michael Covington

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

Key Adjusted Segment Income Variance Drivers	CURRENT MONTH		QUARTER TO DATE		YEAR TO DATE		
	Actual	Plan Variance F(U)	Actual	Prior Year Variance F(U)	Actual	Plan Variance F(U)	Prior Year Variance F(U)
Net Revenue Margin	\$ 2.7	\$ (0.2)	\$ 10.6	\$ 0.9	\$ 34.5	\$ 0.9	\$ 4.6
Weather		0.0		1.2		0.9	3.6
Volume		(0.1)		0.6		0.5	1.9
Pricing, riders, tax reform and other		(0.1)		(0.9)		(0.4)	(0.9)
Operation and maintenance	(1.6)	0.5	(5.0)	0.7	(11.9)	0.5	0.2
Depreciation, general taxes and other	(1.4)	0.1	(4.2)	(0.3)	(8.3)	0.5	(0.7)
Interest expense and AFUDC	(0.4)	-	(1.1)	(0.3)	(1.9)	0.3	(0.2)
Equity in earnings of affiliates	-	-	-	-	-	-	-
Pre-Tax Income	(0.7)	0.4	0.3	1.0	12.4	2.2	3.9
Income Tax Expense	0.2	(0.1)	-	(0.3)	(2.9)	(0.4)	0.3
Adjusted Segment Income	\$ (0.5)	\$ 0.3	\$ 0.3	\$ 0.7	\$ 9.5	\$ 1.8	\$ 4.2

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

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

Quarter to Date - Actual vs. Prior Year

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

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

Year to Date - Actual vs. Plan

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

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

Year to Date - Actual vs. Prior Year

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

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

Key Operational Drivers	CURRENT MONTH		QUARTER TO DATE		YEAR TO DATE		
	Actual	Plan Variance F(U)	Actual	Prior Year Variance F(U)	Actual	Plan Variance F(U)	Prior Year Variance F(U)
Average Number of Customers	98,891	403	99,361	1,013	99,649 ^E	173	998
Heating Degree Days	-	(12)	497	184	3,066 ^F	43	709
Total capital expenditures (cash basis)	\$ 4.2	\$ 1.6	\$ 15.6	\$ 4.9	\$ 28.5	\$ (5.2)	\$ (1.2)

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

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

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

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

Year to Date - Actual vs. Plan

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

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

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

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

Key Adjusted Segment Income Variance Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Net Revenue Margin	\$ 2.9	\$ 0.2	\$ 40.2	\$ 1.2
Weather		-		0.9
Volume		0.1		0.7
Pricing		-		(0.5)
Riders (operating income impact)		-		(0.1)
Other Margin (operating income impact)		0.2		1.4
Amortization of EDIT		-		-
Realized tax reform impacts		-		-
Reserve for revenue refunds - tax reform impacts		(0.1)		(1.1)
Operation and Maintenance	(2.1)	(0.3)	(15.7)	0.4
General taxes	(0.3)	-	(2.4)	0.1
Depreciation, amortization and other	(1.2)	-	(9.0)	0.5
AFUDC - Equity	-	(0.1)	0.5	(0.1)
Interest expense	(0.5)	-	(3.5)	0.2
Pre-Tax Income	(1.2)	(0.2)	10.1	2.3
Income Tax Expense	0.4	0.1	(2.3)	(0.4)
Adjusted Segment Income	\$ (0.8)	\$ (0.1)	\$ 7.8	\$ 1.9

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

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

Year to Date - Actual vs. Plan

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

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

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Average Number of Customers	98,468	654	99,377	286
Heating Degree Days	-	(1)	3,066	41
Total capital expenditures (cash basis)	\$ 5.8	\$ 0.1	\$ 37.1	\$ (2.3)

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

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

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

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

Quarter to Date - Actual vs. Prior Year

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

These drivers were partially offset with favorable riders.

Year to Date - Actual vs. Plan

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

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

Year to Date - Actual vs. Prior Year

The favorable YTD results compared to prior year were primarily driven by favorable weather, with heating degree days being favorable 692 days or 28.8%, primarily in the residential sector; favorable volumes with weather normal sales volumes favorable 5.8% from prior year; favorable other margins and riders.

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

Key Operational Drivers	CURRENT MONTH		QUARTER TO DATE		YEAR TO DATE		
	Actual	Plan	Actual	Prior Year	Actual	Plan	Prior Year
		Variance F(U)		Variance F(U)		Variance F(U)	Variance F(U)
Average Number of Customers	98,574	653	98,564	838	99,287	326	945
Heating Degree Days	30	(26)	30	(17)	3,095	16	692
Total capital expenditures (cash basis)	\$ 4.7	\$ 0.9	\$ 13.3	\$ (3.5)	\$ 41.8	\$ (1.4)	\$ (3.8)

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

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

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

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

Year to Date - Actual vs. Plan

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

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

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Average Number of Customers	98,799	459	99,239	339
Heating Degree Days	335	21	3,431	37
Total capital expenditures (cash basis)	\$ 8.7	\$ (3.7)	\$ 50.5	\$ (5.1)

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

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

Key Messages for Adjusted Segment Income

Current Month - Actual vs. Plan

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

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

Year to Date - Actual vs. Plan

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

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

Key Operational Drivers

Key Operational Drivers	CURRENT MONTH		YEAR TO DATE	
	Actual	Plan Variance F(U)	Actual	Plan Variance F(U)
Average Number of Customers	99,726	471	99,284	352
Heating Degree Days	755	153	4,185	190
Total capital expenditures (cash basis)	\$ 8.2	\$ (5.4)	\$ 58.7	\$ (10.5)

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

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

Description of Filing Requirement:

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

Response:

See Schedule A of Schedule Book.

Base Period Update Response:

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

Witness Responsible: Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION A

SECTION A

REVENUE REQUIREMENTS

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedule

A Overall Financial Summary

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

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

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

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

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

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

Description of Filing Requirement:

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

Response:

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

Base Period Update Response:

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

Witness Responsible:

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

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION B

SECTION B

RATE BASE

DUKE ENERGY KENTUCKY

Base Period: As of November 30, 2018

Forecasted Period: Thirteen Month Average Ended March 31, 2020

Schedules

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF NOVEMBER 30, 2018

MANUFACTURED GAS PRODUCTION PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF NOVEMBER 30, 2018

DISTRIBUTION PLANT

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1	374	27400	Land and Land Rights	43,358	100.00%	43,358	(2,327)	41,031
2	374	27401	Rights of Way	1,095,119	100.00%	1,095,119	(228,817)	866,302
3	375	27500	Structures & Improvements	1,627,472	100.00%	1,627,472	(450,435)	1,177,037
4	376	27601	Mains - Cast Iron & Copper	982,745	100.00%	982,745		982,745
5	376	27602,27607	Mains - Steel	114,110,657	100.00%	114,110,657	(300,942)	113,809,715
6	376	27603,27608	Mains - Plastic	158,536,358	100.00%	158,536,358		158,536,358
7	376	27605	Mains - Feeder	34,943,567	100.00%	34,943,567	(6,646,956)	28,296,611
8	378	27800	System Meas. & Reg. Station Equipment	9,789,723	100.00%	9,789,723	(485,367)	9,304,356
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,777,054	100.00%	1,777,054	(470,239)	1,306,815
10	378	27802	District Regulating Equipment	2,453,393	100.00%	2,453,393		2,453,393
11	380	28001	Services- Cast Iron & Copper	3,305,344	100.00%	3,305,344		3,305,344
12	380	28002,28004	Services-Steel	8,917,801	100.00%	8,917,801		8,917,801
13	380	28003,28005-28007	Services-Plastic	157,079,189	100.00%	157,079,189		157,079,189
14	381	28100,28101	Meters	17,067,032	100.00%	17,067,032		17,067,032
15	382	28200,28201	Meter Installations	11,654,916	100.00%	11,654,916		11,654,916
16	383	28300,283001	House Regulators	6,910,800	100.00%	6,910,800		6,910,800
17	384	28400,28401	House Regulator Installations	5,976,374	100.00%	5,976,374		5,976,374
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	100.00%	455,084		455,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	100.00%	64,791		64,791
20	387	28700	Other Equipment - Other	21,447	100.00%	21,447		21,447
21	387	28701	Street Lighting Equipment	28,290	100.00%	28,290		28,290
22			Asset Retirement Cost Obligation	3,583,546	100.00%	3,583,546		3,583,546
23				0	100.00%	0		0
24			Total Distribution Plant	540,424,060		540,424,060	(8,585,083)	531,838,977

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF NOVEMBER 30, 2018

GENERAL PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF NOVEMBER 30, 2018

COMMON PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF MARCH 31, 2020

MANUFACTURED GAS PRODUCTION PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF MARCH 31, 2020

DISTRIBUTION PLANT

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month	Jurisdictional %	Jurisdictional	13 Month	13 Month
				Average Forecasted Period		Total	Average Adjustments	Average Adjusted Jurisdiction
				\$		\$	\$	\$
1	374	27400	Land and Land Rights	43,358	100.00%	43,358	(2,326)	41,032
2	374	27401	Rights of Way	1,095,119	100.00%	1,095,119	(228,817)	866,302
3	375	27500	Structures & Improvements	577,522	100.00%	577,522	(24,463)	553,059
4	376	27601	Mains - Cast Iron & Copper	982,749	100.00%	982,749		982,749
5	376	27602,27607	Mains - Steel	105,664,083	100.00%	105,664,083	(300,942)	105,363,141
6	376	27603,27608	Mains - Plastic	149,762,955	100.00%	149,762,955		149,762,955
7	376	27605	Mains - Feeder	33,530,313	100.00%	33,530,313	(6,192,503)	27,337,810
8	378	27800	System Meas. & Reg. Station Equipment	7,349,417	100.00%	7,349,417	(186,887)	7,162,530
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,293,157	100.00%	1,293,157	(260,773)	1,032,384
10	378	27802	District Regulating Equipment	2,419,176	100.00%	2,419,176		2,419,176
11	380	28001	Services- Cast Iron & Copper	3,116,451	100.00%	3,116,451		3,116,451
12	380	28002,28004	Services-Steel	8,817,969	100.00%	8,817,969		8,817,969
13	380	28003,28005-28007	Services-Plastic	151,094,070	100.00%	151,094,070		151,094,070
14	381	28100,28101	Meters	12,832,410	100.00%	12,832,410		12,832,410
15	382	28200,28201	Meter Installations	10,424,840	100.00%	10,424,840		10,424,840
16	383	28300,283001	House Regulators	6,557,950	100.00%	6,557,950		6,557,950
17	384	28400,28401	House Regulator Installations	5,939,132	100.00%	5,939,132		5,939,132
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	100.00%	455,084		455,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	100.00%	64,791		64,791
20	387	28700	Other Equipment - Other	21,447	100.00%	21,447		21,447
21	387	28701	Street Lighting Equipment	28,290	100.00%	28,290		28,290
22			Asset Retirement Cost Obligation	3,583,546	100.00%	3,583,546		3,583,546
23				0	100.00%	50,026,690		50,026,690
24			Total Distribution Plant	555,680,519		555,680,519	(7,196,711)	548,483,808

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF MARCH 31, 2020

GENERAL PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF MARCH 31, 2020

COMMON PLANT

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

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

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

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

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

SCHEDULE B-2.2
PAGE 1 OF 2
WITNESS RESPONSIBLE:
N. GIAIMO / C. S. LEE

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

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

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
				\$		\$		
<u>Manufactured Gas Production Plant</u>								
1	304	20400	Land and Land Rights	75,570	100.00	75,570	WPB-2.2g	Exclusion of gas facilities devoted to other DE-Ky customers.
2	304	20401	Rights of Way	15,703	100.00	15,703	WPB-2.2g	
3	305	20500	Structures & Improvements	1,106,014	100.00	1,106,014	WPB-2.2g	
4	311	21100	Liquefied Petroleum Gas Equipment	3,823,237	100.00	3,823,237		
5			Completed Construction Not Classified					
6	Total Manufactured Gas Production Plant			<u>5,020,524</u>		<u>5,020,524</u>		
<u>Distribution Plant</u>								
7	374	27400	Land	2,326	100.00	2,326	WPB-2.2g	
8	374	27401	Rights of Way	228,817	100.00	228,817	WPB-2.2g	
9	375	27500	Structures & Improvements	24,463	100.00	24,463	WPB-2.2g	
10	376	27602	Mains-Steel	300,942	100.00	300,942	WPB-2.2g	
11	376	27605	Mains-Steel Feeder Lines	6,192,503	100.00	6,192,503	WPB-2.2g	
12	378	27800	System M & R Station Equip. - General	186,887	100.00	186,887	WPB-2.2g	
13	378	27801	System M & R Station Equip.	<u>260,773</u>	100.00	<u>260,773</u>	WPB-2.2g	
14	Total Distribution Plant			<u>7,196,711</u>		<u>7,196,711</u>		
<u>General Plant</u>								
15	391	29100	Office Furniture & Equipment	8,899	100.00	8,899	WPB-2.2g	
16	394	29400	Tools, Shop & Garage Equipment	21,227	100.00	21,227	WPB-2.2g	
17	397	29700	Communications Equipment	238	100.00	238	WPB-2.2g	
18	398	29800	Miscellaneous Equipment	<u>83,591</u>	100.00	<u>83,591</u>	WPB-2.2g	
19	Total General Plant			<u>113,955</u>		<u>113,955</u>		
20	Total Gas Plant			<u>12,331,190</u>		<u>12,331,190</u>		

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM DECEMBER 1, 2017 TO NOVEMBER 30, 2018

MANUFACTURED GAS PRODUCTION PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM DECEMBER 1, 2017 TO NOVEMBER 30, 2018

DISTRIBUTION PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM DECEMBER 1, 2017 TO NOVEMBER 30, 2018

GENERAL PLANT

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance
							Amount	Explanation of Transfer	
				\$	\$	\$	\$		\$
1	303	20300	Miscellaneous Intangible Plant	8,728,214	3,101,667				11,829,881
2	303	20310	Misc Intangible Plt - 10 Yr	2,551,238	122,838				2,674,076
3	391	29100	Office Furniture & Equipment	13,861					13,861
4	391	29101	Electronic Data Processing	310,655	234,879	10,778			534,756
5	392	29200	Transportation Equipment	0					0
6	392	29201	Trailers	65,845	20,774	23,171			63,448
7	394	29400	Tools, Shop & Garage Equipment	1,278,772	173,881	223,606			1,229,047
8	396	29600	Power Operated Equipment	0	168,272				168,272
9	397	29700	Communication Equipment	2,830,460	6,694,514				9,524,974
10	398	29800	Miscellaneous Equipment	83,591					83,591
11									0
12			Total General Plant	15,862,636	10,516,825	257,555	0		26,121,906
13			Total Gas Plant	501,938,111	76,830,328	4,475,075	0		574,293,364

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM DECEMBER 1, 2017 TO NOVEMBER 30, 2018

COMMON PLANT

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance	
							Amount	Explanation of Transfer		Other Accts. Involved
				\$	\$	\$	\$		\$	
1		10300	Miscellaneous Intangible Plant	22,332,072		801,264				21,530,808
2		18900	Land and Land Rights	154,248						154,248
3		19000	Structures & Improvements	11,408,937	3,865,532	91,541				15,182,928
4		19100	Office Furniture & Equipment	755,564	2,999					758,563
5		19101	Electronic Data Processing	807,217		766,682				40,535
6		19300	Stores Equipment	0						0
7		19400	Tools, Shop & Garage Equipment	121,888		2,398				119,490
8		19700	Communication Equipment	7,828,641	285,553					8,114,194
9		19800	Miscellaneous Equipment	41,504						41,504
10			Asset Retirement Cost Obligation	0	226,897					226,897
Total Common Plant				43,450,071	4,380,981	1,661,885	0			46,169,167
12			27.38% Common Plant Allocated to Gas	11,896,629	1,199,513	455,024	0			12,641,118
13			Total Gas Plant Including Allocated Common	513,834,740	78,029,841	4,930,099	0			586,934,482

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM APRIL 1, 2019 TO MARCH 31, 2020

MANUFACTURED GAS PRODUCTION PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM APRIL 1, 2019 TO MARCH 31, 2020

DISTRIBUTION PLANT

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance	13 Month Average
							Amount	Explanation of Transfer / Other Accts. Involved		
				\$	\$	\$	\$	\$	\$	
1	374	27400	Land and Land Rights	43,358		0			43,358	43,358
2	374	27401	Rights of Way	1,095,119		0			1,095,119	1,095,119
3	375	27500	Structures & Improvements	577,522		0			577,522	577,522
4	376	27601	Mains - Cast Iron & Copper	982,749		0			982,749	982,749
5	376	27602,27607	Mains - Steel	105,705,307		82,686			105,622,621	105,664,083
6	376	27603,27608	Mains - Plastic	149,793,718		61,704			149,732,014	149,762,955
7	376	27605	Mains - Feeder	33,642,160		224,346			33,417,814	33,530,313
8	378	27800	System Meas. & Reg. Station Equipment	7,349,417		0			7,349,417	7,349,417
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,293,157		0			1,293,157	1,293,157
10	378	27802	District Regulating Equipment	2,419,176		0			2,419,176	2,419,176
11	380	28001	Services- Cast Iron & Copper	3,245,568		258,985			2,986,583	3,116,451
12	380	28002,28004	Services-Steel	8,839,324		42,833			8,796,491	8,817,969
13	380	28003,28005-28007	Services-Plastic	151,248,627		310,012			150,938,615	151,094,070
14	381	28100,28101	Meters	13,701,999		1,744,237			11,957,762	12,832,410
15	382	28200,28201	Meter Installations	10,424,840		0			10,424,840	10,424,840
16	383	28300,283001	House Regulators	6,628,326		141,163			6,487,163	6,557,950
17	384	28400,28401	House Regulator Installations	5,939,194		124			5,939,070	5,939,132
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084		0			455,084	455,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791		0			64,791	64,791
20	387	28700	Other Equipment - Other	21,447		0			21,447	21,447
21	387	28701	Street Lighting Equipment	28,290		0			28,290	28,290
22			Asset Retirement Cost Obligation	3,583,546		0			3,583,546	3,583,546
23			0	38,229,494	26,213,664	0			64,443,158	50,026,690
24			Total Distribution Plant	545,312,213	26,213,664	2,866,090	0		568,659,787	555,680,519

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM APRIL 1, 2019 TO MARCH 31, 2020

GENERAL PLANT

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00281
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM APRIL 1, 2019 TO MARCH 31, 2020

COMMON PLANT

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

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

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

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

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment	Commission Approval Date (Docket No.)	Date of Acquisition	Explanation of Treatment
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The company has not merged or acquired property from other than affiliated companies.

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

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

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

Identification or Reference Number	Description of Type and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property Involved	Explain Method of Capitalization
	Gas Meters	Bank of America	Monthly	1,515	155,032	Per Regulatory and GAAP Guidelines
	Gas Regulators	Bank of America	Monthly	7,817	800,028	Per Regulatory and GAAP Guidelines
	Erlanger Cox Rd. Facility	Edward Gary Leasing	Monthly	<u>21,188</u>	<u>2,100,000</u>	Per Regulatory and GAAP Guidelines
	Total Capital Leases			<u>30,520</u>	<u>3,055,060</u>	

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

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

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

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

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

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

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

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

Line No.	Description and Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Revenue Realized			Expenses Incurred		
						Amount	Acct. No.	Description	Amount	Acct. No.	Description

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

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

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

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

Line No.	Description and Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Revenue Realized			Expenses Incurred		
						Amount	Acct. No.	Description	Amount	Acct. No.	Description

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

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

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

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

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

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

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

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF NOVEMBER 30, 2018

MANUFACTURED GAS PRODUCTION PLANT

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF NOVEMBER 30, 2018

DISTRIBUTION PLANT

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

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period Total (1)	Base Period Accumulated Balances				
					Total \$	Allocation %	Allocated Total \$	Adjustments \$	Adjusted Jurisdiction \$
1	374	27400	Land and Land Rights	43,358	4	100.00%	4		4
2	374	27401	Rights of Way	1,095,119	656,185	100.00%	656,185	(128,924)	527,261
3	375	27500	Structures & Improvements	1,827,472	154,243	100.00%	154,243	(23,574)	130,669
4	376	27601	Mains - Cast Iron & Copper	982,745	(120,586)	100.00%	(120,586)		(120,586)
5	376	27602,27607	Mains - Steel	114,110,657	41,035,576	100.00%	41,035,576	(18,688)	41,016,889
6	376	27603,27608	Mains - Plastic	158,536,358	50,999,118	100.00%	50,999,118		50,999,118
7	376	27605	Mains - Feeder	34,943,567	16,470,860	100.00%	16,470,860	(4,374,210)	12,096,650
8	378	27800	System Meas. & Reg. Station Equipment	9,789,723	2,607,715	100.00%	2,607,715	(189,180)	2,438,535
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,777,054	512,031	100.00%	512,031	(119,015)	393,016
10	378	27802	District Regulating Equipment	2,453,393	1,095,225	100.00%	1,095,225		1,095,225
11	380	28001	Services- Cast Iron & Copper	3,305,344	291,421	100.00%	291,421		291,421
12	380	28002,28004	Services-Steel	8,917,801	2,357,600	100.00%	2,357,600		2,357,600
13	380	28003,28005-28007	Services-Plastic	157,079,189	45,070,213	100.00%	45,070,213		45,070,213
14	381	28100,28101	Meters	17,067,032	(3,658,724)	100.00%	(3,658,724)		(3,658,724)
15	382	28200,28201	Meter Installations	11,654,916	2,624,827	100.00%	2,624,827		2,624,827
16	383	28300,283001	House Regulators	6,910,800	2,371,561	100.00%	2,371,561		2,371,561
17	384	28400,28401	House Regulator Installations	5,976,374	2,638,509	100.00%	2,638,509		2,638,509
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	439,140	100.00%	439,140		439,140
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	48,621	100.00%	48,621		48,621
20	387	28700	Other Equipment - Other	21,447	22,692	100.00%	22,692		22,692
21	387	28701	Street Lighting Equipment	28,290	21,383	100.00%	21,383		21,383
22			Asset Retirement Cost Obligation	3,583,546	1,254,107	100.00%	1,254,107		1,254,107
23		108	Retirement Work in Progress		(6,670,730)	100.00%	(6,670,730)		(6,670,730)
24			Total Distribution Plant	540,424,060	160,220,991		160,220,991	(4,833,589)	155,387,402

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF NOVEMBER 30, 2018

GENERAL PLANT

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF NOVEMBER 30, 2018

COMMON PLANT

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF MARCH 31, 2020

MANUFACTURED GAS PRODUCTION PLANT

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

SCHEDULE B-3
PAGE 5 OF 8
WITNESS RESPONSIBLE:
N. GIAIMO / C. S. LEE

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00281
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF MARCH 31, 2020

DISTRIBUTION PLANT

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF MARCH 31, 2020

GENERAL PLANT

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF MARCH 31, 2020

COMMON PLANT

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

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

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

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

(2) 5 year life for Unrecovered Reserve for Amortization

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF NOVEMBER 30, 2018

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF MARCH 31, 2020

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00281
DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND
JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,
FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP
THIRTEEN MONTH AVERAGE AS OF MARCH 31, 2020

MANUFACTURED GAS PRODUCTION PLANT

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

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

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF) \$	% Net Salvage (H)	Average Service Life (I)	Curve Form (J)
				Plant Investment (1) (D) \$	Accumulated Balance (E) \$					
1	304	20400	Land and Land Rights	42,141	0	0.00%	0	Perpetual Life		
2	304	20401	Rights of Way	8,756	8,554	0.02%	2	0.00%	50	SQ
3	305	20500	Structures & Improvements	616,750	499,734	4.70%	28,987	-10.00%	55	R4
4	311	21100	Liquefied Petroleum Gas Equipment	2,131,961	1,126,310	8.86%	188,892	-10.00%	55	R2.5
5										
6			Total Manufactured Gas Production Plant	2,799,608	1,634,598		217,881			

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

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

DISTRIBUTION PLANT

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

SCHEDULE B-3.2
PAGE 2 OF 4
WITNESS RESPONSIBLE:
N. GIAIMO / C. S. LEE

Line No.	FERC Acct. No.	Company Acct. No.	Account Title or Major Property Grouping	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate	Calculated Depr/Amort Expense	% Net Salvage	Average Service Life	Curve Form
				Plant Investment (1)	Accumulated Balance					
(A)	(B-1)	(B-2)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)
				\$	\$		\$			
1	374	27400	Land and Land Rights	41,032	4	0	0	Perpetual Life		
2	374	27401	Rights of Way	866,302	539,948	1.04%	9,010	0.00%	70	R4
3	375	27500	Structures & Improvements	553,059	134,405	1.44%	7,964	-5.00%	60	R2
4	376	27601	Mains - Cast Iron & Copper	982,749	(118,273)	8.70%	85,499	-20.00%	47	R2.5
5	376	27602,27607	Mains - Steel	105,363,141	41,995,112	1.64%	1,727,956	-20.00%	65	R2.5
6	376	27603,27608	Mains - Plastic	149,762,955	53,723,261	1.53%	2,291,373	-20.00%	70	R3
7	376	27605	Mains - Feeder	27,337,810	12,251,097	1.49%	407,333	-20.00%	65	R2.5
8	378	27800	System Meas. & Reg. Station Equipment	7,162,530	2,553,533	2.04%	146,116	-25.00%	52	R1.5
9	378	27801	System Meas. & Reg. Station Equipment - Electric	1,032,384	404,259	6.37%	65,763	-25.00%	25	S2
10	378	27802	District Regulating Equipment	2,419,176	1,110,309	1.65%	39,916	-25.00%	55	R2
11	380	28001	Services- Cast Iron & Copper	3,116,451	102,528	5.27%	164,237	-25.00%	40	R2
12	380	28002,28004	Services-Steel	8,817,969	2,370,014	3.34%	294,520	-25.00%	42	R2
13	380	28003,28005-28007	Services-Plastic	151,094,070	51,299,275	2.39%	3,611,148	-25.00%	48	S0.5
14	381	28100,28101	Meters	12,832,410	(5,811,552)	10.77%	1,382,051	0.00%	17	L0
15	382	28200,28201	Meter Installations	10,424,840	2,892,967	3.82%	398,229	0.00%	30	S0
16	383	28300,283001	House Regulators	6,557,950	2,345,399	2.15%	140,996	0.00%	42	R1.5
17	384	28400,28401	House Regulator Installations	5,939,132	2,787,651	1.59%	94,432	0.00%	50	R3
18	385	28500	Large Industrial Meas. & Reg. Equipment	455,084	448,439	0.60%	2,731	-10.00%	42	R2
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	49,660	3.64%	2,358	-10.00%	25	R2.5
20	387	28700	Other Equipment - Other	21,447	22,692	0.00% (2)	0	0.00%	17	R3
21	387	28701	Street Lighting Equipment	28,290	22,262	1.76%	498	0.00%	35	S2.5
22			Asset Retirement Obligation	3,583,546	1,213,033		82,148			
23		108	Retirement Work in Progress		(4,652,670)					
24			Completed Construction not Classified	50,026,690	1,258,152	2.24%	1,120,598			
25			Total Distribution Plant	548,483,808	166,941,505		12,074,876			

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

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

GENERAL PLANT

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

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

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF)	% Net Salvage (H)	Average Service Life (I)	Curve Form (J)
				Plant Investment (1) (D)	Accumulated Balance (E)					
				\$	\$		\$			
1	303	20300	Miscellaneous Intangible Plant	8,757,245	6,554,122	Various	1,046,391			
2	303	20310	Misc Intangible Plt - 10 Yr	2,670,960	553,734	10.00%	267,439	Amortizes over 120 months		
3	391	29100	Office Furniture & Equipment	3,981	3,245	5.00%	199	0	20	SQ
4	391	29101	Electronic Data Processing	212,320	(10,605)	22.95%	48,727	0	5	SQ
5	392	29200	Transportation Equipment	0	0	0.00%	0	Depr. Charged to Transp. Expense		
6	392	29201	Trailers	63,448	42,743	0.00%	0	Depr. Charged to Transp. Expense		
7	394	29400	Tools, Shop & Garage Equipment	1,099,242	873,129	4.70%	51,664	0.00%	25	SQ
8	396	29600	Power Operated Equipment	168,272	1,275	0.00%	0	Depr. Charged to Transp. Expense		
9	397	29700	Communication Equipment	10,766,707	732,453	6.76%	727,829	0.00%	15	SQ
10	398	29800	Miscellaneous Equipment	0	(321)	13.20%	0	0.00%	20	SQ
11		108	Retirement Work in Progress		12,218					
12			Completed Construction not Classified	723,715	667,715	7.29%	52,759			
13 Total General Plant				24,465,890	9,429,708		2,195,008			
14 Total Gas Plant				575,749,306	178,005,811		14,487,765			

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

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

COMMON PLANT

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

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

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

(1) Plant Investment includes Completed Construction Not Classified (Account 106).
(2) 5 year life for Unrecovered Reserve for Amortization.
(3) This account is fully depreciated.

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

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

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

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

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

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

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

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

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

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

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

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

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

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION of METHODOLOGY USED to DETERMINE JURISDICTIONAL REQUIREMENT	WORK PAPER REFERENCE NUMBER	TOTAL COMPANY		JURISDICTIONAL	
				BASE PERIOD	FORECASTED PERIOD	BASE PERIOD	FORECASTED PERIOD
1	Cash Element of	Based on 1/8 Oper. & Maint. Expense less purchased gas costs or fuel and purchased power expenses.	WPB-5.1a	\$	\$	\$	\$
2	Working Capital			<u>16,266,925</u>	<u>17,915,083</u>	<u>2,991,206</u>	<u>3,021,735</u>
3							
4							
5	Other Working Capital:						
6	Fuel Inventory						
7	Coal	(1)	WPB-5.1i	16,453,475	17,354,274	0	0
8	Oil	(1)	WPB-5.1i	665,361	592,942	0	0
9	Natural Gas	(1)	WPB-5.1i	0	0	0	0
10	Propane - Woodsdale	(1)	WPB-5.1i	0	<u>717,397</u>	0	0
11	Total Fuel Inventory			17,118,836	18,664,613	0	0
12							
13	Gas Enricher Liquids	(1)	WPB-5.1b	3,210,649	3,586,912	1,149,412	1,284,114
14							
15	Gas Stored Underground	(1)	WPB-5.1g	2,159,576	2,958,880	2,159,576	2,958,880
16							
17	Emission Allowances	(1)	WPB-5.1j	0	0	0	0
18							
19	Materials and Supplies	(1)	WPB-5.1c	18,932,268	18,481,347	1,602,171	1,143,072
20							
21	Prepayments	(1)	WPB-5.1e	<u>524,844</u>	<u>2,148,487</u>	<u>5,392</u>	<u>37,742</u>
22							
23	Total Other Working Capital			<u>41,946,173</u>	<u>45,840,239</u>	<u>4,916,551</u>	<u>5,423,808</u>
24							
25	Total Working Capital			<u>58,213,088</u>	<u>63,755,322</u>	<u>7,907,757</u>	<u>8,445,543</u>

N.C - Not calculated

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

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

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

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

LINE NO.	DESCRIPTION	END OF BASE PERIOD BALANCE		
		TOTAL COMPANY (1)	JURISDICTIONAL % (2)	JURISDICTIONAL AMOUNT (3)
1	Cash Working Capital:			
2	1/8 Oper. and Maint. Expense	16,266,925	Computed	<u>2,991,206</u>
3				
4				
5	Other Working Capital:			
6	Fuel Inventory			
7	Coal	16,453,475	0.000	0
8	Oil	665,361	0.000	0
9	Natural Gas	0	0.000	0
10	Propane - Woodsdale	0	0.000	0
11	Total Fuel Inventory	17,118,836		0
12				
13	Gas Enricher Liquids	3,210,649	35.800	1,149,412
14				
15	Gas Stored Underground	2,159,576	100.000	2,159,576
16				
17	Emission Allowances	0	0.000	0
18				
19	Materials and Supplies	18,932,268	Computed	1,602,171
20				
21	Prepayments	<u>524,844</u>	Computed	<u>5,392</u>
22				
23	Total Other Working Capital	<u>41,946,173</u>		<u>4,916,551</u>
24				
25	Total Working Capital	<u>58,213,098</u>		<u>7,907,757</u>

N.C. - Not Calculated

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

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

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

LINE NO.	DESCRIPTION	<u>13 MONTH AVERAGE FOR PERIOD</u>		
		TOTAL COMPANY (1)	JURISDICTIONAL % (2)	JURISDICTIONAL AMOUNT (3)
1	Cash Working Capital:			
2	1/8 Oper. and Maint. Expense	17,915,083	Computed	<u>3,021,735</u>
3				
4				
5	Other Working Capital:			
6	Fuel Inventory			
7	Coal	17,354,274	0.000	0
8	Oil	592,942	0.000	0
9	Natural Gas	0	0.000	0
10	Propane - Woodsdale	<u>717,397</u>	0.000	<u>0</u>
11	Total Fuel Inventory	18,664,613		0
12				
13	Gas Enricher Liquids	3,586,912	35.800	1,284,114
14				
15	Gas Stored Underground	2,958,880	100.000	2,958,880
16				
17	Emission Allowances	0	0.000	0
18				
19	Materials and Supplies	18,481,347	Computed	1,143,072
20				
21	Prepayments	<u>2,148,487</u>	Computed	<u>37,742</u>
22				
23	Total Other Working Capital	<u>45,840,239</u>		<u>5,423,808</u>
24				
25	Total Working Capital	<u>63,755,322</u>		<u>8,445,543</u>

N.C. - Not Calculated

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

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

SCHEDULE B-6
PAGE 1 OF 2
WITNESS RESPONSIBLE:
J. R. PANIZZA

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL COMPANY	JURISDICTIONAL CODE	%	JURIS. AMOUNT	ADJUSTMENT	ADJUSTED JURIS. AMOUNT
			(1)	(2)		(3)	(4)	(5)
1	252	Customers' Advances for Construction	<u>(1,579,329)</u>	DALL	100.000	<u>(1,579,329)</u>		<u>(1,579,329)</u> (A)
2								
3	255	Investment Tax Credits: (B)						
4		3% Credit	0	DALL	100.000	0	0 (F)	0
5		4% Credit	(6,874)	DALL	100.000	(6,874)	6,874 (G)	0
6		10% Credit	(502,329)	DALL	100.000	(502,329)	502,329 (G)	0
7		30% Credit	0	DALL	100.000	0	0 (G)	0
8		Total Investment Tax Credits	<u>(509,203)</u>			<u>(509,203)</u>	<u>509,203</u>	<u>0</u> (C)
9								
10	190,281,	Deferred Income Taxes:						
11	282,283	Total Deferred Income Taxes	<u>(62,042,643)</u>	DALL	100.000	<u>(62,042,643)</u>	<u>584,606</u> (H)	<u>(61,458,037)</u> (D)
12								
13	254	Total Regulatory Liability - Excess Deferred Taxes	<u>(33,137,851)</u>	DALL	100.000	<u>(33,137,851)</u>	<u>357,889</u> (H)	<u>(32,779,962)</u> (E)

Sources:

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

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

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

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

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	PRORATED	JURISDICTIONAL CODE	%	JURIS. AMOUNT	ADJUSTMENT	ADJUSTED
			ACCUMULATED DEFERRED TAXES					JURIS. AMOUNT
			(1)	(2)	(3)	(4)	(5)	
1	252	Customers' Advances for Construction	<u>(1,579,329)</u>	DALL	100.000	<u>(1,579,329)</u>		<u>(1,579,329)</u> (A)
2								
3	255	Investment Tax Credits: (B)						
4		3% Credit	0	DALL	100.000	0	0 (F)	0
5		4% Credit	(5,020)	DALL	100.000	(5,020)	5,020 (G)	0
6		10% Credit	(449,038)	DALL	100.000	(449,038)	449,038 (G)	0
7		30% Credit	0	DALL	100.000	0	0 (G)	0
8		Total Investment Tax Credits	<u>(454,058)</u>			<u>(454,058)</u>	<u>454,058</u>	<u>0</u> (C)
9								
10	190,	Deferred Income Taxes:						
11	282,283	Total Deferred Income Taxes	<u>(63,262,770)</u>	DALL	100.000	<u>(63,262,770)</u>	<u>598,887</u> (H)	<u>(62,665,883)</u> (D)
12								
13	254	Total Regulatory Liability - Excess Deferred Taxes	<u>(31,662,166)</u>	DALL	100.000	<u>(31,662,166)</u>	<u>341,951</u> (H)	<u>(31,320,215)</u> (E)

Sources:

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

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

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

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

LINE NO.	ACCOUNT NUMBER	ACCOUNT TITLE	JURISDICTIONAL CODE	%	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
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Not Applicable - 100% Jurisdictional

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

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

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

LINE NO. (A)	DESCRIPTION BY MAJOR GROUPINGS OR ACCOUNT (B)	STATISTIC TOTAL COMPANY (C)	ADJUSTMENT TO TOTAL COMPANY STATISTIC (D)	ADJUSTED STATISTIC FOR TOTAL COMPANY (E = C+D)	STATISTIC FOR RATE AREA (F)	ALLOCATION FACTOR % (G = F / E)
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Not Applicable - 100% Jurisdictional

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

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

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

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	PROCEDURES APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
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Not Applicable - 100% Jurisdictional

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

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

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

LINE NO.	DESCRIPTION	13 MONTH AVG. FORECASTED PERIOD		MOST RECENT FIVE CALENDAR YEARS										
		% Change	BASE PERIOD	% Change	2017	% Change	2016	% Change	2015	% Change	2014	% Change	2013	% Change
1	LIABILITIES AND NET WORTH													
2	PROPRIETARY CAPITAL													
3	COMMON STOCK ISSUED		8,779,995		8,779,995		8,779,995		8,779,995		8,779,995		8,779,995	
4	PREMIUM ON CAPITAL STOCK		18,838,948		18,838,948		18,838,948		18,838,948		18,838,948		18,838,948	
5	OTHER PAID-IN CAPITAL		183,855,188	(17.62)%	198,655,189	21.39%	183,855,189	10.09%	148,655,189	14.26%	148,655,189	(3.72)%	148,655,189	17.50%
6	RETAINED EARNINGS		429,838,925	16.78%	388,152,384	15.00%	320,140,297	22.78%	280,741,367	14.26%	228,157,429	(3.72)%	238,981,799	17.50%
7	ACCUMULATED OTHER COMPREHENSIVE INCOME		-		-		-		-		-		-	
8	TOTAL PROPRIETARY CAPITAL		621,113,054	4.49%	584,428,484	16.23%	511,414,427	17.02%	437,015,497	8.08%	404,431,559	(2.14)%	413,255,929	9.34%
9	LONG TERM DEBT													
10	ADVANCES FROM ASSOCIATED COMPANIES		25,000,000		25,000,000		25,000,000		25,000,000		25,000,000		25,000,000	
11	OTHER LONG TERM DEBT		483,367,703	0.34%	481,720,000	15.23%	428,720,000	28.73%	336,720,000	15.43%	291,720,000	(0.29)%	292,571,484	(12.03)%
12	UNAMORTIZED PREMIUM ON LONG TERM DEBT		-		-		-		-		-		-	
13	UNAMORTIZED DISCOUNT ON LONG TERM DEBT - DEBIT		238,940	(1.65)%	242,939	(15.78)%	288,378	(14.67)%	337,848	(12.92)%	388,093	(11.93)%	440,863	(16.78)%
14	LESS: CURRENT PORTION OF LONG TERM DEBT		-		-		-		-		-		-	
15	TOTAL LONG TERM DEBT		518,128,763	0.32%	516,477,981	14.41%	451,431,622	24.92%	381,382,052	14.24%	316,331,807	(0.25)%	317,130,831	(4.49)%
16	OTHER NONCURRENT LIABILITIES													
17	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT		580,230	183.28%	204,824	(64.70)%	580,230	(90.41)%	1,465,571	(31.89)%	2,151,880	(41.39)%	3,871,631	(30.55)%
18	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES		-	100.00%	(41,175)	40.08%	(68,721)	(19.16)%	(57,869)	(42.23)%	(40,546)	72.05%	(145,078)	15699.57%
19	ACCUMULATED PROVISION FOR PENSIONS & BENEFITS		17,417,785	(28.82)%	24,488,205	40.48%	17,417,785	16.31%	14,974,825	28.55%	11,848,863	22.82%	9,484,281	27.82%
20	ACCUMULATED PROVISION FOR OPERATING PROVISIONS		-		-		-		-		-		-	
21	ACCUMULATED PROVISION FOR RATE REFUNDS		-	(100.00)%	739,909	(32.19)%	-		-		-	(100.00)%	303,256	(38.11)%
22	LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES		-	(100.00)%	3,151,489	(32.19)%	4,847,739	(9.06)%	5,110,884	(10.90)%	5,735,787	0.80%	5,890,225	52.16%
23	ASSET RETIREMENT OBLIGATIONS		51,203,878	(18.72)%	82,098,243	15.42%	54,581,508	3.33%	52,822,086	(48.98)%	103,500,128	1174.27%	6,122,785	29.90%
24	TOTAL OTHER NONCURRENT LIABILITIES		69,201,871	(24.39)%	81,522,475	18.62%	77,156,521	3.83%	74,315,577	(38.58)%	122,995,912	353.41%	27,128,582	18.97%
25	CURRENT AND ACCRUED LIABILITIES													
26	NOTES PAYABLE		-		-		-		-		-		-	
27	CURRENT PORTION OF LONG TERM DEBT		53,848,154		-		-		-		-		-	
28	ACCOUNTS PAYABLE		44,784,048	5.20%	42,551,009	(12.53)%	48,845,825	53.60%	31,671,028	23.32%	25,682,371	4.89%	24,484,822	(4.27)%
29	NOTES PAYABLE TO ASSOCIATED COMPANIES		491,087	(99.31)%	71,316,000	-	-	(100.00)%	19,659,000	(94.74)%	55,743,000	48.22%	37,609,000	-
30	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES		15,515,849	51.42%	10,246,887	(35.02)%	15,768,299	25.39%	12,575,250	(12.78)%	14,418,985	8.71%	13,282,877	(27.14)%
31	CUSTOMER DEPOSITS		-	(100.00)%	9,895,727	0.39%	9,859,968	(3.89)%	10,289,585	1.37%	10,130,787	2.52%	9,852,144	7.10%
32	TAXES ACCRUED		15,434,559	22.04%	12,647,401	(21.22)%	16,053,519	44.59%	11,102,988	370.84%	(4,069,457)	(175.01)%	5,485,247	(37.24)%
33	INTEREST ACCRUED		3,728,540	(16.43)%	4,481,397	(17.13)%	5,383,681	27.35%	4,227,383	28.53%	3,340,930	(0.18)%	3,348,215	(5.70)%
34	TAX COLLECTIONS PAYABLE		-	(100.00)%	1,710,202	1.06%	1,891,919	(4.40)%	1,769,828	11.54%	1,588,741	(43.08)%	2,787,989	13.62%
35	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES		23,986,120	74.05%	13,781,285	65.16%	8,344,201	(50.72)%	16,832,837	83.05%	10,385,150	38.86%	7,478,938	(12.93)%
36	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT		239,035	(40.83)%	402,600	(54.53)%	885,342	29.00%	688,310	(54.84)%	1,519,753	(5.92)%	1,615,463	(6.30)%
37	DERIVATIVE INSTRUMENT LIABILITIES		-	(100.00)%	3,688,235	(31.32)%	5,367,483	(9.89)%	5,943,438	(10.63)%	6,650,693	(0.40)%	6,677,507	41.14%
38	(LESS) LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES		-	100.00%	(3,151,489)	32.19%	(4,647,739)	9.06%	(5,110,884)	10.90%	(5,735,787)	(0.80)%	(5,890,225)	(52.16)%
39	TOTAL CURRENT AND ACCRUED LIABILITIES		158,005,390	(5.70)%	187,547,374	58.07%	107,352,498	(2.16)%	109,723,941	(8.27)%	119,622,266	11.88%	108,918,455	35.30%
40	DEFERRED CREDITS													
41	CUSTOMER ADVANCES FOR CONSTRUCTION		1,579,329	0.28%	1,574,916	0.77%	1,582,943	8.98%	1,434,379	48.15%	981,414	30.06%	754,559	0.22%
42	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS		3,708,551	5.10%	3,528,661	(8.04)%	3,836,961	458.89%	665,347	(22.70)%	886,573	(19.02)%	1,094,889	(16.05)%
43	OTHER DEFERRED CREDITS		15,980,512	8.15%	14,785,925	(7.53)%	15,990,512	(20.23)%	20,046,049	(20.12)%	25,083,834	9.37%	22,943,783	(12.27)%
44	OTHER REGULATORY LIABILITIES		8,881,560	(95.30)%	148,886,098	2300.70%	6,110,148	2.07%	5,886,078	57.87%	3,781,881	579.53%	567,988	(9.92)%
45	EXCESS DEFERRED INCOME TAXES		92,201,753	(30.54)%	132,743,205	(0.40)%	133,277,803	-	-	-	-	-	-	-
46	ACCUMULATED DEFERRED INCOME TAXES		243,245,045	66.62%	145,885,708	(40.37)%	244,808,495	(28.76)%	343,848,042	4.15%	328,949,304	25.29%	283,339,782	4.02%
47	TOTAL DEFERRED CREDITS		383,616,750	(18.34)%	445,304,511	9.79%	405,586,882	9.09%	371,799,895	3.08%	380,702,606	24.94%	288,690,941	2.38%
48														
49														
50	TOTAL LIABILITIES		1,730,065,828	(4.66)%	1,815,277,915	18.89%	1,552,943,930	14.67%	1,354,238,082	2.28%	1,324,084,250	14.83%	1,153,123,738	5.39%

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

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

Description of Filing Requirement:

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

Response:

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

Base Period Update Response:

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

Witness Responsible: Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION C

SECTION C

OPERATING INCOME

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

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

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

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

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

LINE NO.	DESCRIPTION	FORECASTED RETURN AT CURRENT RATES	PROPOSED INCREASE	FORECASTED RETURN AT PROPOSED RATES
		(\$)	(\$)	(\$)
1	Operating Revenues	<u>95,382,130</u>	<u>10,542,199</u> (1)	<u>105,924,329</u>
2				
3	Operating Expenses			
4	Operation & Maintenance	80,507,968	0	80,507,968
5	Depreciation	14,615,192	0	14,615,192
6	Taxes - Other	<u>4,097,687</u>	<u>21,084</u>	<u>4,118,771</u>
7	Operating Expenses before Income Taxes	79,220,847	21,084	79,241,931
8				
9	State Income Taxes	307,752	522,742	830,494
10	Federal Income Taxes	<u>1,227,242</u>	<u>2,099,658</u>	<u>3,326,900</u>
11				
12	Total Operating Expenses	<u>80,755,841</u>	<u>2,643,484</u>	<u>83,399,325</u>
13				
14	Income Available for Fixed Charges	<u>14,626,289</u>	<u>7,898,715</u>	<u>22,525,004</u>
15				
16	Jurisdictional Rate Base	313,675,239		313,675,239
17	Rate of Return on Rate Base	4.66%		7.18%

(1) Source: Schedule M.

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

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
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SCHEDULE C-2.1
PAGE 1 OF 16
WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: "X" ORIGINAL UPDATED REVISED
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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018

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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
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WITNESS RESPONSIBLE:
S. E. LAWLER

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
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LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Other Revenues				
2	487001	Late Payment Charges	0	100.000	0	DALL
3	488000	Miscellaneous Service Revenue	51,996	100.000	51,996	DALL
4	488100	Miscellaneous Service Rev - I/C	514,092	100.000	514,092	DALL
5	489000	Rev Transp Gas of Others	1,404,958	100.000	1,404,958	DALL
6	489010	Rev Transp Gas of Others - Inter Co.	0	100.000	0	DALL
7	489020	Com Gas Transp Only	1,558,548	100.000	1,558,548	DALL
8	489025	Com Gas Transp Unbilled	37,583	100.000	37,583	DALL
9	489030	Ind Gas Transp Only	3,238,910	100.000	3,238,910	DALL
10	489035	Ind Gas Transp Unbilled	11,691	100.000	11,691	DALL
11	489040	OPA Gas Transp Only	385,736	100.000	385,736	DALL
12	489045	OPA Gas Transp Unbilled	11,790	100.000	11,790	DALL
13	489200	Transportation Fees	0	100.000	0	DALL
14	493010	Rent from Gas Properties - I/C	14,496	100.000	14,496	DALL
15	495031	Gas Losses Damaged Lines	0	100.000	0	DALL
16	496020	Provision for Rate Refunds	0	100.000	0	DALL
17		Total Other Revenues	<u>7,229,800</u>		<u>7,229,800</u>	
18						
19		Total Revenue	<u>94,520,290</u>		<u>94,520,290</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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WITNESS RESPONSIBLE:
S. E. LAWLER

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		OPERATING EXPENSES				
2		Production Expense				
3		Manufactured Gas Expense				
4		Operation				
5	711000	Steam Expenses	0	100.000	0	DALL
6	712000	Other Power Expenses	0	100.000	0	DALL
7	717000	Liquefied Petroleum Expense	145,617	100.000	145,617	DALL
8	728000	Liquefied Petroleum Gas	541,028	100.000	541,028	DALL
9	735000	Miscellaneous Production Expense	132,380	100.000	132,380	DALL
10		Total Operation	<u>819,025</u>		<u>819,025</u>	
11						
12		Maintenance				
13	742000	Maintenance of Production Expense	92,578	100.000	92,578	DALL
14		Total Maintenance	<u>92,578</u>		<u>92,578</u>	
15		Total Production Expense	<u>911,603</u>		<u>911,603</u>	
16						
17		Other Gas Supply Expense				
18		Purchased Gas Expense				
19	801	Purchases Gas & NGL	36,334,092	100.000	36,334,092	DALL
20	805002	Unrecovered Purchase Gas Cost Adj.	0	100.000	0	DALL
21	805003	Purchased Gas Costs - Unbilled	80,549	100.000	80,549	DALL
22	807	Gas Purchased Expense	444,020	100.000	444,020	DALL
23	813001	Other Gas Supply Expense	0	100.000	0	DALL
24		Total Other Gas Supply Expense	<u>36,858,661</u>		<u>36,858,661</u>	
25						
26		Transmission Expense				
27		Operation				
28	850001	Supervision and Engineering	0	100.000	0	DALL
29		Total Operation	<u>0</u>		<u>0</u>	
30						
31		Maintenance				
32	883000	Supervision and Engineering	0	100.000	0	DALL
33		Total Maintenance	<u>0</u>		<u>0</u>	
34		Total Transmission Expense	<u>0</u>		<u>0</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00281
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

DATA: BASE PERIOD "X" FORECASTED PERIOD
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WORK PAPER REFERENCE NO(S): WPC-2.1a

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

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

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

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

Description of Filing Requirement:

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

Response:

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

Base Period Update Response:

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

Witness Responsible:

Sarah E. Lawler – Schedules D-1, D-2.15 thru D-2.22, D-2.24 and D-2.26

Cynthia S. Lee – Schedule D-2.23

Nick Giaimo – Schedules D-2.1 thru D-2.14 and D-2.25

James E. Ziolkowski – Schedules D-3, D-4, and D-5

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION D

SECTION D
OPERATING INCOME ADJUSTMENTS
DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

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

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

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

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

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

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

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

SCHEDULE D-1
PAGE 2 OF 7
WITNESS RESPONSIBLE:
S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	TOTAL ADJ. TO BASE PERIOD	ADJUST REVENUE	ADJUST PURCHASED GAS COST	ADJUST OTHER PROD. EXP.	ADJUST OTHER GAS SUPPLY EXP.	ADJUST TRANSMISSION EXPENSE
	SCHEDULE REFERENCE	D-2.1 thru D-2.14	D-2.1	D-2.2	D-2.3	D-2.4	D-2.5
1	Operating Revenue						
2	Base	(7,022,709)	(7,022,709)				
3	Gas Cost	(2,798,917)	(2,798,917)				
4	Other Revenue	2,697,141	2,697,141				
5	Total Revenue	(7,122,485)	(7,122,485)	0	0	0	0
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas	(1,519,120)		(1,519,120)			
11	Other	850,797			850,797		
12	Total Production Expense	(668,323)	0	(1,519,120)	850,797	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas	(4,631,157)		(4,631,157)			
16	Other	(740,391)				(740,391)	
17	Total Other Gas Supply Expenses	(5,371,548)	0	(4,631,157)	0	(740,391)	0
18	Transmission Expense	(991)					(991)
19	Distribution Expense	2,614,255					
20	Customer Accounts Expense	(473,168)					
21	Customer Serv & Info Expense	(4,617)					
22	Sales Expense	43,322					
23	Admin. & General Expense	(2,064,449)					
24	Other	1,535,422					
25	Total Oper and Maint Expenses	(4,390,097)	0	(6,150,277)	850,797	(740,391)	(991)
26							
27	Depreciation Expense	1,128,427	0	0	0	0	0
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes	(418,979)					
31	State and Other Taxes	1,053,530					
32	Total Taxes Other Than Income Tax	636,551	0	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	(1,023,465)	(353,881)	305,577	(42,272)	36,786	49
36	Deferred Inc Tax - Net	413,531					
37	Total State Income Tax Expense	(609,934)	(353,881)	305,577	(42,272)	36,786	49
38							
39	Federal Income Taxes						
40	Normal and Surtax	(3,202,370)	(1,421,407)	1,227,387	(169,790)	147,757	198
41	Deferred Inc Tax - Net	1,064,468					
42	Amortization of Investment Tax Credit	1,188					
43	Total Federal Income Tax Expense	(2,136,716)	(1,421,407)	1,227,387	(169,790)	147,757	198
44							
45	Total Oper. Expenses and Tax	(5,371,769)	(1,775,288)	(4,617,313)	638,735	(555,848)	(744)
46							
47	Net Operating Income	(1,750,716)	(5,347,197)	4,617,313	(638,735)	555,848	744

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

DATA: "X" BASE PERIOD FORECASTED PERIOD
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SCHEDULE D-1
PAGE 3 OF 7
WITNESS RESPONSIBLE:
S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME	ADJUST DISTRIBUTION EXPENSE	ADJUST CUSTOMER ACCOUNTS EXP.	ADJUST CUST. SERV. & INFO. EXP.	ADJUST SALES EXPENSE	ADJUST A&G EXPENSE	ADJUST OTHER OPER. EXPENSE
	SCHEDULE REFERENCE	D-2.6	D-2.7	D-2.8	D-2.9	D-2.10	D-2.11
1	Operating Revenue						
2	Base						
3	Gas Cost						
4	Other Revenue						
5	Total Revenue	0	0	0	0	0	0
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas						
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0	0	0
18	Transmission Expense						
19	Distribution Expense	2,614,255					
20	Customer Accounts Expense		(473,168)				
21	Customer Serv & Info Expense			(4,617)			
22	Sales Expense				43,322		
23	Admin & General Expense					(2,064,449)	
24	Other						1,535,422
25	Total Oper and Maint Expenses	2,614,255	(473,168)	(4,617)	43,322	(2,064,449)	1,535,422
26							
27	Depreciation Expense						
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes						
32	Total Taxes Other Than Income Tax	0	0	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	(129,889)	23,509	229	(2,152)	102,572	(76,267)
36	Deferred Inc Tax - Net						
37	Total State Income Tax Expense	(129,889)	23,509	229	(2,152)	102,572	(76,267)
38							
39	Federal Income Taxes						
40	Normal and Surtax	(521,717)	94,428	921	(8,646)	411,994	(306,418)
41	Deferred Inc Tax - Net						
42	Amortization of Investment Tax Credit						
43	Total Federal Income Tax Expense	(521,717)	94,428	921	(8,646)	411,994	(306,418)
44							
45	Total Oper. Expenses and Tax	1,962,649	(355,231)	(3,467)	32,524	(1,549,883)	1,152,717
46							
47	Net Operating Income	(1,962,649)	355,231	3,467	(32,524)	1,549,883	(1,152,717)

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

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

SCHEDULE D-1
PAGE 4 OF 7
WITNESS RESPONSIBLE:
S. E. LAWLER

LINE NO.	ELEMENT of OPERATING INCOME SCHEDULE REFERENCE	ADJUST DEPRECIATION EXPENSE D-2.12	ADJUST OTHER TAX EXP. D-2.13	ADJUST INCOME TAXES D-2.14
1	Operating Revenue			
2	Base			
3	Gas Cost			
4	Other Revenue			
5	Total Revenue	0	0	0
6				
7	Operating Expenses			
8	Operation and Maint. Expenses			
9	Production Expenses			
10	Liquefied Petroleum Gas			
11	Other			
12	Total Production Expense	0	0	0
13				
14	Other Gas Supply Expenses			
15	Purchased Gas			
16	Other			
17	Total Other Gas Supply Expenses	0	0	0
18	Transmission Expense			
19	Distribution Expense			
20	Customer Accounts Expense			
21	Customer Serv & Info Expense			
22	Sales Expense			
23	Admin & General Expense			
24	Other			
25	Total Oper and Maint Expenses	0	0	0
26				
27	Depreciation Expense	1,128,427	0	0
28				
29	Taxes Other Than Income Taxes			
30	Other Federal Taxes		(416,979)	
31	State and Other Taxes		1,053,530	
32	Total Taxes Other Than Income Tax	0	636,551	0
33				
34	State Income Taxes			
35	Normal and Surtax	(56,066)	(31,627)	(800,013)
36	Deferred Inc Tax - Net			413,531
37	Total State Income Tax Expense	(56,066)	(31,627)	(386,482)
38				
39	Federal Income Taxes			
40	Normal and Surtax	(225,196)	(127,034)	(2,304,847)
41	Deferred Inc Tax - Net			1,064,468
42	Amortization of Investment Tax Credit			1,186
43	Total Federal Income Tax Expense	(225,196)	(127,034)	(1,239,193)
44				
45	Total Oper. Expenses and Tax	847,165	477,890	(1,825,675)
46				
47	Net Operating Income	(847,165)	(477,890)	1,625,675

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

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

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

LINE NO.	ELEMENT of OPERATING INCOME	TOTAL PRO FORMA ADJUSTMENTS D-2.15 thru D-2.26	ADJUST UNCOLLECTIBLE EXPENSE D-2.15	RATE CASE EXPENSE D-2.16	AMORTIZATION OF DEFERRED EXPENSE D-2.17	INTEREST EXPENSE D-2.18	ELIM NON-KY CUST PORTION D-2.19
	SCHEDULE REFERENCE						
1	Operating Revenue						
2	Base	1,456,479					
3	Gas Cost	(80,547)					
4	Other Revenue	(514,092)					(514,092)
5	Total Revenue	881,840	0	0	0	0	(514,092)
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas	0					
11	Other	(382,795)					(382,795)
12	Total Production Expense	(382,795)	0	0	0	0	(382,795)
13							
14	Other Gas Supply Expenses						
15	Purchased Gas	(80,549)					
16	Other	0					
17	Total Other Gas Supply Expenses	(80,549)	0	0	0	0	0
18	Transmission Expense	0					
19	Distribution Expense	962,818					(102,870)
20	Customer Accounts Expense	(608,515)	(588,781)				
21	Customer Serv & Info Expense	(20,595)					
22	Sales Expense	(6,339)					
23	Admin. & General Expense	(484,245)		115,100			
24	Other	543,043			577,423		
25	Total Oper and Maint Expenses	(77,377)	(588,781)	115,100	577,423	0	(485,665)
26							
27	Depreciation Expense	(1,084,440)	0	0	0	0	0
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes	0					
31	State and Other Taxes	(44,738)					(44,738)
32	Total Taxes Other Than Income Tax	(44,738)	0	0	0	0	(44,738)
33							
34	State Income Taxes						
35	Normal and Surtax	72,488	29,254	(5,719)	(28,689)	16,168	12,245
36	Deferred Inc Tax - Net	46,448					(11,434)
37	Total State Income Tax Expense	118,936	29,254	(5,719)	(28,689)	16,168	811
38							
39	Federal Income Taxes						
40	Normal and Surtax	291,162	117,501	(22,970)	(115,234)	64,943	49,183
41	Deferred Inc Tax - Net	188,581					(45,912)
42	Amortization of Investment Tax Credit	0					
43	Total Federal Income Tax Expense	477,743	117,501	(22,970)	(115,234)	64,943	3,271
44							
45	Total Oper. Expenses and Tax	(609,878)	(442,026)	86,411	433,500	81,111	(526,321)
46							
47	Net Operating Income	1,471,718	442,026	(86,411)	(433,500)	(81,111)	12,229

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

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

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

LINE NO.	ELEMENT of OPERATING INCOME	SCHEDULE REFERENCE	INTEGRITY	AMORTIZATION	ELIMINATE	ANNUALIZE	ELIMINATE	ADJUST
			MANAGEMENT EXPENSES	OF ASRP 2018 FIT CHANGES	MISCELLANEOUS EXPENSES	DEPRECIATION	UNBILLED REVENUE & GAS COSTS	REVENUE
			D-2.20	D-2.21	D-2.22	D-2.23	D-2.24	D-2.25
1	Operating Revenue							
2	Base						(309,531)	1,766,010
3	Gas Cost						(80,547)	
4	Other Revenue							
5	Total Revenue		0	0	0	0	(390,078)	1,766,010
6								
7	Operating Expenses							
8	Operation and Maint. Expenses							
9	Production Expenses							
10	Liquefied Petroleum Gas							
11	Other							
12	Total Production Expense		0	0	0	0	0	0
13								
14	Other Gas Supply Expenses							
15	Purchased Gas						(80,549)	
16	Other							
17	Total Other Gas Supply Expenses		0	0	0	0	(80,549)	0
18	Transmission Expense							
19	Distribution Expense		1,065,488					
20	Customer Accounts Expense				(19,734)			
21	Customer Serv & Info Expense				(20,595)			
22	Sales Expense				(8,339)			
23	Admin & General Expense				(322,075)			
24	Other			(34,380)				
25	Total Oper and Maint Expenses		1,065,488	(34,380)	(368,743)	0	(80,549)	0
26								
27	Depreciation Expense					(1,084,440)		
28								
29	Taxes Other Than Income Taxes							
30	Other Federal Taxes							
31	State and Other Taxes							
32	Total Taxes Other Than Income Tax		0	0	0	0	0	0
33								
34	State Income Taxes							
35	Normal and Surtax		(52,939)	1,708	18,321	0	(19,381)	87,744
36	Deferred Inc Tax - Net					53,880	4,002	
37	Total State Income Tax Expense		(52,939)	1,708	18,321	53,880	(15,379)	87,744
38								
39	Federal Income Taxes							
40	Normal and Surtax		(212,635)	6,861	73,589	0	(77,848)	352,436
41	Deferred Inc Tax - Net					216,418	16,075	
42	Amortization of Investment Tax Credit							
43	Total Federal Income Tax Expense		(212,635)	6,861	73,589	216,418	(61,771)	352,436
44								
45	Total Oper. Expenses and Tax		799,914	(25,811)	(278,833)	(814,142)	(157,699)	440,180
46								
47	Net Operating Income		(799,914)	25,811	278,833	814,142	(232,379)	1,325,830

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

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

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

LINE NO.	ELEMENT of OPERATING INCOME	INCENTIVE COMPENSATION	RESERVED	RESERVED	RESERVED	RESERVED	RESERVED
	SCHEDULE REFERENCE	D-2.26	D-2.27	D-2.28	D-2.29	D-2.30	D-2.31
1	Operating Revenue						
2	Base						
3	Gas Cost						
4	Other Revenue						
5	Total Revenue	0	0	0	0	0	0
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas						
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0	0	0
18	Transmission Expense						
19	Distribution Expense						
20	Customer Accounts Expense						
21	Customer Serv & Info Expense						
22	Sales Expense						0
23	Admin & General Expense	(277,270)					
24	Other						
25	Total Oper and Maint Expenses	(277,270)	0	0	0	0	0
26							
27	Depreciation Expense	0	0	0	0	0	0
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes	0					
32	Total Taxes Other Than Income Tax	0	0	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	13,776	0	0	0	0	0
36	Deferred Inc Tax - Net						
37	Total State Income Tax Expense	13,776	0	0	0	0	0
38							
39	Federal Income Taxes						
40	Normal and Surtax	55,334	0	0	0	0	0
41	Deferred Inc Tax - Net						
42	Amortization of Investment Tax Credit						
43	Total Federal Income Tax Expense	55,334	0	0	0	0	0
44							
45	Total Oper. Expenses and Tax	(208,180)	0	0	0	0	0
46							
47	Net Operating Income	208,180	0	0	0	0	0

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE AND DESCRIPTION: To adjust base period revenue to
the level of revenue in the forecasted period.

Base Revenue	To Sch D-1 Summary <--	\$ (7,022,709)
Gas Cost Revenue	To Sch D-1 Summary <--	(2,796,917)
Other Revenue	To Sch D-1 Summary <--	<u>2,697,141</u>
Total Revenue Adjustment		\$ (7,122,485)
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount		\$ <u>(7,122,485)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE AND DESCRIPTION: To adjust base period
purchase gas costs to the level of costs in the forecasted period.

Liquefied Petroleum Gas	\$ (1,519,120)
Purchased Gas	<u>(4,631,157)</u>
Total Purchased Gas Cost Expenses	\$ (6,150,277)
 Jurisdictional allocation percentage (A)	 <u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (6,150,277)</u>

(A) Allocation Code - DALL

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

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

SCHEDULE D-2.3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
N. GIAIMO

PURPOSE AND DESCRIPTION

AMOUNT

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

Other Production Expenses		\$ 850,797
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	<u>\$ 850,797</u>

(A) Allocation Code -

DALL

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

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

SCHEDULE D-2.4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
N. GIAIMO

PURPOSE AND DESCRIPTION

AMOUNT

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

Other Gas Supply Expenses	\$ (740,391)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (740,391)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

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

Transmission Expenses	\$ (991)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (991)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

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

Distribution Expenses	\$	2,614,255
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	<u>\$ 2,614,255</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE AND DESCRIPTION: To adjust base period customer accounts expenses to the level of expenses in the forecasted period.

Customer Accounts Expenses	\$ (473,168)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (473,168)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To adjust base period customer service & information expense to the level of expenses in the forecasted period.

Customer Service & Information Expenses	\$	(4,617)
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>(4,617)</u>

(A) Allocation Code - DALL

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

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

SCHEDULE D-2.9
PAGE 1 OF 1
WITNESS RESPONSIBLE:
N. GIAIMO

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period sales expense to the level of expenses in the forecasted period.	
Sales Expenses	\$ 43,322
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 43,322</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period A&G expense to the level of expenses in the forecasted period.	
A&G Expenses	\$ (2,064,449)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>(2,064,449)</u>

(A) Allocation Code - DALL

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

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

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

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

(A) Allocation Code -

DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period depreciation expense to the level of expenses in the forecasted period.	
Depreciation Expense	\$ 1,128,427
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 1,128,427</u>
(A) Allocation Code -	DALL

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE AND DESCRIPTION: To adjust base period other tax
expense to the level of the forecasted period.

Other Federal Taxes		\$ (416,979)
State and Other Taxes		<u>1,053,530</u>
Total Taxes Other than Income Taxes		\$ 636,551
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	<u>\$ 636,551</u>

(A) Allocation Code - DALL

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

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

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

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

(A) Allocation Code -

DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the reclassification of the "time value of money" portion of the total discount expense from uncollectible expense to interest expense.	
Time Value of Money Reclassification	\$ (619,051)
Uncollectible Expense Annualization	30,270
Total Uncollectible Expense Adjustment	\$ (588,781)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <— \$ <u>(588,781)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the estimated cost of presenting this case as reflected on Schedule F-6, amortized over a five year period.	
Total	\$ 115,100
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 115,100</u>

(A) Allocation Code - DALL

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

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

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

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

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE AND DESCRIPTION: To reflect federal income taxes at 21% due to interest deductible for tax purposes being based on allocated interest costs based on Proforma interest charges as contained on Schedule J-1.

Total		\$	64,943
Jurisdictional allocation percentage (A)			<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <—	\$	<u>64,943</u>
(A) Allocation Code -	DALL		

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

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

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

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

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the elimination of revenues related to facilities devoted to other than Duke Energy Kentucky customers.	
Other Revenue	\$ (514,092)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (514,092)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the elimination of O&M expenses and associated payroll overheads related to facilities devoted to other than Duke Energy Kentucky customers.	
Production Expenses	To Sch D-1 Summary <---- \$ (382,795)
Distribution Expenses	To Sch D-1 Summary <---- (102,870)
Total	<u>\$ (485,665)</u>
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	<u>\$ (485,665)</u>

(A) Allocation Code - DALL

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

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

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

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

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

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

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

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

(A) Allocation Code - DALL

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

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

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

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

(A) Allocation Code - DALL

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

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

SCHEDULE D-2.21
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S. E. LAWLER

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

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To eliminate miscellaneous expenses from the forecasted test period based on past Commission precedent.	
Customer Accounts Expense	\$ (19,734)
Customer Service & Information Expense	(20,595)
Sales Expense	(6,339)
A&G Expense	<u>(322,075)</u>
Total Miscellaneous Expense Adjustment	To Sch D-1 Summary <-- \$ (368,743)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	\$ <u>(368,743)</u>

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the adjustment to annualized depreciation expense as calculated on Schedule B-3.2 based on 13 month average plant at March 31, 2020.	
Total	\$ (1,084,440)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary ← <u>\$ (1,084,440)</u>
(A) Allocation Code -	DALL

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

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

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

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

(A) Allocation Code -

DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the adjustment to state deferred taxes as a result of the elimination of unbilled gas costs.	
Deferred State Income Tax	\$ 4,002
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 4,002</u>
(A) Allocation Code -	DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the adjustment to federal deferred taxes as a result of the elimination of unbilled gas costs.	
Deferred Federal Income Tax	\$ 16,075
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>16,075</u>
(A) Allocation Code -	DALL

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

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

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

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

(A) Allocation Code - DALL

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

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

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

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To eliminate incentive compensation related to achievement of financial goals.	
Total	\$ (277,270)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary ← \$ <u>(277,270)</u>

(A) Allocation Code - DALL

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

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

SCHEDULE D-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
J. E. ZIOLKOWSKI

LINE NO.	ACCOUNT NUMBER	ACCOUNT TITLE	ALLOCATION CODE	JURISDICTIONAL FACTOR %	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
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Not Applicable - 100% Jurisdictional

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

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

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

LINE NO.	ALLOCATION FACTOR	STATISTIC TOTAL COMPANY	STATISTIC FOR RATE AREA	ALLOCATION FACTOR %	WORK PAPER REFERENCE
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Not Applicable - 100% Jurisdictional

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

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

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

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	PROCEDURE APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
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The procedures used are the same as those used in the Company's prior proceeding, Case No. 2009-00202.

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

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

Description of Filing Requirement:

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

Response:

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

Base Period Update Response:

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

Witness Responsible: John R. Panizza

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION E

SECTION E

INCOME TAXES

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

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

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

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

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

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

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

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

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

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD (1) (\$)	ADJUSTMENTS (2) (\$)	FORECASTED PERIOD (3) (\$)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4) (\$)	ADJUSTED (5) (\$)
1	Operating Income before Federal							
2	and State Income Tax from Page 1	18,590,254	(4,497,366)	14,092,888	2,068,395	16,161,283	10,521,115	26,682,398
3								
4	Total Reconciling Items from Page 1	(7,418,371)	(5,332,268)	(12,750,839)	(609,433)	(13,360,072)	0	(13,360,072)
5								
6	Federal Taxable Income							
7	before State Income Tax to Page 3	11,171,883	(9,829,634)	1,342,249	1,458,962	2,801,211	10,521,115	13,322,326
8								
9	Kentucky Income Tax Adjustments:							
10	Kentucky Tax Inc. Adjustment - Misc	(146,234)	(5,534,855)	(5,681,089)	0	(5,681,089)	0	(5,681,089)
11	Total Kentucky Income Tax Adjustments	(146,234)	(5,534,855)	(5,681,089)	0	(5,681,089)	0	(5,681,089)
12								
13	Kentucky Taxable Income - Gas	11,025,649	(15,364,489)	(4,338,840)	1,458,962	(2,879,878)	10,521,115	7,641,237
14								
15	Percent of Business Taxable in State	96.5702%	97.3608%	99.3700%	99.3700%	99.3700%	99.3700%	99.3700%
16								
17	Kentucky Taxable Income - Other	0	0	0	0	0	0	0
18	Total Kentucky Taxable Income	10,647,491	(14,958,996)	(4,311,505)	1,449,771	(2,861,735)	10,454,832	7,593,097
19								
20	Kentucky Income Tax @ 5.000% (A)	558,898	(774,473)	(215,575)	72,489	(143,086)	522,742	379,656
21	Prior Year Adjustments	248,993	(248,993)	0	0	0	0	0
22	State Income Tax - Current to Page 3	807,891	(1,023,466)	(215,575)	72,489	(143,086)	522,742	379,656

(A) Calculation may be different due to rounding.

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

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

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

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD (1) (\$)	ADJUSTMENTS (2) (\$)	FORECASTED PERIOD (3) (\$)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4) (\$)	ADJUSTED (5) (\$)
1	State Income Tax - Current from Page 2	807,891	(1,023,466)	(215,575)	72,489	(143,086)	522,742	379,656
2								
3	Deferred State Income Taxes	83,361	485,257	568,618	46,448	615,066	0	615,066
4	Deferred State Income Tax Adjustment - ARAM	(92,502)	2,863	(89,639)		(89,639)		(89,639)
5	Deferred State Income Taxes - Amort. of Excess Def. Taxes	0	(74,589)	(74,589)		(74,589)		(74,589)
6	Deferred State Income Taxes - Prior Year	0	0	0		0		0
7	Deferred State Income Taxes - Net	(9,141)	413,531	404,390	46,448	450,838	0	450,838
8								
9	Total State Income Tax Expense	798,750	(609,935)	188,815	118,937	307,752	522,742	830,494
10								
11								
12	Federal Taxable Income							
13	before State Income Tax from Page 2	11,171,883	(9,829,634)	1,342,249	1,458,962	2,801,211	10,521,115	13,322,326
14								
15	State Income Tax Deductible from Page 2	558,898	(774,473)	(215,575)	72,489	(143,086)	522,742	379,656
16	Federal Taxable Income	10,612,985	(9,055,161)	1,557,824	1,386,473	2,944,297	9,998,373	12,942,670
17								
18	Federal Income Tax @ 21% (A)	3,529,512	(3,202,369)	327,143	291,161	618,304	2,099,658	2,717,962
19	Prior Year Adjustments	0	0	0		0		0
20	Federal Income Tax - Current	3,529,512	(3,202,369)	327,143	291,161	618,304	2,099,658	2,717,962
21								
22	Deferred Federal Income Taxes	(562,516)	1,653,414	1,090,898	186,581	1,277,479	0	1,277,479
23	Deferred Federal Income Tax - ARAM	(13,540)	(2,994)	(16,534)		(16,534)		(16,534)
24	Deferred Federal Income Tax - Amort. Of Excess Def. Taxes	0	(585,952)	(585,952)		(585,952)		(585,952)
25	Deferred Federal Income Tax - Prior Year	0	0	0		0		0
26	Deferred Federal Income Tax - Net	(576,056)	1,064,468	488,412	186,581	674,993	0	674,993
27								
28	Amortization of Investment Tax Credit	(67,241)	1,186	(66,055)	0	(66,055)	0	(66,055)
29								
30	Total Federal Income Tax Expense	2,886,215	(2,136,715)	749,500	477,742	1,227,242	2,099,658	3,326,900

(A) Calculation may be different due to rounding.

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

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

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

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

Not Applicable - 100% Jurisdictional

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

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

Description of Filing Requirement:

Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditure at country clubs; charitable contributions; marketing, sales, and advertising expenditures; professional service expenses; civic and political activity expenses; expenditures for employee parties and outings; employee gift expenses; and rate case expenses.

Response:

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

Base Period Update Response:

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

Witness Responsible: Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION F

SECTION F

OTHER EXPENSES

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
SOCIAL AND SERVICE CLUB DUES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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

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

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

(A) Allocation Code DALL

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

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

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

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

LINE NO.	ACCOUNT NO.	CHARITABLE ORGANIZATION	BASE PERIOD			FORECASTED PERIOD		
			TOTAL UTILITY	JURISDICTIONAL		TOTAL UTILITY	JURISDICTIONAL	
				PERCENT (A)	AMOUNT		PERCENT (A)	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1	426100	AMERICAN HEART ASSOCIATION	1,230	100.00	1,230	0	100.00	0
2	426100	AMERICAN SIGN MUSEUM	103	100.00	103	0	100.00	0
3	426100	AVONDALE COMMUNITY COUNCIL INC	103	100.00	103	0	100.00	0
4	426100	AVONDALE COMPREHENSIVE DEVELOPMENT CORP	103	100.00	103	0	100.00	0
5	426100	BOONE COUNTY BUSINESSMEN ASSOCIATION INC	205	100.00	205	0	100.00	0
6	426100	BOY SCOUTS OF AMERICA	2,050	100.00	2,050	0	100.00	0
7	426100	BRIGHTON CENTER INC	1,128	100.00	1,128	0	100.00	0
8	426100	CATALYTIC DEVELOPMENT FUNDING CORP	238	100.00	238	0	100.00	0
9	426100	CENTER FOR GREAT NEIGHBORHOODS OF	103	100.00	103	0	100.00	0
10	426100	CINCINNATI BENGALS INC	6,615	100.00	6,615	0	100.00	0
11	426100	CINCINNATI BLACK THEAT	115	100.00	115	0	100.00	0
12	426100	CINCINNATI INSTITUTE OF FINE ARTS	3,629	100.00	3,629	0	100.00	0
13	426100	COVINGTON BUSINESS COUNCIL	1,886	100.00	1,886	0	100.00	0
14	426100	COVINGTON CATHOLIC HIGH SCHOOL	513	100.00	513	0	100.00	0
15	426100	DINSMORE HOMESTEAD FOUNDATION	2,050	100.00	2,050	0	100.00	0
16	426100	FORT THOMAS EDUCATION FOUNDATION	103	100.00	103	0	100.00	0
17	426100	HORIZON COMMUNITY FUNDS OF NORTHERN	1,025	100.00	1,025	0	100.00	0
18	426100	KENTON COUNTY	410	100.00	410	0	100.00	0
19	426100	KENTUCKY GAS ASSOC	10,000	100.00	10,000	0	100.00	0
20	426100	KET	308	100.00	308	0	100.00	0
21	426100	LIFE LEARNING CENTER	103	100.00	103	0	100.00	0
22	426100	LOCAL INITIATIVES SUPPORT CORPORATION	103	100.00	103	0	100.00	0
23	426100	NATIONAL ASSOCIATION FOR THE ADVANCEMENT	410	100.00	410	0	100.00	0
24	426100	NATIONAL UNDERGROUND RAILROAD FREEDOM	615	100.00	615	0	100.00	0
25	426100	NORTHERN KENTUCKY COMMUNITY ACTION	410	100.00	410	0	100.00	0
26	426512	NORTHERN KENTUCKY COMMUNITY ACTION	23,605	100.00	23,605	0	100.00	0
27	426100	NORTHERN KENTUCKY EDUCATION COUNCIL	1,435	100.00	1,435	0	100.00	0
28	426100	NORTHERN KENTUCKY MUNICIPAL CLERS	492	100.00	492	0	100.00	0
29	426100	NORTHERN KENTUCKY UNIVERSITY	615	100.00	615	0	100.00	0
30	426100	NORTHERN KENTUCKY UNIVERSITY FOUNDATION	1,025	100.00	1,025	0	100.00	0
31	426100	PRINCETON CITY SCHOOLS	103	100.00	103	0	100.00	0
32	426100	THE LEAGUE FOR ANIMAL WELFARE	103	100.00	103	0	100.00	0
33	426100	THEARTSWAVE.ORG	49	100.00	49	0	100.00	0
34	426100	TM BUNBURY MUSIC FEST	161	100.00	161	0	100.00	0
35	426100	TM CIRQUE DU SOLEIL	117	100.00	117	0	100.00	0
36	426100	UNITED WAY OF GREATER CINCINNATI	1,285	100.00	1,285	0	100.00	0
37	426100	YWCA OF GREATER CINCINNATI INC	1,230	100.00	1,230	0	100.00	0
38	426100	MISCELLANEOUS	23,858	100.00	23,858	0	100.00	0
39	426100	BOWLES CENTER FOR DIVERSITY OUTREACH	1,435	100.00	1,435	0	100.00	0
40	426100	GATEWAY FOUNDATION INC	820	100.00	820	0	100.00	0
41	426100	KENTON COUNTY FIRE CHIEFS ASSOCIATION	65	100.00	65	0	100.00	0
42	426100	KINGS DAUGHTERS HEALTH FOUNDATION	256	100.00	256	0	100.00	0
43	426100	NORTHERN KENTUCKY AREA DEVELOPMENT	205	100.00	205	0	100.00	0
44	426100	NORTHERN KENTUCKY UNIVERSITY	615	100.00	615	0	100.00	0
45	426100	PAYPAL CHILDRENSLA	615	100.00	615	0	100.00	0
46	426100	THE SALVATION ARMY	2,050	100.00	2,050	0	100.00	0
47	426100	E-TOWN DEVELOPMENT COMPANY LTD	615	100.00	615	0	100.00	0
48	426100	CINCINNATI REDS	30,089	100.00	30,089	0	100.00	0
49	426100	KENTUCKY ASSOCIATION OF ECONOMIC	3,000	100.00	3,000	0	100.00	0
50	426100	URBAN LEAGUE OF GREATER CINCINNATI	2,050	100.00	2,050	0	100.00	0
51	426100	Various Budgeted Items	0	100.00	0	120,342	100.00	120,342
52								
53		Total Charitable Contributions	129,451		129,451	120,342		120,342

(A) Allocation Code DALL

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

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

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

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

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

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

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

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

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

(A) Alloc Code DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
CUSTOMER SERVICE AND INFORMATIONAL EXPENSE, SALES EXPENSE AND GENERAL ADVERTISING EXPENSE
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020

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

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

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

(A) Alloc Code DALL

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

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

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

LINE NO.	ITEM (A)	SALES OR PROMOTIONAL ADVERTISING (B)	INSTITUTIONAL ADVERTISING (C)	CONSERVATION ADVERTISING (D)	SAFETY (E)	RATE CASE (F)	OTHER (G)	TOTAL (H)
1	<u>Newspaper</u>						0	0
2								
3	<u>Magazines and Other</u>						0	0
4								
5	<u>Television</u>						0	0
6								
7	<u>Radio</u>						0	0
8								
9	<u>Direct Mail</u>			0	3,000			3,000
10								
11	<u>Sales Aids</u>						5,814	5,814
12								
13	<u>Undetermined</u>						26,217	26,217
14								
15	Total	0	0	0	3,000	0	32,031	35,031
16								
17	Amount Assigned to							
18	KY Retail	0	0	0	3,000	0	32,031	35,031

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

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

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

LINE NO.	ITEM (A)	SALES OR PROMOTIONAL ADVERTISING (B)	INSTITUTIONAL ADVERTISING (C)	CONSERVATION ADVERTISING (D)	SAFETY (E)	RATE CASE (F)	OTHER (G)	TOTAL ⁽¹⁾ (H)
1	<u>Newspaper</u>						0	0
2								
3	<u>Magazines and Other</u>						0	0
4								
5	<u>Television</u>						0	0
6								
7	<u>Radio - Safety Advertising</u>						0	0
8								
9	<u>Direct Mail</u>						0	0
10								
11	<u>Sales Aids</u>						0	0
12								
13	<u>Undetermined</u>						45,186	45,186
14								
15	Total	0	0	0	0	0	45,186	45,186
16								
17	Amount Assigned to							
18	KY Retail	0	0	0	0	0	45,186	45,186

Notes:

⁽¹⁾ Eliminated on Schedule D-2.22

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

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

SCHEDULE F-5
PAGE 1 OF 2
WITNESS RESPONSIBLE:
S. E. LAWLER

Line No.	Description	Expense Breakdown			Total Gas Unadjusted	Juris. Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted	Allocation Code
		Rate Case	Annual Audit	Other						
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
1										
2	Legal	0	0	0	0	100.000	0	0	0	DALL
3										
4	Engineering	0	0	0	0	100.000	0	0	0	DALL
5										
6	Accounting	0	0	0	0	100.000	0	0	0	DALL
7										
8	Other	<u>0</u>	<u>0</u>	<u>1,817,714</u>	<u>1,817,714</u>	100.000	<u>1,817,714</u>	<u>0</u>	<u>1,817,714</u>	DALL
9										
10	Total	<u>0</u>	<u>0</u>	<u>1,817,714</u>	<u>1,817,714</u>		<u>1,817,714</u>	<u>0</u>	<u>1,817,714</u>	

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

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

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

Line No.	Description	Expense Breakdown			Total Gas Unadjusted	Juris. Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted	Allocation Code
		Rate Case	Annual Audit	Other						
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
1										
2	Legal	0	0	0	0	100.000	0	0	0	DALL
3										
4	Engineering	0	0	0	0	100.000	0	0	0	DALL
5										
6	Accounting	0	0	0	0	100.000	0	0	0	DALL
7										
8	Other	<u>0</u>	<u>0</u>	<u>461,280</u>	<u>461,280</u>	100.000	<u>461,280</u>	<u>0</u>	<u>461,280</u>	DALL
9										
10	Total	<u>0</u>	<u>0</u>	<u>461,280</u>	<u>461,280</u>		<u>461,280</u>	<u>0</u>	<u>461,280</u>	

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

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

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

COMPARISON OF PROJECTED EXPENSES ASSOCIATED WITH THE CURRENT CASE TO PRIOR RATE CASES							
LINE NO.	ITEM OF EXPENSE	CASE NO.	CASE NO.		CASE NO.		JUSTIFICATION OF SIGNIFICANT CHANGE
		2018-00261	2017-00321 (ELEC)	2009-00202 (GAS)	2009-00202 (GAS)	2009-00202 (GAS)	
		ESTIMATE	ACTUAL	ESTIMATE	ACTUAL	ESTIMATE	
1	Legal	266,000	232,206	186,690	7,324	15,000	
2	Depreciation Study	75,000	56,066	75,000	35,146	50,000	
3	Demolition Study	9,500	86,653	80,000			
4	Consultants	0	0	0	19,442	25,000	
5	Rate of Return Studies	80,000	66,572	80,000	54,717	60,000	
6	Cost of Service Studies	0	0	0	0	0	
7	Publish Legal Notice	100,000	211,937	81,000	22,315	80,000	
8	Transportation, Lodging, Meals	35,000	39,357	80,000	0	20,000	
9	Miscellaneous	10,000	6,548	20,000	17,580	10,000	
10	Total	<u>575,500</u>	<u>699,339</u>	<u>602,690</u>	<u>156,524</u>	<u>260,000</u>	

11
12

SCHEDULE OF RATE CASE EXPENSE AMORTIZATION

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RATE CASE	TOTAL TO BE AMORTIZED	OPINION / ORDER DATE	AMORTIZATION PERIOD	AMOUNT AMORTIZED TO DATE	AMORT. DURING FORECASTED PERIOD
CURRENT CASE	575,500	-	5 YEAR	0	115,100
CASE NO. 2009-00202	260,000	12/29/2009	3 YEAR	260,000	0
State Fuel Hearings and Other					0
Total Rate Case Expense Amortization			To WPD-2.16a <-----		<u>115,100</u> (A)

16
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(A) Represents rate case expense included on Schedule C-2, as adjusted.

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

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

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

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

(A) Allocation Code DALL

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

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

Description of Filing Requirement:

Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.

Response:

See Schedules G-1 through G-3 of Schedule Book for non-confidential information responsive to this request. All confidential information is being provided under seal pursuant to a Petition for Confidential Treatment that is being filed simultaneously with this Application.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals for non-confidential information responsive to this request.

Witness Responsible:

Sarah E. Lawler – Schedule G-1
Renee H. Metzler – Schedules G-2, G-3

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION G

SECTION G

PAYROLL COSTS AND ANALYSIS

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

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

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

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

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

LINE NO.	PAYROLL COSTS	OPERATION AND MAINTENANCE EXPENSES				
		TOTAL GAS UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	ADJUSTMENTS	JURISDICTIONAL ADJUSTED
1	Base Period:					
2	Labor	7,374,469	100.000	7,374,469	0	7,374,469
3	Incentives	1,032,350	100.000	1,032,350	0	1,032,350
4	Employee Benefits	2,718,856	100.000	2,718,856	0	2,718,856
5	Payroll Taxes	182,635	100.000	182,635	0	182,635
6	Total Payroll Costs	<u>11,308,310</u>		<u>11,308,310</u>	<u>0</u>	<u>11,308,310</u>
7						
8	Forecasted Period:					
9	Labor	8,436,572	100.000	8,436,572	0	8,436,572
10	Incentives	1,421,761	100.000	1,421,761	0	1,421,761
11	Employee Benefits	2,381,447	100.000	2,381,447	0	2,381,447
12	Payroll Taxes	708,964	100.000	708,964	0	708,964
13	Total Payroll Costs	<u>12,948,744</u>		<u>12,948,744</u>	<u>0</u>	<u>12,948,744</u>

(A) Allocation Code: DALL

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

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

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

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

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

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

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

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

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

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

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

Positions included on this schedule are:

Chairman, President and Chief Executive Officer
EVP, Administration and Chief Human Resources Officer
EVP Energy Solutions and President, Midwest and Florida Regions
EVP and Chief Operating Officer
EVP, External Affairs, Chief Legal Officer & Corporate Secretary
EVP Customer & Delivery Operations and President, Carolinas Region
EVP & President, Natural Gas Business
EVP and Chief Financial Officer
SVP, Chief Accounting Officer & Controller
SVP, Tax & Treasurer
State President - OH/KY

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

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

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

Description of Filing Requirement:

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

Response:

See Schedule H of Schedule Book.

Base Period Update Response:

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

Witness Responsible: Sarah E. Lawler

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION H

SECTION H

GROSS REVENUE CONVERSION FACTOR

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

H Computation of Gross Revenue Conversion Factor

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

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

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

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

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

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

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

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

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

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

Description of Filing Requirement:

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

Response:

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

Base Period Update Response:

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

Witness Responsible:

Michael Covington
Nick Giaimo

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION I

SECTION I

STATISTICAL DATA

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

- I-1 Total Company Comparative Income Statements**
- I-1 Electric Income Statements**
- I-2.1 Revenue Statistics - Total Company**
- I-3 Revenue Statistics - Jurisdictional**
- I-4 Sales Statistics - Total Company**
- I-5 Sales Statistics - Jurisdictional**

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

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

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

LINE NO.	DESCRIPTION	TWO PROJECTED CALENDAR YEARS		FORECASTED PERIOD	BASE PERIOD	MOST RECENT FIVE CALENDAR YEARS				
		2021	2020			2017	2016	2015	2014	2013
1	REVENUE BY CUSTOMER									
2	CLASS - (A)									
3	RETAIL -									
4	RESIDENTIAL	63,308,148	63,250,929	62,113,657	67,714,856	61,825,680	62,214,654	69,532,324	79,784,994	66,991,067
5	COMMERCIAL	21,161,070	21,593,121	21,456,292	24,267,491	21,472,263	20,343,213	23,562,493	30,142,293	24,283,557
6	INDUSTRIAL	982,110	1,057,077	1,155,283	1,608,370	1,584,623	1,346,659	1,943,337	2,317,118	1,954,729
7	OTHER	2,233,921	2,241,050	2,236,248	2,438,316	2,328,378	2,145,080	2,564,071	3,348,679	2,681,829
8	TOTAL RETAIL	87,685,249	88,142,177	86,961,480	96,028,833	87,210,944	86,048,606	97,602,225	115,593,084	95,911,182
9	TRANSPORTATION -									
10	COMMERCIAL	1,708,020	1,644,770	1,558,548	1,193,219	1,029,849	1,083,520	840,391	912,251	819,197
11	INDUSTRIAL	3,399,193	3,314,915	3,238,910	2,922,288	2,871,199	2,920,394	3,042,762	2,926,678	2,567,632
12	OTHER	414,309	408,237	385,736	383,927	880,183	903,665	938,838	1,056,469	1,011,707
13	OTHER END USERS	1,405,449	1,405,022	1,404,958	2,071,407	1,570,337	1,499,024	1,383,058	1,355,837	1,540,484
14	TOTAL TRANSPORTATION	6,926,971	6,772,944	6,588,152	6,570,841	6,351,569	6,406,623	6,205,049	6,251,235	5,839,000
15	TOTAL REVENUES	94,612,220	94,915,121	93,549,632	102,599,674	93,562,512	92,456,229	103,807,274	121,844,319	101,650,182
16										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL	93,852	93,292	93,187	91,927	91,702	90,896	90,056	89,668	89,174
21	COMMERCIAL	7,285	7,242	7,234	7,113	7,154	7,294	7,281	7,284	7,196
22	INDUSTRIAL	214	213	212	205	208	210	217	206	209
23	OTHER	382	379	379	365	363	372	367	365	357
24	TOTAL RETAIL	101,733	101,126	101,012	99,610	99,427	98,772	97,921	97,523	96,936
25	TRANSPORTATION -									
26	COMMERCIAL	44	44	44	44	44	44	41	38	39
27	INDUSTRIAL	37	37	37	37	37	38	39	38	36
28	OTHER	13	13	13	13	13	13	16	16	19
29	OTHER END USERS	22	22	22	22	22	22	21	21	22
30	TOTAL TRANSPORTATION	116	116	116	116	116	117	117	113	118
31	TOTAL CUSTOMERS	101,849	101,242	101,128	99,726	99,543	98,889	98,038	97,636	97,052
32										
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL	92,874	92,320	91,964	91,580	90,736	89,990	89,195	88,731	88,282
37	COMMERCIAL	7,209	7,166	7,139	7,041	7,022	7,131	7,100	7,087	6,990
38	INDUSTRIAL	212	210	210	205	207	205	209	208	211
39	OTHER	378	375	374	364	368	367	367	361	353
40	TOTAL RETAIL	100,673	100,071	99,686	99,189	98,331	97,683	96,871	96,387	95,636
41	TRANSPORTATION -									
42	COMMERCIAL	44	44	44	44	44	44	40	38	37
43	INDUSTRIAL	37	37	37	36	38	39	38	38	34
44	OTHER	13	13	13	13	13	14	16	18	19
45	OTHER END USERS	22	22	22	22	22	22	20	21	23
46	TOTAL TRANSPORTATION	116	116	116	115	117	119	114	115	113
47	TOTAL CUSTOMERS	100,789	100,187	99,802	99,304	98,448	97,812	96,985	96,502	95,949
48										
49	AVERAGE REVENUE PER									
50	CUSTOMER									
51	RETAIL -									
52	RESIDENTIAL	682	685	675	739	681	691	780	899	759
53	COMMERCIAL	2,935	3,013	3,006	3,447	3,058	2,853	3,319	4,253	3,474
54	INDUSTRIAL	4,633	5,034	5,513	7,846	7,655	6,569	9,298	11,140	9,264
55	TRANSPORTATION -									
56	COMMERCIAL	38,819	37,381	35,422	27,119	23,406	24,625	21,010	24,007	22,140
57	INDUSTRIAL	91,870	89,592	87,538	81,175	75,558	74,882	80,073	77,018	75,519
58	OTHER END USERS	63,884	63,885	63,882	94,155	71,379	68,137	69,153	64,564	68,977

(A) Contains Billed Sales.

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

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

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

LINE NO.	DESCRIPTION	TWO PROJECTED CALENDAR YEARS		FORECASTED PERIOD	BASE PERIOD	MOST RECENT FIVE CALENDAR YEARS				
		2021	2020			2017	2016	2015	2014	2013
1	REVENUE BY CUSTOMER									
2	CLASS-\$ (A)									
3	RETAIL -									
4	RESIDENTIAL									
5	COMMERCIAL									
6	INDUSTRIAL									
7	OTHER									
8	TOTAL RETAIL									
9	TRANSPORTATION -									
10	COMMERCIAL									
11	INDUSTRIAL									
12	OTHER									
13	OTHER END USERS									
14	TOTAL TRANSPORTATION									
15	TOTAL REVENUES									
16										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL									
21	COMMERCIAL									
22	INDUSTRIAL									
23	OTHER									
24	TOTAL RETAIL									
25	TRANSPORTATION -									
26	COMMERCIAL									
27	INDUSTRIAL									
28	OTHER									
29	OTHER END USERS									
30	TOTAL TRANSPORTATION									
31	TOTAL CUSTOMERS									
32										
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL									
37	COMMERCIAL									
38	INDUSTRIAL									
39	OTHER									
40	TOTAL RETAIL									
41	TRANSPORTATION -									
42	COMMERCIAL									
43	INDUSTRIAL									
44	OTHER									
45	OTHER END USERS									
46	TOTAL TRANSPORTATION									
47	TOTAL CUSTOMERS									
48										
49	AVERAGE REVENUE PER									
50	CUSTOMER									
51	RETAIL -									
52	RESIDENTIAL									
53	COMMERCIAL									
54	INDUSTRIAL									
55	TRANSPORTATION -									
56	COMMERCIAL									
57	INDUSTRIAL									
58	OTHER END USERS									

SAME AS SCHEDULE I-2.1 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL

(A) Contains Billed and Unbilled Sales.

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

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

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

LINE NO.	DESCRIPTION	TWO PROJECTED CALENDAR YEARS		FORECASTED PERIOD	BASE PERIOD	MOST RECENT FIVE CALENDAR YEARS				
		2021	2020			2017	2016	2015	2014	2013
1	SALES BY CUSTOMER									
2	CLASS-MCF (A)									
3	RETAIL -									
4	RESIDENTIAL	5,845,686	5,777,074	5,792,062	6,398,396	5,166,611	5,120,342	5,969,448	7,036,068	6,483,794
5	COMMERCIAL	2,963,199	2,721,112	2,753,793	3,280,623	2,845,907	2,560,807	3,073,842	3,469,605	3,091,079
6	INDUSTRIAL	147,800	160,188	171,718	158,968	214,272	205,333	264,218	299,373	273,963
7	OTHER	330,609	331,106	333,564	362,402	311,516	317,877	368,469	423,752	376,749
8	TOTAL RETAIL	8,967,294	8,989,480	9,051,137	10,200,289	8,340,306	8,234,359	9,695,977	11,228,616	10,225,585
9	TRANSPORTATION -									
10	COMMERCIAL	737,183	705,441	693,226	580,166	467,414	463,688	385,850	421,372	377,914
11	INDUSTRIAL	1,624,907	1,774,778	1,746,249	1,809,506	1,520,851	1,558,044	1,585,371	1,630,363	1,383,560
12	OTHER	182,508	189,651	187,756	187,196	160,350	171,904	197,596	239,769	225,852
13	OTHER END USERS	1,480,511	1,480,061	1,479,993	1,575,872	1,548,968	1,513,733	1,338,823	1,334,777	1,509,108
14	TOTAL TRANSPORTATION	4,235,109	4,149,931	4,097,224	3,952,742	3,697,583	3,707,369	3,507,640	3,626,281	3,496,434
15	TOTAL SALES	13,222,403	13,139,411	13,148,361	14,153,031	12,037,889	11,941,728	13,203,617	14,855,099	13,722,019
16										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL	93,852	93,292	93,187	91,927	91,702	90,896	90,056	89,668	89,174
21	COMMERCIAL	7,285	7,242	7,234	7,113	7,154	7,294	7,281	7,284	7,196
22	INDUSTRIAL	214	213	212	205	208	210	217	206	209
23	OTHER	382	379	379	365	363	372	367	385	357
24	TOTAL RETAIL	101,733	101,126	101,012	99,610	99,427	98,772	97,921	97,523	96,936
25	TRANSPORTATION -									
26	COMMERCIAL	44	44	44	44	44	44	41	38	39
27	INDUSTRIAL	37	37	37	37	37	38	39	38	36
28	OTHER	13	13	13	13	13	13	16	16	19
29	OTHER END USERS	22	22	22	22	22	22	21	21	22
30	TOTAL TRANSPORTATION	116	116	116	116	116	117	117	113	116
31	TOTAL CUSTOMERS	101,849	101,242	101,128	99,726	99,543	98,889	98,038	97,636	97,052
32										
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL	92,874	92,320	91,964	91,560	90,736	89,990	89,195	88,731	88,282
37	COMMERCIAL	7,209	7,166	7,139	7,041	7,022	7,131	7,100	7,087	6,990
38	INDUSTRIAL	212	210	210	205	207	205	209	208	211
39	OTHER	378	375	374	364	366	367	367	361	353
40	TOTAL RETAIL	100,673	100,071	99,686	99,190	98,331	97,693	96,871	96,387	95,836
41	TRANSPORTATION -									
42	COMMERCIAL	44	44	44	44	44	44	40	38	37
43	INDUSTRIAL	37	37	37	36	38	39	38	38	34
44	OTHER	13	13	13	13	13	14	16	16	19
45	OTHER END USERS	22	22	22	22	22	22	20	21	23
46	TOTAL TRANSPORTATION	116	116	116	116	116	117	114	115	113
47	TOTAL CUSTOMERS	100,789	100,187	99,802	99,305	98,448	97,812	96,985	96,502	95,949
48										
49	AVERAGE SALES PER									
50	CUSTOMER-MCF									
51	RETAIL -									
52	RESIDENTIAL	63	63	63	70	57	57	67	79	73
53	COMMERCIAL	369	380	386	466	377	363	433	490	442
54	INDUSTRIAL	697	783	819	775	1,035	1,002	1,264	1,439	1,288
55	TRANSPORTATION -									
56	COMMERCIAL	16,754	16,033	15,528	13,166	10,623	10,538	9,648	11,089	10,214
57	INDUSTRIAL	49,322	47,967	47,196	44,709	40,022	39,950	41,720	42,904	40,693
58	OTHER END USERS	67,296	67,276	67,272	71,631	70,408	68,806	66,941	63,561	65,613

(A) Contains Billed Sales.

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

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

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

LINE NO.	DESCRIPTION	TWO PROJECTED CALENDAR YEARS		FORECASTED PERIOD	BASE PERIOD	MOST RECENT FIVE CALENDAR YEARS				
		2021	2020			2017	2016	2015	2014	2013
1	SALES BY CUSTOMER									
2	CLASS-MCF (A)									
3	RETAIL -									
4	RESIDENTIAL									
5	COMMERCIAL									
6	INDUSTRIAL									
7	OTHER									
8	TOTAL RETAIL									
9	TRANSPORTATION -									
10	COMMERCIAL									
11	INDUSTRIAL									
12	OTHER									
13	OTHER END USERS									
14	TOTAL TRANSPORTATION									
15	TOTAL SALES									
16										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL									
21	COMMERCIAL									
22	INDUSTRIAL									
23	OTHER									
24	TOTAL RETAIL									
25	TRANSPORTATION -									
26	COMMERCIAL									
27	INDUSTRIAL									
28	OTHER									
29	OTHER END USERS									
30	TOTAL TRANSPORTATION									
31	TOTAL CUSTOMERS									
32										
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL									
37	COMMERCIAL									
38	INDUSTRIAL									
39	OTHER									
40	TOTAL RETAIL									
41	TRANSPORTATION -									
42	COMMERCIAL									
43	INDUSTRIAL									
44	OTHER									
45	OTHER END USERS									
46	TOTAL TRANSPORTATION									
47	TOTAL CUSTOMERS									
48										
49	AVERAGE SALES PER									
50	CUSTOMER-MCF									
51	RETAIL -									
52	RESIDENTIAL									
53	COMMERCIAL									
54	INDUSTRIAL									
55	TRANSPORTATION -									
56	COMMERCIAL									
57	INDUSTRIAL									
58	OTHER END USERS									

SAME AS SCHEDULE I-4 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL

(A) Contains Billed and Unbilled Sales.

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

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

Description of Filing Requirement:

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

Response:

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

Base Period Update Response:

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

Witness Responsible: John L. Sullivan, III

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION J

SECTION J

RATE OF RETURN

DUKE ENERGY KENTUCKY

Base Period: As of November 30, 2018

Forecasted Period: Thirteen Month Average Ended March 31, 2020

Schedules

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

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

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

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

LINE NO.	CLASS OF CAPITAL	REFERENCE	AMOUNT (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		594,426,495	49.042%	9.900%	4.855%
2	Long-Term Debt	J-3	413,610,628	34.124%	4.315%	1.472%
3	Short-Term Debt	J-2	<u>204,043,917</u>	<u>16.834%</u>	3.736%	<u>0.629%</u>
4						
5	Total Capital		<u>1,212,081,040</u>	<u>100.000%</u>		<u>6.956%</u>
6						
7						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255	WPB-6	<u>3,528,662</u>			
10						
11						
12	<u>Investment Tax Credit Included in Total Capital</u>					
13						
14	Common Equity		596,157,021	49.042%	9.900%	4.855%
15	Long-Term Debt		414,814,749	34.124%	4.315%	1.472%
16	Short-Term Debt		<u>204,637,932</u>	<u>16.834%</u>	3.736%	<u>0.629%</u>
17						
18	Total Capital Including Investment Tax Credit		<u>1,215,609,702</u>	<u>100.000%</u>		<u>6.956%</u>

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

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

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

LINE NO.	CLASS OF CAPITAL	REFERENCE	13 MONTH AVG. BALANCE (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		621,113,054	50.755%	9.900%	5.025%
2	Long-Term Debt	J-3	518,128,763	42.339%	4.398%	1.862%
3	Short-Term Debt	J-2	<u>84,508,435</u>	<u>6.906%</u>	4.250%	<u>0.294%</u>
4						
5	Total Capital		<u>1,223,750,252</u>	<u>100.000%</u>		<u>7.18100%</u>
6						
7						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255	WPB-6	<u>3,708,551</u>			
10						
11						
12	<u>Investment Tax Credit Included in Total Capital</u>					
13						
14	Common Equity		622,995,329	50.755%	9.900%	5.025%
15	Long-Term Debt		519,698,926	42.339%	4.398%	1.862%
16	Short-Term Debt		<u>84,764,548</u>	<u>6.906%</u>	4.250%	<u>0.294%</u>
17						
18	Total Capital Including Investment Tax Credit		<u>1,227,458,803</u>	<u>100.000%</u>		<u>7.181%</u>

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

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

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

LINE NO.	DEBT ISSUE TYPE, COUPON RATE		DATE ISSUED (DAY/MO/YR) (A)	MATURITY DATE (DAY/MO/YR) (B)	PRINCIPAL AMOUNT (C)	FACE AMOUNT OUTSTANDING (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	ANNUAL INTEREST COST(*) (I)	
1	<u>Non Current Capital Leases</u>											
2	Capital Lease - Erlanger Facility	8.634%	30-Dec-06	30-Sep-20	2,100,000	204,824	-	-	-	204,824	17,884	
3												
4	<u>Unamortized Loss on Reacquired Debt</u>											
5	10.25% due 6/1/2020								58,914	(58,914)	39,276	
6	10.25% due 11/15/2020								73,293	(73,293)	37,479	
7	7.65% due 7/15/2025								423,409	(423,409)	63,938	
8	5.5% due 1/1/2024								196,490	(196,490)	38,654	
9	6.5% due 1/15/2022								18,049	(18,049)	4,563	
10	Variable rate PCB, due 8/1/2027								134,929	(134,929)	15,589	
11												
12	<u>Other Long Term Debt</u>											
13		2.554%	Series	16-Mar-23	25,000,000	25,000,000	-	-	-	25,000,000	638,475	
14	LT Commercial Paper	3.860%	Series	26-Jul-06	26,720,000	26,720,000	-	172,632	-	26,547,368	1,051,311	
15	Debentures	2.913%	Series	03-Dec-08	50,000,000	50,000,000	-	203,822	-	49,796,178	1,479,499	
16	Debentures	6.200%	Series	07-Mar-06	65,000,000	65,000,000	(211,849)	376,342	-	64,411,809	4,064,049	
17	Debentures	4.650%	Series	22-Sep-09	100,000,000	100,000,000	(31,090)	35,120	-	99,933,790	4,716,210	
18	Debentures	3.420%	Series	05-Jan-16	45,000,000	45,000,000	-	169,588	-	44,830,412	1,562,811	
19	Debentures	4.450%	Series	05-Jan-16	50,000,000	50,000,000	-	240,463	-	49,759,537	2,233,866	
20	Debentures	3.350%	Series	07-Sep-17	30,000,000	30,000,000	-	111,705	-	29,888,295	1,015,354	
21	Debentures	4.110%	Series	07-Sep-17	30,000,000	30,000,000	-	119,361	-	29,880,639	1,237,146	
22	Debentures	4.260%	Series	07-Sep-17	30,000,000	30,000,000	-	120,639	-	29,879,361	1,281,110	
23	Debentures	4.010%	Series	03-Oct-18	25,000,000	25,000,000	-	107,952	-	24,892,048	1,024,657	
24	Future Debentures	4.180%	Series	03-Oct-18	40,000,000	40,000,000	-	154,009	-	39,845,991	1,687,600	
25												
26	MCF Fees			16-Mar-23	-	-	-	372,801	-	(372,801)	86,866	
27	LOC Fees			14-Feb-23	-	-	-	47,950	-	(47,950)	11,409	
28	Other fees (\$26.720M - remarketing, insurance, Bilateral LC)											
29												
30	<u>Current Maturities</u>											
31	Debentures	4.650%	Series	22-Sep-09		(100,000,000)	31,090	(35,120)		(99,933,790)	(4,716,210)	
32												
33	Totals											
34						516,820,000	516,924,824	(242,939)	2,232,384	905,063	413,610,628	17,846,814
35												
36	Embedded Cost of Long-Term Debt (I / H)										4.315%	

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

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

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

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

LINE NO.	DEBT ISSUE TYPE, COUPON RATE		DATE ISSUED (DAY/MO/YR) (A)	MATURITY DATE (DAY/MO/YR) (B)	PRINCIPAL AMOUNT (C)	FACE AMOUNT OUTSTANDING (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	ANNUAL INTEREST COST (*) (I)
1	<u>Non-Current Capital Leases</u>										
2											
3	Capital Lease - Erlanger Facility	8.634%	30-Dec-06	30-Sep-20	2,100,000	33,445	-	-	-	33,445	2,888
4											
5	<u>Unamortized Loss on Reacquired Debt</u>										
6											
7	10.25% due 6/1/2020								9,819	(9,819)	9,064
8	10.25% due 11/15/2020								30,688	(30,688)	23,064
9	7.65% due 7/15/2025								370,128	(370,128)	63,938
10	5.5% due 1/1/2024								164,278	(164,278)	38,654
11	6.5% due 1/15/2022								15,270	(15,270)	4,563
12	Variable rate PCB, due 8/1/2027								125,448	(125,448)	15,569
13											
14	<u>Other Long Term Debt</u>										
15	LT Commercial Paper	2.883%	Series	16-Mar-22	25,000,000	25,000,000	-	-	-	25,000,000	720,867
16	Debentures	3.860%	Series	26-Jul-06	26,720,000	26,720,000	-	156,033	-	26,563,967	1,051,311
17	Debentures	Variable	Series	03-Dec-08	50,000,000	50,000,000	-	184,656	-	49,815,344	1,338,463
18	Debentures	6.200%	Series	10-Mar-06	65,000,000	65,000,000	(201,629)	358,188	-	64,440,183	4,064,049
19	Debentures	4.650%	Series	22-Sep-09	100,000,000	53,846,154	(5,023)	5,673	-	53,835,458	2,514,542
20	Debentures	3.420%	Series	05-Jan-16	45,000,000	45,000,000	-	149,745	-	44,850,255	1,562,811
21	Debentures	4.450%	Series	05-Jan-16	50,000,000	50,000,000	-	233,075	-	49,766,925	2,233,866
22	Debentures	3.350%	Series	07-Sep-17	30,000,000	30,000,000	-	103,077	-	29,896,923	1,015,354
23	Debentures	4.110%	Series	07-Sep-17	30,000,000	30,000,000	-	115,906	-	29,884,094	1,237,148
24	Debentures	4.260%	Series	07-Sep-17	30,000,000	30,000,000	-	118,047	-	29,881,953	1,281,110
25	Future Debentures	4.350%	Series	15-Sep-18	50,000,000	50,000,000	-	191,708	-	49,808,292	2,196,500
26	Future Debentures	4.660%	Series	15-Sep-18	50,000,000	50,000,000	-	207,236	-	49,792,764	2,337,167
27	Future Debentures	4.600%	Series	15-Sep-19	130,000,000	70,000,000	-	551,014	-	69,448,986	3,232,900
28											
29	MCF Fees			16-Mar-23	-	-	-	300,412	-	(300,412)	86,866
30	LOC Fees			14-Feb-23	-	-	-	38,325	-	(38,325)	11,498
31	Other fees (\$26.720M - remarketing, Insurance, Bilateral LC)										
32											257,500
33	<u>Current Maturities</u>										
34	Debentures	4.650%	Series	22-Sep-09		(53,846,154)	5,023	(5,673)		(53,835,458)	(2,514,542)
35											
36			Totals		683,820,000	521,753,445	(201,629)	2,707,422	715,631	518,128,763	22,785,148
37											
38											
39											4.398%

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

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

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

Description of Filing Requirement:

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

Response:

See Schedule K of Schedule Book.

Base Period Update Response:

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

Sponsoring Witness:

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

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION K

SECTION K

FINANCIAL DATA

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

K Schedules

Page 1

Plant Data

Composite Depreciation Rates

Page 2

Capital Structure

Condensed Income Statement

Income Available for Fixed Charges

Cost of Capital

Page 3

Stock and Bond Ratings

Fixed Charge Coverage

Percentage of Construction Expenditures Financed Internally

Page 4

Common Stock Related Data

Rate of Return Measures - Return on Equity

Rate of Return Measures - Return on Total Capital

Rate of Return Measures - Return on Net Plant

Page 5

Other Financial and Operating Data - Mix of Sales

Other Financial and Operating Data - Mix of Fuel

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00281
COMPARATIVE FINANCIAL DATA

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

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

Line No.	Description	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS											
				2017	2016	2015	2014	2013	2012	2011	2010	2009	2008		
1	PLANT DATA (\$000 omitted): (a)														
2	Gas Plant														
3	Intangible	11,428	14,504	11,279	6,221	3,970	3,915	3,529	3,473	2,744	2,054	464	464		
4	Production-Mfg. Gas	7,820	7,747	7,820	7,820	7,569	7,793	7,809	7,138	6,229	6,072	6,028	5,883		
5	Underground Storage	-	-	-	-	-	-	-	-	-	-	-	-		
6	Storage-Local	-	-	-	-	-	-	-	-	-	-	-	-		
7	Transmission	-	-	-	-	-	-	-	-	-	-	-	-		
8	Distribution	555,681	540,424	482,331	452,451	431,131	421,026	414,138	406,367	393,816	384,146	368,642	336,817		
9	General	13,152	11,818	1,798	1,683	3,207	3,159	3,048	3,286	3,203	3,158	3,000	2,100		
10	Total Gas Plant-Gross	588,081	574,293	503,228	468,175	445,877	435,893	426,524	420,262	405,992	395,430	378,134	345,064		
11	Less: Accum. Provision for Depr. and Amort.	185,955	172,088	165,758	156,558	152,388	142,929	134,248	125,356	118,161	109,623	103,508	97,882		
12	Gas Plant In Service-Net	402,126	402,205	337,470	311,617	293,509	292,964	294,276	294,906	287,831	285,807	274,626	247,182		
13															
14	Electric Plant														
15	Intangible	17,810	21,008	17,750	12,343	9,915	9,098	6,000	5,324	5,785	3,223	2,845	2,200		
16	Production Plant-Steam	789,406	893,190	797,504	748,258	771,471	550,669	522,424	520,107	509,889	508,496	505,497	494,367		
17	Production Plant-Hydro	-	-	-	-	-	-	-	-	-	-	-	-		
18	Production Plant-Other	502,691	310,242	308,242	290,913	290,067	287,989	284,817	281,758	277,770	268,704	263,293	259,706		
19	Transmission	80,466	58,236	57,966	55,492	55,729	51,015	44,032	39,301	29,694	29,258	28,998	28,185		
20	Distribution	502,891	479,182	453,684	426,636	414,569	392,222	382,031	389,753	353,975	343,335	328,839	316,556		
21	General	38,706	9,590	8,445	7,872	5,653	5,610	5,250	5,139	5,414	3,912	1,920	1,384		
22	Total Electric Plant-Gross	1,932,172	1,781,428	1,643,591	1,541,514	1,547,704	1,296,603	1,244,554	1,221,382	1,182,527	1,156,928	1,131,362	1,102,418		
23	Less: Accum. Provision for Depr. and Amort.	866,355	783,279	828,066	807,691	790,467	638,866	633,187	607,591	597,583	574,916	551,023	535,778		
24	Electric Plant In Service-Net	1,065,817	978,149	815,525	733,823	757,237	657,737	611,367	613,791	584,944	582,012	580,339	566,642		
25															
26	Common Plant														
27	Common Plant	47,034	46,189	43,854	42,694	42,816	42,789	41,257	41,731	41,143	41,119	32,317	28,711		
28	Less: Accum. Provision for Depr. and Amort.	38,789	37,578	38,204	36,759	35,358	33,825	31,539	26,705	28,537	24,213	19,236	16,443		
29	Common Plant In Service-Net	8,245	8,591	5,650	5,935	7,458	8,964	9,718	13,026	12,606	16,906	13,081	12,268		
30															
31	Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-	-		
32															
33	Construction Work in Progress	87,725	113,164	109,390	63,833	43,381	15,303	26,970	20,861	27,812	14,510	18,215	36,504		
34															
35	Net Utility Plant	1,563,913	1,502,109	1,268,035	1,115,208	1,101,565	975,168	942,331	942,584	912,993	899,235	886,263	862,598		
36															
37	Composite depreciation rates:														
38	Gas (%)	N/A	N/A	2.27%	2.41%	2.43%	2.42%	2.42%	2.45%	2.39%	2.36%	2.73%	2.28%		
39	Electric (%)	N/A	N/A	2.05%	2.22%	2.38%	2.39%	2.48%	2.42%	2.46%	2.50%	2.49%	2.50%		
40	Common (%)	N/A	N/A	9.50%	10.55%	5.43%	9.48%	9.14%	9.52%	9.40%	9.24%	19.87%	8.98%		

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
COMPARATIVE FINANCIAL DATA

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

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

Line No.	Description	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS										
				2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	
1	CAPITAL STRUCTURE:													
2	Long-term debt (\$000)	518,129	413,611	451,432	361,362	316,332	317,131	332,042	331,952	331,861	331,771	331,680	325,503	
3	Preferred stock (\$000)	-	-	-	-	-	-	-	-	-	-	-	-	
4	Common equity (\$000)	621,113	594,426	511,414	437,015	404,432	413,256	377,954	372,885	354,664	465,354	422,093	394,025	
5	CONDENSED INCOME STATEMENT DATA:													
6	Operating revenues (\$000,000)	468.4	471.9	429.1	440.8	466.8	488.7	443.8	427.6	458.7	486.7	480.5	500.1	
7	Operating expenses (excluding FIT and SIT) (\$000,000)	388.2	403.8	356.2	365.8	378.1	416.6	360.5	365.8	396.3	406.7	397.8	427.9	
9	Operating income (\$000,000)	80.2	68.1	72.9	75.0	88.7	72.1	83.3	61.8	62.4	80.0	62.7	72.2	
10	Federal income taxes (current) (\$000,000)	6.6	1.6	(15.3)	(3.7)	1.6	(0.5)	15.1	1.4	3.7	1.2	(12.1)	7.2	
11	State income taxes (current) (\$000,000)	1.0	0.1	(0.4)	(0.9)	(0.8)	1.8	1.1	3.3	1.4	1.5	(2.2)	1.5	
12	Total income taxes (current) (\$000,000)	7.6	1.7	(15.7)	(4.6)	0.8	1.3	16.2	4.7	5.1	2.7	(14.3)	8.7	
13	Investment tax credits - net (\$000,000)	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	
14	AFUDC - Debt and Equity (\$000,000)	3.2	5.9	4.7	1.9	0.8	0.7	0.7	0.5	0.8	0.5	0.3	1.3	
15	Other income - net (\$000,000) (a)	(23.2)	(16.8)	2.1	(17.3)	(15.5)	(16.3)	(14.3)	(17.2)	(12.9)	(15.2)	(11.9)	(15.7)	
16	Extraordinary item (\$000,000)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
17	Net income (\$000,000)	50.6	66.8	59.4	42.6	46.2	35.3	45.1	28.2	24.3	43.3	28.1	37.5	
18	Net income applicable to Common Stock (\$000,000)	50.6	66.8	59.4	42.6	46.2	35.3	45.1	28.2	24.3	43.3	28.1	37.5	
19	INCOME AVAILABLE FOR FIXED CHARGES:													
20	Interest charges (\$000)	25,236	19,320	15,725	15,952	14,573	16,345	15,989	17,520	17,492	16,182	16,448	17,689	
21	Net income before preferred dividend requirements of subsidiaries (\$000)	50,633	66,788	59,399	42,584	46,176	35,302	45,069	28,221	24,310	43,261	28,068	37,481	
22	Preferred dividend requirements of subsidiaries (\$000)	-	-	-	-	-	-	-	-	-	-	-	-	
23	Cost of reacquisition of Preferred Stock (\$000)	-	-	-	-	-	-	-	-	-	-	-	-	
24	Earnings available for common equity (\$000)	50,633	66,788	59,399	42,584	46,176	35,302	45,069	28,221	24,310	43,261	28,068	37,481	
25	AFUDC - % of net income before preferred dividend requirements of subsidiaries	0.06	0.09	0.08	0.04	0.02	0.02	0.02	0.02	0.03	0.01	0.01	0.03	
26	AFUDC - % of earnings available for common equity	0.06	0.09	0.08	0.04	0.02	0.02	0.02	0.02	0.03	0.01	0.01	0.03	
27	COST OF CAPITAL:													
28	Embedded cost of long-term debt (%)	4.40	4.32	3.46	4.15	4.12	4.66	4.49	4.51	4.33	4.38	3.75	4.76	
29	Embedded cost of preferred stock (%)	-	-	-	-	-	-	-	-	-	-	-	-	

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00281
COMPARATIVE FINANCIAL DATA

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

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

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2018-00261
COMPARATIVE FINANCIAL DATA

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

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

Line No.	Description	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS									
				2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1	COMMON STOCK RELATED DATA:												
2	Shares outstanding - year end (000)	585	585	585	585	585	585	585	585	585	585	585	585
3	Shares outstanding - weighted average												
4	(monthly) (000)	585	585	585	585	585	585	585	585	585	585	585	585
5	Dividends Paid (\$000,000)	-	-	-	10	55	-	40	10	135	-	-	30
6	Earnings per share - weighted average (\$)	86.55	114.18	101.54	72.79	78.93	60.35	77.04	48.24	41.56	73.95	47.98	64.07
7	Earnings per share - weighted												
8	average - assuming dilution (\$)	86.55	114.18	101.54	72.79	78.93	60.35	77.04	48.24	41.56	73.95	47.98	64.07
9	Dividends paid per share (\$)	N/A	N/A	0.00	17.09	94.02	0.00	68.38	17.09	230.77	0.00	0.00	51.28
10	Dividends declared per share (\$)	N/A	N/A	0.00	17.09	94.02	0.00	68.38	17.09	230.77	0.00	0.00	51.28
11	Dividend pay out ratio (declared basis) (%)	N/A	N/A	0%	23%	119%	0%	89%	35%	555%	0%	0%	80%
12	Market price - High-Low (\$)												
13	1st quarter - High	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
14	- Low	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	2nd quarter - High	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	- Low	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	3rd quarter - High	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
18	- Low	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
19	4th quarter - High	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
20	- Low	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
21	Book value per share (year-end) (\$)	1,061.73	984.12	874.21	747.04	691.34	706.42	646.06	637.41	606.26	795.48	721.53	673.55
22													
23	RATE OF RETURN MEASURES:												
24	Return on common equity (average) (%)	8.33	12.08	12.53	10.13	11.30	8.92	12.01	7.75	5.93	9.76	6.89	19.03
25	Return on total capital (average) (%)	4.71	8.78	8.75	5.61	6.37	4.90	6.38	4.05	3.28	5.58	3.81	10.42
26	Return on net plant in service (average) - Total Company %	4.20	6.85	4.76	5.50	6.03	5.43	6.39	4.98	4.16	6.85	4.70	6.47
27	- Gas %	3.32	4.58	3.69	4.41	4.90	5.74	5.29	(0.16)	2.13	7.44	2.61	3.22
28	- Electric %	4.55	8.03	5.22	5.95	6.50	5.28	6.92	7.48	5.16	6.27	5.65	7.82

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

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

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes.

Response:

See Schedules L through L-2.2 of Schedule Book.

Base Period Update Response:

No update is required for this section.

Sponsoring Witness: Bruce L. Sailors

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

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

Description of Filing Requirement:

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

Response:

See Schedules M through M-2.3 of Schedule Book.

Base Period Update Response:

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

Sponsoring Witness: Bruce L. Sailors

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION M

SECTION M

REVENUES AT PRESENT AND PROPOSED RATES

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
REVENUES AT PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

INCLUDES ALL RIDERS

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
TEST PERIOD REVENUES AT AVERAGE RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE M-2.1
PAGE 1 OF 1
WITNESS:
B. L. Sallers

INCLUDES ALL RIDERS

TEST PERIOD ACTUAL

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

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S).:
12 MOS ACTUAL

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

INCLUDES ALL RIDERS

CURRENT ANNUALIZED

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

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

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

CURRENT ANNUALIZED

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

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.
(3) REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.034903/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: X_ BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X_ UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(3) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE(2) (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
1	GS	COMMERCIAL										
2		CUSTOMER CHARGE:										
3		NON-RESIDENTIAL										
4		TOTAL MONTHLY BILLS x :										
5		CUSTOMER CHARGE PER MONTH	77,389		\$47.50	3,675,978	36.2	193,472	5.3		3,675,978	5.3
6		COMMODITY CHARGE:										
7		ALL CONSUMPTION		3,134,560	2.0530	6,435,252	63.4	2,365,652	36.8	12,069,327	18,504,579	12.8
8		RATE GS COMMERCIAL EXCLUDING RIDERS	77,389	3,134,560		10,111,230	99.6	2,559,124	25.3	12,069,327	22,180,557	11.5
9		RIDERS:										
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0	0	0.0		0	0.0
11		TAX CUT AND JOBS ACT (TCJA)			(0.031205)	(97,815)	-1.0	97,815	(100.0)		(97,815)	(100.0)
12		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0	0	0.0		0	0.0
13		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			1.780000	137,752	1.4	(137,752)	(100.0)		137,752	(100.0)
14		TOTAL RIDERS				39,937	0.4	(39,937)	(100.0)		39,937	(100.0)
15		TOTAL RATE GS COMMERCIAL INCLUDING RIDERS	77,389	3,134,560		10,151,167	100.0	2,519,187	24.8	12,069,327	22,220,494	11.3

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.
(3) REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

CURRENT ANNUALIZED

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

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.
(3) REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):
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SCHEDULE M-2.2
PAGE 5 OF 7
WITNESS:
B. L. Sallers

CURRENT ANNUALIZED

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

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.
(3) REFLECTS ADJUSTED RIDER TCJA CREDIT OF \$0.031205/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

CURRENT ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	MOST CURRENT RATES (J)	CURRENT REVENUE LESS GAS COST REVENUE(1) (K)	% OF REV TO TOTAL LESS GAS COST REVENUE (L)	REVENUE INCR LESS GAS COST REV (F - K) (M)	% INCR IN REV LESS GAS COST REV (M / K) (N)	GAS COST REVENUE (H)	CURRENT TOTAL REVENUE (K + H) (K1)	TOTAL REVENUE % INCREASE (M / K1) (O)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(%)	(\$)	(\$)	(%)
1		FT - LARGE										
2		FIRM TRANSPORTATION - LARGE										
3		ADMINISTRATIVE CHARGE	1,119		\$430.00	481,170	10.6	0	0.0		481,170	0.0
4		TRANSPORTATION CHARGE:										
5		ALL CONSUMPTION		2,376,870	1.7369	4,128,386	90.8	1,414,237	34.3		4,128,386	34.3
6		RATE FT-LARGE EXCLUDING RIDERS	1,119	2,376,870		4,609,556	101.4	1,414,237	30.7		4,609,556	30.7
7		RIDERS:										
8		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.004500	10,696	0.2	(10,696)	(100.0)		10,696	-100.0
9		TAX CUT AND JOBS ACT (TCJA)			(0.031205)	(74,171)	-1.6	74,171	(100.0)		(74,171)	-100.0
10		GAS COST ADJUSTMENT TRANSITION (GCAT)			0.000000	0	0.0	0	0.0		0	0.0
11		TOTAL RIDERS				(63,475)	(1.4)	63,475	(100.0)		(63,475)	(100.0)
12		TOTAL RATE FT - LARGE INCLUDING RIDERS	1,119	2,376,870		4,546,081	100.0	1,477,712	32.5		4,546,081	32.5

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

CURRENT ANNUALIZED

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

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

INCLUDES ALL RIDERS

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE(4) (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1 SALES SERVICE:									
2	RS	RESIDENTIAL	1,106,076	6,544,807	7.4442	48,720,785	100.00	25,200,161	73,920,946
3		TOTAL RS	1,106,076	6,544,807	7.4442	48,720,785	70.77	25,200,161	73,920,946
4	GS	COMMERCIAL	77,389	3,134,560	4.0421	12,670,354	87.64	12,069,327	24,739,681
5	GS	INDUSTRIAL	2,457	158,868	3.5810	588,904	3.93	611,706	1,180,610
6	GS	OTH PUB AUTH	4,351	356,511	3.4179	1,218,526	8.43	1,372,712	2,591,238
7		TOTAL GS	84,197	3,649,939	3.9611	14,457,784	21.00	14,053,745	28,511,529
8		TOTAL SALES SERVICE	1,190,273	10,194,746	6.1972	63,178,569	91.77	39,253,906	102,432,475
9 TRANSPORTATION SERVICE:									
10	FT-LARGE FIRM TRANSP - LARGE		1,119	2,376,870	2.5343	6,023,793	77.49	0	6,023,793
11	IT INTERRUPTIBLE		289	1,575,872	1.1103	1,749,692	22.51	0	1,749,692
12		TOTAL TRANSP SERVICE	1,388	3,952,742	1.9666	7,773,485	11.29	0	7,773,485
13		TOTAL THROUGHPUT	1,191,661	14,147,488	5.0152	70,952,054	103.06	39,253,906	110,205,960
14 MISCELLANEOUS REVENUES:									
15		LATE PAYMENT CHARGES	0	0		0	0.00	0	0
16		BAD CHECK CHARGES	0	0		14,251	(0.68)	0	14,251
17		RECONNECTION CHARGES	0	0		20,357	(0.97)	0	20,357
18		RENTS	0	0		0	0.00	0	0
19		INTERDEPARTMENTAL	0	5,543		12,752	(0.61)	21,343	34,095
20		SPECIAL CONTRACTS	0	0		0	0.00	0	0
21		REVENUE TRANSP OF GAS-INTERCO	0	0		0	0.00	0	0
22		PROVISION FOR RATE REFUNDS	0	0		(2,646,389)	125.80	0	(2,646,389)
23		OTHER MISC	0	0		495,224	(23.54)	0	495,224
24		TOTAL MISC	0	5,543		(2,103,805)	(3.06)	21,343	(2,082,462)
25		TOTAL COMPANY	1,191,661	14,153,031	4.8646	68,848,249	100.00	39,275,249	108,123,498

(1) DETAIL CONTAINED ON SCHEDULES M-2.3, PAGES 2 THROUGH 7.

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

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE M-2.3
PAGE 2 OF 7
WITNESS:
B. L. Sailors

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	RS	RESIDENTIAL							
2		CUSTOMER CHARGE:							
3		RESIDENTIAL							
4		TOTAL MONTHLY BILLS x :							
5		CUSTOMER CHARGE PER MONTH	1,106,076		\$17.50	19,356,330	39.7		19,356,330
6		COMMODITY CHARGE:							
7		ALL CONSUMPTION		6,544,807	4.8677	31,858,157	65.4	25,200,161	57,058,318
8		RATE RS EXCLUDING RIDERS	1,106,076	6,544,807		51,214,487	105.1	25,200,161	76,414,648
9		RIDERS:							
10		HOME ENERGY ASSISTANCE PROGRAM (HEA)			\$0.10	110,608	0.2		110,608
11		DEMAND SIDE MANAGEMENT RATE (DSMR)			(0.397920)	(2,604,310)	(5.3)		(2,604,310)
12		TAX CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
13		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
14		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.000000	0	0.0		0
15		TOTAL RIDERS				(2,493,702)	(5.1)		(2,493,702)
16		TOTAL RATE RS RESIDENTIAL INCLUDING RIDERS	1,106,076	6,544,807		48,720,785	100.0	25,200,161	73,920,946

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: X BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL X UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE M-2.3
PAGE 3 OF 7
WITNESS:
B. L. Sailors

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	GS	COMMERCIAL							
2	CUSTOMER CHARGE:								
3	NON-RESIDENTIAL								
4	TOTAL MONTHLY BILLS x :								
5		CUSTOMER CHARGE PER MONTH	77,389		\$50.00	3,869,450	30.5		3,869,450
6	COMMODITY CHARGE:								
7		ALL CONSUMPTION		3,134,560	2.8077	8,800,904	69.5	12,069,327	20,870,231
8		RATE GS COMMERCIAL EXCLUDING RIDERS	77,389	3,134,560		12,670,354	100.0	12,069,327	24,739,681
9	RIDERS:								
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11		TAX CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
12		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
13		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.000000	0	0.0		0
14		TOTAL RIDERS				0	0.0		0
15		TOTAL RATE GS COMMERCIAL INCLUDING RIDERS	77,389	3,134,560		12,670,354	100.0	12,069,327	24,739,681

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE M-2.3
PAGE 4 OF 7
WITNESS:
B. L. Sailors

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	GS	INDUSTRIAL							
2	CUSTOMER CHARGE:								
3	NON-RESIDENTIAL								
4	TOTAL MONTHLY BILLS x :								
5		CUSTOMER CHARGE PER MONTH	2,457		\$50.00	122,850	21.6		122,850
6	COMMODITY CHARGE:								
7		ALL CONSUMPTION		158,868	2.8077	446,054	78.4	611,706	1,057,760
8		RATE GS INDUSTRIAL EXCLUDING RIDERS	2,457	158,868		568,904	100.0	611,706	1,180,610
9	RIDERS:								
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11		TAX CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
12		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
13		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.000000	0	0.0		0
14		TOTAL RIDERS				0	0.0		0
15		TOTAL RATE GS INDUSTRIAL INCLUDING RIDERS	2,457	158,868		568,904	100.0	611,706	1,180,610

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE M-2.3
PAGE 5 OF 7
WITNESS:
B. L. Sailors

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS(1) (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE(2) (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1	GS	OTHER PUBLIC AUTHORITIES							
2		CUSTOMER CHARGE:							
3		NON-RESIDENTIAL							
4		TOTAL MONTHLY BILLS x :							
5		CUSTOMER CHARGE PER MONTH	4,351		\$50.00	217,550	17.9		217,550
6		COMMODITY CHARGE:							
7		ALL CONSUMPTION		356,511	2.8077	1,000,976	82.1	1,372,712	2,373,688
8		RATE GS OPA EXCLUDING RIDERS	4,351	356,511		1,218,526	100.0	1,372,712	2,591,238
9		RIDERS:							
10		DEMAND SIDE MANAGEMENT RATE (DSMR)			0.000000	0	0.0		0
11		TAX CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
12		WEATHER NORMALIZATION ADJUSTMENT (WNA)			0.000000	0	0.0		0
13		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.000000	0	0.0		0
14		TOTAL RIDERS				0	0.0		0
15		TOTAL RATE GS OPA INCLUDING RIDERS	4,351	356,511		1,218,526	100.0	1,372,712	2,591,238

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE M-2.3
PAGE 6 OF 7
WITNESS:
B. L. Sailors

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST REVENUE (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE (H)	PROPOSED TOTAL REVENUE (F + H) (I)
						(\$)	(%)	(\$)	(\$)
				(MCF)	(\$/MCF)				
1		<i>FT - LARGE</i>							
2		<i>FIRM TRANSPORTATION - LARGE</i>							
3		ADMINISTRATIVE CHARGE	1,119		\$430.00	481,170	8.0		481,170
4		<i>TRANSPORTATION CHARGE:</i>							
5		ALL CONSUMPTION		2,376,870	2.3319	5,542,623	92.0		5,542,623
6		<i>RATE FT-LARGE EXCLUDING RIDERS</i>	1,119	2,376,870		6,023,793	100.0		6,023,793
7		<i>RIDERS:</i>							
8		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.000000	0	0.0		0
9		TAX CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
10		GAS COST ADJUSTMENT TRANSITION (GCAT)			0.000000	0	0.0		0
11		<i>TOTAL RIDERS</i>				0	0.0		0
12		<i>TOTAL RATE FT - LARGE INCLUDING RIDERS</i>	1,119	2,376,870		6,023,793	100.0		6,023,793

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
ANNUALIZED REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2018
(GAS SERVICE)

DATA: X_ BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X_ UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

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

PROPOSED ANNUALIZED

LINE NO.	RATE CODE (A)	CLASS / DESCRIPTION (B)	CUSTOMER BILLS (C)	SALES (D)	PROPOSED RATES (E)	PROPOSED REVENUE LESS GAS COST (F)	% OF REV TO TOTAL LESS GAS COST REVENUE (G)	GAS COST REVENUE (H)	PROPOSED TOTAL REVENUE (F + H) (I)
				(MCF)	(\$/MCF)	(\$)	(%)	(\$)	(\$)
1		IT							
2		INTERRUPTIBLE TRANSPORTATION							
3		ADMINISTRATIVE CHARGE	269		\$430.00	115,670	6.6		115,670
4		COMMODITY CHARGE:							
5		ALL CONSUMPTION		1,575,872	1.0369	1,634,022	93.4		1,634,022
6		RATE IT EXCLUDING RIDERS	269	1,575,872		1,749,692	100.0		1,749,692
7		RIDERS:							
8		TAX CUT AND JOBS ACT (TCJA)			0.000000	0	0.0		0
9		ACCELERATED SERVICE REPLACEMENT PROGRAM (ASRP)			0.000000	0	0.0		0
10		TOTAL RIDERS				0	0.0		0
11		TOTAL RATE IT TRANSPORTATION	269	1,575,872		1,749,692	100.0		1,749,692

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

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

Description of Filing Requirement:

A typical bill comparison under present and proposed rates for all customer classes.

Response:

See Schedule N of Schedule Book.

Base Period Update Response:

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

Sponsoring Witness: Bruce L. Sailors

Before

KENTUCKY PUBLIC SERVICE COMMISSION

GAS CASE NO. 2018-00261

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

SECTION N

SECTION N

TYPICAL BILL COMPARISON

DUKE ENERGY KENTUCKY

Base Period: Twelve Months Ended November 30, 2018

Forecasted Period: Twelve Months Ended March 31, 2020

Schedules

N Typical Bill Comparison

DUKE ENERGY KENTUCKY
CASE NO. 2018- 00261
EFFECTS OF PROPOSED RESIDENTIAL AND GENERAL SERVICE RATES
TYPICAL BILL COMPARISON
(GAS SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE N
PAGE 1 OF 2
WITNESS:
B. L. Sallers

LINE NO.	RATE CODE	LEVEL of DEMAND (A)	LEVEL of USE (B) (MCF)	BILL DATA INCLUDING RIDERS LESS COST OF GAS (1)(2)				GAS COST (3) (G) (\$)	TOTAL CURRENT BILL (C + G) (H) (\$)	TOTAL PROPOSED BILL (D + G) (I) (\$)	PERCENT INCREASE (I-H) / H (L) (%)
				CURRENT BILL (4) (C) (\$)	PROPOSED BILL (D) (D) (\$)	DOLLAR INCREASE (D - C) (E) (\$)	PERCENT INCREASE (E / C) (F) (%)				
1	(RS)										
2	RESIDENTIAL	Not	1	21.19	22.07	0.88	4.2	3.85	25.04	25.92	3.5
3		Applicable	3	27.77	31.01	3.24	11.7	11.55	39.32	42.56	8.2
4			6	37.63	44.42	6.79	18.0	23.10	60.73	67.52	11.2
5			8	44.21	53.36	9.15	20.7	30.80	75.01	84.16	12.2
6			10	50.78	62.30	11.52	22.7	38.50	89.28	100.80	12.9
7			12	57.36	71.24	13.88	24.2	48.20	103.56	117.44	13.4
8			16	70.52	89.12	18.60	26.4	61.81	132.13	150.73	14.1
9			20	83.67	107.00	23.33	27.9	77.01	160.68	184.01	14.5
10			30	116.55	151.69	35.14	30.2	115.51	232.06	267.20	15.1
11			40	149.44	196.39	46.95	31.4	154.02	303.46	350.41	15.5
12			50	182.32	241.09	58.77	32.2	192.52	374.84	433.61	15.7
13			60	215.21	285.79	70.58	32.8	231.02	446.23	516.81	15.8
14			80	280.98	375.18	94.20	33.5	308.03	589.01	683.21	16.0
15			100	346.75	464.58	117.83	34.0	385.04	731.79	849.62	16.1
16	(GS)										
17	NON-RESIDENTIAL		5	59.39	64.04	4.65	7.8	19.25	78.64	83.29	5.9
18			10	69.50	78.08	8.58	12.3	38.50	108.00	116.58	7.9
19			20	89.72	106.15	16.43	18.3	77.01	166.73	183.16	9.9
20			40	130.15	162.31	32.16	24.7	154.02	284.17	316.33	11.3
21			50	150.37	190.39	40.02	26.6	192.52	342.89	382.91	11.7
22			100	251.48	330.77	79.31	31.5	385.04	636.50	715.81	12.5
23			300	655.82	892.31	236.49	36.1	1,155.12	1,810.94	2,047.43	13.1
24			500	1,060.18	1,453.85	393.67	37.1	1,925.20	2,985.38	3,379.05	13.2
25			700	1,464.54	2,015.39	550.85	37.6	2,695.28	4,159.82	4,710.67	13.2
26			850	1,767.81	2,436.55	668.74	37.8	3,272.84	5,040.65	5,709.39	13.3
27			1,000	2,071.07	2,857.70	786.63	38.0	3,850.41	5,921.48	6,708.11	13.3
28			2,000	4,092.87	5,665.40	1,572.53	38.4	7,700.81	11,793.68	13,366.21	13.3
29			3,000	6,114.66	8,473.10	2,358.44	38.6	11,551.22	17,665.88	20,024.32	13.4

(1) INCLUDES RIDER DSM OF (\$0.39792) /MCF AND HEA \$0.10 AND, FOR CURRENT BILL ONLY, ASRP OF \$1.80 IN RATE RS.
(2) INCLUDES RIDER DSM OF \$0.00000 /MCF AND, FOR CURRENT BILL ONLY, ASRP OF \$1.78 IN RATE GS.
(3) REFLECTS AVERAGE EXPECTED GAS COST OF \$3.850/MCF.
(4) INCLUDES RIDER TCJA OF (\$0.03490) /MCF IN RATE RS AND RIDER TCJA OF (\$0.03121) /MCF IN RATE GS.

DUKE ENERGY KENTUCKY
CASE NO. 2018-00261
EFFECTS OF PROPOSED FIRM TRANSPORTATION-LARGE RATES
AND INTERRUPTIBLE TRANSPORTATION RATES ON TYPICAL CUSTOMER BILLS
(GAS SERVICE)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):
12 MOS ACTUAL

SCHEDULE N
PAGE 2 OF 2
WITNESS:
B. L. Sellers

LINE NO.	RATE CODE	LEVEL of DEMAND (A)	MONTHLY TRANSP VOLUME (B) (MCF)	MONTHLY CUSTOMER CHARGE				TRANSPORTATION COMMODITY CHARGE (1)(2)(3)(4)				TOTAL CURRENT BILL (C + G) (\$)	TOTAL PROPOSED BILL (D + H) (\$)	PERCENT INCREASE (DECREASE) (L-K) / K (%)	
				CURRENT MONTHLY CUST CHARGE (C) (\$)	PROPOSED MONTHLY CUST CHARGE (D) (\$)	DOLLAR INCREASE (DECREASE) (D - C) (E) (\$)	PERCENT INCREASE (DECREASE) (E / C) (F) (%)	CURRENT COMMODITY CHARGE (G) (\$)	PROPOSED COMMODITY CHARGE (H) (\$)	DOLLAR INCREASE (DECREASE) (H - G) (I) (\$)	PERCENT INCREASE (DECREASE) (I / G) (J) (%)				
1	(FT-LARGE)	Not													
2	FIRM	Applicable	1,000	430.00	430.00	0.00	0.0	1,710.19	2,331.90	621.71	36.4	2,140.19	2,761.90	29.0	
3	TRANSPORTATION		1,500	430.00	430.00	0.00	0.0	2,565.29	3,497.85	932.56	36.4	2,995.29	3,927.85	31.1	
4			2,000	430.00	430.00	0.00	0.0	3,420.39	4,663.80	1,243.41	36.4	3,850.39	5,093.80	32.3	
5			3,000	430.00	430.00	0.00	0.0	5,130.58	6,995.70	1,865.12	36.4	5,560.58	7,425.70	33.5	
6			5,000	430.00	430.00	0.00	0.0	8,550.97	11,659.50	3,108.53	36.4	8,980.97	12,089.50	34.6	
7			10,000	430.00	430.00	0.00	0.0	17,101.95	23,319.00	6,217.05	36.4	17,531.95	23,749.00	35.5	
8			20,000	430.00	430.00	0.00	0.0	34,203.89	46,638.00	12,434.11	36.4	34,633.89	47,068.00	35.9	
9			30,000	430.00	430.00	0.00	0.0	51,305.84	69,957.00	18,651.16	36.4	51,735.84	70,387.00	36.1	
10			40,000	430.00	430.00	0.00	0.0	68,407.78	93,276.00	24,868.22	36.4	68,837.78	93,706.00	36.1	
11			50,000	430.00	430.00	0.00	0.0	85,509.73	116,595.00	31,085.27	36.4	85,939.73	117,025.00	36.2	
12			75,000	430.00	430.00	0.00	0.0	128,264.59	174,892.50	46,627.91	36.4	128,694.59	175,322.50	36.2	
13			100,000	430.00	430.00	0.00	0.0	171,019.46	233,190.00	62,170.54	36.4	171,449.46	233,620.00	36.3	
14			150,000	430.00	430.00	0.00	0.0	256,529.19	349,785.00	93,255.81	36.4	256,959.19	350,215.00	36.3	
15			200,000	430.00	430.00	0.00	0.0	342,038.91	466,380.00	124,341.09	36.4	342,468.91	466,810.00	36.3	
16	(IT)	Not													
17	INTERRUPTIBLE	Applicable	2,000	430.00	430.00	0.00	0.0	1,843.99	2,073.80	229.81	12.5	2,273.99	2,503.80	10.1	
18	TRANSPORTATION		5,000	430.00	430.00	0.00	0.0	4,609.97	5,184.50	574.53	12.5	5,039.97	5,614.50	11.4	
19			10,000	430.00	430.00	0.00	0.0	9,219.95	10,369.00	1,149.05	12.5	9,649.95	10,799.00	11.9	
20			15,000	430.00	430.00	0.00	0.0	13,829.92	15,553.50	1,723.58	12.5	14,259.92	15,983.50	12.1	
21			20,000	430.00	430.00	0.00	0.0	18,439.89	20,738.00	2,298.11	12.5	18,869.89	21,168.00	12.2	
22			25,000	430.00	430.00	0.00	0.0	23,049.86	25,922.50	2,872.64	12.5	23,479.86	26,352.50	12.2	
23			30,000	430.00	430.00	0.00	0.0	27,659.84	31,107.00	3,447.16	12.5	28,089.84	31,537.00	12.3	
24			40,000	430.00	430.00	0.00	0.0	36,879.78	41,476.00	4,596.22	12.5	37,309.78	41,906.00	12.3	
25			50,000	430.00	430.00	0.00	0.0	46,099.73	51,845.00	5,745.27	12.5	46,529.73	52,275.00	12.3	
26			100,000	430.00	430.00	0.00	0.0	92,199.46	103,690.00	11,490.54	12.5	92,629.46	104,120.00	12.4	
27			200,000	430.00	430.00	0.00	0.0	184,398.91	207,380.00	22,981.09	12.5	184,828.91	207,810.00	12.4	
28			300,000	430.00	430.00	0.00	0.0	276,598.37	311,070.00	34,471.63	12.5	277,028.37	311,500.00	12.4	

(1) INCLUDES CURRENT RIDER GCAT OF \$0.000 /MCF AND PROPOSED RIDER GCAT OF \$0.000 /MCF IN RATE FT-L.
(2) INCLUDES CURRENT RIDER ASRP OF \$0.0045 /MCF AND PROPOSED RIDER ASRP OF \$0.0000 /MCF IN RATE FT-L.
(3) INCLUDES CURRENT RIDER TCJA OF (\$0.0312)/MCF AND PROPOSED RIDER TCJA OF \$0.0000 /MCF IN RATES FT-L AND IT.
(4) INCLUDES CURRENT RIDER ASRP OF \$0.0039 /MCF AND PROPOSED RIDER ASRP OF \$0.0000 /MCF IN RATE IT.