

NOTICE

Please take notice that Duke Energy Kentucky, Inc. has applied to the Kentucky Public Service Commission for approval to revise its Home Energy Assistance (HEA) rate for gas service and electric service for residential customers. Duke Energy Kentucky's current monthly HEA rate for residential gas customers is \$0.10 per month. Duke Energy Kentucky's current monthly HEA rate for residential electric customers is \$0.10 per month.

Duke Energy Kentucky seeks approval to revise these rates as follows: Duke Energy Kentucky's monthly HEA rate for residential gas customers would increase to \$0.20 per month. Duke Energy Kentucky's monthly HEA rate for residential electric customers would increase to \$0.20 per month.

The rate contained in this notice is the rate proposed by Duke Energy Kentucky. However, the Public Service Commission may order a rate to be charged that differs from this proposed rate. Such action may result in a rate for consumers other than the rate in this notice. The foregoing rates reflect a proposed increase in electric revenues of approximately \$152,000 or 0.04% over current total electric revenues and an increase in gas revenues of approximately \$110,000 or 0.11% over current total gas revenues.

A typical residential gas customer using 70 ccf in a month will see an increase of \$0.10 or 0.1%. A typical residential electric customer using 1000 kWh in a month will see an increase of \$0.10 or 0.1%. Non-residential electric and/or gas customers will see no change in their bills from this application.

Any corporation, association, body politic or person may by motion within thirty (30) days after publication or mailing of notice of the proposed rate changes, submit a written request to intervene to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the request including the status and interest of the party. The intervention may be granted beyond the thirty (30) day period for good cause shown. Written comments regarding the proposed rate may be submitted to the Public Service Commission by mail or through the Public Service Commission's website. A copy of this application filed with the Public Service Commission is available for public inspection at Duke Energy Kentucky's office at 1262 Cox Road, Erlanger, Kentucky 41018 and on its website at <http://www.duke-energy.com>. This filing and any other related documents can be found on the Public Service Commission's website at <http://psc.ky.gov>.