

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Lisa D. Steinkuhl, Utility Strategy Director, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of her knowledge, information and belief.

Lisa D Steinkuhl
Lisa D. Steinkuhl Affiant

Subscribed and sworn to before me by Lisa D. Steinkuhl on this 13TH day of MAY, 2019.

Adele M. Frisch
NOTARY PUBLIC

My Commission Expires: 1/5/2024



ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2024

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, Mitch Martin, Manager, Citygate Operations, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.



Mitch Martin, Affiant

Subscribed and sworn to before me by Mitch Martin, on this 15TH day of MAY, 2019.



ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2024



NOTARY PUBLIC

My Commission Expires: 1/5/2024

KyPSC Case No. 2019-00135
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STAFF-DR-01-001

REQUEST:

Refer to the final Order issued by the Commission in Case No. 2018-00143,¹ finding paragraph 9 and ordering paragraph 4.

- a. Explain why Duke Kentucky did not provide its supporting calculations in Excel spreadsheet format as required.
- b. Provide an electronic version of Duke Kentucky's Gas Cost Recovery (GCR) report containing the supporting calculations used to compute the GCR in Excel spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.

RESPONSE:

- a. The supporting calculations in the Excel spreadsheet format were inadvertently not provided.
- b. Please see Staff-DR-01-001(a) and Staff-DR-01-001(b) Attachments for the electronic version of the supporting calculations in Excel spreadsheet format.

PERSON RESPONSIBLE: Lisa D. Steinkuhl

¹ Case No. 2018-00143. *Electronic Purchase Gas Adjustment of Duke Energy Kentucky, Inc.* (PSC May 23, 2018).

2nd Quarter

DUKE ENERGY KENTUCKY, INC
 GAS COST ADJUSTMENT CLAUSE

QUARTERLY REPORT

GAS COST RECOVERY RATES EFFECTIVE FROM May 31, 2019 THROUGH August 28, 2019

DESCRIPTION	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	3.452
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	(0.005)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.224)
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.015)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$/MCF	3.208

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.452

SUPPLIER REFUND ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER SUPPLIER REFUND ADJ.	\$/MCF	0.000
PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	0.000
SECOND PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	(0.003)
THIRD PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	(0.002)
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	(0.005)

ACTUAL ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER ACTUAL ADJUSTMENT	\$/MCF	(0.427)
PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.458
SECOND PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.090
THIRD PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.345)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.224)

BALANCE ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	(0.032)
PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	(0.009)
SECOND PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	0.023
THIRD PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	0.003
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.015)

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 8373 OF THE KENTUCKY PUBLIC SERVICE COMMISSION DATED APRIL 16, 1982.

DATE FILED: May 1, 2019

BY: DON WATHEN

TITLE: DIRECTOR,
Rates & Regulatory Strategy - OH/KY

2nd Quarter

SCHEDULE II

GAS COST ADJUSTMENT CLAUSE
 DUKE ENERGY KENTUCKY, INC
 SUPPLIER REFUND ADJUSTMENT
 DETAILS FOR THE THREE MONTH PERIOD ENDED February 28, 2019

DESCRIPTION	UNIT	AMOUNT
SUPPLIER REFUNDS RECEIVED DURING THREE MONTH PERIOD ENDED February 28, 2019	\$	0.00
INTEREST FACTOR (REFLECTING 90 DAY COMMERCIAL PAPER RATE)		1.0099
REFUNDS INCLUDING INTEREST (\$0.00 x 1.0099)	\$	0.00
DIVIDED BY TWELVE MONTH SALES ENDED May 31 2020	MCF	9,265,674
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	<u>0.00</u>

DETAILS OF SUPPLIER REFUNDS RECEIVED DURING THE THREE MONTHS ENDED February 28, 2019

DESCRIPTION	UNIT	AMOUNT
<u>SUPPLIER</u>		
TOTAL REFUNDS APPLICABLE TO THE CURRENT GCA	\$	<u>0.00</u>

RAU

2nd Quarter

SCHEDULE III

GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
ACTUAL ADJUSTMENT
 DETAILS FOR THE THREE MONTH PERIOD ENDED February 28, 2019

DESCRIPTION	UNIT	DECEMBER	JANUARY	FEBRUARY
<u>SUPPLY VOLUME PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	MCF	1,633,905	2,136,334	1,551,662
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	0	21,401	252
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	(459,766)	(16,312)	(944)
TOTAL SUPPLY VOLUMES	MCF	<u>1,174,139</u>	<u>2,141,423</u>	<u>1,550,970</u>
<u>SUPPLY COST PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	\$	8,579,650	8,237,352	5,470,614
SPECIAL PURCHASES CREDIT	\$	0	0	0
INCLUDABLE PROPANE	\$	0	269,073	2,340
OTHER COSTS (SPECIFY):				
X-5 TARIFF (\$)	\$	0	0	0
GAS COST UNCOLLECTIBLE	\$	(34,444)	(33,406)	(47,193)
MANAGEMENT FEES	\$	(104,687)	(104,687)	(104,687)
TRANSPORTATION SERVICE "UNACCOUNTED FOR"(\$)	\$	0	0	0
GAS COST CREDIT (\$)	\$	0	0	0
LOSSES - DAMAGED LINES (\$)	\$	(441)	(47)	(12)
TRANSPORTATION TAKE-OR-PAY RECOVERY (\$)	\$	0	0	0
SALES TO REMARKETERS (\$)	\$	0	0	0
TOTAL SUPPLY COSTS	\$	<u>8,440,078</u>	<u>8,368,285</u>	<u>5,321,062</u>
<u>SALES VOLUMES</u>				
JURISDICTIONAL	MCF	1,644,584.0	1,777,905.6	1,993,948.6
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	<u>1,644,584.0</u>	<u>1,777,905.6</u>	<u>1,993,948.6</u>
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	5.132	4.707	2.669
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	<u>4.834</u>	<u>5.665</u>	<u>4.042</u>
DIFFERENCE	\$/MCF	0.298	(0.959)	(1.373)
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	<u>1,644,584.0</u>	<u>1,777,905.6</u>	<u>1,993,948.6</u>
EQUALS MONTHLY COST DIFFERENCE	\$	<u>490,086.03</u>	<u>(1,705,011.47)</u>	<u>(2,737,691.43)</u>
NET COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$			<u>(3,952,616.87)</u>
PRIOR PERIOD ADJUSTMENT - none	\$			0.00
TOTAL COST USED IN THE CURRENT AA CALCULATION	\$			<u>(3,952,616.87)</u>
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED <u>May 31, 2020</u>	MCF			9,265,674
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			<u>(0.427)</u>
AAU				

2nd Quarter

SCHEDULE IV

GAS COST ADJUSTMENT CLAUSE
 DUKE ENERGY KENTUCKY, INC
 BALANCE ADJUSTMENT
 DETAILS FOR THE TWELVE MONTH PERIOD ENDED February 28, 2019

DESCRIPTION	UNIT	AMOUNT
RECONCILIATION OF A PREVIOUS GAS COST VARIANCE		
GAS COST DIFFERENCE TO BE RECOVERED FROM OR (RETURNED TO) CUSTOMERS WHICH WAS USED TO COMPUTE THE "AA" EFFECTIVE March 1, 2018	\$	2,696,686.13
LESS: AMOUNT RECOVERED (RETURNED) BY THE AA OF \$ 0.296 /MCF APPLIED TO TOTAL SALES OF 10,155,512 MCF (TWELVE MONTHS ENDED February 28, 2019)	\$	<u>3,006,031.62</u>
BALANCE ADJUSTMENT FOR THE "AA"	\$	<u>(309,345.49)</u>
RECONCILIATION OF A PREVIOUS SUPPLIER REFUND		
SUPPLIER REFUND AMOUNT TO BE DISTRIBUTED TO CUSTOMERS WHICH WAS USED TO COMPUTE THE "RA" EFFECTIVE March 1, 2018	\$	0.00
LESS: AMOUNT DISTRIBUTED BY THE "RA" OF \$ 0.000 /MCF APPLIED TO TOTAL SALES OF 10,155,512 MCF (TWELVE MONTHS ENDED February 28, 2019)	\$	<u>0.00</u>
BALANCE ADJUSTMENT FOR THE "RA"		<u>0.00</u>
RECONCILIATION OF A PREVIOUS BALANCE ADJUSTMENT		
AMOUNT TO BE RECOVERED FROM OR (RETURNED TO) CUSTOMERS WHICH WAS USED TO COMPUTE THE "BA" EFFECTIVE March 1, 2018	\$	(69,280.14)
LESS: AMOUNT RECOVERED (RETURNED) BY THE "BA" OF \$ (0.008) /MCF APPLIED TO TOTAL SALES OF 10,155,512 MCF (TWELVE MONTHS ENDED February 28, 2019)	\$	<u>(81,244.12)</u>
BALANCE ADJUSTMENT FOR THE "BA"	\$	<u>11,963.98</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(297,381.51)</u>
DIVIDED BY: 12 MONTHS PROJECTED SALES ENDED May 31, 2020	MCF	<u>9,265,674</u>
EQUALS: CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	<u>(0.032)</u>

2nd Quarter

DUKE ENERGY Kentucky, Inc.
 USED FOR GCA EFFECTIVE May 31, 2019

COMPUTATION OF THE INTEREST FACTOR
 FOR THE GCA CALCULATION ON SCHEDULE II

TWELVE MONTHS ENDED March 31, 2019
 BLOOMBERG REPORT (90-DAY COMMERCIAL PAPER RATES)

INTEREST RATE	0.0183
PAYMENT	0.084162
ANNUAL TOTAL	1.0099
MONTHLY INTEREST	0.001525
AMOUNT	1

MARCH	2018	2.21	
APRIL	2018	1.90	
MAY	2018	2.20	
JUNE	2018	2.04	
JULY	2018	2.27	
AUGUST	2018	2.09	
SEPTEMBER	2018	2.18	
OCTOBER	2018	2.52	
NOVEMBER	2018	2.67	
DECEMBER	2018	2.73	
JANUARY	2019	2.47	
FEBRUARY	2019	2.45	27.73
MARCH	2019	2.49	28.01

PRIOR ANNUAL TOTAL	27.73
PLUS CURRENT MONTHLY F	2.49
LESS YEAR AGO RATE	2.21
NEW ANNUAL TOTAL	28.01
AVERAGE ANNUAL RATE	2.33
LESS 0.5% (ADMINISTRATIVE	1.83

DUKE ENERGY KENTUCKY
 GAS COST ADJUSTMENT CLAUSE
 QUARTERLY REPORT

GAS COST RECOVERY RATES EFFECTIVE FROM: May 31, 2019 through August 28, 2019

DESCRIPTION	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	
ACTUAL ADJUSTMENT (AA)	\$/MCF	
BALANCE ADJUSTMENT (BA)	\$/MCF	
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$/MCF	

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	3.452

SUPPLIER REFUND ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER SUPPLIER REFUND ADJ.	\$/MCF	
PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	
SECOND PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	
THIRD PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ.	\$/MCF	
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	

ACTUAL ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER ACTUAL ADJUSTMENT	\$/MCF	
PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	
SECOND PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	
THIRD PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT	\$/MCF	
ACTUAL ADJUSTMENT (AA)	\$/MCF	

BALANCE ADJUSTMENT CALCULATION

DESCRIPTION	UNIT	AMOUNT
CURRENT QUARTER BALANCE ADJUSTMENT	\$/MCF	
PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	
SECOND PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	
THIRD PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT	\$/MCF	
BALANCE ADJUSTMENT (BA)	\$/MCF	

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 8373 OF THE KENTUCKY SERVICE COMMISSION DATED APRIL 16, 1982.

DATE FILED: _____

BY: _____

TITLE: _____

GAS COST ADJUSTMENT
 DUKE ENERGY KENTUCKY
 EXPECTED GAS COST RATE CALCULATION (EGC)

SUMMARY FOR THE EGC RATE IN EFFECT AS OF : May 31, 2019

		<u>\$</u>
<u>DEMAND (FIXED) COSTS:</u>		
Columbia Gas Transmission Corp.		3,203,701
Columbia Gulf Transmission Corp.		1,023,975
Tennessee Gas Pipeline Company, LLC		676,228
KO Transmission Company		1,943,654
Texas Gas Transmission, LLC		536,304
Gas Marketers		<u>91,800</u>
TOTAL DEMAND COST:		7,475,662
 PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:		 9,246,719 MCF
DEMAND (FIXED) COMPONENT OF EGC RATE:	\$7,475,662 /	9,246,719 MCF \$0.808 /MCF
 <u>COMMODITY COSTS:</u>		
Gas Marketers		\$2.644 /MCF
Gas Storage		
Columbia Gas Transmission		\$0.000 /MCF
Propane		<u>\$0.000 /MCF</u>
COMMODITY COMPONENT OF EGC RATE:		\$2.644 /MCF
 Other Costs:		
Net Charge Off ⁽¹⁾	\$0 / 195,591	\$0.000 /MCF
TOTAL EXPECTED GAS COST:		<u>\$3.452 /MCF</u>

⁽¹⁾ Net Charge Off amount from Case No. 2018-00261 WPD-2.15a, line 6.

The quarterly estimate based on the rate case is immaterial therefore not including the EGC quarterly estimate.

**GAS COST ADJUSTMENT
 DUKE ENERGY KENTUCKY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : May 31, 2019

	RATE (\$ DTH)	CONTRACT VOLUME (DTH)	NUMBER OF DAYS/MTHS	EXPECTED GAS COST (\$)
INTERSTATE PIPELINE : COLUMBIA GAS TRANSMISSION, LLC				
TARIFF RATE EFFECTIVE DATE :	FSS: 2/1/2015			
	SST: 6/1/2019			
<u>BILLING DEMAND - TARIFF RATE - FSS</u>				
Max. Daily Withdrawl Quan.	1.5010	39,656	12	714,284
Seasonal Contract Quantity	0.0288	1,365,276	12	471,839
<u>BILLING DEMAND - TARIFF RATE - SST</u>				
Maximum Daily Quantity	5.6530	19,828	6	672,526
Maximum Daily Quantity	5.6530	39,656	6	1,345,052
CAPACITY RELEASE CREDIT				0
TOTAL COLUMBIA GAS TRANSMISSION, LLC - DEMAND CHARGES				3,203,701
INTERSTATE PIPELINE : COLUMBIA GULF TRANSMISSION CORP.				
TARIFF RATE EFFECTIVE DATE :	FTS-1: 7/1/2016			
<u>BILLING DEMAND - TARIFF RATE - FTS-1</u>				
Maximum Daily Quantity	3.3300	21,000	5	349,650
Maximum Daily Quantity	3.3300	13,500	7	314,685
Maximum Daily Quantity	3.3300	9,000	12	359,640
CAPACITY RELEASE CREDIT FOR FTS-1				0
TOTAL COLUMBIA GULF TRANSMISSION CORP. DEMAND CHARGES				1,023,975
INTERSTATE PIPELINE : TENNESSEE GAS PIPELINE COMPANY, LLC				
TARIFF RATE EFFECTIVE DATE :	FT-A: 11/1/2018			
<u>BILLING DEMAND - TARIFF RATE - FTS-1</u>				
Maximum Daily Quantity	2.4501	23,000	12	676,228
TOTAL TENNESSEE GAS PIPELINE COMPANY, LLC - DEMAND CHARGES				676,228

**GAS COST ADJUSTMENT
 DUKE ENERGY KENTUCKY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : May 31, 2019

	RATE (\$ DTH)	CONTRACT VOLUME (DTH)	NUMBER OF DAYS/MTHS	EXPECTED GAS COST (\$)
INTERSTATE PIPELINE : KO TRANSMISSION COMPANY				
TARIFF RATE EFFECTIVE DATE : 2/1/2019				
<u>BILLING DEMAND - TARIFF RATE - FT</u>				
Maximum Daily Quantity	2.2496	72,000	12	1,943,654
CAPACITY RELEASE CREDIT				0
TOTAL KO TRANSMISSION CO. DEMAND CHARGES				1,943,654
INTERSTATE PIPELINE : TEXAS GAS TRANSMISSION				
TARIFF RATE EFFECTIVE DATE : 11/1/2018				
<u>BILLING DEMAND - TARIFF RATE - FT</u>				
Maximum Daily Quantity	0.2050	14,000	151	433,370
Maximum Daily Quantity	0.1300	3,700	214	102,934
CAPACITY RELEASE CREDIT				0
TOTAL TEXAS GAS TRANSMISSION DEMAND CHARGES				536,304
GAS MARKETERS FIXED CHARGES				
December - February	0.108	850,000		91,800
TOTAL GAS MARKETERS FIXED CHARGES				91,800

**GAS COST ADJUSTMENT
 DUKE ENERGY KENTUCKY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : May 31, 2019

GAS COMMODITY RATE FOR JUNE - AUGUST 2019

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$2.3994	\$/Dth
DUKE ENERGY KENTUCKY FUEL	2.500%	\$0.0600	\$2.4594	\$/Dth
DTH TO MCF CONVERSION	1.0752	\$0.1849	\$2.6443	\$/Mcf
ESTIMATED WEIGHTING FACTOR	100.000%		\$2.6443	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$2.644	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$2.9112	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$2.9265	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.492%	\$0.0437	\$2.9702	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0162	\$2.9864	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0013	\$2.9877	\$/Dth
DUKE ENERGY KENTUCKY FUEL	2.500%	\$0.0747	\$3.0624	\$/Dth
DTH TO MCF CONVERSION	1.0752	\$0.2303	\$3.2927	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.000	\$/Mcf

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$0.87056	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$12.5187	\$13.3893	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
PROPANE COMMODITY RATE			\$0.000	\$/Mcf

(1) Weighted average cost of gas based on NYMEX prices on 4/24/19

STAFF-DR-01-002

REQUEST:

Refer to the Cover Letter filed by Duke Kentucky.

- a. Confirm whether the statement, “Monthly Report of Gas Cost Calculations and Tariff Schedules” is correct.
- b. Confirm whether the rate proposed by Duke Energy is effective only for the month commencing with the June 2019 revenue month or whether the proposed rate is effective for the billing cycle of June, July, and August pursuant to Duke Kentucky’s Gas Cost Adjustment Clause tariff.

RESPONSE:

- a. The statement on the cover letter is not correct. The statement should have been “Quarterly Report of Gas Cost Calculations and Tariff Schedules.”
- b. The proposed rate is effective for the billing cycle of June, July, and August.

PERSON RESPONSIBLE: Lisa D. Steinkuhl

**Duke Energy Kentucky
Case No. 2019-00135
STAFF First Set Data Requests
Date Received: May 6, 2019**

STAFF-DR-01-003

REQUEST:

Refer to Duke Kentucky's GCA report, Quarterly Report, summary page. Confirm the dates that the proposed GCR rates will be effective through.

RESPONSE:

The GCR rates will be effective May 31, 2019 through August 28, 2019. See Staff-DR-01-001(a) Attachment for an updated Quarterly Report, summary page.

PERSON RESPONSIBLE: Lisa D. Steinkuhl

STAFF-DR-01-004

REQUEST:

Explain how Duke Kentucky calculated its Expected Gas Cost (EGC) to reflect a quarterly average as ordered in Case No. 2018-00261.¹

- a. Explicitly state how this calculation of the EGC is different from the prior method of calculating the EGC when Duke Kentucky filed monthly GCR reports.

RESPONSE:

No changes were needed in the calculation of the EGC for demand charges since these are annualized. The commodity portion of the EGC for the June 2019 filing was calculated based on the NYMEX price for the month of June 2019 only. This is an estimate and will be trued-up in the normal filing process. In future filings this will be changed to base the commodity portion on the weighted average NYMEX price for the quarter.

PERSON RESPONSIBLE: Mitch Martin

¹ Case No. 2018-00261, *Electronic Application of Duke Energy Kentucky, Inc. For Authority To 1) Adjust Natural Gas Rates 2) Approval Of A Decoupling Mechanism 3) Approval Of New Tariffs 4) And For All Other Required Approvals, Waivers, And Relief* (PSC Mar. 27, 2019).

STAFF-DR-01-005

REQUEST:

Refer to Schedule 1, page 1 of 4. Confirm whether the statement, “The monthly estimate based on the rate case is immaterial therefore not including the EGC monthly estimate,” is implying that the EGC was calculated as a monthly estimate and not a quarterly estimate. Provide an explanation for why.

RESPONSE:

The statement does not confirm the EGC was calculated as a monthly estimate. See Staff-DR-01-004 response regarding the calculation of the EGC.

The statement should read “The quarterly estimate based on the rate case is immaterial therefore not including the EGC quarterly estimate,”

PERSON RESPONSIBLE: Lisa D. Steinkuhl

**Duke Energy Kentucky
Case No. 2019-00135
STAFF First Set Data Requests
Date Received: May 6, 2019**

STAFF-DR-01-006

REQUEST:

Provide Schedule 1, page 4 of 4 and any additional pages missing from Duke Kentucky's GCR report.

RESPONSE:

Please see Staff-DR-01-006 Attachment for Schedule 1, page 4 of 4. No additional pages were missing from Duke Kentucky's GCR report.

PERSON RESPONSIBLE: Lisa D. Steinkuhl

**GAS COST ADJUSTMENT
 DUKE ENERGY KENTUCKY**

2nd Quarter

GAS COMMODITY RATE FOR JUNE - AUGUST 2019

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$2.3994	\$/Dth
DUKE ENERGY KENTUCKY FUEL	2.500%	\$0.0600	\$2.4594	\$/Dth
DTH TO MCF CONVERSION	1.0752	\$0.1849	\$2.6443	\$/Mcf
ESTIMATED WEIGHTING FACTOR	100.000%		\$2.6443	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$2.644	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$2.9112	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$2.9265	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.492%	\$0.0437	\$2.9702	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0162	\$2.9864	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0013	\$2.9877	\$/Dth
DUKE ENERGY KENTUCKY FUEL	2.500%	\$0.0747	\$3.0624	\$/Dth
DTH TO MCF CONVERSION	1.0752	\$0.2303	\$3.2927	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.000	\$/Mcf

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$0.87056	\$/Gallon
GALLON TO MCF CONVERSION	15.38	\$12.5187	\$13.3893	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
PROPANE COMMODITY RATE			\$0.000	\$/Mcf

(1) Weighted average cost of gas based on NYMEX prices on 4/24/19