

2nd Quarter

DUKE ENERGY KENTUCKY, INC
GAS COST ADJUSTMENT CLAUSE

QUARTERLY REPORT

GAS COST RECOVERY RATES EFFECTIVE FROM May 31, 2019 THROUGH June 30, 2019

DESCRIPTION	UNIT	AMOUNT
EXPECTED GAS COST (EGC)		
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	3.452
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.005)
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.224)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA +BA	\$/MCF	<u>(0.015)</u>
		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	<u>(0.002)</u>
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	<u>(0.345)</u>
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	<u>0.003</u>
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

**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 Withdrawal 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

Currently Effective Rates
 Applicable to Rate Schedule FSS
 Rate Per Dth

	Base Tariff Rate 1/	Transportation Cost Rate Adjustment		Electric Power Costs Adjustment		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
		Current	Surcharge	Current	Surcharge			
Rate Schedule FSS								
Reservation Charge 3/ \$	1.501	-	-	-	-	-	1.501	0.0493
Capacity 3/ ¢	2.88	-	-	-	-	-	2.88	2.88
Injection ¢	1.53	-	-	-	-	-	1.53	1.53
Withdrawal ¢	1.53	-	-	-	-	-	1.53	1.53
Overrun 3/ ¢	10.87	-	-	-	-	-	10.87	10.87

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.

2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.

3/ Shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay a total FSS MDSQ reservation charge of \$4.130 and a total FSS SCQ capacity rate of 6.80 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay a total FSS overrun rate of 23.44 cents. The additional EME demand charges and EME overrun charges can be added to the applicable surcharges above to develop the EME Total Effective Rate.

Currently Effective Rates
 Applicable to Rate Schedule SST
 Rate Per Dth

		Base Tariff Rate 1/ 2/	TCRA Rates	EPCA Rates	OTRA Rates	CCRM Rates	Total Effective Rate 2/	Daily Rate 2/
Rate Schedule SST								
Reservation Charge 3/4/ Commodity	\$	5.743	0.290	0.058	0.047	0.474	6.612	0.2173
Maximum	¢	1.02	0.16	0.44	0.00	0.00	1.62	1.62
Minimum	¢	1.02	0.16	0.44	0.00	0.00	1.62	1.62
Overrun 4/								
Maximum	¢	19.90	1.11	0.63	0.15	1.56	23.35	23.35
Minimum	¢	1.02	0.16	0.44	0.00	0.00	1.62	1.62

- 1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.
- 2/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 34 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.
- 3/ Minimum reservation charge is \$0.00.
- 4/ Shippers utilizing the Eastern Market Expansion (EME) facilities for Rate Schedule SST service will pay a total SST reservation charge of \$17.625. If EME customers incur an overrun for SST services that is provided under their EME Project service agreements, they will pay a total overrun rate of 58.97 cents. The applicable EME demand charge and EME overrun charge can be added to the applicable surcharges above to calculate the EME Total Effective Rates.

Columbia Gas Transmission, LLC
1700 MacCorkle Avenue SE, Charleston, WV 25314



March 28, 2018

Mr. Jeff Kern
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

RE: SST Service Agreement No. 79977
Discount Letter Amendment

Dear Mr. Kern:

This letter will serve as an amendment to the SST Service Agreement No. 79977 between Columbia Gas Transmission, LLC (Transporter) and Duke Energy Kentucky, Inc. (Shipper) and supersedes and replaces all prior Discount Letter Amendments. Transporter and Shipper hereby agree that Section 3 of the above-referenced service agreement is amended to provide the following:

1. The rate for service, for the period from 3/01/2018 to 1/31/2019, will include a discounted demand rate of \$4.198, inclusive of all surcharges, for any receipts into Transporter's pipeline system for delivery to the primary delivery point 834696 (KOT DEK MLI) and for delivery to the secondary delivery point STOR (RP Storage Point TCO).
2. The rate for service, for the period from 2/01/2019 to 1/31/2020, will include a discounted demand rate of \$5.653, inclusive of all surcharges, for any receipts into Transporter's pipeline system for delivery to the primary delivery point 834696 (KOT DEK MLI) and for delivery to the secondary delivery point STOR (RP Storage Point TCO).
3. The rate for service, for the period from 2/01/2020 to 1/31/2021, will include a discounted demand rate of \$6.045, inclusive of all surcharges, for any receipts into Transporter's pipeline system for delivery to the primary delivery point 834696 (KOT DEK MLI) and for delivery to the secondary delivery point STOR (RP Storage Point TCO).
4. The rate for service, for the period from 2/01/2021 to 3/31/2022, will include a discounted demand rate of \$6.428, inclusive of all surcharges, for any receipts into Transporter's pipeline system for delivery to the primary delivery point 834696 (KOT DEK MLI) and for delivery to the secondary delivery point STOR (RP Storage Point TCO).
5. The above discounted demand rates will be inclusive of demand surcharges at the rates specified in the currently effective Part V.8. (Currently Effective Rates Applicable to Rate Schedule SST) of Transporter's FERC Gas Tariff as amended from time to time.

6. Except to the extent Federal Energy Regulatory Commission ("FERC") policies, rules and/or regulations, and/or Transporter's FERC Gas Tariff provide otherwise, for service under the above-referenced Service Agreement to secondary delivery points other than STOR, in lieu of the rate set forth above, Transporter will charge and Shipper will pay the then existing maximum Recourse Rate set forth in Transporter's FERC Gas Tariff from time to time.
7. Notwithstanding the foregoing, the charge to be paid by Shipper to Transporter will be no lower than the applicable total effective minimum charges or higher than the applicable total effective maximum charges as set forth in Transporter's FERC Gas Tariff from time to time.
8. The discounted reservation rate will be apportioned in accordance with Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
9. In addition to the demand charges set forth above, Shipper must pay Transporter all applicable commodity charges, commodity surcharges, overrun charges, gathering charges, and retainage charges set forth in Transporter's FERC Gas Tariff as amended from time to time.
10. In addition to the reservation charges set forth above, for the period from 3/01/2018 through 1/31/2019, Shipper will pay all applicable Capital Cost Recovery Mechanism ("CCRM") charges.
11. Shipper will have a contractual right of first refusal ("ROFR") under the referenced agreement if it does not qualify for the regulatory ROFR set forth in Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

If you are in agreement with the above amendment, please execute both originals of this letter and return one to Transporter at the above address, Attention: Jackie Sydnor, 2nd floor.

Executed and agreed to this 9th day of April, 2018.

DUKE ENERGY KENTUCKY, INC.

By: [Signature]
Its: Sr VP and Chief Commercial Officer

COLUMBIA GAS TRANSMISSION, LLC

By: [Signature]
James R. Eckert
Its: Vice President

LEGAL
<u>04/30/18</u>
DATE
DATE

JE

Currently Effective Rates
 Applicable to Rate Schedule FTS-1
 Rates in Dollars per Dth

<u>Rate Schedule FTS-1</u>	<u>Base Rate</u>	<u>Total Effective Rate</u>	<u>Daily Rate</u>
	(1)	(2)	(3)
	1/	1/	1/
<u>Market Zone</u>			
Reservation Charge			
Maximum	4.170	4.170 <i>Discounted to \$3.33</i>	0.1371
Minimum	0.000	0.000	0.000
<u>Commodity</u>			
Maximum	0.0109	0.0109 <i>ACA</i> + 0.0013 = 0.0122	0.0109
Minimum	0.0109	0.0109	0.0109
<u>Overrun</u>			
Maximum	0.1480	0.1480	0.1480
Minimum	0.0109	0.0109	0.0109

1/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 31 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

RETAINAGE PERCENTAGES

Transportation Retainage	1.492%
Gathering Retainage	5.000%
Storage Gas Loss Retainage	0.350%
Ohio Storage Gas Loss Retainage	0.470%
Columbia Processing Retainage 1/	0.000%

1/ The Columbia Processing Retainage shall be assessed separately from the processing retainage applicable to third party processing plants set forth in Section 25.3 (f) of the General Terms and Conditions.



1700 MacCorkle Avenue SE
 Charleston, WV 25314
 Phone: 304-357-2514
 Fax: 304-357-2654
 jsydnor@nisource.com

April 11, 2014

Mr. Jeff Kern
 Duke Energy Kentucky, Inc.
 139 East Fourth Street
 Cincinnati, OH 45202

RE: FTS-1 Service Agreement No. 79970 (Forward Haul)
 and New FTS-1 Service Agreement (Backward Haul)

Dear Jeff:

Columbia Gulf Transmission, LLC ("Columbia Gulf") would like to propose the terms set forth more fully herein for the restructuring of existing service agreement 79970-FTS-1 between Columbia Gulf and Duke Energy Kentucky, Inc. ("DEK").

Reservation Rate	\$3.33
Winter Volume (11/1 – 3/31)	21,000 Dth/day
Summer Volume (4/1 – 10/31)	13,500 Dth/day
Primary Receipt Point	Rayne
Secondary Receipt Point	P2051220 (Mainline Pool)
Primary Delivery Point	Means
Term Begin Date	11/1/2014
Term End Date	10/31/2019

Columbia Gulf Transmission, LLC ("Columbia Gulf") would like to propose the terms set forth more fully herein for a new service agreement FTS-1 between Columbia Gulf and Duke Energy Kentucky, Inc. ("DEK").

Reservation Rate	\$3.33
Volume (1/1 – 12/31)	9,000 Dth/day
Primary Receipt Point	Leach (801)
Secondary Receipt Point	P2051220 (Mainline Pool)
Primary Delivery Point	Means
Term Begin Date	11/1/2014
Term End Date	10/31/2019

In addition to the above reservation rates, DEK must provide all applicable commodity charges, surcharges, overrun charges and retainage charges set forth in Transporter's FERC Gas Tariff from time to time.

The Columbia Gulf proposal is contingent on the capacity remaining available as of the date that DEK affirms its agreement to contract for the capacity.

Columbia Gulf also proposes a Contractual Right of First Refusal under the restructured service agreements.

The above proposals are offered through April 30, 2014.

If you are in agreement with the above proposals, please execute and return both originals to Columbia Gulf at the above address, Attention: Jackie Sydnor, 8th floor North. Upon execution by Columbia Gulf, a fully executed original will be forwarded for your files.

Executed and agreed to this 14th day of April, 2014.

PTB

DUKE ENERGY KENTUCKY, INC.

COLUMBIA GULF TRANSMISSION, LLC

By: [Signature]

By: [Signature]

Its: Manager, Gas Resources

Its: VP

Service Agreement No. 79970

Revision No. 3

FTS-1 SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 7 day of October, 2014, by and between COLUMBIA GULF TRANSMISSION, LLC ("Transporter") and DUKE ENERGY KENTUCKY, INC. ("Shipper").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered. Transporter shall perform and Shipper shall receive the service in accordance with the provisions of the effective FTS-1 Rate Schedule and applicable General Terms and Conditions of Transporter's FERC Gas Tariff, Third Revised Volume No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission"), as the same may be amended or superseded in accordance with the rules and regulations of the Commission herein contained. The maximum obligations of Transporter to deliver gas hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which the Shipper shall deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission.

Section 2. Term. Service under this Agreement shall commence as of November 1, 2014, and shall continue in full force and effect until October 31, 2019. Shipper and Transporter agree to avail themselves of the Commission's pre-granted abandonment authority upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission's Regulations and Transporter's Tariff.

Section 3. Rates. Shipper shall pay the charges and furnish the Retainage as described in the above-referenced Rate Schedule, unless otherwise agreed to by the parties in writing and specified as an amendment to this Service Agreement. Transporter may agree to discount its rate to Shipper below Transporter's maximum rate, but not less than Transporter's minimum rate. Such discounted rate may apply to: (a) specified quantities (contract demand or commodity quantities); (b) specified quantities above or below a certain level or all quantities if quantities exceed a certain level; (c) quantities during specified time periods; (d) quantities at specified points, locations, or other defined geographical areas; (e) that a specified discounted rate will apply in a specified relationship to the quantities actually transported (i.e., that the reservation charge will be adjusted in a specified relationship to quantities actually transported); and (f) production and/or reserves committed by the Shipper.

Section 4. Notices. Notices to Transporter under this Agreement shall be addressed to it at 5151 San Felipe, Suite 2500, Houston, Texas 77056, Attention: Customer Services and notices to Shipper shall be addressed to it at Duke Energy Kentucky, Inc., 139 East Fourth Street, P. O. Box 960, Cincinnati, OH 45202, Attention: Jeff Kern, until changed by either party by written notice.

Section 5. Superseded Agreements. This Service Agreement supersedes and cancels, as of the effective date hereof, the following Service Agreement(s): FTS-1 No. 79970, Revision No. 2.

DUKE ENERGY KENTUCKY, INC.

By Jeff Kern
Title Agent
Date October 07, 2014

COLUMBIA GULF TRANSMISSION, LLC

By Stan Chapman
Title EVP & CCO
Date October 02, 2014

Appendix A to Service Agreement No. 79970
Under Rate Schedule FTS-1
between Columbia Gulf Transmission, LLC ("Transporter")
and Duke Energy Kentucky, Inc. ("Shipper")

Transportation Demand

<u>Begin Date</u>	<u>End Date</u>	<u>Transportation Demand Dth/day</u>	<u>Recurrence Interval</u>
November 1, 2014	October 31, 2019	21,000	11/1 - 3/31
November 1, 2014	October 31, 2019	13,500	4/1 - 10/31

Primary Receipt Points

<u>Begin Date</u>	<u>End Date</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>	<u>Recurrence Interval</u>
November 1, 2014	October 31, 2019	2700010	CGT-RAYNE	21,000	11/1 - 3/31
November 1, 2014	October 31, 2019	2700010	CGT-RAYNE	13,500	4/1 - 10/31

Primary Delivery Points

<u>Begin Date</u>	<u>End Date</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>	<u>Recurrence Interval</u>
November 1, 2014	October 31, 2019	MEANS	MEANS	21,000	11/1 - 3/31
November 1, 2014	October 31, 2019	MEANS	MEANS	13,500	4/1 - 10/31

The Master List of Interconnects ("MLI") as defined in Section 1 of the General Terms and Conditions of Transporter's Tariff is incorporated herein by reference for purposes of listing valid secondary interruptible receipt points and delivery points.

Transporter and Shipper have mutually agreed to the following maximum or minimum pressure commitments:

Yes No (Check applicable blank) Transporter and Shipper have mutually agreed to a Regulatory Restructuring Reduction Option pursuant to Section 33 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Yes No (Check applicable blank) Shipper has a contractual right of first refusal equivalent to the right of first refusal set forth from time to time in Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Yes No (Check applicable blank) This Service Agreement covers interim capacity sold pursuant to the provisions of General Terms and Conditions Section 4. Right of first refusal rights, if any, applicable to this interim capacity are limited as provided for in General Terms and Conditions Section 4.

DUKE ENERGY KENTUCKY, INC.

By Jeff Kern
Title Agent
Date October 07, 2014

COLUMBIA GULF TRANSMISSION, LLC

By Stan Chapman
Title EVP & CCO
Date October 02, 2014

Service Agreement No. 154404

Revision No. 0

FTS-1 SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 7 day of October, 2014, by and between COLUMBIA GULF TRANSMISSION, LLC ("Transporter") and DUKE ENERGY KENTUCKY, INC. ("Shipper").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered. Transporter shall perform and Shipper shall receive the service in accordance with the provisions of the effective FTS-1 Rate Schedule and applicable General Terms and Conditions of Transporter's FERC Gas Tariff, Third Revised Volume No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission"), as the same may be amended or superseded in accordance with the rules and regulations of the Commission herein contained. The maximum obligations of Transporter to deliver gas hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which the Shipper shall deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission.

Section 2. Term. Service under this Agreement shall commence as of November 1, 2014, and shall continue in full force and effect until October 31, 2019. Shipper and Transporter agree to avail themselves of the Commission's pre-granted abandonment authority upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission's Regulations and Transporter's Tariff.

Section 3. Rates. Shipper shall pay the charges and furnish the Retainage as described in the above-referenced Rate Schedule, unless otherwise agreed to by the parties in writing and specified as an amendment to this Service Agreement. Transporter may agree to discount its rate to Shipper below Transporter's maximum rate, but not less than Transporter's minimum rate. Such discounted rate may apply to: (a) specified quantities (contract demand or commodity quantities); (b) specified quantities above or below a certain level or all quantities if quantities exceed a certain level; (c) quantities during specified time periods; (d) quantities at specified points, locations, or other defined geographical areas; (e) that a specified discounted rate will apply in a specified relationship to the quantities actually transported (i.e., that the reservation charge will be adjusted in a specified relationship to quantities actually transported); and (f) production and/or reserves committed by the Shipper.

Section 4. Notices. Notices to Transporter under this Agreement shall be addressed to it at 5151 San Felipe, Suite 2500, Houston, Texas 77056, Attention: Customer Services and notices to Shipper shall be addressed to it at Duke Energy Kentucky, Inc., 139 East Fourth Street, P. O. Box 960, Cincinnati, OH 45202, Attention: Jeff Kern, until changed by either party by written notice.

Section 5. Superseded Agreements. This Service Agreement supersedes and cancels, as of the effective date hereof, the following Service Agreement(s): N/A.

DUKE ENERGY KENTUCKY, INC.

By Jeff Kern
Title Agent
Date October 07, 2014

COLUMBIA GULF TRANSMISSION, LLC

By Stan Chapman
Title EVP & CCO
Date October 02, 2014

Appendix A to Service Agreement No. 154404
 Under Rate Schedule FTS-1
 between Columbia Gulf Transmission, LLC ("Transporter")
 and Duke Energy Kentucky, Inc. ("Shipper")

<u>Transportation Demand</u>			
<u>Begin Date</u>	<u>End Date</u>	<u>Transportation Demand Dth/day</u>	<u>Recurrence Interval</u>
November 1, 2014	October 31, 2019	9,000	1/1 - 12/31

<u>Primary Receipt Points</u>					
<u>Begin Date</u>	<u>End Date</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>	<u>Recurrence Interval</u>
November 1, 2014	October 31, 2019	801	GULF-LEACH	9,000	1/1 - 12/31

<u>Primary Delivery Points</u>					
<u>Begin Date</u>	<u>End Date</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>	<u>Recurrence Interval</u>
November 1, 2014	October 31, 2019	MEANS	MEANS	9,000	1/1 - 12/31

The Master List of Interconnects ("MLI") as defined in Section 1 of the General Terms and Conditions of Transporter's Tariff is incorporated herein by reference for purposes of listing valid secondary interruptible receipt points and delivery points.

Transporter and Shipper have mutually agreed to the following maximum or minimum pressure commitments:

Yes No (Check applicable blank) Transporter and Shipper have mutually agreed to a Regulatory Restructuring Reduction Option pursuant to Section 33 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Yes No (Check applicable blank) Shipper has a contractual right of first refusal equivalent to the right of first refusal set forth from time to time in Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Yes No (Check applicable blank) This Service Agreement covers interim capacity sold pursuant to the provisions of General Terms and Conditions Section 4. Right of first refusal rights, if any, applicable to this interim capacity are limited as provided for in General Terms and Conditions Section 4.

DUKE ENERGY KENTUCKY, INC.

By Jeff Kern
Title Agent
Date October 07, 2014

COLUMBIA GULF TRANSMISSION, LLC

By Stan Chapman
Title EVP & CCO
Date October 02, 2014

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
 RATE SCHEDULE FOR FT-A

Base Reservation Rates	RECEIPT ZONE	DELIVERY ZONE							
		0	L	1	2	3	4	5	6
	0	\$5.4269		\$11.3406	\$15.2546	\$15.5246	\$17.0584	\$18.1067	\$22.7176
	L		\$4.8178						
	1	\$8.1697		\$7.8313	\$10.4219	\$14.7637	\$14.5399	\$16.3977	\$20.1633
	2	\$15.2547		\$10.3593	\$5.3879	\$5.0367	\$6.4446	\$8.8638	\$11.4421
	3	\$15.5246		\$8.2056	\$5.4314	\$3.9184	\$6.0190	\$10.8858	\$12.5789
	4	\$19.7110		\$18.1718	\$6.9250	\$10.5240	\$5.1514	\$5.5711	\$7.9589
	5	\$23.5025		\$16.5148	\$7.2643	\$8.7898	\$5.7227	\$5.3680	\$6.9882
	6	\$27.1880		\$18.9685	\$13.0548	\$14.3818	\$10.1587	\$5.3443	\$4.6263

Daily Base Reservation Rate 1/	RECEIPT ZONE	DELIVERY ZONE							
		0	L	1	2	3	4	5	6
	0	\$0.1784		\$0.3728	\$0.5015	\$0.5104	\$0.5608	\$0.5953	\$0.7469
	L		\$0.1584						
	1	\$0.2686		\$0.2575	\$0.3426	\$0.4854	\$0.4780	\$0.5391	\$0.6629
	2	\$0.5015		\$0.3406	\$0.1771	\$0.1656	\$0.2119	\$0.2914	\$0.3762
	3	\$0.5104		\$0.2698	\$0.1786	\$0.1288	\$0.1979	\$0.3579	\$0.4136
	4	\$0.6480		\$0.5974	\$0.2277	\$0.3460	\$0.1694	\$0.1832	\$0.2617
	5	\$0.7727		\$0.5430	\$0.2388	\$0.2890	\$0.1881	\$0.1765	\$0.2297
	6	\$0.8939		\$0.6236	\$0.4292	\$0.4728	\$0.3340	\$0.1757	\$0.1521

Maximum Reservation Rates 2/, 3/	RECEIPT ZONE	DELIVERY ZONE							
		0	L	1	2	3	4	5	6
	0	\$5.4437		\$11.3574	\$15.2714	\$15.5414	\$17.0752	\$18.1235	\$22.7344
	L		\$4.8346						
	1	\$8.1865		\$7.8481	\$10.4387	\$14.7805	\$14.5567	\$16.4145	\$20.1801
	2	\$15.2715		\$10.3761	\$5.4047	\$5.0535	\$6.4614	\$8.8806	\$11.4589
	3	\$15.5414		\$8.2224	\$5.4482	\$3.9352	\$6.0358	\$10.9026	\$12.5957
	4	\$19.7278		\$18.1886	\$6.9418	\$10.5408	\$5.1682	\$5.5879	\$7.9757
	5	\$23.5193		\$16.5316	\$7.2811	\$8.8066	\$5.7395	\$5.3848	\$7.0050
	6	\$27.2048		\$18.9853	\$13.0716	\$14.3986	\$10.1755	\$5.3611	\$4.6431

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions of \$0.0000.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0168.

Discounted Rate:	2.4333
PS/GHG Surcharge:	0.0168
Total	2.4501

January 30, 2019

Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

Attention: Gennifer Raney

RE: Discounted Rate Agreement ("Letter Agreement")
Amendment No. 1 to Gas Transportation Agreement
Dated November 1, 2016 Service Package No. 321247-FTATGP

Dear Gennifer:

In response to the request of Duke Energy Kentucky, Inc. ("Shipper") and pursuant to Section 5.1 Rate Schedule FT-A of Tennessee Gas Pipeline Company L.L.C.'s ("Transporter") FERC Gas Tariff, as may be amended from time to time ("Tariff"), Transporter hereby agrees to adjust its then applicable Rate Schedule FT-A transportation rates for service provided under the above-referenced gas transportation agreement as follows:

1. a) If Shipper attempts to apply this Discounted Rate Agreement to any volumes and/or to any points not eligible for the discount and thereby fails to pay correctly invoiced and undisputed amounts, then, if such failure is not cured within thirty days of provision of notice by Transporter to Shipper of such failure, Transporter shall have the right, in its sole discretion, to immediately terminate this Discounted Rate Agreement with Shipper and/or to assess, from the date of such violation of the terms of this Discounted Rate Agreement, the applicable Base Rate on all transactions occurring under the Service Package for the month(s) in which such limits were exceeded.
- b) For the period commencing April 1, 2019, and extending through March 31, 2022, for gas delivered by on behalf of Shipper to any Zone 2 delivery point under the above referenced gas transportation agreement, the applicable Rate Schedule FT-A rates for volumes received by Transporter from any receipt meter in Zone L/1 or Zone 2 will be the lesser of: a monthly reservation rate equal to (a) \$2.4333 per Dth or (b) Transporter's applicable Base Reservation Rate.

In addition, Shipper shall pay a daily commodity rate of Transporter's applicable Base Commodity Rate. Shipper shall also pay ACA, applicable Fuel and Loss Retention (F&LR) and Electric Power Cost Recovery (EPCR) charges and all applicable surcharges specified in Transporter's Tariff.

- c) Receipts from and/or deliveries to points other than those listed above during the term of this Discounted Rate Agreement shall result in Shipper being assessed Transporter's Base Reservation Rate under Rate Schedule FT-A applicable to the primary path divided by the number of days in the month for the entire gas transportation agreement TQ on the day(s) of such deliveries and Transporter's

January 30, 2019
DUKE ENERGY KENTUCKY, INC.
Attn: JEFF KERN

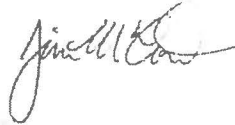
PAGE 2 OF 2

applicable daily Base Commodity Rates under Rate Schedule FT-A as well as the applicable F&LR and EPCR charges and all applicable surcharges under Rate Schedule FT-A.

2. If any terms of this Discounted Rate Agreement are expressly disallowed by any order, rulemaking, regulation or policy of the Federal Energy Regulatory Commission, Transporter may immediately terminate this Discounted Rate Agreement. If any terms of this Discounted Rate Agreement are in any way modified by order, rulemaking, regulation or policy of the Federal Energy Regulatory Commission, Transporter and Shipper may mutually agree to amend this Discounted Rate Agreement in order to ensure that the original commercial intent of the parties is preserved. In the event that the parties cannot achieve mutual agreement, Transporter reserves the right to immediately terminate this Discounted Rate Agreement.


If Shipper is interested in entering into the Discounted Rate Agreement for firm capacity in accordance with the terms proposed above, please have the authorized representative of Shipper execute this Discounted Rate Agreement, and return to the undersigned. This Discounted Rate Agreement will become binding upon the parties only after it then is accepted and executed by Transporter's authorized representative on the below "Agreed to and Accepted" portion. One fully executed copy will be returned for your records.

Sincerely,

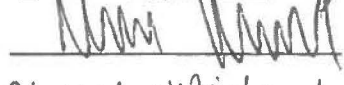



Jim McCord
Account Director, Marketing

TENNESSEE GAS PIPELINE COMPANY, LLC
AGREED TO AND ACCEPTED
THIS 12 DAY OF February, 2019.

By:  TS
Name: Ernesto A. Ochoa
Title: Vice President - Commercial

DUKE ENERGY KENTUCKY, INC.
AGREED TO AND ACCEPTED
THIS 31st DAY OF February, 2019.

By:  
Name: Alexander Weintraub
Title: SVP + Chief Commercial Officer, Natural Gas

GAS TRANSPORTATION AGREEMENT
(For Use Under FT-A Rate Schedule)

EXHIBIT A
AMENDMENT NO. 1
TO GAS TRANSPORTATION AGREEMENT
DATED November 1, 2016
BETWEEN
TENNESSEE GAS PIPELINE COMPANY, L.L.C.
AND
DUKE ENERGY KENTUCKY, INC

Amendment Effective Date: April 1, 2019

Service Package: 321247-FTATGP

Service Package TQ: 23,000 Dth

BEGINNING DATE	ENDING DATE	TQ
04/01/2019	03/31/2022	23,000

BEGINNING DATE	ENDING DATE	METER	METER NAME	INTERCONNECT PARTY NAME	COUNTY	ST	ZONE	R/D	LEG	METER-TQ
04/01/2019	03/31/2022	420049	COL GAS/TGP NORTH MEANS KY	COLUMBIA GAS TRNSM. CORP.	MONTGOMERY	KY	2	D	100	23,000
04/01/2019	03/31/2022	420998	MONTGOME POOLING PT - 800 LEG - ZONE L	TENNESSEE GAS PIPELINE	FRANKLIN	LA	L	R	800	23,000

Total Receipt TQ 23,000
Total Delivery TQ 23,000

Number of Receipt Points: 1
Number of Delivery Points: 1

Contractual ROFR

Notwithstanding anything in Article V, Section 4.1 of Transporter's Tariff to the contrary, Shipper shall have the right to extend the Primary Term of this Agreement pursuant to the procedures set forth in Article V, Section 4.2 of Transporter's Tariff. The rate for any such extension period shall be Transporter's then applicable maximum tariff rate.

Note: Exhibit A is a reflection of the contract and all amendments as of the amendment effective date.

**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

KO Transmission Company, Tariffs, Rate Schedules and Service Agreements			
Filing Category:	Normal	Filing Date:	03/09/2018
FERC Docket:	RP18-00554-000	FERC Action:	Accept
FERC Order:	Delegated Letter Order	Order Date:	
	04/03/2018		
Effective Date:	04/01/2018	Status:	Effective
Part 3, Currently Effective Rates, 17.0.0			

**CURRENTLY EFFECTIVE RATES
APPLICABLE TO RATE SCHEDULES FTS AND ITS**

RATE LEVELS - RATE PER DTH

From February 1, 2017 to January 31, 2018 (Period 1):

	Base Tariff Rate^{1/}
RATE SCHEDULE FTS	
Reservation Charge ^{2/}	
Maximum	\$2.1280
Daily Rate - Maximum	\$0.0700
Commodity	
Maximum	\$0.0000
Minimum	\$0.0000
Overrun	\$0.0700

From February 1, 2018 to January 31, 2019 (Period 2):

	Base Tariff Rate^{1/}
RATE SCHEDULE FTS	
Reservation Charge ^{2/}	
Maximum	\$2.2496
Daily Rate - Maximum	\$0.0740
Commodity	
Maximum	\$0.0000
Minimum	\$0.0000
Overrun	\$0.0740

From February 1, 2019 to December 31, 2019 (Period 3):

Base Tariff Rate^{1/}

RATE SCHEDULE FTSReservation Charge ^{2/}

Maximum \$2.2496

Daily Rate - Maximum \$0.0740

Commodity

Maximum \$0.0000 + \$0.0013 = \$0.0013

Minimum \$0.0000

Overrun \$0.0740

From January 1, 2020 until new generally applicable rates become effective (Final Daily Recourse Reservation Rate):

Base Tariff Rate^{1/}**RATE SCHEDULE FTS**Reservation Charge ^{2/}

Maximum \$2.1979

Daily Rate - Maximum \$0.0723

Commodity

Maximum \$0.0000

Minimum \$0.0000

Overrun \$0.0723

RATE SCHEDULE ITS

The daily reservation rates specified above are also applicable to ITS and overrun volumes.

^{1/} ACA assessed where applicable pursuant to Section 154.402 of the Commission's regulations and will be charged pursuant to Section 23 of the General Terms and Conditions at such time that initial and successive annual ACA assessments applicable to Transporter are made and posted on the Commission's website (<<http://www.ferc.gov>>).

^{2/} Minimum reservation charge is \$0.00.

Transportation Retainage Adjustment 0.333%

NOTE: Utilizing NAESB standards 5.3.22 and 5.3.23, Transporter's Rate Schedule FTS Reservation Charge can be converted to an applicable daily rate by dividing the above monthly rate by 30.4 days.

Request No. 9978

Rate Schedule STF
Agreement/Contract No.: 37260
Dated: July 19, 2018

This Agreement is entered into by and between Texas Gas Transmission, LLC, ("Texas Gas") and Duke Energy Kentucky, Inc., ("Customer").

Services under this Agreement are provided pursuant to Subpart B or Subpart G, Title 18, of the Code of Federal Regulations. Service is subject to and governed by the applicable Rate Schedule and the General Terms and Conditions of the Texas Gas FERC Gas Tariff ("Tariff") as they exist or may be modified from time to time and such are incorporated by reference. In the event the language of this Agreement conflicts with Texas Gas' then-current Tariff, the language of the Tariff will control.

Receipt and Delivery Points: Primary Receipt and Primary Delivery Points shall be listed on Exhibit "A".

Contract Demand(s): 14,000 MMBtu/day each winter
3,700 MMBtu/day each summer

Term: This Agreement shall be effective beginning November 1, 2018 and shall continue in full force and effect through October 31, 2021.

At the end of such primary term, or any subsequent rollover term, this Agreement shall automatically be extended for an additional term of one year, unless either party terminates this Agreement at the end of such primary or rollover term by giving the other party at least one year advance written notice prior to the expiration of such primary or rollover term.

Rate: The rate for this Agreement shall be the maximum applicable rate (including all other applicable charges Texas Gas is authorized to charge pursuant to its Tariff) unless the parties have entered into an associated discounted or negotiated rate letter agreement.

Exhibit(s): The following Exhibit(s) are attached and made a part of this Agreement:

- Exhibit A, Primary Points
- Exhibit B, Contract Notice Address

IF YOU ARE IN AGREEMENT WITH THE FOREGOING, PLEASE INDICATE IN THE SPACE PROVIDED BELOW.

Texas Gas Transmission, LLC	Signature: <u><i>John F. Tiller</i></u>	Date: <u>8/30/18</u> ^{YJB} 9/4/18
	Name: <u>Jelting L Bittel</u>	Title: <u>VP MKTG & Bus Dev - TGT</u>
Duke Energy Kentucky, Inc.	Signature: <u><i>Frank Yoho</i></u>	Date: <u>8/29/2018</u>
	Name: <u>Frank Yoho</u>	Title: <u>EVPR President, Natural Gas</u>

*PKL
0002
GJR
AR*

Rate Schedule: STF
Agreement No.: 37260
Primary Point(s) of Delivery
Effective Date: November 1, 2018

Exhibit A
Primary Point(s)

Delivery Point Meter No.	Delivery Point Meter Name	Zone	*MDP (psig)
1872	Duke Energy KY Shipper DE, Butler, OH	4	

Transportation Path:

Mainline Pipeline 10001 through Mainline Pipeline 41500

*Minimum Delivery Pressure

Rate Schedule: STF
Agreement No.: 37260
Primary Point(s) of Receipt
Effective Date: November 1, 2018

Exhibit A

Primary Point(s)

Line	Receipt Point Meter No.	Receipt Point Meter Name	Zone	Daily Firm Capacity MMBtu/day	
				Winter	Summer
Mainline Pipeline	9185	Enable-Bosco	1	14,000	3,700

Rate Schedule: STF
Agreement No.: 37260
Contract Notices
Effective Date: November 1, 2018

EXHIBIT B

Contract Notices:

Customer Correspondence:

Duke Energy Kentucky, Inc.
139 E 4th St EX460
Cincinnati, OH 45202

Texas Gas Correspondence:

Texas Gas Transmission, LLC
610 W 2nd St
Owensboro, KY 42301

Attention: Contract Administration (Contractual matters)
Commercial Accounting (Invoice matters)
Customer Services (Scheduling and Allocation matters)

(270)926-8686



610 West 2nd Street
P.O. Box 20008
Owensboro, KY 42304-0008
270/926-8686

October 26, 2018

Mr. Jeff Kern
Duke Energy Kentucky, Inc.
139 E 4th St EX460
Cincinnati, OH 45022

Re: Discounted Rates Letter Agreement to
STF Service Agreement No. 37260
between TEXAS GAS TRANSMISSION, LLC and
DUKE ENERGY KENTUCKY, INC.
dated July 19, 2018

Dear Jeff:

This Discounted Rates Letter Agreement ("Agreement") specifies additional terms and conditions applicable to the referenced Firm Service Agreement ("Contract") between Texas Gas Transmission, LLC ("Texas Gas") and Duke Energy Kentucky, Inc. ("Customer"). This Agreement is subject to all applicable Federal Energy Regulatory Commission ("FERC") regulations. In the event the language of this Agreement conflicts with the Contract, the language of this Agreement will control. In the event the language of this Agreement conflicts with Texas Gas' FERC Gas Tariff currently in effect or any superseding tariff ("Tariff"), the language of the Tariff will control.

1. Texas Gas shall provide primary firm service under the Agreement from Primary Receipt Point(s) to the Primary Delivery Point(s) listed in the attached Exhibit A. The rates charged for this service also shall be set forth in Exhibit A.

(a) The Contract Demand(s) for this Agreement shall be: 14,000 MMBtu per day each winter
3,700 MMBtu per day each summer

(b) In addition to the rate(s) set forth in Exhibit A, Texas Gas shall charge and Customer shall pay all other applicable charges, including but not limited to surcharges, Texas Gas is authorized to charge pursuant to its Tariff.

2. The rates in Exhibit A are applicable only for transportation service utilizing the Primary Point(s) specifically listed on Exhibit A, up to Customer's Contract Demand. The rates in Exhibit B are applicable only for transportation service utilizing the eligible secondary point(s) specifically listed on Exhibit B. If Customer utilizes any other receipt or delivery point, then the applicable maximum rate(s), including all other applicable charges Texas Gas is authorized to charge pursuant to its Tariff, shall apply unless the parties amend Exhibits A and/or B in writing or execute a separate rate agreement, pursuant to the requirements of the Tariff and prior to nomination, to include such transportation service. If Customer or its Replacement Shipper(s) deliver gas to a point not listed on Exhibits A and/or B, Customer shall pay the maximum applicable rate for the quantity delivered to such point(s), up to Customer's Contract Demand.

3. This Agreement shall be effective beginning November 1, 2018 and shall continue in full force and effect through October 31, 2021.

4. All rates and services described in this Agreement are subject to the terms and conditions of Texas Gas' Tariff. Texas Gas shall have no obligation to make refunds to Customer unless the maximum rate ultimately established by the FERC for any service described herein is less than the rate paid by Customer under this Agreement. Texas Gas shall have the unilateral right to file with the appropriate regulatory authority and make changes effective

in the filed rates, charges, and services in Texas Gas' Tariff, including both the level and design of such rates, charges and services and the general terms and conditions therein.

5. Except as otherwise provided in the FERC's regulations, this Agreement may not be assigned without the express written consent of the other party. Any assignment shall be in accordance with the Tariff and FERC regulations. Such consent shall not be unreasonably withheld. Any assignment made in contravention of this paragraph shall be void at the option of the other party. If such consent is given, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns.

6. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable by any court, regulatory agency, or tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions, terms or conditions shall not in any way be affected or impaired thereby, and the term, condition, or provision which is held illegal or invalid shall be deemed modified to conform to such rule of law, but only for the period of time such order, rule, regulation, or law is in effect.

7. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE COMMONWEALTH OF KENTUCKY, EXCLUDING ANY PROVISION WHICH WOULD DIRECT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

8. This Agreement supersedes and replaces in its entirety that certain Discounted Rates Letter Agreement by and between Texas Gas and Duke Energy Kentucky, Inc., dated July 19, 2018 (Agreement No. 37260).

If Customer agrees with the terms and conditions, please so indicate by signing the duplicate originals in the appropriate spaces provided below and returning the originals to Texas Gas.

Very Truly Yours,

TEXAS GAS TRANSMISSION, LLC

By: Jerry L Bittel

Name: Jerry L Bittel

Title: VP Marketing & B-2 Dev

Date: 10/24/18

JLB
YJB
11/1/18

ACCEPTED AND AGREED TO this 30 day of October, 20 18.

DUKE ENERGY KENTUCKY, INC.

By: Frank Yoho

Name: Frank Yoho

Title: CVP + President, Natural Gas

Frank Yoho
10/26/18

Signature page to Discounted Rates Letter Agreement, Agreement No. 37260, dated October 26, 2018.

Rate Schedule STF
Agreement/Contract No. 37260
Dated: July 19, 2018

Discounted Rates Letter Agreement dated October 26, 2018
Effective: November 1, 2018

EXHIBIT A

Primary Receipt Point(s)

All effective primary receipt point(s) listed under the Contract.

Primary Delivery Point(s)

<u>Meter Name</u>	<u>Meter No.</u>	<u>Zone</u>
Duke Energy KY Shipper DE	1872	4

Rate(s)

The following rates shall be applicable to any transaction utilizing (i) a Primary Receipt Point(s) or Eligible Secondary Receipt Point(s); and (ii) a Primary Delivery Point(s) or Eligible Secondary Delivery Point(s).

Demand:	\$0.205 per MMBtu/day – each winter \$0.130 per MMBtu/day – each summer
Commodity:	\$0.02 per MMBtu – each winter plus applicable surcharges and fuel retention \$0.03 per MMBtu – each summer plus applicable surcharges and fuel retention

The Discounted Daily Demand Rate is limited to deliveries utilizing the primary receipt and delivery point(s) listed above. To the extent Customer and/or its replacement customer delivers gas quantities greater than the contract demand on any day and such deliveries are not daily overrun quantities, then Customer shall pay the applicable maximum daily demand and commodity rates on the entire contract demand for that day.

Rate Schedule STF
Agreement/Contract No. 37260
Dated: July 19, 2018

Discounted Rates Letter Agreement dated October 26, 2018
Effective: November 1, 2018

EXHIBIT B

Eligible Secondary Receipt Point(s)

All secondary receipt points located in Texas Gas Rate Zone(s) 1, 2, 3 and 4

Eligible Secondary Delivery Point(s)

<u>Meter Name</u>	<u>Meter No.</u>	<u>Zone</u>
Lebanon-Dominion	1247	4
Lebanon-Columbia Gas	1715	4
Texas Eastern-Lebanon	9959	4
Duke Energy OH Shipper DE	1229	4

Rate(s)

The rates identified on Exhibit A shall be applicable to any transaction utilizing (i) a Primary Receipt Point(s) or Eligible Secondary Receipt Point(s); and (ii) a Primary Delivery Point(s) or Eligible Secondary Delivery Point(s).

The Discounted Daily Demand Rate is limited to deliveries utilizing the eligible secondary receipt and delivery point(s) listed above. To the extent Customer and/or its replacement customer delivers gas quantities greater than the contract demand on any day and such deliveries are not daily overrun quantities, then Customer shall pay the applicable maximum demand and commodity rates on the entire contract demand for that day.

**DUKE ENERGY KENTUCKY
TOTAL RESERVATION COSTS FROM FIRM SUPPLIERS
ESTIMATED FOR EGC EFFECTIVE 6/1/2019**

TOTAL ANNUAL RESERVATION COST:

TOTAL DOLLARS \$ 0 (1)

TOTAL ANNUAL COVERAGE:

CITY GATE VOLUMES 0 Dth

CALCULATED RATE: \$ 0.0000 per Dth

(1) For the term of the Asset Management Agreement (November 2018 - October 2020) all gas supply other than peaking service below will be purchased from the Asset Manager with no reservation fees.

**DUKE ENERGY KENTUCKY
TOTAL RESERVATION COSTS FROM NEEDLE PEAKING SUPPLIERS
ESTIMATED FOR EGC EFFECTIVE 6/1/2019**

TOTAL ANNUAL RESERVATION COST:

TOTAL DOLLARS \$ \$91,800.00 (1)

TOTAL ANNUAL COVERAGE:

CITY GATE VOLUMES 850,000 Dth (2)

CALCULATED RATE: \$ 0.1080 per Dth

(1) Reservation charges billed by needle peaking supplier for 2018 - 2019
(2) Contracted volumes for the 2018 - 2019 winter season (34,000 dth x 25 days).

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

EXHIBIT A



a subsidiary of Marathon Petroleum

Date: October 8, 2018

Transaction Confirmation #: _____

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated December 1, 2013. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.

SELLER:
CIMA ENERGY, LP
100 Waugh Drive, Suite 500
Houston, TX 77007
Attn: Confirmation Manager
Phone: (713) 209-1112
Fax: (281)404-7070
Base Contract No. _____
Transporter: _____
Transporter Contract Number: _____

BUYER:
Duke Energy Kentucky, INC
139 E. Fourth St. EX460
Cincinnati, OH 45202
Attn: Confirmations Department
Phone: 513-287-4212
Fax: 866-682-1118
Base Contract No. _____
Transporter: _____
Transporter Contract Number: _____

Contract Price: \$ See below /MMBtu or _____

Delivery Period: Begin: 12/01/2018 End: 2/28/2019

Performance Obligation and Contract Quantity: (Select One)

Firm (Fixed Quantity):

_____ MMBtus/day

EFP

Firm (Variable Quantity):

_____ MMBtus/day Minimum

34,000 MMBtus/day Maximum

Interruptible:

Up to _____ MMBtus/day

Delivery Point(s): Texas Gas Duke Energy Kentucky Meter #1872

(If a pooling point is used, list a specific geographic and pipeline location):

Special Conditions:

- 1) The term covers 25 days of calls for the Duke Energy of Kentucky location.
- 2) Price is either TGT Zone 1 GDD plus \$.435 or REX Lebanon GDD plus \$.285 based upon buyer election.
- 3) Call must be requested as well as pricing option by 9:00 am EST day before flow.
- 4) Calls for weekends and holidays flow will follow the ICE trading schedule.
- 5) CIMA will allow DUKE the ability to reduce the highest requested volume over a weekend or holiday period by 50 percent. This election will also follow the ICE trading schedule and must be received prior to 9:00 EST the day before flow. i.e If the highest requested volume over a weekend or holiday period = 34,000 MMBtu, then DUKE would have the ability to reduce the requested volumes over the remaining days in the same period down to 17,000 MMBtu
- 6) Each day of flow constitutes one day of call. If Duke calls for a reduction of flow over a weekend or holiday period that results in "0" dth being delivered that shall still constitute a day of call
- 7) Call premiums are as follows:

Dec 2018 34,000*31*\$.03 = \$31,620	}	\$91,800
Jan 2019 34,000*31*\$.03 = \$31,620		
Feb 2019 34,000*28*.03 = \$28,560		

Seller: _____
By: _____
Title: _____
Date: _____

Buyer: _____
By: _____
Title: _____
Date: _____

**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>DEMAND (FIXED) COSTS:</u>	<u>\$</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	91,800
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	\$0.000 /MCF
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><u>\$3.452 /MCF</u></u>

⁽¹⁾ Net Charge Off amount from Case No. 2018-00261 WPD-2.15a, line 6.
The monthly estimate based on the rate case is immaterial therefore not including the EGC monthly estimate.

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>0.000</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

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	4.834	5.666	4.042
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				

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

DESCRIPTION	UNIT	AMOUNT
<u>RECONCILIATION OF A PREVIOUS GAS COST VARIANCE</u>		
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 \$ APPLIED TO TOTAL SALES OF (TWELVE MONTHS ENDED	0.296 /MCF 10,155,512 MCF February 28, 2019)	\$ 3,006,031.62
BALANCE ADJUSTMENT FOR THE "AA"		\$ (309,345.49)
<u>RECONCILIATION OF A PREVIOUS SUPPLIER REFUND</u>		
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 \$ APPLIED TO TOTAL SALES OF (TWELVE MONTHS ENDED	0.000 /MCF 10,155,512 MCF February 28, 2019)	\$ 0.00
BALANCE ADJUSTMENT FOR THE "RA"		0.00
<u>RECONCILIATION OF A PREVIOUS BALANCE ADJUSTMENT</u>		
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 \$ APPLIED TO TOTAL SALES OF (TWELVE MONTHS ENDED	(0.008) /MCF 10,155,512 MCF February 28, 2019)	\$ (81,244.12)
BALANCE ADJUSTMENT FOR THE "BA"		\$ 11,963.98
TOTAL BALANCE ADJUSTMENT AMOUNT		\$ (297,381.51)
DIVIDED BY: 12 MONTHS PROJECTED SALES ENDED	May 31, 2020	MCF 9,265,674
EQUALS: CURRENT QUARTER BALANCE ADJUSTMENT		\$/MCF (0.032)

DUKE ENERGY KENTUCKY
SUPPLEMENTAL INFORMATION
FOR THE EXPECTED GAS COST (EGC) RATE CALCULATION
OF THE GAS COST RECOVERY RATE
IN EFFECT AS OF MAY 31, 2019

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 R.	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 COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF December 2018

<u>DESCRIPTION</u>	<u>W/P</u>		<u>TOTAL AMOUNT ROUNDED</u>
<u>PRIMARY GAS SUPPLY COST</u>			\$
current month estimate	B1	7,864,887.93	
adjustments from prior month	B2	718,398.41	
Interruptible Transportation monthly charges by Gas Supply - PA	C	(3,635.87)	8,579,650
 <u>LESS: RATE SCHEDULE CF CREDIT</u>			
current month		0.00	
adjustments		0.00	0
 <u>PLUS: INCLUDABLE PROPANE</u>			
a/c 728-3 Erlanger	D	0.00	0
 <u>PLUS: GAS COST UNCOLLECTIBLE</u>			
	E	(34,444.00)	(34,444)
 <u>LESS: X-5 TARIFF</u>			
		0.00	0
 <u>LESS Tenaska MANAGEMENT FEE</u>			
	F	104,687.00	(104,687)
 <u>LESS: TOP TRANSP. RECOVERIES</u>			
		0.00	0
 <u>LESS: GAS LOSSES - DAMAGED LINES</u>			
	G	(441.46)	(441)
adjustments		0.00	
		0.00	0
 <u>LESS: GAS COST CREDIT</u>			
		0.00	0
 <u>LESS: FIRM TRANSPORTATION ADJUSTMENTS</u>			
current month		0.00	
adjustments		0.00	0
 TOTAL SUPPLY COSTS			<u>8,440,078</u>

ACCOUNTING ENTRY FOR DEFERRAL ONLY

<u>ACCOUNTING ENTRY FOR DEFERRAL ONLY</u>	<u>AMOUNT</u>
ACCTS: 191990 - Unrecv PG - Asset /191400 - Unrecv PGS - Liabl	490,086.03
ACCOUNT 0805002 - Unrecv PG Adj - Expense	(490,086.03)

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH

December 2018

<u>PARTICULARS</u>	<u>UNIT</u>	<u>W/P</u>	<u>MONTH</u> <u>December 2018</u>
<u>SUPPLY VOLUME PER BOOKS</u>			
Primary Gas Suppliers	MCF	B1	1,633,905
Utility Production	MCF		0
Includable Propane	MCF	D	0
Other Volumes (Specify) - Previous Month Adj.	MCF	B2	(459,766)
TOTAL SUPPLY VOLUMES	MCF		1,174,139
<u>SUPPLY COST PER BOOKS</u>			
Primary Gas Suppliers	\$	A1	8,579,650
Includable Propane	\$		0
Gas Cost Uncollectible	\$	A1	(34,444)
Other Cost (Specify) - Gas Cost Credit	\$		0
- Unacct'd for Transp.	\$		0
- CF Credit	\$		0
- X-5 Tariff	\$		0
- CMT Management Fee	\$	A1	(104,687)
- Losses-Damaged Lines	\$	A1	(441)
- Gas Sold to Remarketers	\$		0
- TOP Transp. Recoveries	\$		0
TOTAL SUPPLY COST	\$	A1	8,440,078.0
<u>SALES VOLUMES</u>			
Jurisdictional - Retail	MCF	H	1,644,584.0
Non-Jurisdictional	MCF		
Other Volumes (Specify) -	MCF		
TOTAL SALES VOLUME	MCF		1,644,584.0
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF		5.132
LESS: EGC IN EFFECT FOR MONTH	\$/MCF	H	4.834
DIFFERENCE	\$/MCF		0.298
TIMES: MONTHLY JURISDICTIONAL SALES	MCF		1,644,584.0
MONTHLY COST DIFFERENCE	\$		490,086.03

DUKE ENERGY COMPANY KENTUCKY

December 2018

	<u>Applied</u> <u>MCF Sales</u>	<u>W/P</u>	<u>Amount</u>	<u>\$/MCF</u>
<u>GAS FUEL ADJUSTMENT BILLED</u>				
EGC - Retail	1,644,584.0	H	7,950,307.84	4.83423640
RA		H	(8,182.09)	
AA		H	240,483.78	
BA		H	22,665.96	
TOTAL GAS COST RECOVERY(GCR)			<u>8,205,275.49</u>	
TOTAL SALES VOLUME	1,644,584.0			
LESS: NON-JURISDICTIONAL SALES	<u>0.0</u>			
JURISDICTIONAL SALES	<u>1,644,584.0</u>			
<u>PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY</u>				
SUPPLIER COST - CURRENT MONTH	1,644,584.0		8,440,078.00	5.13204433
UNRECOVERED PURCHASED GAS COST			(249,602.25)	
ROUNDING(ADD/(DEDUCT))			<u>315.87</u>	
TOTAL GAS COST IN REVENUE			<u>8,190,791.62</u>	
TOTAL GAS COST RECOVERY(GCR)			8,205,275.49	
LESS: RA			(8,182.09)	
BA			<u>22,665.96</u>	
PLUS: COST OF NON-JURISDICTIONAL SALES			<u>8,190,791.62</u>	
UNRECOVERED PURCHASED GAS COST ENTRY			(249,602.25)	
LESS: AA			<u>240,483.78</u>	
MONTHLY COST DIFFERENCE			(490,086.03)	
EXTENDED MONTHLY COST DIFFERENCE			<u>(489,770.16)</u>	
ROUNDING			<u>315.87</u>	

DUKE ENERGY KENTUCKY
GAS SERVICE
SUMMARY OF GCA a/k/a GCR COMPONENTS
MONTH: January 2019

Retail BILL CODE	MCF Usage REPORTED SALES	Exptd Gas Cost		RECONCILIATION ADJUSTMENT					ACTUAL ADJUSTMENT					BALANCE ADJUSTMENT					
		EGC \$		CURRENT (0.003)	PREVIOUS (0.002)	SEC.PREV. 0.000	THRD.PREV. 0.000	TOTAL RA	CURRENT 0.090	PREVIOUS (0.345)	SEC.PREV. 0.104	THRD.PREV. 0.206	TOTAL AA	CURRENT 0.023	PREVIOUS 0.003	SEC.PREV. (0.004)	THRD.PREV. (0.008)	TOTAL BA	
087		4.493	0.00																
107		4.308	0.00																
117	0.0	4.098	0.00																
127	(0.7)	4.075	(2.85)																
137	0.4	4.171	1.67																
147	0.4	4.042	1.62																
157	(74.7)	4.198	(313.59)																
018	309.7	3.987	1,234.77																
038	159.2	3.976	632.98																
048	(348.8)	3.868	(1,349.16)				0.00	0.00			(103.24)	(103.24)					2.79	2.79	
068	742.5	3.797	2,819.27				0.00	0.00			219.78	219.78					(5.94)	(5.94)	
078	(57.6)	3.733	(215.02)				0.00	0.00			(17.05)	(17.05)					0.46	0.46	
088	(130.2)	3.759	(489.42)			0.00	0.00	0.00			(13.54)	(38.54)	(52.08)		0.52		1.04	1.56	
108	(113.2)	3.949	(447.03)			0.00	0.00	0.00			(11.77)	(33.51)	(45.28)		0.45		0.91	1.36	
118	(60.1)	3.930	(196.89)			0.00	0.00	0.00			(5.21)	(14.83)	(20.04)		0.20		0.40	0.60	
128	(567.7)	3.947	(2,240.71)		1.14	0.00	0.00	1.14		195.86	(59.04)	(168.04)	(31.22)		(1.70)	2.27	4.54	5.11	
148	(54.2)	3.843	(208.29)		0.11	0.00	0.00	0.11		18.70	(5.64)	(16.04)	(2.98)		(0.16)	0.22	0.43	0.49	
158	(4.2)	4.130	(17.35)		0.01	0.00	0.00	0.01		1.45	(0.44)	(1.24)	(0.23)		(0.01)	0.02	0.03	0.04	
168	(17,461.9)	4.843	(84,567.98)	52.39	34.92	0.00	0.00	87.31	(1,571.57)	6,024.36	(1,816.04)	(5,168.72)	(2,531.97)	(401.62)	(52.39)	69.85	139.70	(244.46)	
019	1,795,556.7	5.658	10,159,259.81	(5,386.67)	(3,591.11)	0.00	0.00	(8,977.78)	161,600.10	(619,467.06)	186,737.90	531,484.78	260,355.72	41,297.80	5,386.67	(7,182.23)	(14,364.45)	25,137.79	
TOTAL RETAIL	1,777,905.6	10,073,901.83	(8,889.21)	(5,334.28)	(3,564.93)	-	-	(8,889.21)	160,028.63	(613,226.69)	184,826.22	526,143.36	257,771.41	40,896.18	5,332.41	(7,108.70)	(14,220.09)	24,899.80	
TRANSPORTATION: IFT3																			
Customer Choice Program (GCAT):																			
026																			
056																			
096																			
136																			
176																			
027																			
057																			
097																			
117																			
167																			
028																			
058							0.00	0.00				0.00	0.00				0.00	0.00	
098							0.00	0.00				0.00	0.00				0.00	0.00	
138					0.00	0.00	0.00	0.00				0.00	0.00				0.00	0.00	
178				0.00	0.00	0.00	0.00	0.00				0.00	0.00				0.00	0.00	
029	5,292.9			(15.88)	(10.59)	0.00	0.00	(26.47)	476.36	(1,826.05)	550.46	1,566.70	767.47	121.74	15.88	(21.17)	(42.34)	74.11	
IFT3 CHOICE	5,292.9	TOTAL FOR CHOICE	(26.47)	(15.88)	(10.59)	-	-	(26.47)	476.36	(1,826.05)	550.46	1,566.70	767.47	121.74	15.88	(21.17)	(42.34)	74.11	
TOTAL FOR Gas Cost Recovery (GCR)				(5,350.16)	(3,565.52)	-	-	(8,915.68)	160,504.89	(615,052.74)	185,376.68	527,710.05	258,538.88	41,017.92	5,348.29	(7,129.87)	(14,262.43)	24,973.91	
CONTROL CK				0.00					0.00					0.00					
positive=recovered=cr 253130									positive=recovered=cr 191400					positive=recovered=cr 253130					
negative=reduce refund=dr 253130									negative=refund=dr 191400					negative=reduce refund=dr 253130					
0191400 is Unrecov Purch Gas Cost (Limb)														0253130 is Gas Refund/Rcts Adj due Cust (Limb)					
Firm Transportation: IFT																			
FT																			
280,607.5																			
Interruptible Transportation: IT01																			
IT																			
136,947.0																			
Grand Total				2,200,753.0					lies to Grand Total mcts wp SUM3										
ADJUSTED EGC				5,666															

JE ID - KUNBIL AMZ

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF January 2019

<u>DESCRIPTION</u>	<u>W/P</u>		<u>TOTAL AMOUNT ROUNDED</u>
<u>PRIMARY GAS SUPPLY COST</u>			\$
current month estimate	B1	8,292,960.36	
adjustments from prior month	B2	(49,474.15)	
Interruptible Transportation monthly charges by Gas Supply - PA	C	(6,134.13)	8,237,352
<u>LESS: RATE SCHEDULE CF CREDIT</u>			
current month		0.00	
adjustments		0.00	0
<u>PLUS: INCLUDABLE PROPANE</u>			
a/c 728-3 Erlanger	D	269,072.52	269,073
<u>PLUS: GAS COST UNCOLLECTIBLE</u>	*J	(33,406.00)	(33,406)
<u>LESS: X-5 TARIFF</u>		0.00	0
<u>LESS Tenaska MANAGEMENT FEE</u>	F	104,687.00	(104,687)
<u>LESS: TOP TRANSP. RECOVERIES</u>		0.00	0
<u>LESS: GAS LOSSES - DAMAGED LINES</u>	G	(46.75)	(47)
adjustments		0.00	
		0.00	0
<u>LESS: GAS COST CREDIT</u>		0.00	0
<u>LESS: FIRM TRANSPORTATION ADJUSTMENTS</u>			
current month		0.00	
adjustments		0.00	0
TOTAL SUPPLY COSTS			<u>8,368,285</u>

ACCOUNTING ENTRY FOR DEFERRAL ONLY

<u>ACCOUNTING ENTRY FOR DEFERRAL ONLY</u>	<u>AMOUNT</u>
ACCTS: 191990 - Unrecv PG - Asset /191400 - Unrecv PG\$ - Liabl	(1,705,011.47)
ACCOUNT 0805002 - Unrecv PG Adj - Expense	1,705,011.47

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH

January 2019

<u>PARTICULARS</u>	<u>UNIT</u>	<u>W/P</u>	<u>MONTH</u> <u>January 2019</u>
<u>SUPPLY VOLUME PER BOOKS</u>			
Primary Gas Suppliers	MCF	B1	2,136,334
Utility Production	MCF		0
Includable Propane	MCF	D	21,401
Other Volumes (Specify) - Previous Month Adj.	MCF	B2	<u>(16,312)</u>
TOTAL SUPPLY VOLUMES	MCF		<u>2,141,423</u>
<u>SUPPLY COST PER BOOKS</u>			
Primary Gas Suppliers	\$	A1	8,237,352
Includable Propane	\$		269,073
Gas Cost Uncollectible	\$	A1	(33,406)
Other Cost (Specify) - Gas Cost Credit	\$		0
- Unacct'd for Transp.	\$		0
- CF Credit	\$		0
- X-5 Tariff	\$		0
- CMT Management Fee	\$	A1	(104,687)
- Losses-Damaged Lines	\$	A1	(47)
- Gas Sold to Remarketers	\$		0
- TOP Transp. Recoveries	\$		<u>0</u>
TOTAL SUPPLY COST	\$	A1	<u>8,368,285.0</u>
<u>SALES VOLUMES</u>			
Jurisdictional - Retail	MCF	H	<u>1,777,905.6</u>
Non-Jurisdictional	MCF		
Other Volumes (Specify) -	MCF		
TOTAL SALES VOLUME	MCF		<u>1,777,905.6</u>
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF		4.707
LESS: EGC IN EFFECT FOR MONTH	\$/MCF	H	<u>5.666</u>
DIFFERENCE	\$/MCF		(0.959)
TIMES: MONTHLY JURISDICTIONAL SALES	MCF		<u>1,777,905.6</u>
MONTHLY COST DIFFERENCE	\$		<u><u>(1,705,011.47)</u></u>

DUKE ENERGY COMPANY KENTUCKY

January 2019

	<u>Applied</u> <u>MCF Sales</u>	<u>W/P</u>	<u>Amount</u>	<u>\$/MCF</u>
<u>GAS FUEL ADJUSTMENT BILLED</u>				
EGC - Retail	1,777,905.6	H	10,073,901.83	5.66616238
RA		H	(8,915.68)	
AA		H	258,538.88	
BA		H	24,973.91	
TOTAL GAS COST RECOVERY(GCR)			<u>10,348,498.94</u>	
TOTAL SALES VOLUME	1,777,905.6			
LESS: NON-JURISDICTIONAL SALES	<u>0.0</u>			
JURISDICTIONAL SALES	<u>1,777,905.6</u>			
<u>PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY</u>				
SUPPLIER COST - CURRENT MONTH	1,777,905.6		8,368,285.00	4.70682189
UNRECOVERED PURCHASED GAS COST			1,963,550.35	
ROUNDING(ADD/(DEDUCT))			<u>605.36</u>	
TOTAL GAS COST IN REVENUE			<u>10,332,440.71</u>	
TOTAL GAS COST RECOVERY(GCR)			10,348,498.94	
LESS: RA			(8,915.68)	
BA			<u>24,973.91</u>	
PLUS: COST OF NON-JURISDICTIONAL SALES			<u>10,332,440.71</u>	
UNRECOVERED PURCHASED GAS COST ENTRY			1,963,550.35	
LESS: AA			<u>258,538.88</u>	
MONTHLY COST DIFFERENCE			1,705,011.47	
EXTENDED MONTHLY COST DIFFERENCE			<u>1,705,616.83</u>	
ROUNDING			<u>605.36</u>	

**DUKE ENERGY KENTUCKY
GAS SERVICE
SUMMARY OF GCA a/k/a GCR COMPONENTS
MONTH: February 2019**

Retail BILL CODE	MCF Usage REPORTED SALES	Exptd Gas Cost		RECONCILIATION ADJUSTMENT					ACTUAL ADJUSTMENT					BALANCE ADJUSTMENT				
		\$/MCF	EGC \$	CURRENT (0.003)	PREVIOUS (0.002)	SEC.PREV. 0.000	THRD.PREV. 0.000	TOTAL RA	CURRENT 0.090	PREVIOUS (0.345)	SEC.PREV. 0.104	THRD.PREV. 0.296	TOTAL AA	CURRENT 0.023	PREVIOUS 0.003	SEC.PREV. (0.004)	THRD.PREV. (0.008)	TOTAL BA
087		4.493	0.00															
107		4.308	0.00															
117		4.098	0.00															
127	2.1	4.075	8.56															
137	5.8	4.171	24.19															
147	14.1	4.042	56.99															
157	(39.8)	4.198	(167.08)															
018	152.8	3.987	609.21															
038	75.4	3.976	299.79															
048	(30.4)	3.868	(117.59)				0.00	0.00			(9.00)					0.24	0.24	
068	120.9	3.797	459.06				0.00	0.00			35.79					(0.97)	(0.97)	
078	38.1	3.733	142.23				0.00	0.00			11.28					(0.30)	(0.30)	
088	39.6	3.759	148.86			0.00	0.00	0.00		4.12	11.72				(0.16)	(0.32)	(0.48)	
108	73.0	3.949	288.28			0.00	0.00	0.00		7.59	21.61				(0.29)	(0.58)	(0.87)	
118	182.5	3.930	717.23			0.00	0.00	0.00		18.98	54.02				(0.73)	(1.46)	(2.19)	
128	281.1	3.947	1,109.50		(0.56)	0.00	0.00	(0.56)		(96.98)	29.23		83.21	15.46	0.84	(1.12)	(2.25)	(2.53)
148	245.2	3.843	942.30		(0.49)	0.00	0.00	(0.49)		(84.59)	25.50		72.58	13.49	0.74	(0.98)	(1.96)	(2.20)
158	587.1	4.130	2,424.72		(1.17)	0.00	0.00	(1.17)		(202.55)	61.06		173.78	32.29	1.76	(2.35)	(4.70)	(5.29)
168	(5,514.0)	4.843	(26,704.30)	16.54	11.03	0.00	0.00	27.57	(496.26)	1,902.33	(573.46)	(1,632.14)	(799.53)	(126.82)	(16.54)	22.06	44.11	(77.19)
019	12,274.3	5.658	69,447.99	(36.82)	(24.55)	0.00	0.00	(61.37)	1,104.69	(4,234.63)	1,276.53	3,633.19	1,779.78	282.31	36.82	(49.10)	(98.19)	171.84
039	1,985,440.8	4.034	8,009,268.19	(5,956.32)	(3,970.88)	0.00	0.00	(9,927.20)	178,689.67	(684,977.08)	206,485.84	587,690.48	287,888.91	45,665.14	5,956.32	(7,941.76)	(15,883.53)	27,796.17
TOTAL RETAIL	1,993,948.6		8,058,958.13	(5,976.60)	(3,986.62)	-	-	(9,963.22)	179,298.10	(687,693.50)	207,335.39	590,146.52	289,086.51	45,820.63	5,979.94	(7,974.43)	(15,949.91)	27,876.23
TRANSPORTATION: IFT3																		
Customer Choice Program (GCAT):																		
026																		
056																		
096																		
136																		
176																		
027																		
057																		
097																		
117																		
167																		
028																		
058							0.00	0.00				0.00	0.00			0.00	0.00	0.00
098							0.00	0.00				0.00	0.00			0.00	0.00	0.00
138							0.00	0.00				0.00	0.00			0.00	0.00	0.00
178				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
029	4,771.4			(14.31)	(9.54)	0.00	0.00	(23.85)	429.43	(1,646.13)	496.23	1,412.33	691.86	109.74	14.31	(19.09)	(38.17)	66.79
IFT3 CHOICE	4,771.4		TOTAL FOR CHOICE	(14.31)	(9.54)	-	-	(23.85)	429.43	(1,646.13)	496.23	1,412.33	691.86	109.74	14.31	(19.09)	(38.17)	66.79
TOTAL FOR Gas Cost Recovery (GCR)				(5,990.91)	(3,996.16)	-	-	(9,987.07)	179,727.53	(689,339.63)	207,831.62	591,558.85	289,778.37	45,930.37	5,994.25	(7,993.52)	(15,988.08)	27,943.02
								CONTROL CK (0.00)										CONTROL CK (0.00)
								positive=recovered=cr 253130										positive=recovered=cr 253130
								negative=reduce refund=dr 253130										negative=reduce refund=dr 253130
									0191400 Is Unrecov.Purch Gas Cost (L&L)									0253130 Is Gas Refund/Recs Adj due Cust (Liab)

JE ID - KUNBIL AMZ

FT	329,876.6
Interruptible Transportation: IT01	
IT	131,632.0
Grand Total	2,460,228.6 ties to Grand Total mcf's w/ SUM3
ADJUSTED EGC	4.042

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF February 2019

<u>DESCRIPTION</u>	<u>W/P</u>		<u>TOTAL AMOUNT ROUNDED</u>
<u>PRIMARY GAS SUPPLY COST</u>			
current month estimate	B1	5,478,452.34	\$
adjustments from prior month	B2	(10,312.72)	
Interruptible Transportation monthly charges by Gas Supply - PA	C	2,474.61	5,470,614
<u>LESS: RATE SCHEDULE CF CREDIT</u>			
current month		0.00	
adjustments		0.00	0
<u>PLUS: INCLUDABLE PROPANE</u>			
a/c 728-3 Erlanger	D	2,340.29	2,340
<u>PLUS: GAS COST UNCOLLECTIBLE</u>			
	E	(47,193.00)	(47,193)
<u>LESS: X-5 TARIFF</u>			
		0.00	0
<u>LESS Tenaska MANAGEMENT FEE</u>			
	F	104,687.00	(104,687)
<u>LESS: TOP TRANSP. RECOVERIES</u>			
		0.00	0
<u>LESS: GAS LOSSES - DAMAGED LINES</u>			
	G	(12.07)	(12)
adjustments		0.00	
		0.00	0
<u>LESS: GAS COST CREDIT</u>			
		0.00	0
<u>LESS: FIRM TRANSPORTATION ADJUSTMENTS</u>			
current month		0.00	
adjustments		0.00	0
TOTAL SUPPLY COSTS			<u>5,321,062</u>

ACCOUNTING ENTRY FOR DEFERRAL ONLY

AMOUNT

ACCTS: 191990 - Unrecv PG - Asset /191400 - Unrecv PGS - Liabl	(2,737,691.43)
ACCOUNT 0805002 - Unrecv PG Adj - Expense	2,737,691.43

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH February 2019

PARTICULARS	UNIT	W/P	MONTH February 2019
<u>SUPPLY VOLUME PER BOOKS</u>			
Primary Gas Suppliers	MCF	B1	1,551,662
Utility Production	MCF		0
Includable Propane	MCF	D	252
Other Volumes (Specify) - Previous Month Adj.	MCF	B2	<u>(944)</u>
TOTAL SUPPLY VOLUMES	MCF		<u>1,550,970</u>
<u>SUPPLY COST PER BOOKS</u>			
Primary Gas Suppliers	\$	A1	5,470,614
Includable Propane	\$		2,340
Gas Cost Uncollectible	\$	A1	(47,193)
Other Cost (Specify) - Gas Cost Credit	\$		0
- Unacct'd for Transp.	\$		0
- CF Credit	\$		0
- X-5 Tariff	\$		0
- CMT Management Fee	\$	A1	(104,687)
- Losses-Damaged Lines	\$	A1	(12)
- Gas Sold to Remarketers	\$		0
- TOP Transp. Recoveries	\$		<u>0</u>
TOTAL SUPPLY COST	\$	A1	<u>5,321,062.0</u>
<u>SALES VOLUMES</u>			
Jurisdictional - Retail	MCF	H	<u>1,993,948.6</u>
Non-Jurisdictional	MCF		
Other Volumes (Specify) -	MCF		
TOTAL SALES VOLUME	MCF		<u>1,993,948.6</u>
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF		2.669
LESS: EGC IN EFFECT FOR MONTH	\$/MCF	H	<u>4.042</u>
DIFFERENCE	\$/MCF		(1.373)
TIMES: MONTHLY JURISDICTIONAL SALES	MCF		<u>1,993,948.6</u>
MONTHLY COST DIFFERENCE	\$		<u><u>(2,737,691.43)</u></u>

DUKE ENERGY COMPANY KENTUCKY

February 2019

	<u>Applied</u> <u>MCF Sales</u>	<u>W/P</u>	<u>Amount</u>	<u>\$/MCF</u>
<u>GAS FUEL ADJUSTMENT BILLED</u>				
EGC - Retail	1,993,948.6	H	8,058,958.13	4.04170806
RA		H	(9,987.07)	
AA		H	289,778.37	
BA		H	<u>27,943.02</u>	
TOTAL GAS COST RECOVERY(GCR)			<u>8,366,692.45</u>	
TOTAL SALES VOLUME	1,993,948.6			
LESS: NON-JURISDICTIONAL SALES	<u>0.0</u>			
JURISDICTIONAL SALES	<u>1,993,948.6</u>			
<u>PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY</u>				
SUPPLIER COST - CURRENT MONTH	1,993,948.6		5,321,062.00	2.66860540
UNRECOVERED PURCHASED GAS COST			3,027,469.80	
ROUNDING(ADD/(DEDUCT))			<u>204.70</u>	
TOTAL GAS COST IN REVENUE			<u>8,348,736.50</u>	
TOTAL GAS COST RECOVERY(GCR)			8,366,692.45	
LESS: RA			(9,987.07)	
BA			<u>27,943.02</u>	
PLUS: COST OF NON-JURISDICTIONAL SALES			<u>204.70</u>	
			<u>8,348,736.50</u>	
UNRECOVERED PURCHASED GAS COST ENTRY			3,027,469.80	
LESS: AA			<u>289,778.37</u>	
MONTHLY COST DIFFERENCE			2,737,691.43	
EXTENDED MONTHLY COST DIFFERENCE			<u>2,737,896.13</u>	
ROUNDING			<u>204.70</u>	

