

DUKE ENERGY KENTUCKY, INC
GAS COST ADJUSTMENT CLAUSE

QUARTERLY REPORT

GAS COST RECOVERY RATES EFFECTIVE FROM December 1, 2020 THROUGH March 2, 2021

| DESCRIPTION | UNIT | AMOUNT |
|---|--------|--------------|
| EXPECTED GAS COST (EGC) | \$/MCF | 4.172 |
| SUPPLIER REFUND ADJUSTMENT (RA) | \$/MCF | 0.000 |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | (0.292) |
| BALANCE ADJUSTMENT (BA) | \$/MCF | (0.012) |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA | \$/MCF | <u>3.868</u> |

EXPECTED GAS COST CALCULATION

| DESCRIPTION | UNIT | AMOUNT |
|---|--------|--------|
| TOTAL EXPECTED GAS COST COMPONENT (EGC) | \$/MCF | 4.172 |

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 | 0.000 |
| THIRD PREVIOUS QUARTER REPORTED SUPPLIER REFUND ADJ. | \$/MCF | 0.000 |
| SUPPLIER REFUND ADJUSTMENT (RA) | \$/MCF | <u>0.000</u> |

ACTUAL ADJUSTMENT CALCULATION

| DESCRIPTION | UNIT | AMOUNT |
|--|--------|----------------|
| CURRENT QUARTER ACTUAL ADJUSTMENT | \$/MCF | 0.090 |
| PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT | \$/MCF | (0.215) |
| SECOND PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT | \$/MCF | (0.416) |
| THIRD PREVIOUS QUARTER REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.249 |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | <u>(0.292)</u> |

BALANCE ADJUSTMENT CALCULATION

| DESCRIPTION | UNIT | AMOUNT |
|---|--------|----------------|
| CURRENT QUARTER BALANCE ADJUSTMENT | \$/MCF | 0.002 |
| PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT | \$/MCF | 0.001 |
| SECOND PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT | \$/MCF | (0.005) |
| THIRD PREVIOUS QUARTER REPORTED BALANCE ADJUSTMENT | \$/MCF | (0.010) |
| BALANCE ADJUSTMENT (BA) | \$/MCF | <u>(0.012)</u> |

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 8373 OF THE KENTUCKY PUBLIC SERVICE
COMMISSION DATED APRIL 16, 1982.DATE FILED: November 4, 2020BY: SARAH LAWLERTITLE: Vice President
Rates & Regulatory Strategy - QH/KY

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

SUMMARY FOR THE EGC RATE IN EFFECT AS OF : DECEMBER 1, 2020

| | | \$ |
|---|------------------|-----------------------------------|
| <u>DEMAND (FIXED) COSTS:</u> | | |
| Columbia Gas Transmission Corp. | | 3,449,925 |
| Columbia Gulf Transmission Corp. | | 1,023,975 |
| Tennessee Gas Pipeline Company, LLC | | 682,990 |
| KO Transmission Company | | 1,898,986 |
| Texas Gas Transmission, LLC | | 536,304 |
| Gas Marketers | | 99,900 |
| TOTAL DEMAND COST: | | 7,692,080 |
| PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES: | 9,673,610 | MCF |
| DEMAND (FIXED) COMPONENT OF EGC RATE: | \$7,692,080 / | 9,673,610 MCF \$0.795 /MCF |
| <u>COMMODITY COSTS:</u> | | |
| Gas Marketers | | \$2.947 /MCF |
| Gas Storage | | |
| Columbia Gas Transmission | | \$0.298 /MCF |
| Propane | | \$0.132 /MCF |
| COMMODITY COMPONENT OF EGC RATE: | | \$3.377 /MCF |
| Other Costs: | | |
| Net Charge Off ⁽¹⁾ | \$0 / | 1,734,563 \$0.000 /MCF |
| TOTAL EXPECTED GAS COST: | | \$4.172 /MCF |

⁽¹⁾ Net Charge Off amount from Case No. 2018-00261.

**GAS COST ADJUSTMENT
DUKE ENERGY KENTUCKY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : December 1, 2020

| | 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: 8/1/2020 | | | |
| BILLING DEMAND - TARIFF RATE - FSS | | | | |
| Max. Daily Withdrawl Quan. | 1 5010 | 39,656 | 12 | 714,284 |
| Seasonal Contract Quantity | 0 0288 | 1,365,276 | 12 | 471,839 |
| BILLING DEMAND - TARIFF RATE - SST | | | | |
| Maximum Daily Quantity | 6 0450 | 39,656 | 2 | 479,441 |
| Maximum Daily Quantity | 6 4280 | 39,656 | 4 | 1,019,635 |
| Maximum Daily Quantity | 6 4280 | 19,828 | 6 | 764,726 |
| CAPACITY RELEASE CREDIT | | | | |
| TOTAL COLUMBIA GAS TRANSMISSION, LLC - DEMAND CHARGES | | | | 3,449,925 |
| INTERSTATE PIPELINE : COLUMBIA GULF TRANSMISSION CORP. | | | | |
| TARIFF RATE EFFECTIVE DATE : | FTS-1: 08/01/2020 | | | |
| BILLING DEMAND - TARIFF RATE - FTS-1 | | | | |
| 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 | | | | |
| TOTAL COLUMBIA GULF TRANSMISSION CORP. DEMAND CHARGES | | | | 1,023,975 |
| INTERSTATE PIPELINE : TENNESSEE GAS PIPELINE COMPANY, LLC | | | | |
| TARIFF RATE EFFECTIVE DATE : | FT-A: 11/1/2020 | | | |
| BILLING DEMAND - TARIFF RATE - FTS-1 | | | | |
| Maximum Daily Quantity | 2.4746 | 23,000 | 12 | 682,990 |
| TOTAL TENNESSEE GAS PIPELINE COMPANY, LLC - DEMAND CHARGES | | | | 682,990 |

Currently Effective Rates
 Applicable to Rate Schedule FSS
 Rate Per Dth

| | Base Tariff Rate 1/ | Transportation Cost Rate Adjustment Current Surcharge | | Electric Power Costs Adjustment Current Surcharge | | Annual Charge Adjustment 2/ | Total Effective Rate | Daily Rate |
|--------------------------|------------------------------|---|---|---|---|--------------------------------------|----------------------------|---------------|
| 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 | 0.235 | 0.084 | 0.039 | 0.790 | 6.891 | 0.2266 |
| Maximum | ¢ | 1.02 | 0.17 | 0.61 | 0.00 | 0.00 | 1.80 | 1.80 |
| Minimum | ¢ | 1.02 | 0.17 | 0.61 | 0.00 | 0.00 | 1.80 | 1.80 |
| Overrun 4/ | | | | | | | | |
| Maximum | ¢ | 19.90 | 0.94 | 0.89 | 0.13 | 2.60 | 24.46 | 24.46 |
| Minimum | ¢ | 1.02 | 0.17 | 0.61 | 0.00 | 0.00 | 1.80 | 1.80 |

- 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>24 3/28/18</u> |
| DATE |
| |
| DATE |

RF

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

| Rate Schedule FTS-1 | <u>Base Rate</u> (1) 1/ | <u>Total Effective Rate</u> (2) 1/ | | <u>Daily Rate</u> (3) 1/ |
|---------------------------|-------------------------------|--|----------------------|--------------------------------|
| <u>Market Zone</u> | | | | |
| Reservation Charge | | | | |
| Maximum | 5.049 | 5.049 | Discounted to \$3.33 | 0.1660 |
| Minimum | 0.000 | 0.000 | | 0.000 |
| Commodity | | | | |
| Maximum | 0.0109 | 0.0109 | ACA | 0.0109 |
| Minimum | 0.0109 | 0.0109 | +0.0013 = .0122 | 0.0109 |
| Overrun | | | | |
| Maximum | 0.1769 | 0.1769 | | 0.1769 |
| 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 | 1.686% |
| Gathering Retainage | 5.500% |
| Storage Gas Loss Retainage | 0.490% |
| Ohio Storage Gas Loss Retainage | 1.220% |
| 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.



700 Louisiana Street, Suite 700
Houston, TX 77002

August 7, 2019

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

RE: FTS-1 Service Agreement No. 79970 Revision 4
Discount Letter Amendment

Dear Joanna:

This letter will serve as an amendment to the FTS-1 Service Agreement No. 79970 Revision 4 between Columbia Gulf Transmission, LLC (Transporter) and Duke Energy Kentucky, Inc. (Shipper). Transporter and Shipper hereby agree that Section 3 of the above-referenced Service Agreement is amended to provide the following:

Terms. Shipper agrees to pay the discounted reservation rate(s), inclusive of reservation surcharges, for the term(s) and point(s) specified below.

Effective from November 1, 2019 through October 31, 2024 for a Transportation Demand of 21,000 (11/1 to 3/31) and a Transportation Demand of 13,500 (4/1 to 10/31):

| Receipt Point | Receipt Point Name | Receipt Point Type | Delivery Point | Delivery Point Name | Delivery Point Type | Maximum Daily Discounted Quantity 1/ | Monthly Reservation Charge |
|---------------|--------------------|--------------------|----------------|---------------------|---------------------|--------------------------------------|----------------------------|
| 2700010 | RAYNE | Primary | MEANS | MEANS | Primary | | \$ 3.33 |
| MRMNL | MAINLINE POOL | Secondary | MEANS | MEANS | Primary | | \$ 3.33 |

1/ Maximum Daily Discounted Quantity shall receive the discounted reservation rate up to the indicated volume only. Any quantity transported above the Maximum Daily Discounted Quantity shall be charged the currently effective maximum reservation rate as set forth in Transporter's FERC Gas Tariff.

Service from any other secondary receipt points to any other secondary delivery points will be charged the then-existing maximum reservation rate set forth in Transporter's FERC Gas Tariff.

Apportionment of Discounts. The discounted reservation rate will be apportioned in accordance with Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Other Charges. In addition to the reservation charge(s) set forth above, Shipper must pay Transporter all applicable charges and surcharges in the Transporter's FERC Gas Tariff, as amended from time to time, including, but not limited to, commodity charges, overrun charges and retainage charges.

Compliance with Tariff. 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.


Executed and agreed to this 17 day of October, 2019.

COLUMBIA GULF TRANSMISSION,
LLC

DUKE ENERGY KENTUCKY, INC.

 GTR

By Carol Wellman

By Bone Burdley 

Its Manager Transportation Contracts

Its VP Regulatory & Community Relations

Date: 10-17-19

Date: 10/16/2019

Service Agreement No. 79970

Revision No. 4

FTS-1 SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 17 day of October, 2019, 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, 2019, and shall continue in full force and effect until October 31, 2024. 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 700 Louisiana St., Suite 700, Houston, Texas 77002-2700, Attention: Customer Services and notices to Shipper shall be addressed to it at Duke Energy Kentucky, Inc., 4720 Piedmont Row Dr., Charlotte, NC 28210, Attention: Gennifer Raney, 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. 3.

DUKE ENERGY KENTUCKY, INC.



By

Bruce Burdick

Title

VP-Regulatory & Community Relations

Date

10/16/2019

COLUMBIA GULF TRANSMISSION, LLC

By

Carol Wedemeyer

Title

Manager Transportation Contracts

Date

10-17-19

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> |
|-------------------|-----------------|--------------------------------------|----------------------------|
| 11/01/2019 | 10/31/2024 | 21,000 | 11/1 - 3/31 |
| 11/01/2019 | 10/31/2024 | 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> |
|-------------------|-----------------|----------------------------|-----------------------------|---|----------------------------|
| 11/01/2019 | 10/31/2024 | 2700010 | CGT-RAYNE | 21,000 | 11/1 - 3/31 |
| 11/01/2019 | 10/31/2024 | 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> |
|-------------------|-----------------|----------------------------|-----------------------------|---|----------------------------|
| 11/01/2019 | 10/31/2024 | MEANS | MEANS | 21,000 | 11/1 - 3/31 |
| 11/01/2019 | 10/31/2024 | 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.

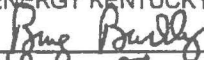
Yes No (Check applicable blank) This Service Agreement covers interim capacity sold pursuant to the provisions of General Terms and Conditions Section 4. Right of first refusal rights, if any, applicable to this interim capacity are limited as provided for in General Terms and Conditions Section 4.

DUKE ENERGY KENTUCKY, INC.

By

Title

Date

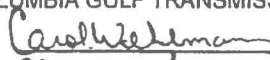

VP Regulatory & Community Relations
10/16/2019

COLUMBIA GULF TRANSMISSION, LLC

By

Title

Date


Manager, Transportation Contracts
10-17-19



700 Louisiana Street, Suite 700
Houston, TX 77002

August 7, 2019

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

RE: FTS-1 Service Agreement No. 154404 Revision 1
Discount Letter Amendment

Dear Joanna:

This letter will serve as an amendment to the FTS-1 Service Agreement No. 154404 Revision 1 between Columbia Gulf Transmission, LLC (Transporter) and Duke Energy Kentucky, Inc. (Shipper). Transporter and Shipper hereby agree that Section 3 of the above-referenced Service Agreement is amended to provide the following:

Terms. Shipper agrees to pay the discounted reservation rate(s), inclusive of reservation surcharges, for the term(s) and point(s) specified below.

Effective from November 1, 2019 through October 31, 2024 for a Transportation Demand of 9,000:

| Receipt Point | Receipt Point Name | Receipt Point Type | Delivery Point | Delivery Point Name | Delivery Point Type | Maximum Daily Discounted Quantity 1/ | Monthly Reservation Charge |
|---------------|--------------------|--------------------|----------------|---------------------|---------------------|--------------------------------------|----------------------------|
| 801 | LEACH | Primary | MEANS | MEANS | Primary | | \$ 3.33 |
| MRMNL | MAINLINE POOL | Secondary | MEANS | MEANS | Primary | | \$ 3.33 |

1/ Maximum Daily Discounted Quantity shall receive the discounted reservation rate up to the indicated volume only. Any quantity transported above the Maximum Daily Discounted Quantity shall be charged the currently effective maximum reservation rate as set forth in Transporter's FERC Gas Tariff.

Service from any other secondary receipt points to any other secondary delivery points will be charged the then-existing maximum reservation rate set forth in Transporter's FERC Gas Tariff.

Apportionment of Discounts. The discounted reservation rate will be apportioned in accordance with Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

Other Charges. In addition to the reservation charge(s) set forth above, Shipper must pay Transporter all applicable charges and surcharges in the Transporter's FERC Gas Tariff, as amended from time to time, including, but not limited to, commodity charges, overrun charges and retainage charges.

Compliance with Tariff. 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.

Executed and agreed to this 17 day of October, 2019.

COLUMBIA GULF TRANSMISSION,
LLC

By Carol Zellman

Its Manager Transportation Contracts

Date: 10-17-19

DUKE ENERGY KENTUCKY, INC.

By Rene Buckley

Its VP Regulatory & Community

Date: 10/16/2019

Cy
GSP
Ad
Relations

Service Agreement No. 154404

Revision No. 1

FTS-1 SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 17 day of October, 2019, 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, 2019, and shall continue in full force and effect until October 31, 2024. 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 700 Louisiana St., Suite 700, Houston, Texas 77002-2700, Attention: Customer Services and notices to Shipper shall be addressed to it at Duke Energy Kentucky, Inc., 4720 Piedmont Row Dr., Charlotte, NC 28210, Attention: Gennifer Raney, 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. 154404, Revision No. 0.

DUKE ENERGY KENTUCKY, INC.



By

Bone Buehly

Title

VP Regulatory & Community Relations

Date

10/16/2019

COLUMBIA GULF TRANSMISSION, LLC

By

Carol Wehman

Title

Manager Transportation Contracts

Date

10-17-19

Appendix A to Service Agreement No. 154404
 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> |
|-------------------|-----------------|--------------------------------------|----------------------------|
| 11/01/2019 | 10/31/2024 | 9,000 | 1/1 - 12/31 |

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> |
|-------------------|-----------------|----------------------------|-----------------------------|---|----------------------------|
| 11/01/2019 | 10/31/2024 | 801 | GULF-LEACH | 9,000 | 1/1 - 12/31 |

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> |
|-------------------|-----------------|----------------------------|-----------------------------|---|----------------------------|
| 11/01/2019 | 10/31/2024 | 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 Bruce Buddy
Title VP Regulatory & Community Relations
Date 10/16/2019

COLUMBIA GULF TRANSMISSION, LLC

By Carol W. Lehman
Title Manager - Interruptible Contracts
Date 10-17-19

SUPERCEDED

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 | \$ 4.8571 | | \$ 10.1498 | \$ 13.6529 | \$ 13.8945 | \$ 15.2673 | \$ 16.2055 | \$ 20.3323 |
| L | | \$ 4.3119 | | | | | | |
| 1 | \$ 7.3119 | | \$ 7.0090 | \$ 9.3276 | \$ 13.2135 | \$ 13.0132 | \$ 14.6759 | \$ 18.0462 |
| 2 | \$ 13.6530 | | \$ 9.2716 | \$ 4.8222 | \$ 4.5078 | \$ 5.7679 | \$ 7.9331 | \$ 10.2407 |
| 3 | \$ 13.8945 | | \$ 7.3440 | \$ 4.8611 | \$ 3.5070 | \$ 5.3870 | \$ 9.7428 | \$ 11.2581 |
| 4 | \$ 17.6413 | | \$ 16.2638 | \$ 6.1979 | \$ 9.4190 | \$ 4.6105 | \$ 4.9861 | \$ 7.1232 |
| 5 | \$ 21.0347 | | \$ 14.7807 | \$ 6.5015 | \$ 7.8669 | \$ 5.1218 | \$ 4.8044 | \$ 6.2544 |
| 6 | \$ 24.3333 | | \$ 16.9768 | \$ 11.6840 | \$ 12.8717 | \$ 9.0920 | \$ 4.7831 | \$ 4.1405 |

Daily Base
 Reservation Rate 1/

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | |
|-----------------|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 |
| 0 | \$ 0.1597 | | \$ 0.3337 | \$ 0.4489 | \$ 0.4568 | \$ 0.5019 | \$ 0.5328 | \$ 0.6685 |
| L | | \$ 0.1418 | | | | | | |
| 1 | \$ 0.2404 | | \$ 0.2304 | \$ 0.3067 | \$ 0.4344 | \$ 0.4278 | \$ 0.4825 | \$ 0.5933 |
| 2 | \$ 0.4489 | | \$ 0.3048 | \$ 0.1585 | \$ 0.1482 | \$ 0.1896 | \$ 0.2608 | \$ 0.3367 |
| 3 | \$ 0.4568 | | \$ 0.2414 | \$ 0.1598 | \$ 0.1153 | \$ 0.1771 | \$ 0.3203 | \$ 0.3701 |
| 4 | \$ 0.5800 | | \$ 0.5347 | \$ 0.2038 | \$ 0.3097 | \$ 0.1516 | \$ 0.1639 | \$ 0.2342 |
| 5 | \$ 0.6916 | | \$ 0.4859 | \$ 0.2137 | \$ 0.2586 | \$ 0.1684 | \$ 0.1580 | \$ 0.2056 |
| 6 | \$ 0.8000 | | \$ 0.5581 | \$ 0.3841 | \$ 0.4232 | \$ 0.2989 | \$ 0.1573 | \$ 0.1361 |

Maximum Reservation
 Rates 2/, 3 /

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | |
|-----------------|---------------|-----------|------------|------------|------------|------------|------------|------------|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 |
| 0 | \$ 4.8752 | | \$ 10.1679 | \$ 13.6710 | \$ 13.9126 | \$ 15.2854 | \$ 16.2236 | \$ 20.3504 |
| L | | \$ 4.3300 | | | | | | |
| 1 | \$ 7.3300 | | \$ 7.0271 | \$ 9.3457 | \$ 13.2316 | \$ 13.0313 | \$ 14.6940 | \$ 18.0643 |
| 2 | \$ 13.6711 | | \$ 9.2897 | \$ 4.8403 | \$ 4.5259 | \$ 5.7860 | \$ 7.9512 | \$ 10.2588 |
| 3 | \$ 13.9126 | | \$ 7.3621 | \$ 4.8792 | \$ 3.5251 | \$ 5.4051 | \$ 9.7609 | \$ 11.2762 |
| 4 | \$ 17.6594 | | \$ 16.2819 | \$ 6.2160 | \$ 9.4371 | \$ 4.6286 | \$ 5.0042 | \$ 7.1413 |
| 5 | \$ 21.0528 | | \$ 14.7988 | \$ 6.5196 | \$ 7.8850 | \$ 5.1399 | \$ 4.8225 | \$ 6.2725 |
| 6 | \$ 24.3514 | | \$ 16.9949 | \$ 11.7021 | \$ 12.8898 | \$ 9.1101 | \$ 4.8012 | \$ 4.1586 |

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 \$0.0181.

Discounted Rate: 2.4333
 PS/GHG Surcharge: 0.0181
 Total 2.4514

Tennessee Gas Pipeline Company, L.L.C.
 FERC NGA Gas Tariff
 Sixth Revised Volume No. 1

Seventeenth Revised Sheet No. 23
 Superseding
 Sixteenth Revised Sheet No. 23

REVISED

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
 RATE SCHEDULE FT-G

Base
 Reservation Rates

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | | |
|--------------|---------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|--|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 | |
| 0 | \$ 4.8571 | | \$10.1498 | \$13.6529 | \$13.8945 | \$15.2673 | \$16.2055 | \$20.3323 | |
| L | | \$4.3119 | | | | | | | |
| 1 | \$ 7.3119 | | \$ 7.0090 | \$ 9.3276 | \$13.2135 | \$13.0132 | \$14.6759 | \$18.0462 | |
| 2 | \$13.6530 | | \$ 9.2716 | \$ 4.8222 | \$ 4.5078 | \$ 5.7679 | \$ 7.9331 | \$10.2407 | |
| 3 | \$13.8945 | | \$ 7.3440 | \$ 4.8611 | \$ 3.5070 | \$ 5.3870 | \$ 9.7428 | \$11.2581 | |
| 4 | \$17.6413 | | \$16.2638 | \$ 6.1979 | \$ 9.4190 | \$ 4.6105 | \$ 4.9861 | \$ 7.1232 | |
| 5 | \$ 21.0347 | | \$14.7807 | \$ 6.5015 | \$ 7.8669 | \$ 5.1218 | \$ 4.8044 | \$ 6.2544 | |
| 6 | \$ 24.3333 | | \$16.9768 | \$11.6840 | \$12.8717 | \$ 9.0920 | \$ 4.7831 | \$ 4.1405 | |

Daily Base
 Reservation Rates 1/

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | | |
|--------------|---------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|--|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 | |
| 0 | \$0.1597 | | \$ 0.3337 | \$ 0.4489 | \$ 0.4568 | \$ 0.5019 | \$ 0.5328 | \$ 0.6685 | |
| L | | \$0.1418 | | | | | | | |
| 1 | \$ 0.2404 | | \$ 0.2304 | \$ 0.3067 | \$ 0.4344 | \$ 0.4278 | \$ 0.4825 | \$ 0.5933 | |
| 2 | \$ 0.4489 | | \$ 0.3048 | \$ 0.1585 | \$ 0.1482 | \$ 0.1896 | \$ 0.2608 | \$ 0.3367 | |
| 3 | \$ 0.4568 | | \$ 0.2414 | \$ 0.1598 | \$ 0.1153 | \$ 0.1771 | \$ 0.3203 | \$ 0.3701 | |
| 4 | \$ 0.5800 | | \$ 0.5347 | \$ 0.2038 | \$ 0.3097 | \$ 0.1516 | \$ 0.1639 | \$ 0.2342 | |
| 5 | \$ 0.6916 | | \$ 0.4859 | \$ 0.2137 | \$ 0.2586 | \$ 0.1684 | \$ 0.1580 | \$ 0.2056 | |
| 6 | \$ 0.8000 | | \$ 0.5581 | \$ 0.3841 | \$ 0.4232 | \$ 0.2989 | \$ 0.1573 | \$ 0.1361 | |

Maximum
 Reservation Rates 2/, 3/

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | | |
|--------------|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 | |
| 0 | \$ 4.8984 | | \$10.1911 | \$13.6942 | \$13.9358 | \$15.3086 | \$16.2468 | \$20.3736 | |
| L | | \$ 4.3532 | | | | | | | |
| 1 | \$ 7.3532 | | \$ 7.0503 | \$ 9.3689 | \$13.2548 | \$13.0545 | \$14.7172 | \$18.0875 | |
| 2 | \$13.6943 | | \$ 9.3129 | \$ 4.8635 | \$ 4.5491 | \$ 5.8092 | \$ 7.9744 | \$10.2820 | |
| 3 | \$13.9358 | | \$ 7.3853 | \$ 4.9024 | \$ 3.5483 | \$ 5.4283 | \$ 9.7841 | \$11.2994 | |
| 4 | \$17.6826 | | \$16.3051 | \$ 6.2392 | \$ 9.4603 | \$ 4.6518 | \$ 5.0274 | \$ 7.1645 | |
| 5 | \$21.0760 | | \$14.8220 | \$ 6.5428 | \$ 7.9082 | \$ 5.1631 | \$ 4.8457 | \$ 6.2957 | |
| 6 | \$24.3746 | | \$17.0181 | \$11.7253 | \$12.9130 | \$ 9.1333 | \$ 4.8244 | \$ 4.1818 | |

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 \$ 0.0413.

| | |
|---------------|--------|
| Discount Rate | 2.4333 |
| PS/GHG | .0413 |
| TOTAL | 2.4746 |



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

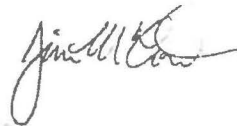
PAGE 2 OF 2

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: 

Name: _____

Ernesto A. Ochoa

Title: **Vice President - Commercial**

DUKE ENERGY KENTUCKY, INC.
AGREED TO AND ACCEPTED
THIS 30 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 | 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 : December 1, 2020

| | RATE (\$ DTH) | CONTRACT VOLUME (DTH) | NUMBER OF DAYS/MTHS | EXPECTED GAS COST (\$) |
|--|------------------|-----------------------------|---------------------------|------------------------------|
| INTERSTATE PIPELINE : KO TRANSMISSION COMPANY | | | | |
| TARIFF RATE EFFECTIVE DATE : | 4/1/2020 | | | |
| <u>BILLING DEMAND - TARIFF RATE - FT</u> | | | | |
| Maximum Daily Quantity | 2.1979 | 72,000 | 12 | 1,898,986 |
| CAPACITY RELEASE CREDIT | | | | 0 |
| TOTAL KO TRANSMISSION CO. DEMAND CHARGES | | | | 1,898,986 |
| 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 | 0.0300 | 1,530,000 | | 45,900 |
| December - February | 0.02 | 2,700,000 | | 54,000 |
| TOTAL GAS MARKETERS FIXED CHARGES | | | | 99,900 |

KO Transmission Company, Tariffs, Rate Schedules and Service Agreements
 Filing Category: Amendment Filing Date: 03/06/2020
 FERC Docket: RP20-00635-001 FERC Action: Accept
 FERC Order: Delegated Letter Order Order Date:
 03/25/2020
 Effective Date: 04/01/2020 Status: Effective
 Part 3, Currently Effective Rates, 20.0.0

**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 January 31, 2019 ("Period 3"):

| | 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 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 |

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

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.

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: [Handwritten Signature]

Date: 8/30/18

YJB
9/4/18

Name: Jackson L Bittel

Title: VP MKTG & Bus Dev -TGT

Duke Energy Kentucky, Inc.

Signature: [Handwritten Signature]

Date: 8/29/2018

Name: Frank Yoho

Title: EVP+President,
Natural Gas

PKL
ROK
GJR
AA

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: V.P. Marketing & Business Dev

Date: 10/31/18

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

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 9/1/2020

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 9/1/2020

TOTAL ANNUAL RESERVATION COST:

TOTAL DOLLARS \$ \$85,786.00 (1)

TOTAL ANNUAL COVERAGE:

CITY GATE VOLUMES 3,913,000 Dth (2)

CALCULATED RATE: \$ 0.0219 per Dth

(1) Reservation charges billed by needle peaking suppliers for 2019 - 2020

(2) Contracted volumes for the 2019 - 2020 winter season (43,000 dth x 91 days).

KTWINEAGL 12-19 TN 800L SWING



TWIN EAGLE™
Twin Eagle Resource Management, LLC

GAS TRANSACTION CONFIRMATION - REVISION

Date Generated: October 24, 2019

Contract: Duke Energy Kentucky - NAESB

| | | | |
|--|---|--|---------------------------------------|
| 1. BUYER: Duke Energy Kentucky, Inc. | SELLER: Twin Eagle Resource Management, LLC | BASE CONTRACT DATE: February 15 2011 | TRADE DATE: October 22 2019 |
|--|---|--|---------------------------------------|

2. TRANSACTION DETAILS:

| Transaction | Start Date | End Date | Quantity | Commodity Price (Settles in US\$) | Service Quality (Int., Firm, or EFP) | Del. Point | Del. Pipe |
|-------------------|------------------|------------------|-----------------------|--------------------------------------|---|------------------|---------------|
| 1473167 / 1787956 | December 01 2019 | February 29 2020 | 20,000 MMBTU Daily | See Section 3.1 | Firm | KO - North Means | Tennessee Gas |

3. SPECIAL PROVISIONS, INCLUDING PRICE DETAILS (if any):

3.1 Tennessee, Louisiana, 800 Leg (Gas Daily) (1) + \$0.040 US/MMBTU

(1) The price per unit for each "flow day" as reported for each such day in Gas Daily as published by Platts applicable to such calendar day under Daily Price Survey, Louisiana-Onshore South Tennessee, La 800 Leg, Midpoint

Transaction Fee

- Transacting Company Receives Total Contract Quantity-Based for Item ID 1787956; Demand Charge: \$0.03 USD per MMBTU

Confirm Special Language:

Confirm Special Language:

20,000 dth x \$0.03 x 91 days = \$54,600

This is a physical call product.

Notice for day ahead call is due to Seller by 8:00 AM Central Time. Weekends and Holidays defined by ICE will be ratable daily delivery.

Seller may deliver at KO interconnects with Columbia Gulf, Columbia Gas or Tennessee Gas.

The parties to this transaction agree that to the extent that this transaction contains embedded optionality, the parties make the following representations as of the date hereof:

(1) To the extent the embedded volumetric optionality is exercised, the parties agree that they intend to make or take delivery (as applicable) of the natural gas underlying this transaction, and

(2) The exercise or non-exercise of the embedded volumetric optionality is based primarily on physical factors or regulatory requirements that are outside the control of the parties and are influencing demand for or supply of the natural gas underlying this transaction.

Duke Energy Ohio represents and warrants that: (a) it is a natural gas local distribution utility with an obligation to provide service to its customers and is entering into this Transaction Confirmation to secure physical supply to meet such service obligations; and, (b) the embedded volumetric optionality is primarily intended to address physical factors or regulatory requirements that reasonably influence demand for natural gas.

4. CONTACT INFORMATION:

Twin Eagle Resource Management, LLC ("Company")
8847 West Sam Houston Parkway North
Houston, Texas
U.S.A. 77040

Attention: Confirmations
Telephone No.: (713) 341-7300
Fax No.: (713) 341-7392
Email: confirmations@twineagle.com

Marketing Rep: Tronzo, Marc

Duke Energy Kentucky, Inc. ("Customer")
139 E. Fourth St, EM025
Cincinnati, Ohio
U.S.A. 45202

Attention: Manager, Gas Resources
Telephone No.: 513-287-2837
Fax No.: 513-287-2938
Email: 919803738721@confirms.local

Marketing Rep: Ernest

This Confirmation is intended only for the addressee and may contain information that is legally privileged, confidential and/or exempt from disclosure under applicable law. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you have received this communication in error, or are not the named recipient(s), please immediately notify the sender.

GAS TRANSACTION CONFIRMATION - REVISION

BUYER: Duke Energy Kentucky, Inc
SELLER: Twin Eagle Resource Management, LLC
CONTRACT: Duke Energy Kentucky - NAESB
TRANSACTION ID: 1473167 (Trade Date: October 22, 2019)

5. This Gas Transaction Confirmation (the "Confirmation") verifies the terms of the binding agreement (supplemented by, and subject to the Base Contract referenced above) regarding the Transaction described herein. Please sign this Confirmation and return via fax, or email at confirmations@twineagle.com. If the Confirmation is not objected to in writing within two (2) Business Days of your receipt, the Confirmation will be deemed to have been accepted and agreed to, absent manifest error, unless otherwise specified in the Base Contract.

Twin Eagle Resource Management, LLC

Duke Energy Kentucky, Inc.



11/5/19

Authorized Signature

Sign On:

Authorized Signature

Sign On:

By: Jeremy Davis

This Confirmation is intended only for the addressee and may contain information that is legally privileged, confidential and/or exempt from disclosure under applicable law. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you have received this communication in error, or are not the named recipient(s), please immediately notify the sender.

UNITED ENERGY TRADING



UNITED ENERGY TRADING, LLC

TRANSACTION CONFIRMATION FOR IMMEDIATE DELIVERY

| | |
|------------------|-----------------------|
| Print Date/Time | 11/8/2019 10 28 10 AM |
| Transaction Date | 10/23/2019 |
| Revision Date | 10/24/2019 |
| Confirmation # | 121129 |

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated 9/15/2014. 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: | United Energy Trading, LLC | Buyer: | Duke Energy Kentucky, Inc. |
| | 225 Union Blvd. | | 4720 Piedmont Row Dr. |
| | Suite 200 | | |
| | Lakewood, CO 80228 | | Charlotte, North Carolina 28210 |
| Attn | Heather Kinghorn | Attn: | Middle Office |
| Phone | 720-897-4751 | Phone: | 704-731-4903 |
| Fax: | 303-991-0988 | Fax: | 866-682-1118 |
| Email | Natgasconfirms@uetllc.com | Email: | middleoffice@duke-energy.com |

Transporter: KO Transmission
Delivery Points: KO DUKE OHIO - 11 - 13-11
Contract Price (USD): [GDD - Tennessee, LA 800]+0.12

| | | | | |
|--|-----------------------------|------------|-----------------------|------------|
| Delivery Period: | Begin | 12/01/2019 | End: | 02/29/2020 |
| Performance Obligation and Contract Quantity: | | | | |
| Firm (Fixed Qty): | Firm (Variable Qty): | | Interruptible: | |
| 23,000 MMBTU/Day | MMBTU/Day | | Up to MMBTU/Day | |

Comments: Peaking DKY upto 23,000 dth per day Dec19 to Feb20. Notification due by 9:00am Eastern Clock Time of the prior Business Day. Ratable flow over weekends/holidays consistent with Platts Gas Daily/ICE trading schedule. Delivery can be made to KO Transmission at Means, North Means or Foster. Daily Call Volume will not exceed 23,000 per day. * For invoicing purposes the reservation fee will be calculated as (Res Fee per dth of .0149 * 23000 * # days in month for Dec, Jan, and Feb). Price on the delivered volume will be [GDD - Tennessee, LA800]+0.12

Other Terms: 23,000 dth x \$0.0149 x 91 days = \$31,185.70

To the extent any Transaction entered into subject to this Confirmation contains an embedded option, then the parties hereto intend that the Transaction fall within either (i) the Forward Contract Exclusion based on facts and circumstances and by satisfying the following seven (7) factors (1) the embedded option does not undermine the overall nature of the Transaction as a whole, (2) the predominant feature of the Transaction is actual delivery, (3) the embedded option cannot be severed and marketed separately, (4) seller intends at the time it enters into the Transaction, to deliver the underlying nonfinancial commodity if the option is exercised, (5) buyer intends at the time it enters into the Transaction, to take delivery of the underlying nonfinancial commodity if it exercises the embedded option, (6) both parties are Commercial Parties (as defined below), and (7) the exercise or non-exercise of the embedded option is based primarily on physical factors or regulatory requirements that reasonably influence the demand for, or the supply of, the non financial commodity, or (ii) the Trade Option Exemption if it is (A) the offeree/buyer of such option, it is a producer, processor, commercial user of, or a merchant handling the commodity, or the products or byproducts thereof, that is/are the subject of the transaction (a "Commercial Party") and it is entering into the Transaction solely for purposes related to its business as such, and/or (B) the offeror/seller of such option, it is either a Commercial Party and it is entering into the transaction solely for purposes related to its business as such or it is an "eligible contract participant" as defined in Section 1a(18) of the Commodity Exchange Act.

| | | | |
|------------------------|----------------------------|--------------------|----------------------------|
| Seller: | United Energy Trading, LLC | Buyer: | Duke Energy Kentucky, Inc. |
| Signed: | <i>Bradley Freeman</i> | Signed: | <i>Todd P. Breen</i> |
| Name/Title: | Bradley Freeman | Name/Title: | Middle Office |
| Trader Contact: | bfreeman@uetllc.com | | |
| Date: | 11/8/2019 10:28:10 AM | Date: | 11/18/19 |

**GAS COST ADJUSTMENT
DUKE ENERGY KENTUCKY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : December 1, 2020

GAS COMMODITY RATE FOR DECEMBER 2020

GAS MARKETERS :

| | | | | |
|--|---------|----------|-----------------|---------------|
| WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1): | | | \$3.1536 | \$/Dth |
| DUKE ENERGY KENTUCKY FUEL | 2.200% | \$0.0694 | \$3.2230 | \$/Dth |
| DTH TO MCF CONVERSION | 1.0786 | \$0.2533 | \$3.4763 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 84.783% | | \$2.9473 | \$/Mcf |
| GAS MARKETERS COMMODITY RATE | | | \$2.947 | \$/Mcf |

GAS STORAGE :

| | | | | |
|---|---------|----------|-----------------|---------------|
| COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE | | | \$1.8493 | \$/Dth |
| COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE | | \$0.0153 | \$1.8646 | \$/Dth |
| COLUMBIA GAS TRANS. SST FUEL | 1.686% | \$0.0314 | \$1.8960 | \$/Dth |
| COLUMBIA GAS TRANS SST COMMODITY RATE | | \$0.0180 | \$1.9140 | \$/Dth |
| KO TRANS, COMMODITY RATE | | \$0.0011 | \$1.9151 | \$/Dth |
| DUKE ENERGY KENTUCKY FUEL | 2.200% | \$0.0421 | \$1.9572 | \$/Dth |
| DTH TO MCF CONVERSION | 1.0786 | \$0.1538 | \$2.1110 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 14.129% | | \$0.2983 | \$/Mcf |
| GAS STORAGE COMMODITY RATE - COLUMBIA GAS | | | \$0.298 | \$/Mcf |

PROPANE :

| | | | | |
|--|--------|-----------|------------------|------------------|
| ERLANGER PROPANE INVENTORY RATE | | | \$0.78802 | \$/Gallon |
| GALLON TO MCF CONVERSION | 15.38 | \$11.3317 | \$12.1197 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 1.088% | | \$0.1319 | \$/Mcf |
| PROPANE COMMODITY RATE | | | \$0.132 | \$/Mcf |

(1) Weighted average cost of gas based on NYMEX prices on 10/27/2020 and contracted hedging prices.

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

August 31, 2020

| DESCRIPTION | UNIT | AMOUNT |
|--|--------|-------------|
| SUPPLIER REFUNDS RECEIVED DURING THREE MONTH PERIOD ENDED August 31, 2020 | \$ | 0.00 |
| INTEREST FACTOR (REFLECTING 90 DAY COMMERCIAL PAPER RATE) | | 1.0029 |
| REFUNDS INCLUDING INTEREST (\$0.00 x 1.0029) | \$ | 0.00 |
| DIVIDED BY TWELVE MONTH SALES ENDED November 30, 2021 | MCF | 9,786,840 |
| CURRENT SUPPLIER REFUND ADJUSTMENT | \$/MCF | <u>0.00</u> |

DETAILS OF SUPPLIER REFUNDS RECEIVED DURING THE THREE MONTHS ENDED

August 31, 2020

| 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 August 31, 2020**

| DESCRIPTION | UNIT | JUNE | JULY | AUGUST |
|---|---------------|-------------------|--------------------|-------------------|
| <u>SUPPLY VOLUME PER BOOKS</u> | | | | |
| PRIMARY GAS SUPPLIERS | MCF | 287,415 | 210,720 | 232,283 |
| UTILITY PRODUCTION | MCF | 0 | 0 | 0 |
| INCLUDABLE PROPANE | MCF | 0 | 0 | 0 |
| OTHER VOLUMES (SPECIFY) ADJUSTMENT | MCF | (5,078) | (64,574) | 7,625 |
| TOTAL SUPPLY VOLUMES | MCF | 282,337 | 146,146 | 239,908 |
| <u>SUPPLY COST PER BOOKS</u> | | | | |
| PRIMARY GAS SUPPLIERS | \$ | 1,376,598 | 591,748 | 1,013,639 |
| SPECIAL PURCHASES CREDIT | \$ | 0 | 0 | 0 |
| INCLUDABLE PROPANE | \$ | 0 | 0 | 0 |
| OTHER COSTS (SPECIFY): | | | | |
| X-5 TARIFF (\$) | \$ | 0 | 0 | 0 |
| GAS COST UNCOLLECTIBLE | \$ | 6,896 | 2,297 | 951 |
| MANAGEMENT FEES | \$ | (129,812) | (129,812) | (129,812) |
| TRANSPORTATION SERVICE "UNACCOUNTED FOR"(\$) | \$ | 0 | 0 | 0 |
| GAS COST CREDIT (\$) | \$ | 0 | 0 | 0 |
| LOSSES - DAMAGED LINES (\$) | \$ | (331) | 1,808 | 14 |
| TRANSPORTATION TAKE-OR-PAY RECOVERY (\$) | \$ | 0 | 0 | 0 |
| SALES TO REMARKETERS (\$) | \$ | 0 | 0 | 0 |
| TOTAL SUPPLY COSTS | \$ | 1,253,351 | 466,041 | 884,792 |
| <u>SALES VOLUMES</u> | | | | |
| JURISDICTIONAL | MCF | 257,742.2 | 173,136.6 | 163,451.9 |
| NON-JURISDICTIONAL | MCF | 0.0 | 0.0 | 0.0 |
| OTHER VOLUMES (SPECIFY): | MCF | 0.0 | 0.0 | 0.0 |
| TOTAL SALES VOLUMES | MCF | 257,742.2 | 173,136.6 | 163,451.9 |
| UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF) | \$/MCF | 4.863 | 2.692 | 5.413 |
| LESS: EGC IN EFFECT FOR THE MONTH | \$/MCF | 2.899 | 2.899 | 2.897 |
| DIFFERENCE | \$/MCF | 1.964 | (0.207) | 2.516 |
| TIMES: MONTHLY JURISDICTIONAL SALES | MCF | 257,742.2 | 173,136.6 | 163,451.9 |
| EQUALS MONTHLY COST DIFFERENCE | \$ | 506,205.68 | (35,839.28) | 411,244.98 |
| NET COST DIFFERENCE FOR THE THREE MONTH PERIOD | \$ | | | 881,611.38 |
| PRIOR PERIOD ADJUSTMENT - none | \$ | | | 0.00 |
| TOTAL COST USED IN THE CURRENT AA CALCULATION | \$ | | | 881,611.38 |
| DIVIDED BY: 12 MONTH PROJECTED SALES ENDED <u>November 30, 2021</u> | MCF | | | 9,786,840 |
| EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT | \$/MCF | | | 0.090 |
| AAU | | | | |

**GAS COST ADJUSTMENT CLAUSE
DUKE ENERGY KENTUCKY, INC
BALANCE ADJUSTMENT
DETAILS FOR THE TWELVE MONTH PERIOD ENDED August 31, 2020**

| 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 August 29, 2019 | \$ | (4,174,925.73) |
| LESS: AMOUNT RECOVERED (RETURNED) BY THE AA OF \$ (0.450) /MCF APPLIED TO TOTAL SALES OF <u>9,320,729</u> MCF (TWELVE MONTHS ENDED August 31, 2020) | \$ | <u>(4,194,327.85)</u> |
| BALANCE ADJUSTMENT FOR THE "AA" | \$ | <u>19,402.12</u> |
| <u>RECONCILIATION OF A PREVIOUS SUPPLIER REFUND</u> | | |
| SUPPLIER REFUND AMOUNT TO BE DISTRIBUTED TO CUSTOMERS WHICH WAS USED TO COMPUTE THE "RA" EFFECTIVE August 29, 2019 | \$ | 0.00 |
| LESS: AMOUNT DISTRIBUTED BY THE "RA" OF \$ <u>0.000</u> /MCF APPLIED TO TOTAL SALES OF <u>9,320,729</u> MCF (TWELVE MONTHS ENDED August 31, 2020) | \$ | <u>0.00</u> |
| BALANCE ADJUSTMENT FOR THE "RA" | | <u>0.00</u> |
| <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 August 29, 2019 | \$ | (90,078.44) |
| LESS: AMOUNT RECOVERED (RETURNED) BY THE "BA" OF \$ (0.010) /MCF APPLIED TO TOTAL SALES OF <u>9,320,729</u> MCF (TWELVE MONTHS ENDED August 31, 2020) | \$ | <u>(93,207.28)</u> |
| BALANCE ADJUSTMENT FOR THE "BA" | \$ | <u>3,128.84</u> |
| TOTAL BALANCE ADJUSTMENT AMOUNT | \$ | <u>22,530.96</u> |
| DIVIDED BY: 12 MONTHS PROJECTED SALES ENDED November 30, 2021 | MCF | <u>9,786,840</u> |
| EQUALS: CURRENT QUARTER BALANCE ADJUSTMENT | \$/MCF | <u>0.002</u> |

DUKE ENERGY KENTUCKY
SUPPLEMENTAL INFORMATION
FOR THE EXPECTED GAS COST (EGC) RATE CALCULATION
OF THE GAS COST RECOVERY RATE
IN EFFECT AS OF DECEMBER 1, 2020

4th Quarter

DUKE ENERGY Kentucky, Inc.
 USED FOR GCA EFFECTIVE December 1, 2020

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

TWELVE MONTHS ENDED September 30, 2020
 BLOOMBERG REPORT (90-DAY COMMERCIAL PAPER RATES)

| | | | |
|-----------|------|------|-------|
| SEPTEMBER | 2019 | 1.99 | |
| OCTOBER | 2019 | 1.88 | |
| NOVEMBER | 2019 | 1.89 | |
| DECEMBER | 2019 | 1.92 | |
| JANUARY | 2020 | 1.70 | |
| FEBRUARY | 2020 | 1.40 | |
| MARCH | 2020 | 1.53 | |
| APRIL | 2020 | 1.13 | |
| MAY | 2020 | 0.27 | |
| JUNE | 2020 | 0.21 | |
| JULY | 2020 | 0.22 | |
| AUGUST | 2020 | 0.24 | 14.38 |
| SEPTEMBER | 2020 | 0.12 | 12.51 |

| | |
|------------------|----------|
| INTEREST RATE | 0.0054 |
| PAYMENT | 0.083577 |
| ANNUAL TOTAL | 1.0029 |
| MONTHLY INTEREST | 0.000450 |
| AMOUNT | 1 |

| | |
|---------------------------|-------|
| PRIOR ANNUAL TOTAL | 14.38 |
| PLUS CURRENT MONTHLY R | 0.12 |
| LESS YEAR AGO RATE | 1.99 |
| NEW ANNUAL TOTAL | 12.51 |
| AVERAGE ANNUAL RATE | 1.04 |
| LESS 0.5% (ADMINISTRATIVE | 0.54 |

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF JUNE 2020

| <u>DESCRIPTION</u> | <u>W/P</u> | | <u>TOTAL AMOUNT ROUNDED</u> |
|---|------------|--------------|-------------------------------------|
| <u>PRIMARY GAS SUPPLY COST</u> | | | \$ |
| current month estimate | A1 | 1,389,740.81 | |
| adjustments from prior month | B1 | (14,021.52) | |
| Interruptible Transportation monthly charges by Gas Supply - PM | C1 | 879.20 | 1,376,598 |
| | | | |
| <u>LESS: RATE SCHEDULE CF CREDIT</u> | | | |
| current month | | 0.00 | |
| adjustments | | 0.00 | 0 |
| | | | |
| PLUS: INCLUDABLE PROPANE | | | |
| a/c 728-3 Erlanger | D1 | 0.00 | 0 |
| | | | |
| PLUS: GAS COST UNCOLLECTIBLE | E1 | 6,896.00 | 6,896 |
| | | | |
| <u>LESS: X-5 TARIFF</u> | | 0.00 | 0 |
| | | | |
| LESS Tenaska MANAGEMENT FEE | F1 | 129,812.00 | (129,812) |
| | | | |
| LESS: TOP TRANSP. RECOVERIES | | 0.00 | 0 |
| | | | |
| LESS: GAS LOSSES - DAMAGED LINES | G1 | (331.36) | (331) |
| | | | |
| adjustments | | 0.00 | |
| | | 0.00 | 0 |
| | | | |
| LESS: GAS COST CREDIT | | 0.00 | 0 |
| | | | |
| <u>LESS: FIRM TRANSPORTATION ADJUSTMENTS</u> | | | |
| current month | | 0.00 | |
| adjustments | | 0.00 | 0 |
| | | | |
| TOTAL SUPPLY COSTS | | | <u>1,253,351</u> |

ACCOUNTING ENTRY FOR DEFERRAL ONLY

AMOUNT

| | |
|---|--------------|
| ACCTS: 191990 - Unrecv PG - Asset /191400 - Unrecv PG\$ - Liabl | 506,205.68 |
| ACCOUNT 0805002 - Unrecv PG Adj - Expense | (506,205.68) |

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH JUNE 2020

| <u>PARTICULARS</u> | <u>UNIT</u> | <u>W/P</u> | <u>MONTH JUNE 2020</u> |
|---|-------------|------------|----------------------------|
| <u>SUPPLY VOLUME PER BOOKS</u> | | | |
| Primary Gas Suppliers | MCF | A2 | 287,415 |
| Utility Production | MCF | | 0 |
| Includable Propane | MCF | D2 | 0 |
| Other Volumes (Specify) - Previous Month Adj. | MCF | B2 | (5,078) |
| TOTAL SUPPLY VOLUMES | MCF | | 282,337 |
| <u>SUPPLY COST PER BOOKS</u> | | | |
| Primary Gas Suppliers | \$ | | 1,376,598 |
| Includable Propane | \$ | | 0 |
| Gas Cost Uncollectible | \$ | | 6,896 |
| Other Cost (Specify) - Gas Cost Credit | \$ | | 0 |
| - Unacct'd for Transp. | \$ | | 0 |
| - CF Credit | \$ | | 0 |
| - X-5 Tariff | \$ | | 0 |
| - CMT Management Fee | \$ | | (129,812) |
| - Losses-Damaged Lines | \$ | | (331) |
| - Gas Sold to Remarketers | \$ | | 0 |
| - TOP Transp. Recoveries | \$ | | 0 |
| TOTAL SUPPLY COST | \$ | | 1,253,351.0 |
| <u>SALES VOLUMES</u> | | | |
| Jurisdictional - Retail | MCF | H1 | 257,742.2 |
| Non-Jurisdictional | MCF | | |
| Other Volumes (Specify) - | MCF | | |
| TOTAL SALES VOLUME | MCF | | 257,742.2 |
| UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF) | \$/MCF | | 4.863 |
| LESS: EGC IN EFFECT FOR MONTH | \$/MCF | H2 | 2.899 |
| DIFFERENCE | \$/MCF | | 1.964 |
| TIMES: MONTHLY JURISDICTIONAL SALES | MCF | | 257,742.2 |
| MONTHLY COST DIFFERENCE | \$ | | 506,205.68 |

DUKE ENERGY COMPANY KENTUCKY

JUNE 2020

| | <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 | 257,742.2 | H3 | 747,235.48 | 2.89915846 |
| RA | | H4 | 0.00 | |
| AA | | H5 | (147,191.69) | |
| BA | | H6 | 2,123.40 | |
| TOTAL GAS COST RECOVERY(GCR) | | | <u>602,167.19</u> | |
| TOTAL SALES VOLUME | 257,742.2 | | | |
| LESS: NON-JURISDICTIONAL SALES | <u>0.0</u> | | | |
| JURISDICTIONAL SALES | <u>257,742.2</u> | | | |
| <u>PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY</u> | | | | |
| SUPPLIER COST - CURRENT MONTH | 257,742.2 | | 1,253,351.00 | 4.86280865 |
| UNRECOVERED PURCHASED GAS COST | | | (653,397.37) | |
| ROUNDING(ADD/(DEDUCT)) | | | <u>90.16</u> | |
| TOTAL GAS COST IN REVENUE | | | <u>600,043.79</u> | |
| TOTAL GAS COST RECOVERY(GCR) | | | 602,167.19 | |
| LESS: RA | | | 0.00 | |
| BA | | | <u>2,123.40</u> | |
| PLUS: COST OF NON-JURISDICTIONAL SALES | | | <u>600,043.79</u> | |
| UNRECOVERED PURCHASED GAS COST ENTRY | | | (653,397.37) | |
| LESS: AA | | | <u>(147,191.69)</u> | |
| MONTHLY COST DIFFERENCE | | | (506,205.68) | |
| EXTENDED MONTHLY COST DIFFERENCE | | | <u>(506,115.52)</u> | |
| ROUNDING | | | <u>90.16</u> | |

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF JULY 2020

| <u>DESCRIPTION</u> | <u>W/P</u> | | <u>TOTAL AMOUNT ROUNDED</u> |
|---|------------|--------------|-------------------------------------|
| <u>PRIMARY GAS SUPPLY COST</u> | | | \$ |
| current month estimate | A1 | 878,751.16 | |
| adjustments from prior month | B1 | (287,033.12) | |
| Interruptible Transportation monthly charges by Gas Supply - PM | C1 | 30.27 | 591,748 |
| <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 | D1 | 0.00 | 0 |
| <u>PLUS: GAS COST UNCOLLECTIBLE</u> | | | |
| | E1 | 2,297.00 | 2,297 |
| <u>LESS: X-5 TARIFF</u> | | 0.00 | 0 |
| <u>LESS Tenaska MANAGEMENT FEE</u> | F1 | 129,812.00 | (129,812) |
| <u>LESS: TOP TRANSP. RECOVERIES</u> | | 0.00 | 0 |
| <u>LESS: GAS LOSSES - DAMAGED LINES</u> | G1 | 1,808.05 | 1,808 |
| 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>466,041</u> |

ACCOUNTING ENTRY FOR DEFERRAL ONLY

| | <u>AMOUNT</u> |
|---|---------------|
| ACCTS: 191400 - Unrecv PG\$ - Liabl | (35,839.28) |
| ACCOUNT 0805002 - Unrecv PG Adj - Expense | 35,839.28 |

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH JULY 2020

| <u>PARTICULARS</u> | <u>UNIT</u> | <u>W/P</u> | <u>MONTH JULY 2020</u> |
|---|-------------|------------|----------------------------|
| <u>SUPPLY VOLUME PER BOOKS</u> | | | |
| Primary Gas Suppliers | MCF | A2 | 210,720 |
| Utility Production | MCF | | 0 |
| Includable Propane | MCF | D2 | 0 |
| Other Volumes (Specify) - Previous Month Adj. | MCF | B2 | (64,574) |
| TOTAL SUPPLY VOLUMES | MCF | | 146,146 |
| <u>SUPPLY COST PER BOOKS</u> | | | |
| Primary Gas Suppliers | \$ | | 591,748 |
| Includable Propane | \$ | | 0 |
| Gas Cost Uncollectible | \$ | | 2,297 |
| Other Cost (Specify) - Gas Cost Credit | \$ | | 0 |
| - Unacct'd for Transp. | \$ | | 0 |
| - CF Credit | \$ | | 0 |
| - X-5 Tariff | \$ | | 0 |
| - CMT Management Fee | \$ | | (129,812) |
| - Losses-Damaged Lines | \$ | | 1,808 |
| - Gas Sold to Remarketers | \$ | | 0 |
| - TOP Transp. Recoveries | \$ | | 0 |
| TOTAL SUPPLY COST | \$ | | 466,041.0 |
| <u>SALES VOLUMES</u> | | | |
| Jurisdictional - Retail | MCF | H1 | 173,136.6 |
| Non-Jurisdictional | MCF | | |
| Other Volumes (Specify) - | MCF | | |
| TOTAL SALES VOLUME | MCF | | 173,136.6 |
| UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF) | \$/MCF | | 2.692 |
| LESS: EGC IN EFFECT FOR MONTH | \$/MCF | H2 | 2.899 |
| DIFFERENCE | \$/MCF | | (0.207) |
| TIMES: MONTHLY JURISDICTIONAL SALES | MCF | | 173,136.6 |
| MONTHLY COST DIFFERENCE | \$ | | (35,839.28) |

DUKE ENERGY COMPANY KENTUCKY

JULY 2020

| | <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 | 173,136.6 | H3 | 501,949.75 | 2.89915448 |
| RA | | H4 | 0.00 | |
| AA | | H5 | (99,628.73) | |
| BA | | H6 | 1,434.75 | |
| TOTAL GAS COST RECOVERY(GCR) | | | <u>403,755.77</u> | |
| TOTAL SALES VOLUME | 173,136.6 | | | |
| LESS: NON-JURISDICTIONAL SALES | <u>0.0</u> | | | |
| JURISDICTIONAL SALES | <u>173,136.6</u> | | | |
| <u>PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY</u> | | | | |
| SUPPLIER COST - CURRENT MONTH | 173,136.6 | | 466,041.00 | 2.69175322 |
| UNRECOVERED PURCHASED GAS COST | | | (63,789.45) | |
| ROUNDING(ADD/(DEDUCT)) | | | <u>69.47</u> | |
| TOTAL GAS COST IN REVENUE | | | <u>402,321.02</u> | |
| TOTAL GAS COST RECOVERY(GCR) | | | 403,755.77 | |
| LESS: RA | | | 0.00 | |
| BA | | | <u>1,434.75</u> | |
| PLUS: COST OF NON-JURISDICTIONAL SALES | | | <u>402,321.02</u> | |
| UNRECOVERED PURCHASED GAS COST ENTRY | | | (63,789.45) | |
| LESS: AA | | | <u>(99,628.73)</u> | |
| MONTHLY COST DIFFERENCE | | | 35,839.28 | |
| EXTENDED MONTHLY COST DIFFERENCE | | | <u>35,908.75</u> | |
| ROUNDING | | | <u>69.47</u> | |

DUKE ENERGY KENTUCKY
GAS SERVICE
SUMMARY OF GCA ~~and~~ GCR COMPONENTS
MONTH: August 2020

| Retail BILL CODE | MCF Usage REPORTED SALES | Expld Gas Cost | | RECONCILIATION ADJUSTMENT | | | | | ACTUAL ADJUSTMENT | | | | | BALANCE ADJUSTMENT | | | | |
|------------------------|--------------------------------|----------------|-------------------|---------------------------|-------------------|--------------------|---------------------|-------------|--------------------|-------------------|--------------------|-----------------------|------------------|--------------------|---------------------|--------------------|-----------------------|-------------|
| | | \$/MCF | EGG \$ | CURRENT 0.000 | PREVIOUS 0.000 | SEC.PREV. 0.000 | THRD.PREV. 0.000 | TOTAL RA | CURRENT [0.416] | PREVIOUS 0.249 | SEC.PREV. 0.063 | THRD.PREV. [0.450] | TOTAL AA | CURRENT [0.005] | PREVIOUS [0.010] | SEC.PREV. 0.033 | THRD.PREV. [0.010] | TOTAL BA |
| 126 | 2.2 | 3.947 | 8.68 | | | | | | | | | | | | | | | |
| 148 | 6.5 | 3.843 | 24.98 | | | | | | | | | | | | | | | |
| 158 | 6.4 | 4.130 | 26.43 | | | | | | | | | | | | | | | |
| 168 | 7.3 | 4.843 | 35.35 | | | | | | | | | | | | | | | |
| 019 | 7.6 | 5.658 | 43.00 | | | | | | | | | | | | | | | |
| 039 | 7.6 | 4.034 | 30.66 | | | | | | | | | | | | | | | |
| 049 | 7.6 | 3.742 | 28.44 | | | | | | | | | | | | | | | |
| 069 | 7.6 | 3.867 | 29.39 | | | | | | | | | | | | | | | |
| 079 | 8.4 | 3.728 | 31.32 | | | | | | | | | | | | | | | |
| 089 | 23.9 | 3.452 | 82.50 | | | | | | | | | | | | | | | |
| 109 | 47.1 | 3.121 | 147.00 | | | | 0.00 | 0.00 | | | (21.20) | | | | | (0.47) | (0.47) | |
| 129/010 | (811.0) | 3.555 | (2,883.11) | | | 0.00 | 0.00 | 0.00 | | | (51.09) | 364.95 | | | (26.76) | 8.11 | (18.65) | |
| 030 | 1,055.9 | 2.764 | 2,916.51 | | 0.00 | 0.00 | 0.00 | 0.00 | | | 262.92 | 86.52 | (475.16) | | (10.56) | 34.84 | (10.56) | 13.72 |
| 050 | 163,074.8 | 2.900 | 472,916.92 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | (67,839.12) | 40,605.63 | 10,273.71 | (73,383.66) | | (90,343.44) | | |
| TOTAL RETAIL | 163,451.9 (1) | | 473,440.07 | | | | | | | | (67,839.12) | 40,868.55 | 10,289.14 | (73,515.07) | | (90,196.50) | | |
| | | | Orig Diff | | | | | | | | | | | | | | | |

| TRANSPORTATION: IFT3 Customer Choice Program (GCAT): | | | | RECONCILIATION ADJUSTMENT | | | | | ACTUAL ADJUSTMENT | | | | | BALANCE ADJUSTMENT | | | | |
|---|---------|-----|-----|---------------------------|-----|-----|---------|-----|-------------------|-------------|------------------|-----------------------------------|------------|------------------------------|----------------------------------|------|----|--|
| 098 | 138 | 178 | 029 | 059 | 099 | 119 | 138/020 | 040 | 060 | IFT3 CHOICE | TOTAL FOR CHOICE | TOTAL FOR Gas Cost Recovery (GCR) | CONTROL CK | positive=recovered=cr 253130 | negative=reduce refund=dr 253130 | 0.00 | JE | |
| 098 | | | | | | | | | | | | | | | | | | |
| 138 | | | | | | | | | | | | | | | | | | |
| 178 | | | | | | | | | | | | | | | | | | |
| 029 | | | | | | | | | | | | | | | | | | |
| 059 | | | | | | | | | | | | | | | | | | |
| 099 | | | | | | | | | | | | | | | | | | |
| 119 | | | | | | | | | | | | | | | | | | |
| 138/020 | | | | | | | | | | | | | | | | | | |
| 040 | | | | | | | | | | | | | | | | | | |
| 060 | 6,400.0 | 82 | | | | | | | | | | | | | | | | |
| IFT3 CHOICE | 6,400.0 | | | | | | | | | | | | | | | | | |
| TOTAL FOR Gas Cost Recovery (GCR) | | | | | | | | | | | | | | | | | | |
| CONTROL CK | | | | | | | | | | | | | | | | | | |
| positive=recovered=cr 253130 | | | | | | | | | | | | | | | | | | |
| negative=reduce refund=dr 253130 | | | | | | | | | | | | | | | | | | |
| 0.00 | | | | | | | | | | | | | | | | | | |
| JE | | | | | | | | | | | | | | | | | | |

| | |
|------------------------------------|-----------------------------|
| Firm Transportation: IFT | |
| FT | 106,601.0 B3 |
| Interruptible Transportation: IT01 | |
| IT | 121,506.0 B4 |
| Grand Total | 397,958.9 <u>125,710.85</u> |
| ADJUSTED EGG | 2,867 (2) |

JE ID - KUNBIL AMZ

DUKE ENERGY COMPANY KENTUCKY
 DETERMINATION OF TOTAL SUPPLY COST
 MONTH OF AUGUST 2020

| <u>DESCRIPTION</u> | <u>W/P</u> | | <u>TOTAL AMOUNT ROUNDED</u> |
|---|------------|--------------|-------------------------------------|
| <u>PRIMARY GAS SUPPLY COST</u> | | | \$ |
| current month estimate | A1 | 1,002,442.09 | |
| adjustments from prior month | B1 | 10,994.80 | |
| Interruptible Transportation monthly charges by Gas Supply - PM | C1 | 202.55 | 1,013,639 |
| | | | |
| <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 | D1 | 0.00 | 0 |
| | | | |
| <u>PLUS: GAS COST UNCOLLECTIBLE</u> | | | |
| | E1 | 951.00 | 951 |
| | | | |
| <u>LESS: X-5 TARIFF</u> | | 0.00 | 0 |
| | | | |
| <u>LESS Tenaska MANAGEMENT FEE</u> | | | |
| | E1 | 129,812.00 | (129,812) |
| | | | |
| <u>LESS: TOP TRANSP. RECOVERIES</u> | | 0.00 | 0 |
| | | | |
| <u>LESS: GAS LOSSES - DAMAGED LINES</u> | | | |
| | G1 | 13.76 | 14 |
| | | | |
| 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 | | | 884,792 |

ACCOUNTING ENTRY FOR DEFERRAL ONLY

| | <u>AMOUNT</u> |
|---|---------------|
| ACCTS: 191400 - Unrecv PG\$ - Liabl | 411,244.98 |
| ACCOUNT 0805002 - Unrecv PG Adj - Expense | (411,244.98) |

PURCHASED GAS ADJUSTMENT

SCHEDULE III

COMPANY NAME: DUKE ENERGY COMPANY KENTUCKY

ACTUAL ADJUSTMENT

DETAILS FOR THE MONTH AUGUST 2020

| <u>PARTICULARS</u> | <u>UNIT</u> | <u>W/P</u> | <u>MONTH AUGUST 2020</u> |
|---|-------------|------------|------------------------------|
| <u>SUPPLY VOLUME PER BOOKS</u> | | | |
| Primary Gas Suppliers | MCF | A2 | 232,283 |
| Utility Production | MCF | | 0 |
| Includable Propane | MCF | D2 | 0 |
| Other Volumes (Specify) - Previous Month Adj. | MCF | B2 | 7,625 |
| TOTAL SUPPLY VOLUMES | MCF | | 239,908 |
| <u>SUPPLY COST PER BOOKS</u> | | | |
| Primary Gas Suppliers | \$ | | 1,013,639 |
| Includable Propane | \$ | | 0 |
| Gas Cost Uncollectible | \$ | | 951 |
| Other Cost (Specify) - Gas Cost Credit | \$ | | 0 |
| - Unacct'd for Transp. | \$ | | 0 |
| - CF Credit | \$ | | 0 |
| - X-5 Tariff | \$ | | 0 |
| - CMT Management Fee | \$ | | (129,812) |
| - Losses-Damaged Lines | \$ | | 14 |
| - Gas Sold to Remarketers | \$ | | 0 |
| - TOP Transp. Recoveries | \$ | | 0 |
| TOTAL SUPPLY COST | \$ | | 884,792.0 |
| <u>SALES VOLUMES</u> | | | |
| Jurisdictional - Retail | MCF | H1 | 163,451.9 |
| Non-Jurisdictional | MCF | | |
| Other Volumes (Specify) - | MCF | | |
| TOTAL SALES VOLUME | MCF | | 163,451.9 |
| UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF) | \$/MCF | | 5.413 |
| LESS: EGC IN EFFECT FOR MONTH | \$/MCF | H2 | 2.897 |
| DIFFERENCE | \$/MCF | | 2.516 |
| TIMES: MONTHLY JURISDICTIONAL SALES | MCF | | 163,451.9 |
| MONTHLY COST DIFFERENCE | \$ | | 411,244.98 |

DUKE ENERGY COMPANY KENTUCKY

AUGUST 2020

| | <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 | 163,451.9 | H3 | 473,440.07 | 2.89651004 |
| RA | | H4 | 0.00 | |
| AA | | H5 | (93,742.10) | |
| BA | | H6 | 1,350.40 | |
| TOTAL GAS COST RECOVERY(GCR) | | | <u>381,048.37</u> | |
| TOTAL SALES VOLUME | 163,451.9 | | | |
| LESS: NON-JURISDICTIONAL SALES | <u>0.0</u> | | | |
| JURISDICTIONAL SALES | <u>163,451.9</u> | | | |
| <u>PROOF OF UNRECOVERED PURCHASED GAS COST ENTRY</u> | | | | |
| SUPPLIER COST - CURRENT MONTH | 163,451.9 | | 884,792.00 | 5.41316436 |
| UNRECOVERED PURCHASED GAS COST | | | (504,987.08) | |
| ROUNDING(ADD/(DEDUCT)) | | | <u>(106.95)</u> | |
| TOTAL GAS COST IN REVENUE | | | <u>379,697.97</u> | |
| TOTAL GAS COST RECOVERY(GCR) | | | 381,048.37 | |
| LESS: RA | | | 0.00 | |
| BA | | | <u>1,350.40</u> | |
| PLUS: COST OF NON-JURISDICTIONAL SALES | | | <u>379,697.97</u> | |
| UNRECOVERED PURCHASED GAS COST ENTRY | | | (504,987.08) | |
| LESS: AA | | | <u>(93,742.10)</u> | |
| MONTHLY COST DIFFERENCE | | | (411,244.98) | |
| EXTENDED MONTHLY COST DIFFERENCE | | | <u>(411,351.93)</u> | |
| ROUNDING | | | <u>(106.95)</u> | |

DUKE ENERGY KENTUCKY
SUMMARY OF GAS COST RECOVERY COMPONENTS
BY BILLING CODE

| MON/YR | BILLING CODE | ESTD. GAS COST \$ | QUARTERLY RECONCILIATION ADJUSTMENT | | | | QUARTERLY ACTUAL ADJUSTMENT | | | | BALANCE ADJUSTMENT | | | | TOTAL GCR FACTOR \$ |
|--------|-----------------|----------------------------|-------------------------------------|----------|----------|----------|-----------------------------|----------|----------|----------|--------------------|----------|----------|----------|------------------------------|
| | | | CURRENT | PREVIOUS | 2ND PREV | 3RD PREV | CURRENT | PREVIOUS | 2ND PREV | 3RD PREV | CURRENT | PREVIOUS | 2ND PREV | 3RD PREV | |
| | | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Sep-19 | 109 | 3 121 | 0.000 | 0.000 | 0.000 | (0.003) | (0.450) | (0.427) | 0.458 | 0.090 | (0.010) | (0.032) | (0.009) | 0.023 | 2.761 |
| Oct-19 | 109 | 3 121 | 0.000 | 0.000 | 0.000 | (0.003) | (0.450) | (0.427) | 0.458 | 0.090 | (0.010) | (0.032) | (0.009) | 0.023 | 2.761 |
| Nov-19 | 109 | 3 121 | 0.000 | 0.000 | 0.000 | (0.003) | (0.450) | (0.427) | 0.458 | 0.090 | (0.010) | (0.032) | (0.009) | 0.023 | 2.761 |
| Dec-19 | 129 | 3 555 | 0.000 | 0.000 | 0.000 | 0.000 | 0.063 | (0.450) | (0.427) | 0.458 | 0.033 | (0.010) | (0.032) | (0.009) | 3.181 |
| Jan-20 | 010 | 3 555 | 0.000 | 0.000 | 0.000 | 0.000 | 0.063 | (0.450) | (0.427) | 0.458 | 0.033 | (0.010) | (0.032) | (0.009) | 3.181 |
| Feb-20 | 010 | 3 555 | 0.000 | 0.000 | 0.000 | 0.000 | 0.063 | (0.450) | (0.427) | 0.458 | 0.033 | (0.010) | (0.032) | (0.009) | 3.181 |
| Mar-20 | 030 | 2 764 | 0.000 | 0.000 | 0.000 | 0.000 | 0.249 | 0.063 | (0.450) | (0.427) | (0.010) | 0.033 | (0.010) | (0.032) | 2.180 |
| Apr-20 | 030 | 2 764 | 0.000 | 0.000 | 0.000 | 0.000 | 0.249 | 0.063 | (0.450) | (0.427) | (0.010) | 0.033 | (0.010) | (0.032) | 2.180 |
| May-20 | 030 | 2 764 | 0.000 | 0.000 | 0.000 | 0.000 | 0.249 | 0.063 | (0.450) | (0.427) | (0.010) | 0.033 | (0.010) | (0.032) | 2.180 |
| Jun-20 | 050 | 2 900 | 0.000 | 0.000 | 0.000 | 0.000 | (0.416) | 0.249 | 0.063 | (0.450) | (0.005) | (0.010) | 0.033 | (0.010) | 2.354 |
| Jul-20 | 050 | 2 900 | 0.000 | 0.000 | 0.000 | 0.000 | (0.416) | 0.249 | 0.063 | (0.450) | (0.005) | (0.010) | 0.033 | (0.010) | |
| Aug-20 | 050 | 2 900 | 0.000 | 0.000 | 0.000 | 0.000 | (0.416) | 0.249 | 0.063 | (0.450) | (0.005) | (0.010) | 0.033 | (0.010) | |