

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE	)	
ENERGY KENTUCKY, INC. FOR A	)	
CERTIFICATE OF PUBLIC CONVENIENCE	)	
AND NECESSITY FOR TO CONSTRUCT	)	CASE NO.
GAS DISTRIBUTION LINES IN CAMPBELL,	)	2026-00114
PENDLETON, AND BRACKEN COUNTIES	)	
KENTUCKY AND OTHER GENERAL	)	
RELIEF	)	

RESPONSES TO COMMISSION’S STAFF’S
THIRD INFORMATION REQUEST TO DUKE ENERGY KENTUCKY, INC.
DATED SEPTEMBER 17, 2026

VERIFICATION

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, David A. Klein, Senior Project Manager, being duly sworn, deposes and says he has personal knowledge of the matters set forth in the foregoing data requests, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.



David A. Klein, Affiant

Subscribed and sworn to before me by David A. Klein on this 6th day of October, 2026.



NOTARY PUBLIC

My Commission Expires:

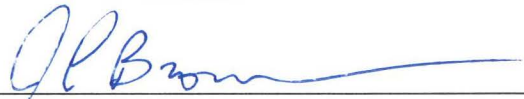


Sheena McGee Leach
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Sec 147.03 RC

VERIFICATION

STATE OF OHIO)
)
COUNTY OF HAMILTON) SS:

The undersigned, Jefferson "Jay" P. Brown, Director of Rates & Regulatory Planning, being duly sworn, deposes and says he has personal knowledge of the matters set forth in the foregoing data requests, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.



Jefferson "Jay" P. Brown, Affiant

Subscribed and sworn to before me by Jefferson "Jay" P. Brown on this 15th day of October, 2026.



NOTARY PUBLIC

My Commission Expires: July 8, 2027



EMILIE SUNDERMAN
Notary Public
State of Ohio
My Comm. Expires
July 8, 2027

VERIFICATION

STATE OF OHIO)
)
COUNTY OF HAMILTON) SS:

The undersigned, Jeff Schuchter, Manager Project Management, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.



Jeff Schuchter, Affiant

Subscribed and sworn to before me by Jeff Schuchter on this 6th day of October, 2026.



NOTARY PUBLIC

My Commission Expires:



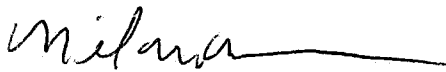
Sheena McGee Leach
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration Date
Sec 147.03 RC

VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG)

SS:

The undersigned, Neil M. Moser, Vice President Gas Major Projects, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained therein are true and correct to the best of his knowledge, information, and belief.

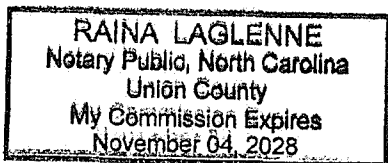


Neil M. Moser, Affiant

Subscribed and sworn to before me by Neil M. Moser on this 5th day of
October, 2026.



NOTARY PUBLIC



My Commission Expires: 11/4/28

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-001

REQUEST:

Refer to the Application, paragraphs 5, 20, and 21; the Direct Testimony of Neil M. Moser (Moser Testimony), page 8, lines 1–5; and the Commission’s July 31, 2026, final Order in Case No. 2025-00142.²

a. State whether Duke Kentucky continues to request:

(1) A determination that the proposed construction constitutes an extension in the ordinary course of business for which a CPCN is unnecessary;

(2) Issuance of a CPCN for the proposed construction; or

(3) Both forms of relief.

b. State whether Duke Kentucky contends that the final Order in Case No. 2025-00142 rendered any portion of the Application moot and explain the basis for the response.

c. State whether Duke Kentucky continues to request a decision on the existing record.

d. Identify every material statement, estimate, assumption, exhibit, testimony response, or response to a request for information in this proceeding that is no longer

² Case No. 2025-00142, *Electronic Application of Duke Energy Kentucky, Inc. For A Declaratory Order Regarding Recovery of Costs to Convert Customers to Alternate Source of Fuel* (Ky. PSC July 31, 2026), Final Order.

accurate or complete following the final Order in Case No. 2025-00142. For each identified item, provide the corrected or supplemental information.

RESPONSE:

a. Following the Commission's July 31, 2026 Final Order in Case No. 2025-00142, Duke Energy Kentucky no longer requests in this proceeding an affirmative determination that the proposed construction constitutes an extension in the ordinary course of business for which a Certificate of Public Convenience and Necessity (CPCN) is unnecessary. The Commission addressed that issue in Case No. 2025-00142 and denied Duke Energy Kentucky's alternative request for approval to extend its pipeline infrastructure in the ordinary course of business without obtaining a CPCN, without prejudice.

Accordingly Duke Energy Kentucky is seeking approval only of a CPCN to the extent it is reasonable and necessary in this proceeding. The Company intends to negotiate with the impacted customers to encourage a fuel conversion consistent with Case No. 2025-00142, but based upon informal feedback from some of the impacted customers, maintaining natural gas service is still desired. The Commission's decision in Case No. 2025-00142 seemed to imply that extending service through a CPCN was not unreasonable or not a possibility for customers who wanted to maintain natural gas service.

b. The July 31, 2026 Final Order rendered moot the portion of this Application requesting a determination that the proposed construction constitutes an ordinary extension for which a CPCN is unnecessary because the Commission has now expressly ruled upon that issue. The Commission denied, without prejudice, Duke Energy

Kentucky's request for approval to extend its pipeline infrastructure to connect the affected customers in the ordinary course of business without obtaining a CPCN.

The Order did not, however, grant a CPCN for the facilities proposed in this proceeding, nor did it state that a CPCN to extend service was unreasonable. The Company's Application in this case expressly contemplated that the CPCN request would remain the alternative vehicle if the Commission determined that extension of the mains required a CPCN. Accordingly, the Company did not interpret the Commission's July 31, 2026 Order, standing alone, as rendering the CPCN request moot. If that was the Commission's intent, the Company will abide by that determination.

The July 31 Order also changed the circumstances underlying the Application by approving, subject to a future prudency review, recovery of payments made to the 25 customers who will lose gas service and cannot readily be connected to Duke Energy Kentucky's distribution system for the purpose of converting those properties to an alternative fuel source. The Order further authorized Duke Energy Kentucky to establish a regulatory asset for those conversion costs.

c. Duke Energy Kentucky requests that the Commission decide the remaining CPCN request based upon the existing record, as supplemented by this response and any other supplemental responses filed by the Company to reflect the July 31, 2026 Final Order and subsequent developments. Again, the Company did not interpret the Commission's July 31, 2026 Order as a determination that extending mains through a CPCN was unreasonable, just that a CPCN was needed to do so. If the Company's interpretation was mistaken, the Company will abide by that determination and withdraw its request here.

d. Duke Energy Kentucky identifies the following material statements or assumptions in the existing record that require clarification or supplementation following the July 31, 2026 final Order:

1. **Status of Case No. 2025-00142.** Statements in the Application and testimony indicating that Case No. 2025-00142 remained pending are no longer accurate. For example, the Application stated that the Commission had not issued a decision in that proceeding. Neil M. Moser similarly testified that the Declaratory Application remained under Commission consideration and was awaiting determination. **Correction:** The Commission entered its final Order in Case No. 2025-00142 on July 31, 2026.

2. **Ordinary-course-extension relief.** The Application requested confirmation that construction of the proposed mains constituted an ordinary extension for which no CPCN was required, with a CPCN requested in the alternative. Neil M. Moser likewise testified that Duke Energy Kentucky believed a CPCN should not be necessary and requested one as an alternative because of the need to act expeditiously. **Correction:** The Commission has now denied, without prejudice, the ordinary-course request. Commission's July 31, 2026 Final Order Duke Energy Kentucky therefore does not request that the Commission relitigate that determination within this proceeding.

3. **Contingency based upon the outcome of Case No. 2025-00142.** The Application stated that Duke Energy Kentucky reserved the right to withdraw this proceeding if the decision in Case No. 2025-00142 rendered the Application moot. Earlier discovery similarly explained that the Company could withdraw the Application if the Commission approved fuel conversion or determined that construction could occur without a CPCN, while this proceeding would remain the vehicle for approval if continued natural-

gas service required main extensions and a CPCN. **Supplement:** The July 31 Order has now occurred and must replace those previously contingent statements.

4. **Availability and regulatory treatment of the alternative-fuel conversion option.** Earlier testimony and discovery described customer conversion as an alternative then awaiting Commission consideration. Neil M. Moser characterized alternative-fuel conversion and main extensions as the two solutions available to make the affected customers whole or continue service. Duke Energy Kentucky also previously stated that conversion remained the least-cost alternative. **Supplement:** The Commission's final Order approved deferral, with recovery subject to prudence review, of amounts paid to the 25 affected customers for conversion to alternative fuel and authorized creation of a regulatory asset for those costs.

5. **Statements that the Commission might decide that construction could proceed without a CPCN.** The Application and Neil M. Moser's testimony repeatedly treated that outcome as unresolved. The Application itself stated that Duke Energy Kentucky believed the extensions met the ordinary-course requirements. **Correction:** That possibility has now been resolved by the July 31 Order, which denied Duke Energy Kentucky's request to proceed with the extensions as ordinary-course construction without a CPCN, without prejudice.

Except as specifically supplemented or corrected above, Duke Energy Kentucky is not presently aware of another material statement, estimate, assumption, exhibit, testimony response, or discovery response in this proceeding that has become inaccurate solely as a result of the July 31, 2026 final Order.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-002

REQUEST:

Refer to the Commission's July 31, 2026 final Order in Case No. 2025-00142, at pages 27–31, concerning conversion payments and the relative costs of conversion and main extensions.

a. Explain whether Duke Kentucky has or intends to offer payments for conversion to an alternative fuel source to any of the customers whose current service will be affected by the abandonment of TC Energy Corporation's (TC Energy) transmission line (Affected Customers).

b. Provide a table identifying the following information for each of the Affected Customers:

- (1) The address of the customer;
- (2) Whether Duke Kentucky has contacted the customer regarding conversion;
- (3) Whether Duke Kentucky has made a conversion offer;
- (4) Whether the customer has accepted, declined, or not responded to an offer;
- (5) Whether the customer has requested natural gas service pursuant to Duke Kentucky's tariff following the abandonment of the transmission line at issue by TC Energy;

(6) Whether Duke Kentucky currently proposes to serve the customer through the proposed construction, an alternative-fuel conversion, or another arrangement; and

(7) The proposed main-extension subproject that would serve the customer, if applicable.

RESPONSE:

a. Duke Energy Kentucky has not yet offered payments for conversion to an alternate fuel source to customers whose current service will be affected by the abandonment of TC Energy's transmission lines. Duke Energy Kentucky intends to offer payments for conversion to an alternate fuel source and its communications will be impacted by the results of this case.

b. Please see STAFF-DR-03-002 Attachment.

1) Please see STAFF-DR-03-002 Attachment.

2) Duke Energy Kentucky has contacted all impacted customers and communicated that we are working with the KyPSC on a solution.

3) See response to part (a) above.

4) See response to part (a) above.

5) Some customers have requested to keep natural gas and remain natural gas customers of Duke Energy Kentucky taking service under its tariffs.

6) Pending CPCN decision.

7) Please see STAFF-DR-03-002 Attachment.

PERSON RESPONSIBLE: Neil M. Moser

Address	City	State	Zip	Contacted the Customer	Conversion Offer	Accepted/Declined/Not responded	Serve through proposed construction, conversion, other	Proposed Main Extension
2446 Newberry Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Wagoneer
3128 Daniels Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Daniels
1421 Upper Tug Fork Rd	Alexandria	KY	41001	Yes	No	NA	TBD	Upper Tug Fork
3070 Carthage Rd	California	KY	41007	Yes	No	NA	TBD	Carthage
152 RLB LN	Butler	KY	41006	Yes	No	NA	TBD	Pendleton
2237 Stevens Branch Rd	Alexandria	KY	41001	Yes	No	NA	TBD	Carthage
8325 Highway 154	Butler	KY	41006	Yes	No	NA	TBD	Pendleton
467 Bayless Rd	California	KY	41007	Yes	No	NA	TBD	Pendleton
486 Bayless Rd	California	KY	41007	Yes	No	NA	TBD	Pendleton
263 Bayless Rd	California	KY	41007	Yes	No	NA	TBD	Pendleton
230 Schmidt Ln	California	KY	41007	Yes	No	NA	TBD	Pendleton
369 Schmidt Ln	California	KY	41007	Yes	No	NA	TBD	Pendleton
2896 Schababerle Hill Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Daniels
2919 Daniels Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Daniels
2426 Wagoner Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Wagoneer
2145 Stevens Branch Rd	Alexandria	KY	41001	Yes	No	NA	TBD	Carthage
1002 Cabin Creek West Dr	Cold Spring	KY	41076	Yes	No	NA	TBD	Cabin Creek
8056 AA Hwy	Alexandria	KY	41001	Yes	No	NA	TBD	Poplar Ridge
2149 Stevens Branch Rd	Alexandria	KY	41001	Yes	No	NA	TBD	Carthage
2288 Wagoner Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Wagoneer
2306 Newberry Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Wagoneer
2578 Wagoner Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Wagoneer
2609 Wagoner Rd	California	KY	41007	Yes	No	NA	TBD	Gubser Mill Wagoneer
2895 Baynum Hill Rd	California	KY	41007	Yes	No	NA	TBD	Pendleton
2895 Baynum Hill Rd	California	KY	41007	Yes	No	NA	TBD	Pendleton
858 Mays Rd	California	KY	41007	Yes	No	NA	TBD	Pendleton
14488 AA Hwy	Butler	KY	41006	Yes	No	NA	TBD	Pendleton

REQUEST:

Based upon the information provided in response to Item 2 of this request, for each of the seven proposed main-extension subprojects and the proposed high-pressure station, provide:

- a. The number of Affected Customers the facility would serve; The number of affected Customers per main extension is listed in the Financial Exhibit provided at original filing.
- b. Whether the facility remains necessary;
- c. The current scope of the facility, including pipeline mileage and size, and identify any changes to the route, design, or scope previously provided in response to Staff's First Request, Item 3;
- d. The current estimated construction cost and identify any change from the cost previously provided;
- e. The current design, permitting, procurement, contractor-scheduling, and construction status;
- f. The current anticipated construction-start and in-service dates;
- g. Whether the facility may be constructed independently of the other proposed facilities; and
- h. The costs incurred or contractually committed to date and any costs that would result from cancellation or modification of the facility.

RESPONSE:

a. The Pendleton HP Station will be required to deliver natural gas to any or all 11 Customers along the Pendleton main extension.

Cabin Creek – 1 Customer

Upper Tug Fork – 1 Customer

Poplar Ridge – 1 Customer

Carthage – 4 Customers

Gubser Mill Wagoner – 6 Customers

Gubser Mill Daniels – 3 Customers

Pendleton/Pendleton HP Station – 11 Customers

b. The Pendleton HP station will be required to deliver natural gas to any or all 11 Customers along the Pendleton main extension.

c. The pipe length and size per main extension is listed in STAFF-DR-03-003 Attachment.

d. No change in proposed construction cost from initial application.

e. The design has paused at 60% design, several permits have been received, but additional permits have not been pursued since 8/1/2026. Materials for construction have not been ordered and contractor scheduling has not been completed as the Commission has not issued a decision on the CPCN request.

f. The current construction start date is to be determined based upon whether the Commission approves the Company's CPCN. The Company would commence construction within 90 days of receiving an approval. The Company anticipates completing construction approximately 9 months from commencing construction.

g. The Pendleton main extension is dependent of the Pendleton HP Station.
All other main extensions are independent of the Pendleton HP Station.

h. Costs incurred to date are \$879,072, primarily related to engineering and permitting.

- Engineering - \$528,132
- Land - \$62,154
- Material - \$13
- Permitting - \$110,971
- Duke Labor - \$185
- Other - \$42
- AFUDC - \$20,333
- Overhead - \$157,240

No extraordinary costs would be incurred regarding the natural gas main extensions and/or facility if cancelled, other than the conversation cost to those affected Customers.

PERSON RESPONSIBLE: David A. Klein

**ATTACHMENT IS AN EXCEL
SPREADSHEET AND IS BEING
UPLOADED SEPARATELY**

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-004

REQUEST:

Refer to the Application, paragraph 16, stating that “[t]he service line from their home to the transmission pipeline was maintained by either the customer or Duke Energy Kentucky, depending upon the initial establishment of service by the customer, but in every case, the metering and gas billing was done by Duke Energy Kentucky.”

a. Explain what is meant by “depending upon the initial establishment of service by the customer,” i.e. what determines whether Duke Kentucky or the customer maintained the service line.

b. Identify by address those customers whose service lines were maintained by Duke Kentucky and those whose service lines were maintained by the customer.

RESPONSE:

a. The phrase “depending upon the initial establishment of service by the customer” refers to the historical circumstances under which the individual customer’s service connection was originally established.

The affected customers receive natural gas service through service lines connected directly to the former KO Transmission pipeline. Some of these service arrangements have existed for several decades. The Company’s records indicate that Duke Energy Kentucky, or in some instances, its predecessor(s), provided service to these customers, including metering and billing. STAFF-DR-01-003 CONF further states that Duke Energy Kentucky

owns and operates the service lines, metering, and regulating equipment from the taps on the TC Energy pipelines to the customers.

The Company's historical service rules distinguish among the initial installation or cost of a service line, responsibility for maintaining the service line, and ownership of the service line. In particular, tariff provisions applicable to gas service recognize circumstances in which service piping from the curb to the meter was originally installed at the customer's expense but thereafter maintained at the Company's expense upon replacement by the Company. The tariff language further provides that the Company assumes ownership of customer service lines from the curb to the meter following replacement and for new installations.

Accordingly, the fact that a service line may have originally been installed or paid for by the customer does not necessarily mean that the customer continued to be responsible for maintaining that line. Some of these customers have held natural gas service for several decades and at the time the KO pipeline was originally constructed. The Company's service rules provide that service piping and equipment extending from the Company's gas main to the outlet of the meter are installed, maintained, repaired, and replaced at the expense of the Company regardless of whether those facilities were originally installed at the Company's expense.

Based upon the records reviewed, the Company has not identified a single historical date upon which maintenance responsibility for all existing customer service lines transitioned from customers to Duke Energy Kentucky. Indeed, the Commission approved the Company's assumption of ownership of natural gas service lines upon replacement or initial installation as part of Case No. 2005-00042 and reaffirmed such policy in Case No.

2015-00210.² Therefore, to the extent paragraph 16 of the Application could be read to equate the party that originally installed or paid for a service line with the party subsequently responsible for maintaining that line, the Company clarifies that installation, ownership, and maintenance responsibility are distinct concepts under the Company's historical service rules.

b. Based upon the Company's available records and applicable service rules, Duke Energy Kentucky maintains the service piping and equipment for these customers from the Company's side of the service connection through the outlet of the meter. Historical records indicate that certain service facilities may originally have been installed or paid for by customers; however, original installation or payment by a customer does not, by itself, establish that the customer remained responsible for maintenance of those facilities as replacements are performed by the Company and the Company assumes ownership upon replacement.³

The Company has previously stated in response to Staff discovery that Duke Energy Kentucky owns and operates the service lines, metering, and regulating equipment from the taps on the TC Energy pipelines to the affected customers.

Accordingly, based upon the records presently available, the Company has not identified affected customers for whom it can substantiate that the customer, rather than Duke Energy Kentucky, retained ongoing maintenance responsibility for the service line.

² Case No. 2005-00042, An Adjustment of the Gas Rates of the Union Light, Heat and Power Company (Ky. PSC Dec. 22, 2005); See also *In re: Application of Duke Energy Kentucky, Inc for a Certificate of Public Convenience and Necessity Authorizing the Implementation of an Accelerated Service Line Replacement Program, Approval of Ownership of Service Lines, and a Gas Pipeline Replacement Surcharge*, Case No. 2015-00210 (Ky. PSC Feb. 2, 2016).

³ *Id.*

To the extent historical records for an individual customer demonstrate a different maintenance arrangement, the Company would identify that customer separately.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-005

REQUEST:

Refer to Duke Kentucky's response to Staff's First Request, Item 4.

a. Explain whether Duke Kentucky can complete each proposed main-extension subproject and the high-pressure station before TC Energy discontinues service to the affected area.

b. For any facility that cannot be completed before TC Energy discontinues service, identify:

(1) The anticipated period between TC Energy's discontinuation of service and completion of the facility;

(2) The customers who would experience an interruption of service, using nonidentifying customer designations; and

(3) Any temporary or interim service arrangement Duke Kentucky has considered.

c. Identify the project activities or milestones that were delayed because the Commission did not issue a final Order by August 1, 2026, and explain how each delay affects the current critical path for completion.

d. For each extension for which Duke Kentucky is still requesting a CPCN herein, state how long Duke Kentucky anticipates it will take to complete construction after an order granting a CPCN is entered.

e. Explain whether the July 31, 2026 final Order in Case No. 2025-00142 or Duke Kentucky's subsequent consideration of conversion offers has affected the project's critical path or anticipated completion dates.

RESPONSE:

a. Duke Energy Kentucky's original construction schedule was developed based on the assumption that a final Order would be issued by August 1, 2026. The Company previously stated that achievement of the proposed construction schedule and uninterrupted service to affected customers was dependent upon receiving an Order by that date.

b. (1) The Company's ability to complete an extension depends upon if and when the Commission authorizes a CPCN. The Company anticipates approx. 15 months is needed from Commission approval to complete construction for each service extension.

(2) See response above. All customers could be subject to interruption of service depending upon the timing of CPCN approval and ability of the Company to complete construction before TC Energy abandons service.

(3) Duke Energy will consider temporary or interim service arrangements when a Final Order is issued for this Case. If the CPCN is denied, and Customers convert to alternate fuel source, a temporary or interim service arrangement is likely not necessary.

c. Duke Energy Kentucky has not commenced construction activities other than initial designs because a CPCN has not been authorized. If a CPCN is granted, the Company will (finalize designs(2-3 months), obtain necessary construction permits (1-2

months), communicate with land owners (1 month), procure equipment/materials (2-3 months) , and commence construction (15 months).

d. See the Company's Application at "Farm Tap CPCN Construction Schedule." No changes to those durations expectations. Land acquisitions, permitting, material procurement timeline is unknown.

e. Please see response to STAFF-DR-03-001. The Company did not interpret the Commission's July 31, 2026 Order, standing alone, as rendering the CPCN was unreasonable and the Company's request moot. If that was the Commission's intent, the Company will abide by that determination. Duke Energy Kentucky was uncertain how it should proceed based upon that July 31, 2026 Order. While the Company will endeavor to avoid any interruptions should the Commission grant a CPCN, the uncertainty on how the Company should proceed has impacted the critical path to install gas main extensions and HP regulating station in a timely manner to completely avoid Customer service interruptions.

PERSON RESPONSIBLE: David A. Klein

STAFF-DR-03-006

REQUEST:

Refer to Duke Kentucky's response to Staff's First Request, Item 4(c).

a. Explain each basis for Duke Kentucky's contentions regarding when TC Energy is expected to terminate service to the various sections of the transmission line as provided in response to Staff's First Request, Item 4(c), and explain whether those timeframes have changed.

b. Explain whether Duke Kentucky anticipates that TC Energy will suspend service on its current transmission line before construction of TC Energy's proposed replacement line is complete and explain each basis for the response.

c. Explain when Duke Kentucky anticipates TC Energy receiving approval to construct its replacement line and when Duke Kentucky anticipates TC Energy will complete construction of its replacement line and explain each basis for the responses.

RESPONSE:

a. TC Energy has communicated to Duke Energy Kentucky its anticipated abandonment schedule. Based upon those communications, the Company understands that TC Energy expects to abandon the gas line serving the customers on Cabin Creek, Carthage, Gubser Mill Daniels, and Pendelton segments by April 2027, and the gas line serving the customers on Poplar Ridge, Upper Tug Fork, and Gubser Mill Wagoner by November 2027. TC Energy had originally communicated to Duke Energy Kentucky that

the construction would take place in 2028. It was communicated to Duke Energy Kentucky in late 2025 that they intended to move construction from 2028 into 2027.

b. TC Energy has communicated to Duke Energy Kentucky that it intends to suspend service to their AM09 pipeline by April 2027 to allow construction of their new pipeline to be installed in place of the existing AM09 pipeline in certain areas.

c. Duke Energy Kentucky does not have sufficient information to provide a specific date on which TC Energy will receive the regulatory approvals necessary to construct its proposed replacement line. TC Energy has communicated to Duke Energy Kentucky that it intends to move construction of its replacement facilities from the previously anticipated 2028 timeframe into 2027. Duke Energy Kentucky cannot provide a specific anticipated regulatory approval date or overall construction-completion date beyond the schedule information communicated by TC Energy described above. The records presently available to Duke Energy Kentucky do not establish a specific date for completion of TC Energy's entire replacement line.

PERSON RESPONSIBLE: Neil M. Moser

**Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026**

**CONFIDENTIAL STAFF-DR-03-007
(As to Attachment only)**

REQUEST:

Refer to Duke Kentucky's response to Staff's Second Request, Item 5(c), in which Duke Kentucky stated that it was unaware of any filing related to TC Energy's abandonment. Refer also to Duke Kentucky's response to Commission Staff's First Request for Information, Item 4, in Case No. 2025-00142,3 discussing TC Energy's application filed on November 10, 2025 in Docket Number CP26-19-000.

- a. State whether Duke Kentucky is now aware of any filing with FERC or another regulatory agency concerning TC Energy's replacement or abandonment of the transmission facilities at issue. If so, provide the case or docket number, filing date, current procedural status, requested or authorized abandonment date, and copies of any filing or order not publicly available.
- b. Provide the current anticipated date on which TC Energy will discontinue service to each affected project area and explain the basis for each date.
- c. Provide all material communications received from TC Energy after Duke Kentucky's response to Staff's First Request, Item 10, concerning abandonment timing, continued customer service, or coordination with Duke Kentucky's proposed construction.
- d. Identify each request TC Energy has made in Docket Number CP26-19-000 and explain whether an order is required in that case before TC Energy may abandon the transmission line at issue.

e. Explain Duke Kentucky and its affiliates participation in Docket Number CP26-19-000.

f. If not provided in response to subpart a. above, explain the current procedural status of TC Energy's application in Docket Number CP26-19-000, including when a final decision is expected.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachment only)

a. It is Duke Energy's understanding that TC Energy's application filed November 10, 2025 in Docket Number CP26-19-000 covers replacement and abandonment of the transmission facilities at issue. The FERC record identifies the filing as an application for a Certificate of Public Convenience and Necessity and Abandonment Authority. The application concerns the NKY Gate Enhancement Project and requests authorization associated with replacement of existing pipeline facilities, including abandonment of approximately 50 miles of pipeline and construction of approximately 31 miles of pipeline and associated aboveground facilities in Kentucky and Ohio.

FERC subsequently initiated environmental review of the project, including issuance of a notice of scoping requesting comments regarding environmental issues associated with the proposed project.

Based upon the records reviewed, the Company has not identified a FERC order authorizing the proposed abandonment or a Commission-established abandonment date. Accordingly, the Company is not aware of an authorized abandonment date at this time.

b. TC Energy has communicated to Duke Energy Kentucky its expected abandonment plans and is expected to abandon the gas line feeding the Customers on Cabin

Creek, Carthage, Gubser Mill Daniels, and Pendelton segments by April 2027. TC Energy is expected to abandon the gas line feeding the Customers on Poplar Ridge, Upper Tug Fork, and Gubser Mill Wagoner by November 2027.

c. Please see STAFF-DR-03-007 Confidential Attachment.

d. In Docket No. CP26-19-000, Columbia Gas Transmission, LLC has requested FERC authorization for its NKY Gate Enhancement Project, including a Certificate of Public Convenience and Necessity and Abandonment Authority. The public FERC record describes the project as involving replacement of existing pipeline infrastructure, abandonment of approximately 50 miles of pipeline, construction of approximately 31 miles of pipeline, and associated aboveground facilities in Kentucky and Ohio.

e. Duke Energy Kentucky and its affiliate, Duke Energy Ohio, Inc., formally participated in FERC Docket No. CP26-19-000 by jointly filing a Motion to Intervene on November 19, 2025. The filing is identified in FERC eLibrary as Accession No. 20251119-5172.

f. Columbia Gas Transmission, LLC's application remains associated with FERC Docket No. CP26-19-000. FERC initiated its environmental review process and issued a notice opening the environmental scoping process for the NKY Gate Enhancement Project, with comments requested by February 4, 2026.

Based upon the records reviewed, the Company has not identified a final FERC order authorizing the proposed project or abandonment. The Company therefore does not have a FERC-established final abandonment date reflected in the materials reviewed.

The Company's operational planning presently relies upon the schedule communicated by TC Energy, under which portions serving Cabin Creek, Carthage, Gubser Mill Daniels, and Pendleton are anticipated to be abandoned by April 2027 and the Poplar Ridge, Upper Tug Fork, and Gubser Mill Wagoner portions by November 2027.

PERSON RESPONSIBLE: Neil M. Moser

ATTACHMENT IS BEING FILED

UNDER SEAL PURSUANT

TO A MOTION FOR CONFIDENTIAL

TREATMENT

STAFF-DR-03-008

REQUEST:

Refer to the Commission’s July 31, 2026, final Order in Case No. 2025-00142, at pages 27–31, concerning the payment of conversion costs and the relative costs of conversion and main extensions. Refer also to the Application in this case at pages 8–9, arguing that the projects for which a CPCN is requested herein will not result in wasteful duplication.

a. State whether payments to customers to convert to alternative fuel should be considered as an alternative to the projects for which a CPCN is requested herein when considering whether the projects will result in wasteful duplication and explain each basis for Duke Kentucky’s response.

b. Explain what, if any, obligation Duke Kentucky contends it has to provide natural gas utility service to the affected customers pursuant to KRS Chapter 278 following TC Energy’s abandonment of its transmission line at issue in this case.

RESPONSE:

a. Yes. Duke Energy Kentucky believes that payments to affected customers to convert to an alternative fuel source should be considered as an alternative to the projects for which a Certificate of Public Convenience and Necessity (CPCN) is requested when evaluating whether the proposed construction would result in wasteful duplication.

Duke Energy Kentucky has previously evaluated conversion to an alternative fuel source as an alternative to constructing natural gas main extensions. In Case No. 2025-00142, Duke Energy Kentucky proposed compensating certain affected customers for

conversion to an alternative fuel source rather than constructing distribution facilities to continue natural gas service. The Commission's July 31, 2026 final Order approved, subject to future prudence review, recovery of amounts paid to the 25 affected customers who will lose gas service and cannot readily be connected to Duke Energy Kentucky's distribution system for purposes of converting those properties to an alternative fuel source. The Commission also authorized Duke Energy Kentucky to establish a regulatory asset for such costs.

The availability of conversion payments therefore constitutes a reasonable alternative that Duke Energy Kentucky considers as part of its evaluation of the proposed construction. Duke Energy Kentucky's Application in this proceeding recognizes that conversion to an alternative fuel source may be less costly than extending its natural gas distribution system. The Application nevertheless distinguishes between the alternatives because conversion would require an affected customer to discontinue natural gas service, whereas the proposed main extensions would permit the customer to continue receiving existing natural gas service. The application states that main extensions are a more costly alternative than electric or propane conversion, but also states that the proposed construction provides continuity of natural gas service.

The Company's wasteful-duplication analysis also considered reasonable alternatives. The Application states that "wasteful duplication" includes excessive investment in relation to productivity or efficiency and unnecessary multiplicity of physical properties, and further states that demonstrating an absence of wasteful duplication requires a thorough review of reasonable alternatives. The Application acknowledges that cost is a

factor but states that selection of an alternative that costs more does not necessarily constitute wasteful duplication because the relevant factors must be balanced.

Accordingly, Duke Energy Kentucky considers alternative-fuel conversion in evaluating the need for the projects for which CPCNs are requested. However, conversion and construction do not provide the same result. Conversion terminates the customer's natural gas service, while construction of the proposed facilities permits continued natural gas service. The Application states that Duke Energy Kentucky reviewed reasonable alternatives and determined that the proposed main construction is the alternative that allows affected customers to continue their existing natural gas service; other alternatives, although less costly, require conversion to another fuel source or abandonment of service.

Duke Energy Kentucky also intends to negotiate with impacted customers to encourage fuel conversion consistent with the Commission's Order, while the Company's current discovery response recognizes that some impacted customers have expressed a desire to maintain natural gas service.

b. Duke Energy Kentucky's position has been that it has an obligation under KRS Chapter 278 to provide adequate, efficient, and reasonable natural gas utility service to its customers. The Commission's July 31, 2026 Order identifies KRS 278.030 as requiring every utility to furnish "adequate, efficient and reasonable service," and identifies KRS 278.010(14) as defining adequate service, in part, in terms of sufficient capacity to assure customers reasonable continuity of service.

The affected customers have historically been treated as existing retail customers of Duke Energy Kentucky. The Company's Application states that they have been billed at Commission-approved natural gas rates and explains that TC Energy's abandonment

will leave the existing service lines without another source of natural gas unless Duke Energy Kentucky extends its distribution system to connect them.

Duke Energy Kentucky nevertheless recognizes that the Commission's July 31, 2026 Order approved another potential means of addressing the consequences of TC Energy's abandonment. Specifically, the Commission authorized recovery, subject to prudence review, of payments made to qualifying affected customers to convert their properties to alternative fuel sources.

Accordingly, Duke Energy Kentucky's position is that its obligations under KRS Chapter 278 require it to appropriately address the loss of the existing source of natural gas service caused by TC Energy's abandonment. For customers who elect and agree to conversion to an alternative fuel source, an approved conversion arrangement may resolve the customer's continued need for natural gas service. For affected customers who seek to continue receiving natural gas utility service and for whom Duke Energy Kentucky proposes construction in this proceeding, the requested CPCN provides the regulatory mechanism by which Duke Energy Kentucky seeks authorization to construct the facilities necessary to continue that service.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-009

REQUEST:

Refer to Moser Testimony, page 12, lines 15–23, summarizing the history of the Affected Customers, and stating, among other things, that “[t]he impacted customers have always been treated as retail customers of Duke Energy Kentucky, even though they were served via an interconnect to the KOT transmission line” and that “[b]ecause these customers were considered Duke Energy Kentucky customers, they were not included in the sale to TC Energy. Therefore, it is my understanding that TC Energy does not consider these customers as TC Energy customers.”

a. Confirm that the owner of the transmission line at issue provided service to the direct tap customers through its affiliate before KO Transmission purchased the line, and if it cannot be confirmed, explain each basis why.

b. Provide the ownership history of the TC Energy transmission line at issue, including the approximate dates on which each ownership transfer occurred and the entities involved.

c. Provide a history of who provided service to the direct tap customers on the transmission line at issue, including the approximate dates during which each entity provided the service.

d. Explain in detail the circumstances under which Duke Kentucky came to provide service to the direct tap customers on the transmission line at issue, including why

Duke Kentucky took over service to the direct tap customers at some point after Duke Kentucky's affiliate purchased the line.

e. Explain whether there was an agreement between Duke Kentucky or its affiliate, and the previous owner of the transmission line at issue or the previous owner's affiliate to take over service for the direct tap customers from the previous owner or its affiliate when Duke Kentucky's affiliate purchased the line, and explain whether taking over service was a condition of any sale or purchase agreement with the previous owner of the transmission line.

f. Explain why Duke Kentucky or its affiliate made no agreement with TC Energy to transfer the service of the Affected Customers to TC Energy or an affiliate of TC Energy upon the transfer of ownership, given that service to the Affected Customers was previously transferred upon the sale of the transmission line.

g. Explain whether Duke Kentucky taking responsibility for the Affected Customers following the transfer of the transmission line at issue to TC Energy was a condition of the sale and explain any efforts by Duke Kentucky or its affiliate to get TC Energy to take over service for the Affected Customers.

RESPONSE:

a. Based upon the records located by Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company), the Company can confirm that, prior to the acquisition of the relevant transmission facilities by the Cincinnati Gas & Electric Company (CG&E) and the formation of KO Transmission Company (KO Transmission), the direct-tap arrangements reflected in the Company's historical records involved Columbia Gas Transmission Corporation and Columbia Gas of Kentucky, Inc. Specifically, the Company

previously explained that agreements predating the sale to CG&E and formation of KO Transmission were entered into by or under Columbia Gas of Kentucky, Inc. and Columbia Gas Transmission Corporation. After that transaction, agreements for the affected direct-tap customers were entered into with Duke Energy Kentucky or its predecessor.

The available historical agreements therefore support the conclusion that Columbia Gas Transmission Corporation and Columbia Gas of Kentucky, Inc. performed the respective transmission and retail-service functions before the CG&E/KO Transmission transaction. The Company's records, however, do not provide a basis to characterize the precise corporate or contractual relationship between those entities beyond what is reflected in the historical agreements.

b. Based upon the records presently available to the Company, the ownership history relevant to this proceeding is as follows:

1. The transmission facilities were formerly owned by Columbia Gas Transmission Corporation.

2. In the 1990s, Columbia Gas Transmission Corporation sold a portion of its pipeline facilities to CG&E, now Duke Energy Ohio, Inc., in connection with which KO Transmission was formed.

3. KO Transmission subsequently owned the transmission facilities at issue.

4. KO Transmission later transferred the transmission facilities to TC Energy pursuant to the Purchase and Sale Agreement previously produced as STAFF-DR-01-007 CONF Attachment. The Company has previously referenced that Purchase and Sale Agreement in discovery.

c. Based upon the records located by the Company, prior to the sale of the relevant transmission facilities to CG&E and formation of KO Transmission, the historical direct-tap agreements were entered into by or under Columbia Gas of Kentucky, Inc. and Columbia Gas Transmission Corporation. After the transaction, agreements were entered into with Duke Energy Kentucky or its predecessor, and the affected customers thereafter continued to be treated as retail customers of Duke Energy Kentucky.

The Company's prior discovery response further explains that customers seeking gas service would contact the distribution company, which would determine whether service was available. Historical customers initially used an agreement for conditional limited-time gas service, which was used by Columbia Gas of Kentucky and Columbia Gas Transmission Corporation. Duke Energy Kentucky later used a Service Agreement.

Accordingly, the records located to date support the following general progression:

- **Before the CG&E/KO Transmission transaction:** Columbia Gas of Kentucky, Inc. and Columbia Gas Transmission Corporation were reflected in the historical direct-tap agreements.
- **Following the CG&E/KO Transmission transaction:** Duke Energy Kentucky or its predecessor provided the retail service associated with the direct taps while the transmission facilities were owned by KO Transmission.
- **Following the sale of the transmission facilities to TC Energy:** Duke Energy Kentucky continued to treat the Affected Customers as Duke Energy Kentucky retail customers.

The Company has not identified records establishing more precise customer-service transition dates independent of the underlying transmission transaction.

d. The historical records indicate that the change in the entity providing retail service occurred in connection with the broader transition from Columbia Gas Transmission/Columbia Gas of Kentucky to CG&E/KO Transmission. Duke Energy Kentucky previously explained that agreements predating the sale to CG&E and formation of KO Transmission were completed by or under Columbia Gas of Kentucky, Inc. and Columbia Gas Transmission Corporation, while agreements after that transaction were completed with Duke Energy Kentucky.

The historical service process did not materially depend upon ownership of the transmission facility for each individual customer. Customers contacted the distribution company regarding gas availability, and the distribution company evaluated service availability and entered into the applicable customer arrangement. The Company has also previously stated that it did not locate evidence that separate authority from the transmission-line owner was obtained for each direct tap.

Based on the records presently located, the Company cannot provide additional detail concerning a separate decision or event by which Duke Energy Kentucky independently “took over” these customers after its affiliate acquired the transmission facilities, beyond the historical transition described above.

e. Duke Energy Kentucky has not located a separate agreement establishing that the assumption of retail service to the direct-tap customers was an express condition of the transaction through which CG&E acquired the relevant transmission facilities from Columbia Gas Transmission Corporation. The records located by the Company show the

historical transition described above, including that the pre-transaction agreements involved Columbia Gas of Kentucky, Inc. and Columbia Gas Transmission Corporation and that post-transaction agreements were entered into with Duke Energy Kentucky.

Accordingly, while the Company's records demonstrate that responsibility for retail service transitioned, the Company cannot confirm from the records located that assumption of that retail service was itself an express contractual condition of the acquisition.

f. The premise that service to the Affected Customers necessarily was to be transferred with each subsequent sale of the transmission facilities is not supported by the records presently located.

At the time KO Transmission's facilities were sold to TC Energy, the Affected Customers were being treated as retail customers of Duke Energy Kentucky. Consistent with Neil M. Moser's testimony cited in the request, those customers therefore were not treated as customers being conveyed as part of the transmission-asset transaction. The Commission's request itself quotes the testimony stating that the customers had "always been treated as retail customers of Duke Energy Kentucky" notwithstanding their physical connection to the KOT transmission line and, because they were Duke Energy Kentucky customers, were not included in the sale to TC Energy.

Moreover, the KO Transmission/TC Energy Purchase and Sale Agreement addressed potential discussions concerning an interconnection arrangement for the farm taps. Duke Energy Kentucky previously stated that discussions occurred with TC Energy, but TC Energy indicated that it would not permit these types of direct connections on its replacement pipeline.

Thus, the circumstances surrounding the sale to TC Energy differed from the earlier Columbia/CG&E transition: Duke Energy Kentucky was already the retail service provider, and continuation of service depended upon maintaining an interconnection with transmission facilities that would thereafter be owned by TC Energy.

g. Based upon the Company's review to date, Duke Energy Kentucky has not identified a provision establishing that its continuation of retail responsibility for the Affected Customers following the sale of KO Transmission to TC Energy was a condition of the sale. The Company's prior discovery does establish, however, that the Purchase and Sale Agreement contemplated efforts to facilitate discussions between TC Energy and Duke Energy Kentucky regarding development of an interconnection agreement for the farm taps.

Those discussions did not result in such an agreement. Duke Energy Kentucky has specifically stated that there is no written interconnection agreement between Duke Energy Kentucky and KO Transmission for these farm taps, and that discussions with TC Energy confirmed TC Energy's position that it would not allow these types of connections on its new pipeline.

Accordingly, the records support that efforts were made to evaluate continued interconnection/service arrangements with TC Energy, but those efforts did not result in TC Energy assuming retail service to the Affected Customers or agreeing to maintain the direct-tap configuration.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-010

REQUEST:

Refer to Duke Kentucky's response to Commission Staff's First Request for Information, Item 7, in Case No. 2025-00142, in which Duke Kentucky provided certain contracts but indicated, among other things, that "Duke Energy Kentucky has no current contracts with KO Transmission."

a. Provide any contracts between Duke Kentucky and any affiliate of Duke Kentucky, including KO Transmission, or their predecessors in interest (e.g. previous owners such as Columbia or its distribution affiliates), relating to the provision of service to the direct tap customers on the transmission line at issue, including contracts delineating responsibilities for the customers between Duke Kentucky and KO Transmission or contracts taking over service from previous owners, regardless of whether the contracts are "current" or not.

b. Provide any contracts between Duke Kentucky or any Duke Kentucky affiliate, and TC Energy or any previous owner of TC Energy's transmission line or their affiliates (e.g. previous owners such as Columbia or its distribution affiliates), regarding or related to the purchase or sale of the transmission line by any Duke Kentucky affiliate or any obligation or right to serve the direct tab customers on the transmission line at issue, regardless of whether the contracts are "current" or not.

c. Provide a brief description of each contract produced in response to Item 10(a) or (b).

d. Identify any provisions in the contracts provided in response to Item 10(a) or (b) of this request that discuss the respective obligations or rights of the parties to the contracts with respect to the direct tap customers served from the transmission line at issue.

RESPONSE:

a. After reasonable inquiry and review of the Company's available records, Duke Energy Kentucky has not identified a separate contract between Duke Energy Kentucky and KO Transmission Company specifically delineating the respective responsibilities of Duke Energy Kentucky and KO Transmission Company for providing retail service to the direct-tap customers at issue.

However, Duke Energy Kentucky notes that its affiliate, KO Transmission Company (KOT), entered into a Purchase and Sale Agreement with Columbia Gas Transmission, LLC (Columbia) dated April 28, 2022. That agreement was previously produced confidentially in response to Commission Staff's First Request for Information, Item 7, as STAFF-DR-01-007 Confidential Attachment. The agreement concerns KOT's sale to Columbia of KOT's interests in the Kentucky System.

The 2022 Purchase and Sale Agreement also defines the "KOT Acquisition Date" as the date on which the transactions contemplated by a March 31, 1994 Purchase and Sale Agreement between Columbia and KOT were consummated. Duke Energy Kentucky's available records reviewed for purposes of this response have not established that the 1994 agreement itself is presently available for production. Accordingly, Duke Energy Kentucky does not represent that the 1994 agreement contains provisions concerning the direct-tap customers without first locating and reviewing that agreement.

b. Duke Energy Kentucky identifies the April 28, 2022 Purchase and Sale Agreement between KO Transmission Company and Columbia Gas Transmission, LLC, previously produced confidentially in response to Staff's First Request, Item 7. Under that agreement, KOT agreed to sell and Columbia agreed to purchase KOT's rights, title, and interest in assets comprising the Kentucky System. The agreement describes the Kentucky System as including jointly owned interstate natural gas pipeline facilities and approximately 22 miles of facilities wholly owned by KOT extending north from the Foster Station to the Duke Energy Ohio and Duke Energy Kentucky city gates.

The agreement expressly provides that the assets transferred include KOT's interests in the Jointly Owned Facilities, the KOT Owned Facilities, applicable real-property agreements, assigned contracts, books and records, and other identified property and rights.

The agreement further references the March 31, 1994 Purchase and Sale Agreement between Columbia and KOT discussed in response to subpart (a).

Subject to supplementation should additional responsive historical agreements be located through the Company's reasonable inquiry, Duke Energy Kentucky has not identified another responsive contract for production.

c. The responsive contract presently identified is described as follows:

- **April 28, 2022 Purchase and Sale Agreement between KO Transmission Company and Columbia Gas Transmission, LLC.**

This agreement provides for KOT's sale to Columbia of KOT's interest in the Kentucky System and Columbia's assumption of specified liabilities relating to the acquired assets. The agreement addresses,

among other things, the assets transferred, assumed and excluded liabilities, real-property interests, assigned contracts, operation of the system through closing, and post-closing responsibilities.

Of particular relevance to this request, Section 4.7 expressly addresses the farm taps owned by Duke Energy Kentucky and physically interconnected with the KOT-owned transmission facilities.

- **March 31, 1994 Purchase and Sale Agreement between Columbia and KOT.** The existence of this agreement is expressly referenced in the 2022 Purchase and Sale Agreement, which defines the “KOT Acquisition Date” by reference to consummation of the transactions contemplated by that 1994 agreement. Because the underlying 1994 agreement has not been located in the records reviewed for this response, Duke Energy Kentucky cannot provide a substantive description of its provisions at this time.

d. The following provision of the April 28, 2022 Purchase and Sale Agreement is potentially responsive with respect to the direct-tap customers:

- Section 4.7, Interconnection Agreements. It required KOT, during the due-diligence period, to use good-faith efforts to facilitate discussions between Columbia and Duke Energy Kentucky representatives to develop interconnection agreement(s), effective as of closing, for the farm taps owned by Duke Energy Kentucky and physically interconnected to the KOT Owned Facilities. The provision further states that KOT was not obligated to enter into an interconnection

agreement with Duke Energy Kentucky and that execution of an agreement between Columbia and Duke Energy Kentucky was not a condition to closing

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-011

REQUEST:

Refer to Duke Kentucky's Main Extension Policy in Duke Kentucky's tariff at KY.P.S.C. Gas No. 2, Sixth Revised Sheet No. 60.

a. Explain whether and why Duke Kentucky's Main Extension Policy would be applicable to the extension of mains to the Affected Customers proposed in this case, and if so, explain whether Duke Kentucky has communicated with the Affected Customers regarding the application of that policy.

b. Notwithstanding whether or not the Main Extension Policy is applicable, explain whether, and if so, why it would be reasonable allocate the cost of extensions proposed in this case to all customers instead of allocating the cost to Affected Customers given the size of the necessary investment as compared to the number of customers that are expected to be served.

c. State whether Duke Kentucky has investigated whether the Affected Customers are likely to take service if the cost of the extensions proposed herein are allocated to the Affected Customers when rates or new rates are established.

RESPONSE:

a. Duke Energy Kentucky's Main Extension Policy, Rider X, is available throughout the territory served under KY.P.S.C. Gas No. 2 and states that it is applicable to gas service supplied under an appropriate rate "from the nearest available distribution main when it is necessary to extend such main." Accordingly, to the extent Duke Energy

Kentucky constructs extensions from its existing distribution system to provide natural gas service to the Affected Customers, the Main Extension Policy is potentially applicable according to its terms.

Under Rider X, an extension of 100 feet or less is made without charge for a prospective customer who applies for and contracts for service for one year or more. For extensions exceeding 100 feet per customer, the tariff provides that the Company may require the applicant to deposit the cost associated with the excess footage. The tariff further provides for an NPV analysis where a customer contribution is necessary and the extension exceeds 100 feet. If that analysis is positive or zero, the customer is not charged construction costs; if negative, the customer must deposit an amount equal to the result of the NPV calculation before construction.

Rider X also expressly provides that nothing in the tariff prohibits Duke Energy Kentucky from making extensions under different arrangements if those arrangements are approved by the Commission. It further permits the Company, in its judgment, to make greater extensions at its expense than otherwise prescribed, provided like free extensions are made to other customers under similar conditions.

The circumstances presented here are unusual because the proposed extensions are not associated with customers newly requesting natural gas service. Rather, Duke Energy Kentucky filed the CPCN application to address continued service to existing Duke Energy Kentucky customers who will otherwise lose their current source of natural gas service because of TC Energy's abandonment of the transmission facilities from which they presently receive service. Farm Tap CPCN Application describes the application as seeking

authority to construct distribution facilities to continue service to existing customers affected by that abandonment.

Duke Energy Kentucky has not applied Rider X to determine a customer-specific contribution for each Affected Customer and has not communicated Rider X contribution amounts to the Affected Customers. Duke Energy Kentucky has, however, communicated with Affected Customers concerning the loss of their existing natural gas service and the alternatives available to address that circumstance. The Company's records also reflect communications from some customers expressing a desire to continue receiving natural gas service.

b. Notwithstanding the potential applicability of Rider X, Duke Energy Kentucky believes there are circumstances supporting Commission consideration of recovery of the proposed extension costs from customers generally rather than requiring the Affected Customers to bear those costs individually.

Most significantly, the proposed construction arises from an unusual circumstance involving the loss of the facilities through which existing Duke Energy Kentucky customers currently receive natural gas service, rather than from ordinary requests by new customers for expansion of Duke Energy Kentucky's distribution system. The CPCN application specifically characterizes the purpose of the proposed construction as continuing natural gas service to existing Duke Energy Kentucky customers following abandonment of the TC Energy pipeline.

The Commission's prior decision has also materially affected the alternatives available to the Company. Duke Energy Kentucky's current internal discovery response states that, following the July 31, 2026 final Order in Case No. 2025-00142, the Company

is no longer seeking authority to construct these facilities as ordinary-course extensions without a CPCN. Instead, if Duke Energy Kentucky proceeds with the proposed distribution extensions, it is seeking Commission authorization through the CPCN process. STAFF-DR-03-001 further states that Duke Energy Kentucky intends to negotiate with affected customers regarding fuel conversion but that informal feedback from some customers indicates that maintaining natural gas service is still desired.

Rider X itself contemplates circumstances in which an extension may proceed under arrangements different from its standard contribution provisions when those arrangements receive Commission approval. It also recognizes circumstances in which the Company may construct greater extensions at its expense, subject to comparable treatment of similarly situated customers. Thus, the tariff does not establish that customer funding of extension costs is the only permissible treatment of these facilities.

Ultimately, whether recovery of the proposed investment from Duke Energy Kentucky's broader customer base is reasonable is an issue for Commission determination in light of the unique facts of this proceeding, including the substantial cost of the proposed facilities, the limited number of customers expected to be served, the fact that these are existing Duke Energy Kentucky customers facing loss of their current natural gas service due to abandonment of facilities by another pipeline operator, and the alternatives available to those customers. Duke Energy Kentucky's earlier discovery expressly identified conversion to an alternative fuel source as the most economic alternative identified through its due diligence.

c. Duke Energy Kentucky has not investigated whether the Affected Customers would elect to continue natural gas service if each customer were required to

pay the customer-specific contribution that might result from application of Rider X, including any contribution determined through the tariff's NPV analysis. Accordingly, the Company cannot presently state which Affected Customers, if any, would elect to take service under that circumstance.

Duke Energy Kentucky has communicated with the Affected Customers concerning the anticipated loss of their existing service and potential alternatives, and the record reflects that some customers have expressed a preference for continued natural gas service. Those communications, however, should not be characterized as demonstrating that those customers would elect to receive natural gas service if they were required to fund all or a portion of the distribution-main extensions under Rider X.

PERSON RESPONSIBLE: Neil M. Moser
Jefferson "Jay" P. Brown

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-012

REQUEST:

Explain whether Duke Kentucky or its affiliate, KO Transmission, was aware of TC Energy's plan to abandon the transmission line at issue shortly after the transfer of ownership, and if so, explain why the line was transferred with the knowledge that the Affected Customers would lose access to gas from their direct taps.

RESPONSE:

Based upon the records presently available to Duke Energy Kentucky, the Company has not identified documentation establishing that, at the time KO Transmission transferred the transmission facilities to TC Energy in 2023, Duke Energy Kentucky or KO Transmission had knowledge that TC Energy had made a definitive decision to subsequently abandon the transmission facilities at issue as part of the project now proposed by TC Energy.

The records do establish that the continued service arrangement for the Affected Customers was considered in connection with the transaction. The KO Transmission/TC Energy Purchase and Sale Agreement contemplated efforts to facilitate discussions between TC Energy and Duke Energy Kentucky regarding a potential interconnection arrangement for the direct taps. As explained in the Company's response to STAFF-DR-03-009, those discussions did not result in an interconnection agreement, and TC Energy subsequently indicated that it would not permit these types of direct connections on its replacement pipeline.

At the time of the transfer, the Affected Customers were being treated as retail customers of Duke Energy Kentucky and were not treated as customers being conveyed as part of the transmission-asset transaction. Thus, the transfer of the transmission facilities to TC Energy did not itself transfer Duke Energy Kentucky's retail relationship with the Affected Customers to TC Energy.

The Company's presently available records therefore do not support the premise that KO Transmission transferred the facilities with knowledge that TC Energy had already determined to abandon the existing lines and thereby cause the Affected Customers to lose their existing source of natural gas. Rather, the records establish that the transaction contemplated discussions concerning continued interconnection for the direct taps, but those discussions ultimately did not result in an agreement permitting the direct-tap configuration to continue.

Duke Energy Kentucky subsequently learned that TC Energy's modernization project would replace and abandon the existing transmission lines, that TC Energy would not permit the Affected Customers to connect directly to the replacement facilities, and that the existing direct-tap customers therefore would lose their current source of natural gas absent another solution. Duke Energy Kentucky has since evaluated alternatives to address that circumstance, including conversion to alternative fuel sources and extension of its distribution facilities to maintain natural gas service. Farm Tap CPCN Application explains that TC Energy's replacement pipeline will not follow the existing alignment, direct connections will not be permitted, and abandonment of the existing facilities will eliminate the existing gas source for the affected customers.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-013

REQUEST:

Describe any and all steps taken by Duke Kentucky or its affiliate, either before or after the transfer of the transmission line to TC Energy, to secure a supply of gas for the direct tap customers on the current TC Energy transmission line or to secure taps on TC Energy's expected replacement line.

RESPONSE:

Based upon the records presently available to Duke Energy Kentucky, the Company and its former affiliate, KO Transmission, took steps both in connection with and following the transfer of the transmission facilities to address continued natural gas service to the affected direct-tap customers.

In connection with the 2023 transaction, the KO Transmission/TC Energy Purchase and Sale Agreement contemplated efforts to facilitate discussions between TC Energy and Duke Energy Kentucky regarding a potential interconnection arrangement for the direct taps. Those discussions did not ultimately result in an interconnection agreement, and TC Energy subsequently indicated that it would not permit the affected customers to directly connect to its replacement transmission pipeline. STAFF-DR-03-012 further explains that the presently available records do not establish that, at the time of the transfer, Duke Energy Kentucky or KO Transmission knew TC Energy had made a definitive decision to abandon the existing facilities.

After learning that TC Energy's modernization project would replace and abandon the existing transmission facilities and would not permit the direct-tap configuration on the replacement facilities, Duke Energy Kentucky evaluated alternatives for maintaining or otherwise addressing service to the affected customers. Those alternatives included: (1) compensating customers for conversion to an alternative energy source, such as propane or electric service; (2) extending Duke Energy Kentucky's distribution mains to serve the affected customers; and (3) discontinuing the existing service when the transmission facilities were abandoned. 2025.4.23 TC Energy Duke KY Farm Tap Executive Summary.docx identifies these alternatives and states that Duke Energy Kentucky met with Commission Staff on March 31, 2025, to present the circumstances and the three alternatives, subsequently sought formal Commission guidance, communicated with the affected customers, and prepared customer release agreements while awaiting Commission direction.

Duke Energy Kentucky also evaluated the feasibility of extending its own distribution system to provide a new source of natural gas service. Company materials reflect that Duke Energy Kentucky did not have distribution mains or facilities in the vicinity of most affected customers and was evaluating the feasibility of distribution-main extensions. Duke Energy Kentucky ultimately pursued Commission authorization for distribution-main extensions as a means of providing continuity of natural gas service before TC Energy abandons the existing transmission facilities. The Company's CPCN application states that TC Energy's replacement pipeline will not follow the existing alignment and that TC Energy will not permit the affected customers to attach directly to the replacement pipeline. Accordingly, Duke Energy Kentucky proposed extending its

distribution mains to serve the customers rather than relying upon taps on TC Energy's replacement line. The application further states that TC Energy would not allow new farm-tap connections, that in many instances the replacement pipeline would not be near or cross the affected customers' properties, and that there were no other natural gas distribution systems in the area capable of serving them.

Accordingly, the records presently available reflect that efforts were made in connection with the transfer to facilitate discussions concerning a potential continued interconnection for the direct taps. When those efforts did not produce an agreement and TC Energy subsequently determined that direct taps would not be permitted on its replacement facilities, Duke Energy Kentucky evaluated alternative-fuel conversion and construction of distribution facilities, sought Commission guidance and authorization, communicated with the affected customers, and ultimately pursued extending its distribution system as the means of maintaining natural gas service. The presently available records do not indicate that Duke Energy Kentucky or KO Transmission obtained, or had the ability to require, taps for these customers on TC Energy's replacement transmission line.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-014

REQUEST:

State whether Duke Kentucky or its affiliate was required to request approval from FERC before transferring the transmission line in question to TC Energy, and if so, identify the docket or case number associated with that filing, describe that filing, and explain what FERC was told, if anything regarding what would happen to the direct tap customers following the transfer.

RESPONSE:

Duke Energy Kentucky was not the entity required to obtain authorization from the Federal Energy Regulatory Commission (FERC) for the transfer of the transmission facilities. However, Duke Energy Kentucky's then-affiliate, KO Transmission Company (KOT), was required to obtain FERC authorization before transferring its interests in the FERC-jurisdictional transmission facilities to Columbia Gas Transmission, LLC (Columbia), a TC Energy company. The parties' Purchase and Sale Agreement expressly defined the required "KOT FERC Approval" as a final FERC order authorizing KOT to abandon the assets by sale under section 7(b) of the Natural Gas Act, and the required "TCO FERC Approval" as a final order authorizing Columbia to acquire the assets under section 7(c) of the Natural Gas Act. The Agreement also required KOT and Columbia to prepare and file their respective section 7 applications.

On May 6, 2022, Columbia filed an application in FERC Docket No. CP22-452-000 under section 7(c) of the Natural Gas Act requesting authorization to acquire, own, and operate the pipeline facilities and associated capacity. On the same date, KOT filed an application in FERC Docket No. CP22-453-000 under section 7(b) of the Natural Gas Act requesting authorization to abandon by sale to Columbia all of KOT's interests in the interstate pipeline system and associated capacity. The facilities were described as an interstate pipeline system originating in Means, Kentucky, and extending to Hamilton, Ohio, and Campbell, Kentucky. The applications concerned approximately 88.81 miles of interstate pipeline facilities with combined capacity of 884,058 dekatherms per day.

Based upon the records presently available to Duke Energy Kentucky, the Company has not identified language in the publicly available notice of the applications explaining that the direct-tap customers would lose natural gas service following the transfer, stating that Columbia intended to replace or abandon the facilities after the transaction, or describing how the direct-tap customers would be served if the existing facilities were later abandoned. The FERC notice describes the requested abandonment by sale and corresponding acquisition and operation of the facilities, rather than a physical abandonment or retirement of the pipeline at that time.

The April 28, 2022 Purchase and Sale Agreement did acknowledge the existence of farm taps. Among other things, farm taps and related easement or right-of-way interests were included among the permitted encumbrances affecting the transferred assets. The Agreement also required KOT to use good-faith efforts during the due-diligence period to facilitate discussions between Columbia and Duke Energy Kentucky regarding potential interconnection arrangements for the farm taps. However, KOT was not required to enter

into an interconnection agreement with Duke Energy Kentucky, and execution of such an agreement was not made a condition of closing.

The records presently available therefore establish that continued interconnection for the direct taps was contemplated between the transaction parties, but Duke Energy Kentucky has not identified evidence that FERC was specifically advised in Docket Nos. CP22-452-000 or CP22-453-000 that the direct-tap customers would ultimately lose their existing source of natural gas or that the acquiring company had already determined to exclude the customers from replacement facilities. Duke Energy Kentucky subsequently learned that TC Energy's modernization project would involve replacement and abandonment of the existing transmission facilities and that TC Energy would not permit the affected customers to connect directly to the replacement facilities.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-015

REQUEST:

To the extent available to Duke Kentucky, provide a map or maps showing the route of TC Energy's current transmission line in the areas serving the Affected Customers; the route of TC Energy's proposed replacement line; and the locations of the Affected Customers. Explain whether the current and replacement lines are expected to follow the same or different routes and how the replacement line's route prevents the Affected Customers from continuing service through direct taps. If Duke Kentucky does not possess a map of the proposed replacement line, explain the basis for its understanding of the replacement line's location and provide supporting communications or other documents.

RESPONSE:

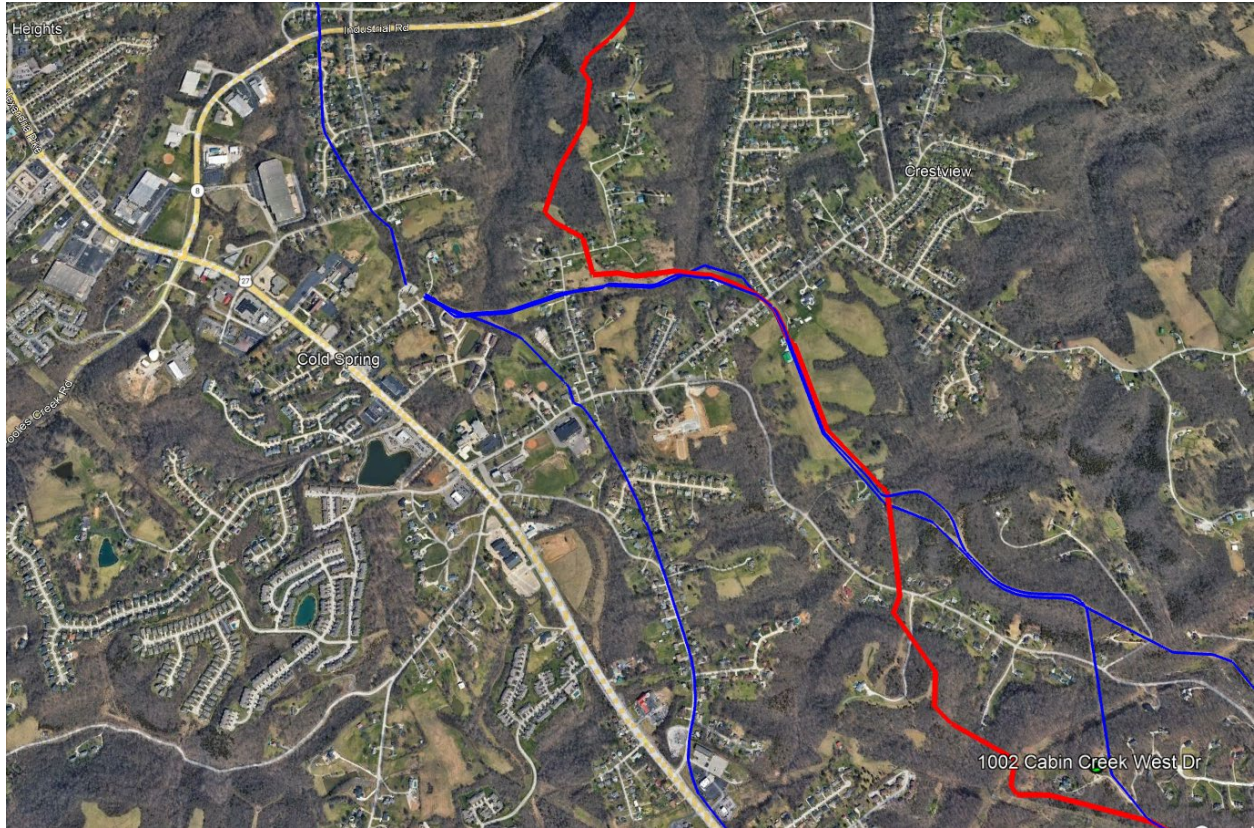
Please see STAFF-DR-03-015 Attachment.

PERSON RESPONSIBLE: Jeff Schuchter

Blue = existing pipelines

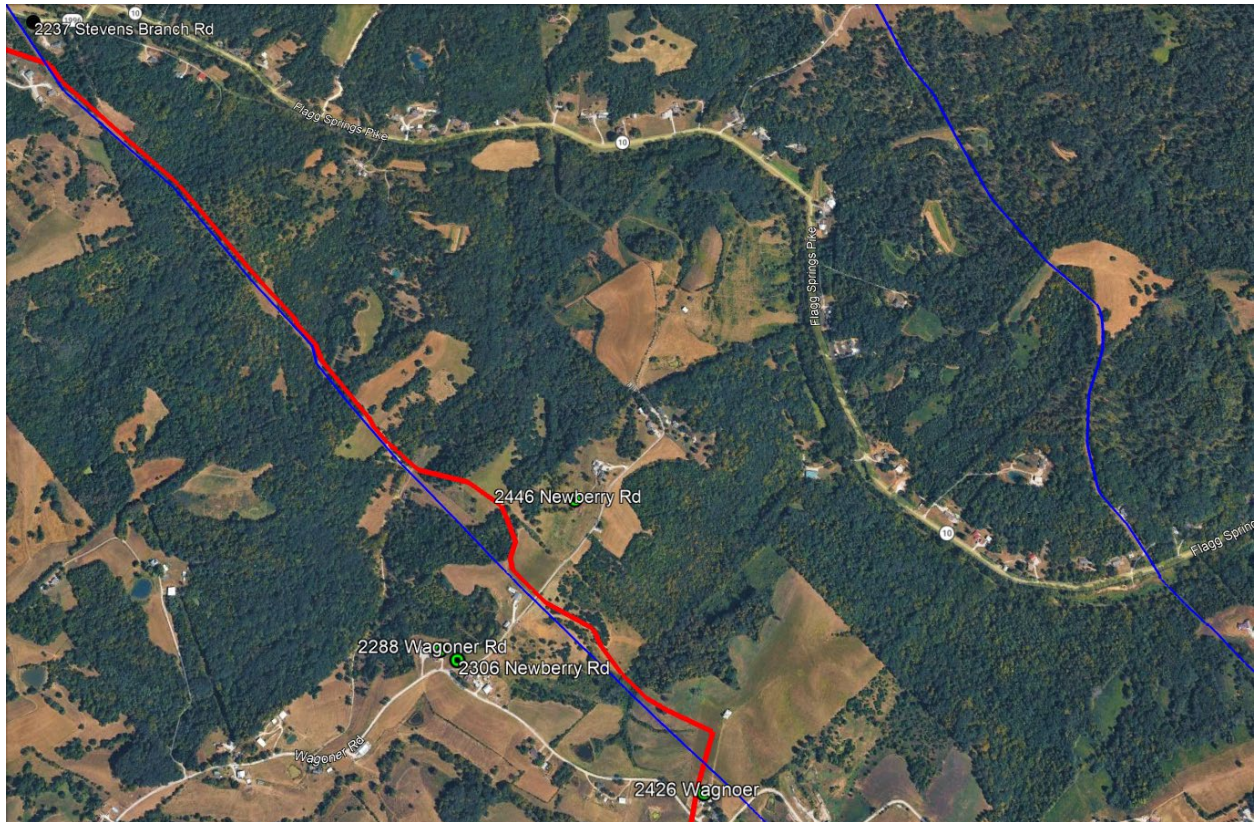
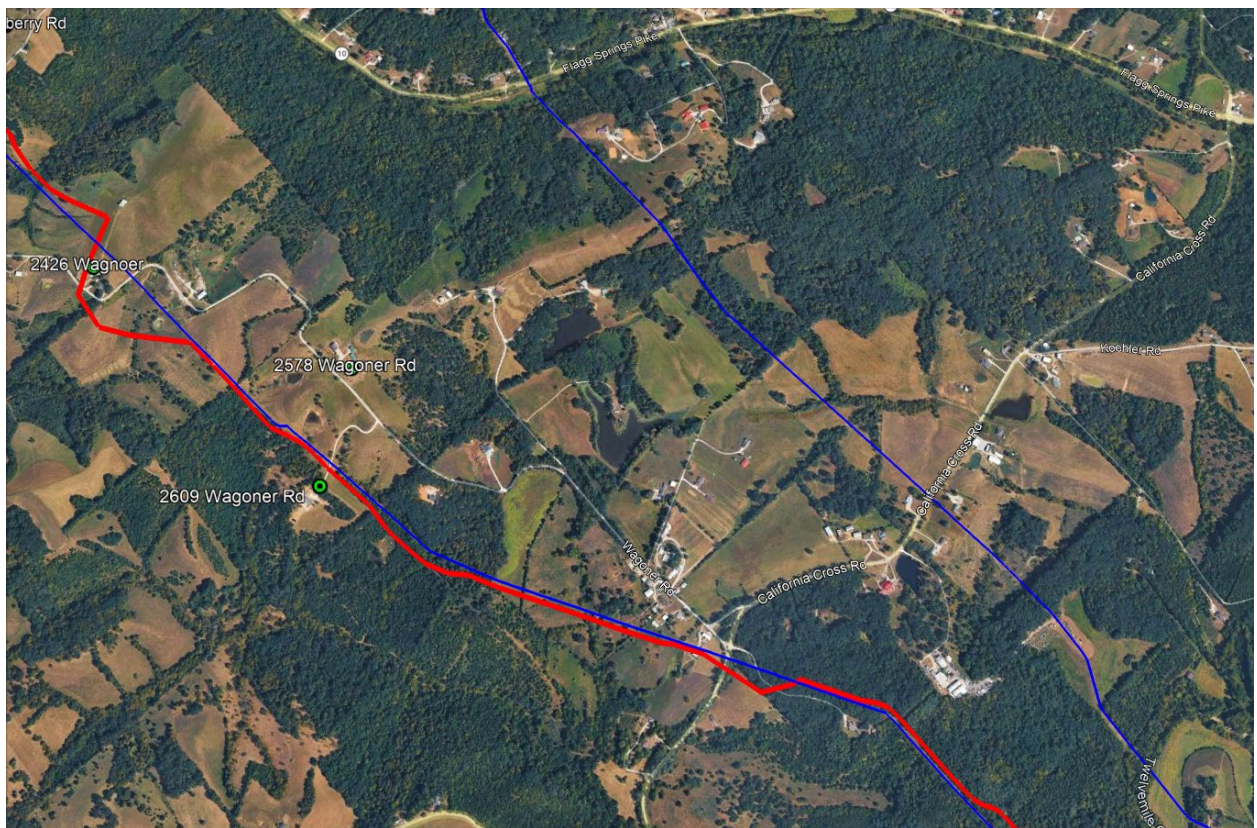
Red = Proposed new pipeline

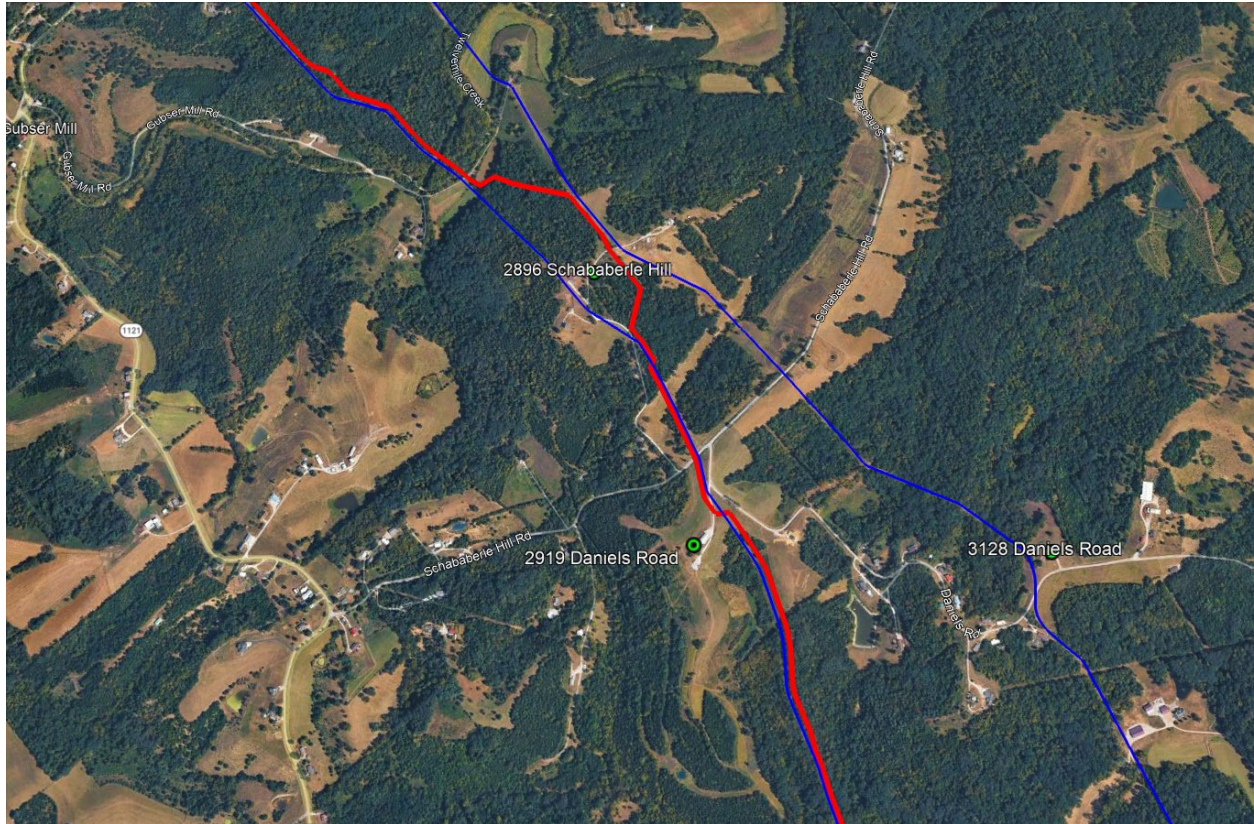
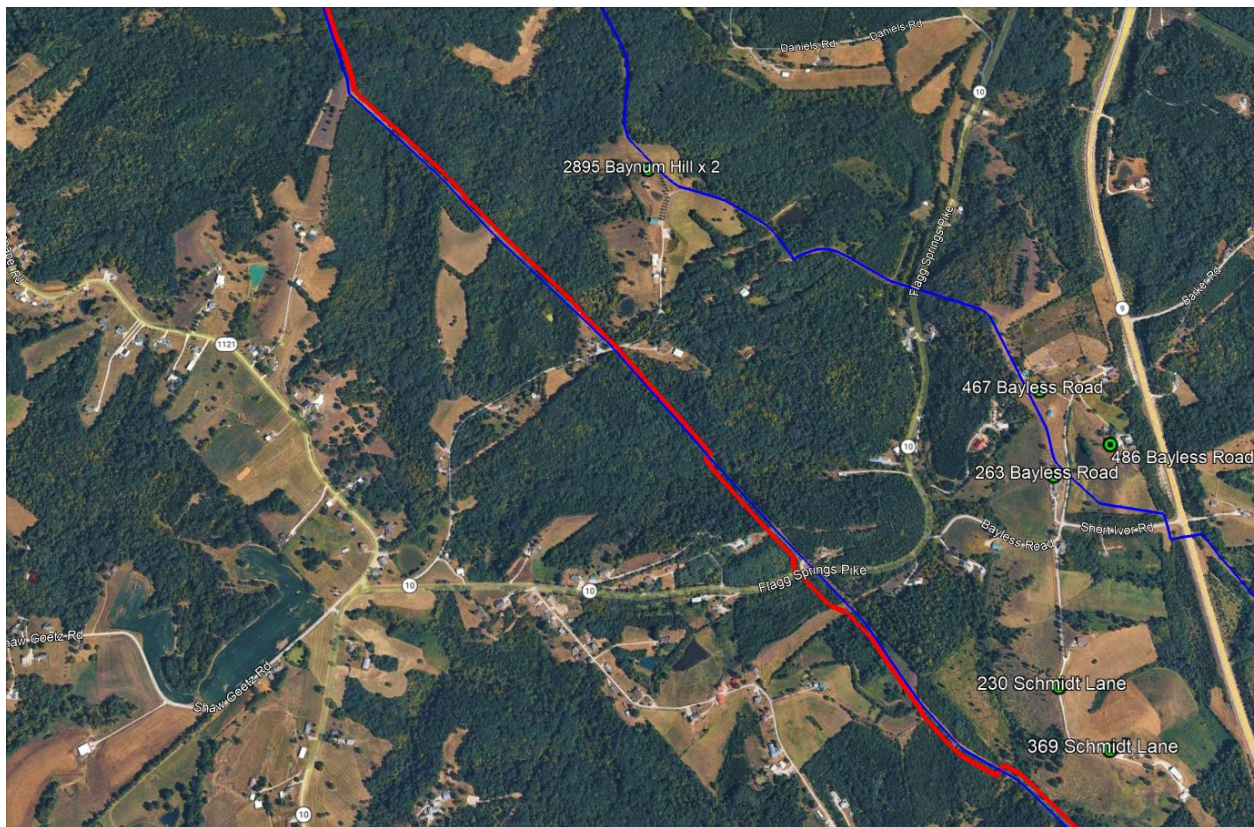


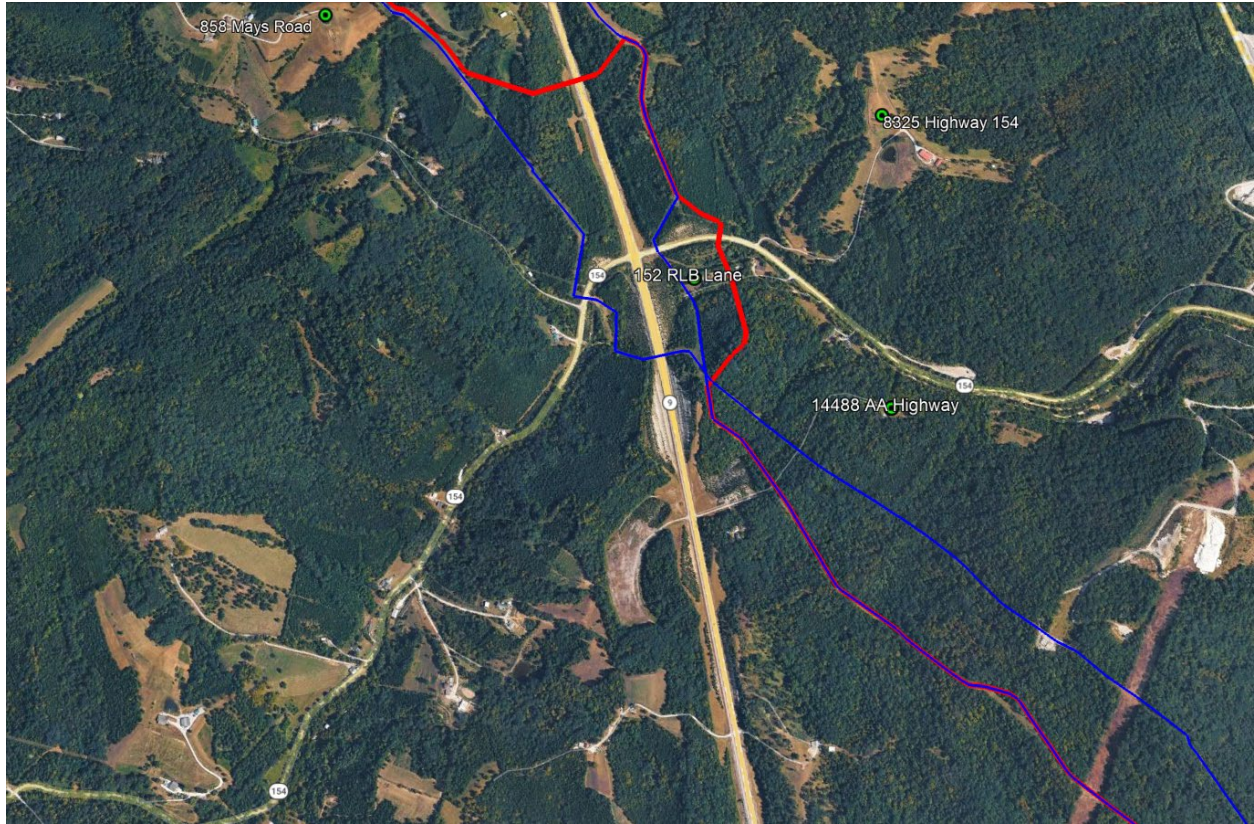
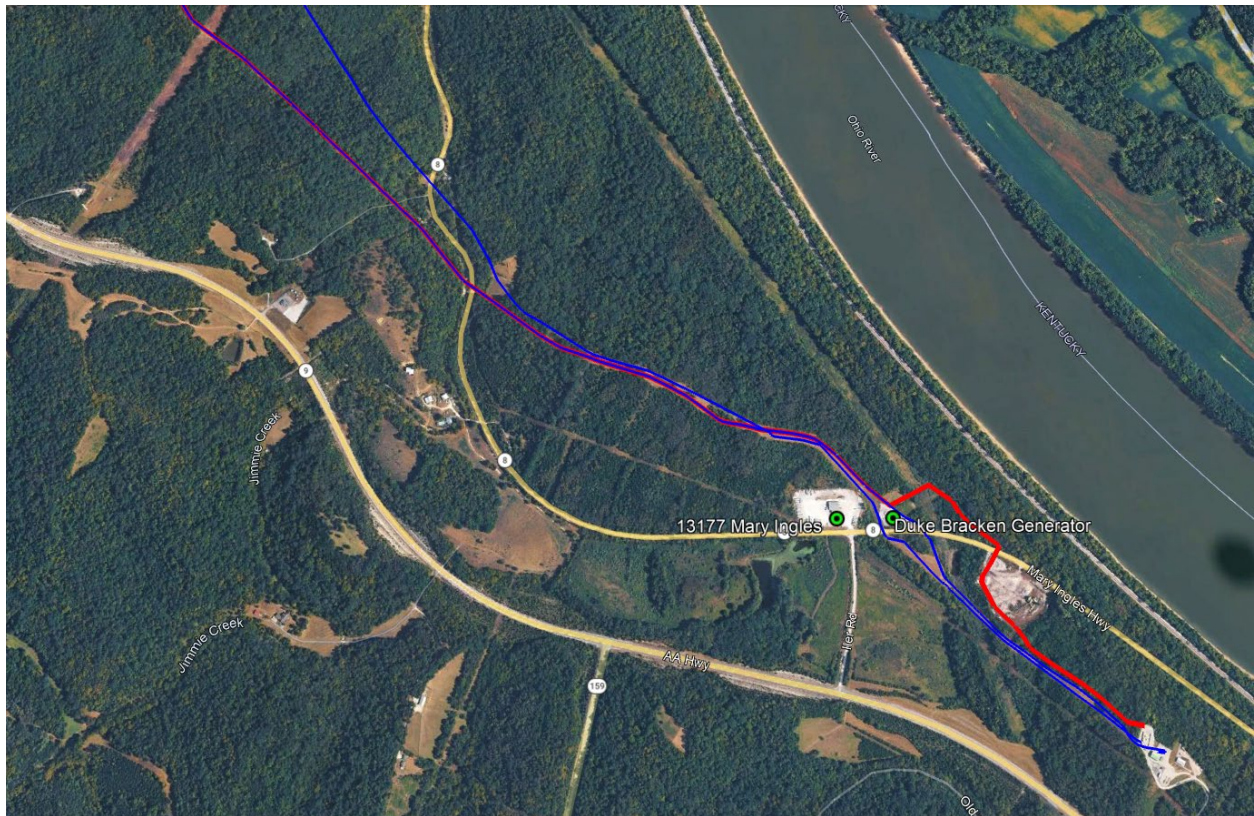












**Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026**

**CONFIDENTIAL STAFF-DR-03-016
(As to Attachments only)**

REQUEST:

Provide copies of all communications and agreements relating to the proposed abandonment of the TC Energy transmission line between Duke Kentucky and TC Energy and Duke Kentucky and KO Transmission.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachments only)

Please see response to STAFF-DR-03-007. See also, STAFF-DR-03-016 Confidential Attachments A through F.

PERSON RESPONSIBLE: Jeff Schuchter

ATTACHMENT IS BEING FILED

UNDER SEAL PURSUANT

TO A MOTION FOR CONFIDENTIAL

TREATMENT

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

CONFIDENTIAL STAFF-DR-03-017
(As to Attachment (a) only)

REQUEST:

Provide a history of the retail gas service provided to the 27 customers who receive gas service by direct tap on the section of the TC Energy transmission line that is proposed to be abandoned, including:

- a. The date of service that each direct tap was established, whether by Duke Kentucky or a previous entity;
- b. Whether the gas service via direct tap on the transmission line at issue was available or offered to the public, or was it limited to owners of property from whom rights of way were required for construction of the pipeline;
- c. Whether new direct taps have been added since the period when the transmission line was initially constructed, and if so, the number of additional direct taps added since construction and the date the taps were added;
- d. Whether Duke Kentucky has owned and operated the metering equipment, service lines, regulators, and any other facilities used to provide gas service to the 27 direct tap customers, and whether Duke Kentucky changed any equipment when it took over service or simply used the existing equipment of the previous owner or operator;
- e. All rates that the 27 customers are currently charged for service, and if applicable, the tariff page(s) on which each such rate is located; and

f. Any differences between the tariff rates and the rates the 27 customers are charged.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachment (a) only)

- a. Please see STAFF-DR-03-017(a) Confidential Attachment.
- b. It is Duke Energy Kentucky's understanding that original taps off the pipeline corridor were limited to land-owners. However, over the decades, additional services have been established beyond the contiguous property owners.
- c. Please see STAFF-DR-03-017(a) Confidential Attachment.
- d. Duke Energy Kentucky owns and operates the service lines, metering, and regulating equipment, from the tap on the TC Energy pipelines to the customers.
- e. Please see STAFF-DR-03-017(a) Confidential Attachment and STAFF-DR-03-017(f) Attachment. There is no difference between the tariff rate and what the customers are charged.
- f. Please see response to (e) above.

PERSON RESPONSIBLE: Neil M. Moser
Jefferson "Jay" P. Brown

Customer Name	Service Address	Current Rate ⁽¹⁾	Date of Tap	Active/Inactive
		Rate GS - Sheet 31	1/26/2006	Active
		Rate RS - Sheet 30	12/30/2016	Active
		N/A	12/13/1988	Inactive
		Rate RS - Sheet 30	7/24/1990	Active
		Rate RS - Sheet 30	11/18/2017	Active
		Rate RS - Sheet 30	2/9/2018	Active
		Rate RS - Sheet 30	11/6/2020	Active
		Rate RS - Sheet 30	8/18/2000	Active
		Rate RS - Sheet 30	8/18/2000	Active
		N/A	8/18/2000	Inactive
		Rate RS - Sheet 30	8/18/2000	Active
		Rate RS - Sheet 30	11/29/1965	Active
		Rate RS - Sheet 30	12/9/1969	Active
		Rate RS - Sheet 30	2/28/2019	Active
		Rate RS - Sheet 30	10/24/1984	Active
		Rate RS - Sheet 30	8/29/1969	Active
		Rate RS - Sheet 30	11/9/2006	Active
		Rate RS - Sheet 30	11/26/2005	Inactive
		Rate RS - Sheet 30	6/10/2015	Active
		Rate RS - Sheet 30	1/1/1973	Active
		Rate RS - Sheet 30	2/5/1988	Active
		Rate RS - Sheet 30	12/18/2007	Active
		Rate RS - Sheet 30	12/7/2017	Active
		Rate RS - Sheet 30	8/16/2011	Active
		Rate RS - Sheet 30	10/8/1999	Active
		Rate RS - Sheet 30	6/30/2014	Active
		Rate RS - Sheet 30	5/3/2017	Active
		Rate RS - Sheet 30	11/9/2012	Active
		Rate RS - Sheet 30	3/23/2004	Active

1. Please see STAFF-DR-03-017(f) Attachment for corresponding tariff sheets

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

KY. P.S.C. Gas No. 2
Two-Hundred-Twenty-Eighth
Revised Sheet No. 30
Cancelling and Superseding
Two-Hundred-Twenty-Seventh
Revised Sheet No. 30
Page 1 of 2

RATE RS
RESIDENTIAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for all domestic purposes in private residences, single occupancy apartments, and common use areas of multi-occupancy buildings, when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:

All gas is billed in units of 100 cubic feet (CCF).

1. Base Rate:
Customer Charge per month: \$20.00 (I)

	<u>Delivery Rate</u>		<u>Gas Cost Adjustment</u>		<u>Total Rate</u>	
Plus a commodity Charge for all CCF at	\$0.70339	plus	\$0.7508	Equals	\$1.45419	(I)

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:

Sheet No. 62, Rider DSMR, Demand Side Management Rate

Sheet No. 65, Rider WNA, Weather Normalization Adjustment Rider

Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism

Sheet No. 70, Rider GCA, Gas Cost Adjustment Clause

The "Customer Charge" shown above shall be the minimum amount billed each month.

When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3%, is due and payable. Customers who receive a pledge for or notice of low income assistance from an authorized agency, or another public or charitable source, will not be assessed or required to pay a late payment charge for the current bill for which the pledge or notice is received. An authorized agency is an organization in Kentucky that administers federal Low-Income Home Energy Assistance Programs and/or the Home Energy Assistance Programs offered by Duke Energy Kentucky.

Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

KY. P.S.C. Gas No. 2
Two-Hundred-Twenty-Eighth
Revised Sheet No. 30
Cancelling and Superseding
Two-Hundred-Twenty-Seventh
Revised Sheet No. 30
Page 2 of 2

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Issued by authority of an Order of the Kentucky Public Service
Commission dated December 23, 2025, in Case No. 2025-00125.
Issued: December 30, 2025
Effective: January 3, 2026
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Rd.
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Two-Hundred-Twenty-Eighth
Revised Sheet No. 31
Cancelling and Superseding
Two-Hundred-Twenty-Seventh
Revised Sheet No. 31
Page 1 of 2

RATE GS
GENERAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for any purpose by an individual non-residential customer at one location when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. This schedule is also applicable to non-metered natural gas commodity supplies and local delivery service for street lighting to such entities as certificated homeowners associations, businesses, and federal, state, and local governments. The Company may decline requests for service under this tariff due to gas supply limitations.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:

All gas is billed in units of 100 cubic feet (CCF)

1. Base Rate:

Customer Charge per month:	\$65.00	(l)
----------------------------	---------	-----

	<u>Delivery</u> <u>Rate</u>		<u>Gas Cost</u> <u>Adjustment</u>		<u>Total Rate</u>	
Plus a Commodity Charge for all CCF at	\$0.55629	Plus	\$0.7508	Equals	\$1.30709	(l)

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:

Sheet No. 62, Rider DSMR, Demand Side Management Rate
Sheet No. 65, Rider WNA, Weather Normalization Adjustment Rider
Sheet No. 66, Rider PMM, Pipeline Modernization Mechanism
Sheet No. 70, Rider GCA, Gas Cost Adjustment Clause

The "Customer Charge" shown above shall be the minimum amount billed each month.

When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 2.3%, is due and payable.

TERM OF SERVICE

One year, terminable thereafter on ten (10) days written notice by either customer or Company.

Issued by authority of an Order of the Kentucky Public Service
Commission dated December 23, 2025, in Case No. 2025-00125.

Issued: December 30, 2025

Effective: January 3, 2026

Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky, Inc.
1262 Cox Rd.
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Two-Hundred-Twenty-Eighth
Revised Sheet No. 31
Cancelling and Superseding
Two-Hundred-Twenty-Seventh
Revised Sheet No. 31
Page 2 of 2

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

Issued by authority of an Order of the Kentucky Public Service
Commission dated December 23, 2025, in Case No. 2025-00125.
Issued: December 30, 2025
Effective: January 3, 2026
Issued by Amy B. Spiller, President /s/ Amy B. Spiller

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-018

REQUEST:

Provide a copy of all contracts between any of the Affected Customers or their predecessors in interest, and TC Energy, KO Transmission, Duke Kentucky, or any of their predecessors in interest (e.g., Columbia or its affiliates) concerning the service from the transmission line at issue.

RESPONSE:

Duke Energy Kentucky refers to its response to Commission Staff's First Request for Information, Item 8, in Case No. 2025-00142, including **STAFF-DR-01-008 Confidential Attachment 1 through STAFF-DR-01-008 Confidential Attachment 6**, in which Duke Energy Kentucky previously produced contracts concerning gas service between customers served by direct tap from the transmission line at issue and Duke Energy Kentucky and/or predecessor entities.

Those previously produced agreements are incorporated herein by reference.

After reasonable inquiry and review of the Company's presently available records, Duke Energy Kentucky has not identified additional responsive customer service contracts beyond those previously produced.

PERSON RESPONSIBLE: Jeff Schuchter

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

PUBLIC STAFF-DR-03-019

REQUEST:

Identify the two Affected Customers that Duke Kentucky did not intend to offer payments to cover the cost of conversion because they could generally be served from existing facilities, and explain whether, and if so which, of the extensions proposed herein would be necessary to serve those customers.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET

The two affected customers that Duke Energy Kentucky can generally serve from existing facilities are [REDACTED] and [REDACTED].

PERSON RESPONSIBLE: Jeff Schuchter

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-020

REQUEST:

Explain whether an application was filed with the Commission pursuant to KRS 278.020(1), (6), or (7)4 or KRS 278.218 when or before Duke Kentucky took over service for the direct tap customers on the transmission line at issue from the previous owner or their affiliates, and if so, identify the case in which such application was made. If not, explain why no such application was filed given the nature of the service to the Affected Customers.

RESPONSE:

Based upon the records presently available to Duke Energy Kentucky, the Company has not identified an application filed with the Commission pursuant to KRS 278.020(1), (6), or (7), or KRS 278.218, in connection with Duke Energy Kentucky assuming responsibility for providing retail service to the Affected Customers.

The historical circumstances surrounding these customers are unusual. The Affected Customers receive natural gas through direct taps on an interstate transmission pipeline, while Duke Energy Kentucky historically treated the customers as its retail distribution customers, billed them under Commission-approved rates, and owned the meters and maintained certain facilities associated with providing service. The transmission pipeline itself, however, was owned by a separate transmission entity and was subject to federal jurisdiction. Company records further indicate that some of these direct-

tap arrangements date back more than 50 years and originated while the transmission facilities were owned by predecessors of KO Transmission.

The records presently available also indicate that the subsequent acquisition of the transmission facilities did not involve Duke Energy Kentucky acquiring the transmission pipeline as a jurisdictional distribution asset. Rather, Duke Energy Kentucky's retail relationship with the Affected Customers remained separate from ownership of the interstate transmission facilities. More recently, when those transmission facilities were transferred to TC Energy, the Affected Customers continued to be treated as Duke Energy Kentucky retail customers and were not conveyed as customers as part of that transaction. STAFF-DR-03-012 explains that distinction and states that the transaction contemplated continued interconnection for the direct taps.

Accordingly, based upon the Company's presently available records, Duke Energy Kentucky has not identified evidence that its assumption or continuation of the retail relationship with the Affected Customers involved an acquisition or transfer of a utility or jurisdictional utility facilities requiring Commission approval under the statutory provisions identified in this request. The Company therefore has not identified a Commission case in which such approval was sought.

Duke Energy Kentucky notes that the historical records concerning the origin and evolution of these direct-tap service arrangements are incomplete. For example, Company records reference a March 31, 1994 Purchase and Sale Agreement involving Columbia and KO Transmission, but that underlying agreement has not been located in the records reviewed to date. STAFF-DR-03-010 therefore does not provide a substantive description of the provisions of that agreement. Accordingly, Duke Energy Kentucky cannot state with

certainty, based upon presently available records, all of the circumstances surrounding when or why the Affected Customers first came to be treated as Duke Energy Kentucky retail customers.

PERSON RESPONSIBLE: Neil M. Moser

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-021

REQUEST:

Assuming that the Affected Customers are considered to be regulated utility customers, explain whether KRS 278.030 or other provisions of KRS Chapter 278 obligate Duke Kentucky to extend service mains to the Affected Customers to provide tariffed service, and explain each basis for Duke Kentucky's response.

RESPONSE:

Assuming the Affected Customers are regulated utility customers of Duke Energy Kentucky, KRS 278.030 imposes upon Duke Energy Kentucky a general obligation to furnish adequate, efficient, and reasonable utility service. Duke Energy Kentucky does not interpret KRS 278.030, however, as independently imposing an unconditional obligation to construct any particular main extension, irrespective of the cost of the extension, the Company's Commission-approved tariff, reasonable alternatives, or any required Commission authorization.

Duke Energy Kentucky has historically treated the Affected Customers as existing retail customers. The Company's Application states that these customers have been billed at Commission-approved natural gas rates and explains that TC Energy's abandonment of the transmission facilities will leave their existing service lines without a source of natural gas unless another means of service is established. STAFF-DR-03-008 therefore states Duke Energy Kentucky's position that KRS Chapter 278 requires the Company to

appropriately address the loss of the existing source of natural gas service either through the fuel conversion or by extending mains to continue service.

That general service obligation does not necessarily mean, however, that construction of distribution mains is the only permissible means of addressing the loss of service. Duke Energy Kentucky has evaluated alternative-fuel conversion as an alternative to construction. As reflected in STAFF-DR-03-008, the Commission's July 31, 2026 final Order in Case No. 2025-00142 approved, subject to future prudence review, recovery of payments to qualifying Affected Customers for conversion to alternative fuel and authorized establishment of a regulatory asset for those costs. Duke Energy Kentucky has therefore recognized that an agreed conversion arrangement may resolve a customer's continued need for natural gas service, while construction of a main extension would permit continued natural gas service.

If an Affected Customer seeks continued natural gas utility service through an extension of Duke Energy Kentucky's existing distribution system, the Company's Commission-approved Main Extension Policy, Rider X, is potentially applicable according to its terms. Rider X applies to gas service supplied under an appropriate rate from the nearest available distribution main when extension of that main is necessary. It provides a framework addressing extensions of 100 feet or less and extensions exceeding 100 feet per customer, including circumstances in which a customer contribution may be determined through an NPV analysis.

Rider X does not, however, establish customer funding under its standard provisions as the exclusive permissible arrangement. The tariff provides that Duke Energy Kentucky may make extensions under different arrangements when approved by the Commission and also permits greater extensions at Company expense under the conditions

stated in the tariff. Thus, application of KRS 278.030 should be considered together with Duke Energy Kentucky's approved tariff and the Commission's authority over the proposed construction and its cost treatment.

The facts here are also distinguishable from an ordinary request by a prospective customer for new service. The proposed facilities are intended to address continued service to existing Duke Energy Kentucky customers whose present source of natural gas is expected to become unavailable because TC Energy is abandoning the facilities through which they currently receive service. Duke Energy Kentucky has not applied Rider X to calculate customer-specific contributions for each Affected Customer and has not communicated such contribution amounts to the Affected Customers.

Accordingly, Duke Energy Kentucky's position is that KRS Chapter 278 creates a general obligation to provide adequate, efficient, and reasonable utility service to its regulated customers, but neither KRS 278.030 nor the other provisions identified by the Company should be read as creating an absolute obligation to construct the particular main extensions proposed in this proceeding without regard to the Company's tariff, reasonable alternatives, cost, or required Commission approval. For Affected Customers who agree to conversion to an alternative fuel, an approved conversion arrangement may address the loss of their existing natural gas service. For Affected Customers who seek to continue receiving natural gas service and for whom distribution extensions are proposed, Duke Energy Kentucky is seeking the necessary Commission authorization through the CPCN proceeding and any applicable treatment under its tariff.

PERSON RESPONSIBLE: Neil M. Moser
Legal

Duke Energy Kentucky
Case No. 2026-00114
STAFF Second Request for Information
Date Received: September 17, 2026

STAFF-DR-03-022

REQUEST:

Refer to Duke Kentucky's July 14, 2026 request for decision on the written record. State whether Duke Kentucky has changed its position regarding whether it wants a hearing or a decision on the written record.

RESPONSE:

No. Duke Energy Kentucky has not changed its position. Duke Energy Kentucky continues to request that the Commission decide the remaining CPCN request based upon the existing written record, as supplemented by the Company's responses filed in this proceeding.

PERSON RESPONSIBLE: Neil M. Moser