KyPSC Case No. 2026-00162
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VERIFICATION

STATE OF OHIO	)	
	)	**SS:**
COUNTY OF HAMILTON	)	

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.

JP Brown

Jefferson "Jay" P. Brown, Affiant

Subscribed and sworn to before me by Jefferson "Jay" P. Brown on this 18th day of August, 2026.

NOTARY PUBLIC

My Commission Expires:

NOTARIAL SEAL STATE OF OHIO

ROCCO O. D'ASCENZO
ATTORNEY AT LAW
Notary Public, State of Ohio
My Commission Has No Expiration
Section 147.03 R.C.

VERIFICATION

STATE OF OHIO)
) **SS:**
COUNTY OF HAMILTON)

The undersigned, Christopher D. Colyer, Project Director, 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.

Christopher D. Colyer, Affiant

Subscribed and sworn to before me by Christopher D. Colyer on this 25th day of August, 2026.

NOTARY PUBLIC

My Commission Expires: July 8, 2027

NOTARY PUBLIC STATE OF OHIO

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

Duke Energy Kentucky
Case No. 2026-00162
STAFF First Request for Information
Date Received: August 12, 2026

STAFF-DR-01-001

REQUEST:

Refer to the Application, Exhibit 3.

a. Provide all schedules in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

b. Provide Schedule 1.0 and 3.0 for years 2023, 2024, and 2025.

RESPONSE:

a. Please see STAFF-DR-01-001 Attachment 1.

b. Please see the following attachments:

STAFF-DR-01-001 Attachment 2 – 2023

STAFF-DR-01-001 Attachment 3 – 2024

STAFF-DR-01-001 Attachment 4 – 2025

The Company assumed the years in part (b) of the above request meant filing year. To ensure a complete response, please see STAFF-DR-01-001 Attachment 5 for 2022 filing year data that was in effect for 2023.

PERSON RESPONSIBLE: Jefferson "Jay" P. Brown

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Forecasted Period Ending December 31, 2027
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Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Rider PMM by Rate Schedule

Line No.	Rate Schedule	Weighted Gross Distribution Plant Approved KyPSC Case No. 2025-00125	2027 Projected Revenue Requirement	2025 True Up Revenue Requirement	Total	Billing Determinants per CCF	Monthly Rider PMM	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	
1	RS- Residential	84.200%	$ 19,366,109	$ 1,699,291	$ 21,065,400	60,549,380	$ 0.35	Per CCF
2	GS - General Service	14.854%	3,416,439	299,778	3,716,217	35,482,081	$ 0.10	Per CCF
3	FT - Firm Transportation (Includes DGS)	0.753%	173,191	15,197	188,388	29,148,036	$ 0.00646	Per CCF
4	IT - Interruptible Transportation	0.193%	44,390	3,895	48,285	15,851,120	$ 0.00305	Per CCF
5	Total	100.000%	$ 23,000,129	$ 2,018,160	$ 25,018,289			
			Sch. 1.1	Sch. 4.1		Sch. 3.0		

The cap for the annual PMM revenue requirement is no more than 5% increase in natural gas revenue per year
Natural gas revenue is defined to include base, gas cost and miscellaneous revenue

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Forecasted PMM Revenue Requirement for 2027

Line No.	(A)		PMM Investment December 31, 2027 (B)	Reference (C)
	Return on Investment			
	Rate Base			
1	Net PMM Investment - Property, Plant and Equipment	$	193,713,545	Sch. 2.2
2	Cost of Removal		4,133,794	Sch. 2.2
3	Accumulated Reserve for Depreciation		(6,799,810)	Sch. 2.0
4	Net PP&E		191,047,529	
5	Accumulated Deferred Taxes on Liberalized Depreciation		(7,530,747)	Sch. 2.1
6	Net Rate Base		183,516,781	Line 4 + Line 5
7	Authorized Rate of Return, Adjusted for Income Taxes		9.154%	Sch. 1.2
8	Required Return on PMM Related Investment	$	16,799,126	Line 6 * Line 7
	Operating Expenses			
9	Depreciation	$	3,856,987	Sch. 2.0
10	Property Tax		2,308,274	Line 4 * 1.20822%
11	PSC Assessment		35,742	(Sum Line 8 thru 10) * (0.1595% / (1-0.1595%))
12	Total Operating Expenses		6,201,003	Sum Lines 9 thru 11
13	**Total Estimated Annual Revenue Requirement**	$	23,000,129	Line 8 + Line 12
14	Cap Adjustment			
15	**Total Annual Revenue Requirement**	**$**	**23,000,129**	

Notes:
(1) Property taxes estimated using an effective rate of 1.20822%
(2) PSC Assessment using Fiscal Year 2025 rate of 0.1595%
(3) Total Approved Revenue + Prior Period Revenue Requirements cannot exceed 5% increase as approved in Case No. 2025-00125

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Cost of Capital

Line No.	Capital Structure	Ratio	Cost	Weighted Cost	Pre-Tax @ Effect. Tax Rate of 24.925%
	(A)	(B)	(C)	(D)	(E)
1	Short term Debt	3.265%	3.784%	0.124%	0.124%
2	Long term Debt	44.086%	5.051%	2.227%	2.227%
3	Equity	52.649%	9.700%	5.107%	6.803%
4	Total	100.000%		7.458%	9.154%

Capital structure and cost of debt approved in Case No. 2025-00125
Return on equity approved in Case No. 2025-00125 for use in natural gas capital riders

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Depreciation

Line No.	Description	Acct Number		EOY 2026	Projected 2027 Additions Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2027
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
	Gas Plant Investments [1]																
	Additions																
1	Mains - Feeder	376		$ 153,947,027	$ 110,722	$ 17,850	$ 11,900	$ 11,900	$ 11,900	$ 11,900	$ -	$ -	$ -	$ 24,403,206	$ 938,903	$ 578,341	$ 180,043,650
2	System M&R Station Equipment	378		$ 18,634,829	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,634,829
3	Land and Land Rights	374		$ 15,729,087	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,488,697	$ -	$ -	$ 19,217,784
4	Total Additions			$ 188,310,943	$ 110,722	$ 17,850	$ 11,900	$ 11,900	$ 11,900	$ 11,900	$ -	$ -	$ -	$ 27,891,903	$ 938,903	$ 578,341	$ 217,896,263
	Retirements																
5	Mains - Feeder	376		$ 1,371,358	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,371,358
6	System M&R Station Equipment	378		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7	Land and Land Rights	374		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	Total Retirements			$ 1,371,358	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,371,358
	Cost of Removal																
9	Mains - Feeder	376		$ 4,054,223	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 344,805	$ -	$ -	$ 4,399,028
10	System M&R Station Equipment	378		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	Land and Land Rights	374		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12	Total Cost of removal			$ 4,054,223	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 344,805	$ -	$ -	$ 4,399,028

Line No.	Description	Acct Number	Case 2025-00125 Depreciation Rate [2]	EOY 2026	Projected 2027 Depreciation Expense Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	13 month Average
	Accumulated Depreciation Reserve																
	Additions																
13	Mains - Feeder	376	2.10%	$ 3,988,945	$ 269,407	$ 269,601	$ 269,632	$ 269,653	$ 269,674	$ 269,695	$ 269,716	$ 269,716	$ 269,716	$ 269,716	$ 312,421	$ 314,064	
14	System M&R Station Equipment	378	3.02%	$ 951,488	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	$ 46,898	
15	Land and Land Rights	374	0.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
16	Total Additions			$ 4,940,433	$ 316,305	$ 316,499	$ 316,530	$ 316,551	$ 316,572	$ 316,593	$ 316,614	$ 316,614	$ 316,614	$ 316,614	$ 359,319	$ 360,962	
	Retirements																
17	Mains - Feeder	376	2.10%	$ 35,360	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	
18	System M&R Station Equipment	378	3.02%	$ 20	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
19	Land and Land Rights	374	0.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
20	Total Additions			$ 35,360	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	$ 2,400	
21	**Total Accumulated Depreciation Reserve**			$ 4,905,073	$ 5,218,978	$ 5,533,077	$ 5,847,207	$ 6,161,358	$ 6,475,530	$ 6,789,723	$ 7,103,937	$ 7,418,151	$ 7,732,365	$ 8,046,579	$ 8,403,498	$ 8,762,060	$ 6,799,810

Notes:
(1) See Schedule 2.2 for detail of 2027 PMM eligible additions.
(2) Depreciation rates approved in Case No. 2025-00125.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Deferred Taxes on Liberalized Depreciation

2026 Projection Filing	Month	A Book Adds/Retires - 15 YR MACRS	B Book Adds/Retires - 20 YR MACRS	C Book Adds/Retires - Non-Depreciable Land	A + B + C = D Total Book Additions/ Retirements	A * Tax Rate Table = E 15 Yr MACRS for Tax	B * Tax Rate Table = F 20 Yr MACRS for Tax	E + F = G Total MACRS Depreciation	H Book Depreciation	G -H = I Book/Tax Difference	J Accumulated Book/Tax Difference	K Days to Prorate	L Future Days in Period	(I * L) / K = M Prorated Book/Tax Difference	N Prorated Accumulated Book/Tax Difference
	Dec-23	26,061,210	-	5,857,760	31,918,970	1,303,061	-	1,303,061	-	1,303,061	1,303,061	n/a	n/a	n/a	1,303,061
	Dec-24	46,857,432	18,754,877	66,477	65,678,786	4,818,687	703,308	5,521,994	-	5,521,994	6,825,055	n/a	n/a	n/a	6,825,055
	Dec-25	44,704,233	879,631	6,227,478	51,811,341	8,914,901	1,386,901	10,301,802	1,616,339	8,685,463	15,510,518	n/a	n/a	n/a	15,510,518
	Dec-26	34,952,793	(999,679)	3,577,373	37,530,487	12,006,262	1,278,276	13,284,538	3,288,734	9,995,804	25,506,322	n/a	n/a	n/a	25,506,322
projected	Jan-27	110,722	-	-	110,722	1,046,557	95,421	1,141,978	313,905	828,073	26,334,395	31	335	760,012	26,266,334
projected	Feb-27	17,850	-	-	17,850	1,046,638	95,421	1,142,059	314,099	827,960	27,162,355	28	307	696,394	26,962,728
projected	Mar-27	11,900	-	-	11,900	1,046,697	95,421	1,142,119	314,130	827,989	27,990,344	31	276	626,096	27,588,824
projected	Apr-27	11,900	-	-	11,900	1,046,764	95,421	1,142,185	314,151	828,034	28,818,378	30	246	558,072	28,146,896
projected	May-27	11,900	-	-	11,900	1,046,838	95,421	1,142,259	314,172	828,087	29,646,465	31	215	487,777	28,634,673
projected	Jun-27	11,900	-	-	11,900	1,046,923	95,421	1,142,344	314,193	828,151	30,474,616	30	185	419,748	29,054,421
projected	Jul-27	-	-	-	-	1,046,923	95,421	1,142,344	314,214	828,130	31,302,746	31	154	349,403	29,403,824
projected	Aug-27	-	-	-	-	1,046,923	95,421	1,142,344	314,214	828,130	32,130,876	31	123	279,069	29,682,892
projected	Sep-27	-	-	-	-	1,046,923	95,421	1,142,344	314,214	828,130	32,959,007	30	93	211,003	29,893,895
projected	Oct-27	24,403,206	-	3,488,697	27,891,903	1,453,643	95,421	1,549,064	314,214	1,234,850	34,193,857	31	62	209,755	30,103,651
projected	Nov-27	938,903	-	-	938,903	1,477,116	95,421	1,572,537	356,919	1,215,618	35,409,475	30	32	106,575	30,210,226
projected	Dec-27	578,341	-	-	578,341	1,506,033	95,421	1,601,454	358,562	1,242,892	36,652,367	31	1	3,405	30,213,631
	Total	178,672,292	18,634,829	19,217,784	216,524,905	40,900,887	4,513,539	45,414,427	8,762,060	36,652,367		365		4,707,309	
		Sch. 2.0	Sch. 2.0	Sch. 2.0	Sch. 2.0				Sch. 2.0					Tax Rate	24.925%
														Forecasted ADIT	7,530,747 Book vs Tax Depreciation

	Month	Cost of Removal Book/Tax Difference	Accumulated Book/Tax Difference	Days to Prorate	Future Days in Period	Prorated Book/Tax Difference	Prorated Accumulated Book/Tax Difference
	Dec-23	125,221	125,221	n/a	n/a	n/a	125,221
	Dec-24	1,459,475	1,584,696	n/a	n/a	n/a	1,584,696
	Dec-25	1,343,240	2,927,936	n/a	n/a	n/a	2,927,936
	Dec-26	1,126,287	4,054,223	n/a	n/a	n/a	4,054,223
projected	Jan-27	-	2,927,936	31	335	-	4,054,223
projected	Feb-27	-	2,927,936	28	307	-	4,054,223
projected	Mar-27	-	2,927,936	31	276	-	4,054,223
projected	Apr-27	-	2,927,936	30	246	-	4,054,223
projected	May-27	-	2,927,936	31	215	-	4,054,223
projected	Jun-27	-	2,927,936	30	185	-	4,054,223
projected	Jul-27	-	2,927,936	31	154	-	4,054,223
projected	Aug-27	-	2,927,936	31	123	-	4,054,223
projected	Sep-27	-	2,927,936	30	93	-	4,054,223
projected	Oct-27	344,805	3,272,742	31	62	58,570	4,112,793
projected	Nov-27	-	3,272,742	30	32	-	4,112,793
projected	Dec-27	-	3,272,742	31	1	-	4,112,793
	Total	4,399,028		365		350,118	
		Sch. 2.0				Tax Rate	24.925%
						Forecasted ADIT	1,025,114 Cost of Removal
						Total Forecasted ADIT	**8,555,861**

TAX RATE TABLE

	Year 1	Year 2	Year 3	Year 4	Year 5
MACRS 15	0.05	0.095	0.0855	0.07695	0.06925
MACRS 20	0.0375	0.07219	0.06677	0.06177	0.05713

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Thirteen Month Average Additions and Retirements

Test Year 12/31/27 PMM Investment Summary

Line No.	Month	Number of Months	PMM Capex By Month	PMM Capex Cumulative	Retirements By Month	Retirements Cumulative	Cost of Removal By Month	Cost of Removal Cumulative
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	Balance @ 12/31/2026	13		$ 188,310,943		$ 1,371,358		$ 4,054,223
2	Jan-27	12	$ 110,722.36	188,421,666	$ -	1,371,358	$ -	4,054,223
3	Feb-27	11	17,850	188,439,516	-	1,371,358	-	4,054,223
4	Mar-27	10	11,900	188,451,416	-	1,371,358	-	4,054,223
5	Apr-27	9	11,900	188,463,316	-	1,371,358	-	4,054,223
6	May-27	8	11,900	188,475,216	-	1,371,358	-	4,054,223
7	Jun-27	7	11,900	188,487,116	-	1,371,358	-	4,054,223
8	Jul-27	6	-	188,487,116	-	1,371,358	-	4,054,223
9	Aug-27	5	-	188,487,116	-	1,371,358	-	4,054,223
10	Sep-27	4	-	188,487,116	-	1,371,358	-	4,054,223
11	Oct-27	3	27,891,903	216,379,019	-	1,371,358	344,805	4,399,028
12	Nov-27	2	938,903	217,317,923	-	1,371,358	-	4,399,028
13	Dec-27	1	578,341	217,896,263	-	1,371,358	-	4,399,028
				$ 2,536,103,741		$ 17,827,659		$ 53,739,316
14	Number of months			13		13		13
15	13 Month Average			$ 195,084,903		$ 1,371,358		$ 4,133,794

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Rider Billing Determinants by Rate Schedule
for the Twelve Month Ending December, 2027

Line No.	Rate Schedule	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	RS - Residential (CCF)(2)	11,674,619	12,278,818	11,447,115	8,030,932	4,296,098	1,387,980	1,190,278	1,001,912	983,832	981,710	2,134,353	5,141,733	60,549,380
2	GS - General Service (CCF) (1) (2)	5,803,780	6,504,944	6,122,197	4,574,555	2,208,510	1,294,267	939,237	955,800	979,461	978,905	1,592,293	3,528,133	35,482,081
3	FT - Firm Transportation (CCF)	3,634,389	4,100,371	3,537,303	3,039,376	1,880,260	1,588,937	1,446,250	1,480,885	1,552,001	1,501,266	2,221,267	3,165,732	29,148,036
4	IT - Interruptible Transportation (CCF)	1,411,680	1,421,827	1,373,403	1,285,527	1,369,813	1,221,154	1,237,175	1,237,175	1,237,175	1,229,980	1,363,696	1,462,516	15,851,120

(1) General Service includes Commercial, Industrial, OPA, Street Lighting and Interdepartmental.
(2) Per Order 2022-00229, all Rider PMM rates should be in volumetric format for the 2027 calendar year.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Revenue Requirement for 2025

Line No.	(A)		PMM Investment December 31, 2025 (B)	Reference (C)
	Return on Investment			
	Rate Base			
1	Net PMM Investment - Property, Plant and Equipment	$	113,442,657	Sch. 4.5
2	Cost of Removal		2,148,720	Sch. 4.5
3	Accumulated Reserve for Depreciation		(754,047)	Sch. 4.3
4	Net PP&E		114,837,330	
5	Accumulated Deferred Taxes on Liberalized Depreciation		(3,897,298)	Sch. 4.4
6	Net Rate Base		110,940,032	Line 4 + Line 5
7	Authorized Rate of Return, Adjusted for Income Taxes		8.087%	Sch. 4.2
8	Required Return on PMM Related Investment	$	8,971,720	Line 6 * Line 7
	Operating Expenses			
9	Depreciation	$	1,616,339	Sch. 4.3
10	Property Tax		1,456,114	Line 4 * 1.26798%
11	PSC Assessment		15,702	(Sum Line 8 thru 10) * (0.1302% / (1-0.1302%))
12	Total Operating Expenses	$	3,088,155	Sum Lines 9 thru 11
13	**Total Annual Revenue Requirement**	$	12,059,875	Line 8 + Line 12
14	Collections/(Refunds) for prior years	$	(565,999)	
15	Adjusted Revenue Requirement	$	11,493,876	
16	2025 Billed Revenues		9,475,716	
17	Total (Over)/Under Collections	$	2,018,160	

Notes:
(1) In Case No. 2024-00191, Property taxes using an effective rate of 1.26798%
(2) In Case No. 2024-00191, PSC Assessment using Fiscal Year 2021 rate of 0.1302%
(3) Total Approved Revenue + Prior Period Revenue Requirements cannot exceed 5% increase per 25-00125 Order

Duke Energy Kentucky
Rider PMM by Rate Schedule
Cost of Capital

Line No.	Capital Structure	Ratio	Cost	Weighted Cost	Pre-Tax @ Effect. Tax Rate of 24.925%
	(A)	(B)	(C)	(D)	(E)
1	Short term Debt	2.617%	1.667%	0.044%	0.044%
2	Long term Debt	46.039%	3.656%	1.683%	1.683%
3	Equity	51.344%	9.300%	4.775%	6.360%
4	Total	100.000%		6.502%	8.087%

Capital structure approved in Case No. 2021-00190
ROE represents rate approved for use in natural gas capital riders.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Depreciation

Line No.	Description (A)	Acct Number (B)	(C)	EOY 2024 (D)	Actual 2025 Additions: Jan (E)	Feb (F)	Mar (G)	Apr (H)	May (I)	Jun (J)	Jul (K)	Aug (L)	Sep (M)	Oct (N)	Nov (O)	Dec (P)	EOY 2025 (Q)
	Gas Plant Investments [1]																
	Additions																
1	Mains - Feeder	376		$ 73,178,102	$ 1,667,081	$ (672,650)	$ 859,765	$ (3,979,327)	$ 244,806	$ 63,110	$ (1,606,118)	$ 16,808	$ 44,618,046	$ 519,609	$ 3,555,891	$ 329,526	$ 118,794,650
2	System M&R Station Equipment	378		$ 18,757,284	$ (228,201)	$ 78,355	$ 401	$ 1,737	$ -	$ 4,960	$ 3,916	$ 1,087	$ 1,351,918	$ 69,295	$ (433,056)	$ 26,813	$ 19,634,508
3	Land and Land Rights	374		$ 5,924,237	$ -	$ 754	$ 7,009	$ 3,591,108	$ 165	$ 12,197	$ 7,174	$ 4,339	$ 2,474,149	$ 11,372	$ 4,160	$ 115,050	$ 12,151,715
4	Total Additions			$ 97,859,623	$ 1,438,880	$ (593,540)	$ 867,175	$ (386,483)	$ 244,971	$ 80,267	$ (1,595,028)	$ 22,235	$ 48,444,113	$ 600,276	$ 3,126,994	$ 471,390	$ 150,580,872
	Retirements																
5	Mains - Feeder	376		$ 259,459	$ -	$ -	$ 402,801	$ -	$ (259,459)	$ 268,154	$ -	$ -	$ -	$ 500,820	$ -	$ -	$ 1,171,774
6	System M&R Station Equipment	378		$ 2,407	$ -	$ -	$ -	$ -	$ (2,407)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7	Land and Land Rights	374		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	Total Retirements			$ 261,866	$ -	$ -	$ 402,801	$ -	$ (261,866)	$ 268,154	$ -	$ -	$ -	$ 500,820	$ -	$ -	$ 1,171,774
	Cost of Removal																
9	Mains - Feeder	376		$ 1,551,985	$ 10,756	$ 2,671	$ 3,968	$ 328,227	$ 5,153	$ 6,956	$ 1,176	$ 4,981	$ 632,898	$ 252,144	$ 122,224	$ 4,798	$ 2,927,936
10	System M&R Station Equipment	378		$ 32,712	$ 232,401	$ 59,091	$ -	$ (324,203)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (0)
11	Land and Land Rights	374		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12	Total Cost of removal			$ 1,584,696	$ 243,157	$ 61,762	$ 3,968	$ 4,024	$ 5,153	$ 6,956	$ 1,176	$ 4,981	$ 632,898	$ 252,144	$ 122,224	$ 4,798	$ 2,927,936

Line No.	Description	Acct Number	Annual Depreciation Rate	EOY 2024	Actual 2025 Depreciation Expense: Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	13 month Average
	Accumulated Depreciation Reserve																
	Additions																
13	Mains - Feeder	376	1.49%	$ -	$ 90,863	$ 92,933	$ 92,098	$ 93,165	$ 88,224	$ 88,528	$ 88,606	$ 86,612	$ 86,633	$ 142,034	$ 142,679	$ 147,094	
14	System M&R Station Equipment	378	2.04%	$ -	$ 31,887	$ 31,499	$ 31,633	$ 31,633	$ 31,636	$ 31,636	$ 31,645	$ 31,651	$ 31,653	$ 33,951	$ 34,069	$ 33,333	
15	Land and Land Rights	374	0.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	
16	Total Additions			$ -	$ 122,750	$ 124,432	$ 123,731	$ 124,798	$ 119,860	$ 120,164	$ 120,251	$ 118,263	$ 118,286	$ 175,985	$ 176,748	$ 180,427	
	Retirements																
17	Mains - Feeder	376	1.49%	$ -	$ 322	$ 322	$ 322	$ 822	$ 822	$ 500	$ 833	$ 833	$ 833	$ 833	$ 1,455	$ 1,455	
18	System M&R Station Equipment	378	2.04%	$ -	$ 4	$ 4	$ 4	$ 4	$ 4	$ -	$ -	$ -	$ -	$ -	$ -	-	
19	Land and Land Rights	374	0.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	
20	Total Retirements			$ -	$ 326	$ 322	$ 322	$ 822	$ 822	$ 500	$ 833	$ 833	$ 833	$ 833	$ 1,455	$ 1,455	
21	**Total Accumulated Depreciation Reserve**			$ -	$ 122,424	$ 246,534	$ 369,943	$ 493,919	$ 612,957	$ 732,621	$ 852,039	$ 969,469	$ 1,086,922	$ 1,262,074	$ 1,437,367	$ 1,616,339	$ 754,047

Notes:
(1) See Sch 4.5 for detail of 2025 PMM eligible additions.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Deferred Taxes on Liberalized Depreciation

2024 Projection Filing		A	B	C	A + B + C = D	A * 5% = E	B * 3.75% = F	E + F = G	H	G - H = I	J	K	L	(I * L) / K = M	N
	Month	Book Adds/Retires - 15 YR MACRS	Book Adds/Retires - 20 YR MACRS	Book Adds/Retires - Non-Depreciable Land	Total Book Additions/ Retirements	1st Yr 15 Yr MACRS for Tax - 5%	1st Yr 20 Yr MACRS for Tax - 3.75%	Total MACRS Depreciation	Book Depreciation	Book/Tax Difference	Accumulated Book/Tax Difference	Days to Prorate	Future Days in Period	Prorated Book/Tax Difference	Prorated Accumulated Book/Tax Difference
	Dec-23	26,061,210	-	5,857,760	31,918,970	1,303,061	-	1,303,061	-	1,303,061	1,303,061				1,303,061
	Dec-24	46,454,631	18,757,284	64,070	65,275,985	4,798,547	703,398	5,501,945	613,039	4,888,906	6,191,966	n/a	n/a	n/a	6,191,966
Actuals	Jan-25	1,667,081	(228,201)	-	1,438,880	553,452	111,571	665,023	122,424	542,599	6,734,565	31	335	498,002	6,689,968
Actuals	Feb-25	(672,650)	78,355	754	(593,540)	548,224	112,047	660,270	124,110	536,160	7,270,725	28	307	450,962	7,140,930
Actuals	Mar-25	456,964	401	7,009	464,374	552,131	112,049	664,180	123,409	540,771	7,811,496	31	276	408,912	7,549,842
Actuals	Apr-25	(3,979,327)	1,737	3,591,108	(386,483)	514,327	112,062	626,389	123,976	502,413	8,313,909	30	246	338,613	7,888,454
Actuals	May-25	504,265	2,407	165	506,837	519,716	112,082	631,799	119,038	512,761	8,826,670	31	215	302,037	8,190,492
Actuals	Jun-25	(205,044)	4,960	12,197	(187,887)	517,212	112,130	629,341	119,664	509,677	9,336,347	30	185	258,330	8,448,821
Actuals	Jul-25	(1,606,118)	3,916	7,174	(1,595,028)	494,325	112,173	606,498	119,418	487,080	9,823,427	31	154	205,508	8,654,329
Actuals	Aug-25	16,808	1,087	4,339	22,235	494,612	112,188	606,800	117,430	489,370	10,312,797	31	123	164,911	8,819,240
Actuals	Sep-25	44,618,046	1,351,918	2,474,149	48,444,113	1,448,323	134,755	1,583,077	117,453	1,465,624	11,778,421	30	93	373,433	9,192,673
Actuals	Oct-25	18,790	69,295	11,372	99,456	1,448,858	136,297	1,585,155	175,152	1,410,003	13,188,425	31	62	239,507	9,432,180
Actuals	Nov-25	3,555,891	(433,056)	4,160	3,126,994	1,600,873	121,839	1,722,712	175,293	1,547,419	14,735,844	30	32	135,664	9,567,844
Actuals	Dec-25	329,526	26,813	115,050	471,390	1,629,047	123,629	1,752,677	178,972	1,573,705	16,309,548	31	1	4,312	9,572,156
	Total	117,220,074	19,636,915	6,291,548	117,087,327	10,321,100	1,412,821	11,733,921	1,616,339	10,117,582		365		3,380,190	
		Sch. 4.3	Sch. 4.3	Sch. 4.3	Sch. 4.3				Sch. 4.3					Tax Rate	24.925%
														Forecasted ADIT	2,385,860 Book vs Tax Depreciation

	Month	Cost of Removal Book/Tax Difference	Accumulated Book/Tax Difference	Days to Prorate	Future Days in Period	Prorated 2024 Book/Tax Difference	Prorated Accumulated Book/Tax Difference
	Dec-23	125,221	125,221	n/a	n/a	n/a	125,221
	Dec-24	10,739	1,584,696	31	1	346	2,854,066
Actuals	Jan-25	243,157	368,378	31	335	2,627,663	2,752,884
Actuals	Feb-25	61,762	430,140	28	307	611,641	3,364,525
Actuals	Mar-25	3,968	434,108	31	276	35,332	3,399,858
Actuals	Apr-25	4,024	438,132	30	246	31,932	3,431,789
Actuals	May-25	5,153	443,285	31	215	35,736	3,467,526
Actuals	Jun-25	6,956	450,241	30	185	41,514	3,509,040
Actuals	Jul-25	1,176	451,417	31	154	5,840	3,514,879
Actuals	Aug-25	4,981	456,397	31	123	19,762	3,534,641
Actuals	Sep-25	632,898	1,089,296	30	93	1,898,695	5,433,336
Actuals	Oct-25	252,144	1,341,439	31	62	504,288	5,937,624
Actuals	Nov-25	122,224	1,463,663	30	32	126,166	6,063,790
Actuals	Dec-25	4,798	1,468,461	31	1	155	6,063,945
	Total	1,479,200		365		5,938,724	
						Tax Rate	24.925%
						Forecasted ADIT	1,511,438 Cost of Removal
						Total Forecasted ADIT	3,897,298

TAX RATE TABLE

	Year 1	Year 2	Year 3	Year 4
MACRS 15	0.05	0.095	0.0855	0.07695
MACRS 20	0.0375	0.07219	0.06677	0.06177

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Thirteen Month Average Additions and Retirements

Test Year 12/31/25 PMM Investment Summary

Line No.	Month (A)	Number of Months (B)	PMM Capex By Month (C)	PMM Capex Cumulative (D)	Retirements By Month (E)	Retirements Cumulative (F)	Cost of Removal By Month (G)	Cost of Removal Cumulative (H)
1	Balance @ 12/31/2024	13	$ 97,859,623	$ 97,859,623	$ 261,866	$ 261,866	$ 1,584,696	$ 1,584,696
2	Jan-25	12	1,438,880	99,298,503	-	261,866	243,157	1,827,853
3	Feb-25	11	(593,540)	98,704,963	-	261,866	61,762	1,889,615
4	Mar-25	10	867,175	99,572,137	402,801	664,667	3,968	1,893,583
5	Apr-25	9	(386,483)	99,185,655	-	664,667	4,024	1,897,607
6	May-25	8	244,971	99,430,626	(261,866)	402,801	5,153	1,902,760
7	Jun-25	7	80,267	99,510,893	268,154	670,955	6,956	1,909,716
8	Jul-25	6	(1,595,028)	97,915,865	-	670,955	1,176	1,910,892
9	Aug-25	5	22,235	97,938,100	-	670,955	4,981	1,915,873
10	Sep-25	4	48,444,113	146,382,213	-	670,955	632,898	2,548,771
11	Oct-25	3	600,276	146,982,489	500,820	1,171,774	252,144	2,800,915
12	Nov-25	2	3,126,994	150,109,483	-	1,171,774	122,224	2,923,138
13	Dec-25	1	471,390	150,580,872	-	1,171,774	4,798	2,927,936
				1,483,471,420		8,716,875		27,933,357
14	Number of months			13		13		13
15	13 Month Average			$ 114,113,186		$ 670,529		$ 2,148,720

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Additions (Actuals vs Projections) 2024/2025

2024

Projected 2024 Additions

Gas Plant Investments		2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2024
Mains - Feeder	376	$ 19,064,578	$ 100,800	$ 61,600	$ 81,512	$ -	$ -	$ -	$ -	$ -	$ 35,382,200	$ 4,354,632	$ 2,744,264	$ 430,272	$ 62,219,858
System M&R Station Equipment	378	$ 9,107,746	$ 56,000	$ 33,600	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,197,346
Land and Land Rights	374	$ 1,379,337	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,315,829	$ -	$ -	$ -	$ 5,695,166
Total Additions		$ 29,551,661	$ 156,800	$ 95,200	$ 81,512	$ -	$ -	$ -	$ -	$ -	$ 39,698,029	$ 4,354,632	$ 2,744,264	$ 430,272	$ 77,112,370

Actual 2024 Additions

Gas Plant Investments		2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2024
Mains - Feeder	376	$ 26,203,210	$ 908,454	$ (122,212)	$ (581,595)	$ (878,861)	$ (437,445)	$ 898,296	$ (330,532)	$ (14,330)	$ (169,784)	$ (116,320)	$ 45,046,326	$ 2,772,894	$ 73,178,102
System M&R Station Equipment	378	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,747,865	$ 316,627	$ 1,045,917	$ 280,440	$ 269,691	$ 485,323	$ 611,421	$ 18,757,284
Land and Land Rights	374	$ 5,857,760	$ 924	$ 13,358	$ 28,923	$ (352,922)	$ 4,256	$ 5,920	$ 4,626	$ -	$ 1,493	$ 1,422	$ 358,250	$ 226	$ 5,924,237
Total Additions		$ 32,060,970	$ 909,379	$ (108,853)	$ (552,671)	$ (1,231,783)	$ (433,189)	$ 16,652,081	$ (9,280)	$ 1,031,587	$ 112,149	$ 154,793	$ 45,889,899	$ 3,384,541	$ 97,859,623

Difference (Actuals - Projections)

Gas Plant Investments		2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2024
Mains - Feeder	376	$ 7,138,632	$ 807,654	$ (183,812)	$ (663,107)	$ (878,861)	$ (437,445)	$ 898,296	$ (330,532)	$ (14,330)	$ (35,551,984)	$ (4,470,952)	$ 42,302,062	$ 2,342,622	$ 10,958,244
System M&R Station Equipment	378	$ (9,107,746)	$ (56,000)	$ (33,600)	$ -	$ -	$ -	$ 15,747,865	$ 316,627	$ 1,045,917	$ 280,440	$ 269,691	$ 485,323	$ 611,421	$ 9,559,938
Land and Land Rights	374	$ 4,478,423	$ 924	$ 13,358	$ 28,923	$ (352,922)	$ 4,256	$ 5,920	$ 4,626	$ -	$ (4,314,336)	$ 1,422	$ 358,250	$ 226	$ 229,071
Total Additions		$ 2,509,309	$ 752,579	$ (204,053)	$ (634,183)	$ (1,231,783)	$ (433,189)	$ 16,652,081	$ (9,280)	$ 1,031,587	$ (39,585,880)	$ (4,199,839)	$ 43,145,635	$ 2,954,269	$ 20,747,253

2025

Projected 2025 Additions

Gas Plant Investments		2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2025
Mains - Feeder	376	$ 62,219,858	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 33,939,719	$ 3,019,458	$ 1,563,645	$ 100,742,680
System M&R Station Equipment	378	$ 9,197,346	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,029,597	$ 260,691	$ 132,724	$ 12,620,358
Land and Land Rights	374	$ 5,695,166	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,719,400	$ 150,000	$ 50,000	$ 8,614,566
Total Additions		$ 77,112,370	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,688,716	$ 3,430,149	$ 1,746,369	$ 121,977,604

Actual 2025 Additions

Gas Plant Investments		2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2025
Mains - Feeder	376	$ 73,178,102	$ 1,667,081	$ (672,650)	$ 859,765	$ (3,979,327)	$ 244,806	$ 63,110	$ (1,606,118)	$ 16,808	$ 44,618,046	$ 519,609	$ 3,555,891	$ 329,526	$ 118,794,650
System M&R Station Equipment	378	$ 18,757,284	$ (228,201)	$ 78,355	$ 401	$ 1,737	$ -	$ 4,960	$ 3,916	$ 1,087	$ 1,351,918	$ 69,295	$ (433,056)	$ 26,813	$ 19,634,508
Land and Land Rights	374	$ 5,924,237	$ -	$ 754	$ 7,009	$ 3,591,108	$ 165	$ 12,197	$ 7,174	$ 4,339	$ 2,474,149	$ 11,372	$ 4,160	$ 115,050	$ 12,151,715
Total Additions		$ 97,859,623	$ 1,438,880	$ (593,540)	$ 867,175	$ (386,483)	$ 244,971	$ 80,267	$ (1,595,028)	$ 22,235	$ 48,444,113	$ 600,276	$ 3,126,994	$ 471,390	$ 150,580,872

Difference (Actuals - Projections)

Gas Plant Investments		2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EOY 2025
Mains - Feeder	376	$ 10,958,244	$ 1,667,081	$ (672,650)	$ 859,765	$ (3,979,327)	$ 244,806	$ 63,110	$ (1,606,118)	$ 16,808	$ 44,618,046	$ (33,420,110)	$ 536,433	$ (1,234,119)	$ 18,051,970
System M&R Station Equipment	378	$ 9,559,938	$ (228,201)	$ 78,355	$ 401	$ 1,737	$ -	$ 4,960	$ 3,916	$ 1,087	$ 1,351,918	$ (2,960,302)	$ (693,747)	$ (105,911)	$ 7,014,150
Land and Land Rights	374	$ 229,071	$ -	$ 754	$ 7,009	$ 3,591,108	$ 165	$ 12,197	$ 7,174	$ 4,339	$ 2,474,149	$ (2,708,028)	$ (145,840)	$ 65,050	$ 3,537,149
Total Additions		$ 20,747,253	$ 1,438,880	$ (593,540)	$ 867,175	$ (386,483)	$ 244,971	$ 80,267	$ (1,595,028)	$ 22,235	$ 48,444,113	$ (39,088,440)	$ (303,155)	$ (1,274,979)	$ 28,603,268

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Rider PMM by Rate Schedule

Line No.	Rate Schedule (A)	Weighted Gross Distribution Plant Approved KyPSC Case No. 2021-00190 (B)	2024 Projected Revenue Requirement (C)	XXXX True Up Revenue Requirement (D)	Total (E)	Billing Determinants per CCF (F)	Monthly Rider PMM (G)	
1	RS- Residential	86.932%	$ 4,004,890	$ -	$ 4,004,890	28,416,680	$ 0.14	Per CCF*
2	GS - General Service	12.506%	576,142	-	576,142	16,423,070	$ 0.04	Per CCF*
3	FT - Firm Transportation (Includes DGS)	0.341%	15,710	-	15,710	18,655,080	$ 0.00084	Per CCF
4	IT - Interruptible Transportation	0.221%	10,181	-	10,181	12,470,770	$ 0.00082	Per CCF
5	Total	100.000%	$ 4,606,923	$ -	$ 4,606,923			
			Sch. 1.1	Sch. 4.1		Sch. 3.0		

The cap for the annual PMM revenue requirement is no more than 5% increase in natural gas revenue per year
Natural gas revenue is defined to include base, gas cost and miscellaneous revenue

Per Order 2022-00229, all Rider PMM rates should be in volumetric format for the 2024 calendar year.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Rider Billing Determinants by Rate Schedule
for the Twelve Month Ending December, 2024

Line No.	Rate Schedule	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	RS - Residential (CCF)(2)	0	0	0	4,811,400	2,725,580	1,546,530	982,440	1,021,440	1,171,290	1,924,180	4,320,920	9,912,900	28,416,680
2	GS - General Service (CCF) (1) (2)	0	0	0	2,809,380	1,557,170	999,040	856,320	817,800	782,540	1,062,800	2,199,430	5,338,590	16,423,070
3	FT - Firm Transportation (CCF)	0	0	0	2,101,360	1,901,760	1,704,590	1,667,790	1,665,670	1,717,450	1,969,280	2,507,840	3,419,340	18,655,080
4	IT - Interruptible Transportation (CCF)	0	0	0	1,402,830	1,351,950	1,337,930	1,338,600	1,339,840	1,345,890	1,401,860	1,506,180	1,445,690	12,470,770

(1) General Service includes Commercial, Industrial, OPA, Street Lighting and Interdepartmental.
(2) Per Order 2022-00229, all Rider PMM rates should be in volumetric format for the 2024 calendar year.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Rider Billing Determinants by Rate Schedule
for the Twelve Month Ending December, 2025

Line No.	Rate Schedule	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	RS - Residential (CCF)[2]	13,140,152	12,515,291	9,561,735	5,412,219	2,332,424	1,395,072	1,017,912	894,128	993,998	1,351,999	4,153,937	9,415,603	62,184,470
2	GS - General Service (CCF) [1] [2]	7,253,123	7,044,876	5,328,727	2,515,086	1,556,514	989,359	584,177	445,616	604,940	766,037	2,138,504	5,075,302	34,302,261
3	FT - Firm Transportation (CCF)	3,985,467	3,378,305	3,023,142	2,263,781	1,945,176	1,822,219	1,611,283	1,642,614	1,695,846	2,008,994	2,603,770	3,239,664	29,220,261
4	IT - Interruptible Transportation (CCF)	1,485,308	1,397,972	1,400,586	1,320,447	1,333,355	1,341,269	1,341,490	1,342,314	1,348,501	1,490,207	1,498,570	1,490,251	16,790,270

(1) General Service includes Commercial, Industrial, OPA, Street Lighting and Interdepartmental.
(2) Per Order 2022-00229, all Rider PMM rates should be in volumetric format for the 2025 calendar year.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Rider PMM by Rate Schedule

Line No.	Rate Schedule (A)	Weighted Gross Distribution Plant Approved KyPSC Case No. 2021-00190 (B)		2025 Projected Revenue Requirement (C)		2023 True Up Revenue Requirement (D)		Total (E)	Billing Determinants per CCF (F)		Monthly Rider PMM (G)	
1	RS- Residential	86.932%	$	8,118,021	$	(492,034)	$	7,625,987	62,184,470	$	0.12	Per CCF
2	GS - General Service	12.506%		1,167,855		(70,784)		1,097,071	34,302,261	$	0.03	Per CCF
3	FT - Firm Transportation (Includes DGS)	0.341%		31,844		(1,930)		29,914	29,220,261	$	0.00102	Per CCF
4	IT - Interruptible Transportation	0.221%		20,638		(1,251)		19,387	16,790,270	$	0.00115	Per CCF
5	Total	100.000%	$	9,338,357	$	(565,999)	$	8,772,358				
				Sch. 1.1		Sch. 4.1			Sch. 3.0			

The cap for the annual PMM revenue requirement is no more than 5% increase in natural gas revenue per year
Natural gas revenue is defined to include base, gas cost and miscellaneous revenue

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Rider PMM by Rate Schedule

Line No.	Rate Schedule (A)	Weighted Gross Distribution Plant Approved KyPSC Case No. 2025-00125 (B)	2026 Projected Revenue Requirement (C)	2024 True Up Revenue Requirement (D)	Total (E)	Billing Determinants per CCF (F)	Monthly Rider PMM (G)	
1	RS- Residential	84.200%	$ 15,149,453	$ 1,263,775	$ 16,413,228	61,304,219	$ 0.27	Per CCF
2	GS - General Service	14.854%	2,672,565	222,947	2,895,512	34,133,572	$ 0.08	Per CCF
3	FT - Firm Transportation (Includes DGS)	0.753%	135,481	11,302	146,783	30,021,837	$ 0.00489	Per CCF
4	IT - Interruptible Transportation	0.193%	34,725	2,897	37,622	16,549,168	$ 0.00227	Per CCF
5	Total	100.000%	$ 17,992,225	$ 1,500,921	$ 19,493,146			
			Sch. 1.1	Sch. 4.1		Sch. 3.0		

The cap for the annual PMM revenue requirement is no more than 5% increase in natural gas revenue per year
Natural gas revenue is defined to include base, gas cost and miscellaneous revenue

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Rider Billing Determinants by Rate Schedule
for the Twelve Month Ending December, 2026

Line No.	Rate Schedule	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	RS - Residential (CCF)(2)	12,749,669	12,678,711	9,432,785	5,300,318	2,295,829	1,375,342	993,099	911,647	983,527	1,336,066	4,110,911	9,136,315	61,304,219
2	GS - General Service (CCF) (1) (2)	7,114,118	6,900,565	5,604,537	2,717,593	1,586,198	757,666	540,501	500,235	640,190	638,935	2,119,311	5,013,723	34,133,572
3	FT - Firm Transportation (CCF)	4,072,354	3,475,719	3,291,115	2,255,572	1,923,727	1,734,781	1,662,615	1,735,367	1,771,425	2,058,859	2,712,575	3,327,728	30,021,837
4	IT - Interruptible Transportation (CCF)	1,457,628	1,384,099	1,392,488	1,312,602	1,319,986	1,311,196	1,310,809	1,310,895	1,315,329	1,487,097	1,457,314	1,489,725	16,549,168

(1) General Service includes Commercial, Industrial, OPA, Street Lighting and Interdepartmental.
(2) Per Order 2022-00229, all Rider PMM rates should be in volumetric.

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
Rider PMM by Rate Schedule

Line No.	Rate Schedule (A)	Weighted Gross Distribution Plant Approved KyPSC Case No. 2021-00190 (B)	2023 Projected Revenue Requirement (C)	XXXX True Up Revenue Requirement (D)	Total (E)	Billing Determinants # of Bills / CCF (F)	Monthly Rider PMM (G)	
1	RS- Residential	86.932%	$ 773,284	$ -	$ 773,284	1,156,418	$ 0.67	Per Customer
2	GS - General Service	12.506%	111,244	-	111,244	92,746	$ 1.20	Per Customer
3	FT - Firm Transportation (Includes DGS)	0.341%	3,033	-	3,033	27,065,157	$ 0.00011	Per CCF
4	IT - Interruptible Transportation	0.221%	1,966	-	1,966	16,655,397	$ 0.00012	Per CCF
5	Total	100.000%	$ 889,527	$ -	$ 889,527			
			Sch. 1.1	Sch. 4.1		Sch. 3.0		

The cap for the annual PMM revenue requirement is no more than 5% increase in natural gas revenue per year
Natural gas revenue is defined to include base, gas cost and miscellaneous revenue

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Rider Billing Determinants by Rate Schedule
for the Twelve Month Ending December, 2023

Line No.	Rate Schedule	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	RS - Residential (Number of Customers)	96,662	96,519	96,678	96,477	96,383	96,096	95,892	95,818	95,844	96,101	96,712	97,235	1,156,418
2	GS - General Service (Number of Customers)	7,944	7,944	7,935	7,816	7,693	7,599	7,532	7,514	7,522	7,581	7,775	7,892	92,746
3	FT - Firm Transportation (CCF)	3,606,770	2,914,649	2,936,959	1,971,667	1,850,915	1,616,123	1,552,284	1,614,994	1,581,597	1,935,595	2,415,104	3,068,500	27,065,157
4	IT - Interruptible Transportation (CCF)	1,515,504	1,365,505	1,385,967	1,309,634	1,327,458	1,314,060	1,314,190	1,393,968	1,319,910	1,492,703	1,500,891	1,415,607	16,655,397

Duke Energy Kentucky
Case No. 2026-00162
STAFF First Request for Information
Date Received: August 12, 2026

STAFF-DR-01-002

REQUEST:

Refer to the Application, Exhibit 3, Schedule 2.0 and 4.6.

a. Explain Duke Kentucky's forecasting methodology for projected additions and how it plans its budget for each month.

b. Explain the reasons for the significant differences between the forecasted and actual budgets for Phases 1, 2, and 3, and indicate whether Duke Kentucky expects similar variances to occur in Phases 4 and 5.

RESPONSE:

a. Duke Energy Kentucky develops its forecasted additions and monthly budgets through its established project financial management and budgeting process. The annual project budget is based on the anticipated timing of project expenditures throughout the project lifecycle and is developed using the project's approved scope, resource requirements, schedule, estimated in-service date, procurement strategy, and contract commitments.

For each phase of the project, Duke Energy Kentucky develops a detailed spending forecast that allocates expected expenditures by month based on the planned project schedule and anticipated progression of engineering, permitting, procurement, construction, and closeout activities. Monthly forecasts are prepared using projected labor, materials, contractor costs, overheads, and other applicable project costs. Project expenditures are forecast on an accrual basis and therefore include costs for work performed, services rendered, or materials received, regardless of when cash payment occurs.

The forecast is continuously monitored and updated throughout project execution. Project management and project controls personnel review actual expenditures, current-year forecasts, project-to-date costs, remaining authorized funding, and estimated costs at completion. Forecasts are revised as necessary to reflect changes in scope, schedule, contract execution, market conditions, labor availability, or other factors affecting project execution.

b. The differences between the forecasted and actual budgets for Phases 1, 2, and 3 of the AM07 Pipeline Replacement Project were primarily driven by project conditions that were not fully known when the original estimates were developed. These factors included higher-than-anticipated easement and land acquisition costs, increases in contractor labor and construction pricing, material cost escalation, and supply chain constraints.

Schedule impacts also contributed to budget variances. For Phase 1, delays associated with land acquisition and operational constraints extended the construction schedule, resulting in additional labor, overhead, and Allowance for Funds Used During Construction (AFUDC) costs.

For Phase 3, actual costs exceeded the original forecast due in part to unforeseen construction delays, including impacts from historic flooding events that affected project execution and productivity. These conditions could not reasonably have been anticipated during the estimating process and resulted in modest increases to project costs.

Overall, the variances between forecasted and actual budgets for Phases 1, 2, and 3 were attributable to inflationary market conditions, schedule impacts, and unforeseen field conditions encountered during project execution.

Duke Energy Kentucky does not currently anticipate variances of the same magnitude for Phases 4 and 5. Based on lessons learned from the earlier phases, the Company has refined its forecasting assumptions, updated cost estimates to reflect current market conditions, and incorporated project execution experience gained during construction of Phases 1 through 3.

Nevertheless, some variance between forecasted and actual expenditures may occur because project forecasts necessarily rely on assumptions regarding contractor productivity, permitting timelines, material availability, weather conditions, and other factors outside the Company's complete control. Accordingly, Duke Energy Kentucky will continue to review and update project forecasts as construction progresses and additional information becomes available.

PERSON RESPONSIBLE: Christopher D. Colyer

STAFF-DR-01-003

REQUEST:

Refer to the Application, Exhibit 3, Schedule 4.1.

a. Provide calculations for the 2025 Billed Revenues of $9,475,716 in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

b. Provide calculations for Collections/(Refunds) for prior years (specify each year) of ($565,999) in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

RESPONSE:

a. Please see STAFF-DR-01-003 Attachment 1.

Source: General Ledger.

b. Please see STAFF-DR-01-003 Attachment 2.

Source: Sch 4.1 from Case No. 2024-00191 Total (Over)/Under Collections.

PERSON RESPONSIBLE: Jefferson "Jay" P. Brown

Business Unit CB - Description	Product CB - Description	Account CB - Description	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	
75086 - DE Kentucky Gas Delivery	ROGPMM - Pipeline Modernization Mech	0480000 - Residential Sales-Gas	$ (1,845,825.71)	$ (1,808,036.95)	$ (1,255,927.79)	$ (618,467.85)	$ (261,177.13)	$ (161,921.38)	$ (118,108.49)	$ (109,644.41)	$ (121,773.31)	$ (152,067.70)	$ (521,822.12)	$ (1,204,965.71)	$ (8,179,738.55)
		0481000 - Industrial Sales-Gas	$ (14,026.97)	$ (17,198.23)	$ (9,332.37)	$ (4,271.35)	$ (1,341.31)	$ (499.47)	$ (259.16)	$ (329.74)	$ (286.53)	$ (534.59)	$ (2,478.32)	$ (7,523.94)	$ (58,081.98)
		0481200 - Gas Commercial Sales	$ (250,066.38)	$ (257,750.30)	$ (188,318.46)	$ (89,572.98)	$ (38,980.53)	$ (25,818.48)	$ (19,430.56)	$ (19,356.13)	$ (20,794.82)	$ (24,801.50)	$ (60,867.81)	$ (148,109.34)	$ (1,143,867.29)
		0482000 - Other Sales to Public Auth-Gas	$ (13,658.74)	$ (15,099.16)	$ (12,081.55)	$ (6,014.96)	$ (2,603.22)	$ (2,278.16)	$ (914.28)	$ (779.63)	$ (1,139.28)	$ (1,393.73)	$ (3,298.30)	$ (7,175.15)	$ (66,436.16)
		0489020 - Comm Gas Transp Only	$ (968.06)	$ (1,282.81)	$ (882.84)	$ (680.75)	$ (617.72)	$ (488.11)	$ (430.19)	$ (435.90)	$ (412.83)	$ (424.07)	$ (495.96)	$ (807.99)	$ (7,927.23)
		0489030 - Indust Gas Transp Only	$ (1,498.10)	$ (1,772.84)	$ (1,579.64)	$ (1,440.80)	$ (1,430.71)	$ (1,411.89)	$ (1,231.87)	$ (1,234.24)	$ (1,265.80)	$ (1,254.89)	$ (1,275.61)	$ (1,602.14)	$ (16,998.53)
		0489040 - OPA Gas Transp Only	$ (360.41)	$ (490.61)	$ (376.85)	$ (273.48)	$ (198.40)	$ (131.13)	$ (62.57)	$ (60.18)	$ (81.43)	$ (90.22)	$ (181.40)	$ (359.59)	$ (2,666.27)
Grand Total			$ (2,126,404.37)	$ (2,101,630.90)	$ (1,468,499.50)	$ (720,722.17)	$ (306,349.02)	$ (192,548.62)	$ (140,437.12)	$ (131,840.23)	$ (145,754.00)	$ (180,566.70)	$ (590,419.52)	$ (1,370,543.86)	$ (9,475,716.01)

Duke Energy Kentucky
Pipeline Modernization Mechanism ("Rider PMM")
PMM Revenue Requirement for 2023

Line No.	(A)	PMM Investment December 31, 2023 (B)	Reference (C)
	Return on Investment		
	Rate Base		
1	Net PMM Investment - Property, Plant and Equipment	$ 2,455,305	Sch. 4.5
2	Cost of Removal	9,632	Sch. 4.5
3	Accumulated Reserve for Depreciation	-	Sch. 4.3
4	Net PP&E	2,464,937	
5	Accumulated Deferred Taxes on Liberalized Depreciation	(975)	Sch. 4.4
6	Net Rate Base	2,463,962	Line 4 + Line 5
7	Authorized Rate of Return, Adjusted for Income Taxes	8.087%	Sch. 4.2
8	Required Return on PMM Related Investment	$ 199,261	Line 6 * Line 7
	Operating Expenses		
9	Depreciation	$ -	Sch. 4.3
10	Property Tax	31,081	Line 4 * 1.26091%
11	PSC Assessment	300	(Sum Line 8 thru 10) * (0.1302% / (1-0.1302%))
12	Total Operating Expenses	$ 31,381	Sum Lines 9 thru 11
13	**Total Annual Revenue Requirement**	$ 230,642	Line 8 + Line 12
14	Collections/(Refunds) for prior years	-	
15	Adjusted Revenue Requirement	$ 230,642	
16	2023 Billed Revenues	796,641	
17	Total (Over)/Under Collections	$ (565,999)	

Notes:
(1) Property taxes using an effective rate of 1.26091%
(2) PSC Assessment using Fiscal Year 2023 rate of 0.1302%
(3) Under collection is driven by the actual in-service date later than the projected in-service date