

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

OCT 16 2006

PUBLIC SERVICE
COMMISSION

IN THE MATTER OF THE ADJUSTMENT)
OF ELECTRIC RATES OF THE UNION)
LIGHT, HEAT AND POWER COMPANY) CASE NO. 2006-00172
D/B/A DUKE ENERGY KENTUCKY)

**DUKE ENERGY KENTUCKY'S
FILING OF ACTUAL RESULTS
FOR ESTIMATED MONTHS OF BASE PERIOD**

VOLUME II

SCHEDULES F - M and WORKPAPERS

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
SOCIAL AND SERVICE CLUB DUES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | ACCOUNT NO. | SOCIAL ORGANIZATION/ SERVICE CLUB | BASE PERIOD | | | FORECASTED PERIOD | | |
|----------|-------------|---------------------------------------|--------------------|---------|----------------------------|--------------------|---------|----------------------------|
| | | | TOTAL UTILITY (\$) | PERCENT | JURISDICTIONAL AMOUNT (\$) | TOTAL UTILITY (\$) | PERCENT | JURISDICTIONAL AMOUNT (\$) |
| 1 | | | | | | | | |
| | | <u>Direct Charges</u> | | | | | | |
| 2 | 426510 | Airport Area Industrial Association | 100.00 | 100.00 | 100.00 | 0.00 | 100.00 | 0.00 |
| 3 | 426510 | Covington Business Council | 1,000.00 | 100.00 | 1,000.00 | 0.00 | 100.00 | 0.00 |
| 4 | 426510 | Florence Rotary Club | 75.00 | 100.00 | 75.00 | 0.00 | 100.00 | 0.00 |
| 5 | 426510 | Friends of Covington | 50.00 | 100.00 | 50.00 | 0.00 | 100.00 | 0.00 |
| 6 | 426510 | Leadership Kentucky Foundation | 90.00 | 100.00 | 90.00 | 0.00 | 100.00 | 0.00 |
| 7 | 426510 | NKCCMA | 150.00 | 100.00 | 150.00 | 0.00 | 100.00 | 0.00 |
| 8 | 426510 | Northern Kentucky Area Development | 125.00 | 100.00 | 125.00 | 0.00 | 100.00 | 0.00 |
| 9 | 426510 | Northern Kentucky Industrial Park | 150.00 | 100.00 | 150.00 | 0.00 | 100.00 | 0.00 |
| 10 | 426510 | Northern Kentucky Leadership | 60.00 | 100.00 | 60.00 | 0.00 | 100.00 | 0.00 |
| 11 | 426510 | Northern Kentucky Chamber of Commerce | 5,000.00 | 100.00 | 5,000.00 | 0.00 | 100.00 | 0.00 |
| 12 | 426510 | SEBC Leadership 21 Alumni Association | 50.00 | 100.00 | 50.00 | 0.00 | 100.00 | 0.00 |
| 13 | 426510 | The Metropolitan Club | 1,177.61 | 100.00 | 1,177.61 | 0.00 | 100.00 | 0.00 |
| 14 | | Total Direct Charges | 8,027.61 | | 8,027.61 | 0.00 | | 0.00 |
| 15 | | | | | | | | |
| 16 | | | | | | | | |
| 17 | | <u>Allocated to ULH&P</u> | | | | | | |
| 18 | 426510 | Athletic Club of Columbus | 14.73 | 100.00 | 14.73 | 0.00 | 100.00 | 0.00 |
| 19 | 426510 | Bankers Club | 26.64 | 100.00 | 26.64 | 0.00 | 100.00 | 0.00 |
| 20 | 426510 | Frankfort Country Club | 1,739.43 | 100.00 | 1,739.43 | 0.00 | 100.00 | 0.00 |
| 21 | 426510 | Highland Country Club | 3,840.00 | 100.00 | 3,840.00 | 0.00 | 100.00 | 0.00 |
| 22 | 426510 | Ivy Hills Country Club | 708.82 | 100.00 | 708.82 | 0.00 | 100.00 | 0.00 |
| 23 | 426510 | Miscellaneous | (19.44) | 100.00 | (19.44) | 0.00 | 100.00 | 0.00 |
| 24 | 426510 | Summit Hills Country Club | 1,884.32 | 100.00 | 1,884.32 | 0.00 | 100.00 | 0.00 |
| 25 | 426510 | The Metropolitan Club | 2,042.32 | 100.00 | 2,042.32 | 0.00 | 100.00 | 0.00 |
| 26 | 506000 | Various Budgeted Items | 0.00 | 100.00 | 0.00 | 0.00 | 100.00 | 1,595.00 |
| 27 | 910000 | Various Budgeted Items | 0.00 | 100.00 | 0.00 | 0.00 | 100.00 | 638.00 |
| 28 | | Total Allocated Charges | 10,236.82 | | 10,236.82 | 0.00 | | 2,233.00 |
| 29 | | Total Social and Service Club Dues | 18,264.43 | | 18,264.43 | 2,233.00 | | 2,233.00 |
| 30 | | | | | | | | |

(A) Allocation Code DALL
(B) No Initiation Fees/Country Club Expenses are included in the forecasted period operating expenses.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
CHARITABLE CONTRIBUTIONS
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-2.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | ACCOUNT NO. | CHARITABLE ORGANIZATION | BASE PERIOD | | FORECASTED PERIOD | |
|----------|---------------------|-------------------------------------|--------------------|------------------------------|--------------------|------------------------------|
| | | | TOTAL UTILITY (\$) | JURISDICTIONAL PERCENT (A) % | TOTAL UTILITY (\$) | JURISDICTIONAL PERCENT (A) % |
| 1 | Direct Charges | | | | | |
| 2 | 903000 | Wintecare Energy Fund | 0.00 | 100.00 | 0.00 | 100.00 |
| 3 | 910000 | Wintecare Energy Fund | 1,494.60 | 100.00 | 1,494.60 | 100.00 |
| 4 | 426100 | Wintecare Energy Fund | 38,779.42 | 100.00 | 38,779.42 | 100.00 |
| 5 | 426105 | Wintecare Energy Fund | 8,775.44 | 100.00 | 8,775.44 | 100.00 |
| 6 | | | | | | |
| 7 | Allocated to LULH&P | | | | | |
| 8 | 921000 | Artworks | 132.50 | 100.00 | 132.50 | 100.00 |
| 9 | 930202 | Conservation Fund | 30.40 | 100.00 | 30.40 | 100.00 |
| 10 | 426100 | Playhouse in the Park | 13.62 | 100.00 | 13.62 | 100.00 |
| 11 | 426510 | Lee Howe ALS Education Fund | 265.00 | 100.00 | 265.00 | 100.00 |
| 12 | 921000 | Tri-State Adoption Coalition | 284.29 | 100.00 | 284.29 | 100.00 |
| 13 | 921000 | College Mentors For Kids Inc. | 149.70 | 100.00 | 149.70 | 100.00 |
| 14 | 921000 | Committee For Lakota's Future | 194.70 | 100.00 | 194.70 | 100.00 |
| 15 | 580000 | Indiana Special Olympics | 713.02 | 100.00 | 713.02 | 100.00 |
| 16 | 921000 | Lee Howe ALS Education Fund | 3,002.00 | 100.00 | 3,002.00 | 100.00 |
| 17 | 921000 | Local 1393 Charity Golf Tournament | 44.90 | 100.00 | 44.90 | 100.00 |
| 18 | 921000 | Loveland's Amazing Race | 98.50 | 100.00 | 98.50 | 100.00 |
| 19 | 910000 | Metrolina Association for the Blind | 53.60 | 100.00 | 53.60 | 100.00 |
| 20 | 921000 | Ohio Cancer Research Association | 185.50 | 100.00 | 185.50 | 100.00 |
| 21 | 588000 | Plainfield Fire Department | 34.50 | 100.00 | 34.50 | 100.00 |
| 22 | 588000 | Plainfield High School Softball | 34.50 | 100.00 | 34.50 | 100.00 |
| 23 | 921000 | Redwood Rehabilitation Center | 52.65 | 100.00 | 52.65 | 100.00 |
| 24 | 588000 | Reelsville Youth League | 34.50 | 100.00 | 34.50 | 100.00 |
| 25 | 921000 | Rotary Foundation | 7.30 | 100.00 | 7.30 | 100.00 |
| 26 | 426510 | Talbert House | 45.05 | 100.00 | 45.05 | 100.00 |
| 27 | 930202 | The Nature Conservancy | 228.00 | 100.00 | 228.00 | 100.00 |
| 28 | 506000 | Three Rivers Middle School | 26.22 | 100.00 | 26.22 | 100.00 |
| 29 | 426590 | United Way | 11.86 | 100.00 | 11.86 | 100.00 |
| 30 | 921000 | Wes Fletcher Memorial Fund | 100.00 | 100.00 | 100.00 | 100.00 |
| 31 | 717000 | Yellow Ribbon Support Center | 399.90 | 100.00 | 399.90 | 100.00 |
| 32 | 921000 | Various Budgeted Items | 0.00 | 100.00 | 0.00 | 100.00 |
| 33 | 426590 | Various Budgeted Items | 0.00 | 100.00 | 0.00 | 100.00 |
| 34 | | Total Charitable Contributions | 55,191.67 | | 55,191.67 | |
| 35 | | | | | 17,520.00 | |

(A) Allocation Code DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EMPLOYEE PARTY, OUTFITTING, & GIFT EXPENSE
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-2.3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | ACCOUNT NO. | EMPLOYEE EXPENDITURES | BASE PERIOD | | FORECASTED PERIOD | |
|----------|--------------------|-------------------------------------|--------------------|----------------------------|--------------------|----------------------------|
| | | | TOTAL UTILITY (\$) | JURISDICTIONAL AMOUNT (\$) | TOTAL UTILITY (\$) | JURISDICTIONAL AMOUNT (\$) |
| | | | (A) | (A) | (A) | (A) |
| | | | % | % | % | % |
| 1 | Allocated to UJH&P | | | | | |
| 2 | 903000 | AurGroup Credit Union | 28.74 | 28.74 | 0.00 | 0.00 |
| 3 | 910000 | AurGroup Credit Union | 0.80 | 0.80 | 0.00 | 0.00 |
| 4 | 921000 | AurGroup Credit Union | 1,808.07 | 1,808.07 | 0.00 | 0.00 |
| 5 | 561000 | Fifth Third Bank | 57.86 | 57.86 | 0.00 | 0.00 |
| 6 | 880000 | Fifth Third Bank | 94.50 | 94.50 | 0.00 | 0.00 |
| 7 | 901000 | Fifth Third Bank | 55.72 | 55.72 | 0.00 | 0.00 |
| 8 | 921000 | Fifth Third Bank | 891.39 | 891.39 | 0.00 | 0.00 |
| 9 | 903000 | Gift Certificate Center | 4.73 | 4.73 | 0.00 | 0.00 |
| 10 | 921000 | Gift Certificate Center | 56.98 | 56.98 | 0.00 | 0.00 |
| 11 | 921000 | Holy Family PTO | 1,031.23 | 1,031.23 | 0.00 | 0.00 |
| 12 | 549000 | Montgomery Inn | 948.60 | 948.60 | 0.00 | 0.00 |
| 13 | 506000 | The Home Depot | 798.40 | 798.40 | 0.00 | 0.00 |
| 14 | 107000 | The Robbins Company | 189.69 | 189.69 | 0.00 | 0.00 |
| 15 | 163000 | The Robbins Company | 91.80 | 91.80 | 0.00 | 0.00 |
| 16 | 184100 | The Robbins Company | 29.38 | 29.38 | 0.00 | 0.00 |
| 17 | 500000 | The Robbins Company | 1,060.71 | 1,060.71 | 0.00 | 0.00 |
| 18 | 506000 | The Robbins Company | 246.40 | 246.40 | 0.00 | 0.00 |
| 19 | 566000 | The Robbins Company | 15.92 | 15.92 | 0.00 | 0.00 |
| 20 | 571000 | The Robbins Company | 22.36 | 22.36 | 0.00 | 0.00 |
| 21 | 580000 | The Robbins Company | 71.98 | 71.98 | 0.00 | 0.00 |
| 22 | 586000 | The Robbins Company | 101.36 | 101.36 | 0.00 | 0.00 |
| 23 | 588000 | The Robbins Company | 1,034.66 | 1,034.66 | 0.00 | 0.00 |
| 24 | 870000 | The Robbins Company | 16.56 | 16.56 | 0.00 | 0.00 |
| 25 | 885000 | The Robbins Company | 7.64 | 7.64 | 0.00 | 0.00 |
| 26 | 901000 | The Robbins Company | 37.52 | 37.52 | 0.00 | 0.00 |
| 27 | 903000 | The Robbins Company | 398.91 | 398.91 | 0.00 | 0.00 |
| 28 | 910000 | The Robbins Company | 825.82 | 825.82 | 0.00 | 0.00 |
| 29 | 920000 | The Robbins Company | 14.77 | 14.77 | 0.00 | 0.00 |
| 30 | 921000 | The Robbins Company | 775.15 | 775.15 | 0.00 | 0.00 |
| 31 | Various | Various Budgeted Items | 0.00 | 0.00 | 0.00 | 0.00 |
| 32 | | | | | | |
| 33 | | Total Employee Party & Gift Expense | 10,717.65 | 10,717.65 | 12,666.00 | 12,666.00 |

(A) Alloc Code DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
CUSTOMER SERVICE AND INFORMATIONAL SALES AND GENERAL ADVERTISING EXPENSE
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE C-2.1

| LINE NO. | ACCOUNT NO. | DESCRIPTION OF EXPENSES | BASE PERIOD | | | FORECASTED PERIOD | | |
|----------|-------------|--|------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
| | | | TOTAL ELECTRIC | JURISDICTIONAL PERCENT (A) | AMOUNT (\$) | TOTAL ELECTRIC | JURISDICTIONAL PERCENT (A) | AMOUNT (\$) |
| 1 | | Customer Service And Informational Expenses | | | | | | |
| 2 | 908000 | Customer Assistance | 90,874 | 100.000 | 90,874 | 100.000 | 72,746 | 72,746 |
| 3 | 909000 | Info/Instr Advs-Community Affairs | 157,663 | 100.000 | 157,663 | 100.000 | 107,067 | 107,067 |
| 4 | 910000 | Misc Cust Serv and Info | 467,206 | 100.000 | 467,206 | 100.000 | 499,355 | 499,355 |
| 5 | | Total Customer Service and Informational Expenses | <u>715,743</u> | | <u>715,743</u> | | <u>679,168</u> | <u>679,168</u> |
| 6 | | | | | | | | |
| 7 | | Sales Expense | | | | | | |
| 8 | 911000 | Marketing Operations | 9,380 | 100.000 | 9,380 | 100.000 | 0 | 0 |
| 9 | 913000 | Marketing/Customer Reltns | 1,558 | 100.000 | 1,558 | 100.000 | 3,204 | 3,204 |
| 10 | 916000 | Miscellaneous Sales Exps | 1,714,215 | 100.000 | 1,714,215 | 100.000 | 2,020,000 | 2,020,000 |
| 11 | | Total Sales Expense | <u>1,725,153</u> | | <u>1,725,153</u> | | <u>2,023,204</u> | <u>2,023,204</u> |
| 12 | | | | | | | | |
| 13 | | General Advertising Expense | | | | | | |
| 14 | 930000 | General & Misc Media | 7,130 | 100.000 | 7,130 | 100.000 | 16,848 | 16,848 |
| 15 | 930200 | General Misc | 313,113 | 100.000 | 313,113 | 100.000 | 602,868 | 602,868 |
| 16 | | Total General Advertising Expense | <u>320,243</u> | | <u>320,243</u> | | <u>619,716</u> | <u>619,716</u> |

(A) Alloc Code DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ADVERTISING

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006

SCHEDULE F-4
PAGE 1 OF 2
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPF-4a, WPF-4b

| LINE NO. | ITEM (A) | SALES OR PROMOTIONAL ADVERTISING (B) | INSTITUTIONAL ADVERTISING (C) | CONSERVATION ADVERTISING (D) | RATE CASE (E) | OTHER (F) | TOTAL (G) |
|----------|----------------------------|--------------------------------------|-------------------------------|------------------------------|---------------|-----------|-----------|
| 1 | <u>Newspaper</u> | | | | | 31,942 | 31,942 |
| 2 | | | | | | | |
| 3 | <u>Magazines and Other</u> | | | | | | |
| 4 | | | | | | | |
| 5 | <u>Television</u> | | | | | | |
| 6 | | | | | | | |
| 7 | <u>Radio</u> | | | | | 43,006 | 43,006 |
| 8 | Roman Brandgroup - Safety | | | | | 71,896 | 71,896 |
| 9 | Roman Brandgroup - Agency | | | | | | |
| 10 | | | | 38,160 | | | 38,160 |
| 11 | <u>Direct Mail</u> | | | | | | |
| 12 | | | | | | | |
| 13 | <u>Sales Aids</u> | | | | | | |
| 14 | | | | | | | |
| 15 | <u>Undetermined</u> | | | | | 0 | 0 |
| 16 | | 0 | 0 | 38,160 | | 146,844 | 185,004 |
| 17 | Total | | | | | | |
| 18 | | | | | | | |
| 19 | Amount Assigned to | 0 | 0 | 38,160 | | 146,844 | 185,004 |
| 20 | KY Retail | | | | | | |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ADVERTISING

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-4
PAGE 2 OF 2
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPF-4a, WPF-4b

| LINE NO. | ITEM (A) | SALES OR PROMOTIONAL ADVERTISING (B) | INSTITUTIONAL ADVERTISING (C) | CONSERVATION ADVERTISING (D) | RATE CASE (E) | OTHER (F) | TOTAL (1) (G) |
|----------|----------------------------|--------------------------------------|-------------------------------|------------------------------|---------------|-----------|---------------|
| 1 | <u>Newspaper</u> | | | | | | |
| 2 | | | | | | | |
| 3 | <u>Magazines and Other</u> | | | | | | |
| 4 | | | | | | | |
| 5 | <u>Television</u> | | | | | | |
| 6 | | | | | | | |
| 7 | <u>Radio</u> | | | | | | |
| 8 | | | | | | | |
| 9 | <u>Direct Mail</u> | | | | | | |
| 10 | | | | | | | |
| 11 | <u>Sales Aids</u> | | | | | 170,375 | 170,375 |
| 12 | | | | | | | |
| 13 | <u>Undetermined</u> | | | | | | |
| 14 | | | | | | | |
| 15 | Total | | | | | 0 | 0 |
| 16 | Amount Assigned to | | | | | | |
| 17 | KY Retail | | | | | 0 | 0 |
| 18 | | | | | | | |
| | | | | | | 170,375 | 170,375 |

Notes:
(1) Eliminated on Schedule D-2.22.

NO CHANGE

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
PROFESSIONAL SERVICES EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-5
PAGE 2 OF 2
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPF-5a, WPF-5b

| Line No. | Description | Expense Breakdown | | | Total Electric Unadjusted (\$) | Juris. Allocation % | Jurisdictional Unadjusted (\$) | Adjustments (\$) | Jurisdictional Adjusted (\$) | Allocation Code |
|----------|-------------|-------------------|--------------|-----------|--------------------------------|---------------------|--------------------------------|------------------|------------------------------|-----------------|
| | | Rate Case | Annual Audit | Other | | | | | | |
| 1 | | (\$) | (\$) | (\$) | | (\$) | | | | |
| 2 | Legal | 0 | 0 | 130,788 | 100.000 | 130,788 | 0 | 130,788 | DALL | |
| 3 | | | | | | | | | | |
| 4 | Engineering | 0 | 0 | 0 | 100.000 | 0 | 0 | 0 | DALL | |
| 5 | | | | | | | | | | |
| 6 | Accounting | 0 | 0 | 0 | 100.000 | 0 | 0 | 0 | DALL | |
| 7 | | | | | | | | | | |
| 8 | Other | 0 | 0 | 1,763,578 | 100.000 | 1,763,578 | 0 | 1,763,578 | DALL | |
| 9 | | | | | | | | | | |
| 10 | Total | 0 | 0 | 1,894,366 | | 1,894,366 | 0 | 1,894,366 | | |

NO CHANGE

DUKE ENERGY KENTUCKY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE F-6
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

COMPARISON OF PROJECTED EXPENSES ASSOCIATED WITH THE CURRENT CASE TO PRIOR RATE CASES

| LINE NO. | ITEM OF EXPENSE | CASE NO. 2006-00172 | ESTIMATE | ACTUAL | ESTIMATE | CASE NO. 2005-042 (GAS) | ESTIMATE | ACTUAL | ESTIMATE | CASE NO. 2001-092 (GAS) | ESTIMATE | JUSTIFICATION OF SIGNIFICANT CHANGE |
|----------|-----------------|---------------------|----------|--------|----------|-------------------------|----------|--------|----------|-------------------------|----------|-------------------------------------|
|----------|-----------------|---------------------|----------|--------|----------|-------------------------|----------|--------|----------|-------------------------|----------|-------------------------------------|

| | | | | | | | | | | | | |
|----|---------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| 1 | Legal | 35,000 | 8,444 | 25,000 | 114,159 | 125,000 | 15,000 | 17,391 | 15,000 | 17,391 | 15,000 | |
| 2 | Accounting (Depreciation Study) | 40,000 | 40,855 | 15,000 | 17,391 | 15,000 | 15,000 | 17,391 | 15,000 | 17,391 | 15,000 | |
| 3 | Consultants | 25,000 | 26,026 | 60,000 | 358,219 | 300,000 | 60,000 | 358,219 | 60,000 | 358,219 | 300,000 | |
| 4 | Rate of Return Studies | 70,000 | 71,376 | 40,000 | 41,639 | 10,000 | 40,000 | 41,639 | 40,000 | 41,639 | 10,000 | |
| 5 | Cost of Service Studies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 6 | Cost of Service Studies | 16,000 | 15,544 | 5,000 | 1,019 | 25,000 | 5,000 | 1,019 | 5,000 | 1,019 | 25,000 | |
| 7 | Publish Legal Notice | 40,000 | 14,379 | 10,000 | 8,243 | 10,000 | 10,000 | 8,243 | 10,000 | 8,243 | 10,000 | |
| 8 | Transportation, Lodging, Meals | 9,000 | 5,146 | 40,000 | 39,103 | 10,000 | 40,000 | 39,103 | 40,000 | 39,103 | 10,000 | |
| 9 | Miscellaneous | 235,000 | 181,770 | 195,000 | 579,773 | 495,000 | 195,000 | 579,773 | 195,000 | 579,773 | 495,000 | |
| 10 | Total | | | | | | | | | | | |

SCHEDULE OF RATE CASE EXPENSE AMORTIZATION

| LINE NO. | AMORT. DURING FORECAST PERIOD | AMOUNT TO DATE | PERIOD TO DATE | PERIOD TO DATE | AMORTIZATION AMOUNT | AMOUNT TO DATE | PERIOD TO DATE | PERIOD TO DATE | AMORT. DURING FORECAST PERIOD |
|----------|-------------------------------|----------------|----------------|----------------|---------------------|----------------|----------------|----------------|-------------------------------|
| 19 | 0 | 0 | 3 YEAR | 0 | 0 | 0 | 3 YEAR | 0 | 0 |
| 20 | 78,333 | 78,333 | 3 YEAR | 0 | 0 | 78,333 | 3 YEAR | 0 | 78,333 |
| 21 | 0 | 0 | 3 YEAR | 0 | 0 | 0 | 3 YEAR | 0 | 0 |
| 22 | 0 | 0 | 3 YEAR | 0 | 0 | 0 | 3 YEAR | 0 | 0 |
| 23 | 78,333 | 78,333 | 3 YEAR | 0 | 0 | 78,333 | 3 YEAR | 0 | 78,333 |

Total Rate Case Expense Amortization

(A) Represents rate case expense included on Schedule C-2, as adjusted.

No Political Expenses are included in test year operating expenses.

| LINE NO. | ITEM (A) | AMOUNT (B) |
|----------|----------|------------|
|----------|----------|------------|

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
CIVIC, POLITICAL AND RELATED ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007
NO CHANGE

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):
SCHEDULE F-7
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
PAYROLL COSTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISIED
WORK PAPER REFERENCE NO(S):

SCHEDULE G-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | OPERATION AND MAINTENANCE EXPENSES | | | |
|----------|-------------------------|------------------------------------|----------------------|---------------------------|-------------------------|
| | | TOTAL ELECTRIC UNADJUSTED | JURISDICTIONAL % (A) | JURISDICTIONAL UNADJUSTED | JURISDICTIONAL ADJUSTED |
| 1 | Base Period: | | | | |
| 2 | Payroll Costs | | | | |
| 3 | Labor (B) | 18,748,181 | 100.000 | 18,748,181 | 0 |
| 3 | | | | | |
| 4 | Employee Benefits | | | | |
| 5 | Pension | 4,368,326 | 100.000 | 4,368,326 | 0 |
| 6 | Injuries and Damages | 0 | 100.000 | 0 | 0 |
| 9 | 401-K Plan | 806,172 | 100.000 | 806,172 | 0 |
| 11 | Group Insurance | 2,268,530 | 100.000 | 2,268,530 | 0 |
| 12 | Other | 431,208 | 100.000 | 431,208 | 0 |
| 13 | Total Benefits | 7,874,236 | | 7,874,236 | 0 |
| 14 | | | | | |
| 15 | Payroll Taxes | | | | |
| 16 | F.I.C.A. | 1,267,926 | 100.000 | 1,267,926 | 0 |
| 17 | Federal Unemployment | 33,346 | 100.000 | 33,346 | 0 |
| 18 | State Unemployment | 16,739 | 100.000 | 16,739 | 0 |
| 19 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 |
| 20 | Total Payroll Taxes | 1,318,011 | | 1,318,011 | 0 |
| 21 | Total Payroll Costs | 27,940,428 | | 27,940,428 | 0 |
| 22 | | | | | |
| 23 | Forecast Period: | | | | |
| 24 | Payroll Costs | | | | |
| 25 | Labor (B) | 22,578,629 | 100.000 | 22,578,629 | 0 |
| 26 | | | | | |
| 27 | Employee Benefits | | | | |
| 28 | Pension | 5,260,821 | 100.000 | 5,260,821 | 0 |
| 29 | Injuries and Damages | 0 | 100.000 | 0 | 0 |
| 30 | 401-K Plan | 970,881 | 100.000 | 970,881 | 0 |
| 31 | Group Insurance | 2,732,014 | 100.000 | 2,732,014 | 0 |
| 32 | Other | 519,308 | 100.000 | 519,308 | 0 |
| 33 | Total Benefits | 9,483,024 | | 9,483,024 | 0 |
| 34 | | | | | |
| 35 | Payroll Taxes | | | | |
| 36 | F.I.C.A. | 2,036,649 | 100.000 | 2,036,649 | 0 |
| 37 | Federal Unemployment | 53,563 | 100.000 | 53,563 | 0 |
| 38 | State Unemployment | 26,887 | 100.000 | 26,887 | 0 |
| 39 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 |
| 40 | Total Payroll Taxes | 2,117,099 | | 2,117,099 | 0 |
| 41 | Total Payroll Costs | 34,178,752 | | 34,178,752 | 0 |

(A) Allocation Code: DALL
(B) Includes labor allocated from the Service Corp.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
TOTAL COMPANY PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATION/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "Y" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE G-2
PAGE 1 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | Base Period | Forecast Period | |
|----------|---|---------------------------------|----------|------------|----------|------------|----------|------------|----------|------------|----------|-------------|-----------------|----------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | | | |
| 1 | MANHOURS | 379,982 | 2.34% | 366,416 | (3.57)% | 346,962 | (5.31)% | 355,727 | 2.53% | 343,011 | (3.57)% | 507,887 | 632,694 | 24.57% |
| 2 | STRAIGHT TIME HOURS | 42,730 | 3.18% | 38,104 | (10.83)% | 36,129 | (2.69)% | 36,050 | (7.87)% | 44,301 | 22.89% | 67,066 | 51,534 | (23.16)% |
| 3 | OVERTIME HOURS | 422,692 | 2.42% | 404,520 | (4.30)% | 388,091 | (4.59)% | 391,777 | 1.47% | 387,312 | (1.14)% | 574,955 | 684,228 | 19.01% |
| 4 | TOTAL MANHOURS | | | | | | | | | | | | | |
| 5 | RATIO OF OVERTIME HOURS TO STRAIGHT TIME HOURS | 11.25 | | 10.40 | | 11.28 | | 10.13 | | 12.92 | | 13.20 | 8.15 | |
| 6 | LABOR DOLLARS | 132,687 | 13.96% | 112,067 | (15.54)% | 140,024 | 24.95% | 112,826 | (19.42)% | 88,544 | (21.52)% | 181,907 | 443,306 | 143.70% |
| 7 | OTHER EARNINGS | 9,334,220 | 4.97% | 9,292,998 | (0.44)% | 8,990,071 | (3.28)% | 9,337,280 | 3.86% | 9,420,655 | 0.89% | 17,643,719 | 18,884,116 | 7.03% |
| 8 | STRAIGHT TIME DOLLARS | 1,182,758 | 4.82% | 1,077,559 | (8.89)% | 1,156,224 | 7.30% | 1,082,688 | (6.39)% | 1,398,465 | 28.98% | 2,684,886 | 2,234,313 | (16.78)% |
| 9 | OVERTIME DOLLARS | 10,649,665 | 5.09% | 10,482,614 | (1.57)% | 10,286,319 | (1.87)% | 10,532,792 | 2.40% | 10,305,664 | (3.54)% | 20,510,572 | 21,571,735 | 5.17% |
| 10 | TOTAL LABOR DOLLARS | | | | | | | | | | | | | |
| 11 | RATIO OF OVERTIME DOLLARS TO STRAIGHT TIME DOLLARS | 12.67 | | 11.60 | | 12.86 | | 11.60 | | 14.82 | | 15.22 | 11.83 | |
| 12 | O & M LABOR DOLLARS - ELECTRIC | 2,654,645 | 6.02% | 2,486,700 | (6.33)% | 2,433,661 | (2.13)% | 2,463,547 | 1.23% | 2,798,183 | 13.58% | 9,248,666 | 11,362,849 | 22.86% |
| 13 | RATIO OF O & M LABOR DOLLARS TO TOTAL LABOR DOLLARS | 23.93 | | 23.72 | | 23.66 | | 23.39 | | 25.65 | | 45.09 | 52.67 | |

Note: Represents labor of U/H&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
TOTAL COMPANY PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE G-2
PAGE 2 OF 8
WITNESS RESPONSIBLE:
W. D. WATTHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | | | | |
|----------|---|---------------------------------|-------------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|---------|-----------|--------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | | | | |
| | | | | | | | | | | | | | | | |
| 20 | TOTAL EMPLOYEE BENEFITS | 743,301 | 14.17% | 746,011 | 0.36% | 924,791 | 23.96% | 960,783 | 3.89% | 1,175,237 | 22.32% | 3,884,440 | 230.52% | 4,772,396 | 22.86% |
| 21 | EMPLOYEE BENEFITS EXPENSE - ELECTRIC | 743,301 | 14.17% | 746,011 | 0.36% | 924,791 | 23.96% | 960,783 | 3.89% | 1,175,237 | 22.32% | 3,884,440 | 230.52% | 4,772,396 | 22.86% |
| 22 | RATIO OF EMPLOYEE BENEFITS EXP TO TOTAL EMPLOYEE BENEFITS | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | |
| 23 | TOTAL PAYROLL TAXES | 798,725 | 5.08% | 786,196 | (1.57)% | 771,474 | (1.87)% | 789,959 | 2.40% | 817,925 | 3.54% | 1,538,293 | 88.07% | 1,617,880 | 5.17% |
| 24 | PAYROLL TAXES EXPENSED - ELECTRIC | 199,099 | 6.02% | 186,502 | (6.33)% | 182,525 | (2.13)% | 184,766 | 1.23% | 209,864 | 13.58% | 693,650 | 230.52% | 852,213 | 22.86% |
| 25 | RATIO OF PAYROLL TAXES EXP TO TOTAL PAYROLL TAXES | 24.93 | | 23.72 | | 23.66 | | 23.39 | | 25.66 | | 45.09 | | 52.67 | |
| 26 | AVERAGE EMPLOYEE LEVELS | | | | | | | | | | | | | | |
| 27 | YEAR END EMPLOYEE LEVELS | | | | | | | | | | | | | | |
| 28 | EMPLOYEE LEVELS BY MONTHS | | | | | | | | | | | | | | |
| 29 | (TEST YEAR AND TWO MOST RECENT CALENDAR YEARS) | | | | | | | | | | | | | | |
| 30 | | JAN. 2001-2005 | Base Period | FEB. 2005 | Forecast | JAN. 2007 | | FEB. 2007 | | MAR. 2007 | | APR. 2007 | | MAY 2007 | |
| 31 | | JAN. | 2001 | SEP. | 2005 | JAN. | 2007 | FEB. | 2007 | MAR. | 2007 | APR. | 2007 | MAY | 2007 |
| 32 | | FEB. | 2001 | OCT. | 2005 | FEB. | 2007 | MAR. | 2007 | APR. | 2007 | MAY | 2007 | JUN. | 2007 |
| 33 | | MAR. | 2001 | NOV. | 2005 | MAR. | 2007 | APR. | 2007 | MAY | 2007 | JUN. | 2007 | JUL. | 2007 |
| 34 | | APR. | 2001 | DEC. | 2005 | APR. | 2007 | MAY | 2007 | JUN. | 2007 | JUL. | 2007 | AUG. | 2007 |
| 35 | | MAY | 2001 | JAN. | 2006 | MAY | 2007 | JUN. | 2007 | JUL. | 2007 | AUG. | 2007 | SEP. | 2007 |
| 36 | | JUN. | 2001 | FEB. | 2006 | JUN. | 2007 | JUL. | 2007 | AUG. | 2007 | SEP. | 2007 | OCT. | 2007 |
| 37 | | JUL. | 2001 | MAR. | 2006 | JUL. | 2007 | AUG. | 2007 | SEP. | 2007 | OCT. | 2007 | NOV. | 2007 |
| 38 | | AUG. | 2001 | APR. | 2006 | AUG. | 2007 | SEP. | 2007 | OCT. | 2007 | NOV. | 2007 | DEC. | 2007 |
| 39 | | SEP. | 2001 | MAY | 2006 | SEP. | 2007 | OCT. | 2007 | NOV. | 2007 | DEC. | 2007 | | |
| 40 | | OCT. | 2001 | JUN. | 2006 | OCT. | 2007 | NOV. | 2007 | DEC. | 2007 | | | | |
| 41 | | NOV. | 2001 | JUL. | 2006 | NOV. | 2007 | DEC. | 2007 | | | | | | |
| 42 | | DEC. | 2001 | AUG. | 2006 | DEC. | 2007 | | | | | | | | |
| 43 | | | | | | | | | | | | | | | |
| 44 | | | | | | | | | | | | | | | |

Note: Represents labor of UH&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
UNION PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS):

SCHEDULE G-2
PAGE 3 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | Base Period | Forecast Period | % Change | |
|----------|---|---------------------------------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-------------|-----------------|------------|----------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | | | | |
| 1 | MANHOURS | 336,931 | 0.80% | 328,160 | (2.60)% | 316,357 | (3.60)% | 323,287 | 2.19% | 310,971 | (3.81)% | 468,802 | 50.75% | 536,558 | 14.45% |
| 2 | STRAIGHT TIME HOURS | 39,176 | 3.11% | 35,089 | (10.43)% | 35,756 | 1.90% | 31,760 | (11.12)% | 40,394 | 27.11% | 63,666 | 57.66% | 47,605 | (25.25)% |
| 3 | OVERTIME HOURS | 378,107 | 1.04% | 363,249 | (3.42)% | 352,133 | (3.07)% | 355,067 | 0.84% | 351,355 | (1.04)% | 532,489 | 51.55% | 584,163 | 9.70% |
| 4 | TOTAL MANHOURS | | | | | | | | | | | | | | |
| 5 | RATIO OF OVERTIME HOURS TO STRAIGHT TIME HOURS | 11.63 | | 10.69 | | 11.30 | | 9.83 | | 12.99 | | 13.58 | | 8.87 | |
| 6 | LABOR DOLLARS | 132,519 | 13.82% | 111,781 | (15.65)% | 140,024 | 25.27% | 112,826 | (19.42)% | 84,768 | (24.87)% | 120,469 | 42.12% | 354,332 | 194.13% |
| 7 | OTHER EARNINGS | 7,981,508 | 2.71% | 8,039,357 | 0.72% | 7,980,682 | (0.73)% | 8,286,021 | 3.83% | 8,339,755 | 0.65% | 16,149,947 | 93.65% | 15,122,362 | (6.36)% |
| 8 | STRAIGHT TIME DOLLARS | 1,082,115 | 5.36% | 989,989 | (8.51)% | 1,054,183 | 6.48% | 992,358 | (9.69)% | 1,266,474 | 32.98% | 2,561,060 | 102.22% | 2,082,459 | (18.69)% |
| 9 | OVERTIME DOLLARS | 9,196,142 | 3.16% | 9,141,137 | (0.60)% | 9,174,889 | 0.37% | 9,351,205 | 1.92% | 9,690,907 | 3.63% | 18,831,476 | 94.32% | 17,559,173 | (6.76)% |
| 10 | TOTAL LABOR DOLLARS | | | | | | | | | | | | | | |
| 11 | RATIO OF OVERTIME DOLLARS TO STRAIGHT TIME DOLLARS | 13.56 | | 12.31 | | 13.21 | | 11.49 | | 15.19 | | 15.86 | | 13.77 | |
| 12 | O & M LABOR DOLLARS - ELECTRIC | 2,268,021 | 1.53% | 2,140,549 | (5.62)% | 2,189,036 | 2.27% | 2,232,500 | 1.99% | 2,571,267 | 15.17% | 8,919,780 | 246.90% | 9,394,332 | 5.32% |
| 13 | RATIO OF O & M LABOR DOLLARS TO TOTAL LABOR DOLLARS | 24.66 | | 23.42 | | 23.86 | | 23.87 | | 26.53 | | 47.37 | | 53.50 | |

Note: Represents labor of UH&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
UNION PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE G-2
PAGE 4 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | Base Period | Forecast Period | | |
|----------|--|---------------------------------|-------------|-----------|-----------------|-----------|----------|---------|----------|-----------|----------|-------------|-----------------|-----------|---------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | | | | |
| 20 | TOTAL EMPLOYEE BENEFITS | 635,046 | 9.34% | 642,165 | 1.12% | 831,834 | 28.54% | 870,675 | 4.67% | 1,079,932 | 24.03% | 3,746,308 | 246,900% | 3,945,619 | 5.32% |
| 21 | EMPLOYEE BENEFITS EXPENSE - ELECTRIC | 635,046 | 9.34% | 642,165 | 1.12% | 831,834 | 28.54% | 870,675 | 4.67% | 1,079,932 | 24.03% | 3,746,308 | 246,900% | 3,945,619 | 5.32% |
| 22 | RATIO OF EMPLOYEE BENEFITS EXP TO TOTAL EMPLOYEE BENEFITS | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | |
| 23 | TOTAL PAYROLL TAXES | 689,711 | 3.16% | 685,585 | (0.60)% | 668,117 | 0.37% | 701,340 | 1.92% | 726,825 | 3.63% | 1,412,361 | 94.32% | 1,316,938 | (6.76)% |
| 24 | PAYROLL TAXES EXPENSED - ELECTRIC | 170,102 | 1.53% | 160,541 | (5.62)% | 164,178 | 2.27% | 167,438 | 1.99% | 192,645 | 15.17% | 668,984 | 246,900% | 704,575 | 5.32% |
| 25 | RATIO OF PAYROLL TAXES EXP TO TOTAL PAYROLL TAXES | 24.66 | | 23.42 | | 24.88 | | 23.87 | | 26.53 | | 47.37 | | 53.50 | |
| 26 | AVERAGE EMPLOYEE LEVELS | | | | | 198 | | 199 | | 202 | | 200 | | 263 | |
| 27 | YEAR END EMPLOYEE LEVELS | | | | | 198 | | 203 | | 203 | | 191 | | 260 | |
| 28 | EMPLOYEE LEVELS BY MONTHS (TEST YEAR AND TWO MOST RECENT CALENDAR YEARS) | | | | | | | | | | | | | | |
| 29 | | JAN. 2001-2005 | Base Period | SEP. 2005 | Forecast Period | JAN. 2007 | | | | | | | | | |
| 30 | | JAN. | | SEP. | | JAN. | | 202 | | 203 | | 201 | | 272 | |
| 31 | | FEB. | | OCT. | | FEB. | | 199 | | 202 | | 201 | | 281 | |
| 32 | | MAR. | | NOV. | | MAR. | | 199 | | 202 | | 201 | | 288 | |
| 33 | | APR. | | DEC. | | APR. | | 193 | | 200 | | 203 | | 271 | |
| 34 | | MAY | | JAN. 2006 | | MAY | | 200 | | 203 | | 204 | | 261 | |
| 35 | | JUN. | | FEB. | | JUN. | | 200 | | 203 | | 205 | | 260 | |
| 36 | | JUL. | | MAR. | | JUL. | | 191 | | 204 | | 206 | | 251 | |
| 37 | | AUG. | | APR. | | AUG. | | 199 | | 203 | | 206 | | 244 | |
| 38 | | SEP. | | MAY | | SEP. | | 199 | | 203 | | 206 | | 244 | |
| 39 | | OCT. | | JUN. | | OCT. | | 202 | | 201 | | 195 | | 263 | |
| 40 | | NOV. | | JUL. | | NOV. | | 202 | | 201 | | 192 | | 266 | |
| 41 | | DEC. | | AUG. | | DEC. | | 204 | | 201 | | 191 | | 261 | |
| 42 | | | | | | | | 203 | | 203 | | | | 260 | |

Note: Represents labor of ULH&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXEMPT GROUP
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2008
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE G-2
PAGE 5 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: 'X' BASE PERIOD 'X' FORECASTED PERIOD
TYPE OF FILING: ORIGINAL 'X' UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | Base Period | Forecast Period | | |
|----------|---|---------------------------------|----------|-----------|----------|-----------|-----------|-----------|----------|-----------|----------|-------------|-----------------|-----------|---------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | | | | |
| 1 | MANHOURS | 41,183 | 17.86% | 36,097 | (12.35)% | 28,805 | (20.20)% | 30,632 | 6.34% | 30,280 | (1.15)% | 35,722 | 17.97% | 90,806 | 154.20% |
| 2 | STRAIGHT TIME HOURS | 3,954 | 4.01% | 3,015 | (15.17)% | 3,373 | 11.87% | 4,270 | 26.59% | 3,907 | (8.50)% | 3,549 | (14.28)% | 3,929 | 17.32% |
| 3 | OVERTIME HOURS | 44,737 | 16.53% | 39,112 | (12.57)% | 32,178 | (17.73)% | 34,802 | 8.47% | 34,187 | (2.05)% | 39,071 | 14.29% | 94,735 | 142.47% |
| 4 | TOTAL MANHOURS | | | | | | | | | | | | | | |
| 5 | RATIO OF OVERTIME HOURS TO STRAIGHT TIME HOURS | 8.63 | | 8.35 | | 11.71 | | 13.94 | | 12.90 | | 9.38 | | 4.33 | |
| 6 | LABOR DOLLARS | 168 | | 286 | 70.24% | 0 | (100.00)% | 0 | | 3,776 | 3,776 | 56,647 | 1400.19% | 88,908 | 53.42% |
| 9 | OTHER EARNINGS | 1,311,899 | 21.28% | 1,211,016 | (7.69)% | 967,989 | (20.07)% | 1,008,534 | 4.19% | 1,037,878 | 2.91% | 1,435,780 | 38.34% | 3,684,157 | 156.60% |
| 10 | STRAIGHT TIME DOLLARS | 100,643 | (0.74)% | 87,560 | (13.00)% | 102,041 | 16.54% | 130,279 | 27.67% | 129,991 | (0.22)% | 123,429 | (5.05)% | 151,854 | 23.03% |
| 11 | OVERTIME DOLLARS | 1,412,710 | 19.41% | 1,298,862 | (8.00)% | 1,070,030 | (17.62)% | 1,138,813 | 6.43% | 1,171,645 | 2.88% | 1,615,856 | 37.91% | 3,922,919 | 142.78% |
| 12 | TOTAL LABOR DOLLARS | | | | | | | | | | | | | | |
| 13 | RATIO OF OVERTIME DOLLARS TO STRAIGHT TIME DOLLARS | 7.67 | | 7.23 | | 10.54 | | 12.92 | | 12.52 | | 8.60 | | 4.12 | |
| 14 | O & M LABOR DOLLARS - ELECTRIC | 356,147 | 45.40% | 326,469 | (10.84)% | 223,511 | (31.54)% | 209,257 | (6.39)% | 200,947 | (3.97)% | 285,042 | 41.85% | 1,903,244 | 567.71% |
| 15 | RATIO OF O & M LABOR DOLLARS TO TOTAL LABOR DOLLARS | 25.92 | | 25.14 | | 20.89 | | 18.38 | | 17.15 | | 17.64 | | 48.52 | |

Note: Represents labor of ULH&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXEMPT GROUP
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE G-2
PAGE 6 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | | | | |
|----------|--------------------------------------|---------------------------------|-----------|-----------|----------|--------|----------|--------|----------|--------|----------|-------------|----------|-----------------|----------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | Base Period | % Change | Forecast Period | % Change |
| 20 | TOTAL EMPLOYEE BENEFITS | 102,521 | 56.58% | 97,941 | (4.47)% | 84,934 | (13.28)% | 81,610 | (3.91)% | 84,398 | 3.42% | 119,718 | 41.85% | 799,362 | 567.70% |
| 21 | EMPLOYEE BENEFITS EXPENSE - ELECTRIC | 102,521 | 56.58% | 97,941 | (4.47)% | 84,934 | (13.28)% | 81,610 | (3.91)% | 84,398 | 3.42% | 119,718 | 41.85% | 799,362 | 567.70% |
| 22 | RATIO OF EMPLOYEE BENEFITS | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | |
| 23 | TO TOTAL EMPLOYEE BENEFITS | | | | | | | | | | | | | | |
| 24 | TOTAL PAYROLL TAXES | 105,953 | 19.41% | 97,415 | (8.06)% | 80,252 | (17.62)% | 85,411 | 6.43% | 87,873 | 2.88% | 121,189 | 37.91% | 294,219 | 142.76% |
| 25 | PAYROLL TAXES EXPENSED - ELECTRIC | 27,461 | 45.40% | 24,485 | (10.84)% | 16,763 | (31.54)% | 15,694 | (6.39)% | 15,071 | (3.97)% | 21,378 | 41.85% | 142,743 | 567.71% |
| 26 | RATIO OF PAYROLL TAXES EXP | 25.92 | | 25.13 | | 20.89 | | 18.37 | | 17.15 | | 17.64 | | 48.52 | |
| 27 | TO TOTAL PAYROLL TAXES | | | | | | | | | | | | | | |
| 28 | AVERAGE EMPLOYEE LEVELS | | | | | | | | | | | | | | |
| 29 | YEAR END EMPLOYEE LEVELS | | | | | | | | | | | | | | |
| 30 | EMPLOYEE LEVELS BY MONTHS | | | | | | | | | | | | | | |
| 31 | TEST YEAR AND TWO MOST | | | | | | | | | | | | | | |
| 32 | RECENT CALENDAR YEARS) | | | | | | | | | | | | | | |
| 33 | | JAN. 2001 | Base | SEP. 2005 | Forecast | | | | | | | | | | |
| 34 | | FEB. 2001 | Period | OCT. 2005 | Period | 18 | 18 | 19 | 19 | 17 | 15 | 15 | 15 | 46 | 46 |
| 35 | | MAR. 2001 | 2005 | NOV. 2005 | 2007 | 18 | 18 | 18 | 18 | 16 | 15 | 15 | 15 | 46 | 46 |
| 36 | | APR. 2001 | | DEC. 2005 | | 18 | 18 | 19 | 19 | 15 | 15 | 15 | 15 | 45 | 45 |
| 37 | | MAY 2001 | JAN. 2006 | | | 18 | 18 | 19 | 19 | 15 | 15 | 15 | 15 | 44 | 44 |
| 38 | | JUN. 2001 | FEB. 2006 | | | 18 | 18 | 18 | 18 | 15 | 15 | 15 | 15 | 40 | 40 |
| 39 | | JUL. 2001 | MAR. 2006 | | | 18 | 18 | 17 | 17 | 15 | 15 | 15 | 15 | 40 | 40 |
| 40 | | AUG. 2001 | APR. 2006 | | | 18 | 18 | 18 | 18 | 15 | 15 | 15 | 15 | 43 | 43 |
| 41 | | SEP. 2001 | MAY 2006 | | | 18 | 18 | 19 | 19 | 15 | 15 | 15 | 15 | 45 | 45 |
| 42 | | OCT. 2001 | JUN. 2006 | | | 18 | 18 | 19 | 19 | 15 | 15 | 15 | 15 | 43 | 43 |
| 43 | | NOV. 2001 | JUL. 2006 | | | 18 | 18 | 18 | 18 | 15 | 15 | 15 | 15 | 42 | 42 |
| 44 | | DEC. 2001 | AUG. 2006 | | | 19 | 19 | 18 | 18 | 15 | 15 | 15 | 15 | 42 | 42 |

Note: Represents labor of U.H&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
NONEXEMPT
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE G-2
PAGE 7 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | Base Period | Forecast Period | % Change | |
|----------|---|---------------------------------|----------|--------|----------|--------|----------|--------|----------|-----------|----------|-------------|-----------------|----------|-----------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | | | | |
| 1 | MANHOURS | 1,848 | (11.71)% | 2,159 | 16.83% | 1,800 | (16.63)% | 1,808 | 0.44% | 1,760 | (2.66)% | 3,363 | 91.08% | 5,330 | 58.49% |
| 2 | STRAIGHT TIME HOURS | 0 | | 0 | | 0 | | 0 | | 0 | | 31 | | 0 | (100.00)% |
| 3 | OVERTIME HOURS | 1,848 | (11.71)% | 2,159 | 16.83% | 1,800 | (16.63)% | 1,808 | 0.44% | 1,760 | (2.66)% | 3,394 | 92.84% | 5,330 | 57.04% |
| 4 | TOTAL MANHOURS | | | | | | | | | | | | | | |
| 5 | RATIO OF OVERTIME HOURS TO STRAIGHT TIME HOURS | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.92 | | 0.00 | |
| 6 | LABOR DOLLARS | 0 | | 0 | | 0 | | 0 | | 0 | | 4,791 | | 2,066 | (58.89)% |
| 7 | OTHER EARNINGS | 40,813 | 3.84% | 42,615 | 4.42% | 41,400 | (2.85)% | 42,725 | 3.20% | 43,022 | 0.70% | 58,052 | 34.94% | 87,577 | 50.86% |
| 8 | STRAIGHT TIME DOLLARS | 0 | | 0 | | 0 | | 51 | | (100.00)% | | 397 | | 0 | (100.00)% |
| 9 | OVERTIME DOLLARS | 40,813 | 3.84% | 42,615 | 4.42% | 41,400 | (2.85)% | 42,776 | 3.32% | 43,022 | 0.58% | 63,240 | 46.99% | 88,643 | 41.75% |
| 10 | TOTAL LABOR DOLLARS | | | | | | | | | | | | | | |
| 11 | RATIO OF OVERTIME DOLLARS TO STRAIGHT TIME DOLLARS | 0.00 | | 0.00 | | 0.00 | | 0.12 | | 0.00 | | 0.68 | | 0.00 | |
| 12 | O & M LABOR DOLLARS - ELECTRIC | 20,477 | 11.77% | 19,682 | (3.89)% | 21,114 | 7.28% | 21,790 | 3.20% | 25,989 | 19.18% | 43,844 | 68.83% | 65,273 | 48.89% |
| 13 | RATIO OF O & M LABOR DOLLARS TO TOTAL LABOR DOLLARS | 50.17 | | 46.19 | | 51.00 | | 50.94 | | 60.36 | | 69.33 | | 72.81 | |

Note: Represents labor of ULH&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
NONEXEMPT
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE G-2
PAGE 8 OF 8
WITNESS RESPONSIBLE:
W. D. WATHEN

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | | | | | | | | Forecast Period | % Change |
|----------|---|---------------------------------|-------------|--------|-----------------|--------|----------|--------|----------|--------|----------|-------------|----------|-----------------|----------|
| | | 2001 | % Change | 2002 | % Change | 2003 | % Change | 2004 | % Change | 2005 | % Change | Base Period | % Change | | |
| 20 | TOTAL EMPLOYEE BENEFITS | 5,734 | 20.39% | 5,905 | 2.98% | 8,023 | 35.87% | 8,498 | 5.92% | 10,907 | 28.35% | 18,414 | 68.83% | 27,415 | 48.88% |
| 21 | EMPLOYEE BENEFITS EXPENSE - ELECTRIC | 5,734 | 20.39% | 5,905 | 2.98% | 8,023 | 35.87% | 8,498 | 5.92% | 10,907 | 28.35% | 18,414 | 68.83% | 27,415 | 48.88% |
| 22 | RATIO OF EMPLOYEE BENEFITS EXP TO TOTAL EMPLOYEE BENEFITS | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | |
| 24 | TOTAL PAYROLL TAXES | 3,061 | 3.83% | 3,196 | 4.41% | 3,105 | (2.85)% | 3,208 | 3.32% | 3,227 | 0.59% | 4,743 | 46.98% | 6,723 | 41.75% |
| 25 | PAYROLL TAXES EXPENSED - ELECTRIC | 1,596 | 11.79% | 1,476 | (3.91)% | 1,584 | 7.32% | 1,834 | 3.16% | 1,948 | 19.22% | 3,288 | 68.79% | 4,885 | 48.87% |
| 26 | RATIO OF PAYROLL TAXES EXP TO TOTAL PAYROLL TAXES | 50.18 | | 46.18 | | 51.01 | | 50.94 | | 60.37 | | 69.32 | | 72.81 | |
| 27 | AVERAGE EMPLOYEE LEVELS | | | | | | | | | | | | | | |
| 28 | YEAR END EMPLOYEE LEVELS | | | | | | | | | | | | | | |
| 29 | EMPLOYEE LEVELS BY MONTHS | | | | | | | | | | | | | | |
| 30 | (TEST YEAR AND TWO MOST RECENT CALENDAR YEARS) | | | | | | | | | | | | | | |
| 31 | | JAN. | Base Period | SEP. | Forecast Period | | | | | | | | | | |
| 32 | | FEB. | OCT. | OCT. | JAN. | | | | | | | | | | |
| 33 | | MAR. | NOV. | NOV. | MAR. | | | | | | | | | | |
| 34 | | APR. | DEC. | DEC. | APR. | | | | | | | | | | |
| 35 | | MAY | JAN. | JAN. | MAY | | | | | | | | | | |
| 36 | | JUN. | FEB. | FEB. | JUN. | | | | | | | | | | |
| 37 | | JUL. | MAR. | MAR. | JUL. | | | | | | | | | | |
| 38 | | AUG. | APR. | APR. | AUG. | | | | | | | | | | |
| 39 | | SEP. | MAY | MAY | SEP. | | | | | | | | | | |
| 40 | | OCT. | JUN. | JUN. | OCT. | | | | | | | | | | |
| 41 | | NOV. | JUL. | JUL. | NOV. | | | | | | | | | | |
| 42 | | DEC. | AUG. | AUG. | DEC. | | | | | | | | | | |
| 43 | | | | | | | | | | | | | | | |
| 44 | | | | | | | | | | | | | | | |

Note: Represents labor of ULH&P direct employees only.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISD
WORK PAPER REFERENCE NO(S).

SCHEDULE G-3
PAGE 1 OF 5
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | OPERATION AND MAINTENANCE EXPENSE | | | | |
|----------|---|-----------------------------------|----------------------|---------------------------|-------------|-------------------------|
| | | TOTAL COMPANY UNADJUSTED | JURISDICTIONAL % (A) | JURISDICTIONAL UNADJUSTED | ADJUSTMENTS | JURISDICTIONAL ADJUSTED |
| 1 | Name of Executive: James E. Rogers | | | | | |
| 2 | | | | | | |
| 3 | Base Period: | | | | | |
| 4 | Total Salary | 49,366 | 100.000 | 49,366 | 0 | 49,366 |
| 5 | Other Allowances and Compensation | 324,785 | 100.000 | 324,785 | 0 | 324,785 |
| 6 | Total Compensation | <u>374,151</u> | | <u>374,151</u> | <u>0</u> | <u>374,151</u> |
| 7 | | | | | | |
| 8 | Employee Benefits | | | | | |
| 9 | 401(k) Company Match | 1,742 | 100.000 | 1,742 | 0 | 1,742 |
| 10 | Dental Insurance | 458 | 100.000 | 458 | 0 | 458 |
| 11 | Employee Assistance Program | 103 | 100.000 | 103 | 0 | 103 |
| 12 | Life Insurance | 197 | 100.000 | 197 | 0 | 197 |
| 13 | Long-Term Disability | 97 | 100.000 | 97 | 0 | 97 |
| 14 | Medical Insurance | 5,006 | 100.000 | 5,006 | 0 | 5,006 |
| 15 | Miscellaneous Plans | 348 | 100.000 | 348 | 0 | 348 |
| 16 | Post-retirement Benefits | 4,299 | 100.000 | 4,299 | 0 | 4,299 |
| 17 | Retirement Plans | 7,456 | 100.000 | 7,456 | 0 | 7,456 |
| 18 | Wellness Programs | 24 | 100.000 | 24 | 0 | 24 |
| 19 | Work/Life Programs | 20 | 100.000 | 20 | 0 | 20 |
| 20 | Total Benefits | <u>19,750</u> | | <u>19,750</u> | <u>0</u> | <u>19,750</u> |
| 21 | | | | | | |
| 22 | Payroll Taxes | | | | | |
| 23 | F.I.C.A. | 5,770 | 100.000 | 5,770 | 0 | 5,770 |
| 24 | Federal Unemployment | 2 | 100.000 | 2 | 0 | 2 |
| 25 | State Unemployment | 14 | 100.000 | 14 | 0 | 14 |
| 26 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 27 | Total Payroll Taxes | <u>5,786</u> | | <u>5,786</u> | <u>0</u> | <u>5,786</u> |
| 28 | Total Compensation Package | <u>399,687</u> | | <u>399,687</u> | <u>0</u> | <u>399,687</u> |
| 29 | | | | | | |
| 30 | Forecast Period: | | | | | |
| 31 | Total Salary | 91,185 | 100.000 | 91,185 | 0 | 91,185 |
| 32 | Other Allowances and Compensation | 427,460 | 100.000 | 427,460 | 0 | 427,460 |
| 33 | Total Compensation | <u>518,645</u> | | <u>518,645</u> | <u>0</u> | <u>518,645</u> |
| 34 | | | | | | |
| 35 | Employee Benefits | | | | | |
| 36 | 401(k) Company Match | 1,742 | 100.000 | 1,742 | 0 | 1,742 |
| 37 | Dental Insurance | 458 | 100.000 | 458 | 0 | 458 |
| 38 | Employee Assistance Program | 103 | 100.000 | 103 | 0 | 103 |
| 39 | Life Insurance | 197 | 100.000 | 197 | 0 | 197 |
| 40 | Long-Term Disability | 97 | 100.000 | 97 | 0 | 97 |
| 41 | Medical Insurance | 5,006 | 100.000 | 5,006 | 0 | 5,006 |
| 42 | Miscellaneous Plans | 348 | 100.000 | 348 | 0 | 348 |
| 43 | Post-retirement Benefits | 4,299 | 100.000 | 4,299 | 0 | 4,299 |
| 44 | Retirement Plans | 7,456 | 100.000 | 7,456 | 0 | 7,456 |
| 45 | Wellness Programs | 24 | 100.000 | 24 | 0 | 24 |
| 46 | Work/Life Programs | 20 | 100.000 | 20 | 0 | 20 |
| 47 | Total Benefits | <u>19,750</u> | | <u>19,750</u> | <u>0</u> | <u>19,750</u> |
| 48 | | | | | | |
| 49 | Payroll Taxes | | | | | |
| 50 | F.I.C.A. | 5,770 | 100.000 | 5,770 | 0 | 5,770 |
| 51 | Federal Unemployment | 2 | 100.000 | 2 | 0 | 2 |
| 52 | State Unemployment | 14 | 100.000 | 14 | 0 | 14 |
| 53 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 54 | Total Payroll Taxes | <u>5,786</u> | | <u>5,786</u> | <u>0</u> | <u>5,786</u> |
| 55 | Total Compensation Package | <u>544,181</u> | | <u>544,181</u> | <u>0</u> | <u>544,181</u> |

(A) Allocation Code: DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S).

SCHEDULE G-3
PAGE 2 OF 5
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | OPERATION AND MAINTENANCE EXPENSE | | | | |
|----------|---|-----------------------------------|----------------------|---------------------------|-------------|-------------------------|
| | | TOTAL COMPANY UNADJUSTED | JURISDICTIONAL % (A) | JURISDICTIONAL UNADJUSTED | ADJUSTMENTS | JURISDICTIONAL ADJUSTED |
| 1 | Name of Executive: James L. Turner | | | | | |
| 2 | | | | | | |
| 3 | Base Period: | | | | | |
| 4 | Total Salary | 41,937 | 100.000 | 41,937 | 0 | 41,937 |
| 5 | Other Allowances and Compensation | 35,736 | 100.000 | 35,736 | 0 | 35,736 |
| 6 | Total Compensation | <u>77,673</u> | | <u>77,673</u> | <u>0</u> | <u>77,673</u> |
| 7 | | | | | | |
| 8 | Employee Benefits | | | | | |
| 9 | 401(k) Company Match | 1,480 | 100.000 | 1,480 | 0 | 1,480 |
| 10 | Dental Insurance | 389 | 100.000 | 389 | 0 | 389 |
| 11 | Employee Assistance Program | 87 | 100.000 | 87 | 0 | 87 |
| 12 | Life Insurance | 168 | 100.000 | 168 | 0 | 168 |
| 13 | Long-Term Disability | 82 | 100.000 | 82 | 0 | 82 |
| 14 | Medical Insurance | 4,252 | 100.000 | 4,252 | 0 | 4,252 |
| 15 | Miscellaneous Plans | 295 | 100.000 | 295 | 0 | 295 |
| 16 | Post-retirement Benefits | 3,652 | 100.000 | 3,652 | 0 | 3,652 |
| 17 | Retirement Plans | 6,334 | 100.000 | 6,334 | 0 | 6,334 |
| 18 | Wellness Programs | 20 | 100.000 | 20 | 0 | 20 |
| 19 | Work/Life Programs | 17 | 100.000 | 17 | 0 | 17 |
| 20 | Total Benefits | <u>16,776</u> | | <u>16,776</u> | <u>0</u> | <u>16,776</u> |
| 21 | | | | | | |
| 22 | Payroll Taxes | | | | | |
| 23 | F.I.C.A. | 1,471 | 100.000 | 1,471 | 0 | 1,471 |
| 24 | Federal Unemployment | 2 | 100.000 | 2 | 0 | 2 |
| 25 | State Unemployment | 14 | 100.000 | 14 | 0 | 14 |
| 26 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 27 | Total Payroll Taxes | <u>1,487</u> | | <u>1,487</u> | <u>0</u> | <u>1,487</u> |
| 28 | Total Compensation Package | <u>95,936</u> | | <u>95,936</u> | <u>0</u> | <u>95,936</u> |
| 29 | | | | | | |
| 30 | Forecast Period: | | | | | |
| 31 | Total Salary | 49,594 | 100.000 | 49,594 | 0 | 49,594 |
| 32 | Other Allowances and Compensation | 70,997 | 100.000 | 70,997 | 0 | 70,997 |
| 33 | Total Compensation | <u>120,591</u> | | <u>120,591</u> | <u>0</u> | <u>120,591</u> |
| 34 | | | | | | |
| 35 | Employee Benefits | | | | | |
| 36 | 401(k) Company Match | 1,480 | 100.000 | 1,480 | 0 | 1,480 |
| 37 | Dental Insurance | 389 | 100.000 | 389 | 0 | 389 |
| 38 | Employee Assistance Program | 87 | 100.000 | 87 | 0 | 87 |
| 39 | Life Insurance | 168 | 100.000 | 168 | 0 | 168 |
| 40 | Long-Term Disability | 82 | 100.000 | 82 | 0 | 82 |
| 41 | Medical Insurance | 4,252 | 100.000 | 4,252 | 0 | 4,252 |
| 42 | Miscellaneous Plans | 295 | 100.000 | 295 | 0 | 295 |
| 43 | Post-retirement Benefits | 3,652 | 100.000 | 3,652 | 0 | 3,652 |
| 44 | Retirement Plans | 6,334 | 100.000 | 6,334 | 0 | 6,334 |
| 45 | Wellness Programs | 20 | 100.000 | 20 | 0 | 20 |
| 46 | Work/Life Programs | 17 | 100.000 | 17 | 0 | 17 |
| 47 | Total Benefits | <u>16,776</u> | | <u>16,776</u> | <u>0</u> | <u>16,776</u> |
| 48 | | | | | | |
| 49 | Payroll Taxes | | | | | |
| 50 | F.I.C.A. | 1,471 | 100.000 | 1,471 | 0 | 1,471 |
| 51 | Federal Unemployment | 2 | 100.000 | 2 | 0 | 2 |
| 52 | State Unemployment | 14 | 100.000 | 14 | 0 | 14 |
| 53 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 54 | Total Payroll Taxes | <u>1,487</u> | | <u>1,487</u> | <u>0</u> | <u>1,487</u> |
| 55 | Total Compensation Package | <u>138,854</u> | | <u>138,854</u> | <u>0</u> | <u>138,854</u> |

(A) Allocation Code: DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISD
WORK PAPER REFERENCE NO(S).

SCHEDULE G-3
PAGE 3 OF 5
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | OPERATION AND MAINTENANCE EXPENSE | | | | |
|----------|--|-----------------------------------|----------------------|---------------------------|-------------|-------------------------|
| | | TOTAL COMPANY UNADJUSTED | JURISDICTIONAL % (A) | JURISDICTIONAL UNADJUSTED | ADJUSTMENTS | JURISDICTIONAL ADJUSTED |
| 1 | Name of Executive: Michael J. Cyrus | | | | | |
| 2 | | | | | | |
| 3 | Base Period: | | | | | |
| 4 | Total Salary | 61,863 | 100.000 | 61,863 | 0 | 61,863 |
| 5 | Other Allowances and Compensation | 60,572 | 100.000 | 60,572 | 0 | 60,572 |
| 6 | Total Compensation | <u>122,435</u> | | <u>122,435</u> | <u>0</u> | <u>122,435</u> |
| 7 | | | | | | |
| 8 | Employee Benefits | | | | | |
| 9 | 401(k) Company Match | 2,183 | 100.000 | 2,183 | 0 | 2,183 |
| 10 | Dental Insurance | 574 | 100.000 | 574 | 0 | 574 |
| 11 | Employee Assistance Program | 129 | 100.000 | 129 | 0 | 129 |
| 12 | Life Insurance | 247 | 100.000 | 247 | 0 | 247 |
| 13 | Long-Term Disability | 121 | 100.000 | 121 | 0 | 121 |
| 14 | Medical Insurance | 6,273 | 100.000 | 6,273 | 0 | 6,273 |
| 15 | Miscellaneous Plans | 436 | 100.000 | 436 | 0 | 436 |
| 16 | Post-retirement Benefits | 5,387 | 100.000 | 5,387 | 0 | 5,387 |
| 17 | Retirement Plans | 9,344 | 100.000 | 9,344 | 0 | 9,344 |
| 18 | Wellness Programs | 30 | 100.000 | 30 | 0 | 30 |
| 19 | Work/Life Programs | 25 | 100.000 | 25 | 0 | 25 |
| 20 | Total Benefits | <u>24,749</u> | | <u>24,749</u> | <u>0</u> | <u>24,749</u> |
| 21 | | | | | | |
| 22 | Payroll Taxes | | | | | |
| 23 | F.I.C.A. | 2,351 | 100.000 | 2,351 | 0 | 2,351 |
| 24 | Federal Unemployment | 3 | 100.000 | 3 | 0 | 3 |
| 25 | State Unemployment | 35 | 100.000 | 35 | 0 | 35 |
| 26 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 27 | Total Payroll Taxes | <u>2,389</u> | | <u>2,389</u> | <u>0</u> | <u>2,389</u> |
| 28 | Total Compensation Package | <u>149,573</u> | | <u>149,573</u> | <u>0</u> | <u>149,573</u> |
| 29 | | | | | | |
| 30 | Forecast Period: | | | | | |
| 31 | Total Salary | 72,304 | 100.000 | 72,304 | 0 | 72,304 |
| 32 | Other Allowances and Compensation | 88,779 | 100.000 | 88,779 | 0 | 88,779 |
| 33 | Total Compensation | <u>161,083</u> | | <u>161,083</u> | <u>0</u> | <u>161,083</u> |
| 34 | | | | | | |
| 35 | Employee Benefits | | | | | |
| 36 | 401(k) Company Match | 2,183 | 100.000 | 2,183 | 0 | 2,183 |
| 37 | Dental Insurance | 574 | 100.000 | 574 | 0 | 574 |
| 38 | Employee Assistance Program | 129 | 100.000 | 129 | 0 | 129 |
| 39 | Life Insurance | 247 | 100.000 | 247 | 0 | 247 |
| 40 | Long-Term Disability | 121 | 100.000 | 121 | 0 | 121 |
| 41 | Medical Insurance | 6,273 | 100.000 | 6,273 | 0 | 6,273 |
| 42 | Miscellaneous Plans | 436 | 100.000 | 436 | 0 | 436 |
| 43 | Post-retirement Benefits | 5,387 | 100.000 | 5,387 | 0 | 5,387 |
| 44 | Retirement Plans | 9,344 | 100.000 | 9,344 | 0 | 9,344 |
| 45 | Wellness Programs | 30 | 100.000 | 30 | 0 | 30 |
| 46 | Work/Life Programs | 25 | 100.000 | 25 | 0 | 25 |
| 47 | Total Benefits | <u>24,749</u> | | <u>24,749</u> | <u>0</u> | <u>24,749</u> |
| 48 | | | | | | |
| 49 | Payroll Taxes | | | | | |
| 50 | F.I.C.A. | 2,351 | 100.000 | 2,351 | 0 | 2,351 |
| 51 | Federal Unemployment | 3 | 100.000 | 3 | 0 | 3 |
| 52 | State Unemployment | 35 | 100.000 | 35 | 0 | 35 |
| 53 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 54 | Total Payroll Taxes | <u>2,389</u> | | <u>2,389</u> | <u>0</u> | <u>2,389</u> |
| 55 | Total Compensation Package | <u>188,221</u> | | <u>188,221</u> | <u>0</u> | <u>188,221</u> |

(A) Allocation Code.

DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S).

SCHEDULE G-3
PAGE 4 OF 5
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | OPERATION AND MAINTENANCE EXPENSE | | | | |
|----------|---|-----------------------------------|----------------------|---------------------------|-------------|-------------------------|
| | | TOTAL COMPANY UNADJUSTED | JURISDICTIONAL % (A) | JURISDICTIONAL UNADJUSTED | ADJUSTMENTS | JURISDICTIONAL ADJUSTED |
| 1 | Name of Executive: Marc E. Manly | | | | | |
| 2 | | | | | | |
| 3 | Base Period: | | | | | |
| 4 | Total Salary | 25,780 | 100.000 | 25,780 | 0 | 25,780 |
| 5 | Other Allowances and Compensation | 33,985 | 100.000 | 33,985 | 0 | 33,985 |
| 6 | Total Compensation | <u>59,765</u> | | <u>59,765</u> | 0 | <u>59,765</u> |
| 7 | | | | | | |
| 8 | Employee Benefits | | | | | |
| 9 | 401(k) Company Match | 910 | 100.000 | 910 | 0 | 910 |
| 10 | Dental Insurance | 239 | 100.000 | 239 | 0 | 239 |
| 11 | Employee Assistance Program | 54 | 100.000 | 54 | 0 | 54 |
| 12 | Life Insurance | 103 | 100.000 | 103 | 0 | 103 |
| 13 | Long-Term Disability | 51 | 100.000 | 51 | 0 | 51 |
| 14 | Medical Insurance | 2,614 | 100.000 | 2,614 | 0 | 2,614 |
| 15 | Miscellaneous Plans | 181 | 100.000 | 181 | 0 | 181 |
| 16 | Post-retirement Benefits | 2,245 | 100.000 | 2,245 | 0 | 2,245 |
| 17 | Retirement Plans | 3,894 | 100.000 | 3,894 | 0 | 3,894 |
| 18 | Wellness Programs | 12 | 100.000 | 12 | 0 | 12 |
| 19 | Work/Life Programs | 10 | 100.000 | 10 | 0 | 10 |
| 20 | Total Benefits | <u>10,313</u> | | <u>10,313</u> | 0 | <u>10,313</u> |
| 21 | | | | | | |
| 22 | Payroll Taxes | | | | | |
| 23 | F.I.C.A. | 1,442 | 100.000 | 1,442 | 0 | 1,442 |
| 24 | Federal Unemployment | 3 | 100.000 | 3 | 0 | 3 |
| 25 | State Unemployment | 35 | 100.000 | 35 | 0 | 35 |
| 26 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 27 | Total Payroll Taxes | <u>1,480</u> | | <u>1,480</u> | 0 | <u>1,480</u> |
| 28 | Total Compensation Package | <u>71,558</u> | | <u>71,558</u> | 0 | <u>71,558</u> |
| 29 | | | | | | |
| 30 | Forecast Period: | | | | | |
| 31 | Total Salary | 38,199 | 100.000 | 38,199 | 0 | 38,199 |
| 32 | Other Allowances and Compensation | 50,127 | 100.000 | 50,127 | 0 | 50,127 |
| 33 | Total Compensation | <u>88,326</u> | | <u>88,326</u> | 0 | <u>88,326</u> |
| 34 | | | | | | |
| 35 | Employee Benefits | | | | | |
| 36 | 401(k) Company Match | 910 | 100.000 | 910 | 0 | 910 |
| 37 | Dental Insurance | 239 | 100.000 | 239 | 0 | 239 |
| 38 | Employee Assistance Program | 54 | 100.000 | 54 | 0 | 54 |
| 39 | Life Insurance | 103 | 100.000 | 103 | 0 | 103 |
| 40 | Long-Term Disability | 51 | 100.000 | 51 | 0 | 51 |
| 41 | Medical Insurance | 2,614 | 100.000 | 2,614 | 0 | 2,614 |
| 42 | Miscellaneous Plans | 181 | 100.000 | 181 | 0 | 181 |
| 43 | Post-retirement Benefits | 2,245 | 100.000 | 2,245 | 0 | 2,245 |
| 44 | Retirement Plans | 3,894 | 100.000 | 3,894 | 0 | 3,894 |
| 45 | Wellness Programs | 12 | 100.000 | 12 | 0 | 12 |
| 46 | Work/Life Programs | 10 | 100.000 | 10 | 0 | 10 |
| 47 | Total Benefits | <u>10,313</u> | | <u>10,313</u> | 0 | <u>10,313</u> |
| 48 | | | | | | |
| 49 | Payroll Taxes | | | | | |
| 50 | F.I.C.A. | 1,442 | 100.000 | 1,442 | 0 | 1,442 |
| 51 | Federal Unemployment | 3 | 100.000 | 3 | 0 | 3 |
| 52 | State Unemployment | 35 | 100.000 | 35 | 0 | 35 |
| 53 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 54 | Total Payroll Taxes | <u>1,480</u> | | <u>1,480</u> | 0 | <u>1,480</u> |
| 55 | Total Compensation Package | <u>100,119</u> | | <u>100,119</u> | 0 | <u>100,119</u> |

(A) Allocation Code:

DALL

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S).

SCHEDULE G-3
PAGE 5 OF 5
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | OPERATION AND MAINTENANCE EXPENSE | | | | |
|----------|--|-----------------------------------|----------------------|---------------------------|-------------|-------------------------|
| | | TOTAL COMPANY UNADJUSTED | JURISDICTIONAL % (A) | JURISDICTIONAL UNADJUSTED | ADJUSTMENTS | JURISDICTIONAL ADJUSTED |
| 1 | Name of Executive: Gregory C. Ficke | | | | | |
| 2 | | | | | | |
| 3 | Base Period: | | | | | |
| 4 | Total Salary | 34,834 | 100.000 | 34,834 | 0 | 34,834 |
| 5 | Other Allowances and Compensation | 20,795 | 100.000 | 20,795 | 0 | 20,795 |
| 6 | Total Compensation | <u>55,629</u> | | <u>55,629</u> | 0 | <u>55,629</u> |
| 7 | | | | | | |
| 8 | Employee Benefits | | | | | |
| 9 | 401(k) Company Match | 1,229 | 100.000 | 1,229 | 0 | 1,229 |
| 10 | Dental Insurance | 323 | 100.000 | 323 | 0 | 323 |
| 11 | Employee Assistance Program | 72 | 100.000 | 72 | 0 | 72 |
| 12 | Life Insurance | 139 | 100.000 | 139 | 0 | 139 |
| 13 | Long-Term Disability | 68 | 100.000 | 68 | 0 | 68 |
| 14 | Medical Insurance | 3,532 | 100.000 | 3,532 | 0 | 3,532 |
| 15 | Miscellaneous Plans | 245 | 100.000 | 245 | 0 | 245 |
| 16 | Post-retirement Benefits | 3,033 | 100.000 | 3,033 | 0 | 3,033 |
| 17 | Retirement Plans | 5,261 | 100.000 | 5,261 | 0 | 5,261 |
| 18 | Wellness Programs | 17 | 100.000 | 17 | 0 | 17 |
| 19 | Work/Life Programs | 14 | 100.000 | 14 | 0 | 14 |
| 20 | Total Benefits | <u>13,933</u> | | <u>13,933</u> | 0 | <u>13,933</u> |
| 21 | | | | | | |
| 22 | Payroll Taxes | | | | | |
| 23 | F.I.C.A. | 1,382 | 100.000 | 1,382 | 0 | 1,382 |
| 24 | Federal Unemployment | 3 | 100.000 | 3 | 0 | 3 |
| 25 | State Unemployment | 35 | 100.000 | 35 | 0 | 35 |
| 26 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 27 | Total Payroll Taxes | <u>1,420</u> | | <u>1,420</u> | 0 | <u>1,420</u> |
| 28 | Total Compensation Package | <u>70,982</u> | | <u>70,982</u> | 0 | <u>70,982</u> |
| 29 | | | | | | |
| 30 | Forecast Period: | | | | | |
| 31 | Total Salary | 33,947 | 100.000 | 33,947 | 0 | 33,947 |
| 32 | Other Allowances and Compensation | 32,339 | 100.000 | 32,339 | 0 | 32,339 |
| 33 | Total Compensation | <u>66,286</u> | | <u>66,286</u> | 0 | <u>66,286</u> |
| 34 | | | | | | |
| 35 | Employee Benefits | | | | | |
| 36 | 401(k) Company Match | 1,229 | 100.000 | 1,229 | 0 | 1,229 |
| 37 | Dental Insurance | 323 | 100.000 | 323 | 0 | 323 |
| 38 | Employee Assistance Program | 72 | 100.000 | 72 | 0 | 72 |
| 39 | Life Insurance | 139 | 100.000 | 139 | 0 | 139 |
| 40 | Long-Term Disability | 68 | 100.000 | 68 | 0 | 68 |
| 41 | Medical Insurance | 3,532 | 100.000 | 3,532 | 0 | 3,532 |
| 42 | Miscellaneous Plans | 245 | 100.000 | 245 | 0 | 245 |
| 43 | Post-retirement Benefits | 3,033 | 100.000 | 3,033 | 0 | 3,033 |
| 44 | Retirement Plans | 5,261 | 100.000 | 5,261 | 0 | 5,261 |
| 45 | Wellness Programs | 17 | 100.000 | 17 | 0 | 17 |
| 46 | Work/Life Programs | 14 | 100.000 | 14 | 0 | 14 |
| 47 | Total Benefits | <u>13,933</u> | | <u>13,933</u> | 0 | <u>13,933</u> |
| 48 | | | | | | |
| 49 | Payroll Taxes | | | | | |
| 50 | F.I.C.A. | 1,382 | 100.000 | 1,382 | 0 | 1,382 |
| 51 | Federal Unemployment | 3 | 100.000 | 3 | 0 | 3 |
| 52 | State Unemployment | 35 | 100.000 | 35 | 0 | 35 |
| 53 | Other Payroll Taxes | 0 | 100.000 | 0 | 0 | 0 |
| 54 | Total Payroll Taxes | <u>1,420</u> | | <u>1,420</u> | 0 | <u>1,420</u> |
| 55 | Total Compensation Package | <u>81,639</u> | | <u>81,639</u> | 0 | <u>81,639</u> |

(A) Allocation Code:

DALL

NO CHANGE

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPH-a

SCHEDULE H
PAGE 1 OF 2
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | PERCENT OF INCREMENTAL GROSS REVENUE |
|----------|---|--------------------------------------|
| 1 | Operating Revenues | 100.0000% |
| 2 | | |
| 3 | | |
| 4 | Less: Uncollectible Accounts Expenses | 0.5493% |
| 5 | KPSC Maintenance Tax | 0.1670% |
| 6 | Subtotal | <u>0.7163%</u> |
| 7 | | |
| 8 | Income before Income Tax (Line 1 - Line 6) | 99.2837% |
| 9 | | |
| 10 | Income Taxes - State of Kentucky | |
| 11 | (7.00% * 99.2837%) | <u>6.9499%</u> |
| 12 | | |
| 13 | Income before Federal Income Tax (Line 8 - Line 11) | 92.3339% |
| 14 | | |
| 15 | Federal Income Tax (35% x 92.3339%) | <u>32.3169%</u> |
| 16 | | |
| 17 | Operating Income Percentage (Line 13 - Line 15) | <u>60.0170%</u> |
| 18 | | |
| 19 | Gross Revenue Conversion Factor (100% / 60.017%) | <u>1.6661940</u> |

NO CHANGE

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPH-a

SCHEDULE H
PAGE 2 OF 2
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | DESCRIPTION | | PERCENT OF INCREMENTAL GROSS REVENUE |
|----------|---|---------|--------------------------------------|
| 1 | Operating Revenues | | 100.0000% |
| 2 | | | |
| 3 | | | |
| 4 | Less: Uncollectible Accounts Expenses | 0.5493% | |
| 5 | KPSC Maintenance Tax | 0.1670% | |
| 6 | Subtotal | | <u>0.7163%</u> |
| 7 | | | |
| 8 | Income before Income Tax (Line 1 - Line 6) | | 99.2837% |
| 9 | | | |
| 10 | Income Taxes - State of Kentucky | | |
| 11 | (5.80% * 99.2837%) | | <u>5.7585%</u> |
| 12 | | | |
| 13 | Income before Federal Income Tax (Line 8 - Line 11) | | 93.5253% |
| 14 | | | |
| 15 | Federal Income Tax (35% x 93.5253%) | | <u>32.7338%</u> |
| 16 | | | |
| 17 | Operating Income Percentage (Line 13 - Line 15) | | <u>60.7914%</u> |
| 18 | | | |
| 19 | Gross Revenue Conversion Factor (100% / 60.7914%) | | <u>1.6449687</u> |

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
 WORK PAPER REFERENCE NO(S): WP-14

DUKE ENERGY KENTUCKY
 CASE NO. 2008-00172
 TOTAL COMPANY
 COMPARATIVE INCOME STATEMENTS
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2008
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

MOST RECENT FIVE CALENDAR YEARS

| LINE NO. | DESCRIPTION | 2008 | | 2007 | | 2006 | | 2005 | | 2004 | | 2003 | | 2002 | | 2001 | | CHANGE % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------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| | | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | UTILITY OPERATING INCOME | 454,359,000 | 462,033,000 | 472,499,635 | 409,974,019 | 386,456,564 | 351,299,131 | 327,783,651 | 308,501,135 | 285,861,509 | 270,000,000 | 258,371,156 | 240,292,191 | 229,299,109 | 217,477,000 | 206,371,156 | 195,299,109 | 184,217,000 | 173,135,000 | 162,053,000 | 150,971,000 | 139,889,000 | 128,807,000 | 117,725,000 | 106,643,000 | 95,561,000 | 84,479,000 | 73,397,000 | 62,315,000 | 51,233,000 | 40,151,000 | 29,069,000 | 18,000,000 | 7,000,000 | -6,000,000 | -17,000,000 | -28,000,000 | -39,000,000 | -50,000,000 | -61,000,000 | -72,000,000 | -83,000,000 | -94,000,000 | -105,000,000 | -116,000,000 | -127,000,000 | -138,000,000 | -149,000,000 | -160,000,000 | -171,000,000 | -182,000,000 | -193,000,000 | -204,000,000 | -215,000,000 | -226,000,000 | -237,000,000 | -248,000,000 | -259,000,000 | -270,000,000 | -281,000,000 | -292,000,000 | -303,000,000 | -314,000,000 | -325,000,000 | -336,000,000 | -347,000,000 | -358,000,000 | -369,000,000 | -380,000,000 | -391,000,000 | -402,000,000 | -413,000,000 | -424,000,000 | -435,000,000 | -446,000,000 | -457,000,000 | -468,000,000 | -479,000,000 | -490,000,000 | -501,000,000 | -512,000,000 | -523,000,000 | -534,000,000 | -545,000,000 | -556,000,000 | -567,000,000 | -578,000,000 | -589,000,000 | -600,000,000 | -611,000,000 | -622,000,000 | -633,000,000 | -644,000,000 | -655,000,000 | -666,000,000 | -677,000,000 | -688,000,000 | -699,000,000 | -710,000,000 | -721,000,000 | -732,000,000 | -743,000,000 | -754,000,000 | -765,000,000 | -776,000,000 | -787,000,000 | -798,000,000 | -809,000,000 | -820,000,000 | -831,000,000 | -842,000,000 | -853,000,000 | -864,000,000 | -875,000,000 | -886,000,000 | -897,000,000 | -908,000,000 | -919,000,000 | -930,000,000 | -941,000,000 | -952,000,000 | -963,000,000 | -974,000,000 | -985,000,000 | -996,000,000 | -1,007,000,000 | -1,018,000,000 | -1,029,000,000 | -1,040,000,000 | -1,051,000,000 | -1,062,000,000 | -1,073,000,000 | -1,084,000,000 | -1,095,000,000 | -1,106,000,000 | -1,117,000,000 | -1,128,000,000 | -1,139,000,000 | -1,150,000,000 | -1,161,000,000 | -1,172,000,000 | -1,183,000,000 | -1,194,000,000 | -1,205,000,000 | -1,216,000,000 | -1,227,000,000 | -1,238,000,000 | -1,249,000,000 | -1,260,000,000 | -1,271,000,000 | -1,282,000,000 | -1,293,000,000 | -1,304,000,000 | -1,315,000,000 | -1,326,000,000 | -1,337,000,000 | -1,348,000,000 | -1,359,000,000 | -1,370,000,000 | -1,381,000,000 | -1,392,000,000 | -1,403,000,000 | -1,414,000,000 | -1,425,000,000 | -1,436,000,000 | -1,447,000,000 | -1,458,000,000 | -1,469,000,000 | -1,480,000,000 | -1,491,000,000 | -1,502,000,000 | -1,513,000,000 | -1,524,000,000 | -1,535,000,000 | -1,546,000,000 | -1,557,000,000 | -1,568,000,000 | -1,579,000,000 | -1,590,000,000 | -1,601,000,000 | -1,612,000,000 | -1,623,000,000 | -1,634,000,000 | -1,645,000,000 | -1,656,000,000 | -1,667,000,000 | -1,678,000,000 | -1,689,000,000 | -1,700,000,000 | -1,711,000,000 | -1,722,000,000 | -1,733,000,000 | -1,744,000,000 | -1,755,000,000 | -1,766,000,000 | -1,777,000,000 | -1,788,000,000 | -1,799,000,000 | -1,810,000,000 | -1,821,000,000 | -1,832,000,000 | -1,843,000,000 | -1,854,000,000 | -1,865,000,000 | -1,876,000,000 | -1,887,000,000 | -1,898,000,000 | -1,909,000,000 | -1,920,000,000 | -1,931,000,000 | -1,942,000,000 | -1,953,000,000 | -1,964,000,000 | -1,975,000,000 | -1,986,000,000 | -1,997,000,000 | -2,008,000,000 | -2,019,000,000 | -2,030,000,000 | -2,041,000,000 | -2,052,000,000 | -2,063,000,000 | -2,074,000,000 | -2,085,000,000 | -2,096,000,000 | -2,107,000,000 | -2,118,000,000 | -2,129,000,000 | -2,140,000,000 | -2,151,000,000 | -2,162,000,000 | -2,173,000,000 | -2,184,000,000 | -2,195,000,000 | -2,206,000,000 | -2,217,000,000 | -2,228,000,000 | -2,239,000,000 | -2,250,000,000 | -2,261,000,000 | -2,272,000,000 | -2,283,000,000 | -2,294,000,000 | -2,305,000,000 | -2,316,000,000 | -2,327,000,000 | -2,338,000,000 | -2,349,000,000 | -2,360,000,000 | -2,371,000,000 | -2,382,000,000 | -2,393,000,000 | -2,404,000,000 | -2,415,000,000 | -2,426,000,000 | -2,437,000,000 | -2,448,000,000 | -2,459,000,000 | -2,470,000,000 | -2,481,000,000 | -2,492,000,000 | -2,503,000,000 | -2,514,000,000 | -2,525,000,000 | -2,536,000,000 | -2,547,000,000 | -2,558,000,000 | -2,569,000,000 | -2,580,000,000 | -2,591,000,000 | -2,602,000,000 | -2,613,000,000 | -2,624,000,000 | -2,635,000,000 | -2,646,000,000 | -2,657,000,000 | -2,668,000,000 | -2,679,000,000 | -2,690,000,000 | -2,701,000,000 | -2,712,000,000 | -2,723,000,000 | -2,734,000,000 | -2,745,000,000 | -2,756,000,000 | -2,767,000,000 | -2,778,000,000 | -2,789,000,000 | -2,800,000,000 | -2,811,000,000 | -2,822,000,000 | -2,833,000,000 | -2,844,000,000 | -2,855,000,000 | -2,866,000,000 | -2,877,000,000 | -2,888,000,000 | -2,899,000,000 | -2,910,000,000 | -2,921,000,000 | -2,932,000,000 | -2,943,000,000 | -2,954,000,000 | -2,965,000,000 | -2,976,000,000 | -2,987,000,000 | -2,998,000,000 | -3,009,000,000 | -3,020,000,000 | -3,031,000,000 | -3,042,000,000 | -3,053,000,000 | -3,064,000,000 | -3,075,000,000 | -3,086,000,000 | -3,097,000,000 | -3,108,000,000 | -3,119,000,000 | -3,130,000,000 | -3,141,000,000 | -3,152,000,000 | -3,163,000,000 | -3,174,000,000 | -3,185,000,000 | -3,196,000,000 | -3,207,000,000 | -3,218,000,000 | -3,229,000,000 | -3,240,000,000 | -3,251,000,000 | -3,262,000,000 | -3,273,000,000 | -3,284,000,000 | -3,295,000,000 | -3,306,000,000 | -3,317,000,000 | -3,328,000,000 | -3,339,000,000 | -3,350,000,000 | -3,361,000,000 | -3,372,000,000 | -3,383,000,000 | -3,394,000,000 | -3,405,000,000 | -3,416,000,000 | -3,427,000,000 | -3,438,000,000 | -3,449,000,000 | -3,460,000,000 | -3,471,000,000 | -3,482,000,000 | -3,493,000,000 | -3,504,000,000 | -3,515,000,000 | -3,526,000,000 | -3,537,000,000 | -3,548,000,000 | -3,559,000,000 | -3,570,000,000 | -3,581,000,000 | -3,592,000,000 | -3,603,000,000 | -3,614,000,000 | -3,625,000,000 | -3,636,000,000 | -3,647,000,000 | -3,658,000,000 | -3,669,000,000 | -3,680,000,000 | -3,691,000,000 | -3,702,000,000 | -3,713,000,000 | -3,724,000,000 | -3,735,000,000 | -3,746,000,000 | -3,757,000,000 | -3,768,000,000 | -3,779,000,000 | -3,790,000,000 | -3,801,000,000 | -3,812,000,000 | -3,823,000,000 | -3,834,000,000 | -3,845,000,000 | -3,856,000,000 | -3,867,000,000 | -3,878,000,000 | -3,889,000,000 | -3,900,000,000 | -3,911,000,000 | -3,922,000,000 | -3,933,000,000 | -3,944,000,000 | -3,955,000,000 | -3,966,000,000 | -3,977,000,000 | -3,988,000,000 | -3,999,000,000 | -4,010,000,000 | -4,021,000,000 | -4,032,000,000 | -4,043,000,000 | -4,054,000,000 | -4,065,000,000 | -4,076,000,000 | -4,087,000,000 | -4,098,000,000 | -4,109,000,000 | -4,120,000,000 | -4,131,000,000 | -4,142,000,000 | -4,153,000,000 | -4,164,000,000 | -4,175,000,000 | -4,186,000,000 | -4,197,000,000 | -4,208,000,000 | -4,219,000,000 | -4,230,000,000 | -4,241,000,000 | -4,252,000,000 | -4,263,000,000 | -4,274,000,000 | -4,285,000,000 | -4,296,000,000 | -4,307,000,000 | -4,318,000,000 | -4,329,000,000 | -4,340,000,000 | -4,351,000,000 | -4,362,000,000 | -4,373,000,000 | -4,384,000,000 | -4,395,000,000 | -4,406,000,000 | -4,417,000,000 | -4,428,000,000 | -4,439,000,000 | -4,450,000,000 | -4,461,000,000 | -4,472,000,000 | -4,483,000,000 | -4,494,000,000 | -4,505,000,000 | -4,516,000,000 | -4,527,000,000 | -4,538,000,000 | -4,549,000,000 | -4,560,000,000 | -4,571,000,000 | -4,582,000,000 | -4,593,000,000 | -4,604,000,000 | -4,615,000,000 | -4,626,000,000 | -4,637,000,000 | -4,648,000,000 | -4,659,000,000 | -4,670,000,000 | -4,681,000,000 | -4,692,000,000 | -4,703,000,000 | -4,714,000,000 | -4,725,000,000 | -4,736,000,000 | -4,747,000,000 | -4,758,000,000 | -4,769,000,000 | -4,780,000,000 | -4,791,000,000 | -4,802,000,000 | -4,813,000,000 | -4,824,000,000 | -4,835,000,000 | -4,846,000,000 | -4,857,000,000 | -4,868,000,000 | -4,879,000,000 | -4,890,000,000 | -4,901,000,000 | -4,912,000,000 | -4,923,000,000 | -4,934,000,000 | -4,945,000,000 | -4,956,000,000 | -4,967,000,000 | -4,978,000,000 | -4,989,000,000 | -5,000,000,000 | -5,011,000,000 | -5,022,000,000 | -5,033,000,000 | -5,044,000,000 | -5,055,000,000 | -5,066,000,000 | -5,077,000,000 | -5,088,000,000 | -5,099,000,000 | -5,110,000,000 | -5,121,000,000 | -5,132,000,000 | -5,143,000,000 | -5,154,000,000 | -5,165,000,000 | -5,176,000,000 | -5,187,000,000 | -5,198,000,000 | -5,209,000,000 | -5,220,000,000 | -5,231,000,000 | -5,242,000,000 | -5,253,000,000 | -5,264,000,000 | -5,275,000,000 | -5,286,000,000 | -5,297,000,000 | -5,308,000,000 | -5,319,000,000 | -5,330,000,000 | -5,341,000,000 | -5,352,000,000 | -5,363,000,000 | -5,374,000,000 | -5,385,000,000 | -5,396,000,000 | -5,407,000,000 | -5,418,000,000 | -5,429,000,000 | -5,440,000,000 | -5,451,000,000 | -5,462,000,000 | -5,473,000,000 | -5,484,000,000 | -5,495,000,000 | -5,506,000,000 | -5,517,000,000 | -5,528,000,000 | -5,539,000,000 | -5,550,000,000 | -5,561,000,000 | -5,572,000,000 | -5,583,000,000 | -5,594,000,000 | -5,605,000,000 | -5,616,000,000 | -5,627,000,000 | -5,638,000,000 | -5,649,000,000 | -5,660,000,000 | -5,671,000,000 | -5,682,000,000 | -5,693,000,000 | -5,704,000,000 | -5,715,000,000 | -5,726,000,000 | -5,737,000,000 | -5,748,000,000 | -5,759,000,000 | -5,770,000,000 | -5,781,000,000 | -5,792,000,000 | -5,803,000,000 | -5,814,000,000 | -5,825,000,000 | -5,836,000,000 | -5,847,000,000 | -5,858,000,000 | -5,869,000,000 | -5,880,000,000 | -5,891,000,000 | -5,902,000,000 | -5,913,000,000 | -5,924,000,000 | -5,935,000,000 | -5,946,000,000 | -5,957,000,000 | -5,968,000,000 | -5,979,000,000 | -5,990,000,000 | -6,001,000,000 | -6,012,000,000 | -6,023,000,000 | -6,034,000,000 | -6,045,000,000 | -6,056,000,000 | -6,067,000,000 | -6,078,000,000 | -6,089,000,000 | -6,100,000,000 | -6,111,000,000 | -6,122,000,000 | -6,133,000,000 | -6,144,000,000 | -6,155,000,000 | -6,166,000,000 | -6,177,000,000 | -6,188,000,000 | -6,199,000,000 | -6,210,000,000 | -6,221,000,000 | -6,232,000,000 | -6,243,000,000 | -6,254,000,000 | -6,265,000,000 | -6,276,000,000 | -6,287,000,000 | -6,298,000,000 | -6,309,000,000 | -6,320,000,000 | -6,331,000,000 | -6,342,000,000 | -6,353,000,000 | -6,364,000,000 | -6,375,000,000 | -6,386,000,000 | -6,397,000,000 | -6,408,000,000 | -6,419,000,000 | -6,430,000,000 | -6,441,000,000 | -6,452,000,000 | -6,463,000,000 | -6,474,000,000 | -6,485,000,000 | -6,496,000,000 | -6,507,000,000 | -6,518,000,000 | -6,529,000,000 | -6,540,000,000 | -6,551,000,000 | -6,562,000,000 | -6,573,000,000 | -6,584,000,000 | -6,5 |

DUKE ENERGY KENTUCKY
CASE NO 2006-00172
ELECTRIC REVENUE STATISTICS-TOTAL COMPANY
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE I-2.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
B. P. DAVEY

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S).

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | BASE PERIOD | FORECASTED PERIOD | TWO PROJECTED CALENDAR YEARS | |
|----------|---------------------|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------------|------------------------------|-------------|
| | | 2001 | 2002 | 2003 | 2004 | 2005 | | | 2008 | 2009 |
| 1 | REVENUE BY CUSTOMER | | | | | | | | | |
| 2 | CLASS-\$ (A) | | | | | | | | | |
| 3 | RETAIL - | | | | | | | | | |
| 4 | RESIDENTIAL | 85,166,411 | 90,353,100 | 87,234,042 | 90,931,234 | 98,029,329 | 94,535,407 | 110,625,628 | 110,241,067 | 112,911,165 |
| 5 | COMMERCIAL | 74,554,439 | 77,388,350 | 76,263,861 | 77,997,096 | 80,665,413 | 81,971,732 | 92,814,203 | 92,251,599 | 94,689,093 |
| 6 | INDUSTRIAL | 40,354,357 | 38,917,285 | 38,659,086 | 38,955,177 | 40,584,386 | 40,514,564 | 46,101,357 | 45,397,713 | 46,631,555 |
| 7 | LIGHTING | 1,367,687 | 1,539,521 | 1,484,519 | 1,490,800 | 1,497,282 | 1,447,790 | 1,773,938 | 1,773,532 | 1,815,329 |
| 8 | OTHER | 23,290,967 | 16,290,506 | 16,701,463 | 16,775,984 | 17,562,563 | 17,540,318 | 19,402,938 | 19,133,391 | 19,546,047 |
| 9 | TOTAL | 224,733,861 | 224,488,762 | 220,342,971 | 226,150,291 | 238,338,993 | 236,009,811 | 270,718,064 | 268,797,302 | 275,593,189 |
| 10 | | | | | | | | | | |
| 11 | NO. OF CUSTOMERS BY | | | | | | | | | |
| 12 | CLASS (YEAR END) | | | | | | | | | |
| 13 | RETAIL - | | | | | | | | | |
| 14 | RESIDENTIAL | 112,417 | 113,780 | 114,199 | 116,524 | 117,270 | 117,551 | 120,341 | 121,342 | 122,372 |
| 15 | COMMERCIAL | 12,176 | 12,521 | 12,442 | 12,896 | 12,981 | 13,137 | 13,429 | 13,594 | 13,758 |
| 16 | INDUSTRIAL | 390 | 388 | 384 | 398 | 390 | 391 | 397 | 397 | 397 |
| 17 | LIGHTING | 194 | 412 | 271 | 280 | 291 | 339 | 300 | 305 | 311 |
| 18 | OTHER | 933 | 943 | 954 | 960 | 964 | 959 | 1,001 | 1,005 | 1,012 |
| 19 | TOTAL | 126,110 | 128,044 | 128,250 | 131,058 | 131,896 | 132,377 | 135,468 | 136,643 | 137,850 |
| 20 | | | | | | | | | | |
| 21 | NO. OF CUSTOMERS BY | | | | | | | | | |
| 22 | CLASS (AVERAGE) | | | | | | | | | |
| 23 | RETAIL - | | | | | | | | | |
| 24 | RESIDENTIAL | 112,163 | 113,009 | 113,989 | 115,217 | 116,500 | 117,249 | 119,597 | 120,672 | 121,680 |
| 25 | COMMERCIAL | 12,251 | 12,397 | 12,583 | 12,755 | 12,878 | 13,056 | 13,364 | 13,546 | 13,710 |
| 26 | INDUSTRIAL | 430 | 392 | 394 | 395 | 396 | 393 | 397 | 397 | 397 |
| 27 | LIGHTING | 251 | 328 | 315 | 274 | 281 | 306 | 299 | 305 | 310 |
| 28 | OTHER | 946 | 932 | 969 | 961 | 973 | 969 | 998 | 1,002 | 1,009 |
| 29 | TOTAL | 126,041 | 127,058 | 128,250 | 129,602 | 131,028 | 131,973 | 134,655 | 135,922 | 137,106 |
| 30 | | | | | | | | | | |
| 31 | AVERAGE REVENUE PER | | | | | | | | | |
| 32 | CUSTOMER | | | | | | | | | |
| 33 | RETAIL - | | | | | | | | | |
| 34 | RESIDENTIAL | 759 | 800 | 765 | 789 | 841 | 806 | 925 | 914 | 928 |
| 35 | COMMERCIAL | 6,086 | 6,243 | 6,061 | 6,115 | 6,264 | 6,278 | 6,945 | 6,810 | 6,907 |
| 36 | INDUSTRIAL | 93,847 | 99,279 | 98,120 | 98,621 | 102,486 | 103,090 | 116,124 | 114,352 | 117,460 |
| 37 | LIGHTING | 5,449 | 4,694 | 4,713 | 5,441 | 5,328 | 4,731 | 5,933 | 5,815 | 5,856 |

(A) Contains Billed and Unbilled Sales.

DUKE ENERGY KENTUCKY
CASE NO 2006-00172
ELECTRIC REVENUE STATISTICS-JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE I-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
B P DAVEY

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISIED
WORK PAPER REFERENCE NO(S).

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | BASE PERIOD | FORECASTED PERIOD | TWO PROJECTED CALENDAR YEARS | |
|----------|-------------------------|---------------------------------|------|------|------|------|-------------|-------------------|------------------------------|------|
| | | 2001 | 2002 | 2003 | 2004 | 2005 | | | 2008 | 2009 |
| 1 | REVENUE BY CUSTOMER | | | | | | | | | |
| 2 | <u>CLASS-\$ (A)</u> | | | | | | | | | |
| 3 | RETAIL - | | | | | | | | | |
| 4 | RESIDENTIAL | | | | | | | | | |
| 5 | COMMERCIAL | | | | | | | | | |
| 6 | INDUSTRIAL | | | | | | | | | |
| 7 | LIGHTING | | | | | | | | | |
| 8 | OTHER | | | | | | | | | |
| 9 | TOTAL | | | | | | | | | |
| 10 | | | | | | | | | | |
| 11 | NO. OF CUSTOMERS BY | | | | | | | | | |
| 12 | <u>CLASS (YEAR END)</u> | | | | | | | | | |
| 13 | RETAIL - | | | | | | | | | |
| 14 | RESIDENTIAL | | | | | | | | | |
| 15 | COMMERCIAL | | | | | | | | | |
| 16 | INDUSTRIAL | | | | | | | | | |
| 17 | LIGHTING | | | | | | | | | |
| 18 | OTHER | | | | | | | | | |
| 19 | TOTAL | | | | | | | | | |
| 20 | | | | | | | | | | |
| 21 | NO. OF CUSTOMERS BY | | | | | | | | | |
| 22 | <u>CLASS (AVERAGE)</u> | | | | | | | | | |
| 23 | RETAIL - | | | | | | | | | |
| 24 | RESIDENTIAL | | | | | | | | | |
| 25 | COMMERCIAL | | | | | | | | | |
| 26 | INDUSTRIAL | | | | | | | | | |
| 27 | LIGHTING | | | | | | | | | |
| 28 | OTHER | | | | | | | | | |
| 29 | RETAIL | | | | | | | | | |
| 30 | | | | | | | | | | |
| 31 | AVERAGE REVENUE PER | | | | | | | | | |
| 32 | <u>CUSTOMER</u> | | | | | | | | | |
| 33 | RETAIL - | | | | | | | | | |
| 34 | RESIDENTIAL | | | | | | | | | |
| 35 | COMMERCIAL | | | | | | | | | |
| 36 | INDUSTRIAL | | | | | | | | | |
| 37 | LIGHTING | | | | | | | | | |

SAME AS SCHEDULE I-2 1 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL

(A) Contains Billed and Unbilled Sales.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ELECTRIC SALES STATISTICS-TOTAL COMPANY
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE I-4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
B. P. DAVEY

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S).

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | BASE PERIOD | FORECASTED PERIOD | TWO PROJECTED CALENDAR YEARS | |
|----------|--------------------|---------------------------------|---------------|---------------|---------------|---------------|---------------|-------------------|------------------------------|---------------|
| | | 2001 | 2002 | 2003 | 2004 | 2005 | | | 2008 | 2009 |
| 1 | SALES BY CUSTOMER | | | | | | | | | |
| 2 | CLASS-KWH (A) | | | | | | | | | |
| 3 | RETAIL - | | | | | | | | | |
| 4 | RESIDENTIAL | 1,280,477,058 | 1,399,673,447 | 1,344,647,837 | 1,382,100,383 | 1,438,049,094 | 1,409,547,094 | 1,499,669,000 | 1,511,770,000 | 1,523,093,000 |
| 5 | COMMERCIAL | 1,291,379,718 | 1,315,451,853 | 1,297,097,131 | 1,335,908,897 | 1,383,967,889 | 1,359,757,889 | 1,394,369,000 | 1,405,006,000 | 1,415,565,000 |
| 6 | INDUSTRIAL | 851,725,335 | 769,140,976 | 765,710,414 | 771,379,988 | 782,105,805 | 768,214,806 | 766,327,000 | 788,569,000 | 792,722,000 |
| 7 | LIGHTING | 17,163,363 | 19,493,111 | 19,020,228 | 18,741,657 | 17,878,832 | 17,878,832 | 20,587,000 | 20,780,000 | 20,958,000 |
| 8 | OTHER | 294,131,395 | 293,405,541 | 301,800,310 | 304,223,777 | 306,434,342 | 301,602,403 | 307,795,000 | 308,421,000 | 308,915,000 |
| 9 | TOTAL | 3,734,876,869 | 3,797,165,728 | 3,728,275,720 | 3,812,354,702 | 3,928,436,963 | 3,857,001,024 | 4,008,747,000 | 4,034,546,000 | 4,061,253,000 |
| 10 | | | | | | | | | | |
| 11 | NO OF CUSTOMERS BY | | | | | | | | | |
| 12 | CLASS (YEAR END) | | | | | | | | | |
| 13 | RETAIL - | | | | | | | | | |
| 14 | RESIDENTIAL | 112,417 | 113,780 | 114,199 | 116,524 | 117,270 | 117,551 | 120,341 | 121,342 | 122,372 |
| 15 | COMMERCIAL | 12,176 | 12,521 | 12,442 | 12,896 | 12,981 | 13,137 | 13,429 | 13,594 | 13,758 |
| 16 | INDUSTRIAL | 390 | 388 | 384 | 398 | 390 | 391 | 397 | 397 | 397 |
| 17 | LIGHTING | 194 | 412 | 271 | 280 | 291 | 339 | 300 | 305 | 311 |
| 18 | OTHER | 933 | 943 | 954 | 960 | 964 | 959 | 1,001 | 1,005 | 1,012 |
| 19 | TOTAL | 126,110 | 128,044 | 128,250 | 131,058 | 131,896 | 132,377 | 135,468 | 136,643 | 137,850 |
| 20 | | | | | | | | | | |
| 21 | NO OF CUSTOMERS BY | | | | | | | | | |
| 22 | CLASS (AVERAGE) | | | | | | | | | |
| 23 | RETAIL - | | | | | | | | | |
| 24 | RESIDENTIAL | 112,163 | 113,009 | 113,989 | 115,217 | 116,500 | 117,249 | 119,597 | 120,672 | 121,680 |
| 25 | COMMERCIAL | 12,251 | 12,397 | 12,583 | 12,755 | 12,878 | 13,056 | 13,364 | 13,546 | 13,710 |
| 26 | INDUSTRIAL | 430 | 392 | 394 | 395 | 396 | 393 | 397 | 397 | 397 |
| 27 | LIGHTING | 251 | 328 | 315 | 274 | 281 | 306 | 299 | 305 | 310 |
| 28 | OTHER | 946 | 932 | 969 | 961 | 973 | 969 | 998 | 1,002 | 1,009 |
| 29 | TOTAL | 126,047 | 127,058 | 128,250 | 129,602 | 131,028 | 131,973 | 134,655 | 135,922 | 137,106 |
| 30 | | | | | | | | | | |
| 31 | AVERAGE SALES PER | | | | | | | | | |
| 32 | CUSTOMER-KWH | | | | | | | | | |
| 33 | RETAIL - | | | | | | | | | |
| 34 | RESIDENTIAL | 11,416 | 12,386 | 11,796 | 11,996 | 12,344 | 12,022 | 12,539 | 12,528 | 12,517 |
| 35 | COMMERCIAL | 105,410 | 106,110 | 103,083 | 104,736 | 107,468 | 104,148 | 104,338 | 103,721 | 103,251 |
| 36 | INDUSTRIAL | 1,980,757 | 1,962,094 | 1,943,427 | 1,952,861 | 1,975,017 | 1,954,745 | 1,980,673 | 1,986,320 | 1,996,781 |
| 37 | LIGHTING | 68,380 | 59,430 | 60,382 | 68,400 | 63,626 | 58,428 | 68,853 | 68,131 | 67,606 |

(A) Contains Billed and Unbilled Sales.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ELECTRIC SALES STATISTICS-JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

SCHEDULE I-S
PAGE 1 OF 1
WITNESS RESPONSIBLE:
B P DAVEY

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S)

| LINE NO. | DESCRIPTION | MOST RECENT FIVE CALENDAR YEARS | | | | | BASE PERIOD | FORECASTED PERIOD | TWO PROJECTED CALENDAR YEARS | |
|----------|---------------------|--|------|------|------|------|-------------|-------------------|------------------------------|------|
| | | 2001 | 2002 | 2003 | 2004 | 2005 | | | 2008 | 2009 |
| 1 | SALES BY CUSTOMER | | | | | | | | | |
| 2 | CLASS-KWH (A) | | | | | | | | | |
| 3 | RETAIL - | | | | | | | | | |
| 4 | RESIDENTIAL | | | | | | | | | |
| 5 | COMMERCIAL | | | | | | | | | |
| 6 | INDUSTRIAL | | | | | | | | | |
| 7 | LIGHTING | | | | | | | | | |
| 8 | OTHER | | | | | | | | | |
| 9 | TOTAL | | | | | | | | | |
| 10 | | | | | | | | | | |
| 11 | NO. OF CUSTOMERS BY | | | | | | | | | |
| 12 | CLASS (YEAR END) | | | | | | | | | |
| 13 | RETAIL - | SAME AS SCHEDULE I-4 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL | | | | | | | | |
| 14 | RESIDENTIAL | | | | | | | | | |
| 15 | COMMERCIAL | | | | | | | | | |
| 16 | INDUSTRIAL | | | | | | | | | |
| 17 | LIGHTING | | | | | | | | | |
| 18 | OTHER | | | | | | | | | |
| 19 | TOTAL | | | | | | | | | |
| 20 | | | | | | | | | | |
| 21 | NO. OF CUSTOMERS BY | | | | | | | | | |
| 22 | CLASS (AVERAGE) | | | | | | | | | |
| 23 | RETAIL - | | | | | | | | | |
| 24 | RESIDENTIAL | | | | | | | | | |
| 25 | COMMERCIAL | | | | | | | | | |
| 26 | INDUSTRIAL | | | | | | | | | |
| 27 | LIGHTING | | | | | | | | | |
| 28 | OTHER | | | | | | | | | |
| 29 | TOTAL | | | | | | | | | |
| 30 | | | | | | | | | | |
| 31 | AVERAGE SALES PER | | | | | | | | | |
| 32 | CUSTOMER-KWH | | | | | | | | | |
| 33 | RETAIL - | | | | | | | | | |
| 34 | RESIDENTIAL | | | | | | | | | |
| 35 | COMMERCIAL | | | | | | | | | |
| 36 | INDUSTRIAL | | | | | | | | | |
| 37 | LIGHTING | | | | | | | | | |

(A) Contains Billed and Unbilled Sales.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
COST OF CAPITAL SUMMARY
AS OF AUGUST 31, 2006

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): See Below

SCHEDULE J-1
PAGE 1 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | CLASS OF CAPITAL | REFERENCE | AMOUNT (\$) | % OF TOTAL | % COST | WEIGHTED COST % |
|----------|--|-----------|--------------------|-----------------|---------|-----------------|
| 1 | Common Equity | | 345,562,930 | 45.702% | 11.500% | 5.256% |
| 2 | Long-Term Debt | J-3 | 352,800,556 | 46.660% | 5.602% | 2.614% |
| 3 | Short-Term Debt | J-2 | <u>57,749,430</u> | <u>7.638%</u> | 3.799% | <u>0.290%</u> |
| 4 | | | | | | |
| 5 | Total Capital | | <u>756,112,916</u> | <u>100.000%</u> | | <u>8.160%</u> |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | Accumulated Deferred Investment Tax Credit | | | | | |
| 9 | Account 255 | | <u>6,962,890</u> | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | <u>Investment Tax Credit Included in Total Capital</u> | | | | | |
| 13 | | | | | | |
| 14 | Common Equity | | 348,745,110 | 45.702% | 11.500% | 5.256% |
| 15 | Long-Term Debt | | 356,049,440 | 46.660% | 5.602% | 2.614% |
| 16 | Short-Term Debt | | <u>58,281,256</u> | <u>7.638%</u> | 3.799% | <u>0.290%</u> |
| 17 | | | | | | |
| 18 | Total Capital Including Investment Tax Credit | | <u>763,075,806</u> | <u>100.000%</u> | | <u>8.160%</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
COST OF CAPITAL SUMMARY
AS OF SEPTEMBER 30, 2006

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):: See Below

SCHEDULE J-1
PAGE 2 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | CLASS OF CAPITAL | REFERENCE | AMOUNT (\$) | % OF TOTAL | % COST | WEIGHTED COST % |
|----------|--|-----------|--------------------|-----------------|---------|-----------------|
| 1 | Common Equity | | 344,649,779 | 50.156% | 11.500% | 5.768% |
| 2 | Long-Term Debt | J-3 | 274,040,180 | 39.881% | 5.753% | 2.294% |
| 3 | Short-Term Debt | J-2 | <u>68,459,484</u> | <u>9.963%</u> | 3.809% | <u>0.379%</u> |
| 4 | | | | | | |
| 5 | Total Capital | | <u>687,149,443</u> | <u>100.000%</u> | | <u>8.441%</u> |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | Accumulated Deferred Investment Tax Credit | | | | | |
| 9 | Account 255 | | <u>6,873,344</u> | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | <u>Investment Tax Credit Included in Total Capital</u> | | | | | |
| 13 | | | | | | |
| 14 | Common Equity | | 348,097,173 | 50.156% | 11.500% | 5.768% |
| 15 | Long-Term Debt | | 276,781,338 | 39.881% | 5.753% | 2.294% |
| 16 | Short-Term Debt | | <u>69,144,275</u> | <u>9.963%</u> | 3.809% | <u>0.379%</u> |
| 17 | | | | | | |
| 18 | Total Capital Including Investment Tax Credit | | <u>694,022,786</u> | <u>100.000%</u> | | <u>8.441%</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
COST OF CAPITAL SUMMARY
THIRTEEN MONTH AVERAGE BALANCE

NO CHANGE

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF FORECAST PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): See Below

SCHEDULE J-1
PAGE 3 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | CLASS OF CAPITAL | REFERENCE | 13 MONTH AVG BALANCE (\$) | % OF TOTAL | % COST | WEIGHTED COST % |
|----------|--|-----------|---------------------------------|-----------------|-----------|--------------------|
| 1 | Common Equity | | 345,393,322 | 50.882% | 11.500% | 5.851% |
| 2 | Long-Term Debt | J-3 | 275,774,125 | 40.626% | 6.090% | 2.474% |
| 3 | Short-Term Debt | J-2 | <u>57,645,769</u> | <u>8.492%</u> | 5.138% | <u>0.436%</u> |
| 4 | | | | | | |
| 5 | Total Capital | | <u>678,813,216</u> | <u>100.000%</u> | | <u>8.761%</u> |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | Accumulated Deferred Investment Tax Credit | | | | | |
| 9 | Account 255 | | <u>6,081,792</u> | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | <u>Investment Tax Credit Included in Total Capital</u> | | | | | |
| 13 | | | | | | |
| 14 | Common Equity | | 348,487,859 | 50.882% | 11.500% | 5.851% |
| 15 | Long-Term Debt | | 278,244,914 | 40.626% | 6.090% | 2.474% |
| 16 | Short-Term Debt | | <u>58,162,235</u> | <u>8.492%</u> | 5.138% | <u>0.436%</u> |
| 17 | | | | | | |
| 18 | Total Capital Including Investment Tax Credit | | <u>684,895,008</u> | <u>100.000%</u> | | <u>8.761%</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
AVERAGE FORECASTED-PERIOD CAPITAL STRUCTURE
CURRENT RATES

NO CHANGE

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: DECEMBER 31, 2007
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):: See Below

SCHEDULE J-1.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | CLASS OF CAPITAL | REFERENCE | AMOUNT (\$) | % OF TOTAL | % COST | WEIGHTED COST % |
|----------|--|-----------|--------------------|-----------------|---------|-----------------|
| 1 | Common Equity | | 345,393,322 | 50.882% | 11.500% | 5.851% |
| 2 | Long-Term Debt | J-3 | 275,774,125 | 40.626% | 6.090% | 2.474% |
| 3 | Short-Term Debt | J-2 | <u>57,645,769</u> | <u>8.492%</u> | 5.138% | <u>0.436%</u> |
| 4 | | | | | | |
| 5 | Total Capital | | <u>678,813,216</u> | <u>100.000%</u> | | <u>8.761%</u> |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | Accumulated Deferred Investment Tax Credit | | | | | |
| 9 | Account 255 | | <u>6,081,792</u> | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | <u>Investment Tax Credit Included in Total Capital</u> | | | | | |
| 13 | | | | | | |
| 14 | Common Equity | | 348,487,859 | 50.882% | 11.500% | 5.851% |
| 15 | Long-Term Debt | | 278,244,914 | 40.626% | 6.090% | 2.474% |
| 16 | Short-Term Debt | | <u>58,162,235</u> | <u>8.492%</u> | 5.138% | <u>0.436%</u> |
| 17 | | | | | | |
| 18 | Total Capital Including Investment Tax Credit | | <u>684,895,008</u> | <u>100.000%</u> | | <u>8.761%</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
AVERAGE FORECASTED-PERIOD CAPITAL STRUCTURE
PROPOSED RATES

NO CHANGE

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: DECEMBER 31, 2007
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): See Below

SCHEDULE J-1.2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | CLASS OF CAPITAL | REFERENCE | AMOUNT (\$) | % OF TOTAL | % COST | WEIGHTED COST % |
|----------|--|-----------|--------------------|-----------------|---------|-----------------|
| 1 | Common Equity | | 356,610,000 | 52.147% | 11.500% | 5.997% |
| 2 | Long-Term Debt | J-3 | 275,774,125 | 40.326% | 6.090% | 2.456% |
| 3 | Short-Term Debt | J-2 | <u>51,471,501</u> | <u>7.527%</u> | 5.138% | <u>0.387%</u> |
| 4 | | | | | | |
| 5 | Total Capital | | <u>683,855,626</u> | <u>100.000%</u> | | <u>8.840%</u> |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | Accumulated Deferred Investment Tax Credit | | | | | |
| 9 | Account 255 | | <u>6,081,792</u> | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | <u>Investment Tax Credit Included in Total Capital</u> | | | | | |
| 13 | | | | | | |
| 14 | Common Equity | | 359,781,472 | 52.147% | 11.500% | 5.997% |
| 15 | Long-Term Debt | | 278,226,668 | 40.326% | 6.090% | 2.456% |
| 16 | Short-Term Debt | | <u>51,929,277</u> | <u>7.527%</u> | 5.138% | <u>0.387%</u> |
| 17 | | | | | | |
| 18 | Total Capital Including Investment Tax Credit | | <u>689,937,417</u> | <u>100.000%</u> | | <u>8.840%</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EMBEDDED COST OF SHORT-TERM DEBT
AS OF AUGUST 31, 2006
(CORPORATE)

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE J-2
PAGE 1 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | ISSUE (A) | AMOUNT OUTSTANDING (B) | INTEREST RATE (C) | INTEREST REQUIREMENT (D) |
|----------|---|--------------------------|-------------------|--------------------------|
| | | (\$) | (%) | (\$) |
| 1 | <u>A/C 243: Capital Lease - Current</u> | | | |
| 2 | | | | |
| 3 | Capital Lease - Meters (1999 Acquisitions) | 97,453 | 6.708% | 6,537 |
| 4 | Capital Lease - Meters (2000 Acquisitions) | 377,312 | 6.089% | 22,975 |
| 5 | Capital Lease - Meters (2001 Acquisitions) | 132,368 | 5.997% | 7,938 |
| 6 | Capital Lease - Meters (2002 Acquisitions) | 97,113 | 4.481% | 4,352 |
| 7 | Capital Lease - Meters (2003 Acquisitions) | 177,178 | 4.740% | 8,398 |
| 8 | Capital Lease - Meters (2004 Acquisitions) | 163,459 | 5.010% | 8,189 |
| 9 | Capital Lease - Meters (2005 Acquisitions) | 161,839 | 4.893% | 7,919 |
| 10 | Capital Lease - Erlanger Facility | 73,708 | 8.600% | 6,339 |
| 11 | | | | |
| 12 | <u>A/C 233: Notes Payable to Assoc. Companies</u> | | | |
| 13 | | | | |
| 14 | Notes Payable - Money Pool | 16,469,000 | 4.075% | 671,112 |
| 15 | | | | |
| 16 | <u>Sale of Accounts Receivable</u> | | | |
| 17 | | | | |
| 18 | Amount Sold for Cash/Classified as Receivable | <u>40,000,000</u> | 3.625% | <u>1,450,000</u> |
| 19 | | | | |
| 20 | Totals | <u><u>57,749,430</u></u> | | <u><u>2,193,759</u></u> |
| 21 | | | | |
| 22 | Cost of Short-Term Debt | | | <u><u>3.799%</u></u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EMBEDDED COST OF SHORT-TERM DEBT
AS OF SEPTEMBER 30, 2006
(CORPORATE)

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE J-2
PAGE 2 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | ISSUE (A) | AMOUNT OUTSTANDING (B) | INTEREST RATE (C) | INTEREST REQUIREMENT (D) |
|----------|---|--------------------------|-------------------|--------------------------|
| | | (\$) | (%) | (\$) |
| 1 | <u>A/C 243: Capital Lease - Current</u> | | | |
| 2 | | | | |
| 3 | Capital Lease - Meters (1999 Acquisitions) | 97,997 | 6.708% | 6,574 |
| 4 | Capital Lease - Meters (2000 Acquisitions) | 379,226 | 6.089% | 23,091 |
| 5 | Capital Lease - Meters (2001 Acquisitions) | 133,030 | 5.997% | 7,978 |
| 6 | Capital Lease - Meters (2002 Acquisitions) | 97,475 | 4.481% | 4,368 |
| 7 | Capital Lease - Meters (2003 Acquisitions) | 177,878 | 4.740% | 8,431 |
| 8 | Capital Lease - Meters (2004 Acquisitions) | 164,141 | 5.010% | 8,223 |
| 9 | Capital Lease - Meters (2005 Acquisitions) | 162,499 | 4.893% | 7,951 |
| 10 | Capital Lease - Erlanger Facility | 74,238 | 8.600% | 6,384 |
| 11 | | | | |
| 12 | <u>A/C 233: Notes Payable to Assoc. Companies</u> | | | |
| 13 | | | | |
| 14 | Notes Payable - Money Pool | 27,173,000 | 4.041% | 1,098,061 |
| 15 | | | | |
| 16 | <u>Sale of Accounts Receivable</u> | | | |
| 17 | | | | |
| 18 | Amount Sold for Cash/Classified as Receivable | <u>40,000,000</u> | 3.591% | <u>1,436,400</u> |
| 19 | | | | |
| 20 | Totals | <u><u>68,459,484</u></u> | | <u><u>2,607,461</u></u> |
| 21 | | | | |
| 22 | Cost of Short-Term Debt | | | <u><u>3.809%</u></u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EMBEDDED COST OF SHORT-TERM DEBT
THIRTEEN MONTH AVERAGE BALANCE
(CORPORATE)

NO CHANGE

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF FORECAST PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE J-2
PAGE 3 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

| LINE NO. | ISSUE (A) | AMOUNT OUTSTANDING (B) | INTEREST RATE (C) | INTEREST REQUIREMENT (D) |
|----------|---|------------------------------|-------------------------|--------------------------------|
| | | (\$) | (%) | (\$) |
| 1 | <u>A/C 243: Capital Lease - Current</u> | | | |
| 2 | | | | |
| 3 | Capital Lease - Meters (1999 Acquisitions) | 158,011 | 6.708% | 10,599 |
| 4 | Capital Lease - Meters (2000 Acquisitions) | 396,970 | 6.089% | 24,172 |
| 5 | Capital Lease - Meters (2001 Acquisitions) | 139,158 | 5.997% | 8,345 |
| 6 | Capital Lease - Meters (2002 Acquisitions) | 100,811 | 4.481% | 4,517 |
| 7 | Capital Lease - Meters (2003 Acquisitions) | 184,323 | 4.740% | 8,737 |
| 8 | Capital Lease - Meters (2004 Acquisitions) | 170,434 | 5.010% | 8,539 |
| 9 | Capital Lease - Meters (2005 Acquisitions) | 168,580 | 4.893% | 8,249 |
| 10 | Capital Lease - Erlanger Facility | 79,214 | 8.600% | 6,812 |
| 11 | | | | |
| 12 | <u>A/C 233: Notes Payable to Assoc. Companies</u> | | | |
| 13 | | | | |
| 14 | Notes Payable - Money Pool | 16,248,268 | 5.443% | 884,466 |
| 15 | | | | |
| 16 | <u>Sale of Accounts Receivable</u> | | | |
| 17 | | | | |
| 18 | Amount Sold for Cash/Classified as Receivable | <u>40,000,000</u> | 4.993% | <u>1,997,379</u> |
| 19 | | | | |
| 20 | Totals | <u>57,645,769</u> | | <u>2,961,815</u> |
| 21 | | | | |
| 22 | Cost of Short-Term Debt | | | <u>5.138%</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2008-00172
EMBEDDED COST OF LONG-TERM DEBT
AS OF AUGUST 31, 2006
(CORPORATE)

SCHEDULE J-3
PAGE 1 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF BASE PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVERSED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DEBT ISSUE TYPE, COUPON RATE | ISSUED DATE (DAY/MO/YR) (A) | MATURITY DATE (DAY/MO/YR) (B) | PRINCIPAL AMOUNT (C) | FACE AMOUNT OUTSTANDING (D) | UNAMORT. (DISCOUNT) OR PREMIUM (E) | UNAMORT. DEBT EXPENSE (F) | UNAMORT. LOSS ON REACQUIRED DEBT (G) | CARRYING VALUE (H=D+E-F-G) | ANNUAL INTEREST COST (*) (I) | |
|----------|--|-----------------------------|-------------------------------|----------------------|-----------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------------|------------------------------|--|
| 1 | <u>A/C 227: Capital Lease - Non Current</u> | | | | | | | | | | |
| 2 | Capital Lease - Meters (1999 Acquisitions) | 20-Dec-99 | 20-Sep-08 | 909,680 | 305,411 | - | - | - | 305,411 | 20,487 | |
| 3 | Capital Lease - Meters (2000 Acquisitions) | 25-Dec-00 | 25-Sep-09 | 3,832,158 | 1,700,223 | - | - | - | 1,700,223 | 103,527 | |
| 4 | Capital Lease - Meters (2001 Acquisitions) | 20-Dec-01 | 20-Sep-10 | 1,411,952 | 756,552 | - | - | - | 756,552 | 45,370 | |
| 5 | Capital Lease - Meters (2002 Acquisitions) | 20-Dec-02 | 20-Sep-11 | 4,481,916 | 655,946 | - | - | - | 655,946 | 29,393 | |
| 6 | Capital Lease - Meters (2003 Acquisitions) | 20-Dec-03 | 20-Sep-12 | 2,068,445 | 1,457,795 | - | - | - | 1,457,795 | 69,099 | |
| 7 | Capital Lease - Meters (2004 Acquisitions) | 20-Dec-04 | 20-Sep-13 | 2,017,084 | 1,598,716 | - | - | - | 1,598,716 | 88,740 | |
| 8 | Capital Lease - Meters (2005 Acquisitions) | 30-Dec-05 | 30-Dec-14 | 2,079,031 | 1,813,607 | - | - | - | 1,813,607 | 167,155 | |
| 9 | Capital Lease - Ertanger Facility | 01-Oct-05 | 30-Sep-20 | 2,100,000 | 1,943,660 | - | - | - | 1,943,660 | 167,155 | |
| 10 | <u>A/C 221: Bonds</u> | | | | | | | | | | |
| 11 | <u>A/C 189: Unamortized Loss on R/A Debt</u> | | | | | | | | | | |
| 12 | <u>A/C 221: Bonds</u> | | | | | | | | | | |
| 13 | <u>A/C 189: Unamortized Loss on R/A Debt</u> | | | | | | | | | | |
| 14 | <u>A/C 221: Bonds</u> | | | | | | | | | | |
| 15 | <u>A/C 189: Unamortized Loss on R/A Debt</u> | | | | | | | | | | |
| 16 | <u>A/C 221: Bonds</u> | | | | | | | | | | |
| 17 | <u>A/C 189: Unamortized Loss on R/A Debt</u> | | | | | | | | | | |
| 18 | <u>A/C 221: Bonds</u> | | | | | | | | | | |
| 19 | <u>A/C 189: Unamortized Loss on R/A Debt</u> | | | | | | | | | | |
| 20 | <u>A/C 221: Bonds</u> | | | | | | | | | | |
| 21 | <u>A/C 189: Unamortized Loss on R/A Debt</u> | | | | | | | | | | |
| 22 | <u>A/C 223: Intercountry Notes Payable</u> | | | | | | | | | | |
| 23 | Inter-Company Long Term Notes | 01-Jan-06 | 01-Jan-24 | 48,000,000 | 48,000,000 | - | - | - | 48,000,000 | 2,640,000 | |
| 24 | Inter-Company Long Term Notes | 01-Jan-06 | 15-Nov-22 | 12,720,000 | 12,720,000 | - | - | - | 12,720,000 | 826,800 | |
| 25 | Inter-Company Long Term Notes | 01-Jan-06 | 01-Aug-13 | 16,000,000 | 16,000,000 | - | - | - | 16,000,000 | 583,680 | |
| 26 | <u>A/C 224: Other Long Term Debt</u> | | | | | | | | | | |
| 27 | <u>A/C 224: Other Long Term Debt</u> | | | | | | | | | | |
| 28 | Debtentures | 30-Apr-98 | 30-Apr-08 | 20,000,000 | 20,000,000 | (28,228) | (36,764) | - | 20,008,536 | 1,294,878 | |
| 29 | Debtentures | 15-Sep-99 | 15-Sep-09 | 20,000,000 | 20,000,000 | (15,688) | 53,122 | - | 19,931,190 | 1,597,623 | |
| 30 | Debtentures | 09-Dec-04 | 10-Mar-16 | 40,000,000 | 40,000,000 | (313,799) | 339,287 | - | 39,346,914 | 2,078,780 | |
| 31 | Debtentures | 10-Mar-06 | 10-Mar-36 | 50,000,000 | 50,000,000 | (28,575) | 371,666 | - | 49,399,759 | 2,917,020 | |
| 32 | Debtentures | 10-Mar-06 | 10-Mar-36 | 65,000,000 | 65,000,000 | (362,075) | 643,202 | - | 63,994,723 | 4,064,048 | |
| 33 | Debtentures | 10-Mar-06 | 10-Mar-36 | 50,000,000 | 50,000,000 | - | 344,142 | - | 49,655,858 | 1,851,264 | |
| 34 | Debtentures | 10-Mar-06 | 10-Mar-36 | 26,720,000 | 26,720,000 | - | 183,909 | - | 26,536,091 | 1,058,788 | |
| 35 | Auction Rate Notes | 10-Mar-06 | 10-Mar-36 | 26,720,000 | 26,720,000 | - | 183,909 | - | 26,536,091 | 1,058,788 | |
| 36 | <u>Totals</u> | | | | | | | | | | |
| 37 | <u>363,932,531</u> | | | | | | | | | | |
| 38 | <u>358,671,910</u> | | | | | | | | | | |
| 39 | <u>(748,365)</u> | | | | | | | | | | |
| 40 | <u>1,898,564</u> | | | | | | | | | | |
| 41 | <u>3,224,425</u> | | | | | | | | | | |
| | <u>352,800,556</u> | | | | | | | | | | |
| | <u>19,762,168</u> | | | | | | | | | | |
| | <u>5.602%</u> | | | | | | | | | | |

(*) Annualized interest cost plus (or minus) amortization of discount or premium plus amortization of issue costs minus (or plus) amortization of gain (or loss) on reacquired debt.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
EMBEDDED COST OF LONG-TERM DEBT
AS OF SEPTEMBER 30, 2006
(CORPORATE)

SCHEDULE J-3
PAGE 2 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

DATA: "X" BASE PERIOD FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE END OF BASE PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DEBT ISSUE TYPE, COUPON RATE | DATE ISSUED (DAY/MON/YR) (A) | MATURITY DATE (DAY/MON/YR) (B) | PRINCIPAL AMOUNT (C) | FACE AMOUNT OUTSTANDING (D) | UNAMORT. (DISCOUNT) OR PREMIUM (E) | UNAMORT. DEBT EXPENSE (F) | UNAMORT. LOSS DEBT (G) | CARRYING VALUE (H=D+E-F-G) | ANNUAL INTEREST COST ^(I) |
|----------|--|------------------------------|--------------------------------|----------------------|-----------------------------|------------------------------------|---------------------------|------------------------|----------------------------|-------------------------------------|
| 1 | A/C 227: Capital Lease - Non Current | | | | | | | | | |
| 2 | Capital Lease - Meiers (1999 Acquisitions) | 20-Dec-99 | 20-Sep-08 | 909,680 | 296,992 | - | - | - | 296,992 | 19,922 |
| 3 | Capital Lease - Meiers (2000 Acquisitions) | 25-Dec-00 | 25-Sep-10 | 3,532,158 | 1,667,734 | - | - | - | 1,667,734 | 101,548 |
| 4 | Capital Lease - Meiers (2001 Acquisitions) | 20-Dec-01 | 20-Sep-10 | 1,411,952 | 745,160 | - | - | - | 745,160 | 44,687 |
| 5 | Capital Lease - Meiers (2002 Acquisitions) | 20-Dec-02 | 20-Sep-11 | 1,074,181 | 647,655 | - | - | - | 647,655 | 29,021 |
| 6 | Capital Lease - Meiers (2003 Acquisitions) | 20-Dec-03 | 20-Sep-12 | 2,058,445 | 1,442,648 | - | - | - | 1,442,648 | 88,392 |
| 7 | Capital Lease - Meiers (2004 Acquisitions) | 20-Dec-04 | 30-Sep-13 | 2,071,084 | 1,584,722 | - | - | - | 1,584,722 | 79,395 |
| 8 | Capital Lease - Meiers (2005 Acquisitions) | 30-Dec-05 | 30-Dec-14 | 4,893,000 | 1,799,760 | - | - | - | 1,799,760 | 88,062 |
| 9 | Capital Lease - Meiers (2005 Acquisitions) | 01-Oct-05 | 30-Sep-20 | 2,100,000 | 1,937,226 | - | - | - | 1,937,226 | 166,601 |
| 10 | Capital Lease - Erlanger Facility | | | | | | | | | |
| 11 | | | | | | | | | | |
| 12 | A/C 221: Bonds | | | | | | | | | |
| 13 | | | | | | | | | | |
| 14 | A/C 189: Unamortized Loss on R/A Debt | | | | | | | | | |
| 15 | | | | | | | | | | |
| 16 | 10.25% due 8/1/2020 | | | | | | | | | |
| 17 | 9.17% due 7/1/2019 | | | | | | | | | |
| 18 | 9.5% due 12/1/2008 | | | | | | | | | |
| 19 | 10.25% due 11/15/2020 | | | | | | | | | |
| 20 | 7.65% due 7/15/2025 | | | | | | | | | |
| 21 | 5.50% due 1/1/24 | | | | | | | | | |
| 22 | Var. rate due 8/1/13 | | | | | | | | | |
| 23 | 6.5% due 1/1/5/22 | | | | | | | | | |
| 24 | | | | | | | | | | |
| 25 | A/C 233: Intercompany Notes Payable | | | | | | | | | |
| 26 | | | | | | | | | | |
| 27 | Inter-Company Long Term Notes | 01-Jan-06 | 01-Jan-24 | 48,000,000 | - | - | - | - | - | - |
| 28 | Inter-Company Long Term Notes | 01-Jan-06 | 15-Nov-22 | 12,720,000 | - | - | - | - | - | - |
| 29 | Inter-Company Long Term Notes | 01-Jan-06 | 01-Aug-13 | 16,000,000 | - | - | - | - | - | - |
| 30 | | | | | | | | | | |
| 31 | A/C 224: Other Long Term Debt | | | | | | | | | |
| 32 | | | | | | | | | | |
| 33 | 6.50% Series | 30-Apr-98 | 30-Apr-08 | 20,000,000 | 20,000,000 | (26,817) | (34,927) | - | 20,000,110 | 1,294,878 |
| 34 | 7.88% Series | 13-Sep-99 | 15-Sep-09 | 20,000,000 | 20,000,000 | (15,259) | 51,666 | - | 19,933,075 | 1,597,623 |
| 35 | 5.00% Series | 09-Dec-04 | 15-Dec-14 | 40,000,000 | 40,000,000 | (310,645) | 336,876 | - | 39,363,479 | 2,078,780 |
| 36 | 5.75% Series | 10-Mar-06 | 10-Mar-16 | 50,000,000 | 50,000,000 | (28,325) | 368,416 | - | 49,603,260 | 2,917,020 |
| 37 | 6.20% Series | 10-Mar-06 | 10-Mar-36 | 65,000,000 | 65,000,000 | (361,053) | 641,387 | - | 63,997,560 | 4,064,048 |
| 38 | 3.60% Series | 10-Mar-06 | 10-Mar-36 | 50,000,000 | 50,000,000 | - | 1,058,023 | - | 48,931,977 | 1,851,264 |
| 39 | Auction Rate Notes | 10-Mar-06 | 10-Mar-36 | 26,720,000 | 26,720,000 | - | 570,751 | - | 26,149,249 | 1,058,788 |
| 40 | | | | | | | | | | |
| 41 | Totals | | | 363,932,531 | 281,841,899 | (742,099) | 3,001,191 | 4,058,428 | 274,040,180 | 15,765,357 |
| 42 | | | | | | | | | | |
| 43 | Embedded Cost of Long-Term Debt (I / H) | | | | | | | | | 5.753% |
| 44 | | | | | | | | | | |

(*) Annualized interest cost plus (or minus) amortization of discount or premium plus amortization of issue costs minus (or plus) amortization of gain (or loss) on reacquired debt.

DUKE ENERGY KENTUCKY
CASE NO. 2005-00172
EMBEDDED COST OF LONG-TERM DEBT
THIRTEEN MONTH AVERAGE BALANCE
(CORPORATE)

NO CHANGE

SCHEDULE J-3
PAGE 3 OF 3
WITNESS RESPONSIBLE:
L. J. GOOD

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: END OF FORECAST PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | DEBT ISSUE TYPE, COUPON RATE | DATE ISSUED (DAY/MO/YR) (A) | MATURITY DATE (DAY/MO/YR) (B) | PRINCIPAL AMOUNT (C) | FACE AMOUNT OUTSTANDING (D) | UNAMORT. (DISCOUNT) OR PREMIUM (E) | UNAMORT. DEBT EXPENSE (F) | UNAMORT. LOSS ON REACQUIRED DEBT (G) | CARRYING VALUE (H=D+E-F-G) | ANNUAL INTEREST COST (*) (I) |
|----------|--|-----------------------------|-------------------------------|----------------------|-----------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------------|------------------------------|
| 1 | A/C 227: Capital Lease - Non Current | | | | | | | | | |
| 2 | Capital Lease - Meters (1999 Acquisitions) | 20-Dec-99 | 20-Sep-08 | 909,680 | 163,774 | - | - | - | 163,774 | 10,986 |
| 3 | Capital Lease - Meters (2000 Acquisitions) | 25-Dec-00 | 25-Sep-09 | 3,832,158 | 1,366,604 | - | - | - | 1,366,604 | 83,213 |
| 4 | Capital Lease - Meters (2001 Acquisitions) | 20-Dec-01 | 20-Sep-10 | 1,411,952 | 639,616 | - | - | - | 639,616 | 36,358 |
| 5 | Capital Lease - Meters (2002 Acquisitions) | 4,481% | 20-Dec-02 | 1,074,181 | 571,410 | - | - | - | 571,410 | 25,605 |
| 6 | Capital Lease - Meters (2003 Acquisitions) | 4,740% | 20-Dec-03 | 2,068,445 | 1,303,173 | - | - | - | 1,303,173 | 61,770 |
| 7 | Capital Lease - Meters (2004 Acquisitions) | 5,010% | 20-Dec-04 | 2,017,084 | 1,455,692 | - | - | - | 1,455,692 | 72,930 |
| 8 | Capital Lease - Meters (2005 Acquisitions) | 4,893% | 30-Dec-05 | 2,079,031 | 1,672,161 | - | - | - | 1,672,161 | 81,819 |
| 9 | Capital Lease - Ertanjer Facility | 01-Oct-05 | 30-Sep-20 | 2,100,000 | 1,876,857 | - | - | - | 1,876,857 | 161,410 |
| 10 | | | | | | | | | | |
| 11 | A/C 221: Bonds | | | | | | | | | |
| 12 | | | | | | | | | | |
| 13 | A/C 189: Unamortized Loss on R/A Debt | | | | | | | | | |
| 14 | | | | | | | | | | |
| 15 | 10.25% due 6/1/2020 | | | | | | | 507,315 | (507,315) | 39,276 |
| 16 | 9.7% due 7/1/2019 | | | | | | | 803,952 | (803,952) | 66,996 |
| 17 | 9.5% due 12/1/2008 | | | | | | | 53,397 | (53,397) | 37,692 |
| 18 | 10.25% due 11/15/2020 | | | | | | | 501,081 | (501,081) | 37,464 |
| 19 | 7.65% due 7/15/2025 | | | | | | | 1,154,163 | (1,154,163) | 63,992 |
| 20 | | | | | | | | | | |
| 21 | A/C 233: Intercompany Notes Payable | | | | | | | | | |
| 22 | | | | | | | | | | |
| 23 | Inter-Company Long Term Notes | 01-Jan-06 | 01-Jan-24 | 48,000,000 | 48,000,000 | - | - | - | 48,000,000 | 2,640,000 |
| 24 | Inter-Company Long Term Notes | 01-Jan-08 | 15-Nov-22 | 12,720,000 | 12,720,000 | - | - | - | 12,720,000 | 826,800 |
| 25 | Inter-Company Long Term Notes | 01-Jan-08 | 01-Aug-13 | 16,000,000 | 16,000,000 | - | - | - | 16,000,000 | 593,280 |
| 26 | | | | | | | | | | |
| 27 | A/C 224: Other Long Term Debt | | | | | | | | | |
| 28 | | | | | | | | | | |
| 29 | Debtentures | 30-Apr-98 | 30-Apr-08 | 20,000,000 | 20,000,000 | (14,114) | (18,383) | - | 20,004,269 | 1,294,878 |
| 30 | Debtentures | 15-Sep-99 | 15-Sep-09 | 20,000,000 | 20,000,000 | (11,360) | 36,568 | - | 19,950,042 | 1,597,623 |
| 31 | Debtentures | 09-Dec-04 | 15-Dec-14 | 40,000,000 | 40,000,000 | (282,265) | 305,181 | - | 39,412,564 | 2,076,780 |
| 32 | Debtentures | 10-Mar-06 | 10-Mar-16 | 50,000,000 | 50,000,000 | (26,075) | 339,150 | - | 49,634,775 | 2,917,020 |
| 33 | Debtentures | 10-Mar-06 | 10-Mar-36 | 65,000,000 | 65,000,000 | (351,856) | 625,048 | - | 64,023,096 | 4,064,048 |
| 34 | | | | | | | | | | |
| 35 | Totals | | | 287,212,531 | 280,769,287 | (685,690) | 1,289,564 | - | 275,774,125 | 16,793,939 |
| 36 | | | | | | | | | | |
| 37 | Embedded Cost of Long-Term Debt (I / H) | | | | | | | | | 6.090% |
| 38 | | | | | | | | | | |
| 39 | | | | | | | | | | |

(*) Annualized interest cost plus (or minus) amortization of discount or premium plus amortization of issue costs minus (or plus) amortization of gain (or loss) on reacquired debt.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
REVENUES AT PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M
PAGE 1 OF 1
WITNESS:
JEFFREY R. BAILEY

12 MOS ACTUAL / 0 MOS FORECASTED

| LINE NO. | RATE CLASSIFICATION (A) | REVENUE AT PRESENT RATES (B) | REVENUE AT PROPOSED RATES (C) | REVENUE CHANGE (AMOUNT) (D=C-B) | % OF REVENUE CHANGE (E=D / B) |
|----------|---|------------------------------|-------------------------------|---------------------------------|-------------------------------|
| 1 | RESIDENTIAL SERVICE (RS) | 93,804,179 | 125,157,935 | 31,353,756 | 33.42% |
| 2 | TOTAL RESIDENTIAL | 93,804,179 | 125,157,935 | 31,353,756 | 33.42% |
| 3 | DISTRIBUTION SERVICE (DS) | 66,984,542 | 82,789,035 | 15,804,493 | 23.59% |
| 4 | DT PRIMARY TIME OF DAY (DT-PRI) | 19,689,823 | 24,935,110 | 5,245,287 | 26.64% |
| 5 | DT SECONDARY TIME OF DAY (DT-SEC) | 38,827,485 | 49,119,358 | 10,291,873 | 26.51% |
| 6 | ELEC SPACE HEATING (EH) | 630,986 | 866,983 | 235,997 | 37.40% |
| 7 | SPORTS SERVICE (SP) | 29,244 | 33,462 | 4,218 | 14.42% |
| 8 | SMALL FIXED LOADS (GSFL) | 466,516 | 502,278 | 35,762 | 7.67% |
| 9 | PRIMARY VOLTAGE (DP) | 1,662,309 | 2,132,481 | 470,172 | 28.28% |
| 10 | TOTAL DISTRIBUTION | 128,290,905 | 160,378,707 | 32,087,802 | 25.01% |
| 11 | TIME OF DAY (TT) | 8,288,954 | 9,711,357 | 1,422,403 | 17.16% |
| 12 | TOTAL TRANSMISSION | 8,288,954 | 9,711,357 | 1,422,403 | 17.16% |
| 13 | DT PRIMARY-REAL TIME PRICING (DT-RTP PRI) | 899,045 | 918,314 | 19,269 | 2.14% |
| 14 | DT SECONDARY-REAL TIME PRICING (DT-RTP SEC) | 362,236 | 373,302 | 11,066 | 3.05% |
| 15 | DS-REAL TIME PRICING (DS-RTP) | 73,295 | 76,875 | 3,580 | 4.88% |
| 16 | TT-REAL TIME PRICING (TT-RTP) | 560,739 | 567,312 | 6,573 | 1.17% |
| 17 | TOTAL REAL TIME PRICING | 1,895,315 | 1,935,803 | 40,488 | 2.14% |
| 18 | STREET LIGHTING (SL) | 1,023,180 | 1,203,348 | 180,168 | 17.61% |
| 19 | TRAFFIC LIGHTING (TL) | 203,371 | 245,930 | 42,559 | 20.93% |
| 20 | UNMTRD OUTDR LIGHT (UOLS) | 494 | 614 | 120 | 24.29% |
| 21 | OUTDOOR LIGHT SERV (OL) | 516,175 | 607,074 | 90,899 | 17.61% |
| 22 | NON STD STREET LIGHT (NSU) | 53,755 | 62,889 | 9,134 | 16.99% |
| 23 | NON STD POL'S (NSP) | 46,958 | 54,779 | 7,821 | 16.66% |
| 24 | S L - CUST OWNED (SC) | 3,017 | 3,748 | 731 | 24.23% |
| 25 | S L - OVRHD EQUIV (SE) | 144,873 | 170,071 | 25,198 | 17.39% |
| 26 | TOTAL LIGHTING | 1,991,823 | 2,348,453 | 356,630 | 17.90% |
| 27 | TOTAL RETAIL REVENUE | 234,271,176 | 299,532,255 | 65,261,079 | 27.86% |
| 28 | INTERDEPARTMENTAL | 180,006 | 188,295 | 8,289 | 4.60% |
| 29 | INTERRUPTIBLE DEMAND CR | (58,320) | (58,320) | 0 | 0.00% |
| 30 | BAD CHECK CHARGES | 20,122 | 20,122 | 0 | 0.00% |
| 31 | RECONNECTION CHGS | 77,351 | 77,351 | 0 | 0.00% |
| 32 | RENTS | 1,343,468 | 1,343,468 | 0 | 0.00% |
| 33 | INTERCOMPANY | 231,588 | 231,588 | 0 | 0.00% |
| 34 | SPECIAL CONTRACTS | 7,794 | 9,866 | 2,072 | 26.58% |
| 35 | OTHER MISC | 4,468,073 | 4,468,073 | 0 | 0.00% |
| 36 | TOTAL MISC | 6,270,082 | 6,280,443 | 10,361 | 0.17% |
| 37 | TOTAL REVENUE | 240,541,258 | 305,812,698 | 65,271,440 | 27.14% |

Prepared 5/25/06 12:57pm

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
BASE PERIOD REVENUES AT AVERAGE RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):

BASE PERIOD ACTUAL

SCHEDULE M-2.1
PAGE 1 OF 1
WITNESS:
JEFFREY R. BAILEY

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS (C) | SALES (KWH) (D) | BASE PERIOD | | AVERAGE RATE (E=EI/D) (F) | % OF REV TO TOTAL EXCLUSIVE OF FUEL COST (G) | FUEL COST REVENUE (H) | BASE PERIOD | |
|----------|---------------|-------------------------|--------------------|-----------------|----------------------------|-------------|---------------------------|--|-----------------------|-------------------|-----------------------|
| | | | | | REVENUE LESS FUEL COST (E) | REVENUE (I) | | | | REVENUE TOTAL (J) | % OF REV TO TOTAL (K) |
| 1 | RS | RESIDENTIAL SERV | 1,428,717 | 1,451,608.864 | 97,469,490 | 6.71 | 38.82 | (3,665,312) | 93,804,179 | 39.00 | |
| 2 | DS | DISTRIBUTION SERV | 145,289 | 1,031,720.527 | 69,589,637 | 6.75 | 27.72 | (2,605,094) | 66,984,542 | 27.85 | |
| 3 | DT-PRI | TIME OF DAY | 432 | 422,414.869 | 20,756,421 | 4.91 | 8.27 | (1,066,598) | 19,689,823 | 8.19 | |
| 4 | DT-SEC | TIME OF DAY | 2,092 | 733,043.029 | 40,678,419 | 5.55 | 16.20 | (1,850,934) | 38,827,485 | 16.14 | |
| 5 | EH | ELEC SPACE HEATING | 823 | 12,738.878 | 663,152 | 5.21 | 0.26 | (32,166) | 630,986 | 0.26 | |
| 6 | SP | SPORTS SERV | 308 | 332.281 | 30,083 | 9.05 | 0.26 | (839) | 29,244 | 0.01 | |
| 7 | GSFL | SMALL FIXED LOADS | 10,387 | 6,146,777 | 482,037 | 7.84 | 0.19 | (15,521) | 466,516 | 0.19 | |
| 8 | DP | PRIMARY VOLTAGE | 136 | 31,881,242 | 1,742,809 | 5.47 | 0.69 | (80,500) | 1,662,309 | 0.69 | |
| 9 | TT | TIME OF DAY | 124 | 174,131.627 | 8,728,636 | 5.01 | 3.48 | (439,682) | 8,288,954 | 3.45 | |
| 10 | DT-RTTP PRI | REAL TIME PRICING | 22 | 19,335,265 | 1,219,353 | 6.31 | 0.49 | (320,308) | 899,045 | 0.37 | |
| 11 | DT-RTTP SEC | REAL TIME PRICING | 43 | 7,572,163 | 487,676 | 6.44 | 0.19 | (125,440) | 362,236 | 0.15 | |
| 12 | DS-RTTP | REAL TIME PRICING | 72 | 945,207 | 88,953 | 9.41 | 0.04 | (15,658) | 73,295 | 0.03 | |
| 13 | TT-RTTP | REAL TIME PRICING | 27 | 13,691,998 | 787,561 | 5.75 | 0.31 | (226,822) | 560,739 | 0.23 | |
| 14 | SL | STREET LIGHTING | 129,657 | 10,415,890 | 1,049,480 | 10.08 | 0.42 | (26,300) | 1,023,180 | 0.43 | |
| 15 | TL | TRAFFIC LIGHTING | 84,204 | 4,705,647 | 215,253 | 4.57 | 0.09 | (11,882) | 203,371 | 0.08 | |
| 16 | UOLS | UNIMTRD OUTDR LIGHT | 132 | 17,724 | 539 | 3.04 | - | (45) | 494 | - | |
| 17 | OL | OUTDOOR LIGHT SERV | 51,258 | 5,225,343 | 529,369 | 10.13 | 0.21 | (13,194) | 516,175 | 0.21 | |
| 18 | NSU | NON STD STREET LIGHT | 8,632 | 414,479 | 54,802 | 13.22 | 0.02 | (1,047) | 53,755 | 0.02 | |
| 19 | NSP | NON STD POL'S | 5,379 | 308,673 | 47,738 | 15.47 | 0.02 | (779) | 46,958 | 0.02 | |
| 20 | SC | S L - CUST OWNED | 2,176 | 108,324 | 3,291 | 3.04 | - | (274) | 3,017 | - | |
| 21 | SE | S L - OVR HD EQUIV | 22,787 | 1,372,838 | 148,339 | 10.81 | 0.06 | (3,466) | 144,873 | 0.06 | |
| 22 | ID01 | INTERDEPARTMENTAL | 12 | 3,282,725 | 188,295 | 5.74 | 0.08 | (8,289) | 180,006 | 0.07 | |
| 23 | IS | INTERDEPARTMENTAL | 0 | 0 | (58,320) | - | (0.02) | 0 | (58,320) | (0.02) | |
| 24 | IS | INTERDEPARTMENTAL | 0 | 0 | 20,122 | - | 0.01 | 0 | 20,122 | 0.01 | |
| 25 | IS | BAD CHECK CHARGES | 0 | 0 | 77,351 | - | 0.03 | 0 | 77,351 | 0.03 | |
| 26 | IS | RECONNECTION CHGS | 0 | 0 | 1,343,468 | - | 0.54 | 0 | 1,343,468 | 0.56 | |
| 27 | IS | RENTS | 0 | 0 | 231,588 | - | 0.09 | 0 | 231,588 | 0.10 | |
| 28 | WS | INTERCOMPANY | 132 | 161,660 | 8,202 | 5.07 | - | (408) | 4,468,073 | 0.01 | |
| 29 | WS | SPECIAL CONTRACTS | 0 | 0 | 4,468,073 | - | 1.78 | 0 | 4,468,073 | 1.86 | |
| 30 | TOTAL | OTHER MISC | 1,893,041 | 3,931,576,049 | 251,051,817 | 6.39 | 100.00 | (10,510,558) | 240,541,258 | 100.00 | |

NOTE: DETAIL CONTAINED ON SCHEDULES M-2.2 AND M-2.3.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___ X_UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

CURRENT ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS (C) | SALES (D) | MOST CURRENT RATES (J) | CURRENT ANNUALIZED | | % OF REV TO | | REVENUE INCR/LESS | | % INCR/IN | | CURRENT TOTAL | | REVENUE INCREASE | |
|----------|-------------------------|-------------------------|--------------------|---------------|------------------------|----------------------------|-------------|-------------|-------------|-------------------|-------------|-------------|-------------|----------------|--|------------------|--|
| | | | | | | REVENUE LESS FUEL COST (K) | REVENUE (L) | REVENUE (M) | REVENUE (N) | FUEL COST REV (O) | REVENUE (P) | REVENUE (Q) | REVENUE (R) | % INCREASE (S) | | | |
| 1 | RS | RESIDENTIAL SERV | 1,428,717 | 1,451,608,864 | 6.71 | 97,469,490 | 100.00 | 27,688,445 | 19.0 | (3,665,312) | 93,804,179 | 29.5 | | | | | |
| 2 | TOTAL RESIDENTIAL | | 1,428,717 | 1,451,608,864 | 6.71 | 97,469,490 | 100.00 | 27,688,445 | 19.0 | (3,665,312) | 93,804,179 | 29.5 | | | | | |
| 3 | DS | DISTRIBUTION SERV | 145,289 | 1,031,720,527 | 6.75 | 69,589,637 | 51.95 | 13,199,398 | 20.1 | (2,605,094) | 66,984,542 | 21.2 | | | | | |
| 4 | DT-PRI | TIME OF DAY | 432 | 422,414,869 | 4.91 | 20,756,421 | 15.50 | 4,178,689 | 20.8 | (1,065,598) | 19,690,823 | 21.7 | | | | | |
| 5 | DT-SEC | TIME OF DAY | 2,092 | 733,043,029 | 5.55 | 40,678,419 | 30.37 | 8,440,939 | 30.7 | (1,950,934) | 38,827,485 | 32.3 | | | | | |
| 6 | EH | ELEC SPACE HEATING | 823 | 12,738,878 | 5.21 | 663,152 | 0.50 | 203,831 | 11.2 | (839) | 28,244 | 4.3 | | | | | |
| 7 | SP | SPORTS SERV | 308 | 332,281 | 9.05 | 30,083 | 0.02 | 3,379 | 4.2 | (15,521) | 466,516 | 23.4 | | | | | |
| 8 | GSFL | SMALL FIXED LOADS | 10,387 | 6,148,777 | 7.84 | 482,037 | 0.36 | 20,241 | 22.4 | (80,500) | 1,662,309 | 20.6 | | | | | |
| 9 | DP | PRIMARY VOLTAGE | 136 | 31,891,242 | 5.47 | 1,742,809 | 1.30 | 399,672 | 19.7 | (5,651,652) | 128,290,905 | 11.9 | | | | | |
| 10 | TOTAL DISTRIBUTION | | 159,467 | 2,238,277,603 | 5.98 | 133,942,558 | 53.35 | 26,436,149 | 11.3 | (439,682) | 8,288,954 | 11.9 | | | | | |
| 11 | TT | TIME OF DAY | 124 | 174,131,627 | 5.01 | 8,728,636 | 100.00 | 982,721 | 11.3 | (439,682) | 8,288,954 | 11.9 | | | | | |
| 12 | TOTAL TRANSMISSION | | 124 | 174,131,627 | 5.01 | 8,728,636 | 100.00 | 982,721 | 11.3 | (439,682) | 8,288,954 | 11.9 | | | | | |
| 13 | DT-RTP PRI | REAL TIME PRICING | 22 | 19,335,285 | 6.31 | 1,219,353 | 47.20 | 19,269 | 1.6 | (320,308) | 899,045 | 2.1 | | | | | |
| 14 | DT-RTP SEC | REAL TIME PRICING | 43 | 7,572,183 | 6.44 | 487,676 | 18.88 | 3,680 | 2.3 | (125,440) | 362,236 | 3.1 | | | | | |
| 15 | DS-RTP | REAL TIME PRICING | 72 | 945,207 | 9.41 | 88,953 | 3.44 | 3,680 | 4.0 | (15,658) | 73,295 | 4.9 | | | | | |
| 16 | TT-RTP | REAL TIME PRICING | 27 | 13,691,998 | 5.75 | 787,561 | 30.48 | 6,573 | 0.8 | (226,822) | 560,739 | 1.2 | | | | | |
| 17 | TOTAL REAL TIME PRICING | | 164 | 41,544,633 | 6.22 | 2,583,543 | 1.03 | 40,788 | 1.6 | (688,226) | 1,895,315 | 2.1 | | | | | |
| 18 | SL | STREET LIGHTING | 129,657 | 10,415,890 | 10.08 | 1,049,480 | 51.22 | 153,868 | 14.7 | (26,300) | 1,023,180 | 15.0 | | | | | |
| 19 | TL | TRAFFIC LIGHTING | 84,204 | 4,705,647 | 4.57 | 215,253 | 10.51 | 30,677 | 14.3 | (11,882) | 203,371 | 15.1 | | | | | |
| 20 | UOLS | UNMTRD OUTDR LIGHT | 132 | 17,724 | 3.04 | 539 | 0.03 | 75 | 13.9 | (45) | 494 | 15.2 | | | | | |
| 21 | OL | OUTDOOR LIGHT SERV | 51,258 | 5,225,343 | 10.13 | 529,369 | 25.84 | 77,705 | 14.7 | (13,194) | 516,175 | 15.0 | | | | | |
| 22 | NSU | NON STD STREET LIGHT | 8,892 | 414,479 | 13.22 | 54,802 | 2.67 | 8,087 | 14.8 | (1,047) | 53,755 | 15.0 | | | | | |
| 23 | NSP | NON STD POL.S | 5,379 | 308,673 | 15.47 | 47,738 | 2.33 | 7,041 | 14.7 | (779) | 46,958 | 15.1 | | | | | |
| 24 | SC | S.L. - CUST OWNED | 2,176 | 108,324 | 3.04 | 3,291 | 0.16 | 457 | 13.9 | (3,466) | 144,873 | 15.0 | | | | | |
| 25 | SE | S.L. OVR HD EQUIV | 22,787 | 1,572,838 | 10.81 | 148,339 | 7.24 | 21,732 | 14.6 | (56,987) | 1,397,823 | 15.0 | | | | | |
| 26 | TOTAL LIGHTING | | 307,425 | 22,558,917 | 9.08 | 2,048,811 | 0.92 | 299,642 | 14.6 | (8,289) | 180,006 | 0.0 | | | | | |
| 27 | ID01 | INTERDEPARTMENTAL | 12 | 3,282,725 | 5.74 | 188,295 | 3.00 | 0 | 0.0 | (58,320) | 180,006 | 0.0 | | | | | |
| 28 | IS | INTERRUPTIBLE DEMAND CR | 0 | 0 | - | (58,320) | (0.93) | 0 | 0.0 | 0 | 0 | 0.0 | | | | | |
| 29 | NS | BAD CHECK CHARGES | 0 | 0 | - | 20,122 | 0.32 | 0 | 0.0 | 0 | 0 | 0.0 | | | | | |
| 30 | NS | RECONNECTION CHGS | 0 | 0 | - | 77,351 | 1.23 | 0 | 0.0 | 0 | 0 | 0.0 | | | | | |
| 31 | NS | RENTS | 0 | 0 | - | 1,343,466 | 21.40 | 0 | 0.0 | 0 | 1,343,466 | 0.0 | | | | | |
| 32 | NS | INTERCOMPANY | 0 | 0 | - | 231,588 | 3.69 | 0 | 0.0 | (408) | 7,794 | 0.0 | | | | | |
| 33 | WS | SPECIAL CONTRACTS | 132 | 161,680 | 5.07 | 8,202 | 0.13 | 0 | 0.0 | 0 | 4,468,073 | 0.0 | | | | | |
| 34 | TOTAL MISC | OTHER MISC | 144 | 3,442,405 | 182.29 | 4,468,073 | 71.16 | 0 | 0.0 | (8,697) | 6,270,082 | 0.0 | | | | | |
| 35 | TOTAL MISC | | 144 | 3,442,405 | 182.29 | 4,468,073 | 71.16 | 0 | 0.0 | (8,697) | 6,270,082 | 0.0 | | | | | |
| 36 | TOTAL | | 1,893,041 | 3,931,576,049 | 6.39 | 251,051,817 | 100.00 | 56,447,445 | 22.1 | (10,510,558) | 240,541,256 | 23.1 | | | | | |

NOTE: DETAIL CONTAINED ON SCHEDULES M-2.2 PAGES 2 THROUGH 21.

SCHEDULE M-2.2
PAGE 1 OF 21
WITNESS:
JEFFREY R. BAILEY

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: _X_ BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL _X_ UPDATED _____ REVISED _____
WORK PAPER REFERENCE NO(S): _____

CURRENT ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) (KWH) | MOST CURRENT RATES (J) (\$/KWH) | CURRENT REVENUE (K) (\$) | % OF REV TO FUEL COST REVENUE (L) (%) | REVENUE INCR LESS FUEL COST REV (F - K) (M) (\$) | % INCR IN REV LESS FUEL COST REV (N) (%) | FUEL COST REVENUE (H) (\$) | CURRENT TOTAL REVENUE (K + H) (K1) (\$) | TOTAL REVENUE % INCREASE (M / K1) (O) (%) |
|----------|--------------------|-------------------------|-----------------------|-----------------|---------------------------------|--------------------------|---------------------------------------|--|--|----------------------------|---|---|
| 1 | RS | RESIDENTIAL | | | | | | | | | | |
| 2 | SUMMER: | | | | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | 476,235 | | \$3.73 | 1,776,357 | 1.8 | 604,818 | 34.0 | | 1,776,357 | 34.0 |
| 4 | BILLS | | | | | | | | | | | |
| 5 | ENERGY CHARGE (3): | | | 367,262,403 | \$0.065620 | 24,099,759 | 24.7 | 5,756,307 | 23.9 | (927,337) | 23,172,422 | 24.8 |
| 6 | FIRST 1000 KWH | | | 189,415,080 | \$0.068730 | 13,018,498 | 13.4 | 2,380,759 | 18.3 | (478,273) | 12,540,225 | 19.0 |
| 7 | ADDITIONAL KWH | | | 556,677,483 | | 37,118,257 | 38.1 | 8,139,066 | 21.9 | (1,405,610) | 35,712,647 | 22.8 |
| 8 | TOTAL | | | | | | | | | | | |
| 9 | TOTAL SUMMER | | 476,235 | 556,677,483 | | 38,894,614 | 39.9 | 8,743,884 | 22.5 | (1,405,611) | 37,489,004 | 23.3 |
| 10 | WINTER: | | | | | | | | | | | |
| 11 | CUSTOMER CHARGE: | | 952,482 | | \$3.73 | 3,552,758 | 3.6 | 1,209,652 | 34.0 | | 3,552,758 | 34.0 |
| 12 | BILLS | | | | | | | | | | | |
| 13 | ENERGY CHARGE (3): | | | 648,538,873 | \$0.065620 | 42,557,121 | 43.7 | 10,168,441 | 23.9 | (1,637,560) | 40,919,561 | 24.8 |
| 14 | FIRST 1000 KWH | | | 246,392,508 | \$0.050590 | 12,464,997 | 12.8 | 7,566,468 | 60.7 | (622,141) | 11,842,856 | 63.9 |
| 15 | ADDITIONAL KWH | | | 894,931,381 | | 55,022,118 | 56.5 | 17,734,909 | 32.2 | (2,259,702) | 52,762,417 | 33.6 |
| 16 | TOTAL | | | | | | | | | | | |
| 17 | TOTAL WINTER | | 952,482 | 894,931,381 | | 58,574,876 | 60.1 | 18,944,561 | 32.3 | (2,259,702) | 56,315,175 | 33.6 |
| 18 | TOTAL RATE RS | | 1,428,717 | 1,451,608,864 | | 97,469,490 | 100.0 | 27,688,445 | 28.4 | (3,665,312) | 93,804,179 | 29.5 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

SCHEDULE M-2.2
PAGE 2 OF 21
WITNESS:
JEFFREY R. BAILEY

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 3 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE LESS FUEL COST (K) | % OF REV TO TOTAL LESS FUEL COST REVENUE (L) | REVENUE INCR LESS FUEL COST REV (F - K) (M) | % INCR IN REV LESS FUEL COST REV (M / K) (N) | FUEL COST REVENUE (2) (H) | CURRENT TOTAL REVENUE (K + H) (K1) | TOTAL REVENUE INCREASE (M / K1) (O) |
|----------|-----------|---------------------------------|-------------------|---------------|------------------------|------------------------------------|--|---|--|---------------------------|------------------------------------|-------------------------------------|
| (A) | (B) | (C) | (D) | (KWH/KWH) | (\$/KWH) (\$/KW) | (\$) | (%) | (\$) | (%) | (\$) | (\$) | (%) |
| 1 | DS | SERVICE AT DISTRIBUTION VOLTAGE | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | | | | | | | | | | |
| 4 | | LOAD MANAGEMENT RIDER | 1,420 | | \$100.00 | 142,000 | 0.2 | 0 | 0.0 | 0 | 142,000 | 0.0 |
| 5 | | SINGLE PHASE | 82,978 | | \$5.00 | 414,890 | 0.6 | 207,445 | 50.0 | 304,455 | 414,890 | 50.0 |
| 6 | | THREE PHASE | 60,891 | | \$10.00 | 608,910 | 0.9 | 304,455 | 50.0 | 304,455 | 608,910 | 50.0 |
| 7 | | TOTAL CUSTOMER CHARGE | 145,289 | | | 1,165,800 | 1.7 | 511,900 | 100.0 | 511,900 | 1,165,800 | 43.9 |
| 8 | | DEMAND CHARGE: | | | | | | | | | | |
| 9 | | FIRST 15 KW | | 1,415,483 | \$0.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 10 | | ADDITIONAL KW | | 2,411,181 | \$6.53 | 15,745,012 | 22.6 | 3,544,436 | 22.5 | 3,544,436 | 15,745,012 | 22.5 |
| 11 | | TOTAL DEMAND | | 3,826,664 | | 15,745,012 | 22.6 | 3,544,436 | 22.5 | 3,544,436 | 15,745,012 | 22.5 |
| 12 | | ENERGY CHARGE (3): | | | | | | | | | | |
| 13 | | FIRST 6000 KWH | | 359,864,119 | \$0.068960 | 24,816,230 | 35.7 | 4,235,960 | 17.1 | (908,657) | 23,907,573 | 17.7 |
| 14 | | NEXT 300KWH/KW | | 570,954,140 | \$0.042100 | 24,037,169 | 34.5 | 4,230,770 | 17.6 | (1,441,659) | 22,595,510 | 18.7 |
| 15 | | ADDITIONAL KWH | | 98,426,138 | \$0.034970 | 3,441,962 | 4.9 | 585,832 | 17.0 | (248,526) | 3,193,436 | 18.3 |
| 16 | | NON-CHURCH "CAP" RATE | | 1,341,237 | \$0.190330 | 255,278 | 0.4 | 60,247 | 23.6 | (3,387) | 251,891 | 23.9 |
| 17 | | CHURCH CAP RATE | | 1,134,893 | \$0.112950 | 128,186 | 0.3 | 30,253 | 23.6 | (2,866) | 125,320 | 24.1 |
| 18 | | TOTAL ENERGY | | 1,031,720,527 | | 52,678,825 | 75.7 | 9,143,082 | 17.4 | (2,605,094) | 50,073,730 | 18.3 |
| 19 | | TOTAL RATE DS | | 145,289 | | 69,589,637 | 100.0 | 13,199,398 | 19.0 | (2,605,094) | 66,984,542 | 19.7 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 4 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: ORIGINAL X UPDATED _____ REVISED _____
WORK PAPER REFERENCE NO(S): _____

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILL(S) (C) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE (K) | % OF REV TO FUEL COST REVENUE (L) | INCR LESS FUEL COST REV (F-K) | % INCR IN REV LESS FUEL COST REV (M/K) | FUEL COST REVENUE (H) | CURRENT TOTAL REVENUE (K+H) | TOTAL REVENUE INCREASE (M/K1) |
|----------|-----------------------|-------------------------|----------------------|-------------|------------------------|---------------------|-----------------------------------|-------------------------------|--|-----------------------|-----------------------------|-------------------------------|
| | | | | | | | | | | | | |
| 1 | DT-PRI | TIME OF DAY PRIMARY | | | | | | | | | | |
| 2 | SUMMER: | | | | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | | | | | | | | | | |
| 4 | SINGLE PHASE | | 0 | | \$5.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 5 | THREE PHASE | | 0 | | \$10.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 6 | PRIMARY VOLTAGE | | 144 | | \$100.00 | 14,400 | 0.2 | 0 | 0.0 | 0 | 14,400 | 0.0 |
| 7 | TOTAL CUSTOMER CHARGE | | 144 | | | 14,400 | | | | | 14,400 | |
| 8 | DEMAND CHARGE: | | | | | | | | | | | |
| 9 | ON PEAK KW | | | 249,298 | \$9.71 | 2,420,684 | 32.0 | 461,201 | 19.1 | 19,1 | 2,420,684 | 0.0 |
| 10 | OFF PEAK KW | | | 13,337 | \$1.00 | 13,337 | 0.2 | 2,534 | 19.0 | 19.0 | 13,337 | 19.0 |
| 11 | SUB-TOTAL | | | 262,635 | | 2,434,021 | 32.1 | 463,735 | 19.1 | 19.1 | 2,434,021 | 19.1 |
| 12 | PRIMARY SERV. DIS. | | | | | | | | | | | |
| 13 | FIRST 1000 KW | | | 94,121 | (\$0.50) | (47,060) | (0.6) | (14,119) | 30.0 | 30.0 | (47,060) | 30.0 |
| 14 | ADDITIONAL KW | | | 155,177 | (\$0.35) | (54,312) | (0.7) | (23,277) | 42.9 | 42.9 | (54,312) | 42.9 |
| 15 | TOTAL DEMAND | | | 249,298 | | 2,332,649 | 30.8 | 426,340 | 18.3 | 18.3 | 2,332,649 | 18.3 |
| 16 | ENERGY CHARGE (3): | | | | | | | | | | | |
| 17 | ALL KWH | | | 148,564,747 | \$0.035190 | 5,227,993 | 69.0 | 1,000,881 | 19.1 | 19.1 | (375,126) | 20.6 |
| 18 | TOTAL SUMMER | | 144 | 148,564,747 | | 7,575,042 | 100.0 | 1,427,221 | 18.8 | 18.8 | (375,126) | 19.8 |
| 19 | WINTER: | | | | | | | | | | | |
| 20 | CUSTOMER CHARGE: | | | | | | | | | | | |
| 21 | SINGLE PHASE | | 0 | | \$5.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 22 | THREE PHASE | | 0 | | \$10.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 23 | PRIMARY VOLTAGE | | 288 | | \$100.00 | 28,800 | 0.2 | 0 | 0.0 | 0 | 28,800 | 0.0 |
| 24 | TOTAL CUSTOMER CHARGE | | 288 | | | 28,800 | | | | | 28,800 | |
| 25 | DEMAND CHARGE: | | | | | | | | | | | |
| 26 | ON PEAK KW | | | 456,040 | \$8.03 | 3,662,001 | 27.8 | 966,805 | 26.4 | 26.4 | 3,662,001 | 0.0 |
| 27 | OFF PEAK KW | | | 42,848 | \$1.00 | 42,848 | 0.2 | 8,141 | 19.0 | 19.0 | 42,848 | 19.0 |
| 28 | SUB-TOTAL | | | 498,888 | | 3,704,849 | 28.0 | 974,946 | 26.3 | 26.3 | 3,704,849 | 26.3 |
| 29 | PRIMARY SERV. DIS. | | | | | | | | | | | |
| 30 | FIRST 1000 KW | | | 196,282 | (\$0.50) | (98,141) | (0.7) | (29,442) | 30.0 | 30.0 | (98,141) | 30.0 |
| 31 | ADDITIONAL KW | | | 259,759 | (\$0.35) | (90,915) | (0.7) | (38,964) | 42.9 | 42.9 | (90,915) | 42.9 |
| 32 | TOTAL DEMAND | | | 456,040 | | 3,515,793 | 26.7 | 906,540 | 25.8 | 25.8 | 3,515,793 | 25.8 |
| 33 | ENERGY CHARGE (3): | | | | | | | | | | | |
| 34 | ALL KWH | | | 273,850,122 | \$0.035190 | 9,636,786 | 73.1 | 1,844,928 | 19.1 | 19.1 | (691,472) | 20.6 |
| 35 | TOTAL WINTER | | 288 | 273,850,122 | | 13,181,379 | 100.0 | 2,751,468 | 20.9 | 20.9 | (691,472) | 22.0 |
| 36 | TOTAL RATE DT PRIMARY | | 432 | 422,414,869 | | 20,756,421 | 100.0 | 4,178,699 | 20.1 | 20.1 | (1,066,598) | 21.2 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2008-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 5 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILL(S) (C) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE (K) | % OF REV TO FUEL COST REVENUE (L) | REVENUE INCR LESS (F-K) (M) | % INCR IN REV LESS (N) | FUEL COST REVENUE (2) (H) | CURRENT TOTAL REVENUE (K+H) (K1) | TOTAL REVENUE % INCREASE (O) |
|----------|-------------------------|-------------------------|----------------------|-------------|------------------------|---------------------|-----------------------------------|-----------------------------|------------------------|---------------------------|----------------------------------|------------------------------|
| | | | | | | | | | | | | |
| 1 | DT-SEC | TIME OF DAY SECONDARY | | | | | | | | | | |
| 2 | SUMMER: | | | | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | | | | | | | | | | |
| 4 | SINGLE PHASE | | 0 | | \$5.00 | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 5 | THREE PHASE | | 701 | | \$10.00 | 7,010 | 0.0 | 3,505 | 50.0 | | 7,010 | 50.0 |
| 6 | PRIMARY VOLTAGE | | 0 | | \$100.00 | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 7 | TOTAL CUSTOMER CHARGE | | 701 | | | 7,010 | 0.0 | 3,505 | 50.0 | | 7,010 | 50.0 |
| 8 | DEMAND CHARGE: | | | | | | | | | | | |
| 9 | ON PEAK KW | | | 602,151 | \$9.71 | 5,846,886 | 39.1 | 1,113,980 | 19.1 | | 5,846,886 | 0.0 |
| 10 | OFF PEAK KW | | | 6,311 | \$1.00 | 6,311 | 0.0 | 1,199 | 19.0 | | 6,311 | 19.0 |
| 11 | SUB-TOTAL | | | 608,462 | | 5,853,197 | 39.2 | 1,115,179 | 19.1 | | 5,853,197 | 19.1 |
| 12 | PRIMARY SERV. DIS. | | | 0 | (\$0.50) | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 13 | FIRST 1000 KW | | | 0 | (\$0.35) | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 14 | ADDITIONAL KW | | | 0 | | 5,853,197 | 39.2 | 1,115,179 | 19.1 | | 5,853,197 | 19.1 |
| 15 | TOTAL DEMAND | | | 0 | | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 16 | ENERGY CHARGE (3): | | | 257,906,851 | \$0.035190 | 9,075,742 | 60.8 | 1,737,519 | 19.1 | (651,215) | 8,424,527 | 20.6 |
| 17 | ALL KWH | | | 701 | | 14,935,949 | 100.0 | 2,856,203 | 19.1 | (651,215) | 14,284,734 | 20.0 |
| 18 | TOTAL SUMMER | | | | | | | | | | | |
| 19 | WINTER: | | | | | | | | | | | |
| 20 | CUSTOMER CHARGE: | | | | | | | | | | | |
| 21 | SINGLE PHASE | | 0 | | \$5.00 | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 22 | THREE PHASE | | 1,391 | | \$10.00 | 13,910 | 0.1 | 6,955 | 50.0 | | 13,910 | 50.0 |
| 23 | PRIMARY VOLTAGE | | 0 | | \$100.00 | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 24 | TOTAL CUSTOMER CHARGE | | 1,391 | | | 13,910 | 0.1 | 6,955 | 50.0 | | 13,910 | 50.0 |
| 25 | DEMAND CHARGE: | | | | | | | | | | | |
| 26 | ON PEAK KW | | | 1,119,248 | \$8.03 | 8,987,561 | 34.9 | 2,372,806 | 26.4 | | 8,987,561 | 0.0 |
| 27 | OFF PEAK KW | | | 20,957 | \$1.00 | 20,957 | 0.2 | 3,982 | 19.0 | | 20,957 | 19.0 |
| 28 | SUB-TOTAL | | | 1,140,205 | | 9,008,518 | 35.1 | 2,376,788 | 26.4 | | 9,008,518 | 26.4 |
| 29 | PRIMARY SERV. DIS. | | | 0 | (\$0.50) | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 30 | FIRST 1000 KW | | | 0 | (\$0.35) | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 31 | ADDITIONAL KW | | | 0 | | 9,008,518 | 35.1 | 2,376,788 | 26.4 | | 9,008,518 | 26.4 |
| 32 | TOTAL DEMAND | | | 0 | | 0 | 0.0 | 0 | 0.0 | | 0 | 0.0 |
| 33 | ENERGY CHARGE (3): | | | 475,136,178 | \$0.035190 | 16,720,042 | 65.0 | 3,200,993 | 19.1 | (1,199,719) | 15,520,323 | 20.6 |
| 34 | ALL KWH | | | 1,391 | | 25,742,470 | 100.0 | 5,584,736 | 21.7 | (1,199,719) | 24,542,751 | 22.8 |
| 35 | TOTAL WINTER | | | | | | | | | | | |
| 36 | TOTAL RATE DT SECONDARY | | | 2,092 | | 40,678,419 | 100.0 | 8,440,939 | 20.8 | (1,850,934) | 38,827,485 | 21.7 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 6 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL _X_ UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE (K) | FUEL COST REVENUE (L) | % OF REV TO TOTAL LESS FUEL COST REVENUE (L) | REVENUE INCR LESS (F - K) (M) | % INCR IN REV LESS FUEL COST REV (M / K) (N) | CURRENT TOTAL REVENUE (K + H) (K1) | TOTAL REVENUE INCREASE (M / K1) (O) |
|----------|-----------|-----------------------|-------------------|------------|------------------------|---------------------|-----------------------|--|-------------------------------|--|------------------------------------|-------------------------------------|
| | | | | | | | | | | | | |
| 1 | EH | OPTIONAL RATE FOR | | | | | | | | | | |
| 2 | | ELEC. SPACE HEATING | | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | 226 | | \$5.00 | 1,130 | 0.2 | 565 | 50.0 | 1,130 | 50.0 | |
| 4 | | SINGLE PHASE | 597 | | \$10.00 | 5,970 | 0.9 | 2,985 | 50.0 | 5,970 | 0.0 | |
| 5 | | THREE PHASE | 0 | | \$100.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 6 | | PRIMARY VOLTAGE | 823 | | | 7,100 | 1.1 | 3,550 | 50.0 | 7,100 | 50.0 | |
| 7 | | TOTAL CUSTOMER CHARGE | | | | | | 0 | 0.0 | 0 | 0.0 | |
| 8 | | DEMAND CHARGE: | | | | | | | | | | |
| 9 | | ALL KW | | 52,938 | \$0.00 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 10 | | ENERGY CHARGE (3): | | | | | | | | | | |
| 11 | | ALL CONSUMPTION | | 12,738,878 | \$0.051500 | 656,052 | 98.9 | 200,281 | 30.5 | 623,886 | 32.1 | |
| 12 | | TOTAL RATE EH | | 823 | | 663,152 | 100.0 | 203,831 | 30.7 | 630,986 | 32.3 | |
| | | | | | | 12,738,878 | | | | | | |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL _____ X UPDATED _____ REVISED _____
WORK PAPER REFERENCE NO(S): _____

CURRENT ANNUALIZED

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE LESS FUEL COST REVENUE (K) | % OF REV TO TOTAL LESS FUEL COST REVENUE (L) | REVENUE INCR LESS (F - K) (M) | % INCR IN REV LESS (M / K) (N) | FUEL COST REVENUE (H) | CURRENT TOTAL REVENUE (K + H) (K1) | TOTAL REVENUE INCREASE (M / K1) (O) |
|----------|-----------|------------------------------|-------------------|-----------|------------------------|--|--|-------------------------------|--------------------------------|-----------------------|------------------------------------|-------------------------------------|
| (A) | (B) | (C) | (D) | (KWH) | (\$/KWH) | (\$) | (%) | (\$) | (%) | (\$) | (\$) | (%) |
| 1 | SP | SPORTS SERVICE | 0 | | (4) | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 2 | | MINIMUM BILLS | 308 | | \$5.00 | 1,540 | 5.1 | 770 | 50.0 | 770 | 1,540 | 50.0 |
| 3 | | CUSTOMER CHARGE | | | | | | | | | | |
| 4 | | ENERGY CHARGE (3): | | 332,281 | \$0.085900 | 28,543 | 94.9 | 2,609 | 9.1 | 2,609 | 27,704 | 9.4 |
| 5 | | ALL CONSUMPTION | | | | | | | | | | |
| 6 | | TOTAL RATE SP | 308 | 332,281 | | 30,083 | 100.0 | 3,379 | 11.2 | (839) | 29,244 | 11.6 |
| 7 | | GSFL SMALL FIXED LOADS | | | | | | | | | | |
| 8 | | MINIMUM BILLS | 377 | 0 | \$2.50 | 943 | 0.2 | 71 | 7.5 | 71 | 943 | 7.5 |
| 9 | | BASE RATE (3): | | | | | | | | | | |
| 10 | | LOAD RANGE 540 TO 720 HRS | 48 | 7,236 | \$0.067910 | 491 | 0.1 | 20 | 4.1 | (18) | 473 | 4.2 |
| 11 | | LOAD RANGE LESS THAN 540 HRS | 9,962 | 6,139,541 | \$0.078280 | 480,603 | 99.7 | 20,150 | 4.2 | (15,503) | 465,100 | 4.3 |
| 12 | | TOTAL RATE GSFL | 10,387 | 6,146,777 | | 482,037 | 100.0 | 20,241 | 4.2 | (15,521) | 466,516 | 4.3 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002525 PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.
(4) 1.5% OF INSTALLED TRANSFORMER AND METERING COSTS.

SCHEDULE M-2.2
PAGE 7 OF 21
WITNESS:
JEFFREY R. BAILEY

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 8 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: ORIGINAL X UPDATED _____ REVISED _____
WORK PAPER REFERENCE NO(S): _____

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE LESS FUEL COST (K) | % OF REV TO TOTAL LESS FUEL COST REVENUE (L) | REVENUE INCR LESS FUEL COST REV (F - K) (M) | % INCR IN REV LESS FUEL COST REV (N) | FUEL COST REVENUE (2) (H) | CURRENT TOTAL REVENUE (K + H) (K1) | TOTAL REVENUE INCREASE (M / K1) (O) |
|----------|-----------|---|-------------------|------------|------------------------|------------------------------------|--|---|--------------------------------------|---------------------------|------------------------------------|-------------------------------------|
| | | | | | | | | | | | | |
| 1 | DP | SERVICE AT PRIMARY DISTRIBUTION VOLTAGE | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | 23 | | \$100.00 | 2,300 | 0.1 | 0 | 0.0 | | 2,300 | 0.0 |
| 4 | | LOAD MANAGEMENT RIDER | 113 | | \$100.00 | 11,300 | 0.6 | 0 | 0.0 | | 11,300 | 0.0 |
| 5 | | PRIMARY VOLTAGE | | | | 13,600 | 0.8 | 0 | 0.0 | | 13,600 | 0.0 |
| 6 | | TOTAL CUSTOMER CHARGE | 136 | | | | | | | | | |
| 7 | | DEMAND CHARGE: | | | | | | | | | | |
| 8 | | ALL KW | | 74,474 | \$6.08 | 452,802 | 26.0 | 105,753 | 23.4 | | 452,802 | 23.4 |
| 9 | | TOTAL DEMAND | | 74,474 | | 452,802 | 26.0 | 105,753 | 23.4 | | 452,802 | 23.4 |
| 10 | | ENERGY CHARGE (3): | | | | | | | | | | |
| 11 | | FIRST 300KWH/KW | | 21,209,747 | \$0.042520 | 901,838 | 51.7 | 194,854 | 21.6 | (53,555) | 848,283 | 23.0 |
| 12 | | ADDITIONAL KWH | | 10,671,495 | \$0.035100 | 374,569 | 21.5 | 89,065 | 23.8 | (26,945) | 347,624 | 25.6 |
| 13 | | TOTAL ENERGY | | 31,881,242 | | 1,276,407 | 73.2 | 283,919 | 22.2 | (80,500) | 1,195,907 | 23.7 |
| 14 | | TOTAL RATE DP | 136 | 31,881,242 | | 1,742,809 | 100.0 | 389,672 | 22.4 | (80,500) | 1,662,309 | 23.4 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002525 PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DATA: X BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL X UPDATED REVISED
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2.2
 PAGE 9 OF 21
 WITNESS:
 JEFFREY R. BAILEY

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (KWH/KWH) | MOST CURRENT RATES (\$/KWH) | CURRENT REVENUE (\$) | FUEL COST REVENUE (K) | % OF REV TO FUEL COST REVENUE (L) | REVENUE INCR LESS (F - K) (\$) | % INCR IN REV LESS (N) | FUEL COST REVENUE (H) (\$) | CURRENT TOTAL REVENUE (K + H) (\$) | % REVENUE INCREASE (O) (%) |
|----------|--------------------|---------------------|-------------------|-----------------|-----------------------------|----------------------|-----------------------|-----------------------------------|--------------------------------|------------------------|----------------------------|------------------------------------|----------------------------|
| 1 | TT | TIME OF DAY | | | | | | | | | | | |
| 2 | SUMMER: | | | | \$500.00 | 19,500 | | 0.6 | 0 | 0.0 | | 19,500 | 0.0 |
| 3 | CUSTOMER CHARGE | | 39 | | | | | | | | | | |
| 4 | DEMAND CHARGE: | | | | | | | | | | | | |
| 5 | ON PEAK KW | | | 150,361 | \$6.52 | 980,354 | | 32.3 | 115,778 | 11.8 | | 980,354 | 11.8 |
| 6 | OFF PEAK KW | | | 4,303 | \$1.00 | 4,303 | | 0.1 | 473 | 11.0 | | 4,303 | 11.0 |
| 7 | TOTAL DEMAND | | | 154,664 | | 984,657 | | 32.4 | 116,251 | 11.8 | | 984,657 | 11.8 |
| 8 | ENERGY CHARGE (3): | | | | | | | | | | | | |
| 9 | ALL KWH | | | 58,173,973 | \$0.034850 | 2,027,363 | | 66.9 | 223,795 | 11.0 | (146,889) | 1,880,474 | 11.9 |
| 10 | TOTAL SUMMER | | 39 | 58,173,973 | | 3,031,520 | | 100.0 | 340,046 | 11.2 | (146,889) | 2,884,631 | 11.8 |
| 11 | WINTER: | | | | | | | | | | | | |
| 12 | CUSTOMER CHARGE | | 85 | | \$500.00 | 42,500 | | 0.7 | 0 | 0.0 | | 42,500 | 0.0 |
| 13 | DEMAND CHARGE: | | | | | | | | | | | | |
| 14 | ON PEAK KW | | | 299,866 | \$5.33 | 1,598,286 | | 28.1 | 194,913 | 12.2 | | 1,598,286 | 12.2 |
| 15 | OFF PEAK KW | | | 15,206 | \$1.00 | 15,206 | | 0.3 | 1,673 | 11.0 | | 15,206 | 11.0 |
| 16 | TOTAL DEMAND | | | 315,072 | | 1,613,492 | | 28.4 | 196,586 | 12.2 | | 1,613,492 | 12.2 |
| 17 | ENERGY CHARGE (3): | | | | | | | | | | | | |
| 18 | ALL KWH | | | 115,957,654 | \$0.034850 | 4,041,124 | | 70.9 | 446,089 | 11.0 | (292,793) | 3,748,331 | 11.9 |
| 19 | TOTAL WINTER | | 85 | 115,957,654 | | 5,697,116 | | 100.0 | 642,675 | 11.3 | (292,793) | 5,404,323 | 11.9 |
| 20 | TOTAL RATE TT | | 124 | 174,131,627 | | 8,728,636 | | 100.0 | 982,721 | 11.3 | (439,682) | 8,288,954 | 11.9 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002525 PER KWH.
 (3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL _X_ UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

CURRENT ANNUALIZED

SCHEDULE M-2.2
PAGE 10 OF 21
WITNESS:
JEFFREY R. BAILEY

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | MOST CURRENT RATES (J) | CURRENT REVENUE (K) | % OF REV TO FUEL COST (L) | REVENUE INCR LESS (F - K) (M) | % INCR IN REV LESS (N / K) | FUEL COST REV (H) | CURRENT TOTAL REVENUE (K + H) (K1) | TOTAL REVENUE INCREASE (M / K1) (O) |
|----------|---------------------------|---|-----------------------|------------|------------------------|---------------------|---------------------------|-------------------------------|----------------------------|-------------------|------------------------------------|-------------------------------------|
| | | | | (KWH) | (\$/KWH) | (\$) | (%) | (\$) | (%) | (\$) | (\$) | (%) |
| 1 | DT RTP | TIME OF DAY SERVICE AT PRIMARY DISTRIBUTION VOLTAGE | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | | | | | | | | | | |
| 4 | BILLS (Real-Time Pricing) | | 22 | | \$150.00 | 3,300 | 0.3 | 726 | 22.0 | | 3,300 | 22.0 |
| 5 | TOTAL CUSTOMER CHARGE | | | | | | | | | | | |
| | | | 22 | | | 3,300 | 0.3 | 726 | 22.0 | | 3,300 | 22.0 |
| 6 | ENERGY CHARGE: | | | | | | | | | | | |
| 7 | ALL KWH | | | 19,335,265 | \$0.004600 | 88,942 | 7.4 | 18,543 | 20.8 | | 88,942 | 20.8 |
| 8 | ANCILLARY SERVICES | | | 19,335,265 | \$0.000740 | 14,308 | 1.2 | 0 | 0.0 | | 14,308 | 0.0 |
| 9 | COMMODITY CHARGES | | | 19,335,265 | \$0.057553 | 1,112,803 | 91.3 | 0 | 0.0 | | 792,495 | 0.0 |
| 10 | TOTAL ENERGY | | | | | | | | | | | |
| | | | | 19,335,265 | | 1,216,053 | 99.7 | 18,543 | 1.5 | | 895,745 | 2.1 |
| 11 | TOTAL RATE DT RTP PRIMARY | | | | | | | | | | | |
| | | | 22 | 19,335,265 | | 1,219,353 | 100.0 | 19,269 | 1.6 | (320,308) | 899,045 | 2.1 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 11 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___ X UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

CURRENT ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (KWH) (D) | MOST CURRENT RATES (\$/KWH) (J) | CURRENT REVENUE (K) | FUEL COST REVENUE (L) | % OF REV TO FUEL COST REVENUE (L) | INCR LESS FUEL COST REV (F - K) (M) | % INCR IN REV LESS FUEL COST REV (M / K) (N) | FUEL COST REVENUE (H) | TOTAL CURRENT REVENUE (K + H) (K1) | % INCREASE (M / K1) (O) | |
|----------|---------------|--------------------------------------|-----------------------|-----------------|---------------------------------|---------------------|-----------------------|-----------------------------------|-------------------------------------|--|-----------------------|------------------------------------|-------------------------|-----|
| 1 | DT | RTP TIME OF DAY SERVICE AT SECONDARY | | | | | | | | | | | | |
| 2 | | DISTRIBUTION VOLTAGE | | | | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | 43 | | | 6,450 | | 1.3 | 1,419 | 22.0 | | 6,450 | 22.0 | |
| 4 | | BILLS (Real-Time Pricing) | 43 | | \$150.00 | 6,450 | | 1.3 | 1,419 | 22.0 | | 6,450 | 22.0 | |
| 5 | | TOTAL CUSTOMER CHARGE | | | | | | | | | | | | |
| 6 | | ENERGY CHARGE: | | | | | | | | | | | | |
| 7 | | ALL KWH | | 7,572,163 | \$0.004800 | 36,346 | | 7.5 | 9,647 | 26.5 | | 36,346 | 26.5 | |
| 8 | | ANCILLARY SERVICES | | 7,572,163 | \$0.000760 | 5,755 | | 1.2 | 0 | 0.0 | | 5,755 | 0.0 | |
| 9 | | COMMODITY CHARGES | | 7,572,163 | \$0.057992 | 439,125 | | 90.0 | 0 | 0.0 | | 439,125 | 0.0 | |
| 10 | | TOTAL ENERGY | | 7,572,163 | | 481,226 | | 98.7 | 9,647 | 2.0 | | 481,226 | 2.7 | |
| 11 | | TOTAL RATE DT RTP SECONDARY | 43 | 7,572,163 | | 487,676 | | 100.0 | 11,066 | 2.3 | | 487,676 | 3.1 | |
| | | | | | | | | | | | | (125,440) | 362,236 | 3.1 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 12 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___ X_UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | MOST CURRENT RATES (J) | CURRENT ANNUALIZED | | CURRENT ANNUALIZED | | CURRENT ANNUALIZED | | CURRENT ANNUALIZED | | CURRENT ANNUALIZED | | CURRENT ANNUALIZED | |
|----------|---------------|---|-----------------------|-----------|------------------------|------------------------------------|--|---|--|-----------------------|------------------------------------|---------------------------------|--|--------------------|--|--------------------|--|
| | | | | | | REVENUE LESS FUEL COST REVENUE (K) | % OF REV TO TOTAL LESS FUEL COST REVENUE (L) | REVENUE INCR LESS FUEL COST REV (F - K) (M) | % INCR IN REV LESS FUEL COST REV (M / K) (N) | FUEL COST REVENUE (H) | CURRENT TOTAL REVENUE (K + H) (K1) | REVENUE % INCREASE (M / K1) (O) | | | | | |
| 1 | DS RTP | SERVICE AT SECONDARY DISTRIBUTION VOLTAGE | | | | 10,800 | 12.1 | 2,376 | 22.0 | | 10,800 | 22.0 | | | | | |
| 2 | | | 72 | | \$150.00 | 10,800 | 12.1 | 2,376 | 22.0 | | 10,800 | 22.0 | | | | | |
| 3 | | CUSTOMER CHARGE: | | | | | | | | | | | | | | | |
| 4 | | BILLS (Real-Time Pricing) | 72 | | | | | | | | | | | | | | |
| 5 | | TOTAL CUSTOMER CHARGE | 72 | | | | | | | | | | | | | | |
| 6 | | ENERGY CHARGE: | | | | | | | | | | | | | | | |
| 7 | | ALL KWH | | 945,207 | \$0.004800 | 4,537 | 5.1 | 1,204 | 26.5 | | 4,537 | 26.5 | | | | | |
| 8 | | ANCILLARY SERVICES | | 945,207 | \$0.000760 | 718 | 0.8 | 0 | 0.0 | | 718 | 0.0 | | | | | |
| 9 | | COMMODITY CHARGES | | 945,207 | \$0.077124 | 72,898 | 82.0 | 0 | 0.0 | | 72,898 | 0.0 | | | | | |
| 10 | | TOTAL ENERGY | | 945,207 | | 78,153 | 87.9 | 1,204 | 1.5 | | 78,153 | 1.5 | | | | | |
| 11 | | TOTAL RATE DS RTP | 72 | 945,207 | | 88,953 | 100.0 | 3,580 | 4.0 | | 88,953 | 4.0 | | | | | |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL X UPDATED _____ REVISED _____
WORK PAPER REFERENCE NO(S): _____

CURRENT ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (KWH) (D) | MOST CURRENT RATES (\$/KWH) (J) | CURRENT REVENUE (K) | FUEL COST REVENUE (L) | % OF REV TO FUEL COST REVENUE (L) | REVENUE INCR LESS (F - K) (M) | % INCR IN REVENUE (M / K) (N) | FUEL COST REVENUE (H) | TOTAL CURRENT REVENUE (K + H) (K1) | TOTAL REVENUE INCREASE (M / K1) (O) |
|--------------------|---------------------------|-------------------------|-----------------------|-----------------|---------------------------------|---------------------|-----------------------|-----------------------------------|-------------------------------|-------------------------------|-----------------------|------------------------------------|-------------------------------------|
| 1 | TT RTP | TIME OF DAY SERVICE AT | | | | | | | | | | | |
| 2 | | TRANSMISSION VOLTAGE | | | | | | | | | | | |
| 3 CUSTOMER CHARGE: | | | | | | | | | | | | | |
| 4 | BILLS (Real-Time Pricing) | | 27 | | \$150.00 | 4,050 | 4,050 | 0.5 | 891 | 22.0 | | 4,050 | 22.0 |
| 5 | TOTAL CUSTOMER CHARGE | | 27 | | | 4,050 | 4,050 | 0.5 | 891 | 22.0 | | 4,050 | 22.0 |
| 6 ENERGY CHARGE: | | | | | | | | | | | | | |
| 7 | ALL KWH | | | 13,691,998 | \$0.001600 | 21,907 | 21,907 | 2.8 | 5,682 | 25.9 | | 21,907 | 25.9 |
| 8 | ANCILLARY SERVICES | | | 13,691,998 | \$0.000721 | 9,872 | 9,872 | 1.3 | 0 | 0.0 | | 9,872 | 0.0 |
| 9 | COMMODITY CHARGES | | | 13,691,998 | \$0.054903 | 751,732 | 751,732 | 95.5 | 0 | 0.0 | | 524,910 | 0.0 |
| 10 | TOTAL ENERGY | | | 13,691,998 | | 783,511 | 783,511 | 99.5 | 5,682 | 0.7 | | 556,689 | 1.0 |
| 11 | TOTAL RATE TT RTP | | 27 | 13,691,998 | | 787,561 | 787,561 | 100.0 | 6,573 | 0.8 | | 560,739 | 1.2 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DATA: X BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL X UPDATED REVISED
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2.2
 PAGE 14 OF 21
 WITNESS RESPONSIBLE:
 JEFFREY R. BAILEY

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILL(S) | SALES (KWH) | CURRENT MOST CURRENT RATE(S) (\$/UNIT) | CURRENT REVENUE (K) | CURRENT FUEL COST (K) | CURRENT FUEL LESS REVENUE (K) | % OF REV TO FUEL COST (L) | REVENUE LESS FUEL COST (M) | % INCR IN REV LESS FUEL COST (N) | CURRENT REVENUE (K+H) | CURRENT FUEL COST (K+I) | CURRENT FUEL LESS REVENUE (K+J) | TOTAL REVENUE (K+H) | TOTAL FUEL COST (K+I) | TOTAL FUEL LESS REVENUE (K+J) | % INCREASE (O) | |
|----------|--------------------------|---|------------------|-------------|--|---------------------|-----------------------|-------------------------------|---------------------------|----------------------------|----------------------------------|-----------------------|-------------------------|---------------------------------|---------------------|-----------------------|-------------------------------|----------------|-----|
| | | | | | | | | | | | | | | | | | | | (A) |
| 1 | SL | STREET LIGHTING - CO OWNED & MAINTAINED | | | | | | | | | | | | | | | | | |
| 2 | OVERHEAD DISTRIBUTION: | | | | | | | | | | | | | | | | | | |
| 3 | MERCURY VAPOR : | | | | | | | | | | | | | | | | | | |
| 4 | 7,000 LUMEN (OPEN) | | 34 | 2,417 | 5.02 | 171 | 0 | 0.0 | 25 | 14.6 | 0.0 | 165 | 0 | 0 | 15.2 | | | | |
| 5 | 7,000 LUMEN (OPEN) (5) | | 0 | 0 | 8.81 | 0 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0.0 | | | | |
| 6 | 7,000 LUMEN (4) | | 68,411 | 4,477,836 | 6.03 | 412,518 | 352 | 39.3 | 60,202 | 14.6 | 14.6 | 401,212 | 346 | (11,308) | 15.0 | | | | |
| 7 | 7,000 LUMEN (5) | | 36 | 2,409 | 9.78 | 5,588 | 254 | 0.5 | 825 | 14.8 | 14.8 | 5,502 | 250 | (88) | 15.0 | | | | |
| 8 | 7,000 LUMEN (6) | | 569 | 34,076 | 10.58 | 1,462 | 216 | 0.0 | 37 | 14.6 | 14.6 | 1,442 | 37 | (20) | 15.0 | | | | |
| 9 | 7,000 LUMEN (6A) | | 24 | 1,606 | 6.93 | 15,135 | 17 | 1.4 | 2,205 | 14.6 | 14.6 | 14,622 | 115 | (513) | 14.8 | | | | |
| 10 | 10,000 LUMEN | | 121 | 203,208 | 10.72 | 118 | 0 | 0.0 | 12,562 | 14.4 | 14.4 | 83,825 | 115 | (3,540) | 15.0 | | | | |
| 11 | 10,000 LUMEN (5) | | 11 | 1,049 | 9.25 | 2,034 | 0 | 0.2 | 297 | 14.6 | 14.6 | 1,983 | 0 | (51) | 15.0 | | | | |
| 12 | 21,000 LUMEN (5) | | 156 | 20,257 | 13.04 | 1,423 | 208 | 0.1 | 208 | 14.6 | 14.6 | 1,391 | 28 | (32) | 15.0 | | | | |
| 13 | METAL HALIDE: | | 236 | 12,792 | 9.92 | 29 | 5 | 0.0 | 5 | 17.2 | 17.2 | 17.9 | 5 | (1) | 17.9 | | | | |
| 14 | 14,000 LUMEN (5) | | 94 | 8,951 | 6.93 | 691 | 10 | 0.1 | 10 | 14.6 | 14.6 | 628 | 8 | (23) | 15.1 | | | | |
| 15 | 20,500 LUMEN (6) | | 6 | 572 | 11.48 | 0 | 0 | 0.0 | 0 | 0.0 | 0.0 | 68 | 0 | (1) | 14.7 | | | | |
| 16 | 20,500 LUMEN (6) | | 0 | 0 | 9.25 | 0 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0.0 | | | | |
| 17 | SODIUM VAPOR: | | | | | | | | | | | | | | | | | | |
| 18 | 9,500 LUMEN (OPEN) | | 112 | 4,464 | 5.02 | 582 | 84 | 0.1 | 84 | 14.9 | 14.9 | 551 | 0 | (11) | 15.2 | | | | |
| 19 | 9,500 LUMEN (4) | | 48 | 760,686 | 6.72 | 97,897 | 503 | 9.3 | 14,568 | 14.9 | 14.9 | 95,976 | 498 | (1,921) | 15.2 | | | | |
| 20 | 9,500 LUMEN (5) | | 682 | 1,948 | 10.47 | 7,168 | 1,071 | 0.7 | 1,071 | 14.7 | 14.7 | 7,108 | 893 | (60) | 14.9 | | | | |
| 21 | 9,500 LUMEN (6) | | 80 | 3,409 | 11.27 | 902 | 134 | 0.1 | 134 | 14.9 | 14.9 | 2,674 | 131 | (9) | 15.0 | | | | |
| 22 | 16,000 LUMEN (5) | | 373 | 17,982 | 7.29 | 2,719 | 399 | 0.3 | 399 | 14.7 | 14.7 | 131 | 0 | (2) | 14.9 | | | | |
| 23 | 16,000 LUMEN (6) | | 12 | 711 | 11.08 | 133 | 20 | 0.0 | 20 | 15.0 | 15.0 | 50,088 | 625 | (10) | 15.0 | | | | |
| 24 | 22,000 LUMEN (4) | | 48 | 3,792 | 13.23 | 635 | 94 | 4.9 | 7,501 | 14.7 | 14.7 | 625 | 0 | (10) | 15.0 | | | | |
| 25 | 22,000 LUMEN (5) | | 252 | 19,829 | 14.03 | 982 | 145 | 0.3 | 494 | 14.8 | 14.8 | 3,294 | 968 | (50) | 15.0 | | | | |
| 26 | 22,000 LUMEN (6) | | 70 | 5,530 | 14.03 | 186 | 27 | 0.0 | 27 | 14.5 | 14.5 | 184 | 0 | (4) | 14.7 | | | | |
| 27 | 22,000 LUMEN (6) | | 66 | 5,135 | 9.48 | 115,757 | 16,951 | 0.1 | 16,951 | 14.6 | 14.6 | 111,544 | 613 | (13) | 15.1 | | | | |
| 28 | 27,500 LUMEN (6) | | 12 | 948 | 15.48 | 626 | 91 | 0.1 | 91 | 14.6 | 14.6 | 111,544 | 192 | (4,213) | 14.6 | | | | |
| 29 | 50,000 LUMEN (4) | | 12 | 1,959 | 16.39 | 197 | 28 | 0.0 | 28 | 14.2 | 14.2 | 5,013 | 879 | (5) | 15.0 | | | | |
| 30 | 50,000 LUMEN (5) | | 12 | 44,934 | 16.43 | 5,126 | 1,114 | 0.5 | 752 | 14.7 | 14.7 | 7,431 | 879 | (113) | 15.0 | | | | |
| 31 | 50,000 LUMEN (6) | | 312 | 66,157 | 17.19 | 7,598 | 0 | 0.7 | 1,114 | 14.7 | 14.7 | 7,431 | 879 | (157) | 15.0 | | | | |
| 32 | 50,000 LUMEN (6) | | 442 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0.0 | | | | |
| 33 | DECORATIVE SODIUM VAPOR: | | | | | | | | | | | | | | | | | | |
| 34 | 9,500 LUMEN (15) | | 11 | 936 | 10.30 | 113 | 17 | 0.0 | 17 | 15.0 | 15.0 | 111 | 0 | (2) | 15.3 | | | | |
| 35 | 22,000 LUMEN (15) | | 134 | 17,876 | 13.55 | 1,816 | 284 | 0.2 | 284 | 14.6 | 14.6 | 1,771 | 0 | (45) | 14.9 | | | | |
| 36 | 50,000 LUMEN (15) | | 180 | 25,385 | 17.34 | 3,121 | 457 | 0.3 | 457 | 14.6 | 14.6 | 3,057 | 0 | (64) | 14.9 | | | | |
| 37 | 50,000 LUMEN (15)(5) | | 12 | 1,959 | 18.10 | 4,380 | 644 | 0.0 | 32 | 14.7 | 14.7 | 212 | 0 | (5) | 15.1 | | | | |
| 38 | 50,000 LUMEN (15)(6) | | 216 | 32,282 | 20.28 | 4,380 | 132 | 0.3 | 644 | 14.7 | 14.7 | 4,299 | 0 | (81) | 15.0 | | | | |
| 39 | 50,000 LUMEN (14) | | 36 | 5,877 | 24.83 | 894 | 132 | 0.1 | 132 | 14.8 | 14.8 | 879 | 0 | (15) | 15.0 | | | | |
| 40 | 50,000 LUMEN (14)(6) | | 36 | 5,877 | 24.83 | 894 | 132 | 0.1 | 132 | 14.6 | 14.6 | 809,590 | 0 | (23,510) | 15.0 | | | | |
| 41 | TOTAL OVERHEAD | | | 113,562 | 9,311,950 | 833,200 | 79,4 | 79.4 | 121,750 | 14.6 | 14.6 | 809,590 | 0 | (23,510) | 15.0 | | | | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
 (3) WITH 17' WOOD LAMINATED POLE.
 (4) WITH 30' WOOD POLE.
 (5) WITH 35' WOOD POLE.

(6) WITH 40' WOOD POLE.
 (7) WITH 12' FIBERGLASS POLE.
 (8) WITH 28' ALUM POLE.
 (9) WITH 30' ALUM POLE.
 (10) WITH 17' FIBERGLASS POLE.

(11) WITH 12' FIBERGLASS POLE.
 (12) WITH 30' FIBERGLASS POLE.
 (13) WITH 35' FIBERGLASS POLE.
 (14) FIXTURE TYPE - SETBACK.
 (15) FIXTURE TYPE - RECTILINEAR.

DATE: X BASE PERIOD: FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL X UPDATED REVERSED
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2
 PAGE 18 OF 21
 WINNER RESPONSIBLE:
 JEFFREY R. BAILEY

| LINE NO. CODE | CLASS / DESCRIPTION | CUSTOMER BILL(S) | SALES (KWH) | CURRENT ANNUALIZED | | CURRENT REVENUE LESS FUEL COST (M) | % OF REV TO TOTAL LESS FUEL COST (M) | REVENUE INCR LESS FUEL COST REV (F-K) | % INCR IN REV LESS FUEL COST REVENUE (M/N) | CURRENT REVENUE (K+H) | REVENUE % INCREASE (M/K) |
|---------------|---|------------------|-------------|--------------------|-----------|------------------------------------|--------------------------------------|---------------------------------------|--|-----------------------|--------------------------|
| | | | | (A) | (B) | | | | | | |
| 48 | STREET LIGHTING - CO OWNED & MAINTAINED (COUNT) | | | | | | | | | | |
| 49 | UNDERGROUND VAPOR: | | | | | | | | | | |
| 50 | MERCURY VAPOR: | | | | | | | | | | |
| 51 | 7,000 LUMEN (A) | | 4,297 | 6.14 | 362 | 0.0 | 53 | 14.6 | 15.1 | 351 | 15.1 |
| 52 | 7,000 LUMEN (A) | | 40,036 | 8.89 | 5,884 | 0.6 | 665 | 14.7 | 14.9 | 5,793 | 14.9 |
| 53 | 7,000 LUMEN (A) | | 874 | 9.93 | 119 | 0.0 | 18 | 15.1 | 15.4 | 117 | 15.4 |
| 54 | 7,000 LUMEN (A) | | 359 | 12.14 | 438 | 0.3 | 643 | 14.8 | 15.0 | 4,292 | 15.0 |
| 55 | 10,000 LUMEN (A) | | 0 | 7.94 | 0 | 0.0 | 0 | 0.0 | 0.0 | 81 | 0.0 |
| 56 | 10,000 LUMEN (A) | | 77 | 10.79 | 831 | 0.1 | 122 | 14.7 | 15.1 | 1,890 | 15.1 |
| 57 | 10,000 LUMEN (A) | | 151 | 13.04 | 1,869 | 0.2 | 291 | 14.8 | 15.1 | 1,889 | 15.1 |
| 58 | 21,000 LUMEN (A) | | 96 | 9.45 | 907 | 0.1 | 131 | 14.4 | 15.1 | 1,889 | 15.1 |
| 59 | 21,000 LUMEN (A) | | 132 | 15.45 | 2,039 | 0.2 | 289 | 14.7 | 15.1 | 1,889 | 15.1 |
| 60 | METAL HALIDE: | | | | | | | | | | |
| 61 | 14,800 LUMEN (A) | | 0 | 6.14 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0.0 |
| 62 | 14,800 LUMEN (A) | | 0 | 7.04 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0.0 |
| 63 | 28,000 LUMEN (A) | | 0 | 9.45 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0.0 |
| 64 | SODIUM VAPOR: | | | | | | | | | | |
| 65 | 9,500 LUMEN (B) | | 588 | 23.863 | 7,479 | 0.7 | 1,116 | 14.9 | 15.1 | 7,419 | 15.1 |
| 66 | 9,500 LUMEN (B) | | 0 | 5.02 | 63 | 0.0 | 10 | 15.9 | 16.1 | 62 | 16.1 |
| 67 | 9,500 LUMEN (B) | | 6 | 10.52 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0.0 |
| 68 | 16,000 LUMEN (B) | | 227 | 7.29 | 2,152 | 0.2 | 315 | 14.6 | 15.0 | 2,107 | 15.0 |
| 69 | 22,000 LUMEN (B) | | 60 | 17.933 | 786 | 0.1 | 118 | 14.8 | 15.1 | 807.4 | 15.1 |
| 70 | 22,000 LUMEN (B) | | 528 | 4.740 | 8,173 | 0.8 | 1,210 | 14.8 | 15.0 | 917 | 15.0 |
| 71 | 22,000 LUMEN (B) | | 48 | 3.792 | 927 | 0.1 | 138 | 14.8 | 15.0 | 4,116 | 15.0 |
| 72 | 22,000 LUMEN (B) | | 336 | 51.852 | 4,247 | 0.4 | 618 | 14.8 | 15.0 | 4,132 | 15.0 |
| 73 | 50,000 LUMEN (B) | | 72 | 11.754 | 18.64 | 0.1 | 197 | 14.7 | 15.0 | 3,189 | 15.0 |
| 74 | 50,000 LUMEN (B) | | 132 | 21.548 | 3,250 | 0.3 | 479 | 14.7 | 15.0 | 3,189 | 15.0 |
| 75 | 50,000 LUMEN (B) | | | | | | | | | | |
| 76 | DECPAL/IVE/MERCURY VAPOR: | | | | | | | | | | |
| 77 | 7,000 LUMEN TOWN & COUNTRY (A) | | 0 | 8.34 | 2,028 | 0.2 | 300 | 14.8 | 15.1 | 1,982 | 15.1 |
| 78 | 7,000 LUMEN TOWN & COUNTRY (A) | | 200 | 14.217 | 10,174 | 0.2 | 8,475 | 14.8 | 14.9 | 56,384 | 14.9 |
| 79 | 7,000 LUMEN TOWN & COUNTRY (A) | | 5,650 | 398.692 | 57,291 | 5.5 | 28 | 14.6 | 15.0 | 21,402 | 15.0 |
| 80 | 7,000 LUMEN HOLOPHANE (10) | | 24 | 1.748 | 192 | 0.0 | 3,205 | 14.7 | 0.0 | 0 | 0.0 |
| 81 | 7,000 LUMEN HOLOPHANE (10) | | 1,842 | 132.086 | 21,736 | 2.1 | 0 | 0.0 | 0.0 | 1,541 | 15.0 |
| 82 | 7,000 LUMEN GAS REPLICA (10) | | 0 | 18.75 | 1,558 | 0.1 | 231 | 14.8 | 14.8 | 275 | 14.8 |
| 83 | 7,000 LUMEN GRANVILLE (7) | | 93 | 6.611 | 279 | 0.0 | 41 | 14.7 | 14.7 | 275 | 14.7 |
| 84 | 7,000 LUMEN ASPEN (7) | | 24 | 1.748 | 11.64 | 0.0 | 41 | 14.7 | 14.7 | 275 | 14.7 |
| 85 | DECPAL/IVE/MERCURY VAPOR: | | | | | | | | | | |
| 86 | 14,000 LUMEN TRADITIONAIRE (7) | | 72 | 5.118 | 1,206 | 0.1 | 170 | 14.8 | 15.0 | 1,092 | 15.0 |
| 87 | 14,000 LUMEN TRADITIONAIRE (7) | | 199 | 14.146 | 2,018 | 0.2 | 288 | 14.8 | 15.0 | 6,276 | 15.0 |
| 88 | 14,000 LUMEN GAS REPLICA (7) | | 219 | 15.951 | 6,316 | 0.6 | 839 | 14.9 | 15.0 | 2,220 | 15.0 |
| 89 | 14,000 LUMEN GAS REPLICA (7) | | 10 | 7.28 | 222 | 0.0 | 33 | 14.8 | 15.0 | 0 | 0.0 |
| 90 | 14,000 LUMEN GRANVILLE (7) | | 0 | 11.64 | 0 | 0.0 | 0 | 0.0 | 0.0 | 0 | 0.0 |
| 91 | DECPAL/IVE/MERCURY VAPOR: | | | | | | | | | | |
| 92 | 9,500 LUMEN TOWN & COUNTRY (10) | | 96 | 3.896 | 899 | 0.1 | 134 | 14.9 | 15.1 | 889 | 15.1 |
| 93 | 9,500 LUMEN TOWN & COUNTRY (10) | | 1,804 | 70.212 | 23,741 | 2.3 | 3,554 | 15.0 | 14.9 | 23,564 | 14.9 |
| 94 | 9,500 LUMEN HOLOPHANE (10) | | 576 | 25.536 | 5,866 | 0.6 | 684 | 14.8 | 15.0 | 5,782 | 15.0 |
| 95 | 9,500 LUMEN HOLOPHANE (10) | | 312 | 13.832 | 4,352 | 0.4 | 646 | 14.8 | 15.0 | 4,317 | 15.0 |
| 96 | 9,500 LUMEN GAS REPLICA (10) | | 0 | 5.453 | 2,277 | 0.3 | 408 | 14.9 | 15.0 | 2,713 | 15.0 |
| 97 | 9,500 LUMEN GRANVILLE (7) | | 123 | 5.453 | 2,277 | 0.3 | 408 | 14.9 | 15.0 | 2,713 | 15.0 |
| 98 | 9,500 LUMEN ASPEN (7) | | 97 | 27.723 | 15,364 | 1.5 | 2,287 | 14.9 | 15.0 | 15,294 | 15.1 |
| 99 | 9,500 LUMEN GRANVILLE (7) | | 693 | 27.723 | 15,364 | 0.3 | 534 | 15.0 | 15.0 | 2,819 | 15.0 |
| 100 | 22,000 LUMEN (15)(12) | | 188 | 14.322 | 2,855 | 0.2 | 437 | 14.8 | 15.0 | 2,819 | 15.0 |
| 101 | 22,000 LUMEN (15)(12) | | 36 | 5.877 | 750 | 0.1 | 110 | 14.7 | 15.1 | 4,217 | 15.1 |
| 102 | 90,000 LUMEN (15)(12) | | 204 | 21.04 | 4,292 | 0.4 | 631 | 14.7 | 15.1 | 4,217 | 15.1 |
| 103 | 90,000 LUMEN (15)(12) | | 0 | 20.29 | 0 | 0.0 | 0 | 14.8 | 15.0 | 0 | 0.0 |
| 104 | TOTAL UNDERGROUND | | 16,095 | 1,103,740 | 202,248 | 18.2 | 28,957 | 14.8 | 15.0 | 198,285 | 15.0 |
| 105 | ADD'L FACILITIES CHARGE: | | | | | | | | | | |
| 106 | OVERHEAD | | 1,653 | 744 | 744 | 0.1 | 116 | 15.6 | 15.6 | 744 | 15.6 |
| 107 | UNDERGROUND | | 20,446 | 13,290 | 13,290 | 1.2 | 2,045 | 15.4 | 15.4 | 13,290 | 15.4 |
| 108 | TOTAL ADD'L FACILITIES CHG | | 22,099 | 14,034 | 14,034 | 1.3 | 2,161 | 15.4 | 15.4 | 14,034 | 15.4 |
| 109 | TOTAL RATE SL | | 129,657 | 10,415,890 | 1,069,480 | 100.0 | 153,868 | 14.7 | 15.0 | 1,023,180 | 15.0 |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002525 PER KWH.
 (3) WITH 17' WOOD LAMINATED POLE.
 (4) WITH 30' WOOD POLE.
 (5) WITH 35' WOOD POLE.

(6) WITH 40' WOOD POLE.
 (7) WITH 12' ALUMINUM POLE.
 (8) WITH 28' ALUMINUM POLE HEAVY GAUGE.
 (9) WITH 30' ALUMINUM POLE.
 (10) WITH 17' FIBERGLASS POLE.

(11) WITH 12' FIBERGLASS POLE.
 (12) WITH 30' FIBERGLASS POLE.
 (13) WITH 35' FIBERGLASS POLE.
 (14) FIXTURE TYPE - SETBACK.
 (15) FIXTURE TYPE - RECTILINEAR.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):

CURRENT ANNUALIZED

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) (KWH) | MOST CURRENT RATES (J) (\$/KWH) | CURRENT REVENUE LESS FUEL COST (K) (\$) | % OF REV TO FUEL COST REVENUE (L) (%) | REVENUE INCR LESS FUEL COST REV (F - K) (M) (\$) | % INCR IN REV LESS FUEL COST REV (N) (%) | FUEL COST REVENUE (H) (\$) | CURRENT TOTAL REVENUE (K + H) (\$) | % INCREASE (M / K1) (%) |
|----------|-----------|---------------------------|-------------------|-----------------|---------------------------------|---|---------------------------------------|--|--|----------------------------|------------------------------------|-------------------------|
| 1 | TL | TRAFFIC LIGHTING | | | | | | | | | | |
| 2 | | SERVICE | | | | | | | | | | |
| 3 | (A) | WHERE COMPANY | | | | | | | | | | |
| 4 | | SUPPLIES ENERGY ONLY (3): | | | | | | | | | | |
| 5 | | ALL CONSUMPTION | 27,497 | 825,158 | 0.030900 | 25,497 | 11.8 | 3,545 | 13.9 | (2,084) | 23,413 | 15.1 |
| 6 | (B) | WHERE COMPANY | | | | | | | | | | |
| 7 | | SUPPLIES ENERGY FROM A | | | | | | | | | | |
| 8 | | SEPARATELY METERED SOURCE | | | | | | | | | | |
| 9 | | AND PROVIDES LIMITED | | | | | | | | | | |
| 10 | | MAINTENANCE: | | | | | | | | | | |
| 11 | | ALL CONSUMPTION | | | 0.018000 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 12 | (B) | WHERE COMPANY | | | | | | | | | | |
| 13 | | SUPPLIES ENERGY AND | | | | | | | | | | |
| 14 | | PROVIDES LIMITED | | | | | | | | | | |
| 15 | | MAINTENANCE (3): | | | | | | | | | | |
| 16 | | ALL CONSUMPTION | 56,707 | 3,880,489 | 0.048900 | 189,756 | 88.2 | 27,132 | 14.3 | (9,798) | 179,958 | 15.1 |
| 17 | | TOTAL RATE TL | 84,204 | 4,705,647 | | 215,253 | 100.0 | 30,677 | 14.3 | (11,882) | 203,371 | 15.1 |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002525 PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DATA: X, BASE PERIOD: FORECASTED PERIOD
TYPE OF FILING: ORIGINAL, X, UPDATED, REVENUE
WORK PAPER REFERENCE NO(S):

SCHEDULE M-2.2
PAGE 17 OF 21
WITNESS:
JEFFREY R. BAILEY

| LINE NO. | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (10) (KWH) | MOST CURRENT RATES(1) (\$/KWH) | REVENUE (1) (\$) | FUEL COST (1) (\$) | % OF REV TO FUEL COST (1) (%) | INCR LESS FUEL COST REV (F-K) (\$) | % INCR IN REV LESS FUEL COST REV (M/N) (%) | FUEL COST REVENUE (2) (H) (\$) | CURRENT TOTAL REVENUE (K+H) (K) (\$) | TOTAL REVENUE (M/K) (L) (%) |
|----------|----------------------------|-------------------|------------------|--------------------------------|------------------|--------------------|-------------------------------|------------------------------------|--|--------------------------------|--------------------------------------|-----------------------------|
| | | | | | | | | | | | | |
| 1 | BASE RATE | 132 | 17,724 | 0.030400 | 539 | 539 | 100.0 | 75 | 13.9 | 494 | 494 | 15.2 |
| 2 | BASE RATE | 132 | 17,724 | | 539 | 539 | 100.0 | 75 | 13.9 | 494 | 494 | 15.2 |
| 3 | TOTAL RATE UOLS | | | | | | | | | | | |
| 4 | OL, OUTDOOR LIGHTING SERV | | | | | | | | | | | |
| 5 | (A) PRIVATE VAPOR: | | | | | | | | | | | |
| 6 | MERCURY VAPOR: | | | | | | | | | | | |
| 7 | 7,000 LUMEN (OPEN) | 6 | 676,003 | 7.34 | 69,803 | 13.2 | 10,271 | 14.7 | (1,707) | 68,096 | 15.1 | |
| 8 | 7,000 LUMEN | 7 | 122,724 | 9.43 | 15,800 | 3.0 | 2,325 | 14.6 | (310) | 15,580 | 14.9 | |
| 9 | 10,000 LUMEN | 8 | 183,971 | 10.97 | 19,932 | 3.8 | 2,926 | 14.7 | (465) | 19,467 | 15.0 | |
| 10 | 21,000 LUMEN | 9 | 432,724 | 14.04 | 38,091 | 7.2 | 5,561 | 14.6 | (1,093) | 36,998 | 15.0 | |
| 11 | SODIUM VAPOR (OH) | 11 | 361,212 | 6.46 | 57,730 | 10.9 | 8,642 | 15.0 | (912) | 56,818 | 15.2 | |
| 12 | 9,500 LUMEN (OPEN) | 12 | 93,003 | 8.47 | 19,617 | 3.7 | 2,918 | 14.9 | (235) | 19,382 | 15.1 | |
| 13 | 9,500 LUMEN | 13 | 14,102 | 9.53 | 2,268 | 0.4 | 336 | 14.8 | (36) | 2,232 | 15.1 | |
| 14 | 16,000 LUMEN | 14 | 143,912 | 10.52 | 19,178 | 3.6 | 2,826 | 14.7 | (363) | 18,815 | 15.0 | |
| 15 | 22,000 LUMEN | 15 | 3,002 | 10.52 | 400 | 0.1 | 59 | 14.8 | (8) | 392 | 15.1 | |
| 16 | 27,500 LUMEN | 16 | 449,840 | 12.15 | 33,413 | 6.3 | 4,640 | 14.5 | (1,333) | 32,280 | 15.0 | |
| 17 | 50,000 LUMEN | 17 | | | | | | | | | | |
| 18 | METAL HALIDE | 18 | 4,601 | 9.43 | 604 | 0.1 | 88 | 14.6 | (12) | 592 | 14.9 | |
| 19 | 14,000 LUMEN | 19 | 11,948 | 10.97 | 1,284 | 0.2 | 190 | 14.7 | (30) | 1,254 | 15.0 | |
| 20 | 20,500 LUMEN | 20 | 43,065 | 14.04 | 3,791 | 0.7 | 553 | 14.6 | (109) | 3,682 | 15.0 | |
| 21 | 36,000 LUMEN | 21 | | | | | | | | | | |
| 22 | DECORATIVE MV 7,000 LUMEN: | 22 | 744 | 52,866 | 11.32 | 8,422 | 1.6 | 1,243 | 14.8 | (134) | 8,288 | 15.0 |
| 23 | TOWN & COUNTRY | 23 | 216 | 14,611 | 14.61 | 3,156 | 0.5 | 466 | 14.8 | (40) | 3,116 | 15.0 |
| 24 | HOLOPHANE | 24 | 0 | 35,477 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 |
| 25 | GAS REPLICA | 25 | 0 | 6,992 | 21.89 | 2,101 | 0.4 | 312 | 14.9 | (19) | 2,083 | 15.0 |
| 26 | ASPEN | 26 | 96 | | | | | | | | | |
| 27 | DECORATIVE SV 9,500 LUMEN: | 27 | 1,167 | 47,312 | 17.95 | 20,946 | 4.0 | 3,127 | 14.9 | (119) | 20,829 | 15.0 |
| 28 | TOWN & COUNTRY | 28 | 12 | 531 | 19.45 | 233 | 0.0 | 35 | 15.0 | (1) | 232 | 15.1 |
| 29 | HOLOPHANE | 29 | 0 | 15,977 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 30 | RECTILINEAR | 30 | 0 | 37,457 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 31 | GAS REPLICA | 31 | 0 | 22,677 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 32 | ASPEN | 32 | 0 | 18,977 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 |
| 33 | 22,000 LUMEN (RECTILINEAR) | 33 | 0 | 23,987 | 0 | 0 | 0.0 | 399 | 14.8 | (26) | 2,668 | 15.0 |
| 34 | 80,000 LUMEN (RECTILINEAR) | 34 | 72 | 11,754 | 37.44 | 2,996 | 0.5 | 399 | 14.7 | (6,753) | 312,814 | 15.1 |
| 35 | 60,000 LUMEN (SETBACK) | 35 | | | | | | | | | | |
| 36 | TOTAL POL UNITS | 36 | 34,586 | 2,874,312 | | 319,567 | 80.7 | 47,117 | | | 312,814 | |
| 37 | (B) FLOODLIGHTING UNITS: | 37 | | | | | | | | | | |
| 38 | METAL HALIDE: | 38 | 160 | 16,200 | 10.97 | 1,795 | 0.3 | 268 | 14.7 | (41) | 1,714 | 15.1 |
| 39 | 20,600 LUMEN | 39 | 256 | 40,832 | 14.05 | 3,597 | 0.7 | 525 | 14.6 | (103) | 3,494 | 15.0 |
| 40 | 36,000 LUMEN | 40 | | | | | | | | | | |
| 41 | MERCURY VAPOR: | 41 | 1,236 | 197,142 | 14.05 | 17,966 | 3.3 | 2,534 | 14.6 | (468) | 16,868 | 15.0 |
| 42 | 21,000 LUMEN | 42 | | | | | | | | | | |
| 43 | SODIUM VAPOR: | 43 | 2,361 | 201,275 | 10.44 | 24,649 | 4.7 | 3,612 | 14.7 | (508) | 24,141 | 15.0 |
| 44 | 22,000 LUMEN | 44 | 194 | 16,539 | 10.44 | 2,025 | 0.4 | 297 | 14.7 | (42) | 1,983 | 15.0 |
| 45 | 30,000 LUMEN | 45 | 12,493 | 2,079,043 | 12.84 | 160,410 | 30.3 | 23,362 | 14.6 | (6,249) | 155,161 | 15.1 |
| 46 | 50,000 LUMEN | 46 | 16,700 | 2,551,331 | | 209,302 | 39.6 | 30,588 | | (6,241) | 203,361 | 15.0 |
| 47 | TOTAL FL UNITS | 47 | | | | 529,369 | 100.0 | 77,705 | | | 516,175 | |
| 48 | TOTAL RATE OL | 48 | 51,289 | 5,225,343 | | | | | | | | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002526 PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 18 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVERSED
WORK PAPER REFERENCE NO(S):

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) (KWH) | MOST CURRENT RATES(3) (J) (\$/UNIT) | CURRENT REVENUE LESS FUEL COST (K) (\$) | % OF REV TO FUEL COST (L) (%) | REVENUE INCR LESS (F - K) (M) (\$) | % INCR IN REV LESS (N) (%) | CURRENT TOTAL REVENUE (K + H) (K1) (\$) | TOTAL REVENUE INCREASE (M / K1) (%) | |
|---------------------------------------|-----------|----------------------------|-------------------|-----------------|-------------------------------------|---|-------------------------------|------------------------------------|----------------------------|---|-------------------------------------|------------------|
| | | | | | | | | | | | | REVENUE (H) (\$) |
| 1 NSU NON STANDARD STREET LIGHT UNITS | | | | | | | | | | | | |
| 2 (A) COMPANY OWNED | | | | | | | | | | | | |
| 3 | (1) | BOULEVARD INCANDESCENT(UG) | 0 | 0 | 7.80 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 4 | | 2,500 LUMEN SERIES | 138 | 8,056 | 6.00 | 828 | 1.5 | 121 | 14.6 | 808 | 15.0 | |
| 5 2,500 LUMEN MULTIPLE | | | | | | | | | | | | |
| 6 (2) HOLOPHANE DECORATIVE: | | | | | | | | | | | | |
| 7 | | 10,000 LUMEN MV W | 372 | 32,603 | 14.17 | 5,271 | 9.6 | 778 | 14.8 | 5,189 | 15.0 | |
| 8 | | 17' FIBERGLASS POLE | | | | | | | | | | |
| 9 | (3) | STREET LGT UNITS (OH) | 770 | 43,951 | 5.95 | 4,582 | 8.4 | 669 | 14.6 | 4,471 | 15.0 | |
| 10 | | 2,500 LUMEN INCANDESCENT | 7,089 | 261,192 | 5.67 | 40,195 | 73.3 | 5,954 | 14.8 | 39,535 | 15.1 | |
| 11 | | 2,500 LUMEN MERCURY VAPOR | 408 | 65,076 | 8.84 | 3,607 | 6.6 | 518 | 14.4 | 3,443 | 15.0 | |
| 12 | | 21,000 LUMEN MERCURY VAPOR | | | | | | | | | | |
| 13 | | TOTAL COMPANY OWNED | 8,777 | 410,877 | | 54,483 | 99.4 | 8,040 | 14.8 | 53,445 | 15.0 | |
| 14 (B) CUSTOMER OWNED WITH LTD MAINT | | | | | | | | | | | | |
| 15 | (1) | BOULEVARD INCANDESCENT(UG) | 0 | 0 | 4.56 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 16 | | 2,500 LUMEN SERIES | 55 | 3,603 | 5.80 | 319 | 0.6 | 47 | 14.7 | 310 | 15.2 | |
| 17 | | 2,500 LUMEN MULTIPLE | 55 | 3,603 | | 319 | 0.6 | 47 | 14.7 | 310 | | |
| 18 | | TOTAL CUSTOMER OWNED | 110 | 7,206 | | 638 | 1.2 | 94 | 14.8 | 624 | 15.0 | |
| 19 | | TOTAL RATE NSU | 8,887 | 418,083 | | 55,121 | 100.0 | 8,087 | 14.8 | 54,034 | 15.0 | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 19 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (KWH) | MOST CURRENT RATES(3) (\$/UNIT) | CURRENT ANNUALIZED | | % OF REV TO | | REVENUE INCR LESS | | % INCR IN | | CURRENT TOTAL | | TOTAL REVENUE | |
|--|-----------|----------------------------------|-------------------|-------------|---------------------------------|--------------------|----------------|----------------------------------|----------------------------|---|----------------------------|----------------------|-------------------------|---------------|--|---------------|--|
| | | | | | | REVENUE (\$) | FUEL COST (\$) | TOTAL LESS FUEL COST REVENUE (%) | FUEL COST REV (F - K) (\$) | REVENUE INCR LESS FUEL COST REV (M / K) (%) | FUEL COST REVENUE (2) (\$) | REVENUE (K + H) (\$) | % INCREASE (M / K1) (%) | | | | |
| 1 | NSP | NON STD PRIVATE OUTDOOR LIGHTING | | | | | | | | | | | | | | | |
| 2 POL (A) PRIVATE OUTDOOR LIGHT UNITS: | | | | | | | | | | | | | | | | | |
| 2 | | | | 123,961 | 6.60 | 20,269 | 42.5 | 2,978 | 14.7 | (313) | 19,956 | 14.9 | | | | | |
| 3 | | 2,500 LUMEN MERCURY (OPEI | 3,071 | 10,914 | 9.05 | 2,398 | 5.0 | 355 | 14.8 | (28) | 2,370 | 15.0 | | | | | |
| 4 | | 2,500 LUMEN MERCURY (ENCI | 265 | 134,876 | | 22,667 | 47.5 | 3,333 | 14.7 | (340) | 22,326 | 14.9 | | | | | |
| 5 | | TOTAL RATE POL | 3,336 | | | | | | | | | | | | | | |
| 6 URD (B) OUTDOOR LIGHTING UNITS | | | | | | | | | | | | | | | | | |
| 7 -- SERVED UG RES DIST AREAS: | | | | | | | | | | | | | | | | | |
| 7 | | MERCURY VAPOR | | | | | | | | | | | | | | | |
| 8 | | 7,000 LUMEN, WITH | 246 | 17,771 | 12.31 | 3,028 | 6.3 | 448 | 14.8 | (45) | 2,983 | 15.0 | | | | | |
| 9 | | 17' FIBERGLASS POLE | | | | | | | | | | | | | | | |
| 10 | | 7,000 LUMEN, WITH | 246 | 17,771 | 12.31 | 3,028 | 6.3 | 448 | 14.8 | (45) | 2,983 | 15.0 | | | | | |
| 11 | | 17' WOOD LAM POLE | | | | | | | | | | | | | | | |
| 12 | | 7,000 LUMEN, WITH | 217 | 15,567 | 11.37 | 2,467 | 5.2 | 365 | 14.8 | (39) | 2,428 | 15.0 | | | | | |
| 13 | | 30' WOOD POLE | | | | | | | | | | | | | | | |
| 14 | | SODIUM VAPOR | | | | | | | | | | | | | | | |
| 15 | | 9,500 LUMEN TC 100 R | 804 | 32,832 | 9.50 | 7,638 | 16.0 | 1,142 | 15.0 | (83) | 7,555 | 15.1 | | | | | |
| 16 | | TOTAL RATE URD | 1,513 | 83,941 | | 16,161 | 33.9 | 2,403 | 14.9 | (212) | 15,949 | 15.1 | | | | | |
| 17 TOTAL RATE URD | | | | | | | | | | | | | | | | | |
| 18 FL FLOOD LIGHT | | | | | | | | | | | | | | | | | |
| 19 MERCURY VAPOR | | | | | | | | | | | | | | | | | |
| 20 | | 52,000 LUMEN, WITH | 12 | 4,966 | 23.76 | 285 | 0.6 | 41 | 14.4 | (13) | 272 | 15.1 | | | | | |
| 21 | | 35' WOOD POLE | | | | | | | | | | | | | | | |
| 22 | | 52,000 LUMEN, WITH | 0 | 0 | 26.84 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | | | | | |
| 23 | | 50' WOOD POLE | | | | | | | | | | | | | | | |
| 24 SODIUM VAPOR | | | | | | | | | | | | | | | | | |
| 25 | | 50,000 LUMEN | 518 | 84,890 | 16.65 | 8,625 | 18.0 | 1,264 | 14.7 | (214) | 8,411 | 15.0 | | | | | |
| 26 | | TOTAL RATE FL | 530 | 89,856 | | 8,910 | 18.6 | 1,305 | 14.6 | (227) | 8,683 | 15.0 | | | | | |
| 27 TOTAL RATE NSP | | | | | | | | | | | | | | | | | |
| | | | 5,379 | 308,673 | | 47,738 | 100.0 | 7,041 | 14.7 | (779) | 46,958 | 15.0 | | | | | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2008-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 20 OF 21

WITNESS:
JEFFREY R. BAILEY

DATA: X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___ UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (KWH) | MOST CURRENT RATES(3) | CURRENT ANNUALIZED | | % OF REV TO | | REVENUE INCR LESS | | % INCR IN | | CURRENT TOTAL | | TOTAL REVENUE INCREASE | | |
|----------|----------------------------|-------------------|-------------|-----------------------|--------------------|---------------|-------------|---------------|-------------------|---------------|-------------|---------------|---------------|---------------|------------------------|-----------------|----------------|
| | | | | | REVENUE (K) | FUEL COST (K) | REVENUE (L) | FUEL COST (L) | REVENUE (M) | FUEL COST (M) | REVENUE (N) | FUEL COST (N) | REVENUE (H) | FUEL COST (H) | REVENUE (K+H) | FUEL COST (K+H) | % INCREASE (O) |
| 1 | SC STREET LIGHTING - | | | | | | | | | | | | | | | | |
| 2 | CUST OWNED/LO TO MAINT | | | | | | | | | | | | | | | | |
| 3 | STANDARD UNIT-COBRHEAD | | | | | | | | | | | | | | | | |
| 4 | MERCURY VAPOR - | | | | | | | | | | | | | | | | |
| 5 | 7,000 LUMEN | | 0 | 3.53 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 6 | 10,000 LUMEN | | 0 | 4.48 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 7 | 21,000 LUMEN | | 0 | 6.2 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 8 | METAL HALIDE - | | | | | | | | | | | | | | | | |
| 9 | 14,000 LUMEN | | 0 | 3.53 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 10 | 20,500 LUMEN | | 0 | 4.48 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 11 | 36,000 LUMEN | | 0 | 6.2 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 12 | SODIUM VAPOR- | | | | | | | | | | | | | | | | |
| 13 | 9,500 LUMEN | | 3 | 4.23 | 13 | 0.4 | 0.4 | 0.0 | 2 | 15.4 | 0.0 | 0.0 | (1) | 12 | 16.7 | 0.0 | |
| 14 | 16,000 LUMEN | | 0 | 4.79 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 15 | 22,000 LUMEN | | 0 | 5.23 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 16 | 27,500 LUMEN | | 0 | 7.01 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 17 | 50,000 LUMEN | | 0 | | 0 | | | | | | | | | | | | |
| 18 | DECORATIVE UNITS: | | | | | | | | | | | | | | | | |
| 19 | 7,000 LUMEN MERCURY VAPOR- | | 0 | 4.51 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 20 | HOLOPHANE | | 0 | 4.47 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 21 | TOWN & COUNTRY | | 0 | 4.51 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 22 | GAS REPLICA | | 0 | 4.51 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 23 | ASPEN | | 0 | | 0 | | | | | | | | | | | | |
| 24 | 14,000 LUMEN METAL HALIDE- | | 0 | 4.47 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 25 | TRADITIONAIRE | | 0 | 4.51 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 26 | GAS REPLICA | | 0 | 4.51 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 27 | GRANVILLE ACORN | | 0 | | 0 | | | | | | | | | | | | |
| 28 | 9,500 LUMEN SODIUM VAPOR- | | 0 | 4.24 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 29 | TOWN & COUNTRY | | 0 | 4.24 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 30 | RECTILINEAR | | 0 | 4.43 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 31 | ASPEN | | 0 | 4.43 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 32 | HOLOPHANE | | 0 | 4.43 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 33 | GAS REPLICA | | 0 | 4.43 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 34 | TRADITIONAIRE | | 0 | 4.24 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 35 | GRANVILLE ACORN | | 0 | 4.43 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 36 | SODIUM VAPOR - | | 0 | 5.55 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 37 | 22,000 LUMEN (RECTILINEAR) | | 0 | 7.26 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 | |
| 38 | 50,000 LUMEN (RECTILINEAR) | | 0 | | 0 | | | | | | | | | | | | |
| 39 | CUST OWNED/CUST MAINT | | 2,173 | 107,837 | 0.030400 | 3,278 | 98.6 | 455 | 0.0 | (273) | 3,005 | 15.1 | | | | | |
| 40 | ENERGY ONLY | | 2,176 | 108,324 | | 3,291 | 100.0 | 457 | 13.9 | (274) | 3,017 | 15.1 | | | | | |
| 41 | TOTAL RATE SC | | | | | | | | | | | | | | | | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.2
PAGE 21 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD ___ FORECASTED PERIOD ___
TYPE OF FILING: ___ ORIGINAL ___ X UPDATED ___ REVISED
WORK PAPER REFERENCE NO(S):

| LINE NO. | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) (KWH) | MOST CURRENT RATES(3) (\$/UNIT) | CURRENT ANNUALIZED | | % OF REV TO | | REVENUE | | % INCR IN | | CURRENT TOTAL | | TOTAL REVENUE INCREASE | |
|----------|----------------------------|-------------------|-----------------|---------------------------------|--------------------|---------------|-----------------|-------------------|------------------|--------------------|-----------------|-------------------|------------------|--------------------|------------------------|------------|
| | | | | | REVENUE (K) | FUEL COST (K) | REVENUE (L) (%) | FUEL COST (L) (%) | REVENUE (M) (\$) | FUEL COST (M) (\$) | REVENUE (N) (%) | FUEL COST (N) (%) | REVENUE (H) (\$) | FUEL COST (H) (\$) | REVENUE (K+H) (\$) | (M/K1) (%) |
| 1 SE | STREET LIGHTING - | | | | | | | | | | | | | | | |
| 2 | OVERHEAD EQUIVALENT RATE | | | | | | | | | | | | | | | |
| 3 | MERCURY VAPOR 7,000 LUMEN: | | | | | | | | | | | | | | | |
| 4 | TOWN & COUNTRY | 6,869 | 488,271 | 6.11 | 41,970 | 28.3 | 6,113 | 14.6 | 6,113 | (1,233) | 14.6 | 40,737 | 15.1 | 40,737 | 15.0 | |
| 5 | HOLOPHANE | 2,292 | 166,934 | 6.14 | 14,073 | 9.5 | 2,040 | 14.5 | 2,040 | (421) | 14.5 | 13,652 | 14.9 | 13,652 | 14.9 | |
| 6 | GAS REPLICA | 693 | 50,474 | 6.14 | 4,255 | 2.9 | 617 | 14.5 | 617 | (127) | 14.5 | 4,128 | 14.9 | 4,128 | 14.9 | |
| 7 | ASPEN | 126 | 9,177 | 6.14 | 774 | 0.5 | 112 | 14.5 | 112 | (23) | 14.5 | 751 | 14.9 | 751 | 14.9 | |
| 8 | SODIUM VAPOR 9,500 LUMEN: | | | | | | | | | | | | | | | |
| 9 | TOWN & COUNTRY | 2,535 | 106,410 | 6.72 | 17,035 | 11.5 | 2,535 | 14.9 | 2,535 | (269) | 14.9 | 16,766 | 15.1 | 16,766 | 15.1 | |
| 10 | TRADITIONAIRE | 0 | 0 | 6.72 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 11 | HOLOPHANE | 2,510 | 114,380 | 6.80 | 17,068 | 11.5 | 2,510 | 14.7 | 2,510 | (289) | 14.7 | 16,779 | 15.0 | 16,779 | 15.0 | |
| 12 | RECTILINEAR | 940 | 38,148 | 6.72 | 6,317 | 4.3 | 940 | 14.9 | 940 | (96) | 14.9 | 6,221 | 15.1 | 6,221 | 15.1 | |
| 13 | GAS REPLICA | 1,351 | 62,288 | 6.80 | 9,167 | 6.2 | 1,351 | 14.7 | 1,351 | (157) | 14.7 | 9,030 | 15.0 | 9,030 | 15.0 | |
| 14 | GRANVILLE ACORN | 96 | 4,256 | 6.80 | 653 | 0.4 | 96 | 14.7 | 96 | (11) | 14.7 | 642 | 15.0 | 642 | 15.0 | |
| 15 | ASPEN | 2,764 | 124,798 | 6.80 | 18,795 | 12.7 | 2,764 | 14.7 | 2,764 | (315) | 14.7 | 18,480 | 15.0 | 18,480 | 15.0 | |
| 16 | SODIUM VAPOR: | | | | | | | | | | | | | | | |
| 17 | 22,000 LUMEN (RECTILINEAR) | 601 | 55,327 | 9.60 | 5,770 | 3.9 | 841 | 14.6 | 841 | (140) | 14.6 | 5,630 | 14.9 | 5,630 | 14.9 | |
| 18 | 50,000 LUMEN (RECTILINEAR) | 24 | 3,918 | 12.64 | 303 | 0.3 | 45 | 14.9 | 45 | (10) | 14.9 | 293 | 15.4 | 293 | 15.4 | |
| 19 | 50,000 LUMEN (SETBACK) | 0 | 0 | 12.64 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 20 | METAL HALIDE: | | | | | | | | | | | | | | | |
| 21 | 14,000 TOWN & COUNTRY | 1,804 | 135,201 | 6.11 | 11,022 | 7.4 | 1,606 | 14.6 | 1,606 | (341) | 14.6 | 10,681 | 15.0 | 10,681 | 15.0 | |
| 22 | 14,000 GRANVILLE ACORN | 0 | 0 | 6.14 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| 23 | 14,000 GAS REPLICA | 182 | 13,256 | 6.14 | 1,117 | 0.8 | 162 | 14.5 | 162 | (34) | 14.5 | 1,083 | 15.0 | 1,083 | 15.0 | |
| 24 | TOTAL RATE SE | | 22,787 | | 1,372,938 | | 148,339 | | 100.0 | | 14.7 | 21,732 | | 144,873 | 15.0 | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2008
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 1 OF 21
WITNESS:
JEFFREY R. BAILEY

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS (C) | SALES (KWH) (D) | PROPOSED RATES (E) | PROPOSED REVENUE | | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | PROPOSED TOTAL REVENUE (F + H) | |
|----------|-------------------------|-------------------------|--------------------|-----------------|--------------------|------------------|---------------|--|--------------------------------|-------------------|
| | | | | | | REVENUE (F) | FUEL COST (F) | | REVENUE (H) | TOTAL REVENUE (I) |
| 1 | RS | RESIDENTIAL SERV | 1,428,717 | 1,451,608,864 | 8.62 | 125,157,935 | 0 | 100.00 | 0 | 125,157,935 |
| 2 | TOTAL RESIDENTIAL | | 1,428,717 | 1,451,608,864 | 8.62 | 125,157,935 | 0 | 40.83 | 0 | 125,157,935 |
| 3 | DS | DISTRIBUTION SERV | 145,289 | 1,031,720,527 | 8.02 | 82,789,035 | 0 | 51.62 | 0 | 82,789,035 |
| 4 | DT-PRI | TIME OF DAY | 432 | 422,414,869 | 5.90 | 24,935,110 | 0 | 15.55 | 0 | 24,935,110 |
| 5 | DT-SEC | TIME OF DAY | 2,092 | 733,043,029 | 6.70 | 49,119,358 | 0 | 30.63 | 0 | 49,119,358 |
| 6 | EH | ELEC SPACE HEATING | 823 | 12,738,878 | 6.81 | 866,983 | 0 | 0.54 | 0 | 866,983 |
| 7 | SP | SPORTS SERV | 308 | 332,281 | 10.07 | 33,462 | 0 | 47.53 | 0 | 33,462 |
| 8 | GSFL | SMALL FIXED LOADS | 10,387 | 6,146,777 | 8.17 | 502,278 | 0 | 0.31 | 0 | 502,278 |
| 9 | DP | PRIMARY VOLTAGE | 136 | 31,881,242 | 6.69 | 2,132,481 | 0 | 1.33 | 0 | 2,132,481 |
| 10 | TOTAL DISTRIBUTION | | 159,467 | 2,238,277,603 | 7.17 | 160,378,707 | 0 | 52.33 | 0 | 160,378,707 |
| 11 | TT | TIME OF DAY | 124 | 174,131,627 | 5.58 | 9,711,357 | 0 | 100.00 | 0 | 9,711,357 |
| 12 | TOTAL TRANSMISSION | | 124 | 174,131,627 | 5.58 | 9,711,357 | 0 | 3.17 | 0 | 9,711,357 |
| 13 | DT-RTP PRI | REAL TIME PRICING | 22 | 19,335,265 | 6.41 | 1,238,622 | (320,309) | 47.20 | (320,309) | 918,314 |
| 14 | DT-RTP SEC | REAL TIME PRICING | 43 | 7,572,163 | 6.59 | 498,742 | (125,440) | 19.01 | (125,440) | 373,302 |
| 15 | DS-RTP | REAL TIME PRICING | 72 | 945,207 | 9.79 | 92,533 | 3.53 | 30.26 | (226,822) | 76,875 |
| 16 | TT-RTP | REAL TIME PRICING | 27 | 13,691,998 | 5.80 | 794,134 | (688,228) | 0.86 | (688,228) | 567,312 |
| 17 | TOTAL REAL TIME PRICING | | 164 | 41,544,633 | 6.32 | 2,624,031 | 0.86 | 0.86 | (688,228) | 1,935,803 |
| 18 | SL | STREET LIGHTING | 129,657 | 10,415,890 | 11.55 | 1,203,348 | 0 | 51.24 | 0 | 1,203,348 |
| 19 | TL | TRAFFIC LIGHTING | 84,204 | 4,705,647 | 5.23 | 245,930 | 0 | 10.47 | 0 | 245,930 |
| 20 | UOIS | UNMTRD OUTDR LIGHT | 132 | 17,724 | 3.46 | 614 | 0 | 0.03 | 0 | 614 |
| 21 | OL | OUTDOOR LIGHT SERV | 51,258 | 5,225,343 | 11.62 | 607,074 | 0 | 25.85 | 0 | 607,074 |
| 22 | NSU | NON STD STREET LIGHT | 8,832 | 414,479 | 15.17 | 62,889 | 0 | 2.68 | 0 | 62,889 |
| 23 | NSP | NON STD POL'S | 5,379 | 308,673 | 17.75 | 54,779 | 0 | 2.33 | 0 | 54,779 |
| 24 | SC | S L - CUST OWNED | 2,176 | 108,324 | 3.46 | 3,748 | 0 | 0.16 | 0 | 3,748 |
| 25 | SE | S L - OVR HD EQUIV | 22,787 | 1,372,838 | 12.39 | 170,071 | 0 | 7.24 | 0 | 170,071 |
| 26 | TOTAL LIGHTING | | 304,425 | 22,565,917 | 10.41 | 2,348,453 | 0 | 0.77 | 0 | 2,348,453 |
| 27 | ID01 | INTERDEPARTMENTAL | 12 | 3,282,725 | 5.74 | 188,295 | 0 | 3.00 | 0 | 188,295 |
| 28 | IS | INTERRUPTIBLE DEMAND CR | 0 | 0 | - | (58,320) | (0.93) | 0 | (58,320) | 0 |
| 29 | BA | BAD CHECK CHARGES | 0 | 0 | - | 20,122 | 0.32 | 0 | 20,122 | 20,122 |
| 30 | RC | RECONNECTION CHGS | 0 | 0 | - | 77,351 | 1.23 | 0 | 77,351 | 77,351 |
| 31 | RE | RENTS | 0 | 0 | - | 1,343,468 | 21.39 | 0 | 1,343,468 | 1,343,468 |
| 32 | INT | INTERCOMPANY | 0 | 0 | - | 231,588 | 3.69 | 0 | 231,588 | 231,588 |
| 33 | SC | SPECIAL CONTRACTS | 0 | 0 | - | 9,866 | 0.16 | 0 | 9,866 | 9,866 |
| 34 | OT | OTHER MISC | 144 | 3,424,405 | 6.10 | 4,468,073 | 0 | 71.14 | 0 | 4,468,073 |
| 35 | TOTAL MISC | | 144 | 3,424,405 | 6.10 | 4,468,073 | 0 | 2.05 | 0 | 4,468,073 |
| 36 | TOTAL | | 1,893,041 | 3,931,576,049 | 7.80 | 306,500,926 | 100.01 | (688,228) | 305,812,698 | 305,812,698 |

(1) DETAIL CONTAINED ON SCHEDULES M-2.3 PAGES 2 THROUGH 21.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 2 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORK PAPER REFERENCE NO(S):

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (KWH) (D) | PROPOSED RATES (\$/KWH) (E) | PROPOSED REVENUE LESS FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (2) (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|--------------------|-------------------------|-----------------------|-----------------|-----------------------------|---|--|---------------------------|------------------------------------|
| 1 | RS | RESIDENTIAL | | | | | | | |
| 2 | SUMMER: | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | 476,235 | | \$5.00 | 2,381,175 | 1.9 | | 2,381,175 |
| 4 | BILLS | | | | | | | | |
| 5 | ENERGY CHARGE (3): | | | 367,262,403 | \$0.081299 | 29,858,066 | 23.9 | 0 | 29,858,066 |
| 6 | FIRST 1000 KWH | | | 189,415,080 | \$0.081299 | 15,399,257 | 12.2 | 0 | 15,399,257 |
| 7 | ADDITIONAL KWH | | | 556,677,483 | | 45,257,323 | 36.2 | 0 | 45,257,323 |
| 8 | TOTAL | | | | | | | | |
| 9 | TOTAL SUMMER | | 476,235 | 556,677,483 | | 47,638,498 | 38.1 | 0 | 47,638,498 |
| 10 | WINTER: | | | | | | | | |
| 11 | CUSTOMER CHARGE: | | 952,482 | | \$5.00 | 4,762,410 | 3.8 | | 4,762,410 |
| 12 | BILLS | | | | | | | | |
| 13 | ENERGY CHARGE(3): | | | 648,538,873 | \$0.081299 | 52,725,562 | 42.1 | 0 | 52,725,562 |
| 14 | FIRST 1000 KWH | | | 246,392,508 | \$0.081299 | 20,031,465 | 16.0 | 0 | 20,031,465 |
| 15 | ADDITIONAL KWH | | | 894,931,381 | | 72,757,027 | 58.1 | 0 | 72,757,027 |
| 16 | TOTAL | | | | | | | | |
| 17 | TOTAL WINTER | | 952,482 | 894,931,381 | | 77,519,437 | 61.9 | 0 | 77,519,437 |
| 18 | TOTAL RATE RS | | 1,428,717 | 1,451,608,864 | | 125,157,935 | 100.0 | 0 | 125,157,935 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 3 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S)::

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (2) (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------|---|-----------------------|---------------|--------------------|----------------------|--|---------------------------|------------------------------------|
| | | | (KWH/KWH) | (KWH/KWH) | (\$/KWH) | (\$) | (%) | (\$) | (\$) |
| 1 | DS | SERVICE AT SECONDARY DISTRIBUTION VOLTAGE | | | | | | | 142,000 |
| 2 | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | | | | | | | |
| 4 | | LOAD MANAGEMENT RIDER | 1,420 | | \$100.00 | 142,000 | 0.2 | | 622,335 |
| 5 | | SINGLE PHASE | 82,978 | | \$7.50 | 622,335 | 0.8 | | 913,365 |
| 6 | | THREE PHASE | 60,891 | | \$15.00 | 913,365 | 1.1 | | 1,677,700 |
| 7 | | TOTAL CUSTOMER CHARGE | 145,289 | | | 1,677,700 | 2.0 | | |
| 8 | | DEMAND CHARGE: | | | | | | | |
| 9 | | FIRST 15 KW | | 1,415,483 | \$0.00 | 0 | 0.0 | | 19,289,448 |
| 10 | | ADDITIONAL KW | | 2,411,181 | \$8.00 | 19,289,448 | 23.3 | | 19,289,448 |
| 11 | | TOTAL DEMAND | | 3,826,664 | | 19,289,448 | 23.3 | | |
| 12 | | ENERGY CHARGE (3): | | | | | | | |
| 13 | | FIRST 6000 KWH | | 359,864,119 | \$0.080731 | 29,052,190 | 35.1 | | 29,052,190 |
| 14 | | NEXT 300KWH/KW | | 570,954,140 | \$0.049510 | 28,267,939 | 34.1 | | 4,027,794 |
| 15 | | ADDITIONAL KWH | | 98,426,138 | \$0.040922 | 4,027,794 | 4.9 | | 315,525 |
| 16 | | NON-CHURCH "CAP" RATE | | 1,341,237 | \$0.235249 | 315,525 | 0.4 | | 158,439 |
| 17 | | CHURCH CAP RATE | | 1,134,893 | \$0.139607 | 158,439 | 0.2 | | 61,821,887 |
| 18 | | TOTAL ENERGY | | 1,031,720,527 | | 61,821,887 | 74.7 | | |
| 19 | | TOTAL RATE DS | | 145,289 | | 82,789,035 | 100.0 | | 82,789,035 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S):

PROPOSED ANNUALIZED

SCHEDULE M-2.3
PAGE 4 OF 21
WITNESS:
JEFFREY R. BAILEY

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILL(S) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE LESS FUEL COST (F) | % OF REV TO FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|-----------------------|-------------------------|----------------------|-------------|--------------------|-------------------------------------|-----------------------------------|-----------------------|------------------------------------|
| | | | | (KWH/KWH) | (\$/KWH) (\$/KW) | (\$) | (%) | (\$) | (\$) |
| 1 | DT-PRI | TIME OF DAY PRIMARY | | | | | | | |
| 2 | SUMMER: | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | | | | | | | |
| 4 | SINGLE PHASE | | 0 | | \$7.50 | 0 | 0.0 | 0 | 0 |
| 5 | THREE PHASE | | 0 | | \$15.00 | 0 | 0.0 | 0 | 0 |
| 6 | PRIMARY VOLTAGE | | 144 | | \$100.00 | 14,400 | 0.2 | 14,400 | 14,400 |
| 7 | TOTAL CUSTOMER CHARGE | | 144 | | | 14,400 | 0.2 | | 14,400 |
| 8 | DEMAND CHARGE: | | | | | | | | |
| 9 | ON PEAK KW | | | 249,298 | \$11.56 | 2,881,885 | 32.0 | | 2,881,885 |
| 10 | OFF PEAK KW | | | 13,337 | \$1.19 | 15,871 | 0.2 | | 15,871 |
| 11 | SUB-TOTAL | | | 262,635 | | 2,897,756 | 32.2 | | 2,897,756 |
| 12 | PRIMARY SERV. DIS. | | | | | | | | |
| 13 | FIRST 1000 KW | | | 94,121 | (\$0.65) | (61,178) | -0.7 | | (61,178) |
| 14 | ADDITIONAL KW | | | 155,177 | (\$0.50) | (77,589) | -0.9 | | (77,589) |
| 15 | TOTAL DEMAND | | | 249,298 | | 2,758,989 | 30.6 | | 2,758,989 |
| 16 | ENERGY CHARGE (3): | | | | | | | | |
| 17 | ALL KWH | | | 148,564,747 | \$0.041927 | 6,228,874 | 69.2 | 0 | 6,228,874 |
| 18 | TOTAL SUMMER | | 144 | 148,564,747 | | 9,002,263 | 100.0 | 0 | 9,002,263 |
| 19 | WINTER: | | | | | | | | |
| 20 | CUSTOMER CHARGE: | | | | | | | | |
| 21 | SINGLE PHASE | | 0 | | \$7.50 | 0 | 0.0 | 0 | 0 |
| 22 | THREE PHASE | | 0 | | \$15.00 | 0 | 0.0 | 0 | 0 |
| 23 | PRIMARY VOLTAGE | | 288 | | \$100.00 | 28,800 | 0.2 | 28,800 | 28,800 |
| 24 | TOTAL CUSTOMER CHARGE | | 288 | | | 28,800 | 0.2 | | 28,800 |
| 25 | DEMAND CHARGE: | | | | | | | | |
| 26 | ON PEAK KW | | | 456,040 | \$10.15 | 4,628,806 | 29.1 | | 4,628,806 |
| 27 | OFF PEAK KW | | | 42,848 | \$1.19 | 50,989 | 0.4 | | 50,989 |
| 28 | SUB-TOTAL | | | 498,888 | | 4,679,795 | 29.5 | | 4,679,795 |
| 29 | PRIMARY SERV. DIS. | | | | | | | | |
| 30 | FIRST 1000 KW | | | 196,282 | (\$0.65) | (127,583) | -0.8 | | (127,583) |
| 31 | ADDITIONAL KW | | | 259,759 | (\$0.50) | (129,879) | -0.8 | | (129,879) |
| 32 | TOTAL DEMAND | | | 456,040 | | 4,422,333 | 27.9 | | 4,422,333 |
| 33 | ENERGY CHARGE (3): | | | | | | | | |
| 34 | ALL KWH | | | 273,850,122 | \$0.041927 | 11,481,714 | 72.1 | 0 | 11,481,714 |
| 35 | TOTAL WINTER | | 288 | 273,850,122 | | 15,932,847 | 100.0 | 0 | 15,932,847 |
| 36 | TOTAL RATE DT PRIMARY | | 432 | 422,414,869 | | 24,935,110 | 100.0 | 0 | 24,935,110 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DATA: X BASE PERIOD FORECASTED PERIOD
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2.3
 PAGE 5 OF 21
 WITNESS:
 JEFFREY R. BAILEY

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILL(S) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE LESS FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (2) (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|-------------------------|-------------------------|----------------------|-------------|--------------------|---|--|---------------------------|------------------------------------|
| | | | | (KWH/KWH) | (\$/KWH) | (\$) | (%) | (\$) | (\$) |
| 1 | DT-SEC | TIME OF DAY SECONDARY | | | | | | | |
| 2 | SUMMER: | | | | | | | | |
| 3 | CUSTOMER CHARGE: | | | | | | | | |
| 4 | SINGLE PHASE | | 0 | | \$7.50 | 0 | 0.0 | | 0 |
| 5 | THREE PHASE | | 701 | | \$15.00 | 10,515 | 0.1 | | 10,515 |
| 6 | PRIMARY VOLTAGE | | 0 | | \$100.00 | 0 | 0.0 | | 0 |
| 7 | TOTAL CUSTOMER CHARGE | | 701 | | | 10,515 | 0.1 | | 10,515 |
| 8 | DEMAND CHARGE: | | | | | | | | |
| 9 | ON PEAK KW | | | 602,151 | \$11.56 | 6,960,866 | 39.1 | | 6,960,866 |
| 10 | OFF PEAK KW | | | 6,311 | \$1.19 | 7,510 | 0.0 | | 7,510 |
| 11 | SUB-TOTAL | | | 608,462 | | 6,968,376 | 39.2 | | 6,968,376 |
| 12 | PRIMARY SERV. DIS. | | | | (\$0.65) | 0 | 0.0 | | 0 |
| 13 | FIRST 1000 KW | | | | (\$0.50) | 0 | 0.0 | | 0 |
| 14 | ADDITIONAL KW | | | | | 6,968,376 | 39.2 | | 6,968,376 |
| 15 | TOTAL DEMAND | | | | | 0 | 0.0 | | 0 |
| 16 | ENERGY CHARGE (3): | | | 257,906,851 | \$0.041927 | 10,813,261 | 60.8 | | 10,813,261 |
| 17 | ALL KWH | | | 257,906,851 | | 17,792,152 | 100.0 | | 17,792,152 |
| 18 | TOTAL SUMMER | | | | | | | | |
| 19 | WINTER: | | | | | | | | |
| 20 | CUSTOMER CHARGE: | | | | | | | | |
| 21 | SINGLE PHASE | | 0 | | \$7.50 | 0 | 0.0 | | 0 |
| 22 | THREE PHASE | | 1,391 | | \$15.00 | 20,865 | 0.1 | | 20,865 |
| 23 | PRIMARY VOLTAGE | | 0 | | \$100.00 | 0 | 0.0 | | 0 |
| 24 | TOTAL CUSTOMER CHARGE | | 1,391 | | | 20,865 | 0.1 | | 20,865 |
| 25 | DEMAND CHARGE: | | | | | | | | |
| 26 | ON PEAK KW | | | 1,119,248 | \$10.15 | 11,360,367 | 36.3 | | 11,360,367 |
| 27 | OFF PEAK KW | | | 20,957 | \$1.19 | 24,939 | 0.2 | | 24,939 |
| 28 | SUB-TOTAL | | | 1,140,205 | | 11,385,306 | 36.4 | | 11,385,306 |
| 29 | PRIMARY SERV. DIS. | | | | (\$0.65) | 0 | 0.0 | | 0 |
| 30 | FIRST 1000 KW | | | | (\$0.50) | 0 | 0.0 | | 0 |
| 31 | ADDITIONAL KW | | | | | 11,385,306 | 36.4 | | 11,385,306 |
| 32 | TOTAL DEMAND | | | | | 0 | 0.0 | | 0 |
| 33 | ENERGY CHARGE (3): | | | 475,136,178 | \$0.041927 | 19,921,035 | 63.6 | | 19,921,035 |
| 34 | ALL KWH | | | 475,136,178 | | 31,327,206 | 100.0 | | 31,327,206 |
| 35 | TOTAL WINTER | | | | | | | | |
| 36 | TOTAL RATE DT SECONDARY | | | 2,092 | | 49,119,358 | 100.0 | | 49,119,358 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
 (3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
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WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S)::

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE (F) | FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (2) (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------|-------------------------|-----------------------|------------|--------------------|----------------------|-----------------------|--|---------------------------|------------------------------------|
| | | | | (KWH/KWH) | (\$/KWH) | (\$) | (\$) | (%) | (\$) | (\$) |
| 1 | EH | OPTIONAL RATE FOR | | | | | | | | |
| 2 | | ELEC. SPACE HEATING | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | | | | | | | | |
| 4 | | SINGLE PHASE | 226 | | \$7.50 | 1,695 | 0 | 0.2 | | 1,695 |
| 5 | | THREE PHASE | 597 | | \$15.00 | 8,955 | 0 | 1.0 | | 8,955 |
| 6 | | PRIMARY VOLTAGE | 0 | | \$100.00 | 0 | 0 | 0.0 | | 0 |
| 7 | | TOTAL CUSTOMER CHARGE | 823 | | | 10,650 | 0 | 1.2 | | 10,650 |
| 8 | | DEMAND CHARGE: | | | | | | | | |
| 9 | | ALL KW | | 52,938 | \$0.00 | 0 | 0 | 0.0 | | 0 |
| 10 | | ENERGY CHARGE (3): | | | | | | | | |
| 11 | | ALL CONSUMPTION | | 12,738,878 | \$0.067222 | 856,333 | 0 | 98.8 | | 856,333 |
| 12 | | TOTAL RATE EH | 823 | 12,738,878 | | 866,983 | 0 | 100.0 | | 866,983 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S):

SCHEDULE M-2.3
PAGE 7 OF 21
WITNESS:
JEFFREY R. BAILEY

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED | | % OF REV TO | | PROPOSED | |
|----------|---------------|------------------------------|-----------------------|-----------|--------------------|------------------------------------|----------------------------------|-----------------------|---------------------------|----------|---------|
| | | | | | | REVENUE LESS FUEL COST REVENUE (F) | TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | TOTAL REVENUE (F + H) (I) | | |
| | | | | (KWH) | (\$/KWH) | (\$) | (\$) | (%) | (\$) | (\$) | (\$) |
| 1 | SP | SPORTS SERVICE | | | | | | | | | |
| 2 | | MINIMUM BILLS | 0 | | (4) | 0 | 0 | 0.0 | 0 | 0 | 0 |
| 3 | | CUSTOMER CHARGE | 308 | | \$7.50 | 2,310 | 2,310 | 6.9 | 2,310 | 2,310 | 2,310 |
| 4 | | ENERGY CHARGE (3): | | | | | | | | | |
| 5 | | ALL CONSUMPTION | | 332,281 | \$0.093751 | 31,152 | 31,152 | 93.1 | 0 | 31,152 | 31,152 |
| 6 | | TOTAL RATE SP | 308 | 332,281 | | 33,462 | 33,462 | 100.0 | 0 | 33,462 | 33,462 |
| 7 | | GSFL SMALL FIXED LOADS | | | | | | | | | |
| 8 | | MINIMUM BILLS | 377 | | \$2.69 | 1,014 | 1,014 | 0.2 | 0 | 1,014 | 1,014 |
| 9 | | BASE RATE (3): | | | | | | | | | |
| 10 | | LOAD RANGE 540 TO 720 HRS | 48 | 7,236 | \$0.070656 | 511 | 511 | 0.1 | 0 | 511 | 511 |
| 11 | | LOAD RANGE LESS THAN 540 HRS | 9,962 | 6,139,541 | \$0.081562 | 500,753 | 500,753 | 99.7 | 0 | 500,753 | 500,753 |
| 12 | | TOTAL RATE GSFL | 10,387 | 6,146,777 | | 502,278 | 502,278 | 100.0 | 0 | 502,278 | 502,278 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.
(4) 1.5% OF INSTALLED TRANSFORMER AND METERING COSTS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S):

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE (F) | FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------|---|-----------------------|------------|--------------------|----------------------|-----------------------|--|-----------------------|------------------------------------|
| | | | | (KWH/KWH) | (\$/KWH) | (\$) | (\$) | (%) | (\$) | (\$) |
| 1 | DP | SERVICE AT PRIMARY DISTRIBUTION VOLTAGE | | | | | | | | |
| 2 | | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | 23 | | \$100.00 | 2,300 | | 0.1 | | 2,300 |
| 4 | | LOAD MANAGEMENT RIDER | 113 | | \$100.00 | 11,300 | | 0.5 | | 11,300 |
| 5 | | PRIMARY VOLTAGE | 136 | | | 13,600 | | 0.6 | | 13,600 |
| 6 | | TOTAL CUSTOMER CHARGE | | | | | | | | |
| 7 | | DEMAND CHARGE: | | | | | | | | |
| 8 | | ALL KW | | 74,474 | \$7.50 | 558,555 | | 26.2 | | 558,555 |
| 9 | | TOTAL DEMAND | | | | | | | | |
| 10 | | ENERGY CHARGE (3): | | | | | | | | |
| 11 | | FIRST 300KWH/KW | | 21,209,747 | \$0.051707 | 1,096,692 | | 51.4 | 0 | 1,096,692 |
| 12 | | ADDITIONAL KWH | | 10,671,495 | \$0.043446 | 463,634 | | 21.7 | 0 | 463,634 |
| 13 | | TOTAL ENERGY | | 31,881,242 | | 1,560,326 | | 73.2 | 0 | 1,560,326 |
| 14 | | TOTAL RATE DP | | 136 | | 31,881,242 | | 100.0 | 0 | 2,132,481 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 9 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S):

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (KWH) (D) | PROPOSED RATES (\$/KWH) (E) | PROPOSED REVENUE (F) | FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|--------------------|-------------------------|-----------------------|-----------------|-----------------------------|----------------------|-----------------------|--|-----------------------|------------------------------------|
| 1 | TT | TIME OF DAY | | | | | | | | |
| 2 | SUMMER: | | 39 | | \$500.00 | 19,500 | | 0.6 | | 19,500 |
| 3 | CUSTOMER CHARGE | | | | | | | | | |
| 4 | DEMAND CHARGE: | | | | | | | | | |
| 5 | ON PEAK KW | | | 150,361 | \$7.29 | 1,096,132 | | 32.5 | | 1,096,132 |
| 6 | OFF PEAK KW | | | 4,303 | \$1.11 | 4,776 | | 0.1 | | 4,776 |
| 7 | TOTAL DEMAND | | | 154,664 | | 1,100,908 | | 32.7 | | 1,100,908 |
| 8 | ENERGY CHARGE (3): | | | 58,173,973 | \$0.038697 | 2,251,158 | | 66.8 | 0 | 2,251,158 |
| 9 | ALL KWH | | 39 | 58,173,973 | | 3,371,566 | | 100.0 | 0 | 3,371,566 |
| 10 | TOTAL SUMMER | | | | | 42,500 | | 0.7 | | 42,500 |
| 11 | WINTER: | | 85 | | \$500.00 | 42,500 | | | | 42,500 |
| 12 | CUSTOMER CHARGE | | | | | | | | | |
| 13 | DEMAND CHARGE: | | | | | | | | | |
| 14 | ON PEAK KW | | | 299,866 | \$5.98 | 1,793,199 | | 28.3 | | 1,793,199 |
| 15 | OFF PEAK KW | | | 15,206 | \$1.11 | 16,879 | | 0.3 | | 16,879 |
| 16 | TOTAL DEMAND | | | 315,072 | | 1,810,078 | | 28.6 | | 1,810,078 |
| 17 | ENERGY CHARGE (3): | | | | \$0.038697 | 4,487,213 | | 70.7 | 0 | 4,487,213 |
| 18 | ALL KWH | | 85 | 115,957,654 | | 6,339,791 | | 100.0 | 0 | 6,339,791 |
| 19 | TOTAL WINTER | | | | | 9,711,357 | | 100.0 | 0 | 9,711,357 |
| 20 | TOTAL RATE TT | | 124 | 174,131,627 | | | | | | |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 10 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S)::

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE LESS FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------------------|--------------------------------|-----------------------|------------|--------------------|---|--|-----------------------|------------------------------------|
| | | | | (KWH) | (\$/KWH) | (\$) | (%) | (\$) | (\$) |
| 1 | DT RTP | TIME OF DAY SERVICE AT PRIMARY | | | | | | | |
| 2 | | DISTRIBUTION VOLTAGE | | | | | | | |
| 3 | CUSTOMER CHARGE: | | 22 | | \$183.00 | 4,026 | 0.3 | 4,026 | 4,026 |
| 4 | BILLS (Real-Time Pricing) | | 22 | | | 4,026 | 0.3 | | 4,026 |
| 5 | TOTAL CUSTOMER CHARGE | | 22 | | | 4,026 | 0.3 | | 4,026 |
| 6 | ENERGY CHARGE: | | | | | | | | |
| 7 | ALL KWH | | | 19,335,265 | \$0.005559 | 107,485 | 8.7 | 107,485 | 107,485 |
| 8 | ANCILLARY SERVICES | | | 19,335,265 | \$0.000740 | 14,308 | 1.2 | (320,308) | 14,308 |
| 9 | COMMODITY CHARGES | | | 19,335,265 | \$0.057553 | 1,112,803 | 89.8 | (320,308) | 792,495 |
| 10 | TOTAL ENERGY | | | 19,335,265 | | 1,234,596 | 99.7 | (320,308) | 914,288 |
| 11 | TOTAL RATE DT RTP PRIMARY | | 22 | 19,335,265 | | 1,238,622 | 100.0 | (320,308) | 918,314 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S)::

PROPOSED ANNUALIZED

SCHEDULE M-2.3
PAGE 11 OF 21
WITNESS:
JEFFREY R. BAILEY

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (KWH) (D) | PROPOSED RATES (\$/KWH) (E) | PROPOSED REVENUE (F) | FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------|----------------------------------|-----------------------|-----------------|-----------------------------|----------------------|-----------------------|--|-----------------------|------------------------------------|
| 1 | DT RTP | TIME OF DAY SERVICE AT SECONDARY | | | | | | | | |
| 2 | | DISTRIBUTION VOLTAGE | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | 43 | | \$183.00 | 7,869 | | 1.6 | | 7,869 |
| 4 | | BILLS (Real-Time Pricing) | 43 | | | 7,869 | | 1.6 | | 7,869 |
| 5 | | TOTAL CUSTOMER CHARGE | | | | | | | | |
| 6 | | ENERGY CHARGE: | | | | | | | | |
| 7 | | ALL KWH | | 7,572,163 | \$0.006074 | 45,993 | | 9.2 | | 45,993 |
| 8 | | ANCILLARY SERVICES | | 7,572,163 | \$0.000760 | 5,755 | | 1.2 | (125,440) | 5,755 |
| 9 | | COMMODITY CHARGES | | 7,572,163 | \$0.057992 | 439,125 | | 88.0 | (125,440) | 313,685 |
| 10 | | TOTAL ENERGY | | 7,572,163 | | 490,873 | | 98.4 | (125,440) | 365,433 |
| 11 | | TOTAL RATE DT RTP SECONDARY | 43 | | | 498,742 | | 100.0 | (125,440) | 373,302 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 12 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S)::

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------|--|-----------------------|-----------|--------------------|----------------------|--|-----------------------|------------------------------------|
| | | | | (KWH) | (\$/KWH) | (\$) | (%) | (\$) | (\$) |
| 1 | | DS RTP SERVICE AT SECONDARY DISTRIBUTION VOLTAGE | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | CUSTOMER CHARGE: | | | | | | | |
| 4 | | BILLS (Real-Time Pricing) | 72 | | \$183.00 | 13,176 | 14.2 | | 13,176 |
| 5 | | TOTAL CUSTOMER CHARGE | 72 | | | 13,176 | | | 13,176 |
| 6 | | ENERGY CHARGE: | | | | | | | |
| 7 | | ALL KWH | | 945,207 | \$0.006074 | 5,741 | 6.2 | | 5,741 |
| 8 | | ANCILLARY SERVICES | | 945,207 | \$0.000760 | 718 | 0.8 | | 718 |
| 9 | | COMMODITY CHARGES | | 945,207 | \$0.077124 | 72,898 | 78.8 | (15,658) | 57,240 |
| 10 | | TOTAL ENERGY | | 945,207 | | 79,357 | 85.8 | (15,658) | 63,699 |
| 11 | | TOTAL RATE DS RTP | 72 | 945,207 | | 92,533 | 100.0 | (15,658) | 76,875 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 13 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S)::

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE LESS FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|---------------|---|-----------------------|-----------|--------------------|---|--|-----------------------|------------------------------------|
| | | | | (KWH) | (\$/KWH) | (\$) | (%) | (\$) | (\$) |
| 1 | TT RTP | TIME OF DAY SERVICE AT TRANSMISSION VOLTAGE | | | | | | | |
| 2 | | | 27 | | \$183.00 | 4,941 | 0.6 | 4,941 | 4,941 |
| 3 | | CUSTOMER CHARGE: | 27 | | | | | | 27,589 |
| 4 | | BILLS (Real-Time Pricing) | 27 | | | 4,941 | 0.6 | 4,941 | 9,872 |
| 5 | | TOTAL CUSTOMER CHARGE | | | | | | | 524,910 |
| 6 | | ENERGY CHARGE: | | | | | | | 562,371 |
| 7 | | ALL KWH | | | | 27,589 | 3.5 | 27,589 | 524,910 |
| 8 | | ANCILLARY SERVICES | | | | 9,872 | 1.2 | (226,822) | 524,910 |
| 9 | | COMMODITY CHARGES | | | | 751,732 | 94.7 | (226,822) | 562,371 |
| 10 | | TOTAL ENERGY | | | | 789,193 | 99.4 | (226,822) | 562,371 |
| 11 | | TOTAL RATE TT RTP | 27 | | | 794,134 | 100.0 | (226,822) | 567,312 |

(1) BILLS THAT TERMINATE IN RESPECTIVE RATE STEPS.

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2008
 (ELECTRIC SERVICE)

PROPOSED ANNUALIZED

SCHEDULE M-2.3
 PAGE 14 OF 21
 WITNESS:
 JEFFREY R. BAILEY

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILL(S) | SALES (D) | PROPOSED RATES(A) | PROPOSED REVENUE (E) | FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (I) |
|--|-----------|------------------------|------------------|-----------|-------------------|----------------------|-----------------------|--|-----------------------|----------------------------|
| (A) | (B) | (C) | (C) | (D) | (E) | (F) | (G) | (H) | (I) | (I) |
| 1 SL STREET LIGHTING - CO OWNED & MAINTAINED | | | | | | | | | | |
| 2 OVERHEAD DISTRIBUTION: | | | | | | | | | | |
| 3 | | MERCURY VAPOR: | | | | | | | | |
| 4 | | 7,000 LUMEN (OPEN) | 34 | 2,417 | 5.75 | 196 | 0 | 0.0 | 0 | 196 |
| 5 | | 7,000 LUMEN (OPEN) (9) | 0 | 0 | 10.11 | 0 | 0 | 0.0 | 0 | 0 |
| 6 | | 7,000 LUMEN | 68,411 | 4,477,836 | 6.91 | 472,720 | 39.3 | 0.0 | 0 | 472,720 |
| 7 | | 7,000 LUMEN (4) | 36 | 2,409 | 11.22 | 404 | 0.0 | 0.0 | 0 | 404 |
| 8 | | 7,000 LUMEN (5) | 589 | 34,076 | 11.27 | 6,413 | 0.5 | 0.0 | 0 | 6,413 |
| 9 | | 7,000 LUMEN (6) | 24 | 1,606 | 12.14 | 291 | 0.0 | 0.0 | 0 | 291 |
| 10 | | 7,000 LUMEN (8A) | 121 | 8,097 | 13.87 | 1,678 | 0.1 | 0.1 | 0 | 1,678 |
| 11 | | 10,000 LUMEN | 2,184 | 203,208 | 7.94 | 17,341 | 1.4 | 0.0 | 0 | 17,341 |
| 12 | | 10,000 LUMEN (5) | 11 | 1,049 | 12.30 | 135 | 0.0 | 0.0 | 0 | 135 |
| 13 | | 21,000 LUMEN | 9,445 | 1,402,092 | 10.58 | 99,928 | 8.3 | 0.0 | 0 | 99,928 |
| 14 | | 21,000 LUMEN (9) | 156 | 20,257 | 14.94 | 2,331 | 0.2 | 0.2 | 0 | 2,331 |
| 15 METAL HALIDE: | | | | | | | | | | |
| 16 | | 14,000 LUMEN | 236 | 12,792 | 6.91 | 1,631 | 0.1 | 0.1 | 0 | 1,631 |
| 17 | | 14,000 LUMEN (5) | 3 | 201 | 11.27 | 34 | 0.0 | 0.0 | 0 | 34 |
| 18 | | 20,500 LUMEN | 94 | 8,961 | 7.94 | 746 | 0.1 | 0.1 | 0 | 746 |
| 19 | | 20,500 LUMEN (6) | 6 | 572 | 13.17 | 79 | 0.0 | 0.0 | 0 | 79 |
| 20 | | 36,000 LUMEN | 0 | 0 | 10.58 | 0 | 0.0 | 0.0 | 0 | 0 |
| 21 SODIUM VAPOR: | | | | | | | | | | |
| 22 | | 9,500 LUMEN (OPEN) | 112 | 4,464 | 5.77 | 646 | 0.1 | 0.1 | 0 | 646 |
| 23 | | 9,500 LUMEN | 14,568 | 760,686 | 7.72 | 112,465 | 9.3 | 0.0 | 0 | 112,465 |
| 24 | | 9,500 LUMEN (4) | 48 | 1,948 | 12.03 | 577 | 0.0 | 0.0 | 0 | 577 |
| 25 | | 9,500 LUMEN (5) | 682 | 23,678 | 12.08 | 8,239 | 0.7 | 0.0 | 0 | 8,239 |
| 26 | | 9,500 LUMEN (6) | 80 | 3,409 | 12.95 | 1,036 | 0.1 | 0.0 | 0 | 1,036 |
| 27 | | 16,000 LUMEN | 373 | 17,982 | 8.35 | 3,118 | 0.3 | 0.3 | 0 | 3,118 |
| 28 | | 16,000 LUMEN (9) | 12 | 711 | 12.72 | 153 | 0.0 | 0.0 | 0 | 153 |
| 29 | | 22,000 LUMEN | 5,396 | 422,363 | 10.87 | 58,655 | 4.9 | 0.0 | 0 | 58,655 |
| 30 | | 22,000 LUMEN (4) | 48 | 3,792 | 15.18 | 729 | 0.1 | 0.1 | 0 | 729 |
| 31 | | 22,000 LUMEN (5) | 252 | 19,829 | 16.23 | 3,838 | 0.3 | 0.3 | 0 | 3,838 |
| 32 | | 22,000 LUMEN (6) | 70 | 5,530 | 16.10 | 1,127 | 0.1 | 0.0 | 0 | 1,127 |
| 33 | | 22,000 LUMEN (8) | 12 | 948 | 17.77 | 213 | 0.0 | 0.0 | 0 | 213 |
| 34 | | 27,500 LUMEN | 66 | 5,135 | 10.87 | 717 | 0.1 | 0.1 | 0 | 717 |
| 35 | | 50,000 LUMEN | 9,188 | 1,688,557 | 14.48 | 132,608 | 11.0 | 0.0 | 0 | 132,608 |
| 36 | | 50,000 LUMEN (4) | 12 | 1,959 | 18.79 | 225 | 0.0 | 0.0 | 0 | 225 |
| 37 | | 50,000 LUMEN (5) | 312 | 44,934 | 18.84 | 5,878 | 0.5 | 0.5 | 0 | 5,878 |
| 38 | | 50,000 LUMEN (6) | 442 | 86,157 | 19.71 | 8,712 | 0.7 | 0.7 | 0 | 8,712 |
| 39 DECORATIVE SODIUM VAPOR: | | | | | | | | | | |
| 40 | | 9,500 LUMEN (19) | 0 | 0 | 9.62 | 0 | 0.0 | 0.0 | 0 | 0 |
| 41 | | 22,000 LUMEN (19) | 11 | 938 | 11.81 | 130 | 0.0 | 0.0 | 0 | 130 |
| 42 | | 50,000 LUMEN (19) | 134 | 17,876 | 15.52 | 2,080 | 0.2 | 0.2 | 0 | 2,080 |
| 43 | | 50,000 LUMEN (19)(9) | 180 | 25,385 | 19.88 | 3,578 | 0.3 | 0.3 | 0 | 3,578 |
| 44 | | 50,000 LUMEN (19)(6) | 12 | 1,959 | 20.75 | 249 | 0.0 | 0.0 | 0 | 249 |
| 45 | | 50,000 LUMEN (14) | 216 | 32,282 | 23.26 | 5,024 | 0.5 | 0.5 | 0 | 5,024 |
| 46 | | 50,000 LUMEN (14)(9) | 36 | 5,877 | 28.49 | 1,026 | 0.1 | 0.1 | 0 | 1,026 |
| 47 | | TOTAL OVERHEAD | | 113,562 | | 954,950 | 79.4 | | 0 | 954,950 |
| | | | | 9,311,950 | | | | | | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.00 PER KW.
 (3) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002529 PER KW.
 (4) WITH 17' WOOD LAMINATED POLE.
 (5) WITH 30' WOOD POLE.
 (6) WITH 40' WOOD POLE.
 (7) WITH 12' FIBERGLASS POLE.
 (8) WITH 28' ALUM POLE.
 (9) WITH 30' ALUM POLE.
 (10) WITH 17' FIBERGLASS POLE.
 (11) WITH 12' FIBERGLASS POLE.
 (12) WITH 30' FIBERGLASS POLE.
 (13) WITH 35' FIBERGLASS POLE.
 (14) FIXTURE TYPE - SETBACK.
 (15) FIXTURE TYPE - RECTILINEAR.

DATA: X, BASE PERIOD: FORECASTED PERIOD
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2008
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2008-00112
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2008
 (ELECTRIC SERVICE)
 PROPOSED ANNUALIZED

SCHEDULE M-2.3
 PAGE 15 OF 21
 WITNESS:
 JEFFREY R. BAILEY

| LINE NO. | RATE CLASS / DESCRIPTION | CUSTOMER BILL(S) | SALES (KWH) | PROPOSED RATE(S) (\$/KWH) | PROPOSED REVENUE LESS FUEL COST | | | % OF REV TO TOTAL LESS FUEL COST | | | TOTAL REVENUE (F+H) | |
|----------|--|------------------|-------------|---------------------------|---------------------------------|-----------|-------|----------------------------------|-----|-----|---------------------|-----|
| | | | | | (A) | (B) | (C) | (D) | (E) | (F) | | (G) |
| 48 | STREET LIGHTING - CO OWNED & MAINTAINED (CONT'D) | | | | | | | | | | | |
| 49 | UNDERGROUND DISTRIBUTION: | | | | | | | | | | | |
| 50 | MERCURY VAPOR: | | | | | | | | | | | |
| 51 | 7,000 LUMEN | | 59 | 4,297 | 7.03 | 415 | 0.0 | 0 | 0 | 0 | 415 | |
| 52 | 7,000 LUMEN (4) | | 596 | 40,035 | 11.34 | 6,759 | 0.6 | 0 | 0 | 0 | 6,759 | |
| 53 | 7,000 LUMEN (5) | | 12 | 874 | 11.39 | 137 | 0.0 | 0 | 0 | 0 | 137 | |
| 54 | 7,000 LUMEN (8) | | 359 | 26,147 | 13.93 | 5,001 | 0.4 | 0 | 0 | 0 | 5,001 | |
| 55 | 10,000 LUMEN | | | | 8.07 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 56 | 10,000 LUMEN (4) | | 77 | 7796 | 12.38 | 953 | 0.1 | 0 | 0 | 0 | 953 | |
| 57 | 10,000 LUMEN (8) | | 151 | 15,289 | 14.97 | 2,260 | 0.2 | 0 | 0 | 0 | 2,260 | |
| 58 | 21,000 LUMEN | | 96 | 15,312 | 10.61 | 1,038 | 0.1 | 0 | 0 | 0 | 1,038 | |
| 59 | 21,000 LUMEN (8) | | 132 | 21,054 | 17.71 | 2,338 | 0.2 | 0 | 0 | 0 | 2,338 | |
| 60 | METAL HALIDE: | | | | | | | | | | | |
| 61 | 14,000 LUMEN | | 0 | 0 | 7.03 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 62 | 20,500 LUMEN | | 0 | 0 | 8.07 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 63 | 38,000 LUMEN | | 0 | 0 | 10.81 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 64 | SODIUM VAPOR: | | | | | | | | | | | |
| 65 | 9,500 LUMEN (8) | | 588 | 23,863 | 14.62 | 6,597 | 0.7 | 0 | 0 | 0 | 6,597 | |
| 66 | 9,500 LUMEN (OPEN) | | 0 | 0 | 5.77 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 67 | 9,500 LUMEN (10) | | 6 | 244 | 12.09 | 73 | 0.0 | 0 | 0 | 0 | 73 | |
| 68 | 16,000 LUMEN | | | | 8.36 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 69 | 22,000 LUMEN | | | | 17.93 | 2,467 | 0.2 | 0 | 0 | 0 | 2,467 | |
| 70 | 22,000 LUMEN (8) | | 60 | 4,740 | 15.23 | 814 | 0.1 | 0 | 0 | 0 | 814 | |
| 71 | 22,000 LUMEN (9) | | 48 | 39,212 | 17.77 | 9,383 | 0.8 | 0 | 0 | 0 | 9,383 | |
| 72 | 22,000 LUMEN (9A) | | 336 | 51,652 | 3.792 | 1,065 | 0.1 | 0 | 0 | 0 | 1,065 | |
| 73 | 50,000 LUMEN (8) | | 72 | 51,652 | 11.754 | 1,539 | 0.1 | 0 | 0 | 0 | 1,539 | |
| 74 | 50,000 LUMEN (9) | | 132 | 21,548 | 28.25 | 3,729 | 0.3 | 0 | 0 | 0 | 3,729 | |
| 75 | 50,000 LUMEN (9) | | | | | | | | | | | |
| 76 | DECORATIVE MERCURY VAPOR: | | | | | | | | | | | |
| 77 | 7,000 LUMEN TOWN & COUNTRY | | 0 | 0 | 7.27 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 78 | 7,000 LUMEN TOWN & COUNTRY (8) | | 200 | 14,217 | 11.64 | 2,328 | 0.2 | 0 | 0 | 0 | 2,328 | |
| 79 | 7,000 LUMEN TOWN & COUNTRY (10) | | 5,650 | 396,692 | 11.64 | 65,766 | 5.5 | 0 | 0 | 0 | 65,766 | |
| 80 | 7,000 LUMEN HOLOPHANE | | 24 | 1,748 | 9.17 | 220 | 0.0 | 0 | 0 | 0 | 220 | |
| 81 | 7,000 LUMEN HOLOPHANE (10) | | 1,842 | 132,086 | 13.54 | 24,941 | 2.1 | 0 | 0 | 0 | 24,941 | |
| 82 | 7,000 LUMEN GAS REPLICA | | 0 | 0 | 21.16 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 83 | 7,000 LUMEN GRANVILLE (7) | | 93 | 6,511 | 18.24 | 1,789 | 0.1 | 0 | 0 | 0 | 1,789 | |
| 84 | 7,000 LUMEN ASPEN | | 24 | 1,748 | 13.35 | 320 | 0.0 | 0 | 0 | 0 | 320 | |
| 85 | DECORATIVE METAL HALIDE: | | | | | | | | | | | |
| 86 | 14,000 LUMEN TRADITIONAIRE (7) | | 72 | 5,118 | 19.24 | 1,385 | 0.1 | 0 | 0 | 0 | 1,385 | |
| 87 | 14,000 LUMEN TRADITIONAIRE (10) | | 199 | 14,186 | 11.64 | 2,316 | 0.2 | 0 | 0 | 0 | 2,316 | |
| 88 | 14,000 LUMEN GAS REPLICA (7) | | 219 | 15,951 | 33.13 | 7,255 | 0.6 | 0 | 0 | 0 | 7,255 | |
| 89 | 14,000 LUMEN GAS REPLICA (10) | | 10 | 728 | 25.53 | 255 | 0.0 | 0 | 0 | 0 | 255 | |
| 90 | 14,000 LUMEN GRANVILLE | | 0 | 0 | 13.35 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 91 | DECORATIVE SODIUM VAPOR: | | | | | | | | | | | |
| 92 | 9,500 LUMEN TOWN & COUNTRY | | 96 | 3,896 | 10.76 | 1,033 | 0.1 | 0 | 0 | 0 | 1,033 | |
| 93 | 9,500 LUMEN TOWN & COUNTRY (10) | | 1804 | 70,212 | 15.13 | 27,295 | 2.3 | 0 | 0 | 0 | 27,295 | |
| 94 | 9,500 LUMEN HOLOPHANE | | 576 | 25,536 | 11.65 | 6,710 | 0.6 | 0 | 0 | 0 | 6,710 | |
| 95 | 9,500 LUMEN HOLOPHANE (10) | | 312 | 13,832 | 16.02 | 4,998 | 0.4 | 0 | 0 | 0 | 4,998 | |
| 96 | 9,500 LUMEN GAS REPLICA | | 0 | 0 | 22.00 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 97 | 9,500 LUMEN GRANVILLE (7) | | 123 | 5,453 | 25.47 | 3,133 | 0.3 | 0 | 0 | 0 | 3,133 | |
| 98 | 9,500 LUMEN ASPEN (7) | | 693 | 27,723 | 29.47 | 17,951 | 1.5 | 0 | 0 | 0 | 17,951 | |
| 99 | 9,500 LUMEN TRADITIONAIRE (10) | | 271 | 10,988 | 15.13 | 4,100 | 0.3 | 0 | 0 | 0 | 4,100 | |
| 100 | 22,000 LUMEN (15)(12) | | 168 | 14,322 | 20.18 | 3,392 | 0.3 | 0 | 0 | 0 | 3,392 | |
| 101 | 50,000 LUMEN (15)(12) | | 36 | 5,877 | 23.90 | 860 | 0.1 | 0 | 0 | 0 | 860 | |
| 102 | 50,000 LUMEN (15)(13) | | 204 | 29,303 | 24.13 | 4,923 | 0.4 | 0 | 0 | 0 | 4,923 | |
| 103 | 50,000 LUMEN (14) | | 0 | 0 | 23.26 | 0 | 0.0 | 0 | 0 | 0 | 0 | |
| 104 | TOTAL UNDERGROUND | | 167085 | 1,103,940 | | 232,203 | 19.3 | 0 | 0 | 0 | 232,203 | |
| 105 | ADD'L FACILITIES CHARGE: | | | | | | | | | | | |
| 106 | OVERHEAD | | 1,653 | 860 | 0.52 | 860 | 0.1 | 0 | 0 | 0 | 860 | |
| 107 | UNDERGROUND | | 20,486 | 15,335 | 0.75 | 15,335 | 1.3 | 0 | 0 | 0 | 15,335 | |
| 108 | TOTAL ADD'L FACILITIES CHG | | 22,089 | 16,195 | | 16,195 | | | | | 16,195 | |
| 109 | TOTAL RATE SL | | 128,657 | 10,415,890 | | 1,203,348 | 100.0 | 0 | 0 | 0 | 1,203,348 | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL COST RECOVERY INCLUDED IN BASKET RATES OF \$0.01 PER KWH.
 (3) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF \$0.002525 PER KWH.
 (4) WITH 30' WOOD LAMINATED POLE.
 (5) WITH 30' WOOD POLE.
 (6) WITH 40' WOOD POLE.
 (7) WITH 26' ALUM POLE.
 (8) WITH 28' ALUM POLE.
 (9) WITH 30' ALUM POLE HEAVY GAUGE.
 (10) WITH 30' ALUM POLE.
 (11) WITH 12' FIBERGLASS POLE.
 (12) WITH 30' FIBERGLASS POLE.
 (13) WITH 35' FIBERGLASS POLE.
 (14) FIXTURE TYPE - SETBACK.
 (15) FIXTURE TYPE - RECTILINEAR.

DATA: X BASE PERIOD FORECASTED PERIOD
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2.3
 PAGE 16 OF 21
 WITNESS:
 JEFFREY R. BAILEY

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) |
|----------|-----------|---------------------------|-------------------|-----------|--------------------|----------------------|--|-----------------------|------------------------------------|
| (A) | (B) | (C) | (KWH) | (\$/KWH) | (\$) | (%) | (\$) | (\$) | |
| 1 | TL | TRAFFIC LIGHTING | | | | | | | |
| 2 | | SERVICE | | | | | | | |
| 3 | (A) | WHERE COMPANY | | | | | | | |
| 4 | | SUPPLIES ENERGY ONLY (3): | | | | | | | |
| 5 | | ALL CONSUMPTION | 27,497 | 825,158 | 0.035196 | 29,042 | 11.8 | 0 | 29,042 |
| 6 | (B) | WHERE COMPANY | | | | | | | |
| 7 | | SUPPLIES ENERGY FROM A | | | | | | | |
| 8 | | SEPARATELY METERED SOURCE | | | | | | | |
| 9 | | AND PROVIDES LIMITED | | | | | | | |
| 10 | | MAINTENANCE: | | | | | | | |
| 11 | | ALL CONSUMPTION | | | 0.020695 | 0 | 0.0 | 0 | 0 |
| 12 | (C) | WHERE COMPANY | | | | | | | |
| 13 | | SUPPLIES ENERGY AND | | | | | | | |
| 14 | | PROVIDES LIMITED | | | | | | | |
| 15 | | MAINTENANCE (3): | | | | | | | |
| 16 | | ALL CONSUMPTION | 56,707 | 3,880,489 | 0.055892 | 216,888 | 88.2 | 0 | 216,888 |
| 17 | | TOTAL RATE TL | 84,204 | 4,705,647 | | 245,930 | 100.0 | 0 | 245,930 |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
 (3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.021619 PER KWH.

DATA: X. BASE PERIOD _____ FORECASTED PERIOD
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2005
 WORK PAPER REFERENCE NO(S):

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2.3
 PAGE 17 OF 21
 WITNESS:
 JEFFREY R. BAILEY

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILL(S) | SALES (KWH) | PROPOSED RATE(S) (\$/KWH) | REVENUE (\$) | FUEL COST (\$) | % OF REV TO TOTAL LESS FUEL COST | REVENUE (\$) | FUEL COST (\$) | PROPOSED TOTAL REVENUE (F + H) |
|---------------------------------------|-----------|----------------------------|------------------|-------------|---------------------------|--------------|----------------|----------------------------------|--------------|----------------|--------------------------------|
| | | | | | | | | | | | |
| 1 UNMETERED OUTDOOR LIGHTING SERV | | | | | | | | | | | |
| 1 | | BASE RATE | 132 | 17,724 | 0.034821 | 614 | 614 | 100.0 | 0 | 0 | 614 |
| 2 BASE RATE | | | | | | | | | | | |
| 2 | | BASE RATE | 132 | 17,724 | | 614 | 614 | 100.0 | 0 | 0 | 614 |
| 3 TOTAL RATE UNLS | | | | | | | | | | | |
| 3 | | TOTAL RATE UNLS | 132 | 17,724 | | 614 | 614 | 100.0 | 0 | 0 | 614 |
| 4 OIL OUTDOOR LIGHTING SERV | | | | | | | | | | | |
| E (A) PRIVATE OUTDOOR LIGHTING UNITS: | | | | | | | | | | | |
| 4 | | MERCURY VAPOR: | 9,510 | 676,003 | 8.42 | 80,074 | 132 | 0 | 0 | 80,074 | |
| 5 | | MERCURY VAPOR: | 1,985 | 122,724 | 10.81 | 18,215 | 3.0 | 0 | 0 | 18,215 | |
| 6 | | MERCURY VAPOR: | 1,817 | 183,971 | 12.58 | 22,868 | 3.8 | 0 | 0 | 22,868 | |
| 7 | | MERCURY VAPOR: | 2,713 | 432,724 | 16.09 | 43,652 | 7.2 | 0 | 0 | 43,652 | |
| 8 | | MERCURY VAPOR: | 2,713 | 432,724 | 16.09 | 43,652 | 7.2 | 0 | 0 | 43,652 | |
| 9 | | MERCURY VAPOR: | 2,713 | 432,724 | 16.09 | 43,652 | 7.2 | 0 | 0 | 43,652 | |
| 10 | | MERCURY VAPOR: | 2,713 | 432,724 | 16.09 | 43,652 | 7.2 | 0 | 0 | 43,652 | |
| F (A) PRIVATE OUTDOOR LIGHTING UNITS: | | | | | | | | | | | |
| 11 | | SODIUM VAPOR (OH) | 8,909 | 361,212 | 7.45 | 56,372 | 10.9 | 0 | 0 | 56,372 | |
| 12 | | SODIUM VAPOR (OH) | 9,500 | 83,003 | 9.73 | 22,535 | 3.7 | 0 | 0 | 22,535 | |
| 13 | | SODIUM VAPOR (OH) | 2,316 | 14,102 | 10.94 | 2,604 | 0.4 | 0 | 0 | 2,604 | |
| 14 | | SODIUM VAPOR (OH) | 16,009 | 143,912 | 12.07 | 22,004 | 3.6 | 0 | 0 | 22,004 | |
| 15 | | SODIUM VAPOR (OH) | 22,000 | 1,823 | 3.92 | 459 | 0.1 | 0 | 0 | 459 | |
| 16 | | SODIUM VAPOR (OH) | 27,500 | 38 | 0.02 | 36,253 | 6.3 | 0 | 0 | 36,253 | |
| 17 | | SODIUM VAPOR (OH) | 60,000 | 2,750 | 446,840 | 13.91 | 36,253 | 6.3 | 0 | 36,253 | |
| 18 | | METAL HALIDE | 64 | 4,601 | 10.81 | 692 | 0.1 | 0 | 0 | 692 | |
| 19 | | METAL HALIDE | 116 | 11,946 | 12.58 | 1,484 | 0.2 | 0 | 0 | 1,484 | |
| 20 | | METAL HALIDE | 270 | 43,065 | 16.09 | 4,344 | 0.7 | 0 | 0 | 4,344 | |
| 21 | | METAL HALIDE | 270 | 43,065 | 16.09 | 4,344 | 0.7 | 0 | 0 | 4,344 | |
| G (A) PRIVATE OUTDOOR LIGHTING UNITS: | | | | | | | | | | | |
| 22 | | DECORATIVE HV 7,000 LUMEN: | 744 | 52,866 | 12.99 | 9,665 | 1.6 | 0 | 0 | 9,665 | |
| 23 | | DECORATIVE HV 7,000 LUMEN: | 216 | 15,732 | 16.77 | 3,622 | 0.6 | 0 | 0 | 3,622 | |
| 24 | | DECORATIVE HV 7,000 LUMEN: | 0 | 0 | 40.75 | 0 | 0.0 | 0 | 0 | 0 | |
| 25 | | DECORATIVE HV 7,000 LUMEN: | 96 | 6,992 | 25.14 | 2,413 | 0.4 | 0 | 0 | 2,413 | |
| 26 | | DECORATIVE HV 7,000 LUMEN: | 96 | 6,992 | 25.14 | 2,413 | 0.4 | 0 | 0 | 2,413 | |
| H (A) PRIVATE OUTDOOR LIGHTING UNITS: | | | | | | | | | | | |
| 27 | | DECORATIVE SV 9,500 LUMEN: | 1,167 | 47,312 | 20.63 | 24,075 | 4.0 | 0 | 0 | 24,075 | |
| 28 | | DECORATIVE SV 9,500 LUMEN: | 12 | 531 | 22.35 | 268 | 0.0 | 0 | 0 | 268 | |
| 29 | | DECORATIVE SV 9,500 LUMEN: | 0 | 0 | 18.36 | 0 | 0.0 | 0 | 0 | 0 | |
| 30 | | DECORATIVE SV 9,500 LUMEN: | 0 | 0 | 43.04 | 0 | 0.0 | 0 | 0 | 0 | |
| 31 | | DECORATIVE SV 9,500 LUMEN: | 0 | 0 | 28.05 | 0 | 0.0 | 0 | 0 | 0 | |
| 32 | | DECORATIVE SV 9,500 LUMEN: | 0 | 0 | 21.78 | 0 | 0.0 | 0 | 0 | 0 | |
| 33 | | DECORATIVE SV 9,500 LUMEN: | 0 | 0 | 27.91 | 0 | 0.0 | 0 | 0 | 0 | |
| 34 | | DECORATIVE SV 9,500 LUMEN: | 72 | 11,754 | 42.99 | 3,095 | 0.5 | 0 | 0 | 3,095 | |
| 35 | | DECORATIVE SV 9,500 LUMEN: | 72 | 11,754 | 42.99 | 3,095 | 0.5 | 0 | 0 | 3,095 | |
| 36 | | DECORATIVE SV 9,500 LUMEN: | 34,358 | 2,674,312 | | 356,684 | 6.4 | 0 | 0 | 356,684 | |
| I (A) PRIVATE OUTDOOR LIGHTING UNITS: | | | | | | | | | | | |
| 37 | | FLOODLIGHTING UNITS: | 160 | 16,200 | 12.58 | 2,013 | 0.3 | 0 | 0 | 2,013 | |
| 38 | | FLOODLIGHTING UNITS: | 256 | 40,832 | 16.10 | 4,122 | 0.7 | 0 | 0 | 4,122 | |
| 39 | | FLOODLIGHTING UNITS: | 256 | 40,832 | 16.10 | 4,122 | 0.7 | 0 | 0 | 4,122 | |
| 40 | | FLOODLIGHTING UNITS: | 256 | 40,832 | 16.10 | 4,122 | 0.7 | 0 | 0 | 4,122 | |
| 41 | | FLOODLIGHTING UNITS: | 1,236 | 197,142 | 16.10 | 19,900 | 3.3 | 0 | 0 | 19,900 | |
| 42 | | FLOODLIGHTING UNITS: | 2,361 | 201,275 | 11.97 | 28,261 | 4.7 | 0 | 0 | 28,261 | |
| 43 | | FLOODLIGHTING UNITS: | 184 | 16,539 | 11.97 | 2,322 | 0.4 | 0 | 0 | 2,322 | |
| 44 | | FLOODLIGHTING UNITS: | 12,493 | 2,079,043 | 14.71 | 183,772 | 30.3 | 0 | 0 | 183,772 | |
| 45 | | FLOODLIGHTING UNITS: | 12,493 | 2,079,043 | 14.71 | 183,772 | 30.3 | 0 | 0 | 183,772 | |
| 46 | | FLOODLIGHTING UNITS: | 18,700 | 2,557,031 | | 240,390 | 3.9 | 0 | 0 | 240,390 | |
| 47 | | FLOODLIGHTING UNITS: | 18,700 | 2,557,031 | | 240,390 | 3.9 | 0 | 0 | 240,390 | |
| 48 | | TOTAL RATE UNLS | 51,258 | 5,225,343 | | 607,074 | 100.0 | 0 | 0 | 607,074 | |

48 TOTAL RATE UNLS
 (1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAO) OF \$0.0003256 PER KWH.
 (3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.19091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 18 OF 21
WITNESS:
JEFFREY R. BAILEY

DATA: X BASE PERIOD _____ FORECASTED PERIOD _____
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S):

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) (KWH) | PROPOSED RATES(3) (E) (\$/UNIT) | PROPOSED | | % OF REV TO | | PROPOSED | |
|----------|-----------|---------------------------------|-------------------|--------------------|---------------------------------------|--|---|-------------------------------|--------------------------------------|----------|--------|
| | | | | | | REVENUE LESS FUEL COST REVENUE (F) (\$) | TOTAL LESS FUEL COST REVENUE (G) (%) | FUEL COST REVENUE (H) (\$) | TOTAL REVENUE (F + H) (I) (\$) | | |
| 1 | NSU | NON STANDARD STREET LIGHT UNITS | | | | | | | | | |
| 2 | (A) | COMPANY OWNED | | | | | | | | | |
| 3 | (1) | BOULEVARD INCANDESCENT(UG): | | | | | | | | | |
| 4 | | 2,500 LUMEN SERIES | 0 | 0 | 8.95 | 0 | 0.0 | 0 | 0 | 949 | 0 |
| 5 | | 2,500 LUMEN MULTIPLE | 138 | 8,056 | 6.88 | 949 | 1.5 | 0 | 0 | 6,049 | 6,049 |
| 6 | (2) | HOLOPHANE DECORATIVE: | | | | | | | | | |
| 7 | | 10,000 LUMEN MV W | 372 | 32,603 | 16.26 | 6,049 | 9.6 | 0 | 0 | 5,251 | 5,251 |
| 8 | | 17' FIBERGLASS POLE | | | | | | | | | |
| 9 | (3) | STREET LGT UNITS (OH) | 770 | 43,951 | 6.82 | 5,251 | 8.3 | 0 | 0 | 46,149 | 46,149 |
| 10 | | 2,500 LUMEN INCANDESCENT | 7,089 | 261,192 | 6.51 | 46,149 | 73.4 | 0 | 0 | 4,125 | 4,125 |
| 11 | | 2,500 LUMEN MERCURY VAPOR | 408 | 65,076 | 10.11 | 4,125 | 6.6 | 0 | 0 | 62,523 | 62,523 |
| 12 | | 21,000 LUMEN MERCURY VAPOR | | | | | | | | | |
| 13 | | TOTAL COMPANY OWNED | 8,777 | 410,877 | | 62,523 | 99.4 | 0 | 0 | | |
| 14 | (B) | CUSTOMER OWNED WITH LTD MAINT | | | | | | | | | |
| 15 | (1) | BOULEVARD INCANDESCENT(UG): | 0 | 0 | 5.23 | 0 | 0.0 | 0 | 0 | 366 | 366 |
| 16 | | 2,500 LUMEN SERIES | 55 | 3,603 | 6.65 | 366 | 0.6 | 0 | 0 | 366 | 366 |
| 17 | | 2,500 LUMEN MULTIPLE | 55 | 3,603 | | 366 | 0.6 | 0 | 0 | | |
| 18 | | TOTAL CUSTOMER OWNED | | | | 62,889 | 100.0 | 0 | 0 | 62,889 | 62,889 |
| 19 | | TOTAL RATE NSU | 8,832 | 414,479 | | | | | | | |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2008-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

DATA: X, BASE PERIOD _____, FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
WORK PAPER REFERENCE NO(S):

SCHEDULE M-2.3
PAGE 19 OF 21
WITNESS:
JEFFREY R. BAILEY

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILLS(1) | SALES (D) (KWH) | PROPOSED RATES(3) (E) (\$/UNIT) | PROPOSED | | % OF REV TO | | PROPOSED TOTAL | |
|--|-----------|----------------------------------|-------------------|--------------------|---------------------------------------|--|---|-------------------------------|-------------------------|----------------|--------|
| | | | | | | REVENUE LESS FUEL COST REVENUE (F) (\$) | TOTAL LESS FUEL COST REVENUE (G) (%) | FUEL COST REVENUE (2) (\$) | REVENUE (F + H) (\$) | | |
| 1 | NSP | NON STD PRIVATE OUTDOOR LIGHTING | | | | | | | | | |
| 2 POL (A) PRIVATE OUTDOOR LIGHT UNITS: | | | | | | | | | | | |
| 2 | | 2,500 LUMEN MERCURY (OPEN) | 3,071 | 123,961 | 7.57 | 23,247 | 42.4 | 0 | 23,247 | 0 | 23,247 |
| 3 | | 2,500 LUMEN MERCURY (ENCL) | 265 | 10,914 | 10.39 | 2,753 | 5.0 | 0 | 2,753 | 0 | 2,753 |
| 4 | | 2,500 LUMEN MERCURY (ENCL) | 3,336 | 134,876 | | 26,000 | 47.5 | 0 | 26,000 | 0 | 26,000 |
| 5 | | TOTAL RATE POL | | | | | | | | | |
| 6 URD (B) OUTDOOR LIGHTING UNITS | | | | | | | | | | | |
| -- SERVED UG RES DIST AREAS: | | | | | | | | | | | |
| 7 | | 7,000 LUMEN, WITH MERCURY VAPOR | 246 | 17,771 | 14.13 | 3,476 | 6.3 | 0 | 3,476 | 0 | 3,476 |
| 8 | | 17' FIBERGLASS POLE | 246 | 17,771 | 14.13 | 3,476 | 6.3 | 0 | 3,476 | 0 | 3,476 |
| 9 | | 7,000 LUMEN, WITH | 217 | 15,567 | 13.05 | 2,832 | 5.2 | 0 | 2,832 | 0 | 2,832 |
| 10 | | 17' WOOD LAM POLE | | | | | | | | | |
| 11 | | 7,000 LUMEN, WITH | | | | | | | | | |
| 12 | | 30' WOOD POLE | | | | | | | | | |
| 13 | | 7,000 LUMEN, WITH | | | | | | | | | |
| 14 | | 30' WOOD POLE | | | | | | | | | |
| 15 | | SODIUM VAPOR | 804 | 32,832 | 10.92 | 8,780 | 16.0 | 0 | 8,780 | 0 | 8,780 |
| 16 | | 9,500 LUMEN TC 100 R | 1,513 | 83,941 | | 18,564 | 33.9 | 0 | 18,564 | 0 | 18,564 |
| 17 | | TOTAL RATE URD | | | | | | | | | |
| 18 FL FLOOD LIGHT | | | | | | | | | | | |
| 19 | | MERCURY VAPOR | 12 | 4,966 | 27.20 | 326 | 0.6 | 0 | 326 | 0 | 326 |
| 20 | | 52,000 LUMEN, WITH | | | | | | | | | |
| 21 | | 36' WOOD POLE | | | | | | | | | |
| 22 | | 52,000 LUMEN, WITH | 0 | 0 | 30.74 | 0 | 0.0 | 0 | 0 | 0 | 0 |
| 23 | | 50' WOOD POLE | | | | | | | | | |
| 24 SODIUM VAPOR | | | | | | | | | | | |
| 25 | | 50,000 LUMEN | 518 | 84,890 | 19.09 | 9,889 | 18.1 | 0 | 9,889 | 0 | 9,889 |
| 26 | | TOTAL RATE FL | 530 | 89,856 | | 10,215 | 18.6 | 0 | 10,215 | 0 | 10,215 |
| 27 | | TOTAL RATE NSP | | | | 54,779 | 100.0 | 0 | 54,779 | 0 | 54,779 |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DATA: X BASE PERIOD - FORECASTED PERIOD
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 WORK PAPER REFERENCE NO(S):

PROPOSED ANNUALIZED

DUKE ENERGY KENTUCKY
 CASE NO. 2006-00172
 ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
 FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
 (ELECTRIC SERVICE)

SCHEDULE M-2.3
 PAGE 20 OF 21
 WITNESS:
 JEFFREY R. BAILEY

| LINE NO. | RATE CODE | CLASS / DESCRIPTION | CUSTOMER BILL(S) | SALES (KWH) | PROPOSED RATES (3) (\$/KWH) | PROPOSED FUEL COST REVENUE (F) (\$) | % OF REV TO FUEL COST REVENUE (G) | FUEL COST REVENUE (H) (\$) | PROPOSED TOTAL REVENUE (F+H) (\$) |
|----------|-----------|----------------------------|------------------|-------------|-----------------------------|-------------------------------------|-----------------------------------|----------------------------|-----------------------------------|
| 1 | SC | STREET LIGHTING - | | | | | | | |
| 2 | | CUST OWNED/LTD MAINT | | | | | | | |
| 3 | | STANDARD UNIT-COBRHEAD | | | | | | | |
| 4 | | MERCURY VAPOR - | | | | | | | |
| 5 | | 7,000 LUMEN | 0 | 0 | 4.04 | 0 | 0.0 | 0 | 0 |
| 6 | | 10,000 LUMEN | 0 | 0 | 5.12 | 0 | 0.0 | 0 | 0 |
| 7 | | 21,000 LUMEN | 0 | 0 | 7.07 | 0 | 0.0 | 0 | 0 |
| 8 | | METAL HALIDE - | | | | | | | |
| 9 | | 14,000 LUMEN | 0 | 0 | 4.04 | 0 | 0.0 | 0 | 0 |
| 10 | | 20,500 LUMEN | 0 | 0 | 5.12 | 0 | 0.0 | 0 | 0 |
| 11 | | 38,000 LUMEN | 0 | 0 | 7.07 | 0 | 0.0 | 0 | 0 |
| 12 | | SODIUM VAPOR- | | | | | | | |
| 13 | | 9,500 LUMEN | 3 | 487 | 4.86 | 15 | 0.4 | 0 | 15 |
| 14 | | 16,000 LUMEN | 0 | 0 | 5.49 | 0 | 0.0 | 0 | 0 |
| 15 | | 22,000 LUMEN | 0 | 0 | 5.99 | 0 | 0.0 | 0 | 0 |
| 16 | | 27,500 LUMEN | 0 | 0 | 5.99 | 0 | 0.0 | 0 | 0 |
| 17 | | 50,000 LUMEN | 0 | 0 | 8.00 | 0 | 0.0 | 0 | 0 |
| 18 | | DECORATIVE UNITS- | | | | | | | |
| 19 | | 7,000 LUMEN MERCURY VAPOR- | | | | | | | |
| 20 | | HOLOPHANE | 0 | 0 | 5.16 | 0 | 0.0 | 0 | 0 |
| 21 | | TOWN & COUNTRY | 0 | 0 | 5.12 | 0 | 0.0 | 0 | 0 |
| 22 | | GAS REPLICA | 0 | 0 | 5.16 | 0 | 0.0 | 0 | 0 |
| 23 | | ASPEN | 0 | 0 | 5.16 | 0 | 0.0 | 0 | 0 |
| 24 | | 14,000 LUMEN METAL HALIDE- | | | | | | | |
| 25 | | TRADITIONAIRE | 0 | 0 | 5.12 | 0 | 0.0 | 0 | 0 |
| 26 | | GAS REPLICA | 0 | 0 | 5.16 | 0 | 0.0 | 0 | 0 |
| 27 | | GRANVILLE ACORN | 0 | 0 | 5.16 | 0 | 0.0 | 0 | 0 |
| 28 | | 9,500 LUMEN SODIUM VAPOR- | | | | | | | |
| 29 | | TOWN & COUNTRY | 0 | 0 | 4.87 | 0 | 0.0 | 0 | 0 |
| 30 | | RECTILINEAR | 0 | 0 | 5.08 | 0 | 0.0 | 0 | 0 |
| 31 | | ASPEN | 0 | 0 | 5.08 | 0 | 0.0 | 0 | 0 |
| 32 | | HOLOPHANE | 0 | 0 | 5.08 | 0 | 0.0 | 0 | 0 |
| 33 | | GAS REPLICA | 0 | 0 | 4.87 | 0 | 0.0 | 0 | 0 |
| 34 | | TRADITIONAIRE | 0 | 0 | 4.87 | 0 | 0.0 | 0 | 0 |
| 35 | | GRANVILLE ACORN | 0 | 0 | 5.08 | 0 | 0.0 | 0 | 0 |
| 36 | | SODIUM VAPOR - | | | | | | | |
| 37 | | 22,000 LUMEN (RECTILINEAR) | 0 | 0 | 6.35 | 0 | 0.0 | 0 | 0 |
| 38 | | 50,000 LUMEN (RECTILINEAR) | 0 | 0 | 8.29 | 0 | 0.0 | 0 | 0 |
| 39 | | CUST OWNED/CUST MAINT | 2,173 | 107,837 | 0.034621 | 3,733 | 99.6 | 0 | 3,733 |
| 40 | | ENERGY ONLY | | | | | | | |
| 41 | | TOTAL RATE SC | 2,176 | 108,324 | | 3,748 | 100.0 | 0 | 3,748 |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
 (2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
 (3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
(ELECTRIC SERVICE)

SCHEDULE M-2.3
PAGE 21 OF 21
WITNESS:
JEFFREY R. BAILEY

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS(1) (C) | SALES (KWH) (D) | PROPOSED RATES(3) (\$/UNIT) (E) | PROPOSED REVENUE LESS FUEL COST REVENUE (F) (\$) | | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) (%) | | PROPOSED FUEL COST REVENUE (2) (H) (\$) | | PROPOSED TOTAL REVENUE (F + H) (I) (\$) | |
|-------------------------------|---------------|-------------------------|-----------------------|-----------------|---------------------------------|--|-----|--|---|---|---|---|---|
| | | | | | | | | | | | | | |
| 1 SE STREET LIGHTING | | | | | | | | | | | | | |
| 2 OVERHEAD EQUIVALENT RATE | | | | | | | | | | | | | |
| 3 MERCURY VAPOR 7,000 LUMEN : | | | | | | | | | | | | | |
| 3 | | TOWN & COUNTRY | 6,869 | 488,271 | 7.00 | 48,083 | 0 | 28.3 | 0 | 48,083 | 0 | 16,113 | 0 |
| 4 | | HOLOPHANE | 2,292 | 186,934 | 7.03 | 16,113 | 0 | 9.5 | 0 | 4,872 | 0 | 886 | 0 |
| 5 | | GAS REPLICA | 693 | 50,474 | 7.03 | 4,872 | 0 | 2.9 | 0 | 886 | 0 | 886 | 0 |
| 6 | | ASPEN | 126 | 9,177 | 7.03 | 886 | 0 | 0.5 | 0 | 0 | 0 | 0 | 0 |
| 7 ASPEN | | | | | | | | | | | | | |
| 8 SODIUM VAPOR 9,500 LUMEN: | | | | | | | | | | | | | |
| 8 | | TOWN & COUNTRY | 2,535 | 106,410 | 7.72 | 19,570 | 0 | 11.5 | 0 | 19,570 | 0 | 19,578 | 0 |
| 9 | | HOLOPHANE | 0 | 0 | 7.72 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 7,257 | 0 |
| 10 | | RECTILINEAR | 2,510 | 114,380 | 7.80 | 19,578 | 0 | 11.5 | 0 | 7,257 | 0 | 10,538 | 0 |
| 11 | | GAS REPLICA | 940 | 38,148 | 7.72 | 7,257 | 0 | 4.3 | 0 | 749 | 0 | 749 | 0 |
| 12 | | ASPEN | 1,351 | 62,288 | 7.80 | 10,538 | 0 | 6.2 | 0 | 0 | 0 | 0 | 0 |
| 13 | | ASPEN | 96 | 4,256 | 7.80 | 749 | 0 | 0.4 | 0 | 0 | 0 | 0 | 0 |
| 14 | | ASPEN | 2,764 | 124,798 | 7.80 | 21,559 | 0 | 12.7 | 0 | 0 | 0 | 21,559 | 0 |
| 15 ASPEN | | | | | | | | | | | | | |
| 16 SODIUM VAPOR: | | | | | | | | | | | | | |
| 16 | | RECTILINEAR | 601 | 55,327 | 11.00 | 6,511 | 0 | 3.9 | 0 | 0 | 0 | 6,611 | 0 |
| 17 | | RECTILINEAR | 24 | 3,918 | 14.48 | 348 | 0 | 0.2 | 0 | 0 | 0 | 348 | 0 |
| 18 | | RECTILINEAR | 0 | 0 | 14.48 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| 19 50,000 LUMEN (SETBACK) | | | | | | | | | | | | | |
| 20 METAL HALIDE: | | | | | | | | | | | | | |
| 20 | | RECTILINEAR | 1,804 | 135,201 | 7.00 | 12,628 | 0 | 7.4 | 0 | 0 | 0 | 12,628 | 0 |
| 21 | | RECTILINEAR | 0 | 0 | 7.03 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| 22 | | RECTILINEAR | 182 | 13,256 | 7.03 | 1,279 | 0 | 0.8 | 0 | 0 | 0 | 1,279 | 0 |
| 23 | | RECTILINEAR | 0 | 0 | 7.03 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| 24 TOTAL RATE SE | | | | | | | | | | | | | |
| | | | | 22,787 | 1,372,838 | 170,071 | 0 | 100.0 | 0 | 170,071 | 0 | 170,071 | 0 |

(1) THESE FIGURES REPRESENT NUMBER OF UNITS BILLED.
(2) REFLECTS FUEL ADJUSTMENT COMPONENT (FAC) OF (\$0.002525) PER KWH.
(3) REFLECTS FUEL COST RECOVERY INCLUDED IN BASE RATES OF \$0.019091 PER KWH.

Before

KENTUCKY PUBLIC SERVICE COMMISSION

ELECTRIC CASE NO. 2006-00172

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY KENTUCKY
FOR AUTHORITY TO INCREASE
ITS RATES FOR ELECTRIC SERVICE TO ALL
JURISDICTIONAL CONSUMERS

WORK PAPERS

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DATA: "X" BASE PERIOD FORECASTED PERIOD
 CALCULATION OF JURISDICTIONAL CAPITALIZATION

WPA-1a
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| Line No. | Description | Capitalization | |
|----------|--|------------------|--------------------|
| | | Total | Electric |
| 1 | Total Base Period Capitalization | (1) 687,149,443 | |
| 2 | | | |
| 3 | Less: Non-jurisdictional gas | (2) 1,012,570 | |
| 4 | Non-jurisdictional electric | (2) 77,841 | |
| 5 | Non-jurisdictional - Other | (2) (61,175,935) | |
| 6 | | | |
| 7 | Jurisdictional Capitalization | 747,234,967 | |
| 8 | | | |
| 9 | Electric Jurisdictional Rate Base Allocation % | (2) 75.569% | 564,677,992 |
| 10 | | | |
| 11 | Plus: Jurisdictional Electric ITC | (3) | <u>826,173</u> |
| 12 | | | |
| 13 | Total Allocated Capitalization | | <u>565,504,165</u> |

↑
To Sch. A

Notes:
 (1) Schedule J-1, page 1.
 (2) WPA-1b.
 (3) Schedule B-6, page 1.

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 TO DETERMINE THE BASE PERIOD RATIO OF KENTUCKY JURISDICTIONAL ELECTRIC OPERATIONS
 TO JURISDICTIONAL TOTAL COMPANY OPERATIONS
 DATA: "X" BASE PERIOD FORECASTED PERIOD

WPA-1b
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| Line No. | Description | Schedule Reference | Total Company | Gas Excl. of Facil Dev. to Other Than UH&P Custs. | Gas Non-Juris. | Elec Excl. of Facil Dev. to Other Than UH&P Custs. | Electric Non-Juris. | Non-Jurisdictional |
|----------|---|--------------------|---------------|---|----------------|--|---------------------|--------------------|
| 1 | Total Utility Plant in Service (Accts 101 & 106) | Sch B-2 | 1,398,740,464 | 297,207,000 | 0 | 1,082,918,000 | 0 | 18,615,464 |
| 2 | | | | | | | | |
| 3 | Additions: | | | | | | | |
| 4 | Construction Work in Progress (Account 107) | Sch B-4 | 24,539,000 | 5,192,000 | 0 | 19,347,000 | 0 | 0 |
| 5 | Fuel Inventory | Sch B-5 | 10,079,517 | 0 | 0 | 10,079,517 | 0 | 0 |
| 6 | | | | | | | | |
| 7 | Materials & Supplies - | | | | | | | |
| 8 | Propane Inventory (Account 151) (A) | WPB-5.1b | 1,824,189 | 638,466 | 1,185,723 | 0 | 0 | 0 |
| 9 | Other Material and Supplies (Accts. 154 & 163) (A) | WPB-5.1c | 8,673,545 | 164,669 | 0 | 8,508,876 | 0 | 0 |
| 10 | Total Materials & Supplies | | 10,497,734 | 803,135 | 1,185,723 | 8,508,876 | 0 | 0 |
| 11 | | | | | | | | |
| 12 | Gas Stored Underground (Account 164) (A) | WPB-5.1g | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | | | | | | | | |
| 14 | Prepayments (Account 165) (A) | WPB-5.1e | 5,618,323 | 0 | 450,112 | 5,090,370 | 77,841 | 0 |
| 15 | | | | | | | | |
| 16 | Emission Allowances (Account 158) (A) | WPB-5.1j | 7,217,068 | 0 | 0 | 7,217,068 | 0 | 0 |
| 17 | | | | | | | | |
| 18 | Cash Working Capital Allowance | WPB-5.1a | 12,928,844 | 2,687,674 | 0 | 10,241,170 | 0 | 0 |
| 19 | | | | | | | | |
| 20 | Other Rate Base Items | Sch B-6 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 | Total Additions | | 70,880,486 | 8,682,809 | 1,635,835 | 60,484,001 | 77,841 | 0 |
| 22 | | | | | | | | |
| 23 | Deductions: | | | | | | | |
| 24 | Reserve for Accumulated Depreciation (Acct 108) | Sch B-3 | 620,985,095 | 91,344,000 | 0 | 522,371,000 | 0 | 7,270,095 |
| 25 | | | | | | | | |
| 26 | Accum. Deferred Income Taxes (Accts 190, 282, & 283) | Sch B-6 | 140,656,797 | 26,897,444 (B) | 622,602 (C) | 40,615,447 | 0 | 72,521,304 |
| 27 | | | | | | | | |
| 28 | Customer Advances for Construction (Account 252) | Sch B-6 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | | | | | | | | |
| 30 | Investment Tax Credits - 3% | WPB-6a | 0 | (663) | 663 (C) | 0 | 0 | 0 |
| 31 | Total Deductions | | 761,641,892 | 118,240,781 | 623,265 | 562,986,447 | 0 | 79,791,399 |
| 32 | | | | | | | | |
| 33 | Net Original Cost Rate Base | | 707,979,058 | 187,649,028 | 1,012,570 | 580,415,554 | 77,841 | (61,175,935) |
| 34 | | | | | | | | |
| 35 | Jurisdictional Rate Base Ratio | | 100.000% | 26.505% | 0.143% | 81.982% | 0.011% | -8.641% |
| 36 | | | | | | | | |
| 37 | Jurisdictional Rate Base Ratio - Excluding Non-Jurisdictional | | 100.000% | 24.431% | | 75.569% | | |
| 38 | | | | | | | | |

Notes:
 (A) Based on thirteen month average.
 (B) Does not include Unrecovered Purchased Gas Cost per Commission precedent and adjusted for non-jurisdictional gas plant.
 (C) WPB-6c.

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
DATA: BASE PERIOD "X" FORECASTED PERIOD
CALCULATION OF JURISDICTIONAL CAPITALIZATION

WPA-1c
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Description | Capitalization | |
|-------------|---|------------------|--------------------|
| | | Total | Electric |
| 1 | Total Forecasted Period Capitalization | (1) 678,813,216 | |
| 2 | | | |
| 3 | Less: Non-jurisdictional gas plant | (2) 748,011 | |
| 4 | Non-jurisdictional electric plant | (2) 109,345 | |
| 5 | Non-jurisdictional - Other | (2) (61,154,665) | |
| 6 | | | |
| 7 | Jurisdictional Capitalization | 739,110,525 | |
| 8 | | | |
| 9 | Electric Jurisdictional Rate Base Allocation % | (2) 74.439% | 550,186,484 |
| 10 | | | |
| 11 | Plus: Jurisdictional Electric ITC | (3) | 699,033 |
| 12 | | | |
| 13 | Plus: Increase in Capitalization from AMI Project | (4) | <u>6,195,185</u> |
| 14 | | | |
| 15 | Total Allocated Capitalization | | <u>557,080,702</u> |

↑
To Sch. A

Notes:

- (1) Schedule J-1, page 2.
- (2) WPA-1d.
- (3) Schedule B-6, page 2.
- (4) See WDW-4.

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
TO DETERMINE THE FORECASTED PERIOD RATIO OF KENTUCKY JURISDICTIONAL ELECTRIC OPERATIONS
TO JURISDICTIONAL TOTAL COMPANY OPERATIONS
DATA: BASE PERIOD "X" FORECASTED PERIOD

WPA-1d
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Description | Schedule Reference | Total Company | Gas Excl. of Facil Dev. to Other Than U/LH&P Custs. | Gas Non-Juris. | Elec Excl. of Facil Dev. to Other Than U/LH&P Custs. | Electric Non-Juris. | Non-Jurisdictional |
|----------|---|--------------------|---------------|---|----------------|--|---------------------|--------------------|
| 1 | Total Utility Plant in Service (Accts 101 & 106) | Sch B-2 | 1,461,287,731 | 314,376,588 | 0 | 1,122,822,000 | 0 | 24,089,143 |
| 2 | Additions: | | | | | | | |
| 3 | Construction Work in Progress (Account 107) | Sch B-4 | 14,793,272 | 10,530,272 | 0 | 4,263,000 | 0 | 0 |
| 4 | Fuel Inventory | Sch B-5 | 8,873,933 | 0 | 0 | 8,873,933 | 0 | 0 |
| 5 | Materials & Supplies - Prepare Inventory (Account 151) (A) | WPB-5.1b | 1,850,000 | 647,500 | 1,202,500 | 0 | 0 | 0 |
| 6 | Other Material and Supplies (Accts. 154 & 163) (A) | WPB-5.1c | 8,640,274 | 172,385 | 1,202,500 | 8,467,889 | 0 | 0 |
| 7 | Total Materials & Supplies | | 10,490,274 | 819,885 | 0 | 8,467,889 | 0 | 0 |
| 8 | Gas Stored Underground (Account 164) (A) | WPB-5.1g | 6,557,000 | 6,557,000 | 0 | 0 | 109,345 | 0 |
| 9 | Prepayments (Account 165) (A) | WPB-5.1e | 7,016,126 | 0 | 207,212 | 6,808,914 | 0 | 0 |
| 10 | Emission Allowances (Account 159) (A) | WPB-5.1j | 5,919,968 | 0 | 0 | 5,919,968 | 0 | 0 |
| 11 | Cash Working Capital Allowance | WPB-5.1a | 16,351,200 | 2,388,409 | 0 | 13,962,791 | 0 | 0 |
| 12 | Other Rate Base Items | Sch B-6 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Total Additions | | 70,001,773 | 20,295,566 | 1,409,712 | 48,187,150 | 109,345 | 0 |
| 14 | Deductions: | | | | | | | |
| 15 | Reserve for Accumulated Depreciation (Acct 108) | Sch B-3 | 652,413,866 | 103,799,241 | 0 | 539,866,000 | 0 | 8,748,625 |
| 16 | Accum. Deferred Income Taxes (Accts 190, 282, & 283) | Sch B-6 | 142,557,580 | 25,395,313 (C) | 661,161 (D) | 40,005,923 | 0 | 76,495,183 |
| 17 | Customer Advances for Construction (Account 252) | Sch B-6 | 2,468,711 | 2,468,711 | 0 | 0 | 0 | 0 |
| 18 | Investment Tax Credits - 3% | WPB-6b | 25,582 | 25,042 | 540 (D) | 0 | 0 | 0 |
| 19 | Total Deductions | | 797,465,739 | 131,688,307 | 661,701 | 579,871,923 | 0 | 89,243,808 |
| 20 | Net Original Cost Rate Base | | 733,823,765 | 202,983,847 | 748,011 | 591,137,227 | 109,345 | (61,154,665) |
| 21 | Jurisdictional Rate Base Ratio | | 100.000% | 27.661% | 0.102% | 80.556% | 0.015% | -8.334% |
| 22 | Jurisdictional Rate Base Ratio - Excluding Non-Jurisdictional | | 100.000% | 25.561% | | 74.439% | | |

Notes:
(A) Based on thirteen month average.
(B) Does not include depreciation annualization adjustment per Commission precedent.
(C) Does not include Unrecovered Purchased Gas Cost per Commission precedent and adjusted for non-jurisdictional gas plant.
(D) WPB-6d

NO CHANGE

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
COMMON FACILITIES NO LONGER USED AND USEFUL
AS OF DECEMBER 31, 2007

WPB-3.1a
WITNESS RESPONSIBLE:
C. J. COUNCIL

| Line No. | Account Number | Title | Plant in Service 3/06 | Accum Reserve 3/06 | Additions 4/06 - 12/07 | Original Cost Jan - Dec 07 | Depreciation Rate | Monthly Depr. Expense |
|----------|----------------|-----------------------------|--------------------------|-----------------------|---------------------------|-------------------------------|----------------------|--------------------------|
| 1 | 1890 | Land and Land Rights | 1,035,615.31 | - | N/A | 1,035,615.31 | 0.00% | - |
| 2 | 1900 | Structures and Improvements | 4,438,063.97 | 1,757,011.31 | N/A | 4,438,063.97 | 3.97% | 14,682.59 |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ACCUMULATED RESERVE
13 MONTH AVERAGE

WPB-3-1b
WITNESS RESPONSIBLE
C. J. COUNCIL

NO CHANGE

| Line No. | Month | Steam Production | | Other Production | | Electric Transmission | | Common |
|----------|------------------|-------------------|------------|-------------------|------------|-----------------------|------------|-------------|
| | | Accum Reserve (1) | Adjustment | Accum Reserve (1) | Adjustment | Accum Reserve (1) | Adjustment | |
| 1 | Dec-06 | 269,626,103 | | 123,443,937 | | 9,932,123 | | 9,932,123 |
| 2 | Jan-07 | 270,650,534 | | 123,988,704 | | 9,993,360 | | 9,993,360 |
| 3 | Feb-07 | 271,677,303 | | 124,534,559 | | 10,052,972 | | 10,052,972 |
| 4 | Mar-07 | 272,704,153 | | 125,080,421 | | 10,109,576 | | 10,109,576 |
| 5 | Apr-07 | 273,731,081 | | 125,626,288 | | 10,167,826 | | 10,167,826 |
| 6 | May-07 | 274,567,588 | | 126,172,161 | | 10,226,135 | | 10,226,135 |
| 7 | Jun-07 | 275,162,174 | | 126,718,039 | | 10,269,600 | | 10,269,600 |
| 8 | Jul-07 | 276,192,729 | | 127,263,922 | | 10,320,171 | | 10,320,171 |
| 9 | Aug-07 | 277,213,506 | | 127,809,810 | | 10,381,700 | | 10,381,700 |
| 10 | Sep-07 | 278,079,601 | | 128,355,703 | | 10,441,703 | | 10,441,703 |
| 11 | Oct-07 | 279,030,020 | | 128,901,601 | | 10,501,753 | | 10,501,753 |
| 12 | Nov-07 | 279,784,072 | | 129,436,218 | | 10,561,328 | | 10,561,328 |
| 13 | Dec-07 | 280,311,852 | | 129,982,203 | | 10,550,598 | | 10,550,598 |
| 14 | Total | 3,578,750,716 | 0 | 1,647,313,585 | 0 | 133,508,843 | 0 | 133,508,843 |
| 15 | 13 Month Average | 275,288,517 | 0 | 126,716,428 | 0 | 10,269,911 | 0 | 10,269,911 |
| 16 | RWIP | (102,239) | 0 | 0 | 0 | 67,378 | 0 | 67,378 |
| 17 | Avg, less RWIP | 275,390,756 | 0 | 126,716,428 | 0 | 10,202,533 | 0 | 10,202,533 |
| 18 | | | | | | | | |
| 19 | | | | | | | | |
| 20 | | | | | | | | |
| 21 | | | | | | | | |
| 22 | | | | | | | | |
| 23 | | | | | | | | |
| 24 | Dec-06 | 113,446,819 | | 1,648,017 | | 13,943,220 | 1,889,155 | 12,054,065 |
| 25 | Jan-07 | 114,056,058 | | 1,677,072 | | 14,213,210 | 1,903,837 | 12,309,373 |
| 26 | Feb-07 | 114,685,852 | | 1,706,347 | | 14,483,229 | 1,918,520 | 12,564,709 |
| 27 | Mar-07 | 115,298,381 | | 1,735,840 | | 14,752,542 | 1,933,202 | 12,819,340 |
| 28 | Apr-07 | 115,903,629 | | 1,765,553 | | 15,024,307 | 1,947,885 | 13,076,422 |
| 29 | May-07 | 116,529,037 | | 1,795,484 | | 15,296,404 | 1,962,568 | 13,333,837 |
| 30 | Jun-07 | 117,025,635 | | 1,825,634 | | 15,569,261 | 1,977,250 | 13,592,011 |
| 31 | Jul-07 | 117,644,404 | | 1,856,003 | | 15,842,543 | 1,991,933 | 13,850,611 |
| 32 | Aug-07 | 118,261,949 | | 1,886,934 | | 16,116,196 | 2,006,615 | 14,109,581 |
| 33 | Sep-07 | 118,883,263 | | 1,918,083 | | 16,392,152 | 2,021,298 | 14,370,855 |
| 34 | Oct-07 | 119,513,736 | | 1,949,984 | | 16,664,795 | 2,035,981 | 14,628,815 |
| 35 | Nov-07 | 120,148,779 | | 1,982,104 | | 16,935,553 | 2,050,663 | 14,884,890 |
| 36 | Dec-07 | 120,690,159 | | 2,015,454 | | 17,255,271 | 2,065,346 | 15,189,926 |
| 37 | Total | 1,522,087,700 | 0 | 23,762,509 | 0 | 202,488,684 | 25,704,252 | 176,784,432 |
| 38 | | | | | | | | |
| 39 | 13 Month Average | 117,083,669 | 0 | 1,827,885 | 0 | 15,576,053 | 1,977,250 | 13,598,802 |
| 40 | RWIP | 1,581,000 | 0 | 0 | 0 | 122,000 | 0 | 122,000 |
| 41 | Avg, less RWIP | 115,502,669 | 0 | 1,827,885 | 0 | 15,454,053 | 1,977,250 | 13,476,802 |
| 42 | | | | | | | | |

(1) For RWIP subtract \$121,952.59 for common, (\$102,239.13) for production, \$1,581,000.00 for distribution and \$67,378.09 for transmission

To Sch. B-3.1

| LINE NO. | DESCRIPTION | WORK PAPER REFERENCE | JURISDICTIONAL BASE PERIOD | JURISDICTIONAL FORECASTED PERIOD |
|----------|--|----------------------|----------------------------|----------------------------------|
| 1 | Electric Cash Working Capital | | 210,694,033 | 111,702,325 |
| 2 | Total Jurisdictional O & M Expense | Sch C-2 | 128,764,673 | 0 |
| 3 | Less: Fuel and Purchased Power Expense | Sch C-2 | 81,929,360 | 111,702,325 |
| 4 | Net Operation & Maintenance Expense | | 10,241,170 | 13,962,791 |
| 5 | Cash Working Capital | | 21,501,389 | 19,107,272 |
| 6 | 1/8 of Net Operation & Maintenance Expense | To Sch B-5.1 <--- | 2,687,674 | 2,388,409 |
| 7 | Gas Cash Working Capital | | 21,501,389 | 19,107,272 |
| 8 | Total Jurisdictional O & M Expense | Company Records | 21,501,389 | 19,107,272 |
| 9 | Less: Purchased Gas Cost | Company Records | 0 | 0 |
| 10 | Net Operation & Maintenance Expense | | 21,501,389 | 19,107,272 |
| 11 | Cash Working Capital | | 2,687,674 | 2,388,409 |
| 12 | 1/8 of Net Operation & Maintenance Expense | | 2,687,674 | 2,388,409 |

WPB-5.1a
WITNESS RESPONSIBLE:
W. D. WATHEN

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 THIRTEEN MONTH AVERAGE BALANCE GAS ENRICHER LIQUIDS
 FOR THE BASE PERIOD AND THE FORECASTED PERIOD

WPB-5.1b
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| LINE NO. | MONTH | ACCT 151750 AMOUNT (A) \$ | ALLOC. (B) % | ALLOCATED AMOUNT | |
|----------|--------------------------------------|---------------------------------|-----------------|---------------------|--------------------|
| 1 | Base Period | | | | |
| 2 | September 2005 | 1,859,053 | 35.00% | 650,669 | |
| 3 | October | 1,859,053 | 35.00% | 650,669 | |
| 4 | November | 1,851,696 | 35.00% | 648,094 | |
| 5 | December | 1,841,070 | 35.00% | 644,375 | |
| 6 | January 2006 | 1,839,225 | 35.00% | 643,729 | |
| 7 | February | 1,824,189 | 35.00% | 638,466 | |
| 8 | March | 1,824,189 | 35.00% | 638,466 | |
| 9 | April | 1,824,189 | 35.00% | 638,466 | |
| 10 | May | 1,824,189 | 35.00% | 638,466 | |
| 11 | June | 1,824,189 | 35.00% | 638,466 | |
| 12 | July | 1,824,189 | 35.00% | 638,466 | |
| 13 | August | 1,824,189 | 35.00% | 638,466 | --> To Sch. WPA-1b |
| 14 | | | | | |
| 15 | Forecasted Period | | | | |
| 16 | December 2006 | 1,850,000 | 35.00% | 647,500 | |
| 17 | January 2007 | 1,850,000 | 35.00% | 647,500 | |
| 18 | February | 1,850,000 | 35.00% | 647,500 | |
| 19 | March | 1,850,000 | 35.00% | 647,500 | |
| 20 | April | 1,850,000 | 35.00% | 647,500 | |
| 21 | May | 1,850,000 | 35.00% | 647,500 | |
| 22 | June | 1,850,000 | 35.00% | 647,500 | |
| 23 | July | 1,850,000 | 35.00% | 647,500 | |
| 24 | August | 1,850,000 | 35.00% | 647,500 | |
| 25 | September | 1,850,000 | 35.00% | 647,500 | |
| 26 | October | 1,850,000 | 35.00% | 647,500 | |
| 27 | November | 1,850,000 | 35.00% | 647,500 | |
| 28 | December | 1,850,000 | 35.00% | 647,500 | |
| 29 | Total | <u>24,050,000</u> | | <u>8,417,500</u> | |
| 30 | | | | | |
| 31 | 13 Month Average - Forecasted Period | <u>1,850,000</u> | | <u>647,500</u> | --> To Sch. WPA-1d |

(A) Source: Company Records
 (B) Percent Applicable to Kentucky Customers.

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DETAIL OF MATERIALS AND SUPPLIES
 THIRTEEN MONTHS ENDED SEPTEMBER 30, 2000

WPB-5.1c
 WITNESS: RESPONSIBLE:
 W. D. WATHEN

| LINE NO. | ACCOUNT NO. and DESCRIPTION | ULH&P | | ALLOCATED TO ELEC DEPT | | ALLOCATED TO JURISDICTION | | |
|----------|---|------------------|-------------|------------------------|------------|---------------------------|------------------|--|
| | | INVENTORY (A) | % | AMOUNT | ALLOC CODE | % | AMOUNT | |
| | | \$ | | \$ | | | \$ | |
| 1 | <u>Base Period - Ending Balance</u> | | | | | | | |
| 2 | 154090 Pit Materials & Supplies - Gas | 140,040 | 0.00% | 0 | DALL | 100.000 | 0 | |
| 3 | 154100 Pit Materials & Supplies - Com | 15,948 | 58.73% (B) | 9,366 | DALL | 100.000 | 9,366 | |
| 4 | 154110 Pit Materials & Supplies - Elec | 158,358 | 100.00% (C) | 158,358 | DALL | 100.000 | 158,358 | |
| 5 | 154170 M&S East Bend Lime | 695,792 | 100.00% (C) | 695,792 | DALL | 100.000 | 695,792 | |
| 6 | 154300 M&S Fuels and Misc | 47,579 | 58.73% (B) | 27,943 | DALL | 100.000 | 27,943 | |
| 7 | 154410 Minor Material | 36,017 | 100.00% (C) | 36,017 | DALL | 100.000 | 36,017 | |
| 8 | 154550 Gas Turbines | 391,292 | 100.00% (C) | 391,292 | DALL | 100.000 | 391,292 | |
| 9 | 154620 Plant M&S - Common CBU | 228,963 | 100.00% (C) | 228,963 | DALL | 100.000 | 228,963 | |
| 10 | 154630 Plant M&S - Electric CBU | 9,102,486 | 100.00% (C) | 9,102,486 | DALL | 100.000 | 9,102,486 | |
| 11 | 154640 M&S Fuels and Misc - CBU | 6,834 | 100.00% (C) | 6,834 | DALL | 100.000 | 6,834 | |
| 12 | 154740 Miami Fort Mechanical & Elec | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 13 | 154760 Miami Fort Coal Yard | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 14 | 154770 M&S East Bend - DPL | (2,198,919) | 100.00% (C) | (2,198,919) | DALL | 100.000 | (2,198,919) | |
| 15 | 154900 FOB Ship Point | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 16 | 154990 Reserve for Loss on Parts | (310,940) | 100.00% (C) | (310,940) | DALL | 100.000 | (310,940) | |
| 17 | | 8,313,450 | | 8,147,192 | | | 8,147,192 | |
| 18 | 163000 Stores Expense - Non Production | (79,472) | 98.00% (D) | (77,883) | DALL | 100.000 | (77,883) | |
| 19 | 163300 Stores Expense - Other Production | 439,567 | 100.00% (C) | 439,567 | DALL | 100.000 | 439,567 | |
| 20 | Total | <u>8,673,545</u> | | <u>8,508,876</u> | | | <u>8,508,876</u> | |
| 21 | | | | | | | | |
| 22 | <u>Forecasted Period - 13 Month Average Balance</u> | | | | | | | |
| 23 | | | | | | | | |
| 24 | 154090 Pit Materials & Supplies - Gas | 143,876 | 0.00% | 0 | DALL | 100.000 | 0 | |
| 25 | 154100 Pit Materials & Supplies - Com | 16,188 | 58.48% (B) | 9,467 | DALL | 100.000 | 9,467 | |
| 26 | 154110 Pit Materials & Supplies - Elec | 145,380 | 100.00% (C) | 145,380 | DALL | 100.000 | 145,380 | |
| 27 | 154170 M&S East Bend Lime | 604,378 | 100.00% (C) | 604,378 | DALL | 100.000 | 604,378 | |
| 28 | 154300 M&S Fuels and Misc | 52,761 | 58.48% (B) | 30,855 | DALL | 100.000 | 30,855 | |
| 29 | 154410 Minor Material | 51,896 | 100.00% (C) | 51,896 | DALL | 100.000 | 51,896 | |
| 30 | 154550 Gas Turbines | 389,935 | 100.00% (C) | 389,935 | DALL | 100.000 | 389,935 | |
| 31 | 154620 Plant M&S - Common CBU | 235,209 | 100.00% (C) | 235,209 | DALL | 100.000 | 235,209 | |
| 32 | 154630 Plant M&S - Electric CBU | 8,864,225 | 100.00% (C) | 8,864,225 | DALL | 100.000 | 8,864,225 | |
| 33 | 154640 M&S Fuels and Misc - CBU | 7,732 | 100.00% (C) | 7,732 | DALL | 100.000 | 7,732 | |
| 34 | 154740 Miami Fort Mechanical & Elec | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 35 | 154760 Miami Fort Coal Yard | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 36 | 154770 M&S East Bend - DPL | (2,096,902) | 100.00% (C) | (2,096,902) | DALL | 100.000 | (2,096,902) | |
| 37 | 154900 FOB Ship Point | 5,373 | 100.00% (C) | 5,373 | DALL | 100.000 | 5,373 | |
| 38 | 154990 Reserve for Loss on Parts | (213,729) | 100.00% (C) | (213,729) | DALL | 100.000 | (213,729) | |
| 39 | | 8,206,322 | | 8,033,819 | | | 8,033,819 | |
| 40 | 163000 Stores Expense - Non Production | (5,615) | 97.90% (D) | (5,497) | DALL | 100.000 | (5,497) | |
| 41 | 163300 Stores Expense - Other Production | 439,567 | 100.00% (C) | 439,567 | DALL | 100.000 | 439,567 | |
| 42 | Total | <u>8,640,274</u> | | <u>8,467,889</u> | | | <u>8,467,889</u> | |
| 43 | | | | | | | | |
| 44 | | | | | | | | |
| 45 | | | | | | | | |
| 46 | | | | | | | | |
| 47 | 154090 Pit Materials & Supplies - Gas | 143,876 | 0.00% | 0 | DALL | 100.000 | 0 | |
| 48 | 154100 Pit Materials & Supplies - Com | 16,188 | 58.48% (B) | 9,467 | DALL | 100.000 | 9,467 | |
| 49 | 154110 Pit Materials & Supplies - Elec | 145,380 | 100.00% (C) | 145,380 | DALL | 100.000 | 145,380 | |
| 50 | 154170 M&S East Bend Lime | 604,378 | 100.00% (C) | 604,378 | DALL | 100.000 | 604,378 | |
| 51 | 154300 M&S Fuels and Misc | 52,761 | 58.48% (B) | 30,855 | DALL | 100.000 | 30,855 | |
| 52 | 154410 Minor Material | 51,896 | 100.00% (C) | 51,896 | DALL | 100.000 | 51,896 | |
| 53 | 154550 Gas Turbines | 389,935 | 100.00% (C) | 389,935 | DALL | 100.000 | 389,935 | |
| 54 | 154620 Plant M&S - Common CBU | 235,209 | 100.00% (C) | 235,209 | DALL | 100.000 | 235,209 | |
| 55 | 154630 Plant M&S - Electric CBU | 8,864,225 | 100.00% (C) | 8,864,225 | DALL | 100.000 | 8,864,225 | |
| 56 | 154640 M&S Fuels and Misc - CBU | 7,732 | 100.00% (C) | 7,732 | DALL | 100.000 | 7,732 | |
| 57 | 154740 Miami Fort Mechanical & Elec | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 58 | 154760 Miami Fort Coal Yard | 0 | 100.00% (C) | 0 | DALL | 100.000 | 0 | |
| 59 | 154770 M&S East Bend - DPL | (2,096,902) | 100.00% (C) | (2,096,902) | DALL | 100.000 | (2,096,902) | |
| 60 | 154900 FOB Ship Point | 5,373 | 100.00% (C) | 5,373 | DALL | 100.000 | 5,373 | |
| 61 | 154990 Reserve for Loss on Parts | (213,729) | 100.00% (C) | (213,729) | DALL | 100.000 | (213,729) | |
| 62 | | 8,206,322 | | 8,033,819 | | | 8,033,819 | |
| 63 | 163000 Stores Expense - Non Production | (5,615) | 97.90% (D) | (5,497) | DALL | 100.000 | (5,497) | |
| 64 | 163300 Stores Expense - Other Production | 439,567 | 100.00% (C) | 439,567 | DALL | 100.000 | 439,567 | |
| 65 | Total | <u>8,640,274</u> | | <u>8,467,889</u> | | | <u>8,467,889</u> | |

Total Electric Production (to D-2.29) 8,230,415

Source:

- (A) WPB-5.1d
- (B) Allocated Based on Retail Customers, WPB-5.1f.
- (C) 100% Electric Account
- (D) Allocated Based on 13-Month Average of Other M&S Accounts (8,033,819/8,206,322=97.9%)

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DETAIL OF THIRTEEN MONTH AVERAGE OF MATERIAL & SUPPLIES
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1d
 PAGE 1 OF 2
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| LINE NO. | MONTH | ACCOUNT 154090 (A) | ACCOUNT 154100 (A) | ACCOUNT 154110 (A) | ACCOUNT 154170 (A) | ACCOUNT 154300 (A) | ACCOUNT 154410 (A) | ACCOUNT 154550 (A) | ACCOUNT 154620 (A) |
|----------|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1 | Base Period | | | | | | | | |
| 2 | September 2005 | 142,576 | 14,082 | 141,542 | 845,023 | 47,516 | 42,351 | 390,420 | 231,806 |
| 3 | October | 144,395 | 15,110 | 146,364 | 626,410 | 54,583 | 45,934 | 390,420 | 231,806 |
| 4 | November | 142,969 | 15,059 | 138,876 | 696,633 | 51,007 | 47,482 | 390,420 | 231,806 |
| 5 | December | 140,430 | 14,770 | 144,068 | 696,633 | 49,253 | 47,634 | 390,420 | 231,806 |
| 6 | January 2006 | 143,631 | 15,672 | 143,115 | 565,314 | 66,726 | 54,281 | 389,935 | 235,209 |
| 7 | February | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 390,476 | 231,771 |
| 8 | March | 143,355 | 16,213 | 152,167 | 833,252 | 56,941 | 46,272 | 389,116 | 231,080 |
| 9 | April | 143,001 | 15,920 | 143,902 | 816,649 | 41,326 | 37,242 | 391,168 | 230,771 |
| 10 | May | 140,869 | 15,809 | 169,275 | 861,744 | 50,069 | 35,149 | 391,768 | 226,478 |
| 11 | June | 139,805 | 16,116 | 175,104 | 581,061 | 67,103 | 40,338 | 391,184 | 229,211 |
| 12 | July | 131,539 | 15,092 | 159,381 | 583,316 | 50,505 | 38,957 | 391,292 | 228,963 |
| 13 | August | 140,040 | 15,948 | 158,358 | 695,792 | 47,579 | 36,017 | | |
| 14 | | | | | | | | | |
| 15 | Forecasted Period | | | | | | | | |
| 16 | December 2006 | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 17 | January 2007 | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 18 | February | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 19 | March | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 20 | April | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 21 | May | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 22 | June | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 23 | July | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 24 | August | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 25 | September | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 26 | October | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 27 | November | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 28 | December | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 29 | Total | 1,870,388 | 210,444 | 1,889,940 | 7,856,914 | 685,893 | 674,648 | 5,069,155 | 3,057,717 |
| 30 | Thirteen Month Average Balance | 143,876 | 16,188 | 145,380 | 604,378 | 52,761 | 51,896 | 389,935 | 235,209 |
| 31 | | | | | | | | | |

(A) Company Records

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
DETAIL OF THIRTEEN MONTH AVERAGE OF MATERIAL & SUPPLIES
BASE PERIOD AND FORECASTED PERIOD

WPB-5.1d
PAGE 2 OF 2
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | MONTH | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT | ACCOUNT |
|----------|--------------------------------|-------------|------------|------------|------------|--------------|------------|-------------|------------|------------|---------|
| | | 154630 (A) | 154640 (A) | 154740 (A) | 154760 (A) | 154770 (A) | 154900 (A) | 154990 (A) | 163000 (A) | 163300 (A) | |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| 1 | Base Period | | | | | | | | | | |
| 2 | September 2005 | 8,863,709 | 7,993 | 0 | 0 | (2,211,816) | 5,090 | (195,587) | (66,974) | 0 | |
| 3 | October | 8,863,709 | 7,993 | 0 | 0 | (2,139,328) | 5,090 | (195,587) | (73,574) | 0 | |
| 4 | November | 8,863,709 | 7,993 | 0 | 0 | (2,117,651) | 5,090 | (195,587) | (63,698) | 0 | |
| 5 | December | 8,863,709 | 7,993 | 0 | 0 | (2,117,651) | 5,090 | (195,587) | 20,743 | 0 | |
| 6 | January 2006 | 8,863,709 | 7,993 | 0 | 0 | (2,083,307) | 5,090 | (195,587) | 16,245 | 439,567 | |
| 7 | February | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 8 | March | 8,864,225 | 7,732 | 0 | 0 | (2,203,512) | 0 | (229,931) | (28,149) | 439,567 | |
| 9 | April | 8,947,320 | 8,248 | 0 | 0 | (2,183,834) | 2,666 | (246,133) | (34,140) | 439,567 | |
| 10 | May | 8,916,255 | 8,419 | 0 | 0 | (2,203,681) | 1,720 | (262,335) | (51,550) | 439,567 | |
| 11 | June | 9,024,325 | 6,401 | 0 | 0 | (2,138,340) | 102 | (278,536) | (80,144) | 439,567 | |
| 12 | July | 9,097,385 | 7,120 | 0 | 0 | (2,162,649) | 1,467 | (294,736) | (77,909) | 439,567 | |
| 13 | August | 9,102,486 | 6,834 | 0 | 0 | (2,198,919) | 0 | (310,940) | (79,472) | 439,567 | |
| 14 | | | | | | | | | | | |
| 15 | Forecasted Period | | | | | | | | | | |
| 16 | December 2006 | 8,864,225 | 7,732 | -0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 17 | January 2007 | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 18 | February | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 19 | March | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 20 | April | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 21 | May | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 22 | June | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 23 | July | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 24 | August | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 25 | September | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 26 | October | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 27 | November | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 28 | December | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |
| 29 | Total | 115,234,925 | 100,516 | 0 | 0 | (27,259,726) | 69,849 | (2,778,477) | (72,995) | 5,714,371 | |
| 30 | | | | | | | | | | | |
| 31 | Thirteen Month Average Balance | 8,864,225 | 7,732 | 0 | 0 | (2,096,902) | 5,373 | (213,729) | (5,615) | 439,567 | |

(A) Company Records

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 PREPAYMENTS
 BASE PERIOD AND FORECAST PERIOD

WPB-5 1e
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| LINE NO. | DESCRIPTION | TOTAL COMPANY (1) | ALLOC. TO ELEC DEPT. % | AMOUNT | JURIS. ALLOCATION CODE | % | JURISDIC AMOUNT |
|----------|---|-------------------|------------------------|------------------|------------------------|---------|------------------|
| 1 | <u>Base Period - Ending Balance</u> | | | | | | |
| 2 | KPSC Maintenance Tax | 527,953 | 0.00% (2) | 0 | DALL | 100.000 | 0 |
| 3 | Margin Deposits | 1,032,654 | 100.00% | 1,032,654 | DALL | 100.000 | 1,032,654 |
| 4 | Coal | 1,118,589 | 100.00% | 1,118,589 | DALL | 100.000 | 1,118,589 |
| 5 | Tyrone Synfuel | 2,150,825 | 100.00% | 2,150,825 | DALL | 100.000 | 2,150,825 |
| 6 | Insurance | <u>788,302</u> | 100.00% | <u>788,302</u> | DALL | 100.000 | <u>788,302</u> |
| 7 | Total | <u>5,618,323</u> | | <u>5,090,370</u> | | | <u>5,090,370</u> |
| 8 | | | | | | | |
| 9 | <u>Forecasted Period - 13 Month Average Balance</u> | | | | | | |
| 10 | KPSC Maintenance Tax | 316,557 | 0.00% (2) | 0 | DALL | 100.000 | 0 |
| 11 | Margin Deposits | 333 | 100.00% | 333 | DALL | 100.000 | 333 |
| 12 | Coal | 2,143,780 | 100.00% | 2,143,780 | DALL | 100.000 | 2,143,780 |
| 13 | Tyrone Synfuel | 4,161,456 | 100.00% | 4,161,456 | DALL | 100.000 | 4,161,456 |
| 14 | Insurance | <u>394,000</u> | 100.00% | <u>394,000</u> | DALL | 100.000 | <u>394,000</u> |
| 15 | Total | <u>7,016,126</u> | | <u>6,699,569</u> | | | <u>6,699,569</u> |
| 16 | | | | | | | |
| 17 | <u>Forecasted Period - Ending Balance</u> | | | | | | |
| 18 | KPSC Maintenance Tax | 316,557 | 0.00% (2) | 0 | DALL | 100.000 | 0 |
| 19 | Margin Deposits | 333 | 100.00% | 333 | DALL | 100.000 | 333 |
| 20 | Coal | 2,143,780 | 100.00% | 2,143,780 | DALL | 100.000 | 2,143,780 |
| 21 | Tyrone Synfuel | 4,161,456 | 100.00% | 4,161,456 | DALL | 100.000 | 4,161,456 |
| 22 | Insurance | <u>394,000</u> | 100.00% | <u>394,000</u> | DALL | 100.000 | <u>394,000</u> |
| 23 | Total | <u>7,016,126</u> | | <u>6,699,569</u> | | | <u>6,699,569</u> |

(1) WPB-5.1h.

(2) Not allowed due to Commission precedent.

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
DEVELOPMENT OF FACTORS TO ALLOCATE
PREPAYMENTS AND MATERIALS AND SUPPLIES

WPB-5.1f
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>LINE</u> <u>NO.</u> | <u>DESCRIPTION /</u> <u>COMMON ALLOCATION</u> | | |
|---------------------------|--|------------------|----------------|
| 1 | <u>Retail Customers at August 31, 2006</u> | <u>CUSTOMERS</u> | <u>ALLOC</u> |
| 2 | Gas | 92,720 | 41.27% |
| 3 | Electric | 131,973 | 58.73% |
| 4 | Total | <u>224,693</u> | <u>100.00%</u> |
| 5 | | | |
| 6 | <u>Retail Customers at December 31, 2007</u> | <u>CUSTOMERS</u> | <u>ALLOC</u> |
| 7 | Gas | 96,184 | 41.52% |
| 8 | Electric | 135,468 | 58.48% |
| 9 | Total | <u>231,652</u> | <u>100.00%</u> |

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 NATURAL GAS STORAGE BALANCE (ACCT NO. 164110)
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1g
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| <u>LINE NO.</u> | <u>MONTH</u> | <u>AMOUNT (A)</u> |
|-----------------|--------------------------------|-------------------|
| | | \$ |
| 1 | <u>Base Period</u> | |
| 2 | September 2005 | 8,952,247 |
| 3 | October | 9,909,507 |
| 4 | November | 10,255,094 |
| 5 | December | 8,509,260 |
| 6 | January 2006 | 7,556,687 |
| 7 | February | 5,293,877 |
| 8 | March | 0 |
| 9 | April | 0 |
| 10 | May | 0 |
| 11 | June | 0 |
| 12 | July | 0 |
| 13 | August | 0 |
| 14 | | |
| 15 | <u>Forecasted Period</u> | |
| 16 | December 2006 | 6,557,000 |
| 17 | January 2007 | 6,557,000 |
| 18 | February | 6,557,000 |
| 19 | March | 6,557,000 |
| 20 | April | 6,557,000 |
| 21 | May | 6,557,000 |
| 22 | June | 6,557,000 |
| 23 | July | 6,557,000 |
| 24 | August | 6,557,000 |
| 25 | September | 6,557,000 |
| 26 | October | 6,557,000 |
| 27 | November | 6,557,000 |
| 28 | December | 6,557,000 |
| 29 | Total | <u>85,241,001</u> |
| 30 | | |
| 31 | Thirteen Month Average Balance | <u>6,557,000</u> |

↓
 To WPA-1d

(A) Company Records

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DETAIL OF THIRTEEN MONTH AVERAGE OF PREPAYMENTS
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1h
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| LINE NO. | MONTH | Prepayments 165000 (A) | Prepaid Insurance 165010 (A) | Margin Deposits 165055 (A) | Public Utility Fees 165210 (A) | Coal 165900 (A) | Tyone Syntuel 165910 (A) |
|----------|--------------------------------|---------------------------|---------------------------------|-------------------------------|-----------------------------------|--------------------|-----------------------------|
| 1 | Base Period | | | | | | |
| 2 | September 2005 | 0 | 442,825 | 0 | 440,002 | 0 | 0 |
| 3 | October | 0 | 393,825 | 0 | 391,113 | 0 | 0 |
| 4 | November | 0 | 344,825 | 0 | 342,224 | 0 | 0 |
| 5 | December | 3,910,488 | 295,825 | 0 | 293,335 | 0 | 0 |
| 6 | January 2006 | 3,910,488 | 246,825 | 75,173 | 244,446 | 1,031,549 | 4,171,288 |
| 7 | February | 2,605,992 | 49,000 | 177,151 | 195,557 | 2,359,702 | 6,424,910 |
| 8 | March | 0 | 0 | 187,853 | 146,667 | 994,920 | 5,509,724 |
| 9 | April | 0 | 0 | 269,494 | 97,778 | 1,357,830 | 4,737,770 |
| 10 | May | 0 | 1,099,659 | 713,286 | 0 | 1,177,133 | 3,523,220 |
| 11 | June | 0 | 821,835 | 917,846 | 580,748 | 1,118,871 | 1,734,473 |
| 12 | July | 0 | 788,302 | 1,032,654 | 527,953 | 1,118,589 | 2,150,825 |
| 13 | August | | | | | | |
| 14 | Forecasted Period | | | | | | |
| 15 | December 2006 | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 16 | January 2007 | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 17 | February | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 18 | March | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 19 | April | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 20 | May | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 21 | June | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 22 | July | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 23 | August | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 24 | September | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 25 | October | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 26 | November | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 27 | December | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 28 | Total | 0 | 5,122,000 | 4,329 | 4,115,241 | 27,869,140 | 54,098,928 |
| 29 | | | | | | | |
| 30 | Thirteen Month Average Balance | 0 | 394,000 | 333 | 316,557 | 2,143,780 | 4,161,456 |
| 31 | | | | | | | |

(A) Company Records

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
DETAIL OF THIRTEEN MONTH AVERAGE FUEL
BASE PERIOD AND FORECASTED PERIOD

WPB-5.11
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | MONTH | Coal | | | Oil | | Propane Woodstale 151780 (A) \$ |
|----------|--------------------------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--|
| | | Miami Fort 6 151196 (A) \$ | East Bend 151700 (A) \$ | EB - DP&L 151720 (A) \$ | East Bend 151710 (A) \$ | EB - DP&L 151730 (A) \$ | |
| 1 | Base Period | | | | | | |
| 2 | September 2005 | (B) 0 | 5,058,254 | (1,568,059) | 591,270 | (183,294) | 1,434,654 |
| 3 | October | (B) 0 | 5,027,276 | (1,558,456) | 610,263 | (189,181) | 1,276,595 |
| 4 | November | (B) 0 | 5,253,882 | (1,628,703) | 674,790 | (209,185) | 1,220,525 |
| 5 | December | (B) 0 | 5,047,012 | (1,564,574) | 771,080 | (239,035) | 2,526,224 |
| 6 | January 2006 | | 5,496,415 | (1,703,889) | 581,379 | (180,227) | 2,525,832 |
| 7 | February | | 5,657,298 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 8 | March | | 2,033,314 | (1,853,229) | 764,494 | (236,993) | 2,525,675 |
| 9 | April | | 2,051,616 | (1,853,614) | 647,022 | (200,577) | 2,525,596 |
| 10 | May | | 2,280,449 | (1,909,554) | 631,906 | (195,891) | 2,524,646 |
| 11 | June | | 2,395,148 | (1,943,467) | 598,465 | (185,524) | 2,524,574 |
| 12 | July | | 2,234,977 | (1,966,440) | 569,580 | (176,570) | 2,524,491 |
| 13 | August | | 2,234,977 | (2,012,589) | 566,003 | (175,461) | 2,524,365 |
| 14 | Forecasted Period | | | | | | |
| 15 | December 2006 | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 16 | January 2007 | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 17 | February | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 18 | March | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 19 | April | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 20 | May | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 21 | June | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 22 | July | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 23 | August | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 24 | September | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 25 | October | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 26 | November | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 27 | December | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 28 | Total | | 25,133,563 | (22,798,906) | 9,632,597 | (2,986,100) | 32,835,101 |
| 29 | Thirteen Month Average Balance | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 30 | | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |
| 31 | | | 1,933,351 | (1,753,762) | 740,969 | (229,700) | 2,525,777 |

(A) Company Records
(B) Balances prior to January 2006 were recorded on the books of Duke Energy Ohio.
Shown for comparative purposes.

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DETAIL OF THIRTEEN MONTH AVERAGE EMISSION ALLOWANCES
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1j
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| LINE NO. | MONTH | SO2 EA 158130 (A) \$ | NOx 158210 (A) \$ | Total EA Inventory \$ |
|----------|--------------------------------|----------------------------|-------------------------|-----------------------------|
| 1 | <u>Base Period</u> | | | |
| 2 | September 2005 | 0 | 0 | 0 |
| 3 | October | 0 | 0 | 0 |
| 4 | November | 0 | 0 | 0 |
| 5 | December | 0 | 0 | 0 |
| 6 | January 2006 | 742,732 | 636,271 | 1,379,003 |
| 7 | February | 4,872,197 | 1,047,771 | 5,919,968 |
| 8 | March | 5,200,627 | 951,733 | 6,152,360 |
| 9 | April | 4,266,254 | 951,733 | 5,217,987 |
| 10 | May | 4,907,536 | 853,774 | 5,761,310 |
| 11 | June | 7,704,975 | 716,440 | 8,421,415 |
| 12 | July | 7,042,948 | 711,472 | 7,754,420 |
| 13 | August | 6,785,841 | 431,227 | 7,217,068 |
| 14 | | | | |
| 15 | <u>Forecasted Period</u> | | | |
| 16 | December 2006 | 4,872,197 | 1,047,771 | 5,919,968 |
| 17 | January 2007 | 4,872,197 | 1,047,771 | 5,919,968 |
| 18 | February | 4,872,197 | 1,047,771 | 5,919,968 |
| 19 | March | 4,872,197 | 1,047,771 | 5,919,968 |
| 20 | April | 4,872,197 | 1,047,771 | 5,919,968 |
| 21 | May | 4,872,197 | 1,047,771 | 5,919,968 |
| 22 | June | 4,872,197 | 1,047,771 | 5,919,968 |
| 23 | July | 4,872,197 | 1,047,771 | 5,919,968 |
| 24 | August | 4,872,197 | 1,047,771 | 5,919,968 |
| 25 | September | 4,872,197 | 1,047,771 | 5,919,968 |
| 26 | October | 4,872,197 | 1,047,771 | 5,919,968 |
| 27 | November | 4,872,197 | 1,047,771 | 5,919,968 |
| 28 | December | 4,872,197 | 1,047,771 | 5,919,968 |
| 29 | Total | <u>63,338,561</u> | <u>13,621,023</u> | <u>76,959,584</u> |
| 30 | | | | |
| 31 | Thirteen Month Average Balance | <u>4,872,197</u> | <u>1,047,771</u> | <u>5,919,968</u> |

|
 v
 To SCH B-5.1

(A) Company Records

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
DATA: "X" BASE PERIOD FORECASTED PERIOD
END OF MONTH BALANCES

WPB-6a
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | ACCOUNT NUMBER | DESCRIPTION | AUGUST 2006 |
|----------|--------------------|--------------------------------------|---------------------|
| 1 | GAS | | |
| 2 | 252050 | Customers' Advances for Construction | <u>(2,421,919)</u> |
| 3 | | | |
| 4 | 255 | Investment Tax Credits: | |
| 5 | | 3% Credit | (31,432) |
| 6 | | 4% Credit | (64,964) |
| 7 | | 10% Credit | (1,288,711) |
| 8 | | Total Investment Tax Credits | <u>(1,385,107)</u> |
| 9 | | | |
| 10 | | Accumulated Deferred Income Taxes: | |
| 11 | 190 | Total Account 190 | 1,248,642 |
| 12 | 282 | Account 282 - Other | (46,551) |
| 13 | 282 | Liberalized Depreciation | (29,507,201) |
| 14 | 283 | Account 283 - Other | 785,064 |
| 15 | 283 | Unrecovered Purchased Gas Cost | (586,803) |
| 16 | | Total Deferred Income Taxes | <u>(28,106,849)</u> |
| 17 | | | |
| 18 | ELECTRIC | | |
| 19 | 252 | Customers' Advances for Construction | <u>0</u> |
| 20 | | | |
| 21 | 255 | Investment Tax Credits: | |
| 22 | | 3% Credit | (415) |
| 23 | | 4% Credit | (825,759) |
| 24 | | 10% Credit | (825,173) |
| 25 | | Total Investment Tax Credits | <u>(825,173)</u> |
| 26 | | | |
| 27 | | Accumulated Deferred Income Taxes: | |
| 28 | 190 | Total Account 190 | 1,660,143 |
| 29 | 282 | Account 282 - Other | (6,454,463) |
| 30 | 282 | Liberalized Depreciation | (34,647,256) |
| 31 | 283 | Total Account 283 | (1,173,871) |
| 32 | | Total Deferred Income Taxes | <u>(40,615,447)</u> |
| 33 | | | |
| 34 | NON-UTILITY | | |
| 35 | | | |
| 36 | 255 | Investment Tax Credits: | |
| 37 | | 3% Credit | (656) |
| 38 | | 4% Credit | (4,792,185) |
| 39 | | 10% Credit | (4,783,042) |
| 40 | | Total Investment Tax Credits | <u>(4,783,042)</u> |
| 41 | | | |
| 42 | | Accumulated Deferred Income Taxes: | |
| 43 | 190 | Total Account 190 | 6,845,046 |
| 44 | 282 | Account 282 - Other | (9,014,706) |
| 45 | 282 | Liberalized Depreciation | (71,010,780) |
| 46 | 283 | Total Account 283 | 659,136 |
| 47 | | Total Deferred Income Taxes | <u>(72,521,304)</u> |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172

WPB-6c
WITNESS RESPONSIBLE:
W. D. WATHEN

ELIMINATION OF DEFERRED TAX BALANCES RELATED TO
FACILITIES DEVOTED TO OTHER THAN ULH&P CUSTOMERS

DATA: "X" BASE PERIOD FORECASTED PERIOD
AS OF AUGUST 31, 2006

| LINE NO. | Description | WPB-6a | To Be | |
|----------|----------------------------|--------------|------------------|----------------------------------|
| | | | Allocation % (A) | Eliminated (Col. 1 * Col. 2) (3) |
| 1 | Investment tax Credit - 3% | (31,432) | 2.11% | (663) --> To WPA-1b |
| 2 | Liberalized Depreciation | (29,507,201) | 2.11% | (622,602) --> To WPA-1b |

(A) Ratio of Gas Plant Devoted to Other Than Duke Energy Kentucky Customers to Total Plant, per Gas Case No. 2005-00042.

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT

WPB-6d
WITNESS RESPONSIBLE:
W. D. WATHEN

CASE NO. 2006-00172
ELIMINATION OF DEFERRED TAX BALANCES RELATED TO
FACILITIES DEVOTED TO OTHER THAN ULH&P CUSTOMERS
DATA: BASE PERIOD "X" FORECASTED PERIOD
AS OF DECEMBER 31, 2007

| LINE NO. | Description | To Be | |
|-------------|----------------------------|---------------------|--|
| | | Allocation % (A) | Eliminated (Col. 1 * Col. 2) (3) |
| 1 | Investment tax Credit - 3% | 2.11% | (540) --> To WPA-1d |
| 2 | Liberalized Depreciation | 2.11% | (661,161) --> To WPA-1d |

(A) Ratio of Gas Plant Devoted to Other Than Duke Energy Kentucky Customers to Total
Plant, per Gas Case No. 2005-00042.

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
TO REFLECT AMOUNT OF REQUESTED INCREASE

WPC-1a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>LINE NO.</u> | <u>DESCRIPTION</u> | <u>SCHEDULE/ WORK PAPER REFERENCE</u> | <u>PROPOSED INCREASE (\$)</u> |
|-----------------|---|---|---------------------------------------|
| 1 | Operating Revenues | SCH. M | <u>46,519,810</u> |
| 2 | | | |
| 3 | Operating Expenses: | | |
| 4 | | | |
| 5 | Uncollectible Accounts @ 0.5493% | To Sch C-1 ← | <u>255,518</u> |
| 6 | | | |
| 7 | Taxes Other Than Income Taxes | | |
| 8 | KPSC Maintenance Tax @ 0.167% | SCH. H | <u>77,688</u> |
| 9 | | | |
| 10 | Operating Expenses Before Income Taxes | | <u>333,206</u> |
| 11 | | | |
| 12 | Operating Income Before Income Taxes (Line 1 - Line 10) | | <u>46,186,604</u> |
| 13 | | | |
| 14 | State Income Taxes (Line 12 * 5.8%) | To Sch C-1 ← | <u>2,678,823</u> |
| 15 | | | |
| 16 | Federal Income Taxes (Line 12 - Line 14) * 35% | To Sch C-1 ← | <u>15,227,723</u> |
| 17 | | | |
| 18 | Total Operating Expenses | | <u>18,239,752</u> |
| 19 | | | |
| 20 | Income Available for Fixed Charges | | <u>28,280,058</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ELECTRIC DEPARTMENT
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

WPC-2a
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | TITLE of ACCOUNT | BASE PERIOD OPERATING REVENUES | | | TOTAL OPERATING REVENUES |
|-------------|----------------------------------|-----------------------------------|------------|------------|--------------------------------|
| | | BASE | FUEL | OTHER | |
| 1 | Total Billed Revenue (A) | 168,529,697 | 65,176,951 | | 233,706,648 |
| 2 | | | | | |
| 3 | Total Unbilled Revenue (A) | 884,000 | 0 | | 884,000 |
| 4 | | | | | |
| 5 | DSM Tracker | 1,714,219 | | | 1,714,219 |
| 6 | | | | | |
| 7 | Other Revenue: (B) | | | | |
| 8 | Sales for Resale | | | 17,854,049 | 17,854,049 |
| 9 | Emission Allowance Sale Proceeds | | | 2,391,250 | 2,391,250 |
| 10 | Misc Service Revenues | | | 139,224 | 139,224 |
| 11 | Reconnection Charges | | | 77,351 | 77,351 |
| 12 | Bad Check Charges | | | 20,122 | 20,122 |
| 13 | Transmission Revenues | | | 231,588 | 231,588 |
| 14 | Rental Revenues | | | 1,343,468 | 1,343,468 |
| 15 | Other Electric Revenues | | | 1,783,639 | 1,783,639 |
| 16 | Total Other Revenue | | | 23,840,691 | 23,840,691 |
| 17 | | | | | |
| 18 | Total Revenues | 171,127,916 | 65,176,951 | 23,840,691 | 260,145,558 |

Notes:

(A) Source: WPC-2c.

(B) Source: Schedule C-2.1 and WPC-2c.

NO CHANGE

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ELECTRIC DEPARTMENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007
DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

WPC-2b
WITNESS RESPONSIBLE:
W. D. WATHEN

| LINE NO. | TITLE of ACCOUNT | FORECASTED PERIOD OPERATING REVENUES | | | TOTAL OPERATING REVENUES |
|----------|----------------------------|--------------------------------------|-------------|------------|--------------------------|
| | | BASE | FUEL | OTHER | |
| 1 | Total Billed Revenue (A) | 169,882,143 | 101,980,568 | | 271,862,711 |
| 2 | | | | | |
| 3 | Total Unbilled Revenue (A) | 90,983 | 981,235 | | 1,072,218 |
| 4 | | | | | |
| 5 | Tracker Revenue: | | | | |
| 6 | DSM Tracker | 2,018,144 | | | 2,018,144 |
| 7 | OSS Sharing Credit | | (2,190,184) | | (2,190,184) |
| 9 | Merger Savings Credit | (2,044,825) | | | (2,044,825) |
| 10 | | | | | |
| 11 | Other Revenue: (B) | | | | |
| 12 | Sales for Resale | | | 17,670,012 | 17,670,012 |
| 13 | Rental Revenues | | | 1,456,269 | 1,456,269 |
| 14 | Other Electric Revenues | | | 101,496 | 101,496 |
| 15 | Total Other Revenue | 0 | 0 | 19,227,777 | 19,227,777 |
| 16 | | | | | |
| 17 | Total Revenues | 169,946,445 | 100,771,619 | 19,227,777 | 289,945,841 |

Notes:

(A) Source: WPC-2d.

(B) Source: Schedule C-2.1 and WPC-2d.

DUKE ENERGY KENTUCKY
CASE NO. 2006-001172
ELECTRIC DEPARTMENT
REVENUE DETAIL
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006
DATA - X-BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X-UPDATED REVISED

WPC-2c
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Description | Jan-05 | Feb-05 | Mar-05 | Apr-05 | May-05 | Jun-05 | Jul-05 | Aug-05 | Total | | | | |
|----------|-----------------------|-------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| 1 | General | 7,218,141 | 4,962,931 | 4,446,752 | 6,094,338 | 6,360,967 | 5,505,986 | 5,340,929 | 4,658,733 | 4,027,481 | 5,514,983 | 7,077,017 | 8,128,268 | 69,316,406 |
| 2 | Residential | 4,822,459 | 4,463,381 | 4,550,616 | 4,553,363 | 4,533,363 | 4,525,142 | 4,525,142 | 4,525,142 | 4,483,279 | 4,483,279 | 4,483,279 | 4,483,279 | 5,757,802 |
| 3 | Commercial | 2,717,537 | 2,354,389 | 2,183,738 | 2,257,319 | 2,187,630 | 2,107,766 | 2,032,990 | 2,058,969 | 2,107,602 | 2,141,528 | 2,103,358 | 2,508,166 | 27,591,689 |
| 4 | Industrial | 99,749 | 97,766 | 74,031 | 117,319 | 41,489 | 158,737 | 68,344 | 94,874 | 92,632 | 86,601 | 54,429 | 1,063,294 | 1,297,708 |
| 5 | Street Lighting | 1,202,441 | 1,091,934 | 982,031 | 1,008,327 | 997,708 | 938,052 | 948,745 | 926,832 | 926,832 | 926,832 | 926,832 | 1,391,016 | 1,141,549 |
| 6 | OPA | 15,597 | 15,597 | 17,275 | 19,513 | 21,122 | 17,976 | 19,094 | 19,728 | 19,728 | 17,620 | 19,016 | 1,391 | 1,088 |
| 7 | Inter-Dept | | | | | | | | | | | | | |
| 8 | Unbilled | (1,542,000) | (647,000) | 500,000 | 830,000 | (1,257,000) | (93,000) | (130,000) | (418,000) | 510,000 | 1,128,000 | 932,000 | 453,000 | 256,000 |
| 9 | Residential | (419,000) | (197,000) | (141,000) | 4,000 | (438,000) | (234,000) | 364,000 | 14,000 | 577,000 | 246,000 | 150,000 | 561,000 | 451,000 |
| 10 | Commercial | (311,000) | 17,000 | (48,000) | (74,000) | (341,000) | (103,000) | 217,000 | 20,000 | 313,000 | 81,000 | 132,000 | 233,000 | 138,000 |
| 11 | Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 12 | Street Lighting | (55,000) | (43,000) | (90,000) | 30,000 | (181,000) | (38,000) | 88,000 | (14,000) | 158,000 | 59,000 | 10,000 | 107,000 | 31,000 |
| 13 | OPA | | | | | | | | | | | | | |
| 14 | Base Fuel | 2,717,604 | 1,985,059 | 1,730,997 | 2,610,536 | 2,752,055 | 2,293,813 | 2,215,149 | 1,843,307 | 1,525,950 | 2,046,381 | 2,660,907 | 3,071,909 | 27,453,667 |
| 15 | Residential | 2,509,596 | 2,179,885 | 1,961,530 | 2,236,860 | 2,216,385 | 2,000,419 | 1,988,142 | 1,982,417 | 1,982,213 | 2,257,996 | 2,429,303 | 2,624,096 | 28,421,339 |
| 16 | Commercial | 1,259,872 | 1,273,343 | 1,200,303 | 1,286,992 | 1,225,265 | 1,194,912 | 1,150,957 | 1,132,429 | 1,145,799 | 1,285,403 | 1,288,164 | 1,317,240 | 1,577,201 |
| 17 | Industrial | 568,628 | 518,816 | 465,157 | 485,817 | 487,007 | 412,477 | 449,106 | 431,805 | 461,348 | 478,155 | 505,488 | 546,939 | 5,847,397 |
| 18 | Street Lighting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | OPA | | | | | | | | | | | | | |
| 20 | Inter-Dept | | | | | | | | | | | | | |
| 21 | Fuel Charge | (359,679) | (267,702) | (229,062) | (345,081) | (353,936) | (303,129) | (292,880) | (243,727) | (201,686) | (270,393) | (351,813) | (406,239) | (3,630,329) |
| 22 | Residential | (348,043) | (286,253) | (256,039) | (324,225) | (328,524) | (264,548) | (262,836) | (256,589) | (261,993) | (298,302) | (321,130) | (346,638) | (3,487,668) |
| 23 | Commercial | (171,971) | (159,683) | (154,258) | (166,401) | (149,275) | (149,275) | (149,275) | (146,944) | (146,274) | (163,602) | (166,319) | (176,858) | (1,916,479) |
| 24 | Industrial | (3,969) | (3,880) | (3,451) | (4,145) | (4,208) | (5,469) | (2,651) | (4,911) | (3,442) | (3,625) | (3,450) | (4,428) | (45,270) |
| 25 | Street Lighting | (71,629) | (65,236) | (61,497) | (61,497) | (62,386) | (57,621) | (57,102) | (55,140) | (52,887) | (60,695) | (65,123) | (69,772) | (737,905) |
| 26 | OPA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 27 | Inter-Dept | | | | | | | | | | | | | |
| 28 | Total Fuel | 6,359,793 | 5,209,596 | 4,682,272 | 5,782,098 | 5,813,693 | 5,194,314 | 5,058,766 | 4,677,748 | 4,472,967 | 5,274,917 | 6,001,982 | 6,648,805 | 65,176,951 |
| 29 | DSM | 245,080 | 178,739 | 155,962 | 235,237 | 248,149 | 206,672 | 199,672 | 186,132 | 85,983 | 115,555 | 150,312 | 173,599 | 2,160,922 |
| 30 | Residential | (41,893) | (34,022) | (30,421) | (34,387) | (33,984) | (30,891) | (30,745) | (30,244) | 2,324 | 2,584 | 2,701 | 2,806 | (255,972) |
| 31 | Commercial | (19,743) | (17,832) | (17,135) | (18,383) | (17,337) | (16,981) | (16,453) | (16,288) | 1 | 671 | 1 | 1 | (137,532) |
| 32 | Industrial | (31) | (32) | (437) | (43) | (40) | (38) | (34) | (29) | 1 | 246 | 1 | 286 | (53,021) |
| 33 | Street Lighting | (8,080) | (7,142) | (6,437) | (6,790) | (6,876) | (6,373) | (6,287) | (6,048) | 215 | 246 | 265 | 265 | (3,021) |
| 34 | OPA | | | | | | | | | | | | | |
| 35 | OSM Shared Credit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (8) | (90,405) | (120,671) | (157,060) | (181,373) | (548,517) |
| 36 | Residential | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (23,194) | (28,298) | (28,492) | (30,461) | (110,442) |
| 37 | Commercial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (8,931) | (9,803) | (10,032) | (10,630) | (50,903) |
| 38 | Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (701) | (782) | (694) | (694) | (2,945) |
| 39 | Street Lighting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (4,649) | (4,421) | (4,675) | (5,077) | (18,822) |
| 40 | OPA | | | | | | | | | | | | | |
| 41 | Miscellaneous Credit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (7) | (79,254) | (105,788) | (137,692) | (159,005) | (481,746) |
| 42 | Residential | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (23,557) | (26,887) | (28,878) | (31,120) | (110,442) |
| 43 | Commercial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (11,534) | (12,853) | (12,991) | (13,755) | (50,903) |
| 44 | Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (612) | (694) | (752) | (752) | (2,945) |
| 45 | Street Lighting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (4,600) | (4,954) | (5,127) | (5,574) | (20,159) |
| 46 | OPA | | | | | | | | | | | | | |
| 47 | Sales for Resale | 0 | 0 | 0 | 0 | 2,594,771 | 1,858,013 | 2,690,905 | 2,792,432 | 589,157 | 2,671,070 | 2,218,488 | 2,580,309 | 17,995,145 |
| 48 | State for Resale | 0 | 0 | 0 | 0 | 2,133,750 | 0 | 257,500 | 0 | 327,855 | 592,500 | 0 | (920,465) | 2,391,250 |
| 49 | NOX Compliance Sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 50 | Misc. Service Revenue | 42,673 | 40,221 | 42,178 | 129,743 | 656,417 | 1,181,784 | 465,943 | 950,274 | (80,106) | (159,510) | 260,880 | 237,845 | 3,749,352 |
| 51 | Total Revenue | 21,366,212 | 17,884,604 | 17,214,160 | 21,207,024 | 23,523,572 | 21,119,780 | 22,091,511 | 20,390,992 | 18,385,054 | 23,911,602 | 25,596,229 | 27,452,218 | 260,145,556 |

DUKE ENERGY KENTUCKY
CASE NO. 2008-00172
ELECTRIC DEPARTMENT
REVENUE DETAIL
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007
DATA: BASE PERIOD - X- FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X- UPDATED REVISED

WPC-24
WITNESS RESPONSIBLE:
W. D. WATHEN

NO CHANGE

| Line No. | Description | Jan-07 | Feb-07 | Mar-07 | Apr-07 | May-07 | Jun-07 | Jul-07 | Aug-07 | Sep-07 | Oct-07 | Nov-07 | Dec-07 | Total |
|----------|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|-------------|
| 1 | Base Revenue | 6,830,659 | 6,266,775 | 5,694,619 | 4,978,821 | 4,569,722 | 5,757,827 | 7,319,034 | 7,645,578 | 6,925,846 | 4,789,052 | 4,927,537 | 6,195,535 | 71,831,025 |
| 2 | Residential | 4,812,622 | 4,697,071 | 4,584,732 | 4,533,835 | 4,449,659 | 5,143,175 | 5,482,528 | 5,088,546 | 5,435,304 | 4,620,344 | 4,349,981 | 4,746,132 | 58,489,250 |
| 3 | Commercial | 2,031,665 | 2,050,839 | 2,048,082 | 2,000,191 | 2,166,329 | 2,431,199 | 2,406,956 | 2,476,808 | 2,489,966 | 2,118,092 | 2,073,013 | 2,072,874 | 28,459,690 |
| 4 | Industrial | 116,195 | 103,650 | 113,718 | 101,052 | 97,494 | 92,727 | 97,608 | 102,198 | 105,856 | 112,770 | 113,293 | 126,164 | 1,282,635 |
| 5 | Street Lighting | 950,467 | 980,105 | 948,680 | 921,076 | 952,899 | 1,032,201 | 1,019,507 | 1,049,083 | 1,036,110 | 959,879 | 905,766 | 980,587 | 11,737,570 |
| 6 | OPA | 8,922 | 8,339 | 7,102 | 6,657 | 6,757 | 7,045 | 7,864 | 7,283 | 7,650 | 6,975 | 6,585 | 7,392 | 88,913 |
| 7 | Inter-Dept | | | | | | | | | | | | | |
| 8 | Unbilled | | | | | | | | | | | | | |
| 9 | Residential | (210,908) | (827,289) | 147,955 | (182,319) | (254,938) | 1,532,064 | 979,452 | 455,404 | (2,363,110) | (275,518) | 619,528 | 841,028 | 471,439 |
| 10 | Commercial | 15,051 | (247,285) | 682,018 | 68,524 | (129,539) | 359,123 | 428,084 | 350,987 | (982,314) | (2,778) | (61,799) | (168,679) | 205,519 |
| 11 | Industrial | (37,930) | 100,452 | 353,940 | 205,256 | (305,539) | 81,847 | 263,510 | 341,756 | (437,338) | (126,961) | (31,207) | (178,275) | 205,519 |
| 12 | Street Lighting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | OPA | (22,075) | (34,512) | 177,998 | 33,587 | (25,841) | 47,825 | 106,294 | 74,753 | (109,602) | (67,321) | (27,383) | (72,767) | 83,954 |
| 14 | Inter-Dept | | | | | | | | | | | | | |
| 15 | Base Fuel | 3,000,762 | 2,885,741 | 2,371,274 | 1,983,020 | 1,773,840 | 2,147,833 | 2,759,931 | 2,885,795 | 2,605,578 | 1,883,881 | 1,936,873 | 2,579,843 | 28,611,472 |
| 16 | Residential | 2,247,297 | 2,100,086 | 2,024,732 | 2,032,237 | 2,007,304 | 2,302,279 | 2,528,297 | 2,358,759 | 2,484,522 | 2,092,775 | 1,988,828 | 2,224,617 | 28,607,410 |
| 17 | Commercial | 1,193,245 | 1,193,245 | 1,193,880 | 1,206,685 | 1,230,338 | 1,294,408 | 1,294,408 | 1,328,287 | 1,351,786 | 1,286,294 | 1,215,467 | 1,228,716 | 15,003,370 |
| 18 | Industrial | 38,907 | 32,951 | 34,089 | 30,022 | 28,293 | 26,269 | 27,739 | 28,725 | 31,844 | 35,376 | 37,132 | 39,919 | 383,026 |
| 19 | Street Lighting | 489,990 | 489,761 | 470,078 | 450,605 | 462,059 | 495,660 | 503,315 | 513,728 | 524,468 | 474,488 | 454,041 | 504,155 | 5,832,558 |
| 20 | OPA | 4,162 | 3,761 | 3,168 | 2,978 | 3,074 | 3,131 | 3,608 | 3,303 | 3,475 | 3,150 | 3,055 | 3,475 | 40,380 |
| 21 | Inter-Dept | | | | | | | | | | | | | |
| 22 | Fuel Charge | 365,132 | 284,450 | 1,644,551 | 2,409,352 | 442,916 | 636,241 | 1,384,086 | 1,297,427 | 475,010 | 39,984 | 176,476 | 398,702 | 9,464,327 |
| 23 | Residential | 273,451 | 222,422 | 1,353,766 | 2,489,150 | 501,210 | 681,991 | 1,241,791 | 1,153,083 | 452,941 | 44,417 | 182,111 | 343,804 | 8,919,147 |
| 24 | Commercial | 143,747 | 126,378 | 795,987 | 1,466,111 | 307,207 | 383,435 | 633,657 | 587,635 | 246,439 | 27,301 | 110,740 | 169,692 | 5,031,509 |
| 25 | Industrial | 4,734 | 3,480 | 2,318,67 | 36,695 | 7,965 | 7,782 | 13,624 | 13,364 | 5,805 | 751 | 3,383 | 6,189 | 126,029 |
| 26 | Street Lighting | 59,622 | 51,871 | 314,119 | 547,481 | 115,373 | 146,827 | 247,207 | 230,872 | 95,613 | 10,071 | 41,367 | 77,915 | 1,938,438 |
| 27 | OPA | 506 | 308 | 2,130 | 3,618 | 767 | 927 | 1,772 | 1,485 | 633 | 67 | 278 | 537 | 13,118 |
| 28 | Inter-Dept | | | | | | | | | | | | | |
| 29 | Total Fuel | 7,809,661 | 7,194,554 | 10,174,989 | 12,638,134 | 6,879,447 | 8,126,783 | 10,802,159 | 10,620,587 | 8,278,124 | 5,898,555 | 6,159,851 | 7,597,744 | 101,980,588 |
| 30 | Inter-Dept | | | | | | | | | | | | | |
| 31 | DSM | | | | | | | | | | | | | |
| 32 | Residential | 270,925 | 242,383 | 214,012 | 178,971 | 160,033 | 193,846 | 248,818 | 260,449 | 235,158 | 170,024 | 174,818 | 232,836 | 2,582,241 |
| 33 | Commercial | (38,611) | (39,081) | (34,781) | (34,916) | (485) | (39,559) | (43,438) | (44,065) | (42,886) | (35,956) | (34,542) | (38,221) | (457,139) |
| 34 | Industrial | 0 | 0 | 0 | (519) | (485) | (451) | (477) | (511) | (547) | (608) | (639) | (668) | (6,753) |
| 35 | Street Lighting | (6,668) | (6,415) | (8,076) | (7,742) | (7,939) | (8,516) | (8,647) | (8,828) | (9,011) | (8,152) | (7,801) | (8,662) | (100,205) |
| 36 | OPA | | | | | | | | | | | | | |
| 37 | Inter-Dept | | | | | | | | | | | | | |
| 38 | SSS Stranding Credit | | | | | | | | | | | | | |
| 39 | Residential | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (854,172) |
| 40 | Commercial | (63,221) | (63,221) | (60,528) | (36,117) | (59,947) | (62,235) | (64,417) | (64,348) | (62,872) | (59,913) | (60,957) | (61,959) | (741,976) |
| 41 | Industrial | (33,244) | (34,813) | (35,738) | (36,743) | (36,743) | (34,980) | (33,024) | (33,351) | (34,282) | (36,825) | (38,520) | (34,222) | (419,839) |
| 42 | Street Lighting | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (1,085) | (11,055) |
| 43 | OPA | (13,784) | (14,289) | (14,051) | (13,487) | (13,799) | (13,399) | (12,888) | (12,889) | (13,293) | (13,584) | (13,942) | (14,042) | (163,142) |
| 44 | Inter-Dept | | | | | | | | | | | | | |
| 45 | Master Savings Credit | | | | | | | | | | | | | |
| 46 | Residential | (155,286) | (138,938) | (122,718) | (102,628) | (91,800) | (111,155) | (142,677) | (149,346) | (134,844) | (87,495) | (100,242) | (133,512) | (1,480,704) |
| 47 | Commercial | (26,280) | (24,531) | (23,647) | (23,738) | (23,447) | (28,933) | (29,533) | (29,959) | (29,021) | (24,445) | (23,346) | (25,986) | (310,789) |
| 48 | Industrial | (13,789) | (13,938) | (13,966) | (14,085) | (14,371) | (15,120) | (15,070) | (15,527) | (15,780) | (15,527) | (14,186) | (14,353) | (175,252) |
| 49 | Street Lighting | (984) | (924) | (877) | (764) | (716) | (655) | (587) | (587) | (6,001) | (5,542) | (5,304) | (5,389) | (68,127) |
| 50 | OPA | (5,724) | (5,721) | (5,491) | 0 | 1,767,968 | 1,037,976 | 1,098,032 | 1,310,849 | 1,319,817 | 1,884,424 | 1,979,954 | 1,529,880 | 17,670,012 |
| 51 | Sales for Resale | | | | | | | | | | | | | |
| 52 | Music Service Revenue | 155,909 | 143,023 | 155,909 | 151,614 | 155,909 | 151,614 | 155,909 | 155,909 | 151,614 | 151,614 | 155,909 | 151,614 | 1,557,765 |
| 53 | Inter-Dept | | | | | | | | | | | | | |
| 54 | Total Revenue | 24,414,046 | 22,639,372 | 26,054,571 | 25,354,321 | 20,129,088 | 25,604,582 | 29,796,798 | 30,110,536 | 21,675,135 | 19,790,557 | 20,879,475 | 23,489,370 | 289,945,841 |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
SUMMARY OF VARIOUS FORECASTED PERIOD PRO FORMA ADJUSTMENTS

WPC-2a
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Adjustment | Description | Base Revenue | Other Revenue | Fuel & Purch. Power | Other Production | Transmission Expense | Distribution Expense | Customer Accounting Expense | Customer Service & Information Expense | Sales Expense | A&G Expense | Other Expense | Depreciation Expense | Income Taxes - State | Taxes Other Than Income Taxes - State |
|----------|------------|-----------------------------------|------------------|---------------------|----------------------|------------------|----------------------|----------------------|-----------------------------|--|------------------|--------------------|--------------------|----------------------|----------------------|---------------------------------------|
| 1 | | | | | | | | | | | | | | | | |
| 2 | D-2.15 | Amortization of Deferred Expenses | | | | | | | | | | | | | | |
| 3 | D-2.16 | Rate Case Expense | | 48,780 | | | | 38,724 | | | | | | | | 81 |
| 4 | D-2.17 | Affiliated Company Rents | | (17,670,012) | | (2,327,094) | | | (97,055) | | | | | | | (29,609) |
| 5 | D-2.19 | Eliminate Non-Native Sales | (2,018,144) | 0 | (10,930,572) | (472) | | (1,624) | (11,085) | | (2,018,144) | (129,507) | | | | (3,370) |
| 6 | D-2.21 | DSM Elimination | | | | | | | (17,453) | | (4,332) | | | | | |
| 7 | D-2.22 | Eliminate Misc. Expenses | | | | | | | | | | | | | | |
| 8 | D-2.23 | Annualize Depreciation | (90,963) | | | 10,431,923 | | | (500) | | | | | | | (152) |
| 9 | D-2.24 | Eliminate Unbilled Revenue | | | | | | | | | | | | | | |
| 10 | D-2.25 | Back-up Power Agreement | | | | | | | | | | | | | | |
| 11 | D-2.26 | Credit for DEK's Share of NTS | | | | | | | | | | | | | | |
| 12 | D-2.27 | Incentive Compensation | | | | | | | | | | | | | | |
| 13 | D-2.28 | Update Network Service Rates | | | | | | | | | | | | | | |
| 14 | D-2.31 | Annualize Uncollectible Expense | 2,044,825 | | | | | | | | | | | | | |
| 15 | D-2.32 | Merger Savings Credit | | 22,965 | | | | | | | | | | | | |
| 16 | D-2.34 | Eliminate Native Fuel Rev. & Exp. | 2,255,960 | | (102,961,803) | | | | | | | | | | | |
| 17 | D-2.35 | Adjust Base Revenue | | 407,070 | | | | | | | | | | | | |
| 18 | | Implement Automated Meter Reading | | | | | | | | | | | | | | |
| | | | <u>2,191,658</u> | <u>(17,191,197)</u> | <u>(113,892,375)</u> | <u>8,104,357</u> | <u>(2,810,451)</u> | <u>37,100</u> | <u>(2,415,767)</u> | <u>(367,326)</u> | <u>(574,122)</u> | <u>(2,022,476)</u> | <u>(2,639,540)</u> | <u>82,589</u> | <u>362,220</u> | <u>69,605</u> |
| | | | | | | | | | | | | | | <u>966,942</u> | <u>589,986</u> | <u>36,655</u> |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

WPC-2.1a
WITNESS RESPONSIBLE
W. D. WATHEN
PAGE 1 OF 8

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Total | Jan-07 | Feb-07 | Mar-07 | Apr-07 | May-07 | Jun-07 |
|---------|--------|------|--|-------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 403300 | DEPR | 403 | Electric Depreciation Expense | 32,582,234 | 2,689,907 | 2,692,841 | 2,695,736 | 2,699,291 | 2,702,791 | 2,707,408 |
| 408020 | OTH TX | 408 | Ohio Property Taxes - Prod | 1,877,794 | 156,482 | 156,482 | 156,482 | 156,482 | 156,482 | 156,482 |
| 408025 | OTH TX | 408 | Ohio Property Taxes - Trans | 2,271,224 | 22,602 | 22,602 | 22,602 | 22,602 | 22,602 | 22,602 |
| 408055 | OTH TX | 408 | Kentucky Property Tax - Elec | 2,726,532 | 227,211 | 227,211 | 227,211 | 227,211 | 227,211 | 227,211 |
| 408065 | OTH TX | 408 | Ky Property Taxes - East Bend | 750,000 | 62,500 | 62,500 | 62,500 | 62,500 | 62,500 | 62,500 |
| 408240 | OTH TX | 408 | Payroll Taxes-Joint Ownership | (230,278) | (19,860) | (19,860) | (20,072) | (19,107) | (19,750) | (19,058) |
| 408410 | OTH TX | 408 | Social Security Taxes | 2,147,099 | 185,750 | 180,170 | 177,199 | 181,632 | 175,311 | 174,038 |
| 408510 | OTH TX | 408 | Federal Hwy Use Tax | 7,804 | 1,117 | 417 | 417 | 1,117 | 417 | 417 |
| 409060 | FIT | 409 | Federal Income Taxes | 3,922,869 | 290,951 | 453,147 | 630,462 | (175,700) | (862,091) | 559,801 |
| 409160 | FIT | 409 | General Taxes | 621,819 | 45,519 | 74,082 | 105,245 | (36,573) | (157,321) | 92,814 |
| 410060 | FIT | 410 | General Income Tax | (563,296) | (39,340) | (40,308) | (41,261) | (42,105) | (42,929) | (44,779) |
| 410160 | FIT | 410 | State Income Tax | (39,700) | (1,997) | (2,167) | (2,335) | (2,483) | (2,628) | (2,955) |
| 411060 | FIT | 411 | Deferred FIT Credit - ITC Amortization | (143,848) | (11,987) | (11,987) | (11,987) | (11,987) | (11,987) | (11,987) |
| 440503 | REV | 440 | Res - Generation Base Revenue | 39,661,212 | 3,771,630 | 3,460,175 | 3,138,740 | 2,749,036 | 2,523,154 | 3,179,161 |
| 440601 | REV | 440 | Res - Base Fuel Revenue | 28,611,472 | 3,000,762 | 2,685,741 | 2,371,274 | 1,983,020 | 1,773,840 | 2,147,833 |
| 440618 | REV | 440 | Res - FCA/FPP Revenue | 9,464,327 | 365,132 | 284,450 | 1,584,551 | 2,409,352 | 442,916 | 636,241 |
| 440633 | REV | 440 | Res - OSS Sharing Credit | (854,172) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) |
| 440609 | REV | 440 | Res - Transmission Base Revenue | 3,077,386 | 292,648 | 268,481 | 243,540 | 213,303 | 195,776 | 246,677 |
| 440631 | REV | 440 | Res - Merger Savings Credit | (1,480,704) | (155,296) | (138,993) | (122,718) | (102,628) | (91,800) | (111,155) |
| 440610 | REV | 440 | Res - Distribution Base Revenue | 29,092,427 | 2,766,581 | 2,538,119 | 2,302,339 | 2,016,482 | 1,850,792 | 2,331,989 |
| 440603 | REV | 440 | Res - DSM Rider Revenue | 2,582,241 | 270,825 | 242,393 | 214,012 | 178,971 | 160,093 | 193,846 |
| 440510 | REV | 442 | Res - Change in Unbilled Rev | 471,439 | (210,908) | (827,299) | 147,985 | (182,319) | (254,938) | 1,532,064 |
| 442503 | REV | 442 | Comm - Generation Base Revenue | 39,101,392 | 3,217,512 | 3,120,203 | 3,040,432 | 3,031,194 | 2,974,984 | 3,438,506 |
| 442601 | REV | 442 | Comm - Base Fuel Revenue | 26,607,413 | 2,247,297 | 2,100,086 | 2,024,410 | 2,032,237 | 2,007,304 | 2,302,279 |
| 442618 | REV | 442 | Comm - FCA/FPP Revenue | 8,919,147 | 273,451 | 222,422 | 1,352,766 | 2,469,150 | 501,210 | 681,991 |
| 442633 | REV | 442 | Comm - OSS Sharing Credit | (63,221) | (63,221) | (61,271) | (60,510) | (60,826) | (59,947) | (62,235) |
| 442609 | REV | 442 | Comm - Transmission Base Revenue | 298,493 | 298,493 | 289,466 | 282,065 | 281,208 | 275,994 | 318,995 |
| 442631 | REV | 442 | Comm - Merger Savings Credit | (310,798) | (26,250) | (24,531) | (23,647) | (23,738) | (23,447) | (23,447) |
| 442510 | REV | 442 | Comm - Distribution Base Revenue | 15,757,365 | 1,296,617 | 1,257,402 | 1,225,255 | 1,221,533 | 1,198,881 | 1,385,674 |
| 442653 | REV | 442 | Comm - DSM Rider Revenue | (457,139) | (38,611) | (36,081) | (34,781) | (34,916) | (34,487) | (39,555) |
| 442668 | REV | 442 | Comm - Change in Unbilled Rev | 311,306 | 15,051 | (247,268) | 682,015 | 69,524 | (129,933) | 359,123 |
| 442659 | REV | 442 | Ind - Base Fuel Revenue | 18,675,272 | 1,434,148 | 1,447,683 | 1,445,737 | 1,475,462 | 1,529,207 | 1,716,178 |
| 442683 | REV | 442 | Ind - FCA/FPP Revenue | 5,031,509 | 1,181,351 | 1,193,245 | 1,195,650 | 1,206,685 | 1,206,685 | 1,294,408 |
| 442681 | REV | 442 | Ind - OSS Sharing Credit | (419,839) | (33,234) | (34,813) | (35,738) | (36,117) | (36,743) | (36,743) |
| 442680 | REV | 442 | Ind - Transmission Base Revenue | 1,654,165 | 127,030 | 128,229 | 128,056 | 130,689 | 135,450 | 162,011 |
| 442653 | REV | 442 | Ind - Merger Savings Credit | (175,252) | (13,799) | (13,938) | (13,965) | (14,095) | (14,371) | (15,120) |
| 442660 | REV | 442 | Ind - Distribution Base Revenue | 6,126,613 | 470,487 | 474,927 | 474,289 | 484,040 | 501,672 | 563,010 |
| 442653 | REV | 442 | Ind - DSM Rider Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 442560 | REV | 442 | Ind - Change in Unbilled Rev | 205,519 | (37,930) | 100,452 | 329,948 | 205,256 | (305,539) | 81,847 |
| 444503 | REV | 444 | SL - Generation Base Revenue | 530,636 | 48,071 | 42,881 | 47,046 | 41,806 | 40,334 | 36,362 |
| 444601 | REV | 444 | SL - Base Fuel Revenue | 393,026 | 38,907 | 34,699 | 34,699 | 30,202 | 28,293 | 26,269 |
| 444618 | REV | 444 | SL - FCA/FPP Revenue | 126,029 | 4,734 | 3,490 | 23,167 | 36,695 | 7,065 | 7,782 |
| 444633 | REV | 444 | SL - OSS Sharing Credit | (11,055) | (1,095) | (961) | (1,036) | (904) | (845) | (710) |
| 444609 | REV | 444 | SL - Transmission Base Revenue | 44,288 | 4,010 | 3,577 | 3,488 | 3,488 | 3,365 | 3,200 |
| 444631 | REV | 444 | SL - Merger Savings Credit | (9,944) | (984) | (834) | (877) | (764) | (716) | (665) |
| 444610 | REV | 444 | SL - Distribution Base Revenue | 707,731 | 64,114 | 57,192 | 62,747 | 55,758 | 53,795 | 51,165 |
| 444603 | REV | 444 | SL - DSM Rider Revenue | (6,753) | (668) | (566) | (596) | (519) | (486) | (451) |
| 445503 | REV | 445 | OPA - Generation Base Revenue | 8,161,014 | 660,850 | 681,457 | 659,747 | 640,415 | 662,541 | 717,679 |
| 445601 | REV | 445 | OPA - Base Fuel Revenue | 5,832,359 | 489,990 | 489,761 | 470,078 | 450,605 | 462,059 | 495,660 |

No Change

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

No Change
WPC-2,1a
WITNESS RESPONSIBLE
W. D. WATHEN
PAGE 2 OF 8

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Total | Jan-07 | Feb-07 | Mar-07 | Apr-07 | May-07 | Jun-07 |
|---------|------|------|----------------------------------|------------|-----------|-----------|-----------|------------|-----------|-----------|
| 445618 | REV | 445 | OPA - FCA/FPP Revenue | 1,938,438 | 59,622 | 51,871 | 314,119 | 547,481 | 115,373 | 146,827 |
| 445633 | REV | 445 | OPA - OSS Shaming Credit | (163,142) | (13,784) | (14,289) | (14,051) | (13,487) | (13,799) | (13,999) |
| 445609 | REV | 445 | OPA - Transmission Base Revenue | 732,250 | 59,295 | 61,144 | 59,196 | 57,461 | 59,447 | 64,394 |
| 445631 | REV | 445 | OPA - Merger Savings Credit | (68,127) | (5,724) | (5,721) | (5,491) | (5,263) | (5,397) | (5,790) |
| 445610 | REV | 445 | OPA - Distribution Base Revenue | 2,844,306 | 230,322 | 237,504 | 229,937 | 223,200 | 230,911 | 250,128 |
| 445603 | REV | 445 | OPA - DSM Rider Revenue | (100,205) | (8,418) | (8,415) | (8,076) | (7,742) | (7,939) | (8,516) |
| 445520 | REV | 445 | OPA - Change in Unbilled Rev | 83,954 | (22,075) | (34,512) | 177,996 | 33,587 | (25,841) | 47,825 |
| 447810 | REV | 447 | Elec Rev - Non-native sales | 17,670,012 | 2,115,048 | 2,401,842 | 1,214,222 | 13,253 | 1,767,968 | 1,037,976 |
| 448500 | REV | 448 | Inter Departmental Sales | 142,091 | 13,590 | 12,498 | 12,480 | 7,613 | 10,598 | 11,103 |
| 454010 | REV | 454 | Rent Land and Buildings | 91,356 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 |
| 454160 | REV | 454 | Rent Land Elec Prop - Net CCD | 1,364,913 | 139,838 | 126,952 | 139,838 | 135,543 | 139,838 | 135,543 |
| 456000 | REV | 456 | Other Variable Revenues | 101,496 | 8,458 | 8,458 | 8,458 | 8,458 | 8,458 | 8,458 |
| 500000 | PO | 500 | Supervision and Engineering | 2,060,666 | 189,427 | 176,413 | 183,021 | 178,350 | 172,995 | 167,411 |
| 501008 | FUEL | 501 | Fuel Procurement And Handling | 384,658 | 25,839 | 29,001 | 34,177 | 44,814 | 40,685 | 23,732 |
| 501020 | FUEL | 501 | Fuel Hdng/Proc - JO Cr | 510,675 | 43,012 | 42,766 | 42,177 | 42,997 | 42,177 | 42,425 |
| 501109 | FUEL | 501 | Coal/Miam Fort Units 5-7 | 22,286,756 | 2,335,152 | 2,058,240 | 2,062,181 | 1,771,198 | 1,608,128 | 1,636,170 |
| 501116 | FUEL | 501 | Coal-East Bend Station | 45,477,870 | 4,499,643 | 4,042,763 | 3,338,361 | 3,7563 | 3,664,924 | 4,297,526 |
| 501300 | FUEL | 501 | Residual Disposal Costs | 623,731 | 39,265 | 38,975 | 38,693 | 37,563 | 37,254 | 62,435 |
| 502000 | PO | 502 | Steam Expenses | 2,898,972 | 226,646 | 226,023 | 226,828 | 224,507 | 266,787 | 261,725 |
| 502010 | PO | 502 | Ammonia Expense | 367,910 | 0 | 0 | 0 | 0 | 554,197 | 73,582 |
| 502040 | PO | 502 | Cost of Lime | 6,693,001 | 660,774 | 596,828 | 319,729 | 27,766 | 554,197 | 639,459 |
| 505000 | PO | 505 | Electric Expenses | 347,413 | 28,806 | 28,451 | 28,772 | 27,666 | 30,559 | 29,360 |
| 506000 | PO | 506 | Miscellaneous Steam Power Exp | 3,451,177 | 287,294 | 255,967 | 287,728 | 275,111 | 251,316 | 258,933 |
| 509010 | EA | 509 | SO2 Emission Expense - Native | 3,547,448 | 250,611 | 224,721 | 238,520 | 233,959 | 246,842 | 294,985 |
| 509030 | EA | 509 | SO2 Emission Expense - NonNative | 1,442,248 | 119,371 | 144,762 | 70,586 | 0 | 131,482 | 99,203 |
| 509210 | EA | 509 | Nox Emission Expense - Native | 346,054 | 0 | 0 | 0 | 0 | 36,864 | 55,086 |
| 509230 | EA | 509 | Nox Emission Expense - NonNative | 100,701 | 0 | 0 | 0 | 0 | 16,198 | 14,854 |
| 510000 | PM | 510 | Maint - Supervision/Engineer | 1,101,214 | 90,871 | 90,473 | 92,777 | 92,824 | 92,172 | 91,794 |
| 511000 | PM | 511 | Maintenance of Structures | 1,123,164 | 86,414 | 91,160 | 100,357 | 105,775 | 109,113 | 103,606 |
| 512000 | PM | 512 | Maintenance of Boiler Plant | 8,421,763 | 337,358 | 336,775 | 922,378 | 1,931,303 | 1,615,454 | 966,703 |
| 512251 | PM | 512 | Maintenance of Electric Plant | 5,983 | 0 | 0 | 0 | 3,200 | 2,783 | 0 |
| 513000 | PM | 513 | Maintenance of Electric Plant | 1,277,199 | 27,677 | 27,885 | 143,372 | 302,815 | 232,807 | 128,569 |
| 513100 | PM | 513 | Removal - Electric Plant | (179) | 0 | 0 | 0 | (179) | 0 | 0 |
| 514000 | PM | 514 | Maint Misc Steam Plant | 611,746 | 46,549 | 47,469 | 55,581 | 65,907 | 66,722 | 55,438 |
| 514100 | PM | 514 | Removal - Misc Steam Plant | 179 | 0 | 0 | 0 | 179 | 0 | 0 |
| 546000 | PO | 546 | Other Power - Supv/Engr Labor | 419,770 | 48,965 | 32,280 | 32,191 | 33,465 | 34,525 | 35,015 |
| 547501 | FUEL | 547 | Woodsdale Gas | 7,398,465 | 734,634 | 574,781 | 590,580 | 788,619 | 283,804 | 541,148 |
| 548000 | PO | 548 | Other Power-Ops Generation Exp | 498,166 | 40,578 | 41,077 | 40,188 | 42,426 | 41,383 | 41,660 |
| 549000 | PO | 549 | Misc Other Power Gen Exp U/C | 1,077,549 | 103,602 | 90,006 | 87,798 | 85,732 | 89,166 | 92,797 |
| 549115 | PO | 549 | Misc Other Power Gen Exp | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 551000 | PM | 551 | Other Pwr - Maint Supv/Engr | 36,584 | 3,038 | 3,038 | 3,112 | 3,044 | 3,044 | 3,044 |
| 552000 | PM | 552 | Other Pwr - Maint of Structure | 23,700 | 0 | 0 | 0 | 4,060 | 4,060 | 3,045 |
| 553000 | PM | 553 | Other Pwr-Maint Generating | 482,483 | 27,069 | 27,238 | 89,023 | 87,545 | 27,440 | 38,507 |
| 554000 | PM | 554 | Other Pwr-Maint Misc Equip | 36,876 | 2,472 | 2,472 | 6,055 | 2,472 | 2,472 | 2,472 |
| 555000 | PP | 555 | Purchased Power - Native Load | 50,776,977 | 3,005,021 | 2,410,477 | 6,735,933 | 10,337,100 | 4,020,133 | 3,995,191 |
| 556000 | PP | 556 | Electric System Operatns Dept | 39,466 | 3,188 | 3,188 | 3,309 | 3,309 | 3,309 | 3,309 |
| 560000 | TO | 560 | Operation Supervision & Engine | 59,231 | 5,583 | 4,761 | 4,876 | 4,891 | 4,890 | 4,890 |
| 561000 | TO | 561 | Load Dispatching | 1,891,531 | 189,442 | 147,755 | 146,340 | 131,073 | 143,272 | 173,526 |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

WPC-2.1a
WITNESS RESPONSIBLE
W. D. WATHEN
PAGE 3 OF 8

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Total | Jan-07 | Feb-07 | Mar-07 | Apr-07 | May-07 | Jun-07 |
|---------|------|------|--------------------------------------|------------|-----------|-----------|-----------|----------|----------|-----------|
| 562000 | TO | 562 | Station Expenses | 4,084 | 349 | 348 | 358 | 350 | 343 | 336 |
| 563000 | TO | 563 | Overhead Line Expenses | 12,180 | 1,015 | 1,015 | 1,015 | 1,015 | 1,015 | 1,015 |
| 565855 | TO | 565 | Transmission & Ancillary Services | 14,853,482 | 1,308,533 | 1,093,681 | 1,093,833 | 991,465 | 975,343 | 1,733,768 |
| 566000 | TO | 566 | Miscellaneous Transmission Exp | 42,517 | 13,234 | 3,227 | 3,206 | 2,453 | 2,439 | 2,306 |
| 567010 | TO | 567 | Rents - Interco - CG&E | 1,933,776 | 161,148 | 161,148 | 161,148 | 161,148 | 161,148 | 161,148 |
| 568000 | TM | 568 | Maintenance Superv & Engineering | 79,147 | 6,461 | 6,421 | 6,564 | 6,601 | 6,660 | 6,640 |
| 569000 | TM | 569 | Maintenance of Structures | 59,045 | 4,728 | 5,201 | 4,522 | 5,357 | 4,659 | 4,870 |
| 570000 | TM | 570 | Maintenance of Station Equipment | 8,340 | 692 | 692 | 692 | 696 | 696 | 696 |
| 571000 | TM | 571 | Maintenance of Overhead Lines | 806,712 | 67,166 | 67,547 | 66,677 | 67,801 | 68,859 | 67,144 |
| 573000 | TM | 573 | Maint of Misc Transmission Plant | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 575000 | TM | 575 | Operation Supervision & Engine | 429,530 | 35,679 | 35,546 | 35,419 | 36,422 | 35,481 | 35,760 |
| 580000 | DO | 580 | Load Dispatching | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 581000 | DO | 581 | Station Expenses | 53,542 | 4,430 | 4,410 | 4,439 | 4,457 | 4,487 | 4,477 |
| 582000 | DO | 582 | Station Expenses | 508,240 | 41,237 | 43,352 | 40,816 | 45,014 | 41,982 | 42,838 |
| 583000 | DO | 583 | Overhead Line Expenses | 147,609 | 11,984 | 12,252 | 12,237 | 13,319 | 12,871 | 12,965 |
| 584000 | DO | 584 | Underground Line Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 585000 | DO | 585 | Street Lighting & Signal System | 270,362 | 20,374 | 27,672 | 16,209 | 28,191 | 18,378 | 21,263 |
| 586000 | DO | 586 | Meter Expenses | 235,900 | 28,338 | 19,700 | 17,629 | 19,915 | 17,933 | 18,703 |
| 587000 | DO | 587 | Customer Installations Expense | 289,614 | 29,674 | 24,022 | 23,906 | 23,957 | 23,301 | 23,527 |
| 588000 | DO | 588 | Miscellaneous Distribution Exp | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 589010 | DO | 589 | Rents - Interco - CG&E | 315,690 | 25,513 | 26,129 | 25,957 | 26,989 | 26,072 | 26,341 |
| 590000 | DM | 590 | Maintenance Superv & Engineering | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 591000 | DM | 591 | Maintenance of Structures | 51,171 | 4,198 | 4,162 | 4,218 | 4,259 | 4,312 | 4,294 |
| 592000 | DM | 592 | Maintenance of Station Equipment | 3,929,706 | 324,126 | 332,393 | 320,510 | 335,133 | 322,885 | 326,593 |
| 593000 | DM | 593 | Maintenance of Overhead Lines | 192,300 | 15,510 | 16,782 | 14,954 | 17,203 | 15,318 | 15,889 |
| 594000 | DM | 594 | Maintenance of Underground Lines | 79,636 | 6,379 | 7,015 | 6,101 | 7,225 | 6,283 | 6,568 |
| 595000 | DM | 595 | Maintenance of Line Transformers | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 596000 | DM | 596 | Maint of Street Lighting & Signals | 165,418 | 13,444 | 14,040 | 13,186 | 14,263 | 13,457 | 13,775 |
| 597000 | DM | 597 | Maint of Misc Distribution Plant | 24,516 | 2,043 | 2,043 | 2,043 | 2,043 | 2,043 | 2,043 |
| 598000 | DM | 598 | Maintenance of Meters | 54,326 | 6,773 | 4,259 | 4,398 | 4,500 | 4,339 | 4,338 |
| 901000 | DM | 901 | Maint of Misc Distribution Plant | 1,067,382 | 92,363 | 90,762 | 90,614 | 90,778 | 88,728 | 87,000 |
| 902000 | DM | 902 | Suppn Cust Bill & Coll | 3,670,030 | 309,388 | 308,246 | 311,511 | 315,009 | 296,242 | 303,982 |
| 903000 | DM | 903 | Marketing Operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 904000 | DM | 904 | Cust Acctg Uncol Accts Piv | 3,157,234 | 513,008 | 357,036 | 251,496 | 152,088 | 107,231 | 162,917 |
| 904002 | DM | 904 | Loss on Sale of A/R | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 905000 | DM | 905 | Cust Relns Billg & Coll | 72,746 | 6,003 | 6,373 | 5,622 | 6,542 | 5,746 | 5,987 |
| 908000 | DM | 908 | Customer Assistance | 107,067 | 13,109 | 13,109 | 13,109 | 13,109 | 13,109 | 7,762 |
| 909000 | DM | 909 | Info/Instr Advrs-Community Affairs | 499,355 | 44,969 | 37,119 | 40,451 | 37,800 | 45,296 | 38,889 |
| 910000 | DM | 910 | Misc Cust Serv and Info | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 911000 | DM | 911 | Marketing Operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 912000 | DM | 912 | Marketing Marketing | 3,204 | 267 | 267 | 267 | 267 | 267 | 267 |
| 913000 | DM | 913 | Marketing/Customer Relns | 2,020,000 | 224,000 | 198,000 | 171,000 | 136,000 | 117,000 | 145,000 |
| 916000 | DM | 916 | Miscellaneous Sales Exps | 8,524,058 | 757,766 | 709,510 | 700,255 | 748,510 | 690,941 | 696,049 |
| 920000 | DM | 920 | Admin & General Labor | (244,740) | (20,395) | (20,395) | (20,395) | (20,395) | (20,395) | (20,395) |
| 920450 | DM | 920 | Admin & General Labor - Billed DP&L | 2,646,281 | 327,420 | 218,319 | 249,147 | 211,581 | 210,160 | 230,698 |
| 921000 | DM | 921 | Admin & Gen Office Suppl & Exp | (115,428) | (9,619) | (9,619) | (9,619) | (9,619) | (9,619) | (9,619) |
| 921450 | DM | 921 | A&G Office Suppl & Exp - Billed DP&L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 922000 | DM | 922 | Duplicate Charges Credit | 1,894,366 | 175,304 | 175,304 | 175,304 | 176,868 | 175,304 | 175,304 |
| 923000 | DM | 923 | Special Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 924000 | DM | 924 | Property Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

No Change

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Total | Jan-07 | Feb-07 | Mar-07 | Apr-07 | May-07 | Jun-07 |
|---------|------|------|--|-------------|------------|------------|------------|------------|-------------|------------|
| 925000 | AGO | 925 | Injuries & Damages | 680,058 | 56,672 | 56,671 | 56,672 | 56,671 | 56,672 | 56,671 |
| 925990 | AGO | 925 | Genl Frng Benfts Frm PSI-Joint | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 926000 | AGO | 926 | Empl Pension & Benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 926110 | AGO | 926 | Employee Fringe Benefits | 10,525,746 | 885,990 | 905,372 | 888,522 | 901,273 | 878,074 | 870,970 |
| 926590 | AGO | 926 | Employee Fringe Benefits - Billed DP&L, C: | (1,115,591) | (96,216) | (95,983) | (97,239) | (92,563) | (95,682) | (92,327) |
| 928000 | AGO | 928 | State Reg Comm Proceeding | 390,780 | 32,565 | 32,565 | 32,565 | 32,565 | 32,565 | 32,565 |
| 928020 | AGO | 928 | Fed Energy Reg Comm Proceed | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 929010 | AGO | 929 | Service Used Own Dept Cr | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 929030 | AGO | 929 | Jobbing Overheads | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 930000 | AGO | 930 | General & Misc Media | 16,848 | 1,404 | 1,404 | 1,404 | 1,404 | 1,404 | 1,404 |
| 930100 | AGO | 930 | General Advertising Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 930200 | AGO | 930 | General Misc | 602,868 | 50,239 | 50,239 | 50,239 | 50,239 | 50,239 | 50,239 |
| 930202 | AGO | 930 | A&G Misc General Expense | 1,701,754 | 167,434 | 145,234 | 147,750 | 145,940 | 145,279 | 146,371 |
| 931000 | AGO | 931 | Rents | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 931200 | DO | 931 | Rents - Interco | (21,672) | (1,806) | (1,806) | (1,806) | (1,806) | (1,806) | (1,806) |
| 931400 | AGO | 931 | Rents - Electric - Billed DP&L | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 931500 | AGO | 931 | Rents - Affiliated Company | 498,371 | 41,660 | 41,953 | 41,533 | 42,011 | 41,615 | 41,746 |
| 935000 | AGM | 935 | Maint of General Plant | 560,794,743 | 47,185,755 | 43,361,981 | 49,959,852 | 50,093,074 | 40,919,827 | 49,233,656 |
| REV | | | Revenues | 289,945,841 | 24,414,046 | 22,638,372 | 26,054,571 | 25,354,321 | 20,129,068 | 25,604,592 |
| | | | Operating Expenses | 76,682,155 | 7,677,545 | 6,786,526 | 5,106,169 | 2,685,191 | 5,676,972 | 6,603,436 |
| | | | Fuel Expense | 50,776,977 | 3,005,021 | 2,410,477 | 6,735,933 | 10,337,100 | 4,020,133 | 3,995,191 |
| | | | Purchased Power | 5,436,451 | 369,982 | 369,483 | 309,106 | 233,959 | 431,386 | 464,128 |
| | | | Emission Allowances | | | | | | | |
| | | | Operation | 17,854,090 | 1,589,280 | 1,450,213 | 1,209,564 | 870,666 | 1,517,819 | 1,603,251 |
| | | | Production | 18,796,761 | 1,679,304 | 1,411,935 | 1,410,776 | 1,292,395 | 1,288,450 | 2,076,988 |
| | | | Transmission | 1,934,787 | 171,716 | 166,954 | 150,655 | 171,275 | 154,433 | 159,533 |
| | | | Distribution | 36,136,672 | 3,536,638 | 3,181,986 | 3,061,267 | 2,956,761 | 2,784,032 | 2,892,266 |
| | | | A&G | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | Other | | | | | | | |
| | | | Maintenance | 13,120,712 | 621,448 | 626,510 | 1,412,655 | 2,598,945 | 2,156,067 | 1,393,178 |
| | | | Production | 953,244 | 79,047 | 79,861 | 78,455 | 80,455 | 78,874 | 79,360 |
| | | | Transmission | 4,758,437 | 391,213 | 402,564 | 386,969 | 407,115 | 390,370 | 395,503 |
| | | | Distribution | 498,371 | 41,660 | 41,953 | 41,533 | 42,011 | 41,615 | 41,746 |
| | | | A&G | 94,053,074 | 8,110,306 | 7,361,976 | 7,751,874 | 8,419,623 | 8,411,660 | 8,641,815 |
| | | | Operation & Maintenance Expense | 32,582,234 | 2,699,907 | 2,699,841 | 2,695,736 | 2,699,291 | 2,702,791 | 2,707,408 |
| | | | Depreciation Expense | 7,520,165 | 635,802 | 629,569 | 626,339 | 632,437 | 624,773 | 624,192 |
| | | | Amortization of Deferred Expenses | 3,797,846 | 283,146 | 472,737 | 680,124 | (268,848) | (1,076,956) | 582,894 |
| | | | Taxes Other Than Income Taxes | | | | | | | |
| | | | Income Taxes | 19,096,939 | 1,642,337 | 1,914,763 | 2,149,290 | 615,568 | (661,691) | 1,975,528 |
| | | | Operating Income | | | | | | | |

DUKE ENERGY KENTUCKY
CASE NO: 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

WPC-2.1a
WITNESS RESPONSIBLE
W. D. WATHEN
PAGE 5 OF 8

DATA: BASE PERIOD 'X' FORECASTED PERIOD
TYPE OF FILING: ORIGINAL 'X' UPDATED REVISED

| Account | Code | FERC | Description | Jul-07 | Aug-07 | Sep-07 | Oct-07 | Nov-07 | Dec-07 |
|---------|-------|------|--|-----------|-----------|-------------|-----------|-----------|-----------|
| 403300 | DEPR | 403 | Electric Depreciation Expense | 2,718,127 | 2,721,850 | 2,726,155 | 2,729,312 | 2,733,275 | 2,765,541 |
| 408020 | OTHIX | 408 | Ohio Property Taxes - Prod | 156,482 | 156,482 | 156,482 | 156,482 | 156,482 | 156,482 |
| 408025 | OTHIX | 408 | Ohio Property Taxes - Trans | 22,602 | 22,602 | 22,602 | 22,602 | 22,602 | 22,602 |
| 408055 | OTHIX | 408 | Kentucky Property Tax - Elec | 227,211 | 227,211 | 227,211 | 227,211 | 227,211 | 227,211 |
| 408065 | OTHIX | 408 | Ky Property Taxes - East Bend | 62,500 | 62,500 | 62,500 | 62,500 | 62,500 | 62,500 |
| 408240 | OTHIX | 408 | Payroll Taxes-Joint Ownership | (17,511) | (17,824) | (18,847) | (20,127) | (19,498) | (18,811) |
| 408410 | OTHIX | 408 | Social Security Taxes | 171,007 | 166,400 | 175,019 | 180,991 | 175,902 | 173,680 |
| 408510 | OTHIX | 408 | Federal Hwy/Use Tax | 1,117 | 417 | 417 | 1,117 | 417 | 417 |
| 409060 | FIT | 409 | Federal Income Taxes | 1,389,013 | 1,470,209 | (81,450) | (290,079) | 53,481 | 485,119 |
| 409160 | FIT | 409 | General Taxes | 236,687 | 252,909 | (20,059) | (56,755) | 3,682 | 79,615 |
| 410060 | FIT | 410 | General Income Tax | (47,656) | (48,574) | (50,322) | (51,034) | (52,011) | (62,977) |
| 411060 | FIT | 410 | State Income Tax | (3,459) | (3,559) | (3,867) | (3,992) | (4,164) | (6,094) |
| 411060 | FIT | 411 | Deferred FIT Credit - ITC Amortization | (11,987) | (11,987) | (11,987) | (11,987) | (11,987) | (11,989) |
| 440503 | REV | 440 | Res - Generation Base Revenue | 4,041,175 | 4,221,475 | 3,824,078 | 2,644,256 | 2,720,720 | 3,387,612 |
| 440601 | REV | 440 | Res - Base Fuel Revenue | 2,756,931 | 2,885,796 | 2,605,578 | 1,883,881 | 1,936,973 | 2,579,843 |
| 440618 | REV | 440 | Res - FCA/PPP Revenue | 1,354,086 | 1,297,427 | 475,010 | 39,984 | 176,476 | 398,702 |
| 440633 | REV | 440 | Res - OSS Sharing Credit | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) | (71,181) |
| 440633 | REV | 440 | Res - OSS Sharing Credit | (71,181) | 327,552 | 296,717 | 205,173 | 211,106 | 262,851 |
| 440633 | REV | 440 | Res - Transmission Base Revenue | (142,677) | (149,346) | (134,844) | (97,495) | (100,242) | (133,512) |
| 440633 | REV | 440 | Res - Merger Savings Credit | 313,562 | 306,551 | 2,805,051 | 1,939,623 | 1,995,711 | 2,484,892 |
| 440633 | REV | 440 | Res - Distribution Base Revenue | 248,818 | 260,449 | 235,158 | 170,024 | 174,816 | 232,836 |
| 440633 | REV | 440 | Res - DSM Rider Revenue | 979,452 | 465,404 | (2,363,110) | (275,518) | 619,628 | 841,028 |
| 440633 | REV | 440 | Res - Change in Unbilled Rev | 3,672,069 | 3,801,780 | 3,634,479 | 3,088,963 | 2,908,210 | 3,173,060 |
| 440633 | REV | 440 | Comm - Generation Base Revenue | 2,528,297 | 2,564,761 | 2,484,522 | 2,092,775 | 1,998,828 | 2,224,617 |
| 442601 | REV | 442 | Comm - Base Fuel Revenue | 1,241,791 | 1,153,093 | 452,941 | 44,417 | 182,111 | 343,804 |
| 442618 | REV | 442 | Comm - FCA/PPP Revenue | (64,717) | (64,348) | (62,972) | (59,913) | (60,057) | (61,959) |
| 442633 | REV | 442 | Comm - Transmission Base Revenue | 340,663 | 352,897 | 337,176 | 286,568 | 269,799 | 294,369 |
| 442633 | REV | 442 | Comm - Transmission Base Revenue | (29,533) | (29,959) | (29,021) | (24,445) | (23,348) | (25,986) |
| 442633 | REV | 442 | Comm - Merger Savings Credit | 1,479,797 | 1,532,069 | 1,464,649 | 1,244,813 | 1,171,972 | 1,278,703 |
| 442633 | REV | 442 | Comm - Distribution Base Revenue | (43,438) | (44,065) | (42,686) | (35,956) | (34,342) | (38,221) |
| 442633 | REV | 442 | Comm - DSM Rider Revenue | 428,064 | 360,897 | (982,914) | (2,778) | (61,798) | (168,679) |
| 442633 | REV | 442 | Comm - Change in Unbilled Rev | 1,699,065 | 1,748,399 | 1,757,662 | 1,495,157 | 1,463,336 | 1,463,238 |
| 442653 | REV | 442 | Ind - Generation Base Revenue | 1,290,132 | 1,329,287 | 1,351,796 | 1,286,294 | 1,215,467 | 1,228,716 |
| 442653 | REV | 442 | Ind - Base Fuel Revenue | 633,657 | 597,635 | 246,439 | 27,301 | (36,520) | 189,892 |
| 442653 | REV | 442 | Ind - FCA/PPP Revenue | (33,024) | (33,351) | (34,262) | (36,825) | (34,222) | (34,222) |
| 442653 | REV | 442 | Ind - OSS Sharing Credit | 150,495 | 154,865 | 155,685 | 132,434 | 129,615 | 129,606 |
| 442653 | REV | 442 | Ind - Transmission Base Revenue | (15,070) | (15,527) | (15,790) | (15,025) | (14,198) | (14,353) |
| 442653 | REV | 442 | Ind - Merger Savings Credit | 557,396 | 573,580 | 576,619 | 490,501 | 480,062 | 480,030 |
| 442653 | REV | 442 | Ind - Distribution Base Revenue | 0 | 0 | 0 | 0 | 0 | 0 |
| 442653 | REV | 442 | Ind - DSM Rider Revenue | 263,510 | 341,756 | (437,338) | (126,961) | (31,207) | (178,275) |
| 442653 | REV | 442 | Ind - Change in Unbilled Rev | 40,381 | 42,243 | 43,793 | 46,654 | 46,870 | 52,195 |
| 442653 | REV | 442 | SL - Generation Base Revenue | 27,739 | 29,725 | 31,844 | 35,376 | 37,132 | 39,919 |
| 444601 | REV | 444 | SL - Base Fuel Revenue | 13,624 | 13,364 | 5,805 | 751 | 3,383 | 6,169 |
| 444618 | REV | 444 | SL - FCA/PPP Revenue | (710) | (746) | (807) | (1,013) | (1,116) | (1,112) |
| 444633 | REV | 444 | SL - OSS Sharing Credit | 3,369 | 3,524 | 3,654 | 3,892 | 3,910 | 4,354 |
| 444633 | REV | 444 | SL - Transmission Base Revenue | (702) | (752) | (806) | (895) | (939) | (1,010) |
| 444633 | REV | 444 | SL - Merger Savings Credit | 53,858 | 56,341 | 58,409 | 62,224 | 62,513 | 69,615 |
| 444633 | REV | 444 | SL - Distribution Base Revenue | (477) | (511) | (547) | (606) | (638) | (686) |
| 444633 | REV | 444 | SL - DSM Rider Revenue | 708,853 | 729,424 | 720,397 | 667,394 | 630,465 | 681,792 |
| 445603 | REV | 445 | OPA - Generation Base Revenue | 503,315 | 513,739 | 524,466 | 474,488 | 454,041 | 504,155 |
| 445601 | REV | 445 | OPA - Base Fuel Revenue | | | | | | |

No Change

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

WPC-2-1a
WITNESS RESPONSIBLE
W. D. WATTHEN
PAGE 6 OF 8

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Jul-07 | Aug-07 | Sep-07 | Oct-07 | Nov-07 | Dec-07 |
|---------|------|------|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 445618 | REY | 445 | OPA - FCA/FPB Revenue | 247,207 | 230,972 | 95,613 | 10,071 | 41,367 | 77,915 |
| 445633 | REV | 445 | OPA - OSS Shaming Credit | (12,883) | (12,889) | (13,293) | (13,584) | (13,642) | (14,042) |
| 445639 | REV | 445 | OPA - Transmission Base Revenue | 63,602 | 65,448 | 64,538 | 59,882 | 56,569 | 61,174 |
| 445631 | REV | 445 | OPA - Merger Savings Credit | (5,879) | (6,001) | (6,126) | (5,542) | (5,304) | (5,889) |
| 445610 | REV | 445 | OPA - Distribution Base Revenue | 247,052 | 254,221 | 251,075 | 232,603 | 219,732 | 237,621 |
| 445603 | REV | 445 | OPA - DSM Rider Revenue | (8,647) | (8,826) | (9,011) | (8,152) | (7,801) | (8,662) |
| 445520 | REV | 445 | OPA - Change in Unbilled Rev | 106,294 | 74,753 | (106,602) | (67,321) | (27,383) | (72,767) |
| 447810 | REV | 448 | Elec Rev - Non-native sales | 1,098,032 | 1,310,849 | 1,319,817 | 1,894,424 | 1,979,954 | 1,529,880 |
| 448500 | REV | 448 | Inter Departmental Sales | 13,244 | 12,053 | 11,758 | 10,192 | 9,918 | 11,404 |
| 445010 | REV | 454 | Rent Land and Buildings | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 | 7,613 |
| 454010 | REV | 454 | Rent Land and Buildings | 139,838 | 139,838 | 135,543 | 47,583 | 41,696 | 42,863 |
| 454160 | REV | 454 | Rent Land Elec Prop - Net CCD | 8,458 | 8,458 | 8,458 | 8,458 | 8,458 | 8,458 |
| 456000 | REV | 456 | Other Variable Revenues | 153,179 | 156,365 | 166,867 | 177,591 | 172,638 | 166,409 |
| 500000 | PO | 500 | Supervision and Engineering | 32,789 | 31,418 | 36,148 | 26,116 | 36,328 | 23,611 |
| 501008 | FUEL | 501 | Fuel Procurement And Handling | 42,698 | 42,177 | 42,698 | 42,425 | 42,425 | 42,698 |
| 501020 | FUEL | 501 | Fuel Hndlg/Proc - JO Cr | 1,817,373 | 1,882,448 | 1,514,542 | 1,704,795 | 1,805,633 | 2,090,896 |
| 501109 | FUEL | 501 | Coal/Miant Fort Units 5-7 | 4,523,325 | 4,516,065 | 4,339,072 | 4,412,097 | 4,342,832 | 4,501,262 |
| 501116 | FUEL | 501 | Coal-East Bend Station | 66,524 | 76,928 | 78,229 | 69,761 | 40,460 | 37,644 |
| 501300 | FUEL | 501 | Residual Disposal Costs | 249,284 | 252,166 | 260,669 | 239,499 | 235,106 | 229,732 |
| 502000 | PO | 502 | Steam Expenses | 73,582 | 73,582 | 73,582 | 0 | 0 | 0 |
| 502010 | PO | 502 | Ammonia Expense | 660,774 | 660,774 | 639,459 | 660,774 | 639,459 | 660,774 |
| 502040 | PO | 502 | Cost of Lime | 26,563 | 27,231 | 29,084 | 31,371 | 30,366 | 29,084 |
| 505000 | PO | 505 | Electric Expenses | 250,663 | 300,204 | 251,829 | 264,367 | 505,166 | 262,599 |
| 506000 | PO | 506 | Miscellaneous Steam Power Exp | 349,603 | 369,351 | 315,833 | 288,095 | 310,613 | 424,315 |
| 509010 | EA | 509 | SO2 Emission Expense - Native | 97,992 | 119,103 | 137,471 | 164,540 | 182,751 | 175,027 |
| 509030 | EA | 509 | SO2 Emission Expense - NonNative | 76,765 | 92,822 | 84,517 | 0 | 0 | 0 |
| 509210 | EA | 509 | Nox Emission Expense - Native | 16,885 | 23,239 | 29,525 | 0 | 0 | 0 |
| 509230 | EA | 509 | Nox Emission Expense - NonNative | 90,755 | 90,778 | 91,889 | 92,712 | 92,280 | 91,889 |
| 510000 | PM | 510 | Maint - Supervision/Engineer | 90,486 | 90,610 | 90,320 | 85,501 | 84,737 | 85,085 |
| 511000 | PM | 511 | Maintenance of Structures | 315,117 | 322,112 | 325,636 | 684,399 | 346,684 | 317,844 |
| 512000 | PM | 512 | Maintenance of Boiler Plant | 0 | 0 | 0 | 0 | 0 | 0 |
| 512251 | PM | 512 | Maintenance of Boiler Plant - TM Over | 65,446 | 65,407 | 67,170 | 80,864 | 68,017 | 67,170 |
| 513000 | PM | 513 | Maintenance of Electric Plant | 0 | 0 | 0 | 0 | 0 | 0 |
| 513100 | PM | 513 | Removal - Electric Plant | 44,635 | 44,334 | 45,886 | 46,754 | 46,517 | 45,954 |
| 514000 | PM | 514 | Maint Misc Steam Plant | 0 | 0 | 0 | 0 | 0 | 0 |
| 514100 | PM | 514 | Removal - Misc Steam Plant | 0 | 0 | 0 | 0 | 0 | 0 |
| 546000 | PO | 546 | Other Power - Supv/Engr Labor | 35,557 | 34,525 | 35,117 | 32,575 | 32,575 | 33,000 |
| 547501 | FUEL | 547 | Woodsdale Gas | 1,416,406 | 1,605,371 | 234,416 | 105,939 | 149,661 | 373,106 |
| 548000 | PO | 548 | Other Power-Ops Generation Exp | 42,090 | 41,383 | 41,963 | 41,795 | 41,660 | 41,963 |
| 549000 | PO | 549 | Misc Other Power Gen Exp | 93,404 | 88,050 | 93,927 | 80,080 | 82,646 | 90,341 |
| 549115 | PO | 549 | Misc Other Power Gen Exp I/C | 0 | 0 | 0 | 0 | 0 | 0 |
| 551000 | PM | 551 | Other Pwr - Maint Supv/Engr | 3,044 | 3,044 | 3,044 | 3,044 | 3,044 | 3,044 |
| 552000 | PM | 552 | Other Pwr - Maint of Structure | 4,060 | 3,045 | 3,045 | 2,385 | 0 | 0 |
| 553000 | PM | 553 | Other Pwr - Maint Generating | 27,371 | 35,770 | 29,350 | 27,875 | 27,520 | 37,775 |
| 553000 | PM | 553 | Other Pwr-Maint Misc Equip | 4,502 | 2,472 | 2,472 | 4,071 | 2,472 | 2,472 |
| 554000 | PM | 554 | Other Pwr-Maint Misc Equip | 5,059,605 | 4,968,371 | 3,248,377 | 2,049,104 | 2,215,787 | 2,731,878 |
| 555200 | PP | 555 | Purchased Power - Native Load | 3,309 | 3,309 | 3,309 | 3,309 | 3,309 | 3,309 |
| 556000 | PO | 556 | Electric System Operatrs Dept | 4,890 | 4,890 | 4,890 | 4,890 | 4,890 | 4,890 |
| 560000 | TO | 560 | Operation Supervision & Engine | 180,418 | 179,474 | 162,071 | 137,661 | 141,885 | 158,615 |
| 561000 | TO | 561 | Load Dispatching | 0 | 0 | 0 | 0 | 0 | 0 |

No Change

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

WPC-2.1a
WITNESS RESPONSIBLE
W. D. WATHEN
PAGE 7 OF 8

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Jul-07 | Aug-07 | Sep-07 | Oct-07 | Nov-07 | Dec-07 |
|---------|------|------|--------------------------------------|-----------|-----------|-----------|-----------|----------|-----------|
| 562000 | TO | 562 | Station Expenses | 312 | 318 | 332 | 347 | 339 | 332 |
| 563000 | TO | 563 | Overhead Line Expenses | 1,015 | 1,015 | 1,015 | 1,015 | 1,015 | 1,015 |
| 565855 | TO | 565 | Transmission & Ancillary Services | 1,651,235 | 1,423,337 | 1,368,427 | 1,102,901 | 995,599 | 1,115,340 |
| 566000 | TO | 566 | Miscellaneous Transmission Exp | 3,846 | 2,242 | 2,376 | 2,309 | 2,309 | 2,570 |
| 567010 | TO | 567 | Rents - Interco - CG&E | 161,148 | 161,148 | 161,148 | 161,148 | 161,148 | 161,148 |
| 568000 | TM | 568 | Maintenance Superv & Engineering | 6,620 | 6,660 | 6,620 | 6,640 | 6,640 | 6,620 |
| 569000 | TM | 569 | Maintenance of Structures | 5,103 | 4,659 | 5,103 | 4,870 | 4,870 | 5,103 |
| 570000 | TM | 570 | Maintenance of Station Equipment | 696 | 696 | 696 | 696 | 696 | 696 |
| 571000 | TM | 571 | Maintenance of Overhead Lines | 67,457 | 66,859 | 67,457 | 67,144 | 67,144 | 67,457 |
| 573000 | TM | 573 | Maint of Misc Transmission Plant | 0 | 0 | 0 | 0 | 0 | 0 |
| 580000 | DO | 580 | Operation Supervision & Engine | 36,074 | 35,481 | 36,074 | 35,760 | 35,760 | 36,074 |
| 581000 | DO | 581 | Load Dispatching | 0 | 0 | 0 | 0 | 0 | 0 |
| 582000 | DO | 582 | Station Expenses | 4,467 | 4,487 | 4,467 | 4,477 | 4,477 | 4,467 |
| 583000 | DO | 583 | Overhead Line Expenses | 42,745 | 41,157 | 42,333 | 42,424 | 41,599 | 42,743 |
| 584000 | DO | 584 | Underground Line Expenses | 12,019 | 12,060 | 11,607 | 12,551 | 11,726 | 12,018 |
| 585000 | DO | 585 | Street Lighting & Signal System | 0 | 0 | 0 | 0 | 0 | 0 |
| 586000 | DO | 586 | Meter Expenses | 13,998 | 28,618 | 22,374 | 26,288 | 22,938 | 24,049 |
| 587000 | DO | 587 | Customer Installations Expense | 19,408 | 18,052 | 19,408 | 18,703 | 18,703 | 19,408 |
| 588000 | DO | 588 | Miscellaneous Distribution Exp | 24,045 | 23,116 | 23,677 | 23,367 | 23,367 | 23,655 |
| 589010 | DO | 589 | Rents - Interco - CG&E | 0 | 0 | 0 | 0 | 0 | 0 |
| 590000 | DM | 590 | Maintenance Superv & Engineering | 26,645 | 26,072 | 26,645 | 26,341 | 26,341 | 26,645 |
| 591000 | DM | 591 | Maintenance of Structures | 0 | 0 | 0 | 0 | 0 | 0 |
| 592000 | DM | 592 | Maintenance of Station Equipment | 4,276 | 4,312 | 4,276 | 4,294 | 4,294 | 4,276 |
| 593000 | DM | 593 | Maintenance of Overhead Lines | 330,665 | 322,885 | 330,665 | 326,593 | 326,593 | 330,665 |
| 594000 | DM | 594 | Maintenance of Underground Lines | 16,516 | 15,318 | 16,516 | 15,889 | 15,889 | 16,516 |
| 595000 | DM | 595 | Maintenance of Line Transformers | 6,882 | 6,283 | 6,882 | 6,568 | 6,568 | 6,882 |
| 596000 | DM | 596 | Maint of Street Lighting & Signals | 0 | 0 | 0 | 0 | 0 | 0 |
| 597000 | DM | 597 | Maintenance of Meters | 14,066 | 13,505 | 14,066 | 13,775 | 13,775 | 14,066 |
| 598000 | DM | 598 | Maint of Misc Distribution Plant | 2,043 | 2,043 | 2,043 | 2,043 | 2,043 | 2,043 |
| 901000 | AGO | 901 | Supvn Cust Bill & Coll | 4,206 | 4,237 | 4,290 | 4,363 | 4,329 | 4,294 |
| 902000 | AGO | 902 | Billg Clns Meter Reading | 82,207 | 82,741 | 86,929 | 90,609 | 97,677 | 86,974 |
| 903000 | AGO | 903 | Marketing Operations | 304,968 | 297,350 | 308,542 | 304,494 | 299,747 | 310,551 |
| 904000 | AGO | 904 | Cust Accqy Unicol Acis Piv | 0 | 0 | 0 | 0 | 0 | 0 |
| 904002 | AGO | 904 | Loss on Sale of A/R | 209,461 | 215,925 | 190,260 | 205,643 | 306,393 | 485,776 |
| 905000 | AGO | 905 | Cust Relins Billg & Coll | 0 | 0 | 0 | 0 | 0 | 0 |
| 906000 | AGO | 906 | Customer Assistance | 6,251 | 5,746 | 6,251 | 5,987 | 5,987 | 6,251 |
| 908000 | AGO | 908 | Info/Inst Adv's-Community Affairs | 6,047 | 6,047 | 6,047 | 6,047 | 6,047 | 10,587 |
| 909000 | AGO | 909 | Misc Cust Serv and Info | 37,160 | 38,044 | 38,785 | 44,812 | 46,353 | 49,677 |
| 910000 | AGO | 910 | Marketing Operations | 0 | 0 | 0 | 0 | 0 | 0 |
| 911000 | AGO | 911 | Energy Marketing | 0 | 0 | 0 | 0 | 0 | 0 |
| 912000 | AGO | 912 | Marketing/Customer Relins | 267 | 267 | 267 | 267 | 267 | 267 |
| 913000 | AGO | 913 | Miscellaneous Sales Exps | 196,000 | 207,000 | 184,000 | 125,000 | 132,000 | 185,000 |
| 916000 | AGO | 916 | Admin & General Labor | 718,745 | 677,432 | 703,161 | 732,428 | 700,159 | 689,102 |
| 920000 | AGO | 920 | Admin & General Labor - Billed DP&L | (20,395) | (20,395) | (20,395) | (20,395) | (20,395) | (20,395) |
| 920450 | AGO | 920 | Admin & Gen Office Suppl & Exp | 202,252 | 202,836 | 220,659 | 202,337 | 206,499 | 164,373 |
| 921450 | AGO | 921 | A&G Office Suppl & Exp - Billed DP&L | (9,619) | (9,619) | (9,619) | (9,619) | (9,619) | (9,619) |
| 922000 | AGO | 922 | Duplicate Charges Credit | 0 | 0 | 0 | 0 | 0 | 0 |
| 923000 | AGO | 923 | Special Services | 140,163 | 140,163 | 140,163 | 140,163 | 140,163 | 140,163 |
| 924000 | AGO | 924 | Property Insurance | 0 | 0 | 0 | 0 | 0 | 0 |

No Change

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
MONTHLY REVENUES AND EXPENSES BY ACCOUNT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

| Account | Code | FERC | Description | Jul-07 | Aug-07 | Sep-07 | Oct-07 | Nov-07 | Dec-07 |
|---------|------|------|--|------------|------------|------------|------------|------------|------------|
| 925000 | AGO | 925 | Injuries & Damages | 56,672 | 56,671 | 56,672 | 56,671 | 56,672 | 56,671 |
| 925990 | AGO | 925 | Genl Fring Benefits Frm PSI-Joint | 0 | 0 | 0 | 0 | 0 | 0 |
| 926000 | AGO | 926 | Empl Pension & Benefits | 0 | 0 | 0 | 0 | 0 | 0 |
| 926110 | AGO | 926 | Employee Fringe Benefits | 841,930 | 828,347 | 876,679 | 897,814 | 881,595 | 869,180 |
| 926590 | AGO | 926 | Employee Fringe Benefits - Billed DP&L, C: | (84,831) | (66,348) | (91,305) | (97,509) | (94,457) | (91,131) |
| 928000 | AGO | 928 | State Reg Comm Proceeding | 32,565 | 32,565 | 32,565 | 32,565 | 32,565 | 32,565 |
| 928020 | AGO | 928 | Fed Energy Reg Com Proceed | 0 | 0 | 0 | 0 | 0 | 0 |
| 929010 | AGO | 929 | Service Used Own Dept Cr | 0 | 0 | 0 | 0 | 0 | 0 |
| 929030 | AGO | 929 | Jobbing Overheads | 0 | 0 | 0 | 0 | 0 | 0 |
| 930000 | AGC | 930 | General & Misc Media | 0 | 0 | 0 | 0 | 0 | 0 |
| 930100 | AGC | 930 | General Advertising Expenses | 1,404 | 1,404 | 1,404 | 1,404 | 1,404 | 1,404 |
| 930200 | AGO | 930 | General Misc | 0 | 0 | 0 | 0 | 0 | 0 |
| 930202 | AGO | 930 | A&G Misc General Expense | 50,239 | 50,239 | 50,239 | 50,239 | 50,239 | 50,239 |
| 931000 | AGO | 931 | Rents | 147,846 | 147,512 | 148,053 | 147,447 | 147,447 | 65,441 |
| 931200 | DO | 931 | Rents - Interco | 0 | 0 | 0 | 0 | 0 | 0 |
| 931400 | AGO | 931 | Rents - Electric - Billed DP&L | (1,806) | (1,806) | (1,806) | (1,806) | (1,806) | (1,806) |
| 931500 | AGO | 931 | Rents - Affiliated Company | 0 | 0 | 0 | 0 | 0 | 0 |
| 935000 | AGM | 935 | Maint of General Plant | 41,445 | 41,159 | 41,481 | 41,240 | 41,230 | 41,298 |
| | | | | 56,036,443 | 56,453,830 | 42,488,929 | 39,167,537 | 40,739,157 | 45,154,702 |
| REV | | | Revenues | 29,796,798 | 30,110,536 | 21,675,135 | 19,790,557 | 20,879,475 | 23,498,370 |
| | | | OperatIndExpenses | 7,899,115 | 8,154,407 | 6,245,105 | 6,361,133 | 6,417,339 | 7,069,217 |
| Fuel | | | Fuel Expense | 5,059,605 | 4,968,371 | 3,248,377 | 2,049,104 | 2,215,787 | 2,731,878 |
| PP | | | Purchased Power | 541,205 | 604,515 | 567,346 | 452,635 | 493,364 | 599,342 |
| EA | | | Emission Allowances | | | | | | |
| | | | Operation | 1,588,405 | 1,637,589 | 1,595,806 | 1,531,361 | 1,742,925 | 1,517,211 |
| PO | | | Production | 2,002,864 | 1,772,424 | 1,700,259 | 1,410,271 | 1,307,185 | 1,443,910 |
| TO | | | Transmission | 152,756 | 162,971 | 159,940 | 163,570 | 158,570 | 162,414 |
| DO | | | Distribution | 2,921,732 | 2,876,358 | 2,931,841 | 2,918,961 | 2,989,266 | 3,085,564 |
| AGO | | | A&G | 0 | 0 | 0 | 0 | 0 | 0 |
| OTH | | | Other | | | | | | |
| | | | Maintenance | 645,416 | 657,572 | 658,812 | 1,027,605 | 671,271 | 651,233 |
| PM | | | Production | 79,876 | 78,874 | 79,876 | 79,350 | 79,350 | 79,876 |
| TM | | | Transmission | 401,093 | 390,418 | 401,093 | 395,503 | 395,503 | 401,093 |
| DM | | | Distribution | 41,445 | 41,159 | 41,481 | 41,240 | 41,298 | 41,298 |
| AGM | | | A&G | 7,833,587 | 7,617,365 | 7,569,108 | 7,567,861 | 7,385,300 | 7,382,599 |
| | | | Operation & Maintenance Expense | 2,718,127 | 2,721,850 | 2,726,155 | 2,729,312 | 2,733,275 | 2,765,541 |
| DEPR | | | Depreciation Expense | 623,408 | 617,788 | 625,384 | 630,776 | 625,616 | 624,081 |
| OTHTX | | | Amortization of Deferred Expenses | 1,564,598 | 1,658,998 | (167,681) | (413,841) | (10,999) | 483,674 |
| FT | | | Taxes Other Than Income Taxes | | | | | | |
| | | | Income Taxes | 3,557,153 | 3,767,242 | 861,341 | 413,577 | 1,019,793 | 1,842,038 |
| | | | Operating Income | | | | | | |

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD REVENUE TO FORECASTED PERIOD

WPD-2.1a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|--------------------|-----------------------|--------------------------|----------------------|
| 1 | Base | \$ 171,127,916 | \$ 169,946,445 | \$ (1,181,471) |
| 2 | | | | |
| 3 | Fuel Cost | 65,176,951 | 100,771,619 | 35,594,668 |
| 4 | | | | |
| 5 | Other Revenue | <u>23,840,691</u> | <u>19,227,777</u> | <u>(4,612,914)</u> |
| 6 | | | | |
| 7 | Total Revenue | <u>\$ 260,145,558</u> | <u>\$ 289,945,841</u> | <u>\$ 29,800,283</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD PURCHASED POWER COST

WPD-2.2a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|-------------------------|-----------------------|--------------------------|------------------------|
| 1 | Purchased Power Expense | <u>\$ 128,764,673</u> | <u>\$ 113,892,375</u> | <u>\$ (14,872,298)</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
OTHER PRODUCTION EXPENSES

WPD-2.3a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|---------------------------|----------------------|--------------------------|----------------------|
| 1 | Other Production Expenses | <u>\$ 27,086,430</u> | <u>\$ 49,978,010</u> | <u>\$ 22,891,580</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD TRANSMISSION EXPENSE

WPD-2.5a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|----------------------|----------------------|--------------------------|---------------------|
| 1 | Transmission Expense | <u>\$ 18,095,925</u> | <u>\$ 19,750,005</u> | <u>\$ 1,654,080</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD DISTRIBUTION EXPENSE

WPD-2.6a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|----------------------|---------------------|--------------------------|-------------------|
| 1 | Distribution Expense | <u>\$ 5,935,233</u> | <u>\$ 6,693,224</u> | <u>\$ 757,991</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD CUSTOMER ACCOUNTS EXPENSE

WPD-2.7a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|---------------------------|---------------------|--------------------------|-------------------|
| 1 | Customer Accounts Expense | <u>\$ 7,656,322</u> | <u>\$ 7,948,972</u> | <u>\$ 292,650</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD CUSTOMER SERVICE
AND INFORMATION EXPENSE

WPD-2.8a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|--|--------------------|--------------------------|--------------------|
| 1 | Customer Service & Information Expense | <u>\$ 715,743</u> | <u>\$ 679,168</u> | <u>\$ (36,575)</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD SALES EXPENSE

WPD-2.9a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|--------------------|---------------------|--------------------------|-------------------|
| 1 | Sales Expense | <u>\$ 1,725,153</u> | <u>\$ 2,023,204</u> | <u>\$ 298,051</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD A&G EXPENSE

WPD-2.10a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|--------------------|----------------------|--------------------------|---------------------|
| 1 | A&G Expense | <u>\$ 20,717,257</u> | <u>\$ 25,983,699</u> | <u>\$ 5,266,442</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST OTHER OPERATING EXPENSE TO FORECASTED PERIOD

WPD-2.11a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|----------------------|--------------------|--------------------------|-------------------|
| 1 | Depreciation Expense | \$ (2,703) | \$ - | \$ 2,703 |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD DEPRECIATION EXPENSE

WPD-2.12a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|----------------------|----------------------|--------------------------|---------------------|
| 1 | Depreciation Expense | <u>\$ 22,911,931</u> | <u>\$ 32,582,234</u> | <u>\$ 9,670,303</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST BASE PERIOD OTHER TAX EXPENSE

WPD-2.13a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Base Period</u> | <u>Forecasted Period</u> | <u>Adjustment</u> |
|-----------------|-------------------------------------|---------------------|--------------------------|---------------------|
| 1 | Other Federal Taxes | \$ 1,304,860 | \$ 2,098,016 | \$ 793,156 |
| 2 | | | | |
| 3 | State and Other Taxes | <u>3,973,789</u> | <u>5,422,149</u> | <u>1,448,360</u> |
| 4 | | | | |
| 5 | Total Taxes Other than Income Taxes | <u>\$ 5,278,649</u> | <u>\$ 7,520,165</u> | <u>\$ 2,241,516</u> |

↑
To Schedule D-1

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 ADJUST INCOME TAX EXPENSE

WPD-2.14a
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| Line No. | Description | Adjustments to | | Amount |
|----------|---------------------|----------------|-------------------|--------------|
| | | Base Period | Forecasted Period | |
| 1 | <u>Schedule D-1</u> | | | |
| 2 | State | \$ 114,368 | \$ (764,615) | \$ (650,247) |
| 3 | Federal | 531,815 | (4,313,976) | (3,782,161) |
| 4 | | | | |
| 5 | <u>Schedule E-1</u> | | | |
| 6 | State | 764,606 | (764,615) | (9) |
| 7 | Federal | 3,476,939 | (4,313,976) | (837,037) |
| 8 | | | | |
| 9 | <u>Difference</u> | | | |
| 10 | State | 650,238 | 0 | 650,238 |
| 11 | Federal | 2,945,124 | 0 | 2,945,124 |

↑
 To Schedule D-1

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
AMORTIZATION OF DEFERRED EXPENSES

WPD-2.15a
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Account Number | Description | Reference | Amount (\$) | Annual Amort. (B) (\$) |
|----------|----------------|------------------------------------|-----------|------------------|------------------------|
| 1 | 182376 | Deferred Project Costs | | | |
| 2 | | Actual through February 28, 2006 | (A) | 1,291,571 | 258,314 |
| 3 | | Additional Expenses: | | | |
| 4 | | Consultant to Issue & Evaluate RFP | (C) | 87,000 | 17,400 |
| 5 | | Outside Counsel | | 100,000 | 20,000 |
| 6 | | | | | |
| 7 | 182510 | Work Force Reduction - Electric | (A) | 1,530,917 | 510,306 |
| 8 | | Total | | <u>3,009,488</u> | <u>806,020</u> |

(A) Source: Company Records.

(B) Account 182376, five year amortization per Case No. 2003-00252.

Account 182510, three year amortization. Total amortization to Schedule D-2.15.

(C) Source: Internal Company estimates to issue and evaluate RFP for Backup Power Agreement including use of outside counsel for FERC review.

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
AMORTIZATION OF RATE CASE EXPENSE

WPD-2.16a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>LINE</u> <u>NO.</u> | <u>DESCRIPTION</u> | <u>AMOUNT</u> \$ |
|---------------------------|---|---------------------|
| 1 | <u>Case No. 2006-00172</u> | |
| 2 | Estimated Expense From Sch F-6 <--- | <u>235,000</u> |
| 3 | | |
| 4 | Test Period Amortization (Line 2 / 3 yrs) | 78,333 |
| 5 | | |
| 6 | Annual Rate Case Expense - Case No. 2006-00172 To Sch D-2.16 <--- | <u>78,333</u> |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ANNUALIZE AFFILIATED COMPANY RENTS

WPD-2.17a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Account</u> | <u>Description</u> | <u>Actual Monthly Amount</u> | <u>Months to Annualize</u> | <u>Adjustment</u> |
|-----------------|----------------|---|------------------------------|----------------------------|-------------------|
| 1 | 454710 | ULH&P Miami Fort Direct Lease to CG&E | \$ 4,065 | 12 | \$ 48,780 |
| 2 | | Total Revenue Annualization | <u>\$ 4,065</u> | | <u>\$ 48,780</u> |
| 3 | | | | | |
| 4 | 507000 | ULH&P Sublease of CG&E Miami Fort Reverse Lease | \$ 1,814 | 12 | \$ 21,768 |
| 5 | 507000 | CG&E Miami Fort Direct Lease to ULH&P | <u>1,413</u> | 12 | <u>16,956</u> |
| 6 | | Total Expense Annualization | <u>\$ 3,227</u> | | <u>\$ 38,724</u> |

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DATA: BASE PERIOD "X" FORECASTED PERIOD
 FEDERAL & STATE INCOME TAX ON INTEREST DEDUCTION

WPD-2.18a
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| Line No | Description | Schedule Reference | Long-Term Debt | Short-Term Debt |
|---------|--|-----------------------------|--------------------------|-----------------|
| 1 | Capital Structure | J-1, page 2 | 40.626% | 8.492% |
| 2 | | | | |
| 3 | Debt Portion of \$557,080,702 Electric Capitalization | WPA-1c | 226,319,606 | 47,307,293 |
| 4 | | | | |
| 5 | Less: Debt Portion of \$4,263,000 CWIP Subject to AFUDC | B-4 | 1,731,886 | 362,014 |
| 6 | | | | |
| 7 | Debt Component less Applicable Portion of Electric CWIP Subject to AFUDC | | 224,587,720 | 46,945,279 |
| 8 | | | | |
| 9 | | | | |
| 10 | Annual Cost Rate | J-1, page 2 | 6.0900% | 5.1380% |
| 11 | | | | |
| 12 | Annualized Electric Interest Expense | | 13,677,392 | 2,412,048 |
| 13 | for each Debt Component | | | |
| 14 | | | | |
| 15 | Total Annualized Electric Interest Expense | | | 16,089,440 |
| 16 | | | | |
| 17 | Test Period Electric Interest Deduction | WPD-2.18b | | 12,998,412 |
| 18 | | | | |
| 19 | Increase in Electric Interest Expense | | | 3,091,028 |
| 20 | | | | |
| 21 | State Income Tax Effect @ 5.80% (A) | (Line 19 * 5.80%) | To Sch D-2.18, Pg. 2 <-- | (179,280) |
| 22 | | | | |
| 23 | Federal Income Tax Effect @ 35.00% (A) | ((Line 19 - Line 21) * 35%) | To Sch D-2.18, Pg. 1 <-- | (1,019,112) |

(A) Source: Schedule H

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
DATA: BASE PERIOD "X" FORECASTED PERIOD
ELECTRIC BOOK INTEREST EXPENSE

WPD-2.18b
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Description | Source | Amount |
|----------|---|-------------------|------------------------------|
| 1 | <u>Interest on Long-Term Debt:</u> | | |
| 2 | | | |
| 3 | Total Company Interest on Long-Term Debt | Schedule I | \$ 15,840,145 |
| 4 | Total Company Amortization of Debt Discount & Premium | Schedule I | 417,022 |
| 5 | Total Company Interest on Long-Term Debt | | <u>16,257,167</u> |
| 6 | | | |
| 7 | Jurisdictional Rate Base Ratio | | <u>74.439%</u> |
| 8 | | | |
| 9 | Interest on Long-Term Debt - Electric | | <u>\$ 12,101,673</u> |
| 10 | | | |
| 11 | | FERC Form 2 | Percentage of |
| 12 | | Page 340 | Form 2 Totals |
| 13 | | | Allocation of |
| 14 | | | <u>\$1,712,776</u> |
| 15 | <u>Short-Term Interest:</u> | | |
| 16 | Account No. 430 - Interest on Debt to Assoc. Cos. | | |
| 17 | Money Pool - ULH&P to PSI | \$ 4 | 0.001% 17 |
| 18 | Money Pool - ULH&P to Cinergy Services | 13,803 | 1.793% 30,710 |
| 19 | Money Pool - ULH&P to Cinergy Corp. | 69,069 | 8.972% 153,670 |
| 20 | Account No. 431 - Other Interest Expense | | |
| 21 | Customer Deposits | 227,742 | 29.583% 506,691 |
| 22 | Gas Refund - PUCO Rule 28 | 639 | 0.083% 1,422 |
| 23 | Capital Lease | 517,282 | 67.193% 1,150,866 |
| 24 | Interest - Assigned from Service Company | (59,612) | (7.743)% (132,620) |
| 25 | Interest - Other | 911 | 0.118% 2,020 |
| 26 | | | |
| 27 | Total Account Nos. 430 & 431 | <u>\$ 769,838</u> | <u>100.000%</u> \$ 1,712,776 |
| 28 | | | |
| 29 | Remove Interest Expense not Included for Short-Term Debt | | |
| 30 | Customer Deposits | | (506,691) |
| 31 | Gas Refund - PUCO Rule 28 | | <u>(1,422)</u> |
| 32 | Allocated Interest Expense on Short-Term Debt - Total Company | | \$ 1,204,663 |
| 33 | | | |
| 34 | Jurisdictional Rate Base Ratio | | 74.439% |
| 35 | | | |
| 36 | Interest on Short-Term Debt - Electric | | <u>\$ 896,739</u> |
| 37 | | | |
| 38 | Total Forward Looking Test Period Electric Interest Expense | | <u>\$ 12,998,412</u> |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ANNUALIZATION OF AFUDC FOR
CONSTRUCTION WORK IN PROGRESS

WPD-2.20a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>LINE NO.</u> | <u>DESCRIPTION</u> | <u>SCHEDULE/ WORK PAPER REFERENCE</u> | <u>AMOUNT (\$)</u> |
|---------------------|--------------------------------------|---|------------------------|
| 1 | Jurisdictional CWIP subject to AFUDC | Sch B-4 | 4,263,000 |
| 2 | | | |
| 3 | Rate of return at December 31, 2007 | Sch J-1, Page 2 | <u>8.761%</u> |
| 4 | | | |
| 5 | Annualized AFUDC | To Sch D-2.20 <-- | <u>373,481</u> |

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 ELIMINATE MISCELLANEOUS EXPENSES

WPD-2.22a
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| <u>Line No.</u> | <u>Activity</u> | <u>Account</u> | <u>Description</u> | <u>Forecast Period</u> | <u>Adjustment</u> |
|-----------------|-----------------|----------------|--------------------------------|------------------------|-------------------|
| 1 | EMPLRECG | 506000 | Miscellaneous Steam Power Exp | \$ 472 | \$ (472) |
| 2 | EMPLRECG | 560000 | Operation Supervision/Engineer | 202 | (202) |
| 3 | EMPLRECG | 580000 | Ops Supv/Engr - Distr Sys | 480 | (480) |
| 4 | EMPLRECG | 588000 | Miscellaneous Distribution Exp | 1,144 | (1,144) |
| 5 | EMPLRECG | 921000 | A/G Office Supplies and Exp | 10,368 | (10,368) |
| 6 | EVENTS | 921000 | Office Supplies and Expenses | 19,178 | (19,178) |
| 7 | EVENTS | 930202 | A/G Misc General Expense | 1,921 | (1,921) |
| 8 | ADVERTIS | 506000 | Miscellaneous Steam Power Exp | 1,130 | (1,130) |
| 9 | ADVERTIS | 909000 | Info/Instr Advs-Cmty Affair | 107,069 | (107,069) |
| 10 | ADVERTIS | 910000 | Misc Cust Serv and Info | 42,122 | (42,122) |
| 11 | ADVERTIS | 913000 | Advs Exp-Mrktng/Cust Reltns | 3,202 | (3,202) |
| 12 | ADVERTIS | 930100 | General Advertising Expenses | 16,852 | (16,852) |
| 13 | GOVTAFFR | 920000 | A&G Labor | 49,659 | (49,659) |
| 14 | GOVTAFFR | 921000 | Office Supplies and Expenses | 10,082 | (10,082) |
| 15 | GOVTAFFR | 926110 | Employee Fringe Benefits Load | 20,259 | (20,259) |
| 16 | FUELFUND | 903000 | Cust Rec/Coll - Mrkt Ops | 16,332 | (16,332) |
| 17 | DONATENC | 921000 | Office Supplies and Expenses | 1,188 | (1,188) |
| 18 | CLUBDUES | 506000 | Miscellaneous Steam Power Exp | 1,595 | (1,595) |
| 19 | CLUBDUES | 910000 | Misc Cust Serv And Info | 638 | (638) |
| 20 | COMRELAT | 903000 | Cust Rec/Coll - Mrkt Ops | 1,121 | (1,121) |
| 21 | COMRELAT | 910000 | Misc Cust Serv and Info | 55,372 | (55,372) |
| 22 | | | | | |
| 23 | | | Total Miscellaneous Expenses | \$ 360,386 | \$ (360,386) |

↑
 To Schedule D-1

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ANNUALIZATION OF DEPRECIATION EXPENSE FOR THE
THIRTEEN MONTHS ENDED DECEMBER 31, 2007

WPD-2.23a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>LINE NO.</u> | <u>DESCRIPTION</u> | <u>SCHEDULE/ WORK PAPER REFERENCE</u> | <u>Amount</u> (\$) | |
|---------------------|------------------------------------|---|-----------------------|---|
| 1 | Depreciation Expense - Annualized | Sch B-3.2 | 32,810,000 | |
| 2 | Depreciation Expense - Test Period | Sch C-2.1 | <u>32,582,234</u> | |
| 3 | Annualized Depreciation Adjustment | | <u>227,766</u> | --> To Sch D-2.23 & Sch E-1, Pg. 1 Ln. 12 |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUSTMENT TO DEFERRED TAXES DUE TO
ANNUALIZATION OF DEPRECIATION EXPENSE

WPD-2.23b
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>LINE NO.</u> | <u>DESCRIPTION</u> | <u>SCHEDULE/ WORK PAPER REFERENCE</u> | <u>Amount (\$)</u> |
|-----------------|---|---|----------------------------|
| 1 | Annualized Depreciation Adjustment | WPD-2.23a | 227,766 |
| 2 | State Deferred Tax Adjustment (Line 1 * 5.80%) | | (13,210) --> To Sch D-2.23 |
| 3 | Federal Deferred Tax Adjustment ((Line 1 + Line 4) * 35%) | | (75,095) --> To Sch D-2.23 |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
INCENTIVE COMPENSATION

WPD-2.27a
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Plan Description | Test Period Expense | Percent of Plan Dollars | | Amount of Plan Dollars | | Proposed Adjustment |
|-------------|----------------------|---------------------------|-------------------------|-------------|------------------------|------------------|------------------------|
| | | | Customer | Shareholder | Customer | Shareholder | |
| 1 | STI - Leadership | 917,984 | 20% | 80% | 183,597 | 734,387 | (734,387) |
| 2 | | | | | | | |
| 3 | STI - Non-Leadership | 1,234,381 | 50% | 50% | 617,191 | 617,190 | (617,190) |
| 4 | | | | | | | |
| 5 | UEIP | 121,736 | 57% | 43% | 69,390 | 52,346 | (52,346) |
| 6 | | | | | | | |
| 7 | LTIP | 766,652 | 0% | 100% | 0 | 766,652 | (766,652) |
| 8 | | | | | | | |
| 9 | Stock Options | <u>339,458</u> | 0% | 100% | <u>0</u> | <u>339,458</u> | <u>(339,458)</u> |
| 10 | | | | | | | |
| 11 | Total | <u>3,380,211</u> | | | <u>870,178</u> | <u>2,510,033</u> | <u>(2,510,033)</u> |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
REFLECT UPDATED NETWORK SERVICE RATES

WPD-2.28a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | | <u>Forecast Period</u> | |
|-----------------|--|-----|------------------------|--------------|
| 1 | | | | |
| 2 | Network Service Rate from 2005 Attachment O | (1) | \$1.2235 | per KW-month |
| 3 | | | | |
| 4 | Network Service Rate from 2006 Attachment O | (2) | \$1.3654 | per KW-month |
| 5 | | | | |
| 6 | Difference | | \$0.1419 | per KW-month |
| 7 | Billing Demand (sum of projected monthly 2007 CPs) | (3) | <u>9,709</u> | MWs |
| 8 | Adjustment to Transmission Expense by Others (Account 565) | | <u>\$1,377,707</u> | |

Notes:

(1) From Cinergy's Attachment O Filing for 2005. Rates effective June 1, 2005 - May 31, 2006.

(2) From Duke Energy Midwest's Attachment O Filing for 2006. Rates effective June 1, 2006 - May 31, 2007.

(3) From Duke Energy Kentucky's load forecast for 2007.

NO CHANGE

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 INCOME TAX - SECTION 199
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

WPD-2.29a
 WITNESS RESPONSIBLE:
 K. G. BUTLER

| <u>Line No.</u> | <u>Description</u> | <u>Source</u> | <u>Jurisdictional Electric</u> | <u>Electric Production</u> |
|-----------------|--|---------------|--------------------------------|----------------------------|
| 1 | Total Utility Plant in Service (Accts 101 & 106) | Sch B-2 | 1,122,822,000 | 501,176,000 |
| 2 | | | | |
| 3 | Additions: | | | |
| 4 | Construction Work in Progress (Account 107) | Sch B-4 | 4,263,000 | 0 |
| 5 | | | | |
| 6 | Fuel Inventory | Sch B-5 | 8,873,933 | 8,873,933 |
| 7 | | | | |
| 8 | Materials & Supplies - | | | |
| 9 | Propane Inventory (Account 151) (A) | WPB-5.1b | 0 | 0 |
| 10 | Other Material and Supplies (Accts. 154 & 163) (A) | Sch B-5 | 8,467,889 | 8,230,415 |
| 11 | Total Materials & Supplies | | <u>8,467,889</u> | <u>8,230,415</u> |
| 12 | | | | |
| 13 | Gas Stored Underground (Account 164) (A) | WPB-5.1g | 0 | 0 |
| 14 | | | | |
| 15 | Prepayments (Account 165) (A) | Sch B-5.1 | 6,699,569 | 6,305,569 |
| 16 | | | | |
| 17 | Emission Allowances (Account 158) (A) | Sch B-5.1 | 5,919,968 | 5,919,968 |
| 18 | | | | |
| 19 | Cash Working Capital Allowance | WPB-5.1a | 13,962,791 | 6,232,346 |
| 20 | | | | |
| 21 | Other Rate Base Items | Sch B-6 | 0 | 0 |
| 22 | Total Additions | | <u>48,187,150</u> | <u>35,562,231</u> |
| 23 | | | | |
| 24 | Deductions: | | | |
| 25 | Reserve for Accumulated Depreciation (Acct 108) | Sch B-3 | 539,866,000 | 266,682,000 |
| 26 | | | | |
| 27 | Accum. Deferred Income Taxes (Accts 190, 282, & 283) | Sch B-6 | 40,005,923 | 0 |
| 28 | | | | |
| 29 | Customer Advances for Construction (Account 252) | Sch B-6 | 0 | 0 |
| 30 | | | | |
| 31 | Investment Tax Credits | Sch B-6 | 0 | 0 |
| 32 | Total Deductions | | <u>579,871,923</u> | <u>266,682,000</u> |
| 33 | | | | |
| 34 | Net Original Cost Rate Base | | <u>591,137,227</u> | <u>270,056,231</u> |
| 35 | | | | |
| 36 | Ratio of Electric Production Rate Base to Electric Rate Base | | | <u>45.68%</u> |

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 DATA: BASE PERIOD "X" FORECASTED PERIOD
 CALCULATION OF ELECTRIC PRODUCTION CAPITALIZATION

WPD-2.29b
 WITNESS RESPONSIBLE:
 K. G. BUTLER

| Line No. | Description | Capitalization | |
|----------|--|----------------|--------------------|
| | | Total | Electric |
| 1 | Total Forecasted Period Capitalization (1) | 678,813,216 | |
| 2 | | | |
| 3 | Less: Non-jurisdictional gas plant (2) | 748,011 | |
| 4 | Non-jurisdictional electric plant (2) | 109,345 | |
| 5 | Non-jurisdictional - Other (2) | (61,154,665) | |
| 6 | | | |
| 7 | Jurisdictional Capitalization | 739,110,525 | |
| 8 | | | |
| 9 | Electric Jurisdictional Rate Base Allocation % (2) | 74.439% | 550,186,484 |
| 10 | | | |
| 11 | Electric Production Rate Base Allocation % (3) | 45.68% | 251,325,186 |
| 12 | | | |
| 13 | Plus: Jurisdictional Electric Production ITC | | 0 |
| 14 | | | |
| 15 | Total Allocated Capitalization - Electric Production | | <u>251,325,186</u> |

Notes:
 (1) Schedule J-1, page 1.
 (2) WPA-1d.
 (3) Allocation percentage from WPD-2.29a.

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
DATA: BASE PERIOD "X" FORECASTED PERIOD
CALCULATION OF SECTION 199 DEDUCTION

WPD-2.29c
WITNESS RESPONSIBLE:
K. G. BUTLER

| <u>Line No.</u> | <u>Description</u> | <u>Source</u> | |
|-----------------|--|-----------------------|-------------------|
| 1 | Total Allocated Capitalization - Electric Production | WPD-2.29b | 251,325,186 |
| 2 | | | |
| 3 | Weighted Cost of Common Equity | Sch J-1 - Forecasted | <u>5.851%</u> |
| 4 | | | |
| 5 | Net Income Allowed on Electric Production Capitalization | | 14,706,042 |
| 6 | | | |
| 7 | Pre-tax Conversion Factor | (1) | <u>1.633186</u> |
| 8 | | | |
| 9 | Pre-tax Electric Production Income | | 24,017,702 |
| 10 | | | |
| 11 | Schedule M Items: | | |
| 12 | Electric Production Book Depreciation | Schedule B-3.2, Pg. 1 | 15,890,000 |
| 13 | Electric Production Tax Depreciation | | (15,765,000) |
| 14 | Electric Production Other | | <u>0</u> |
| 15 | | | |
| 16 | Electric Production Taxable Income | | <u>24,142,702</u> |
| 17 | | | |
| 18 | Section 199 Deduction @ 6% | | <u>1,448,562</u> |
| 19 | | | |
| 20 | State Income Tax Reduction @ 5.8% | | <u>(84,017)</u> |
| 21 | | | |
| 22 | Federal Income Tax Reduction @ 32.97% | | <u>(477,591)</u> |

Notes:

(1) $100\% - 5.8\% = 94.2\% * 35\% = 32.97\% + 5.8\% = 38.77\%$
 $100\% / (100\% - 38.77\%) = 1.633186$

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
RECLASSIFY NON-JURISDICTIONAL INCOME TAX
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

WPD-2.30a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Account</u> | <u>Amount</u> |
|-----------------|---------------------------------|----------------|---------------|
| 1 | Normal and Surtax | | |
| 2 | Electric Income Tax Payable - | | |
| 3 | | | |
| 4 | Federal | 409060 | (2,512,728) |
| 5 | | | |
| 6 | State | 409160 | (447,744) |
| 7 | | | |
| 8 | Non-Utility Income Tax Payable | | |
| 9 | | | |
| 10 | Federal | 409050 | 2,512,728 |
| 11 | | | |
| 12 | State | 409150 | 447,744 |
| 13 | | | |
| 14 | Deferred Income Tax | | |
| 15 | Electric Income Tax Deferred | | |
| 16 | | | |
| 17 | Federal | 410060 | 2,512,728 |
| 18 | | | |
| 19 | State | 410160 | 447,744 |
| 20 | | | |
| 21 | Non-Utility Income Tax Deferred | | |
| 22 | | | |
| 23 | Federal | 410050 | (2,512,728) |
| 24 | | | |
| 25 | State | 410150 | (447,744) |

NO CHANGE

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2006-00172
ADJUST UNCOLLECTIBLE EXPENSE

WPD-2.31a
WITNESS RESPONSIBLE:
W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Source</u> | <u>Amount</u> |
|-----------------|--------------------------------|---------------|--------------------|
| 1 | Base Revenue | Sch. C-2 | 174,174,683 |
| 2 | Fuel Revenue | Sch. C-2 | <u>100,771,619</u> |
| 3 | Total Revenue | | 274,946,302 |
| 4 | Gross-up Factor ⁽¹⁾ | | 105% |
| 5 | Total Calendar Month Billings | | 288,693,617 |
| 6 | Time Value of Money Factor | WPH-a | <u>0.7932%</u> |
| 7 | Adjustment to Discount Expense | | <u>(2,289,942)</u> |

⁽¹⁾ Represents gross-up for franchise, school, and local taxes.

DUKE ENERGY KENTUCKY
ELECTRIC DEPARTMENT
CASE NO. 2005-00172
ELIMINATE MERGER SAVINGS CREDIT

WPD-2.32a
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Description | January | February | March | April | May | June | July | August | September | October | November | December | Total |
|----------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| 1 | Billing Cycle kWh⁽¹⁾ | | | | | | | | | | | | | |
| 2 | Residential | 157,182,000 | 140,681,000 | 124,209,000 | 103,872,000 | 92,915,000 | 112,505,000 | 144,410,000 | 151,160,000 | 136,482,000 | 98,679,000 | 101,460,000 | 135,134,000 | 1,498,689,000 |
| 3 | Commercial | 117,715,000 | 110,004,000 | 106,040,000 | 106,450,000 | 105,144,000 | 120,595,000 | 132,434,000 | 134,344,000 | 130,141,000 | 109,621,000 | 104,700,000 | 116,527,000 | 1,383,715,000 |
| 4 | Industrial | 61,860,000 | 62,503,000 | 62,629,000 | 63,207,000 | 64,446,000 | 67,802,000 | 67,578,000 | 69,629,000 | 70,808,000 | 67,377,000 | 63,667,000 | 64,361,000 | 785,887,000 |
| 5 | Street & Light | 2,038,000 | 1,726,000 | 1,816,000 | 1,582,000 | 1,482,000 | 1,376,000 | 1,453,000 | 1,557,000 | 1,568,000 | 1,853,000 | 2,091,000 | 2,091,000 | 20,587,000 |
| 6 | Other Public Authority | 25,666,000 | 25,654,000 | 24,623,000 | 23,603,000 | 24,203,000 | 25,963,000 | 26,364,000 | 26,910,000 | 27,472,000 | 24,854,000 | 23,783,000 | 26,408,000 | 305,503,000 |
| 7 | Interdepartmental | 218,000 | 197,000 | 167,000 | 156,000 | 161,000 | 164,000 | 169,000 | 173,000 | 182,000 | 165,000 | 160,000 | 182,000 | 2,114,000 |
| 8 | Retail Customers | 364,699,000 | 340,765,000 | 319,484,000 | 298,870,000 | 288,351,000 | 328,405,000 | 372,428,000 | 383,773,000 | 366,753,000 | 302,549,000 | 295,715,000 | 344,703,000 | 4,006,485,000 |
| 9 | | | | | | | | | | | | | | |
| 10 | Merger Savings Credit Rate⁽²⁾ | | | | | | | | | | | | | |
| 11 | Residential | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.000988 | 0.011856 |
| 12 | Commercial | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.002676 |
| 13 | Industrial | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.005796 |
| 14 | Street & Light | 0.000483 | 0.000483 | 0.000483 | 0.000483 | 0.000483 | 0.000483 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.002676 |
| 15 | Other Public Authority | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000223 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 16 | Interdepartmental | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 17 | | | | | | | | | | | | | | |
| 18 | Merger Savings Credit | | | | | | | | | | | | | |
| 19 | Residential | (155,296) | (138,993) | (122,718) | (102,626) | (91,800) | (111,155) | (142,677) | (149,346) | (134,644) | (97,495) | (100,242) | (133,512) | (1,480,794) |
| 20 | Commercial | (25,250) | (24,531) | (23,647) | (23,738) | (23,447) | (25,899) | (29,533) | (29,959) | (29,021) | (24,445) | (23,346) | (25,986) | (310,789) |
| 21 | Industrial | (13,799) | (13,938) | (13,966) | (14,095) | (14,371) | (15,120) | (15,079) | (15,527) | (15,790) | (15,025) | (14,198) | (14,353) | (175,252) |
| 22 | Street & Light | (984) | (834) | (877) | (764) | (716) | (665) | (702) | (752) | (806) | (895) | (939) | (1,010) | (9,944) |
| 23 | Other Public Authority | (5,724) | (5,721) | (5,491) | (5,263) | (5,397) | (5,790) | (5,879) | (6,001) | (6,126) | (5,542) | (5,304) | (5,889) | (68,127) |
| 24 | Interdepartmental | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 | Retail Customers | (202,053) | (184,017) | (166,699) | (146,486) | (135,731) | (159,623) | (193,661) | (201,585) | (186,587) | (143,402) | (144,031) | (180,750) | (2,044,825) |

Notes:
⁽¹⁾ Sales forecast per latest update (Feb 06)
⁽²⁾ Rates are per Attachment JPS-4 from Kentucky merger settlement case (Case No. 2005-00228)

NO CHANGE

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 REFLECT IMPLEMENTATION OF ADVANCED METERING INITIATIVE

WPD-2.35a
 WITNESS RESPONSIBLE:
 W. D. WATHEN

| <u>Line No.</u> | <u>Description</u> | <u>Forecasted Period</u> | <u>Percent in Test Year</u> | <u>Adjustment</u> |
|-----------------|---|--------------------------|-----------------------------|-------------------|
| 1 | <u>Projected Savings/Costs at 100% Implementation</u> | | | |
| 2 | | | | |
| 3 | Billing Cycle Improvements | \$ 904,601 | 45.0% | \$ 407,070 |
| 4 | | | | |
| 5 | Net O&M Savings: | \$ (816,280) | 45.0% | \$ (367,326) |
| 6 | | | | |
| 7 | Implementation Costs | | | |
| 8 | Severance Costs | \$ 478,008 | | |
| 9 | Meter Base and Weatherhead Repairs | \$ 439,648 | | |
| 10 | Total Implementation Costs | \$ 917,656 | | |
| 11 | | | | |
| 12 | Amortization Period (Years) | 5 | | |
| 13 | Annual Amortization of Implementation Costs | \$ 183,531 | 45.0% | \$ 82,589 |
| 14 | | | | |
| 15 | Net Savings/(Costs) at 100% Implementation (Lines 3-5-13) | \$ 1,537,350 | | \$ 691,807 |
| 16 | | | | |
| 17 | Depreciation Expense | \$ 804,933 | 45.0% | \$ 362,220 |
| 18 | Property Tax Expense | \$ 154,677 | 45.0% | \$ 69,605 |
| 19 | | | | |
| 20 | Net Change in Operating Income (Lines 15-17-18) | | | \$ 259,982 |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ELECTRIC DEPARTMENT
DETAIL OF INCOME TAX RECONCILING ITEMS

WPE-1a
WITNESS RESPONSIBLE:
K. G. BUTLER

| LINE No. | DESCRIPTION | BASE PERIOD | FORECAST PERIOD |
|-------------|--|---|---|
| | | Twelve Months Ended August 31, 2006 | Twelve Months Ended December 31, 2007 |
| 1 | Oper Income Before Federal & State Income Taxes | 21,260,945 | 22,894,785 |
| 2 | | | |
| 3 | 1107 Interest Charges Allocated | (13,294,891) | (13,146,000) |
| 4 | | | |
| 5 | 1102 Accounting Depreciation | 22,911,929 | 32,582,234 |
| 6 | Metr Meter Capital Lease Principle Payments | (543,344) | (758,000) |
| 7 | 1130 Cost of Removal Adjustment | 10,792 | (1,519,000) |
| 8 | 1108 Amortization of Loss on Reacquired Debt | (1,143,991) | 124,000 |
| 9 | 1123 Tax Depreciation | (19,300,486) | (28,373,000) |
| 10 | Perm Other Permanent Differences | 243,063 | 25,000 |
| 11 | Temp Other Temporary Differences | (4,924,518) | 0 |
| 12 | | | |
| 13 | | | |
| 14 | F.T.I. Before S.I.T. & Federal Tax Loss Carryforward | 5,219,498 | 11,830,019 |
| 15 | | | |
| 16 | Ky Tax Inc Adj - Misc: | | |
| 17 | Kentucky Tax Inc. Adjustment -Misc | (6,507,259) | (1,109,000) |
| 18 | | | |
| 19 | Gross State Taxable Income | (1,287,761) | 10,721,019 |
| 20 | | | |
| 21 | State Business Taxable Income (after apportionment) | (1,435,693) | 10,721,019 |
| 22 | | | |
| 23 | Kentucky Income Tax Expense ⁽¹⁾ | (100,497) | 621,819 |
| 24 | Surtax Credit | 863 | 0 |
| 25 | Ohio Income Tax Payable | 7,068 | 0 |
| 26 | Cincinnati Income Tax Payable | 435 | 0 |
| 27 | | | |
| 28 | State Income Tax Deductible | (92,131) | 621,819 |
| 29 | Allocated from the Service Company | 1,981 | 0 |
| 30 | Prior Year Adjustments | (50,656) | 0 |
| 31 | | (140,806) | 621,819 |
| 32 | | | |
| 33 | F.T.I. Bef S.I.T. & Fdrl Tax Loss Carryforward | 5,219,498 | 11,830,019 |
| 34 | Kentucky Income Tax | 99,634 | (621,819) |
| 35 | Ohio Income Tax | (7,068) | |
| 36 | Cincinnati Income Tax | (435) | |
| 37 | Federal Taxable Income - Ordinary | 5,311,629 | 11,208,200 |
| 38 | | | |
| 39 | Federal Income Tax Before Credits @ 35% | 1,859,070 | 3,922,869 |
| 40 | Fuel Tax Credit | (996) | 0 |
| 41 | Interperiod Income Tax Allocation | 0 | 0 |
| 42 | Allocated from the Service Company | (234,740) | 0 |
| 43 | Prior Year Adjustments | (1,177,404) | 0 |
| 44 | | | |
| 45 | Federal Income Tax Payable | 445,930 | 3,922,869 |

⁽¹⁾ Base Period at 7.00%, Forecasted Period at 5.80%.

| Line No. | DESCRIPTION | Actual | | | | |
|----------|--|----------------------------|-------------------------------|---------------------------|--------------------------------|-----------------------------|
| | | 8 Months Ended August 2005 | 12 Months Ended December 2005 | 3 Months Ended March 2006 | 5 Months Ended August 2006 (a) | 12 Months Ended August 2006 |
| 1 | Income Before Income Tax and Interest | 7,846,182.00 | 11,968,931.00 | 9,253,489.65 | 7,884,706.00 | 21,260,944.65 |
| 2 | | | | | | |
| 3 | 1102 Accounting Depreciation | 6,898,996.96 | 10,544,895.18 | 7,116,182.08 | 12,149,848.55 | 22,911,928.85 |
| 4 | 1104 Tax Interest Capitalized | 164,673.00 | 244,127.33 | 203,858.84 | 336,208.58 | 619,521.75 |
| 5 | 1105 AFUDC - Debt - Timing | (32,716.73) | (101,977.33) | (66,087.79) | (51,747.14) | (187,095.53) |
| 6 | 1106 Provision for Injuries and Damages | (140,412.00) | (187,112.00) | - | (201,271.00) | (247,971.00) |
| 7 | 1107 Interest Charges Allocated | - | (4,244,375.00) | - | (9,050,516.00) | (13,294,891.00) |
| 8 | 1108 Amortization of Loss on Recquired Debt | 98,532.00 | 76,800.67 | 33,877.11 | (1,156,137.25) | (1,143,991.47) |
| 9 | 1109 Lobbying Expenses | 28,997.88 | - | - | - | (28,997.88) |
| 10 | 1110 Reserve for Loss on Generating Station Parts | - | - | 229,931.08 | 81,008.95 | 310,940.03 |
| 11 | 1111 DSM Costs | 1,327,966.05 | 1,169,360.10 | 143,486.06 | (190,846.32) | (205,966.21) |
| 12 | 1113 Business Meals | 14,950.00 | 26,481.00 | 6,621.00 | 11,035.00 | 29,187.00 |
| 13 | 1114 Employee Medical & Hospital Adjustment | - | 18,937.76 | - | - | 18,937.76 |
| 14 | 1115 Loss on ACRS | (487,196.00) | (1,448,659.00) | - | - | (961,463.00) |
| 15 | 1118 Fuels Tax Adjustment | 668.00 | 1,000.00 | 249.00 | 415.00 | 996.00 |
| 16 | 1124 Tax Depreciation Liberl Over Normal | (14,093,948.00) | (10,652,290.00) | (8,528,304.00) | (14,213,840.00) | (19,300,486.00) |
| 17 | 1126 Uncollectible Accts Provision Adj | (726.55) | (862.59) | (177,960.34) | (380,108.11) | (558,204.49) |
| 18 | 1130 Cost of Removal Adjustment | (10,792.00) | - | - | - | 10,792.00 |
| 19 | 1132 Book Depr - Trans Equipmt Subj to ADR | 5,448.00 | 8,572.00 | 2,184.00 | 3,963.14 | 9,271.14 |
| 20 | 1146 Pension Cost FASB-87 | 100,532.00 | (142,184.00) | (35,547.00) | (59,245.00) | (337,508.00) |
| 21 | 1147 Contributions in Aid of Construction | 252,349.00 | 352,582.00 | - | (14,916.00) | 85,317.00 |
| 22 | 1149 Vacation Pay Accrual | (77,556.82) | 579,498.19 | (46,750.04) | (275,467.91) | 334,837.06 |
| 23 | 1152 Post Retirement Benefits - Life Ins | (5,483.00) | (22,713.00) | (5,676.00) | (9,460.00) | (32,366.00) |
| 24 | 1156 Post Retirement Benefits - Health Care | 69,118.00 | 184,756.00 | 46,191.00 | 76,985.00 | 238,814.00 |
| 25 | 1162 Post Employment Benefits - SFAS 112 | 20,778.00 | 5,974.00 | 1,494.00 | 2,490.00 | (10,820.00) |
| 26 | 1166 AFUDC - Equity - Permanent | (167,215.36) | - | - | - | 167,215.36 |
| 27 | 1178 Retirees Supplemental Pension Plan | 573.00 | 513.00 | 126.00 | 210.00 | 276.00 |
| 28 | 1184 MGP Sites | (221.12) | (221.12) | - | - | - |
| 29 | 1185 Penalties | 133.55 | - | - | - | (133.55) |
| 30 | 1190 Club Dues & Fees | 3,033.22 | - | - | - | (3,033.22) |
| 31 | 1193 Luxury Auto Income Exclusions | - | 1,626.00 | - | - | 1,626.00 |
| 32 | 1194 Leased Meters | (599,341.38) | (802,968.86) | (55,549.79) | (284,166.83) | (543,344.12) |
| 33 | 1196 Workforce Reduction | 4,719.00 | - | - | - | (4,719.00) |
| 34 | 1201 Annual Incentive Plan Compensation | (5,076.00) | (13,641.00) | (3,411.00) | (5,685.00) | (17,661.00) |
| 35 | 1206 Emission Allowance Deduction | - | - | - | 3,534,261.44 | 3,534,261.44 |
| 36 | 1209 Truck Stock Inventory | - | 9,534.00 | - | - | 9,534.00 |
| 37 | 1211 Amortization of Gains on I/C Sales of Plant | (58,950.00) | (108,452.00) | (27,114.00) | (45,190.00) | (121,806.00) |
| 38 | 1222 401K Incentive Plan | 11,796.00 | (5,395.00) | (1,350.00) | (2,250.00) | (20,791.00) |
| 39 | 1227 Excess Salvage | 121,959.00 | (101,522.00) | - | - | (223,481.00) |
| 40 | 1264 Duke Merger - Timing | - | (2,375,455.00) | 418,591.00 | (481,990.00) | (2,438,854.00) |
| 41 | 1265 Deferred Project Expenses | (53,249.98) | (65,823.17) | (680,813.59) | (6,162.30) | (699,549.08) |
| 42 | 1276 Long Term Incentive Plan | - | 6,300.00 | 1,575.00 | 2,625.00 | 10,500.00 |
| 43 | 1287 Duke Merger - Permanent | 169,570.00 | 340,079.12 | 143,496.00 | 65,194.00 | 379,199.12 |
| 44 | 1288 Duke Merger - Timing | - | (939,397.09) | (1,088,732.73) | (2,001,338.98) | (4,029,468.80) |
| 45 | 1294 Domestic Production Deduction | - | - | - | (302,000.00) | (302,000.00) |
| 46 | | | | | | |
| 47 | | | | | | |
| 48 | F.T.I. Before S.I.T. & Federal Tax Loss Carryforward | 1,408,089.72 | 4,326,919.17 | 6,884,055.54 | (4,583,387.18) | 5,219,497.81 |
| 49 | | | | | | |
| 50 | Ky Tax Inc Adj - Misc: | | | | | |
| 51 | Kentucky Tax Inc. Adjustment - Bonus Depr | 5,335,767.00 | (555,652.00) | (230,940.00) | (384,900.00) | (6,507,259.00) |
| 52 | | | | | | |
| 53 | Gross State Business Taxable Income | 6,743,856.72 | 3,771,267.17 | 6,653,115.54 | (4,968,287.18) | (1,287,761.19) |
| 54 | | | | | | |
| 55 | Percent of Business Taxable in Stste | 100.00% | 99.16% | 93.10% | 93.10% | |
| 56 | | | | | | |
| 57 | Kentucky Business Taxable Income | 6,743,856.72 | 3,739,588.53 | 6,194,050.57 | (4,625,475.36) | (1,435,692.98) |
| 58 | | | | | | |
| 59 | Kentucky Income Tax Expense @ 7.000% | 472,070.00 | 261,771.00 | 433,585.00 | (323,783.00) | (100,497.00) |
| 60 | Surtax Credit | (1,285.00) | (522.00) | (1,157.00) | 1,257.00 | 863.00 |
| 61 | Ohio Income Tax Payable | 93.00 | 918.00 | 18,099.00 | (11,856.00) | 7,068.00 |
| 62 | Cincinnati Income Tax Payable | - | - | 1,301.00 | (866.00) | 435.00 |
| 63 | State Income Tax Payable Year to Date | 470,878.00 | 262,167.00 | 451,828.00 | (335,248.00) | (92,131.00) |
| 64 | | | | | | |
| 65 | F.T.I. Bef S.I.T. & Fdrl Tax Loss Cryfowd | 1,408,089.72 | 4,326,919.17 | 6,884,055.54 | (4,583,387.18) | 5,219,497.81 |
| 66 | Kentucky Income Tax | (470,785.00) | (261,249.00) | (432,428.00) | 322,526.00 | (99,634.00) |
| 67 | Ohio Income Tax | (93.00) | (918.00) | (18,099.00) | 11,856.00 | 7,068.00 |
| 68 | Cincinnati Income Tax | - | - | (1,301.00) | 866.00 | 435.00 |
| 69 | | | | | | |
| 70 | Federal Taxable Income - Ordinary | 937,211.72 | 4,064,752.17 | 6,432,227.54 | (4,248,139.18) | 5,311,628.81 |
| 71 | | | | | | |
| 72 | Federal Income Tax Before Credits @ 35% | 328,024.00 | 1,422,663.00 | 2,251,280.00 | (1,486,849.00) | 1,859,070.00 |
| 73 | Fuel Tax Credit | (668.00) | (1,000.00) | (249.00) | (415.00) | (996.00) |
| 74 | Federal Income Tax Payable | 327,356.00 | 1,421,663.00 | 2,251,031.00 | (1,487,264.00) | 1,858,074.00 |

NO CHANGE

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
ADVERTISING
DATA: BASE PERIOD "X" FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

WPF-4b
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Project / Description | Total (\$) | Jan-07 (\$) | Feb-07 (\$) | Mar-07 (\$) | Apr-07 (\$) | May-07 (\$) | Jun-07 (\$) | Jul-07 (\$) | Aug-07 (\$) | Sep-07 (\$) | Oct-07 (\$) | Nov-07 (\$) | Dec-07 (\$) |
|----------|----------------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1 | <u>Newspaper</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | <u>Magazines and Other</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | <u>Television</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | <u>Radio</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 | <u>Direct Mail</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | <u>Sales Aids</u> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | <u>Undetermined</u> | 170,375 | 17,981 | 17,981 | 17,982 | 17,982 | 10,919 | 13,066 | 11,352 | 13,168 | 11,351 | 11,351 | 11,351 | 15,891 |
| 13 | | 170,375 | 17,981 | 17,981 | 17,982 | 17,982 | 10,919 | 13,066 | 11,352 | 13,168 | 11,351 | 11,351 | 11,351 | 15,891 |
| 14 | <u>Total</u> | 170,375 | 17,981 | 17,981 | 17,982 | 17,982 | 10,919 | 13,066 | 11,352 | 13,168 | 11,351 | 11,351 | 11,351 | 15,891 |
| 15 | | 170,375 | 17,981 | 17,981 | 17,982 | 17,982 | 10,919 | 13,066 | 11,352 | 13,168 | 11,351 | 11,351 | 11,351 | 15,891 |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
PROFESSIONAL SERVICES EXPENSES
DATA - "X" BASE PERIOD FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006

W/PF-5a
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Project/Description | Total (\$) | Sep-05 (\$) | Oct-05 (\$) | Nov-05 (\$) | Dec-05 (\$) | Jan-06 (\$) | Feb-06 (\$) | Mar-06 (\$) | Apr-06 (\$) | May-06 (\$) | Jun-06 (\$) | Jul-06 (\$) | Aug-06 (\$) |
|----------|--|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1 | Legal | 7,095 | 1,452 | 42 | 1,755 | 1,678 | (750) | 76 | 119 | 288 | 732 | 1,653 | 9 | 41 |
| 2 | EMPL IT - Employee Litigation | 129,035 | 6,745 | (1,155) | 146 | 58,084 | (23,231) | 25,891 | 108,157 | (47,913) | 0 | 19,367 | (18,141) | 1,085 |
| 3 | FERC - FERC Issues | 3,505 | 458 | 69 | 199 | 885 | 4 | 17 | 495 | 691 | 71 | 36 | 169 | 411 |
| 4 | HR/GENRL - General HR legal | 2,270 | 0 | 0 | 0 | 149 | 144 | 0 | 110 | 0 | 1,820 | 33 | 0 | 14 |
| 5 | LEGLABOR - Labor | 6,010 | 415 | 280 | 453 | 3,145 | (2,836) | 636 | 6,714 | (4,218) | 46 | 1,211 | 91 | 75 |
| 6 | LITIGATI - Litigation | 4,517 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | PUHCA - PUHCA | 514 | 133 | 161 | 0 | 110 | 89 | 0 | 0 | 0 | 0 | 15 | 0 | 6 |
| 8 | SEC - Fed Securities Laws | 152,946 | 9,203 | 3,865 | 2,553 | 64,051 | (26,582) | 26,620 | 115,595 | (51,103) | 2,669 | 22,315 | (17,872) | 1,632 |
| 9 | Total Legal Services | | | | | | | | | | | | | |
| 10 | Engineering | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | None | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Total Engineering Services | | | | | | | | | | | | | |
| 13 | Accounting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | None | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | Total Accounting Services | | | | | | | | | | | | | |
| 16 | Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 | None | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Total Accounting Services | | | | | | | | | | | | | |
| 19 | Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 | ARDDESIGN - Annual Report Design | 2,074 | 0 | 0 | 0 | 0 | 0 | 0 | 48 | 0 | 0 | 1,150 | 0 | 57 |
| 21 | ARRPRINT - Annual Report Print | 2,193 | 58 | 0 | 0 | 534 | (15) | 0 | 795 | 0 | 8 | 4,328 | (4,310) | 795 |
| 22 | AUDIT - Audit Services for Environment | 279 | 54 | 0 | 0 | 51 | 0 | 47 | 5 | 0 | 0 | 181 | (118) | 59 |
| 23 | BANKRUPT - Bankruptcy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24 | BENEFITS - Employee Benefits | 182 | 0 | 0 | 0 | 0 | 0 | 0 | 152 | 0 | 0 | 0 | 0 | 249 |
| 25 | BUDCUT - General Budget Cut | 1,739 | 0 | 0 | 0 | 0 | 157 | 23 | 1,266 | 0 | 0 | 44 | 0 | 10 |
| 26 | CIN-10 - Continuous Improvement Now | 6,254 | 175 | 175 | 342 | 4,689 | (4,713) | 450 | 12,199 | (7,460) | 69 | 10,226 | (9,908) | 10 |
| 27 | CONTRACT - Contracts | 10,256 | 0 | 0 | 0 | 168 | 1,032 | 2,580 | 5,212 | 0 | 805 | 627 | 0 | 0 |
| 28 | CORPORAT - Corporate | 166 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | CUSCHOICE - Customer Choice | 99 | 104,793 | 7,615 | 0 | 99 | (5,293) | (8,649) | (199,957) | (227,403) | (1,681) | 14,134 | 7,214 | 9,169 |
| 30 | DIVDRPTG - Dividend Disbursement | 6,018 | 28 | 0 | 412 | 9,229 | (6,263) | 8 | 992 | 0 | 723 | 3,310 | (3,028) | 613 |
| 31 | DIVIDREIN - Dividend Reinvestment | 29,843 | 0 | 0 | 0 | 0 | 0 | 28,416 | 0 | 0 | 0 | 1,419 | 0 | 0 |
| 32 | DUKCN - Duke-Chemery | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | ENVQAMT - Environmental | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34 | FINANCE - Financings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19,974 | (609) | 517 | 0 | 0 | 0 |
| 35 | INDUCONF - Industry Conferences | 66,787 | 13,641 | 0 | 10,664 | 1,208 | 10,025 | 11,366 | 1,063 | 0 | 88 | 0 | 0 | 0 |
| 36 | INTAUDIT - Internal Audit | 3,124 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37 | INTEGRAT - Integrated Environmental | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | LANSWANS - Lans/Wans | 1,828 | 0 | 0 | 0 | 0 | 693 | 0 | 0 | 0 | 0 | 516 | 0 | 103 |
| 39 | MADJCLS - D.L.C losses | 160 | 0 | 0 | 0 | 0 | 160 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 | MAPREC - Long Term Forecast Report | 13,468 | 0 | 0 | 0 | 0 | 2,580 | 2,580 | 5,212 | 0 | 1,548 | 1,548 | 0 | 0 |
| 41 | MAPXBILL - Fixed Bill | 507 | 0 | 0 | 0 | 0 | 53 | 0 | 121 | 158 | 1,548 | 53 | 206 | 0 |
| 42 | MARESDG - Distributed Generation | 4,980 | 0 | 0 | 0 | 0 | 805 | 289 | 594 | 0 | 1,548 | 1,548 | 206 | 0 |
| 43 | MATDPLN - T&D Planning | 1,529,978 | 111,035 | 30,185 | 82,353 | 224,622 | 71,801 | 130,758 | 306,402 | (11,377) | 211,765 | 243,827 | 52,322 | 76,285 |
| 44 | Other - Non Specific | 8,501 | 685 | 1,371 | 685 | 0 | 1,415 | 707 | 857 | 788 | 788 | 788 | 303 | 114 |
| 45 | POSTB11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | REALEST - Real Estate | 445 | 0 | 359 | 0 | 0 | 0 | 0 | 3,817 | 86 | 0 | 9,217 | (9,217) | 0 |
| 47 | REGULATE - Regulatory | 30,339 | 12,945 | (5,500) | 7,406 | 4,339 | 492 | 1,757 | 0 | (1,440) | 433 | 25,780 | (22,800) | 3,110 |
| 48 | SARBOXLY - Sarbanes Oxley | 0 | 0 | 0 | 0 | 0 | 0 | 109 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49 | SHMTGPRC - Shareholder Meeting Process | 171 | 0 | 0 | 0 | 55 | 0 | 0 | 3,863 | (3,779) | 0 | 0 | 0 | 0 |
| 50 | SHAREMTC - Shareholder Meeting | 2,075 | 0 | 0 | 0 | 0 | 0 | 1,971 | 8,281 | 0 | 0 | 0 | 0 | 0 |
| 51 | SPRTNGST - Sep Cost for Reg - Non Reg | 20,913 | 0 | 3,493 | 0 | 3,143 | 0 | 5,996 | 0 | 0 | 0 | 0 | 0 | 0 |
| 52 | STOCKTRN - Stock Transfer | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 872 | 0 | 0 | 1,040 | 686 | 1,578 |
| 53 | STOCKTRN - Stock Surveillance | 10,206 | 0 | 0 | 0 | 0 | 178 | 1,183 | 0 | 2,445 | 0 | 0 | 0 | 0 |
| 54 | STPAUL - St Paul Air Ins | 9,734 | 198 | 791 | 1,579 | 4,774 | 331 | 37 | 0 | 1,988 | 36 | 0 | 0 | 0 |
| 55 | TAX - Taxes | 2,153 | 45 | 129 | 8 | 268 | 0 | 202 | 0 | 0 | 0 | 8 | 0 | 22 |
| 56 | TELECOM | 131 | 0 | 0 | 0 | 0 | 0 | 0 | 131 | 0 | 0 | 6,000 | (6,000) | 0 |
| 57 | TRADEMAR - Trademarks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58 | TRANSACT - Transactions | 641,672 | 243,657 | 38,618 | (44,350) | (465,430) | 78,977 | 152,882 | 240,326 | (246,602) | 220,659 | 325,413 | 5,462 | 92,065 |
| 59 | TRANSAGT - Transfer Agent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 | Total Other Services | | | | | | | | | | | | | |
| 61 | Total | 794,618 | 292,860 | 42,483 | (41,797) | (401,379) | 52,395 | 179,502 | 355,920 | (297,705) | 223,528 | 347,728 | (12,410) | 93,693 |

DUKE ENERGY KENTUCKY
 ELECTRIC DEPARTMENT
 CASE NO. 2006-00172
 UNCOLLECTIBLE ACCOUNTS EXPENSE
 AVERAGE DISCOUNT RATE

WPH-a
 WITNESS RESPONSIBLE:
 W. D. WATHEN

NO CHANGE

| Line No. | Description | Jan. | Feb. | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Average |
|----------|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1 | Charge offs | 1.1899% | 1.1821% | 1.1656% | 1.1347% | 1.0928% | 1.0602% | 1.0447% | 1.1564% | 1.1861% | 1.2073% | 1.2262% | 1.2376% | 1.1570% |
| 2 | Collection Costs | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% | 0.0500% |
| 3 | Late Charges | -0.6539% | -0.6505% | -0.6549% | -0.6543% | -0.6559% | -0.6598% | -0.6599% | -0.6665% | -0.6624% | -0.6609% | -0.6567% | -0.6567% | -0.6577% |
| 4 | Time Value | <u>0.7840%</u> | <u>0.8084%</u> | <u>0.8192%</u> | <u>0.8396%</u> | <u>0.8631%</u> | <u>0.8696%</u> | <u>0.8952%</u> | <u>0.6901%</u> | <u>0.7062%</u> | <u>0.7235%</u> | <u>0.7405%</u> | <u>0.7791%</u> | <u>0.7932%</u> |
| 5 | | | | | | | | | | | | | | |
| 6 | Total Discount | 1.3700% | 1.3900% | 1.3799% | 1.3700% | 1.3500% | 1.3200% | 1.3300% | 1.2300% | 1.2799% | 1.3199% | 1.3600% | 1.4100% | 1.3425% |
| 7 | | | | | | | | | | | | | | |
| 8 | Less: Time Value | <u>0.7840%</u> | <u>0.8084%</u> | <u>0.8192%</u> | <u>0.8396%</u> | <u>0.8631%</u> | <u>0.8696%</u> | <u>0.8952%</u> | <u>0.6901%</u> | <u>0.7062%</u> | <u>0.7235%</u> | <u>0.7405%</u> | <u>0.7791%</u> | <u>0.7932%</u> |
| 9 | | | | | | | | | | | | | | |
| 10 | Uncollectible Factor | 0.5860% | 0.5816% | 0.5607% | 0.5304% | 0.4869% | 0.4504% | 0.4348% | 0.5399% | 0.5737% | 0.5964% | 0.6195% | 0.6309% | 0.5493% |

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
TOTAL COMPANY
COMPARATIVE INCOME STATEMENTS
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2006

WPI-1a
WITNESS RESPONSIBLE:
W. D. WATHEN

| Line No. | Description | Base Period | Six Months Ended Feb-06 | Six Months Ended Aug-06 |
|----------|---|-------------|-------------------------|-------------------------|
| 1 | Utility Operating Income | | | |
| 2 | Operating Revenues | 408,974,019 | 227,297,399 | 181,676,620 |
| 3 | Operating Expenses | | | |
| 4 | Operation Expenses | 322,892,630 | 184,639,706 | 138,252,924 |
| 5 | Maintenance Expenses | 16,728,543 | 4,453,558 | 12,274,985 |
| 6 | Depreciation Expense | 28,076,205 | 11,147,737 | 16,928,468 |
| 7 | Amort. & Depl. of Utility Plant | 2,364,125 | 1,230,176 | 1,133,949 |
| 8 | Taxes Other Than Income Taxes | 7,472,462 | 2,708,214 | 4,764,248 |
| 9 | Income Taxes - Federal | 1,802,965 | 3,883,709 | (2,080,744) |
| 10 | Income Taxes - Other | (297,478) | 201,730 | (499,208) |
| 11 | Provision for Deferred Income Taxes | 12,232,914 | 7,321,271 | 4,911,643 |
| 12 | Provision for Deferred Income Taxes - Credit | (9,712,950) | (7,912,211) | (1,800,739) |
| 13 | Investment Tax Credit Adj - Net | (245,820) | (124,710) | (121,110) |
| 14 | Gains From Disp of Allow - Credit | (4,077,598) | (1,910,387) | (2,167,211) |
| 15 | Accretion Expense | 0 | 2,703 | (2,703) |
| 16 | Total Utility Operating Expenses | 377,235,998 | 205,641,496 | 171,594,502 |
| 17 | Net Utility Operating Income | 31,738,021 | 21,655,903 | 10,082,118 |
| 18 | Other Income and Deductions | | | |
| 19 | Other Income | | | |
| 20 | Nonutility Operating Income | 457,164 | 483,835 | (26,671) |
| 21 | Interest and Dividend Income | 2,994,732 | 1,604,336 | 1,390,396 |
| 22 | Allowance for Funds Used During Const | 733,884 | 336,515 | 397,369 |
| 23 | Miscellaneous Nonoperating Income | 10,526 | 333 | 10,193 |
| 24 | Gain on Disposition Of Property | 0 | 0 | 0 |
| 25 | Total Other Income | 4,196,306 | 2,425,019 | 1,771,287 |
| 26 | Other Income Deductions | | | |
| 27 | Loss on Disposition Of Property | 48,164 | 60,081 | (11,917) |
| 28 | Miscellaneous Income Deductions | 1,865,606 | 870,821 | 994,785 |
| 29 | Total Other Income Deductions | 1,913,770 | 930,902 | 982,868 |
| 30 | Taxes Applicable to Other Income and Deductions | | | |
| 31 | Taxes Other Than Income Taxes | 206,213 | 114,431 | 91,782 |
| 32 | Income Taxes - Federal | 3,151,151 | 3,169,905 | (18,754) |
| 33 | - Other | 429,106 | 432,972 | (3,866) |
| 34 | Provision for Deferred Income Taxes | 335,275 | 419,671 | (84,396) |
| 35 | Provision for Deferred Income Taxes - Credit | (237,316) | 0 | (237,316) |
| 36 | Investment Tax Credit Adj - Net | (142,389) | (94,926) | (47,463) |
| 37 | Total Taxes on Other Income and Deductions | 3,742,040 | 4,042,053 | (300,013) |
| 38 | Net Other Income and Deductions | (1,459,504) | (2,547,936) | 1,088,432 |
| 39 | Interest Charges | | | |
| 40 | Interest on Long Term Debt | 9,085,270 | 2,965,509 | 6,119,761 |
| 41 | Amortization of Debt Discount and Expense | 421,597 | 68,238 | 353,359 |
| 42 | Amortization of Loss on Reacquired Debt | 105,833 | 90,714 | 15,119 |
| 43 | Amortization of Premium on Debt - Credit | 0 | 0 | 0 |
| 44 | Interest on Debt to Assoc. Companies | 3,405,261 | 1,120,084 | 2,285,177 |
| 45 | Other Interest Expense | 845,136 | 391,334 | 453,802 |
| 46 | Allow for Brwd Funds Used Dur Const - Credit | (557,058) | (214,501) | (342,557) |
| 47 | Net Interest Charges | 13,306,039 | 4,421,378 | 8,884,661 |
| 48 | Net Income | 16,972,478 | 14,686,589 | 2,285,889 |